ICR Review

Operations Evaluation Department

Report Number : ICRR11541

1. Project Data:		Date Posted : 09/08/2003		
PROJ ID : P000949			Appraisal	Actual
Project Name :	Health Sector Support	Project Costs (US$M)	773.4	692.4
Country :	Ghana	Loan/Credit (US$M)	35.0	34.2
Sector(s):	Board: HE - Health (96%), Central government administration (4%)	Cofinancing (US$M)	165.0	127.6
L/C Number :	C2994			
		Board Approval (FY)		98
Partners involved :	DANIDA, DFID, Govt. of Netherlands, Nordic Fund	Closing Date	06/30/2002	06/30/2002

Prepared by :	Reviewed by :	Group Manager :	Group :	
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2. Project Objectives and Components

a. Objectives

To support Government's reform of the health sector through implementation of its *Medium Term Health Strategy*, the goal of which is to improve the health of Ghanaians by increasing access, quality, and efficiency of health services, and forging linkages with other partners in health development . The project was handled under a new instrument, a sector-wide approach (SWAp), and involved four other donors in a pooled funding arrangement .

b. Components

There were no pre-identified components. Credit supported a sector-wide reform program, financing a time-slice of the combined Government and external assistance budgets . Main strategies were to: (a) improve access, quality and efficiency of primary health services; (b) reorient secondary and tertiary service delivery to support primary health services; (c) train adequate numbers of new health teams to provide defined services; (d) improve capacity for policy development and analysis; (e) strengthen national support systems for human resources, logistics and supplies, financial management and health information; (f) promote private sector involvement in the delivery of health services; and (g) foster intersectoral actions.

c. Comments on Project Cost, Financing and Dates

Total program cost was less than estimated at appraisal (89.4%) reflecting a smaller contribution from Government (92.5%) and less from cofinanciers who did not fulfill pledges (77.3%), mostly offset by a larger contribution from internally generated funds and by resource reallocation . Bank's Credit was 97.7% of estimate. The Mid Term Review was held at the mid-point of the four-year project, which closed on schedule.

3. Achievement of Relevant Objectives:

- Specific outputs and outcomes cannot be attributed to the Bank's contribution of 5% of total project costs. However, sector-wide policy changes were introduced as a result of the overall project, which evolved through strong Bank leadership.
- Some health outputs improved (for example, outpatient visits per capita rose from 0.39 in 1996 to 0.49 in 2001; births attended by skilled health staff rose from 38% to 50%) and substantial progress was made in the integration of vertical programs (TB, Leprosy and Maternal and Child Health).
- However, persistent regional inequalities in access to services continued, and many infectious disease programs failed to meet their targets. (For example, the TB detection target rate was 85% but reached 45% ; for malaria, 40% of children under 5 were to be sleeping under impregnated bed nets but only 9% were reached; and the number of Guinea Worm cases rose.) Problems cited include management, shortage of personnel, and lack of strategies.
- Hospital bed occupancy rates have fallen from a national level of 70% to 65% over the project period.
- Due to the conflicting situation between the need to pay incentives to retain staff and attract staff to poorly served areas plus concern over wage inflation, together with the continued 'brain drain' overseas, human resource problems continued. Despite the increased production of health staff, over the project period the number of doctors in the public sector fell from 1,069 to 828, and nurses from 12,192 to 9,247.
- Decentralization of decision making to regional and district management teams was strengthened through

funding, training, and equipment.

- The Ministry of Health was reorganized including separation of the purchasing and regulation function from the service delivery function.
- No significant progress was made in improving intersectoral collaboration by the health sector, or collaboration with the private sector.

4. Significant Outcomes/Impacts:

- Access improved through construction of new facilities and some rehabilitation .
- Working under the umbrella of a Memorandum of Understanding for participating donors, common financing and implementation arrangements were introduced. This streamlining of assistance reduced duplication and wastage.
- The Ministry of Health was reorganized and a participative process of sector review and planning has been institutionalized.
- Decentralization of decision-making to the regions was strengthened, with a system which created a clearer relation between planning, budgeting, and performance. Over 400 Budget and Management Centers are now operating, the majority of which meet their financial targets, compared with only about a quarter of Budget and Management Centers at project initiation.
- Procurement capacity at both the central and local levels was improved, and the transparency of the procurement process throughout the public health sector has greatly increased .

5. Significant Shortcomings (including non-compliance with safeguard policies):

- A comprehensive human resource strategy was not developed for the sector as a whole and persistent regional inequality in access to services continues.
- Overall utilization of public health services remains low.
- High rate of manpower turnover at the central level has weakened institutional memory which may affect project sustainability.
- Except for the initial core donor group, all other donors remained outside of the resource pooling system, and some participating donors are maintaining earmarked funding which reduces the benefits of shared funding .
- Progress in the integration of private providers in planning and service delivery was far slower than intended; contracts to regulate the collaboration between public and not-for-profit private sector are still to be developed.
- Intersectoral collaboration remained weak; no guidelines, policies or mechanisms were instituted to make the health sector work more effectively with other sectors (i.e. with nutrition, sanitation, education, agriculture, social welfare).
- Monitorable indicators to cover inputs, outputs, and outcomes should have been developed at the design stage of the project, rather than relying on data from the Demographic and Health Surveys which were not tailored to the project issues nor the project schedule.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	A major shift in approach has been achieved through pooling of donor funding, and significant policy changes have been made, but the health outputs are modest, manpower problems persist, intersectoral collaboration and collaboration with the private sector have not been addressed.
Institutional Dev .:	Substantial	Substantial	
Sustainability :	Likely	Likely	A follow-on IDA credit will maintain support of the Government's Health Strategy, and donors are committed to continuing the pooling arrangements. However, replacing the user fee system with an untested insurance scheme could create financing difficulties.
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Exemplary	

NOTE: ICR rating values flagged with ' * ' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- Supply-based health services need matching demand-raising activities where utilization levels are low.
- To draw maximum benefit from the pooling of donor funding, the structure should encompass all external donors plus internal partners (local NGOs, private sector, other ministries)

- A comprehensive manpower planning program is necessary in a conflicting situation where there is a need to pay incentives to retain staff and attract staff to poorly served areas plus concern over wage inflation, but staff are leaving the country at a rate higher than the training institutions can supply replacements .
- Monitoring indicators should be developed that continuously assess progress and facilitate program adjustments.

8. Assessment Recommended? ○ Yes ● No

9. Comments on Quality of ICR:

The ICR was comprehensive, and presented data with clarifications (such as the tables of monitorable indicators and project costs). It provided frank discussion of the problems of the Bank procedures, examined the role of government from both the positive and negative aspects, and laid out in practical detail the lessons learned from this new instrument. Most particularly, this ICR gave reasons for choosing some policy directions and rejecting others for further work in this sector and under SWAp instruments .