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PROJECT COMPLETION REPORT

ZAIRE

NATIONAL AIDS CONTROL PROGRAM ASSISTANCE PROJECT
(CREDIT 1953-ZR)

JUNE 27, 1995

Population and Human Resources Division
Central Africa and Indian Ocean Department
Africa Regional Office

FISCAL YEAR

January 1 - December 31

ABBREVIATIONS AND ACRONYMS

AIDS	Acquired Immuno-Deficiency Syndrome
BCC	*Bureau central de coordination* (Central Coordinating Office for the National AIDS Control Program)
BRC	*Bureau régional de coordination* (Regional Coordinating Office for the National AIDS Control Program)
GPA	Global Program on AIDS (WHO)
HIV	Human Immuno-Deficiency Virus
IEC	Information, Education, and Communication
NACP	National AIDS Control Program
NGO	Non-Governmental Organization
PCR	Project Completion Report
PEP	Public Expenditure Program
SDR	Special Drawing Right
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Programme
USAID	United States Agency for International Development
WHO	World Health Organization

The World Bank
Washington, D.C. 20433
U.S.A.

Office of the Director-General
Operations Evaluation

June 27, 1995

MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT

SUBJECT: ***Project Completion Report on Zaire***
National AIDS Control Program Assistance Project (Credit 1953-ZR)

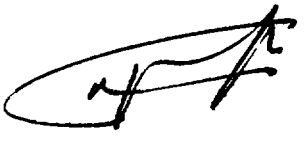
Attached is the Project Completion Report (PCR) on the Zaire National AIDS Control Program Assistance project (Credit 1953-ZR, approved in FY88) prepared by the Africa Regional Office. Part II was prepared by the Borrower.

This was the Bank's first free-standing AIDS control project. It was designed to help Zaire's AIDS Control Program become fully operational. The project was to (a) help prevent transmission of the AIDS virus (HIV), (b) improve the quality and amount of information on AIDS in Zaire, and (c) reduce the impact of AIDS on individuals, families and communities.

Despite a strong technical design, project implementation experience was disappointing and discernable achievements insignificant. Weak project management and low government commitment were obstacles to the intended quick infusion of resources. Rapid deterioration of Zaire's socio-political, physical and financial environment, including looting of project premises in 1991 and 1993, created increasingly difficult conditions for the project. IDA's decision to extend the project implementation period for two and a half years in 1992 reflected the expectation that positive political changes at the time would turn Zaire's chaotic conditions around, but the situation soon resumed its downward spiral. Thus, increasingly difficult economic and political conditions led to the suspension of all disbursements in July 1993, and declaration of non-accrual status four months later. The project was closed in January 1994, with only 41 percent of the IDA credit disbursed.

The project outcome is rated as unsatisfactory, its institutional development impact as negligible and its sustainability as unlikely. The project had little impact on the evolution of the AIDS epidemic in Zaire and made slight contribution to the development of the country's capacity to combat AIDS. The risks of rapid macroeconomic change and limited political commitment to the resolution of public health problems, and their implications for successful implementation of this type of project, were not identified at appraisal.

The PCR is of high quality and frankly documents key lessons learned. Because this is the first free-standing AIDS project, an audit is planned.



Attachment

REPUBLIC OF ZAIRE

PROJECT COMPLETION REPORT
NATIONAL AIDS CONTROL PROGRAM ASSISTANCE PROJECT
CREDIT 1953-ZR

CONTENTS

PROJECT COMPLETION REPORT

ZAIRE

NATIONAL AIDS CONTROL PROGRAM ASSISTANCE PROJECT

(CREDIT 1953-ZR)

PREFACE

1. This is the Project Completion Report (PCR) for the National AIDS Control Program Assistance Project in Zaire, for which Credit 1953-ZR in the amount of SDR 6.2 million (US$8.1 million equivalent) was approved on September 8, 1988 and signed on October 26, 1988.

2. This credit became effective on May 30, 1989. Because of major delays in implementation of the project, the closing date was extended initially from June 30, 1992 to December 31, 1992, and then again to December 31, 1994. On July 15, 1993, as the Government of Zaire had failed to make scheduled payments to the Bank, disbursements on this and all other Bank-financed projects in Zaire were suspended. On November 15, 1993, Zaire was placed in non-accrual status. Because prospects of a resumption of disbursements were minimal and the political and economic conditions for project execution were steadily deteriorating, all Bank-financed projects were closed. Credit 1953-ZR was closed on January 12, 1994, nearly a year ahead of the extended closing date, and the credit balance of SDR 3,776,527.73 (US$ 5.2 million equivalent) was canceled. The last disbursement was made in November, 1993.

3. Parts I and III of this PCR were prepared by the Population and Human Resources Division of the Central Africa and Indian Ocean Department (AF3PH). Part II was prepared by the Borrower. An addendum to Part I provides Bank comments on the Borrower's observations in Part II. There was no formal completion mission since the project was canceled early due to Zaire's non-accrual status; however, a Zairian consultant helped to gather data on results from the Borrower. The report follows the old PCR format because the task was initiated prior to introduction of the new Implementation Completion Report format.

4. The PCR is based on the President's Report, the Staff Appraisal Report, the Development Credit Agreement, reports by the Borrower, Bank project supervision reports, correspondence between Bank and Borrower, and the personal knowledge of Bank staff and the Zairian consultant who assisted in the PCR.

PROJECT COMPLETION REPORT

REPUBLIC OF ZAIRE

NATIONAL AIDS CONTROL PROGRAM ASSISTANCE PROJECT

(CREDIT 1953-ZR)

EVALUATION SUMMARY

A. BACKGROUND AND OBJECTIVES

1. The rapid spread of the AIDS epidemic in Central Africa and the growing alarm about its potential impact on economic and social development led to the preparation of the Zaire National AIDS Control Program Assistance Project, the first free-standing AIDS Project financed by the Bank. Recognizing the threat of AIDS to national development, the Project was an innovative effort intended to provide an infusion of resources to allow a quick scale-up of the level of activity to combat AIDS while the Government and donors developed longer-term control strategies. The total project cost, including parallel financing from eight other donors, was to be US$21.9 million. The IDA Credit was for SDR 6.2 million (US$8.1 million equivalent).

2. The project's key objectives were to: (a) prevent transmission of the AIDS virus, (b) improve the data base on AIDS in Zaire, and (c) reduce the impact of AIDS on individuals, families, and communities. Its four key components were (a) development of an IEC (information, education, and communication) program, and distribution of condoms, (b) integration of AIDS control activities, (c) operational research and studies, and (d) institutional strengthening.

B. IMPLEMENTATION EXPERIENCE

3. **The overall outcome of this project was unsatisfactory.** Its impact on the course of the epidemic and on the establishment of control efforts was disappointing. The expectation that the Ministry of Health's *Bureau central de coordination* (BCC) could quickly absorb and effectively manage substantial resources turned out to be overly optimistic. Expecting an improvement in overall Zaire conditions, the Bank agreed in 1992 to extend the closing date of the IDA Credit from June 30, 1992, to December 31, 1994. Zaire's non-payment of arrears, however, led to suspension of all disbursements on July 15, 1993 and declaration of non-accrual status four months later. When the project was finally closed in January, 1994, only 41% of the IDA Credit had been disbursed. The annual disbursement rate was only one-fourth the level expected.

4. Several reasons for this outcome can be cited, for the most part not related to the technical design of the project, which was sound. The most important weakness, except during the initial months of the project, was the lack of leadership and management skills in the BCC and the lack of familiarity with Bank procedures. The Bank's proposed offers of technical assistance for procurement and financial management were not accepted, perhaps because some Government officials did not want international consultants in key project functions. Frequent turnover of BCC and Ministry staff did not help. Second, the sharp deterioration in Zaire's political and economic situation, especially after 1990, created a difficult environment for effective implementation. Widespread looting and civil chaos in 1991 led to the departure from Zaire of most of the project's donors. Third, delays were caused by: (a) a disagreement between the Borrower and the donors concerning technical assistance which was not settled until 18 months after Credit effectiveness, and (b) a nine-month suspension of disbursements from the Special Account owing to the BCC's use of its funds for ineligible expenditures. Fourth, even though the BCC did not have the capacity to execute AIDS control activities, it was slow to focus on its limited mandate of mobilization and coordination, thereby missing the opportunity to engage effectively the regions, health zones, and other public programs as well as private sector and NGO institutions in the fight against AIDS.

C. RESULTS

5. **The project had little impact on the evolution of the AIDS epidemic in Zaire; furthermore, it made only a partial contribution to institutional development of the country's capacity to combat AIDS.** Only US$3.3 million of Credit proceeds was disbursed over a period of five years. The Government did not manage the Credit in such a way as to receive the quick infusion of resources that was intended, and did not place high priority on effective implementation. The most successful AIDS interventions during this period, such as education programs and social marketing of condoms, were funded by grants from other donors and implemented by NGOs and the private sector.

6. On the positive side, the project did contribute to the overall effort by financing inputs such as laboratory equipment, condoms, AIDS test kits and other supplies, as well as BCC operating costs, preparation of training and management modules, training of health professionals, and data gathering for surveillance of the epidemic.

D. SUSTAINABILITY AND CONCLUSIONS

7. **The political turmoil, civil upheavals, and catastrophic deterioration of the economy from 1991 onwards created conditions where project sustainability became unlikely.** On the positive side, a few outputs should have a continuing impact, such as the development of training modules and management tools, training of service providers, and public education campaigns. Most of the trained health providers remain in their

positions, and the increased public awareness of AIDS prevention should not be completely erased by the deterioration in Zaire's fortunes.

8. Major conclusions and lessons learned include:

(a) The Bank should resist the pressure to lend to governments lacking political commitment to development or refusing to follow economic policies conducive to effective investments. If the implementation environment turns measurably worse after a project is approved, the Bank should be quicker to consider suspension or early cancellation. If a decision to lend is made, the Bank should insist on adequate project management structures, even if it means in unusual situations like those in Zaire using consultants and establishing project implementation units.

(b) Roles of various actors should be clearly defined at the project preparation stage. The failure of the BCC to limit its mandate to coordination rather than control of executing institutions resulted in ineffective mobilization of the regions, health zones and other public and private institutions.

(c) The frequency, regularity and quality of Bank supervision do make a difference. Earlier identification of implementation problems and timely corrective measures might have helped. When problems developed, it might have been helpful to identify concrete actions to be required of the Government as a condition for continuation of the project.

(d) Implementation success cannot be isolated from the larger political, economic and social context. Better project management would have made a difference, but could not have completely shielded the AIDS control effort from Zaire's overall decline.

(e) Given that the recruitment and retention of good project leaders and mangers are crucial for successful project launching and implementation, the Bank should be prepared to delay or halt project launching and to interrupt implementation if necessary until satisfactory staff are assigned and retained.

(f) Adequate understanding of Bank disbursement and procurement procedures by the implementors, whether through training of local staff or through consultants or a combination of both, should be a *sine qua non* of project effectiveness.

(g) To facilitate channeling of support to poor NGOs, the Bank should consider greater flexibility in its disbursement procedures, such as providing advances where NGOs cannot launch activities without up-front financing, rather than reimbursing only after an expenditure is made.

(h) Incentive payments to local project staff may not produce productivity increases in the absence of satisfactory management.

(i) In situations with high probability of civil strife, back-up project data bases and duplicates of financial records should be stored in safe locations away from project office premises.

9. Although shortcomings in the Borrower's management of the Credit were the major factor in the disappointing project outcome, the implementation environment that existed from late 1991 onward created conditions where even the best management team would have faced a difficult challenge. Nevertheless, if the BCC had been led more aggressively, and had taken advantage of available technical resources for procurement and financial management, it would have been able to use all project resources for additional education campaigns, training, importation of HIV test kits and distribution of condoms prior to the July 1993 suspension of all disbursements to Zaire. Even if some of the BCC's activities would not have been sustained permanently, those inputs would have protected the health and saved the lives of many Zairians.

PROJECT COMPLETION REPORT
ZAIRE
NATIONAL AIDS CONTROL PROGRAM ASSISTANCE PROJECT
(CREDIT 1953-ZR)

1. PROJECT REVIEW FROM BANK'S PERSPECTIVE

A. PROJECT IDENTITY

Name	:	National AIDS Control Program Assistance Project
Credit Number	:	1953-ZR
RVP Unit	:	Africa Region
Country	:	Zaire
Sector	:	Human Resources
Subsector	:	Health

B. BACKGROUND

1.1 At the time of project preparation, IDA's principal strategy in Zaire was to support the country's structural adjustment program. The Government decided in December 1987 to develop social programs aimed at alleviating the impact of adjustment on the poorest segment of the population. A Zaire Population, Health, and Nutrition Review drafted in 1987 found that the AIDS epidemic represented the most threatening public health problem in urban Zaire, with HIV infection rates in Kinshasa at the 6-8% level, high enough to wipe out gains from progress in primary health care. Furthermore, a Bank/WHO analysis suggested that an unchecked AIDS epidemic would have measurable adverse effects on economic growth.

1.2 The Government, concerned at the rapid spread of AIDS, joined forces with WHO to organize a donor meeting in February 1988, to discuss strategies and financing for a medium-term action plan, as part of the National AIDS Control Program (NACP) which had been established the previous year. The role envisaged for the Bank was built on its experience in the planning, financing, and managing of large national programs, and in the mobilizing and coordination of aid from many donors. From this setting emerged the decision to launch the World Bank's first free-standing AIDS control project. It was a pioneering effort for both the Bank and the Government in that it recognized the degree to which AIDS is a threat to national development. As for the broader policy issues and resource needs of the social sectors in Zaire, the Bank addressed them through three other projects: the Social Sector

Adjustment Project, the Higher Education Rationalization Project, and the Third Education Project (See Part III, Table 1).

C. Project Objectives and Description

1.3 **Project Objectives**: The project, designed to help the National AIDS Control Program become fully operational, was focused on the following objectives:

(a) To prevent transmission of the AIDS virus (HIV), by:

- (i) changing sexual behaviors, through information, education, and communication (IEC) programs;
- (ii) distributing condoms;
- (iii) treating other sexually transmitted diseases;
- (iv) screening donated blood;
- (v) sterilization of skin-piercing instruments;
- (vi) controlling perinatal HIV transmission.

(b) To improve the data base on AIDS in Zaire, by:

- (i) strengthening and developing the laboratory infrastructure;
- (ii) developing the AIDS surveillance system;
- (iii) improving knowledge of AIDS-related behavior in the general population;
- (iv) developing socio-economic surveys in relation to AIDS;
- (v) developing operational research.

(c) To reduce the impact of AIDS on individuals, families, and communities, by providing:

- (i) special assistance to AIDS cases and seropositive patients;
- (ii) information and education for those in contact with infected persons.

1.4 **Project Description**: The project was designed with four components:

(a) IEC Program Development and Condom Distribution (US$5.8 million)
(b) Integration of AIDS Control Activities (US$8.7 million)
(c) Operational Research and Studies (US$1 million)

AIDS being a new disease, operational research and studies were considered essential if the effectiveness of prevention and control measures were to be tested. This component was to support research on: (i) HIV transmission; (ii) sociocultural dimensions of AIDS; (iii) cost-effectiveness of control measures; (iv) constraints to condom use; (v) case management strategies; (vi) potential diagnostic tools; (vii) impact of the disease on the economy; and (viii) development of a national surveillance system. These studies were to make the NACP more effective and efficient.

(d) Institutional Strengthening (US$3.2 million)

The NACP was to be strengthened institutionally through: (i) provision of personnel, equipment, and vehicles for its central coordinating office (BCC); (ii) provision of operational support to upgrade managerial capabilities at the regional and subregional levels and in health zones, in addition to support in the form of training/supervision, equipment, and supplementary working capital; and (iii) establishment of mechanisms for the coordination of government and non-government AIDS control activities.

D. Project Design and Organization

1.5 The project was designed in the context of a clearly enunciated medium-term plan of action prepared by the Government with technical assistance from WHO. It was intended to provide a quick infusion of resources over the next three years (US$8.1 million from IDA and US$10.5 million in parallel financing from other donors) so that the level of the AIDS control effort could be scaled up rapidly. It was anticipated that this would give the Government and other donors time to plan longer-term strategies and mobilize supplementary resources. Close coordination with other donors, particularly WHO and UNDP, was planned. The strategy on which the project and its components were based was appropriate for the period.

1.6 In principle, BCC's role was to be limited to coordination and supervision of all AIDS-related activities, while the executing function was to be taken up by the regions, the health zones, and other public and private agencies. Unfortunately, however, BCC at times sought to function as an executing agency.

1.7 To summarize, the disappointing results of the project (next section) were due to management shortcomings and unforeseeable deterioration in the implementation environment in Zaire rather than to initial faulty design.

E. Project Implementation

General

1.8 Credit 1953-ZR became effective on May 30, 1989. In summary, its concrete achievements were insignificant, for two main reasons:

(a) Lack of dynamism, in conjunction with weak management, on the part of the project leadership, and

(b) A work and implementation environment rendered difficult by the country's economic deterioration and political paralysis.

Country Context

1.9 At the time the project was approved, Zaire was engaged in a structural adjustment program and the Government was expected to introduce well-coordinated economic policies with a strong focus on the social sectors. Abandonment of the structural adjustment effort in March, 1990 was followed by precipitous and continuing economic decline. In April 1990, President Mobutu authorized multi-party politics, leading unfortunately to political chaos and unprecedented governmental instability. Hyperinflation, a drop in the purchasing power of the local currency, social disturbances and looting in September 1991, and January 1993, the collapse of the banking system and of transportation and communications systems, and non-payment of civil service salaries together brought implementation of the project to a virtual halt. The BCC offices were looted and destroyed on two occasions. Equipment and vehicles were either stolen or damaged and accounting records destroyed.

1.10 Suspension by most donors of their cooperation programs after the looting of 1991 became a further serious obstacle to the implementation of project activities, particularly in the programs for social marketing of condoms, AIDS education, blood screening, and research. The IDA credit then became the only substantial source of outside financing to the BCC. Because of Zaire's failure to pay its arrears to the Bank, however, disbursements on all Bank-financed projects were suspended on July 15, 1993. Subsequently, on November 15, 1993, the Bank declared Zaire in non-accrual status and proceeded to close its project portfolio.

Sector Problems

1.11 Given that the Bank had not had previous experience in the health sector in Zaire, it might appear, in retrospect, that the Government's ability to function effectively and manage resources efficiently had been assessed too optimistically. Unfortunately, the health sector could not escape the consequences of the overall political chaos and economic deterioration. Partly for such reasons, Bank financing of institutional strengthening measures had only limited success. The politicization of the health ministry and the high turnover of senior officials (for example, five Ministers of Health in 1990 alone) distracted the Government's attention from the project. Finally, the counterpart funds promised by the Government were not allocated in the anticipated amounts or according to schedule.

Project-Level Problems

1.12 The expected capacity of the BCC to administer a program effectively and to mobilize regions and executing agencies did not materialize. The BCC was slow to accept its limited role of coordination, support and monitoring and for a number of years sought to function as an executing agency as well. The result was that it both failed to mobilize and catalyze the regions and health zones, and missed the opportunity of engaging other public and private and NGO organizations in the fight against AIDS. Frequent turnover of BCC Directors was also a problem. The Director at the time of appraisal, a dynamic leader, was killed in a car accident widely regarded as suspicious. His successors, assigned in 1989, 1990 and 1993, were not as successful in articulating a strategy for AIDS control and in managing a program.

1.13 Two specific problems involving the Bank were also responsible for major delays in implementation. First of all, the Government and the donors disagreed on technical assistance arrangements. At the time of negotiations, there had been agreement between the Government and the Bank that two long-term consultants would be assigned as a condition of credit effectiveness - a program manager to serve as deputy director of the BCC and an accountant. In addition, it was expected that the Ministry of Health would ask UNICEF to act as its agent for the procurement of goods. Owing to the Health Ministry's later persistent resistance, the World Bank, WHO, and UNDP eventually agreed to require only one resident international consultant, a lower-level planner, but this resolution was not reached until October 1990, sixteen months after project effectiveness. Furthermore, the Ministry never requested UNICEF to act as its agent for procurement. The BCC did not follow up on other offers of technical assistance for procurement so the major procurement programmed never got off the ground. Second, BCC's non-compliance with applicable Bank procedures led to suspension of disbursements from the Special Account for nine months until the Government reimbursed IDA in 1991 for ineligible expenditures under the Account.

1.14 Even if there had not been leadership and management weaknesses in the BCC, it would have been difficult to escape the consequences of the deteriorating socio-political, physical and financial environment. Social and political instability manifested in strikes, disturbances, and lack of security of property and persons, especially in Kinshasa, was responsible for the loss of numerous days of work. Physical constraints, chiefly inadequacies in office equipment and supplies after the looting of BCC premises in September 1991, made dependence on costly outside services inevitable, especially for document preparation and copying. Financial constraints were created by: (a) irregularity on the part of the Government in making counterpart funds available, which in turn disrupted disbursement of Credit proceeds by IDA; (b) lack of liquidity in the local banking system and systematic non-acceptance of checks in payment for goods and services; (c) inflation rates which eventually reached several thousand percent per year, and (d) suspension of bilateral and multilateral cooperation arrangements with Zaire, and ensuing inability to fund the National AIDS Control Program.

1.15 In view of the fact that Zairian civil service salaries were very low and that the Government had virtually ceased paying them after the country's sharp economic decline, the Bank agreed on an exceptional basis to classify most BCC personnel as consultants, authorizing incentive payments from Credit proceeds. A total of US$10,000 per month was paid to six Zairian experts and 10 support personnel. The principle of incentive payments had been accepted by the Bank under other projects in Zaire as a temporary means of motivating personnel until the authorities had had time to introduce far-reaching reforms throughout the civil service. In this particular instance in Zaire, however, the system of incentive payments did not lead to any real improvement in the productivity of BCC personnel, mainly because of poor management.

1.16 IDA agreed in 1992 to extension of the Credit closing date from June 30, 1992 to December 31, 1994 in view of the following: a Government which took office in 1992 brought some hope that the situation would improve; the BCC had taken various steps to improve project management; the Public Health Minister and the BCC management team had

undertaken to channel necessary resources and support to the project executing agencies; the BCC decided to press ahead with condom distribution and the establishment of laboratories; and the Government released counterpart funds. This particular government survived only a few months, however, and the political and economic environment continued to deteriorate rapidly. The expected improvement in project implementation never occurred.

F. PROJECT RESULTS

1.17 In financial terms, out of a total of US$8.1 million, only US$3.29 million (41%) of the credit was disbursed. The unspent balance has been canceled. Table 5(a) in Part III shows the distribution of planned and actual disbursements by credit category. What results the project did achieve had to do with the IEC program, distribution of HIV test supplies, safety and laboratory screening of the donated blood supply, and program management.

1.18 **IEC Program:** A major project objective was to change sexual behaviors. Although outputs are hard to measure, important inputs were financed. The Ministry of Education arranged AIDS awareness sessions for students. Over the period 1991-1994, training was provided for 1,714 individuals (physicians, nurses, trainers working at the central level, and others) although not all of it was related to this project. Other donors besides the World Bank — WHO, UNICEF, USAID, *L'armée du salut* — helped finance these activities. Table 4, Part III, gives details on project-related training.

1.19 **Condom distribution:** A total of 7,793,806 condoms were distributed, thus exceeding the initial target figure of 560,000 by an enormous margin. By one formula, this might have averted over a thousand cases of HIV transmission.

1.20 **Safety of the blood supply; laboratories:** It was intended to establish a blood testing laboratory in each region. Although the BCC cleared through customs 12 lots of equipment for the central laboratory and 11 referral laboratories, the slow pace of the Borrower's bureaucratic procedures, as well as the numerous difficulties that affected the project execution process (e.g. the lack of transport to the regions, in this case), meant that this equipment (except for one laboratory in Kinshasa) was never installed and remains in storage. One concrete achievement was the selection of transfusion criteria to limit and improve blood donations.

1.21 **Distribution of HIV tests:** Out of a planned total of 270,000 screening test kits, the BCC succeeded in distributing 104,408 (39%) to health zones and medical facilities in all regions of the country except South Kivu.

1.22 **Program management:** In the area of institutional strengthening, the BCC developed not only training modules but also an impressive National AIDS Control Program Procedures Manual covering Program content, personnel management, procurement, budget and finances, information systems, and operating procedures. The Manual was the result of the combined efforts of experts attached to the BCC and several other agencies.

1.23 **Supplies, equipment, premises:** The credit financed vehicles and equipment. Because of losses from looting, the BCC had to re-equip itself with an essential minimum of office supplies, equipment, and vehicles, as well as rehabilitate heavily damaged buildings for which Government funds were used.

1.24 **Supporting NGOs and other executing agencies:** Although explicit objectives concerning BCC grants to various executing agencies were not written into the Credit Agreement, it was always intended that the BCC would be a coordinating agency working through other organizations. This approach was resisted for some time by BCC leadership; however eventually proposals were solicited in 1992. There was an enthusiastic response, but there were too many financial and administrative problems in the declining economy and this effort never got off the ground in a significant fashion.

G. Project Sustainability

1.25 Given the urgency of the AIDS threat, including both its economic implications and the high death rate it caused, complete self-financing was never established as an objective at the national program level. It was logical that long-term subsidies should be made available for AIDS control programs. Consistent with overall health policy in Zaire, cost sharing for services at the individual level was expected of those able to pay. This policy, combined with the Government's recognition of the seriousness of the AIDS challenge, augured well at the time of appraisal for a measure of long-term sustainability. If Zaire had prospered economically as anticipated at the time it was following a structural adjustment program, many of the project's components would probably have been sustainable. As the situation evolved, however, few of the activities financed continued after cancellation of the credit. On the positive side, it is reasonable to assume that some project outputs will continue to have a favorable impact, such as management tools and experience at the BCC, production of training modules and training of health providers, and public education campaigns.

H. Bank Performance

1.26 The Bank's leadership in developing a standalone AIDS control project helped to raise the perceived priority of AIDS as a development issue in Zaire, in the Bank, and probably in the region. The preparation process involving many institutions in the design as well as in parallel financing helped reinforce global approaches to AIDS control. The technical content, influenced heavily by WHO, was basically sound.

1.27 The project suffered at times from the inadequacy and irregularity of Bank supervision. Opportunities were lost for early identification of problems as they arose (weaknesses in financial management and procurement problems) and for timely corrective measures to make the adjustments required by the rapid changes in Zaire. In retrospect, abandonment by the Bank, WHO and UNDP (in view of the Government's later objections to it) of the plan included in the 1988 Credit Agreement to put a long-term consultant manager and an accountant in BCC was a mistake (see Section E, para 1.13). When the donors agreed under

pressure to reduced roles for consultants, they might have been more insistent on alternative solutions to assure adequate levels of knowledge of Bank procedures and sufficient management controls. One approach might have been to have added procurement experts to more Bank supervision missions, so that, for example, some simple procedural matters in international competitive bidding might have been corrected earlier..

1.28 The Bank rules were seen as very rigid by the BCC. In Zaire's post - 1991 crisis situation, BCC would have preferred to see more flexibility in the Bank's procurement and disbursement procedures, but the adaptations requested entailed a level of risk the Bank was not prepared to accept.

I. BORROWER PERFORMANCE

1 29 Section E comments extensively on the deleterious impact of the country situation and BCC performance on project implementation. On the positive side, the Government had been prompt to recognize the seriousness of the threat of AIDS and to set up a major administrative structure consisting of the BCC at the central level and a Regional Coordination Office (BRC) in each region to deal with it. The major negative factors were the BCC's weak leadership and management, combined with the hostile economic and political environment in Zaire after 1990. In the final analysis, it is to the Borrower that the main responsibility for the disappointing outcome of the project must be ascribed.

1.30 Furthermore, the Borrower proved unable to maintain the momentum and coordination that had existed among the donors at the outset of the project. The results of consultations and resource coordination among the donors were unexpectedly meager for lack of appropriate leadership and adequate mobilization. For instance, the authorities seldom organized meetings of the NACP Implementation Committee or the Joint Committee on Resource Coordination in the later years of the project.

J. PROJECT RELATIONSHIPS

1.31 The Bank and the BCC maintained satisfactory working relationships. Cooperation with the other donors through the Joint Committee was good at the beginning of the project; subsequently, although consultation and coordination among the donors continued, the close links established initially became weaker. Data on disbursements of other donors are not available; however all the bilateral agencies pulled out after the 1991 civil breakdown. WHO, UNICEF and UNDP continue to provide modest assistance.

1.32 In contrast, relations between the BCC project management team and senior authorities in the Ministry of Health were stormy from 1992 onward. Ministry officials resented direct communication between the BCC and the Bank, and tried to be more directly involved, but the Bank insisted on continuing its direct relationship partly to maintain the integrity of project operations. In late 1993 the Ministry removed the BCC Director who had insisted on a degree of independent management. Furthermore, relations between the BCC

and potential executing agencies were strained during the period the BCC exceeded its limited mobilization and coordination role and exercised excessive control over implementation.

K. Consulting Services

1.33 Since the Bank had only limited experience with AIDS, this project, as well as the overall AIDS control effort, benefited greatly from technical assistance from other donors, particularly WHO and USAID. In the short term, the USAID approach of minimizing the role of government and relying on outside contractors and NGOs proved effective, giving impressive results in extending condom use and in AIDS education, the areas in which USAID was the principal donor. In the longer term, however, these programs could not be continued after USAID's departure from Zaire in late 1991.

1.34 WHO's Global Program on AIDS provided several resident consultants: an epidemiologist, an administrator, a planning and programming specialist, and an IEC specialist. The performance of these consultants was satisfactory, although their assignments within the BCC were not at a level that enabled them to exert a significant impact on the project. If the Government had been intent on using their services more effectively, or if the donors had continued to insist on their being placed at higher levels of management, project results would probably have been better. For example, if the BCC had been prepared to use more consultant assistance for procurement and financial management, it would have been able to use all project resources for additional education campaigns, training, importation of HIV test kits and distribution of condoms prior to the July 1993 suspension of all disbursements to Zaire. Even if some of the BCC's activities would not have been sustained permanently, those inputs would have protected the health and saved the lives of many Zairians.

1.35 Several local consultants were engaged short-term by the BCC, but their performance has not been evaluated.

L. Project Documentation and Data

1.36 In the looting that occurred in 1991 and 1993, important project documentation including financial records disappeared. This gave rise to difficulties in planning subsequent project activities, verifying progress against planned outputs, and monitoring budget estimates. Despite these setbacks, the BCC has an extensive database on AIDS in Zaire, e.g. surveillance data on AIDS cases and blood tests since 1985.

M. Conclusions and Lessons Learned

1.37 To summarize the Bank's judgment of project implementation, the overall outcome was unsatisfactory. The project did provide a partial contribution to the institutional development of Zaire's capacity to fight AIDS, although negative developments in the general

political and economic environment tended to swamp the positive impact of the project. The project activities are unlikely to be sustained for the most part as long as the country situation remains hostile to effective implementation.

1.38 Various lessons described in the preceding pages that may be worth considering in future projects are summarized below:

(a) The Bank should resist the pressure to lend to governments lacking political commitment to development or refusing to follow economic policies conducive to effective investments. If the implementation environment turns measurably worse after a project is approved, the Bank should be quicker to consider suspension or early cancellation. If a decision to lend is made, the Bank should not compromise on requiring adequate project management structures. Although independent project management units are not favored in principle by the Bank, and the assignment of long-term consultant advisors should be minimized, Zaire probably was an exceptional situation where the donors should have been more insistent on management structures which would better ensure the integrity of project implementation. With little evidence that the Zaire environment provided sufficient guarantees for the efficiency and integrity of resource use, the Bank should have insisted on the originally-agreed plan for a consultant manager as Deputy Director of the BCC and for a consultant accountant, with an emphasis in their duties to enhance local capacity.

(b) The roles of the various actors should be clearly enunciated at project preparation stage and the implementation capacity of government institutions should not be overestimated. If the coordinating function of the BCC and the executing function of health regions and zones and of other public and private/NGO institutions had been formulated with greater clarity, one might have seen enhanced relations among the various actors, increased capacity building, and greater overall project success.

(c) The frequency, regularity and quality of Bank supervision do matter. Timely identification of problems and finding solutions can spell the difference between success and failure over the life of the project. When problems developed, it might have been helpful to identify concrete actions to be required of the Government as a condition for continuation of the project.

(d) Success in implementation cannot be isolated from the larger political, economic and social context of the country. Better project management would have made a difference, but could not have completely shielded the AIDS control effort from Zaire's overall decline.

(e) The Bank should insist on the recruitment and retention of satisfactory project leaders and managers, *even* if it means delaying or halting project launching

and interrupting implementation until acceptable staff are assigned and retained.

(f) Adequate understanding of Bank disbursement and procurement procedures by the implementors, whether through training of local staff or through consultants or a combination of both, should be a *sine qua non* of project effectiveness.

(g) The Bank should consider greater flexibility in its disbursement procedures in projects supporting poor NGOs that have no resources to launch activities without up-front financing. For example, the Bank should consider mechanisms to provide advances to jump start NGO activities rather than only reimbursing after the expenditure has been made.

(h) Incentive payments to local project staff may not produce productivity increases in the absence of satisfactory management.

(i) In situations with high probability of disruption or civil strife, back-up project data bases and duplicates of financial records should be stored in safe locations away from project office premises.

N. BANK'S COMMENTS ON BORROWER'S PART II

1.39 This addendum provides Bank comments on the Government's observations in Part II, as well as on the October 19, 1994 letter received from the Director of the BCC/SIDA, which is attached to Part II. The Borrower prepared Part II after receiving a near-final draft of Part I. The October 19, 1994 letter attached to Part II is the Government's reconfirmation of its original comments after receiving officially from the Bank the final version of Part I. The letter also alludes to its argument in Part II, Sections H and M that the inflexibility of the Bank's rules and regulations was a factor in the unsatisfactory outcome of the project (see also Bank comment in Part I, Section H). The Bank's comments in this Section N were written after receiving Part II and the letter. They were not sent to the Borrower in the interest of finalizing the PCR in a timely fashion.

1.40 Part II was written by the management of the BCC/SIDA and endorsed by senior officials in the central Ministry of Health. Since the current BCC/SIDA Director was appointed only in late 1993 after disbursements were suspended, Part I comments do not apply to him personally; however, other senior BCC/SIDA staff have worked extensively on the project.

1.41 A major frustration of the BCC/SIDA technicians trying to implement an AIDS control program in the last several years was the hostile implementation environment created by the rapidly degenerating political and economic conditions in Zaire. In the interests of seeing activities move forward to save lives from AIDS, they hoped that the World Bank would be flexible in its requirements and procedures governing special

accounts, procurement regulations, and disbursement practices to make up for the challenges posed by their government's gross mismanagement of the economy. They felt that since the project dealt with the subject of AIDS, the Bank should have been prepared to make exceptions to its usual requirements, which they perceived as unnecessarily rigid. The meaning behind the Part II, Section E, para (c) comment on questions put to supervision missions remaining unanswered is that the answers provided, which stated Bank standards and procedures, were not satisfactory from their point of view. If this dilemma suggests any generic issue for Bank study, it may be the question of the appropriate role of the Bank, and the possible modalities for collaboration, in country situations which are especially problematic.

1.42 Part II points out that if a planned, large-scale international procurement had taken place, most of the project funds would have been disbursed. This is true. The Bank contends, however, that if the BCC/SIDA management had treated this action with priority, prepared the documents earlier, and accepted the offer of consultant assistance suggested by the Bank, this procurement could have been completed before the mid-1993 suspension of disbursements. A lesson for the Bank, perhaps, is to remain adamant about adequate technical expertise, from either consultants or sufficient training of local staff, to assure that procurement and other implementation actions can be undertaken according to Bank requirements.

1.43 The Borrower describes most consultants as necessary but expensive, Bank-imposed evils that should be used only when local expertise is nonexistent (see Part II, Section K). The Bank does not always insist on consultants, but judged that in this situation, proven, local expertise was not available in management, accounting and Bank procedures, given the newness of the AIDS control effort and the BCC. In addition, the lack of credible management controls throughout the Zairian system was a factor. The Bank viewed the assignment of international, long-term consultants in management and in accounting as part of the institution-strengthening contribution of the project. The Bank also argues in Part I, Sections E, H and K of this PCR that, if it had continued to insist on the consultant management arrangements originally negotiated but later resisted by the Borrower, major errors in financial management and delays in procurement preparation could have been avoided, resulting likely in an institutionally stronger BCC and the completion of the project prior to the portfolio-wide suspension of disbursements. This differing perspective underscores the absolute importance of measures to build local capacity.

2. PROJECT REVIEW FROM THE BORROWER'S PERSPECTIVE

(Translation)

A. PROJECT IDENTITY

Name	:	National AIDS Control Program Assistance Project
Credit Number	:	1953-ZR
Unit	:	Africa Region
Country	:	Zaire
Sector	:	Human Resources
Subsector	:	Health

B. BACKGROUND

2.1 The BCC was established after the launching of a research venture known as the "Projet SIDA" (AIDS Project). Thus the first director of the BCC, coming from the AIDS Project, tended to focus more on research than on developing the new agency's program. The criticisms of the BCC voiced by the first supervision mission had more to do with this situation than with other factors. In any case, the Government responded promptly by appointing a specialist in public health and a specialist in epidemiology to the staff of the BCC, in order to ensure that the program was based on a comprehensive view of the AIDS problem.

C. PROJECT OBJECTIVES AND DESCRIPTION

2.2 The objectives of the project, well set out in Schedule 2 of the Development Credit Agreement itself, were five in number:

1. To develop an IEC program and to distribute condoms
2. To integrate AIDS control activities
3. To support operational research and other studies
4. To strengthen the relevant institutions
5. To provide necessary logistical support

2.3 These objectives were not peculiar to this project, but had been included in others and were shared by a range of donors. However, the following donor "predilections" were identifiable:

- Objective No. (1) : USAID and UNICEF
- Objective No. (2) : UNDP and WHO
- Objective No. (3) : included in Projet SIDA (Zairian, Belgian, and U.S. cooperation), at least in the special area of epidemiological research
- Objectives Nos. (4) & (5) : UNDP and the World Bank

2.4 This pattern of interests, and the fact that the Joint Committee on Resource Coordination hardly met, explains the readily understandable tendency on the part of the BCC to focus the proceeds of Credit 1953-ZR on objectives (3) and (4) — at least until the time of the first episodes of looting, in 1991, after which the Bank was the only donor still prepared to make funding available.

D. PROJECT DESIGN AND ORGANIZATION

(a) Project Design:

2.5 As far as planning matters are concerned, the report issued by the Bank's supervision mission to Zaire in March 1990, a year or so after Credit 1953-ZR came into effect, criticized the BCC for having ignored the possibilities afforded by the "health zones," the operational units for implementation of the country's policy on primary health care. The BCC responded the following December by issuing its 1991-1994 Revised Medium-Term Plan, which called for the AIDS control program to be decentralized down to the regional and health-zone levels and estimated the cost of funding program activities over the three-year period at US$23 million.

2.6 At the May 1991 meeting organized by the BCC (under WHO sponsorship) for the purpose of mobilizing those resources, donor commitments were obtained for US$17 million. Unfortunately, with the hasty departure of donors like UNICEF, WHO, USAID, etc. from Zaire only three months later, these promises were never acted upon, and BCC efforts throughout 1991 thus came to nothing.

(b) Project Organization and Management:

2.7 Under the terms of Ministerial Order No. BUR/CE/ SPAS/0024/87 of August 26, 1987 creating the BCC, this entity was vested with responsibilities for the coordination, execution, monitoring, and evaluation of activities included in the National AIDS Control Program, responsibilities which were to be delegated in each region to the corresponding BRC.

2.8 It has to be recognized that a strategic error was committed at the outset, in the sense that the regional bureaus were set up prematurely. As the report issued on

completion of the March, 1990 supervision mission pointed out, they were a failure, essentially because they had nothing to coordinate; and since the physicians serving as heads of health zones had had no training in AIDS control, there was no integration of activities at this level. However, simply keeping the BRCs on an operational footing absorbed a significant proportion of budget funds. The BCC's 1991-1994 Revised Medium-Term Plan emphasized, though rather late in the day, that training for health-zone personnel was a prerequisite for any integration of basic activities.

2.9 An additional adverse factor was that, although health-post staffing profiles specified the need for physicians and other specialized public health personnel, staff assignments were not always made accordingly, a situation that gave rise to many of the project management problems observed.

E. PROJECT IMPLEMENTATION

2.10 Apart from the difficulties occasioned by looting, a well-informed observer would also point to the following as having disrupted implementation of the project to an equal degree:

(a) **Lack of a model**: All other health programs developed in Zaire (e.g. expanded vaccination, measures to combat iodine deficiency, anti TB campaign, etc.) were tailored to fit into the structure of its public health system, the Government's policy being to integrate such activities at health-zone level. With the advent of AIDS, multi-sectoral action became an imperative, and suddenly the concept of execution agencies turned into a vital question. The National AIDS Control Program, implemented through the BCC, slowly mobilized such agencies, but without ever defining clearly the relations that were to exist between them and the health zones, the operational units around which its planning was centered.

(b) **Resources inaccessible because of time-consuming procedures**: While it is true that the BCC did not master international procurement procedures immediately, it is equally true that the time they require is disproportionate when the problem being addressed is as urgent as an epidemic. Even BC-PASS with its proven technical sophistication in this field was unable to complete all orders before the suspension of World Bank project disbursements to Zaire. Program implementation was also delayed by disbursements of funds being wrongly routed to other countries — Brazil, for example.

(c) **Costly and inefficient supervision**: Although there were many supervision missions to Zaire, very few made any real difference to the course of the project — a result of the inflexible nature not only of the conditions governing the Credit but also of Bank procedures. Numerous questions put to supervision mission personnel remained unanswered.

2.11 This was especially true of the search for ways to fund the project executing agencies, which came to regard the difficulties as evidence of dishonesty on the part of the BCC itself. The situation was as follows: In approximately April, 1993, when the World Bank had approved the principle of funding certain executing agency projects, a commitment as regards an actual funding procedure was not forthcoming. On the one hand, virtually none of the agencies was able to commit its own funds to project activities in the expectation of reimbursement from the World Bank, and on the other the BCC was unable to mobilize funds from its own local currency account to support them. The only solution that remained was for the Bank to place funds directly at the disposal of the agencies. It should be no surprise that this was not possible.

F. PROJECT RESULTS

2.12 As indicated in the review of project objectives given above, the majority of activities funded from Credit proceeds were associated with Objectives Nos (4) and (5) — for example, BCC office rehabilitation works, purchases of equipment for the regional laboratories, and purchases of vehicles for both central and regional use.

2.13 The major purchases of medications and reagents, unfortunately canceled although contracts had just been signed, would have absorbed virtually the entire remainder of Credit proceeds, leaving almost nothing with which to finance the executing agencies.

2.14 Contrary to the assertion that the BCC never proved capable of mobilizing the executing agencies, the achievement represented by World AIDS Day 1993 demonstrated clearly that the BCC had turned itself into an AIDS resource and coordination institution for numerous executing agencies, which through its intervention were able to obtain funding from OXFAM.

2.15 In December, 1993 and January/February/March, 1994, a total of 32 agencies were able to engage in AIDS awareness activities just in Kinshasa.

2.16 Furthermore, the list of training courses annexed to this report {List available from AF3PH} makes it clear that the BCC never skimped, when funds were available, in equipping agencies to go ahead with AIDS-related activities. With assistance from UNICEF, WHO, the World Bank, and other partners, the Zairian National AIDS Control Program successfully organized 20 training sessions (five at national level, nine at regional level, and six at local level). A total of 1,714 individuals received instruction in different types of AIDS control activities: 96 physicians (6%), 366 nurses and laboratory assistants (21%), 130 journalists and IEC workers (8%), 541 schoolteachers (32%), 52 trainers working at central level (3%), and 532 individuals (young people, women, workers, armed forces personnel, etc.) belonging to potentially vulnerable groups (31%).

G. Project Sustainability

Valuable experience: Development of training modules, and training of central-level trainers

2.17 As a result of these activities, also funded from Credit proceeds, the BCC was given the tools to enable it to provide training for health-zone personnel, integrate AIDS control measures at the central level, and supervise and coordinate the program at the intermediate level.

2.18 Owing to the training of a centrally-based corps of trainers, the BCC now possesses the capacity to organize parallel training sessions in the health zones.

2.19 WHO funding also enabled the BCC, in late 1993 and early 1994, to set up training sessions for head physicians in the Kinshasa and *Equateur*-South health zones, and to schedule similar courses in the *Equateur*-North zone for July 1994. This activity remains an essential one, in the sense that it allows ongoing integration of AIDS control measures, which is the only guarantee the program can be sustained in the field.

H. Bank Performance

Rigidities in World Bank policy

2.20 As AIDS control is both a social and humanitarian problem, the World Bank could have been expected to make exceptions where its usual requirements were concerned. If its aim was to prevent the spread of HIV throughout Zaire, this should have taken precedence over possible financial and policy difficulties.

2.21 After the lootings, the Bank was the only institution left to assist the BCC, as all other donors had withdrawn. Although it did indeed support the AIDS control program while prevailing social and economic conditions were still acceptable, it too abandoned the program when those conditions deteriorated further. By doing so, it set an inherently contradictory standard of comparison.

2.22 It is precisely in difficult situations that additional aid is needed.

I. Borrower Performance

Loan disbursement rate: A questionable indicator of project progress

2.23 World Bank periodic conclusions on the extent to which project implementation was advancing — in other words, on project performance — were tied to the capacity of the project management authority to utilize the funds put at its disposal. While probably the kind of approach to be expected of the typical banker, it is disconcerting in cases like

the one under review here. The BCC never considered its function as conduit of funds to the country as an end in itself, believing instead that its fundamental role was to utilize these funds in activities that would lead to the achievement of project objectives. In actual fact, the BCC played this role wisely: if account were taken of the total earmarked to cover the cost of the large-scale international procurement arrangements that were interrupted, then the rate of utilization of Credit proceeds would at once go up from "weak" to "strong."

J. Project Relationships

2.24 Relations between the Borrower and the Bank were cordial at all times. Similarly, the BCC spared no effort to maintain a cordial atmosphere with the various partners working with it on the National AIDS Control Program.

K. Consulting Services

2.25 The majority of consultants on the project were regarded as necessary evils, inescapably associated with the signing of certain agreements. As far as the future is concerned, steps should be taken to ensure that local expertise in any particular field is nonexistent before unwarranted proposals are made to use the very expensive services of international experts.

L. Project Documentation and Data

2.26 Although the BCC twice suffered extensive documentation losses as a result of looting, it has managed to put together a data base on HIV infection rates by reviewing all available sources within Zaire.

M. Conclusions and Lessons Learned

2.27 Launching this project proved to be a time-consuming process, and many pitfalls affected its implementation. Its continued existence can be ascribed only to its ability to adapt to the numerous changes that occurred in the Zairian environment. While BCC experts made every effort to carry out their work whenever adverse circumstances were encountered, World Bank rules and procedures remained unchanged.

2.28 In the circumstances, failure to complete the project was inevitable.

2.29 As far as the future and problems like epidemics are concerned, the Bank should re-examine its assistance arrangements. It should be able to depart from many of its rules so that it can respond rapidly to urgent problems. Unfortunately, there is nothing typical about AIDS as an epidemic, so that an evaluation of the errors the Borrower and the Bank

committed together in the course of this project will not be possible for another five or 10 years. Such an evaluation will show the true achievement of the project.

N. BORROWER LETTER RECONFIRMING PART II

(Translation)

October 19, 1994

Central Coordinating Office - AIDS
National AIDS Control Program
Ministry of Public Health
Republic of Zaire

Mr. Raymond Martin
AF3PH - J 7047
World Bank
1818 H Street, N.W.
Washington, DC 20433, USA

Subject: Project Completion Report

Sir:

We thank you for your letter dated August 26, 1994, by which you transmitted the draft of the Project Completion Report on assistance to the National AIDS Control Program giving the point of view of the Bank.

We take this opportunity to inform you that no modification has been made to the document prepared by the Borrower that we have transmitted to you earlier.

However, we note that some of your statements are rather tough on the Borrower, especially if we recognize the special conditions in which the project had to be implemented. We think that, objectively speaking, responsibility for the uncompleted project has to be assumed equally by the Bank and the Government of Zaire.

Very sincerely yours,

The Medical Director,

Dr. Matela Baangi

cc: Minister of Plan, Minister of Finance, Secretary General of Plan, Secretary General of Public Health, Mr. David Berk, Chief of Population and Human Resources Division of World Bank, Price Waterhouse.

3. STATISTICAL INFORMATION

Table 1: Related Bank Credits

Credit Title/No.	Purpose	Year of Approval	Status	Comments
Social Sector Adjustment Project CR-2196	To protect vulnerable populations, maintain essential programs, and develop new social sector policies	FY 1991	Disbursements suspended since July 15, 1993 due to Zaire's non-payment of arrears. Project closed January 20, 1995	Project design aimed to support public health policy development and services, given non-functioning of government, but deteriorating country situation precluded effective implementation
Education III CR-2213	To improve primary education through financing inputs and supporting implementation of sector strategy	FY 1991	Project closed April 27, 1994 due to Zaire's non-accrual status and inability to implement, given political and economic situation	Project never got off the ground, with less than $1 million disbursed out of $21 million
Higher Education Rationalization Project CR-1839	To prepare strategy, improve planning and management, and provide inputs for improved higher education	FY 1988	Closed June 30, 1993 on originally planned date	Although $9.2 million out of planned $12.2 million disbursed, the project achieved few of its objectives, due principally to the deteriorating country political and economic situation

Table 2: Project Timetable

	Original Timetable	Date Revised	Date Actual
Identification (EPS)			
Preparation			
Appraisal Mission			2/11 - 3/1/88
Credit Negotiations			7/27 - 8/1/88
Board Approval			9/8/88
Credit Signature			10/26/88
Credit Effectiveness			5/30/89
Credit Closing	6/30/92	12/31/94	1/12/94
Credit Completion			

Table 3: Cumulative Estimated and Actual Disbursements (US$ Million)

Fiscal Year	1989	1990	1991	1992	1993	1994
Appraisal Estimate	1.00	3.49	6.51	8.10		
Actual	.30	1.22	2.60	2.74	3.13	3.29
Actual as % of Estimate	30%	35%	40%	34%	39%	41%

Table 4: Project Implementation

Note: The column Appraisal Estimate shows the cumulative outputs expected for the three year period FY 1989-1991. The column **Actual** or **PCR Estimates** shows estimated outputs over a five and one-half year period, i.e. FY 1989 to mid-FY 1994.

Indicators	Appraisal Estimates	Actual or PCR Estimates		
		World Bank	Other Sources	Total
I. IEC PROGRAM DEVELOPMENT/ CONDOM DISTRIBUTION				
Material Development				
Video programs	12	3	-	3
Audio programs	24	-	12	12
Manuals*	no quantity	-	10,000	10,000
Written materials**	no quantity	30,000	30,000	60,000
Training				
Seminars	10	-	-	-
Conferences	30	6	-	6
Study tours	15	-	-	-
Technical Assistance				
International	3	-	-	-
Local	30	-	1	1
Staffing				
Central level	15	2	-	2
Regional level	18	11	-	11
Condom Distribution				
General	490,000	7,275,406	-	7,275,406
Targeted	70,000	518,400	-	518,400
Vehicles				
4wd	10	10	-	10
Passenger cars	5	5	-	5
II. INTEGRATING AIDS ACTIVITIES				
Training				
Physicians	390	65	31	96
Lab technicians	390			
Public health nurses	600	12	354	366
Social workers	600	-	673	673

Indicators	Appraisal Estimates	Actual or PCR Estimates		
		World Bank	Other Sources	Total
Equipment				
Blood banks	3	-		
Laboratories	9	12	-	12
Med. equipment	300	-	-	-
Supervision				
Central level	18	6	-	6
Regional level	27	22	-	22
Sub-regional level	81	-	-	-
Medical Supplies				
Blood tests	270,000	43,608	60,800	104,408
Case mgmt. packages	45,000	-	22,747	22,747
III. RESEARCH & STUDIES				
HIV transmission			2	2
Sociocultural dimensions			-	-
Cost-effectiveness control			2	2
measures			-	-
Constraints on condom use			10	10
Case mgmt. strategies			4	4
Dev. of diagnostic tools			2	2
Economic impact			9	9
Surveillance system				
IV. INSTITUTIONAL STRENGTHENING				
Training				
Fellowships	15	1	-	1
Seminars	3	2	-	2
Study tours	15	1	-	1
Technical Assistance				
Epid (WHO)	3	-	1	1
IEC (WHO)	3	-	1	1
IEC (PSI)	3	-	1	1
Admin. (WHO)	3	-	1	1
Program Mgt.	3	-	1	1
Accounting	3	-	1	1
Other (local consultants)	-	-	4	4
Staffing				
Central level	10	10	-	10
Regional level	27	22	-	22
Sub-regional level	81	-	-	-
Vehicles				
4wd	10	7	-	7
Pick-ups	5	2	-	2

* Four books/pamphlets published

** Fold-out charts and picture sets published or in production

Table 5(a): Project Costs by Disbursement Category (US$ Million)

Disbursement Category	Appraisal Estimate	Revised Estimate (February 2, 1993)	Actual Disbursements
Equipment, vehicles, furnishings	.60	1.31	.64
Materials, medical supplies	4.09	3.72	.58
Consultants, expert services, training	1.29	1.29	1.02
Studies, research	.60	.12	.03
Operating costs, excluding salaries	.50	1.31	.63
Refunding PPF	.30	.16	.16
Unallocated	.72	.19	-
TOTAL	8.10	8.10	3.06

Note: Actual disbursements shown are slightly lower than totals in other tables because of difficulties in applying consistent exchange rates among SDR, dollar and local currencies and an exchange rate loss to the Credit Account of SDR 85,848.61 (about $112,156) because of the depreciation of the dollar against the SDR over the course of the Credit.

Table 5(b): Project Financing Plan (Appraisal Estimate) - (US$ '000)

Source	Local Costs	Foreign Costs	Total
Government of Zaire	1,670		1,670
IDA	500	7,600	8,100
Other donors [1]	300	10,170	10,470
Beneficiaries	1,660		1,660
TOTAL	4,130	17,770	21,900

[1] Parallel financing from other donors included Belgium $1.5 million, Italy $1.2 million, Germany $0.6 million, USAID $1.7 million, EEC $2.0 million, UNDP $1.0 million, UNICEF $1.5 million and WHO $1.0 million.

Table 6: Project Results

Note: This project was a pioneering effort by the World Bank to assist countries in the relatively uncharted strategies of fighting the new epidemic of AIDS. Outcome indicators were not specified at the time of appraisal but were to be developed in collaboration with the WHO/Global Program on AIDS. The project was seen as an initial three and one-half year effort to help Zaire jump start its AIDS control program which would eventually provide long-term health, social and economic benefits. The SAR suggests a number of *short-term* benefits, which although not quantified, are evaluated as of early 1994 in the table below.

INTENDED BENEFITS	RESULTS
Protecting vulnerable groups through intersectoral collaboration between the Ministries of Health and Education and IEC targeted to children and IEC and condoms for other high risk groups.	The Ministry of Education readily allowed AIDS awareness sessions for young people to be given by trained instructors.
Rationalizing control measures to develop cost-effective packages of AIDS control interventions, integrate them into health and social programs, and monitor their impact on target groups.	• Streamlining of the diagnostic process; • establishment of notification criteria; • selection of transfusion criteria to limit blood donations and improve blood-supply safety.
Developing NACP's Institutional Framework, strengthening managerial structure, establishing coordinating mechanisms, and balancing government and NGO roles in AIDS control.	Meetings of executing agencies (mostly NGOs which submitted programs).
Establishing financing mechanisms to ensure financing, integrate AIDS control in Public Expenditure Program, develop cost recovery mechanisms, and establish risk and cost sharing mechanisms at the community level.	Consultations on rate schedules that would make services accessible but ensure system viability (tests through transfusion centers).
Understanding the epidemic's physiological and behavior parameters and epidemiological trends, through various studies.	Compilation of surveillance data on AIDS cases and blood tests 1985-1993.

Table 7: Status of Covenants (as of October, 1993)

SECTION	DESCRIPTION OF COVENANT	STATUS
3.01 (a)	Commitment to objectives; carry out project with due diligence and in conformity with appropriate practices; provide resources required.	Lack of practical actions and implementation years behind timetable ran counter to original government commitment to objectives; counterpart funds not available; climate very difficult due to political chaos and economic decline.
3.01 (b)	Carry out project in accordance with Implementation Program in Agreement.	Only partial achievement of planned outputs and much delay in many of those outputs accomplished.
3.01 (c)	Establish project account in which it shall deposit quarterly amount required for following three months.	Account established, however regular and adequate counterpart funds not deposited. Funds not accessible because of liquidity shortage.
3.01 (d) (i)	Establish and maintain Joint Committee to monitor external resources, prepare financing plan, monitor implementation and evaluate progress.	Joint Committee never established.
3.01 (d) (ii)	Establish and maintain Implementation Committee to review and revise as appropriate objectives, strategies, program and budgets.	First and only Implementation Committee meeting held was in October 1992.
3.03	Furnish by October 31, a plan of operations for coming year.	Some workplans submitted, although late. 1993 workplan prepared but of limited value given country situation.
3.04	Furnish by October 31, progress report on preceding year.	Only 1 report prepared, for October 31, 1992; submitted on May 27, 1993.
4.01 (b) (i)	Have records and accounts audited each year.	Complied with through 1992.
4.01 (b) (ii)	Provide copy of audit no later than six months after end of year.	Latest audit, on 1992 accounts, submitted in July 1993.

SECTION	DESCRIPTION OF COVENANT	STATUS
4.01 (b) (iii)	Furnish other information on records, accounts and audit as requested.	Complied with.
4.01 (c)	Maintenance, retention, examination and auditing of financial records.	Complied with, although all records destroyed in January 1993 looting of BCC/SIDA offices.
4.0 2	Furnish by September 30, a three-year rolling program for public expenditures in the health sector.	Not complied with.
5.01 (a)	Deposit of $125,000 into Project Account.	Complied with.
5.01 (b)	Specialist in management of public health programs nominated Deputy Director of BCC.	IDA agreed that WHO advisor would fill his role. Incumbent was transferred.
5.01 (c)	Satisfactory accountant appointed as Chief Accountant of BCC.	Accountant with limited competence imposed on BCC by Secretary General of Health.

Table 8(a): Use of Bank Resources - Staff Inputs (in Staff Weeks)

Stage of Project Cycle	Planned	Revised	Final
Before Appraisal			11
Appraisal through Board Approval			29
Board Approval through Effectiveness			12
Supervision	92	85	49
TOTAL			**101**

Note: The stages in the table above do not correspond neatly to the categories listed in the Bank's computerized timetable records, e.g. there is no category for board approval through effectiveness. In the above table, FY 1989 time of 18 staff weeks described as supervision in the records is divided arbitrarily as 12 SW prior to effectiveness and 6 SW to supervision, based on the timing of field missions.

Table 8(b): Use of Bank Resources - Missions

Stage of Project Cycle	Date	No. of Persons	Days in Field	Specializations Represented	Performance Rating Status	Types of Problems
Appraisal	2/88	2	20	PHS, WID		
Bd. approval thru effectiveness	9,10/88	2				
"	11/88	1		ED		
Post- EFF.	6,7/89	2		PHS		
"	2/90	1		PHS	2	
"	10/90	1	4	PHS		CPF, PR
"	12/90	1				
"	2/91					
"	5/91	2	6	PHS		
"	8,9/91	1	2	PHS	2	
"	9/92	2	10	PHS, IS	2	CPF, PR
"	11/92	1	2	PHS	2	CPF, PR
"	6/93	1	5	PHS	3	CPF, PR
"	9/93	1	4	PHS	3	DS, F, PR

Codes for Specializations:
- EC = economist
- ED = education
- PHS = public health specialist
- S = implementation specialist
- WID = women in development

Codes for Types of Problems:
- CPF = counterpart funds
- DS = disbursements suspended
- F = financial
- PR = procurement

IMAGING

Report No: 14743
Type: PPAR