



1. Project Data:		Date Posted : 04/24/2002	
PROJ ID: P004312		Appraisal	Actual
Project Name: My-health	Project Costs (US\$M)	101.3	124.5
Country: Malaysia	Loan/Credit (US\$M)	50	43.1
Sector(s): Board: HE - Health (100%)	Cofinancing (US\$M)	None	
L/C Number: L3682			
	Board Approval (FY)		94
Partners involved :	Closing Date	12/31/1999	06/30/2001
Prepared by :	Reviewed by :	Group Manager :	Group:
Roy Jacobstein	Alice C. Galenson	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
The project objective was "to address selected high priority needs for health sector development under the Sixth Malaysia Plan, including the strengthening of prevention programs to meet emerging environmental and occupational health concerns, improving equitable access to primary health care, introducing new technologies to improve quality of services and meet newly emerged priority needs, and institutional strengthening of the Ministry of Health."			
b. Components			
The project had four components. The components and their associated primary infrastructure were: (i) <u>Environmental Health and Disease Control</u> , \$68 million to build, furnish and equip a central laboratory for the Department of Chemistry and 1 central and 2 regional public health laboratories for the Ministry of Health; (ii) <u>Primary Health Care</u> , \$11.5 million to build, furnish and/or equip 7 existing health centers and 5 new facilities in 3 underserved, rural states; (iii) <u>Health Technology</u> , \$19.7 million to build, furnish and equip a national blood service center and to equip 12 major hospitals; and (iv) <u>Strengthening of MOH</u> , \$2.1 million to provide 23 overseas fellowships and support 40 foreign technical assistance consultancies to build organizational capacity.			
c. Comments on Project Cost, Financing and Dates			
The original project cost was \$101.3 million, and latest costs were \$124.5 million. The loan was closed on June 30, 2001, 18 months beyond the initial closing date. Of the original \$50 million loan, the balance of \$6.84 million was canceled in 1999 (U.S. \$1.5 million) and 2001 (US \$5.3 million) as remaining payments could not be made before the loan closing date. The original Government estimated contribution of \$51.4 million was increased in actuality to \$81.4 million.			
3. Achievement of Relevant Objectives:			
The Environmental Health and Disease Control component substantially achieved its objectives: a central laboratory for the Department of Chemistry, as well as one central MOH public health laboratory and two regional public health laboratories have been built and equipped, and are now functioning. The Primary Health Care component largely achieved its infrastructure goals, with rehabilitation of 7 existing health centers and construction of 5 new facilities in 3 under-served, rural states. The ICR reports that services are being provided in all but one health center, but the quality of care and utilization of these centers are not documented, and the contribution of this construction to increased health is uncertain. The Health Technology component also substantially achieved its objectives, with a national blood service center and 12 major hospitals equipped. The capacity building component contributed to modest strengthening of MOH capacity via overseas fellowships and foreign technical assistance consultancies.			
4. Significant Outcomes/Impacts:			
A National Blood Transfusion Services Center was established and 13 major hospitals were equipped to ensure the safety of blood products. The project contributed to the development of high quality analytical services to			

monitor water and food quality and screen for a range of diseases with public health importance. Demand for these services is growing, and the services are sustainable. As a result of the Health Technology component, Malaysia now has state-of-the-art laboratory and blood transfusion facilities.

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

No monitorable indicators were developed with baseline or target performance, thus the contribution of the project to public health cannot be assessed. Strengthening of GOM monitoring and evaluation capacity, identified at appraisal as an important need, was neither planned for nor did it occur. The project had an overly narrow focus on hardware (95% of total costs went to construction and equipment). As noted in the ICR, it was a series of unrelated subprojects and was managerially complex (involving 4 independent oversight and implementation units), and there was no overall coordination. The MIS for the Blood Transfusion Center was not developed, nor were staffing requirements for the new facilities fully met. Bank supervisory visits were too infrequent (1/year) and did not contain adequate infrastructure expertise (no architect after 1995). No systematic monitoring of costs and disbursements took place toward the latter part of the project. Project cost, in ringgit terms, was 160% above estimates due in part to delays in start-up and poor contractor performance.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	The project made substantial contributions to strengthening health laboratories and blood service centers, but only modest contributions to strengthening MOH capacity. Cost overruns were also substantial.
Institutional Dev.:	Modest	Modest	
Sustainability:	Likely	Likely	
Bank Performance:	Unsatisfactory	Unsatisfactory	
Borrower Perf.:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

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

7. Lessons of Broad Applicability:

Monitoring and evaluation indicators are necessary to be used in project design, supervision and modification. Adequate supervision intensity, with the proper mix of skills, is necessary to good project performance. Disproportionate emphasis on infrastructure in health projects is inadvisable and is unlikely alone to result in improvements in health indicators in the absence of other inputs such as technical assistance, training, and attention to adequacy of associated human resources.

8. Assessment Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR:

The ICR covered the range of considerations fairly well, and was frank about the shortcomings of the project, as well as its infrastructure accomplishments. OED notes with concern, however, that the ICR is based on a desk review. A field mission was clearly called for given the infrequent supervision during project implementation.