

**PROJECT INFORMATION DOCUMENT (PID)  
APPRAISAL STAGE**

Report No.: AB1202

<b>Project Name</b>	CENTRAL ASIA AIDS CONTROL PROJECT
<b>Region</b>	EUROPE AND CENTRAL ASIA
<b>Sector</b>	Health (100%)
<b>Project ID</b>	P087003
<b>Borrower(s)</b>	GOVERNMENTS OF CENTRAL ASIA
<b>Implementing Agency</b>	
<b>Environment Category</b>	<input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
<b>Safeguard Classification</b>	<input type="checkbox"/> S <sub>1</sub> <input type="checkbox"/> S <sub>2</sub> <input type="checkbox"/> S <sub>3</sub> <input type="checkbox"/> S <sub>F</sub> <input type="checkbox"/> TBD (to be determined)
<b>Date PID Prepared</b>	November 1, 2004
<b>Date of Appraisal Authorization</b>	December 6, 2004
<b>Date of Board Approval</b>	March 15, 2005

## 1. Country and Sector Background

The AIDS epidemic has entered its third decade worldwide. The global HIV/AIDS epidemic killed more than 3 million people in 2003, and an estimated 5 million acquired the human immunodeficiency virus (HIV) - bringing to 40 million the number of people living with the virus around the world (UNAIDS 2003). In recent years, the Eastern Europe and Central Asia Region (ECA) has seen the world's fastest growing HIV/AIDS epidemic. Officially, the number of HIV infections in ECA has grown from less than 30,000 cases in 1995 to an estimated 1.5 million by the end of 2003. However, the real number is estimated to be much higher.

The Central Asia sub-region is experiencing four overlapping epidemics - HIV/AIDS, drug abuse, sexually transmitted infections (STIs), and tuberculosis (TB) – that mostly have youth at its center. Although Central Asia is still at the earliest stages of the HIV/AIDS epidemic, available evidence indicates that HIV is spreading rapidly, and registered cases have grown exponentially from less than 100 in 1995 to more than 8,000 in 2003. It is estimated that some 90,000 people in the region live with HIV/AIDS. An increase in drug production and trade since the war in Afghanistan has triggered a rapid growth of drug abuse. Most of the estimated 500,000 drug users inject drugs and share needles, which places them at high risk of contracting HIV/AIDS. Drug traffic and injecting drug use continue to increase throughout Central Asia along the so called Northern Corridor that links Afghanistan to Russia through Central Asia. Furthermore, the region has been experiencing epidemics of STIs, which facilitate transmission of HIV/AIDS, and TB, which is the main opportunistic infection for HIV/AIDS.

Governments, NGOs and partner organizations working in the field have initiated appropriate early action to avoid a major epidemic: the Governments have approved and, in cooperation with NGOs and assistance from international organizations, have started implementation of appropriate HIV/AIDS strategies. A Regional AIDS Strategy prepared by UNAIDS in collaboration with Central Asia countries provided the framework for the country-

specific strategies. Kazakhstan, Kyrgyz Republic, Tajikistan and Uzbekistan applied for, and have been granted, funding from the Global Fund Against AIDS, TB and Malaria (GFATM).

## **2. Objectives**

The proposed Central Asia AIDS Control Project would contribute to minimizing the potential negative human and economic impact of a generalized HIV/AIDS epidemic. The Central Asia AIDS Control Project would complement country-specific programs and projects financed by Governments, the Bank and other partner organizations (UNAIDS, GFATM, UNODC, DFID, USAID, and the Soros Foundation, among others). The proposed project has the following development objectives:

- Reduce the growth rate of the HIV/AIDS epidemic in Central Asia in the period 2005-10.
- Establish a sustainable mechanism in Central Asia – the Regional AIDS Fund - that will serve as a vehicle for financing HIV/AIDS prevention and control activities in the Region beyond the life of the project.
- Contribute to better regional cooperation in Central Asia, and effective inter-sectoral collaboration between public sector, non-governmental organizations (NGOs) and private sector on HIV/AIDS control in this region.

## **3. Rationale for Bank Involvement**

Global experience shows that countries that take early and decisive action to prevent a nascent HIV/AIDS epidemic manage to reduce the high human and economic costs observed in countries that lag behind. The proposed project would contribute to addressing the following sector issues:

(i) **Rapid growth of the HIV/AIDS epidemic in Central Asia.** Clearly, the time to address this problem is now if the subregion is to prevent the potential negative impact at household level, on health services expenditures, on labor market, and at the economic and demographic level. The number of HIV infections has grown exponentially since the late 1990s:

(ii) **Potential human and economic impact of the epidemic.** If the epidemic is not prevented, HIV in Central Asia is likely to have a far-reaching impact on the demographic and economic development of the region. A slow-down in GDP growth and losses in GDP level may be accompanied by losses in effective labor supply, which would be worsened by negative population growth in some countries. If the number of cases is not reduced and treatment costs are not cut dramatically, costs of HIV treatment will not be sustainable by the public budget. The Bank-financed intervention would contribute to prevent an increase in health expenditures and an annual decline in economic growth rates.

(iii) **Coverage of highly vulnerable groups is still well below desirable targets.** The proposed project would aim at covering the financial gap in coverage of high risk groups, which is partly due to insufficiency of funding, partly to lack of coordination among the different stakeholders and lack of capacity to implement the agreed strategies. With available funding coverage of highly vulnerable groups such as intravenous drug users (IDU), commercial sex workers (CSW) and men who have sex with men (MSM), will only reach 5-6 percent in the

Kyrgyz Republic and Tajikistan, and it will reach a maximum of 10 percent in Uzbekistan, while it is recommended that at least 60 percent of groups high risk groups are covered by very specific programs. Even in the best cases, coverage rates are typically below 15 percent and are not expected to rise above 25 percent with existing Government, GFATM, international, and bilateral resources available and planned for the prevention and treatment of HIV/AIDS in this region.

(iv) **Multi-country regional projects agenda.** Since it started supporting HIV/AIDS prevention and control in the mid-90s, the Bank has moved from supporting country-specific projects to finance multi-country AIDS Programs; and lately to finance regional projects that specifically focus on regional coordination and harmonization of responses to HIV/AIDS.

#### 4. Description

The proposed CA AIDS Control Project would have three main components.

**Component 1. Regional Coordination, Policy Development and Capacity Strengthening (US\$ 7.9 million).** The component would aim at: (i) establishing a legal environment that allows for the implementation of an appropriate HIV/AIDS regional strategy, including prevention work with highly vulnerable groups such as drug users, commercial sex workers, men who have sex with men, and prisoners; (ii) improving information, and decision-making based on good quality epidemiological data; and (iii) strengthening institutional capacity. Capacity would be built to overcome common barriers to developing and delivering an effective response including: legislative and regulatory reform; approaches to managing professional resistance to change; advocacy and communication needs; mitigate the negative impact of epidemic drivers that act regionally, including trafficking in people and drugs, economic and political migration, and sex work; and grant implementation.

**Component 2. Central Asia AIDS Fund (US\$ 21.5 million).** This component would establish a demand-driven Regional AIDS Fund (RAF) to finance regional initiatives that would contribute to contain the rapidly growing epidemic of HIV/AIDS and STIs in Central Asia. The Regional AIDS Fund would technically and financially support cost-effective initiatives in the field of HIV/AIDS prevention and control. It would provide incentives for greater regional cooperation, as well as for cooperation between public, private and NGO sector; and between different public services (e.g., AIDS centers and prison sector).

**Component 3. Project Management, Monitoring and Evaluation (US\$ 2.8 million).** This component would finance project management, and monitoring and evaluation of the project. The project would support the operation of executive bodies, including the Regional Project Management Unit and Country Coordinators in each of the four participating countries.

#### 5. Financing

Source:	(US\$ m.)
BORROWER/RECIPIENT	5.36
IDA GRANT FOR HIV/AIDS	25
UK: BRITISH DEPARTMENT FOR INTERNATIONAL	1.8

DEVELOPMENT (DFID)

Total 32.16

## **6. Implementation**

The project would be implemented by public agencies, NGOs, and private sector in participating countries, under the supervision of the Regional Project Steering Committee.

## **7. Sustainability**

The Central Asia AIDS Fund Project is expected to be a sustainable institutional initiative for leading the regional response against the HIV/AIDS epidemic. This project would also contribute to the long-term sustainability of the regional response by: (a) increasing civil society awareness of the risk of the epidemic; (b) strengthening institutional capacities in the fight against HIV/AIDS infection; and (c) establishing a Fund that would finance regional activities on a demand-driven and competitive basis.

## **8. Lessons Learned from Past Operations in the Country/Sector**

There are a number of lessons learned from analytical work, international best practices, and project preparation in Europe and Central Asia and other regions, as follows:

- Early, aggressive prevention interventions targeting vulnerable and highly vulnerable groups is the most effective strategy to prevent the spread of HIV/AIDS;
- High commitment to HIV/AIDS/STIs control by different levels of the Government is a requirement for success;
- High-risk groups, patients and their families, as well as civic leaders, NGOs and private sector all have important roles in planning and implementation of HIV/AIDS and STIs activities;
- There are strong linkages between HIV/AIDS, STIs, and TB. STIs management is one of the important strategies to prevent the spread of AIDS. TB control can help reduce mortality among PLWHA. On the other hand, prevention of HIV/AIDS can contribute to reducing the burden of disease caused by TB;
- Incentives (including social support) for patients and providers may be needed, especially in resource poor settings, but have to be designed with care, and tested to avoid perverse effects and plan for sustainability; and
- Good surveillance, monitoring and evaluation is critical to a disease control program.

The proposed project social and institutional assessment identified the following specific lessons:

- There is a need for coherent and coordinated HIV/AIDS policies to address the regional threats, or future drivers, of the epidemic. Some potential threats include: migration, drug-trafficking, trafficking of women, and incarceration;
- Local NGOs, rather than international NGOs, should play a predominate role in the program's implementation. Local NGOs should be clearly identified and targeted as the distribution channel for many of the programs. Capacity building for NGOs is a critical

activity that will promote long-term sustainability of the programs and improve implementation;

- Advocacy should be targeted to the highest levels of Government, rather than to the technical professionals that work exclusively on HIV/AIDS and STIs;
- There must be significant investment in policy and management capacity especially focused towards management of IDA and GFATM grants implementation; fund disbursement by Governments to NGOs; and overcoming structural political and vested interests barriers to implementation;
- The service delivery network must be properly recognized as a key success factor. Program implementation should address this explicitly as an issue of modernizing and improving service delivery;
- Efforts should be made to build public-private partnerships, including the use of the private sector to extend access to basic commodities (condoms, syringes, gel and drugs) and to advocate for HIV/AIDS at Government level;
- Regional Governments in Central Asia, with assistance from international donors, should scale up or initiate efforts to establish sentinel surveillance (which allows monitoring of the population's epidemic through small-scale sampling of specific subgroups), and second-generation surveillance; and
- It is advisable sharing facilities, infrastructure and specialized services and sources of professional expertise that would be beyond the means of individual countries.

## 9. Safeguard Policies (including public consultation)

<b>Safeguard Policies Triggered by the Project</b>	Yes	No
<a href="#">Environmental Assessment (OP/BP/GP 4.01)</a>	[ x ]	[ ]
Natural Habitats ( <a href="#">OP/BP 4.04</a> )	[ ]	[x]
Pest Management ( <a href="#">OP 4.09</a> )	[ ]	[x]
Cultural Property ( <a href="#">OPN 11.03</a> , being revised as OP 4.11)	[ ]	[x]
Involuntary Resettlement ( <a href="#">OP/BP 4.12</a> )	[ ]	[x]
Indigenous Peoples ( <a href="#">OD 4.20</a> , being revised as OP 4.10)	[ ]	[x]
Forests ( <a href="#">OP/BP 4.36</a> )	[ ]	[x]
Safety of Dams ( <a href="#">OP/BP 4.37</a> )	[ ]	[x]
Projects in Disputed Areas ( <a href="#">OP/BP/GP 7.60</a> )*	[ ]	[x]
Projects on International Waterways ( <a href="#">OP/BP/GP 7.50</a> )	[ ]	[x]

## 10. List of Factual Technical Documents

- Central Asia Regional Framework. World Bank, February 2004.
- Central Asia AIDS Project Concept Note. World Bank, March 2004.
- Godinho, J; Novotny, T; Tadesse, H; Vinokur, A. HIV/AIDS and Tuberculosis in Central Asia. Country Profiles. World Bank, 2004
- Godinho, J; Renton, A; et al. Central Asia AIDS Study. World Bank 2004 (publication forthcoming)

\* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas

- Mission Aide-Memoires
  - i. November 2003
  - ii. February 2004
  - iii. April 2004
  - iv. September 2004

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