PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE

Report No.: AB1079

Project Name	HIV/AIDS, Malaria and TB Control Project
Region	AFRICA
Sector	Health (80%);Other social services (20%)
Project ID	P083180
Borrower(s)	GOVERNMENT OF ANGOLA
Implementing Agency	
	Ministry of Health, Angola
	National Commission Against AIDS and Endemic Diseases, Angola
Environment Category	B
Safeguard Classification	S2
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1. Country and Sector Background

In April 2002, Angola (pop. 12.8 million, GDP/cap $500[1]) emerged from 30 years of war with its health system badly damaged and an estimated 65 percent of its primary health centers out of service, a maternal mortality rate (MMR) of 1,300 per 100,000 live births, and an infant mortality rate (IMR) of 195 per 1,000 live births. HIV/AIDS, TB, and malaria account for 75 percent of all deaths from infectious diseases in Angola. At present, malaria is the number one cause of death with 2.1 million cases and 8,756 deaths per year. The HIV epidemic is spreading, with prevalence in adults aged 15 to 49 estimated to be 5.5 percent or 350,000 adults, and some studies in urban prenatal clinics have shown rates close to 10 percent. TB incidence has increased over the past decade paralleling the HIV/AIDS epidemic. At the macroeconomic level, these epidemics could have devastating effects on Angola's economy. Studies have shown that an HIV/AIDS epidemic can reduce GDP by up to 1.0 percent per year. The effect of malaria has been estimated to be as much as 1.3 percent GDP reduction per year[2].

Government strategy. The government is taking a number of measures to rebuild the health sector. It has provided the provinces most affected by war with an extra budget to implement emergency programs for the period 2003-2004. The Social Action Fund (FAS) is helping to rehabilitate and equip health facilities destroyed during the war. The proposed Bank-financed Multi-sector Rehabilitation and Reconstruction Project currently under preparation includes $11 million for rehabilitation of health infrastructure, training of health personnel, and procurement

[1] Transitional Sector Strategy, March 4, 2003
[2] The economic impact of malaria was published by Jeffrey Sachs from Harvard in "*The Economic Burden of Malaria*", 1998. The economic impact of AIDS was presented in *Confronting AIDS*, the World Bank, as well as in the economic analysis for the Multi-country HIV/AIDS Program.

of drugs. In August 2003, the Ministry of Health (MOH) reintegrated UNITA health staff (7800). It also plans to work closely with the military under the project. The Ministry of Defense has about 20 percent of all doctors in Angola and a network of health facilities. The international community and international NGOs are helping the provincial and municipal health authorities to provide health care services. In six provinces, their contribution is more than half of the provincial health expenditure.

Angola's response to the AIDS epidemic is formulated in its National Strategic Plan dated June 2003 and put together with support from major international partners and civil society. Its response to TB and malaria is presented in the government's proposal to the Global Fund (GF) dated March 2003. To implement this plan, the government has requested the Bank's financial and technical assistance through a project for HIV/AIDS, malaria, and TB control.

Borrower's commitment. The government has been showing its commitment through a number of concrete actions: (i) on-going initiatives to strengthen surveillance and prevention of HIV through sentinel sites, voluntary counseling and testing (VCT), blood safety, condom promotion, social marketing, and management of sexually-transmitted infections (STIs); (ii) US$4 million were approved as an extra-budget in 2002 to prevent Mother to Child Transmission of HIV/AIDS (MTCT); (iii) a bed net distribution and malaria treatment program is under way; (iv) directly observed treatment (DOTS) for TB has started; and (v) a decree on HIV/AIDS was enacted by the Parliament in early 2003 and a National HIV/AIDS and Endemic Diseases Commission was established under the Chairmanship of the President of Angola.

2. **Objectives.** The project's development objectives are to: (i) reduce the spread of HIV/AIDS in the Angolan population through a multi-sector approach that strengthens institutional capacity and increases access and utilization of health services for prevention, diagnosis, care, and support; (ii) strengthen the capacity of the health sector to reduce the incidence of TB, improve treatment continuity, and increase cure rates; and (iii) strengthen the capacity of the MOH for effective case management of malaria.

Key performance indicators for the project were established for HIV/AIDS, malaria and TB, that are the focus of the Angola HAMSET. In light of the expected funding of malaria by the Global Fund, the indicators for malaria reflect the role of the HAMSET in funding only selected activities that are not supported by the GF. The following set of output and outcome measures were designed to be realistic and attainable given the institutional capacity limitations in post-conflict Angola. Performance will be measured by the end of 2010 (year 5 of the project).

OUTCOME INDICATORS
HIV/AIDS
HIV/AIDS prevalence in pregnant women aged 15-49 is maintained at current levels (to be determined by sentinel surveillance of 18 antenatal clinic sites)
The percentage of young people aged 15-24 who can both correctly identify ways of preventing the sexual transmission of HIV and reject major misconceptions about HIV transmission and prevention (percentages to be decided after establishment of baseline)

Tuberculosis
90% of the 59 priority municipalities have implemented TB control activities
90% of diagnosed TB patients are covered by DOTS in the 59 priority municipalities
Malaria
The percentage of children < 5 years old who slept under an insecticide-treated net (ITN) the previous night is increased (percentages to be decided after establishment of baseline)
The percentage of households with at least one ITN is increased (percentages to be decided after establishment of baseline)

The Bank's Transitional Support Strategy (TSS) for Angola includes four pillars. The first is supported by an Emergency Demobilization and Reintegration Project (ADRP) to help the transition of some 120,000 ex-combatants to civilian life; the second by an Economic Management Technical Assistance (EMTA) project to help increase transparency in public resource management; the third by a credit to support the FAS. The proposed HAMSET would support the fourth pillar of the TSS: helping the government control the HIV/AIDS, malaria and TB epidemics. The operation supports the Millennium Development Goals (MDGs) as follows: Goal 6: Combat HIV, malaria, and other diseases; Goal 4: Reduce child mortality; and Goal 5: Reduce maternal mortality.

3. **Rationale for Bank involvement.** In terms of ongoing activities, there appears to be a large number of projects supported by other partners but they are mainly under funded and fragmented. There are only five interventions larger than $500,000 (totaling $10.6 million). Some of the interventions are funded only for short periods of 1-2 years and are limited in field of intervention or geographical area. The government has also requested financing from the Global Fund to Fight AIDS, TB and Malaria (GF). Financing of US$25 million has been approved in principle for malaria, but the final approval depends upon the government's clarification of a number of issues raised by the GF. Because of the likelihood of the GF financing, IDA's grant would focus largely on HIV/AIDS and TB. A smaller amount of financing would be included for malaria (i) as bridge financing until GF funds become available; (ii) to support community response to malaria; and (iii) support to policy implementation.

The government's capacity is weak, but the government is receiving technical support from the international community. Significant assistance would be required over the coming months to build capacity, and the government has started to use a Project Preparation Facility of $600,000 to that effect. There is some presence of international NGOs, but local NGOs' capacity appears to be weak and will need to be scaled up under the project through technical support and partnerships between international NGOs and local organizations. A detailed assessment of local organizations is included in the project files.

At this stage, the Bank is the only institution that can respond quickly and provide the government in the short term with an adequate amount of funding to help slow the spread of HIV/AIDS and reduce the burden of disease caused by TB. The project would provide the government with a substantial amount of money to scale up existing activities in a coherent way over five years. The Bank has a comparative advantage as a strong advocate of civil society participation, transparency and governance.

4. **Description.** The project would have an estimated cost of about $39.6 million. This total cost represents the overall program including on-going projects financed by other donors (US$14.9 million), as well as additional activities to be financed under HAMSET by the Bank (US$21.0 million) and the government (US$3.7 million).

The project would have four components as follows: (i) Public Sector Response to AIDS: $2.5 million (of which IDA: US$2.0 m); (ii) Health Sector Response (all three diseases): US$12.1 million (IDA: US$7.2 m); (iii) Community Response (all three diseases): US$19.2 million (IDA: US$7.0 m); and (iv) Multi-sector Program Coordination: US$4.8 million. Implementation would start with provinces with the highest population, prevalence of HIV/AIDS, malaria and TB, presence of partners, and ease of access, and expand geographically over time. Some activities such as mass media prevention campaigns or definition of testing protocols would have a national coverage from the outset. The project's results framework and proposed monitoring indicators are presented in Annex 3. A detailed project description is presented in Annex 4 and summarized below.

Component 1 - Public Sector Response. This component would support a multi-sector response from government ministries and local government agencies. The project would: (i) help build capacity; (ii) help line ministries reduce impact of AIDS, malaria and TB on ministry staff and their dependents; and (iii) help to line ministries reduce impact of AIDS, malaria and TB on external clients (users of their services). Priority activities within this component would be information, education, and communication (IEC), behavior change communication (BCC), social marketing of condoms, and access to VCT and PMTCT.

Component 2 – Health Sector Response. This component would provide funding to the MOH for the prevention and treatment of TB and malaria, as well as for HIV/AIDS activities for which the MOH is directly responsible such as training of MOH staff, VCT and STI management, PMTCT, and treatment of opportunistic infections.

Component 3 - Community Response. This component would provide funding and technical assistance to civil society organizations, communities, NGOs, and faith-based organizations (FBOs) that would present subprojects to prevent and mitigate the effects of the three diseases. They would cover preventive activities for HIV/AIDS, social marketing of bed nets, and community treatment of malaria, and support to implementation of DOTS for TB. Criteria used for the approval of grants would include potential impact, innovation, and capacity of the organization. Eligibility criteria for community subprojects are presented in Annex 6.

Component 4 – Multi-sector Program Coordination. This component would help: (i) support the establishment of Provincial AIDS and Endemic Diseases Commission (a national commission is already established); (ii) contract professionals for PCU; (ii) contract professional; services including financial and procurement management; and (iii) develop information systems to monitor and evaluate progress in controlling the epidemics.

Reproductive health. The HAMSET project includes activities that are directly related and will have an impact on the health of women in reproductive age by: (i) developing behavior change and IEC interventions that will support less risky behaviors by men and better capacity of

women to negotiate; (ii) reducing the risk of vertical transmission; (iii) helping to reduce stigma; and (iv) increasing the use of VCT. The project will also train health personnel in the use of malaria prevention interventions such as intermittent presumptive treatment and the use of bed nets.

The above activities are complementary to interventions planned under the Emergency Multi-sector Recovery Project currently under preparation. That project has an important component of reproductive health that will support the training of midwifes in safe motherhood practices, specifically in pre-natal and delivery practices that will reduce the risk of HIV transmission. The project will also improve access to drugs and better equipped health facilities, with the aim of reducing maternal deaths.

5. **Financing**

		($m.)
Borrower		3.7
IDA grant for HIV/AIDS		21.0
Donors		14.9
	Total	39.6

6. **Implementation.** A number of development partners and the private sector (notably oil companies) are active in the financing and implementation of projects in the areas of HIV/AIDS, TB and malaria. These include a few central ministries and provincial governments, international and bilateral agencies, national and international NGOs, faith-based organizations, civil society organizations, and private companies. During project preparation, coordination between partners has been undertaken through the Thematic Group on HIV/AIDS that meets monthly, the National Commission Against AIDS and Endemic Diseases (NCAED), and the Country Coordinating Mechanism for the GF. A detailed description of implementation arrangements is presented in Annex 6 and summarized below.

In early 2003, the NCAED was established under the Chairmanship of the President of Angola. The NCAED has been a useful forum to build consensus among partners and for the government to express its political support to the control of HIV/AIDS, TB and malaria. In order to apply for financing from the Global Fund, Angola created a Country Coordinating Mechanism (CCM). The CCM has a broader membership than the NCAED. It includes key line ministries, bilateral and multilateral agencies, national and international NGOs, and PLWHA. The current Chair of the CCM is the MOH represented by the Vice Minister of Health. Once it becomes operational, the CCM would have a Secretariat providing organizational and logistical support, an Expert Panel that provides technical support and would evaluate proposals submitted for funding and thematic groups on HIV/AIDS, TB and malaria. The project would use the CCM (and its Expert Panel) to approve community subprojects and line ministry plans for funding under the project.

The day-to-day coordination of the project would be the responsibility of the Program Coordinating Unit (PCU), responding to the Vice Minister of Health, and would perform its operations under the CCM. The PCU would have a Director, Deputy Director and essential professionals to coordinate the project. The responsibility for each of the project's three main components would be attributed to one of the professionals. Also part of the team would be

specialists for monitoring and evaluation, IEC, and capacity development as well as private sector coordinator. The Deputy Director would be responsible for the community response component.

For the public sector response (component 1), each participating line ministry would establish an inter-ministry HIV/AIDS team that would be responsible to develop and implement a plan of action. The ministries would have a full-time focal point supported, as required, by technical assistance to be arranged by the PCU. They would present proposals to the PCU for financing. The health sector response component would have a coordinator who would work closely with technical staff from the MOH (for planning, technical specifications, protocols etc.). In the case of community response (component 3), the PCU would receive subproject proposals from civil society organizations, local and international NGOs, appraise them and submit them to the Expert Panel of the CCM for approval.

The project would finance the services of a Financial and Procurement Management Unit (FPMU) through the contracting of a firm that would provide its services to the PCU in the management of the project accounts, conduct procurement according to Bank guidelines, prepare reports, conduct field spot checks of the community subproject recipients, train grant recipients and provide financial and procurement advisory services to the PCU, the MOH, line ministries and grant beneficiaries.

At the provincial level, the Provincial Committee on HIV/AIDS would submit its multi-sector programs and proposals to the PCU for approval by the Expert Panel of the CCM, and financing. Such provincial programs are already under preparation with the help of the donor and NGO communities.

7. **Sustainability**. Prevention of a full-blown HIV/AIDS epidemic would impact the sustainability of all development efforts in Angola. The social and economic impact of a rapidly spreading epidemic is hard to quantify, but it is clear that the costs across all sectors would be high. It is of no use to train, educate, or cure people if they will, subsequently, die of AIDS. Mitigating the epidemic would, therefore, reduce the costs of treatment, morbidity and mortality.

The project would increase the health sector's institutional capacity to develop policies, implement programs, collect and analyze data as well as monitor and evaluate the effectiveness of interventions. The three epidemics require a long-term effort to be effectively controlled and contained. Therefore, this increased capacity would enhance sector sustainability by enabling a long-term, well-targeted, and multi-sectoral response. Cost-recovery mechanisms are not considered in this project as they would hamper the immediate response necessary to strengthen the sector, and unacceptably delay project implementation.

In war-affected areas, there would be a need to replace destroyed infrastructure, but this would be done largely through the EMRP project. As a result, the HAMSET project would finance only a small amount of infrastructure, and when possible rehabilitation rather than construction. As a result, the incremental recurrent costs of the HAMSET project would be negligible.

As far as financial sustainability, it is likely that, as oil revenues increase, the government would be able to finance an increasing share of the program in the medium-term. As full financing may not be possible, it is realistic to expect that bilateral and multilateral development agencies would

continue to finance HAMSET beyond the period of project implementation. To that effect, the capacity of HAMSET to demonstrate results will be crucial.

8. **Lessons Learned from Past Operations in the Country/Sector.** The experience of supporting MAPs in over 26 countries throughout Africa has been documented in "Preparing and Implementing MAP Support to HIV/AIDS Country Programs in Africa: The Guidelines and Lessons Learned". The lessons directly relevant to the HAMSET project are presented below.

Political leadership and commitment. International experience has shown that political leadership and highest-level commitment are essential in mobilizing national and donor resources for the fight against the HIV/AIDS epidemic.

Multi-sectoral approach. The HIV/AIDS epidemic extends far beyond the health sector, warranting a change in paradigm from a biomedical to a development one. In this context, the multi-sectoral approach in HIV prevention, care and mitigation offers the best chances of success. The project would involve the active participation of all sectors at all levels.

Vulnerability factors are key drivers of the epidemic. The HIV/AIDS epidemic is driven by underlying vulnerability factors among populations. The combination of poverty, gender disparities and information asymmetry provide fertile soil on which HIV can rapidly grow. This project would focus on vulnerable groups, including youth, orphans, persons living with HIV/AIDS (PLWHAs), women and widowers in prevention and impact mitigation efforts.

Community participation as a process of empowerment. Communities affected by the HIV/AIDS epidemic find themselves facing multifaceted challenges, and with limited resources and capacity to respond. Community-led HIV/AIDS initiatives included in the project engage the people in a partnership to fight the epidemic. With external resources and the building of local capacity, communities would be more empowered in their response to HIV/AIDS.

The use of indigenous knowledge and practices. Indigenous knowledge and practices, including drama, help in the efforts to fight HIV/AIDS. Local practices of looking after HIV/AIDS orphans in the community among foster parents, grandparents, or other relatives, have also been used successfully in a number of African countries. These practices would be applied in Angola.

Complexity of supervision of MAP projects. Given the innovative MAP approach and large number of partners, the supervision of MAP projects deserves more attention and resources than the average projects. Supervision teams for MAP projects would be multi-sectoral and draw on the resources of partners.

Robust Monitoring and Evaluation. The key features of MAP are the scaling up of multi-sectoral programs and effective interventions, which require robust monitoring and evaluation systems. Sufficient resources and skills should be made available to that effect and that would be the case for the HAMSET project.

Effective Donor Coordination. Effective coordination among development partners significantly reduces the transaction costs for the government of managing externally funded programs. Common arrangements for joint program reviews, monitoring and evaluation, planning of financial and technical assistance, missions, funding of programs or program components are all areas that are being pursued in close cooperation with bilateral and multilateral partners.

Lessons on TB and malaria. Five elements contribute to successful TB programs: (i) government commitment; (ii) an increased focus on case detection through sputum microscopy; (iii) administration of treatment regimens under direct observation of drug intake; (iv) a system of regular drug supply; and (v) an effective monitoring system for program management and evaluation. The Roll Back Malaria strategy is based on: (i) rapid detection and treatment of malaria in the home and health facilities; (ii) widespread use of insecticide-treated nets; (iii) prevention of malaria in pregnant women; and (iv) rapid detection of epidemics and response. These lessons and principles would be applied in the implementation of the HAMSET project.

Lessons from previous projects in Angola. One of the main lessons learned, applied in the design of HAMSET, is that Bank-financed projects need to be simplified to ensure a better fit with the government's limited implementation capacity. To that effect, simple procedures would be used as much as possible, and a significant part of financial and procurement functions would be outsourced.

9. **Safeguard Policies** (including public consultation)

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

10. **List of Factual Technical Documents**

1. Capacity assessment of civil society and NGOs
2. Procurement capacity assessment, May 2004
3. Financial management capacity assessment, May 2004

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

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