

**PROPOSAL TO RESTRUCTURE  
THE PAN-CARIBBEAN PARTNERSHIP AGAINST HIV/AIDS PROJECT FOR THE  
CARIBBEAN COMMUNITY  
[IDA GRANT H077-0-6R]**

**DATA SHEET TEMPLATE FOR**

**PROJECT PAPER**

Date: June 2, 2009 Country: CARICOM Project Name: HIV/AIDS Prevention and Control Project Project ID: P080721			Team Leader: Shiyao Chao Sector Manager/Director: Keith E. Hansen Country Director: Yvonne Tsikata Environmental category: B			
Recipient: Caribbean Community (CARICOM) Responsible agency: CARICOM Secretariat						
Revised estimated disbursements (Bank FY/ SDR m)						
FY	2004/5	2005/6	2006/7	2007/8	2008/9	2009/10
Annual	0.26	0.82	0.75	0.85	1.75	1.67
Cumulative	0.26	1.08	1.83	2.68	4.43	6.10
Current closing date: 06/30/2009						
Does the restructured project require any exceptions to Bank policies?					○ Yes   x No	
Have these been approved by Bank management?					x○ Yes   No	
Is approval for any policy exception sought from the Board?					○ Yes   x No	
Revised project development objective/outcomes						
The proposed revised Project Development Objective is to enhance the Caribbean regional response to HIV/AIDS by: (a) supporting improvements in the policy and legal environments for addressing HIV/AIDS; (b) strengthening the knowledge base on HIV/AIDS in the region; and (c) strengthening the capacity of selected regional institutions to provide public goods and model tools to help CARICOM member countries implement their national HIV/AIDS strategic plans.						
Does the restructured project trigger any new safeguard policies? No						
Revised Financing Plan (SDR Million)						
Source			Total			
Recipient			0.23			
IDA			6.10			
<b>Total</b>			<b>6.33</b>			



## **PROJECT PAPER**

### **PROPOSAL TO RESTRUCTURE THE PAN-CARIBBEAN PARTNERSHIP AGAINST HIV/AIDS PROJECT FOR THE CARIBBEAN COMMUNITY [IDA GRANT H077-0-6R]**

#### **I. INTRODUCTION**

1. This Project Paper seeks the approval of the Executive Directors to introduce the following changes to the Grant Agreement for the Pan-Caribbean Partnership Against HIV/AIDS Project (Project ID P080721), IDA Grant H077-0-6R, between the Caribbean Community (CARICOM) and the International Development Association.

2. The proposed restructuring would: (a) revise the Project Development Objective (PDO) statement to better reflect the outputs and outcomes that are achievable and attributable to the Project; (b) revise the results framework to align indicators with the revised Project Development Objective; (c) add a new subcomponent under Part B of the Project, "Prevention of the Spread of HIV/AIDS", for the provision of mini-grants to support the subprojects carried out by youth organizations; (d) amend Part C of Schedule 2 to the Grant Agreement to reduce the work program for the Caribbean Epidemiology Center (CAREC) and add the Pan American Health Organization (PAHO) as the implementing entity in charge of some of the activities under this component; (e) allow for the utilization of the 2006 revision of the Procurement and Consultant Guidelines; (f) amend Schedule 1 to the Grant Agreement to: (i) include a new category of expenditures for mini-grants; (ii) reallocate resources among categories of expenditure to take account of the actual costs of project activities; (iii) allow the following expenditures to be financed from the proceeds of the Grant: "Goods" under Part B, "Prevention of the Spread of HIV/AIDS" and "Training" under Part A, "Advocacy and Policy Development" and Part B of the Project "Prevention of the Spread of HIV/AIDS"; and (iv) increase the financing percentage in Category 5, "Operating Expenses" to 100 percent, retroactive to February 26, 2007; and (g) extend the Grant's Closing Date to June 30, 2010.

#### **II. BACKGROUND AND REASONS FOR RESTRUCTURING**

##### **A. HIV/AIDS in the Caribbean and the regional response**

3. The Caribbean region is the region most affected by HIV/AIDS after Sub-Saharan Africa. The estimated adult prevalence of HIV in the Caribbean in 2007 was 1.1 percent. An estimated 230,000 people are living with HIV, of whom 20,000 were infected in 2007. The Pan-Caribbean Partnership against HIV/AIDS (PANCAP) was established in 2001 in response to the realization that HIV/AIDS posed a serious threat to the region. It was launched at the meeting of Heads of State and Government of the Caribbean Community and Common Market (CARICOM) countries. PANCAP is a regional partnership which operates under the aegis of CARICOM and is supported by a Project Coordination Unit (PCU) at the CARICOM Secretariat located in Georgetown, Guyana.

4. The SDR 6.1 million Grant for the PANCAP Project was approved on March 25, 2004, and became effective on October 15, 2004. This Project is part of the Caribbean Multi-Country HIV/AIDS Prevention and Control Horizontal APL (MAP) approved by the World Bank's Board in 2001.

5. The Project brings together governments, regional institutions, the international community, the private sector, Civil Society Organizations (CSOs), and people living with HIV/AIDS (PLWHA) to enhance the response to the epidemic at national and regional levels. The Project's mandate includes the coordination, resource mobilization, advocacy and development of regional public policies and support to the provision of regional public goods.

6. The Project channels funds to specialized regional agencies<sup>1</sup> to carry out activities under the Caribbean Regional Strategic Framework (CRSF). PANCAP not only received grants from the World Bank, but also received funding from a number of donors, including the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), the European Union, a number of bilateral donors (USAID, CIDA, DFID, and KfW), and UN agencies.

## **B. Project Performance to Date**

7. The Project experienced a very slow start due to a number of constraints, mainly delays in signing Memoranda of Understanding (MOUs) with implementing agencies and difficulties in disbursing funds to the CAREC. Most of these constraints have been addressed through recommendations made by supervision missions, including the Project's Mid-Term Review. The Grant Agreement, dated April 28, 2004, was amended on September 17, 2004 to clarify a number of procurement provisions and to revise Section 3.04 which relates to Part C of the Project: "Strengthening Regional Laboratory Services to Support the Expansion of Treatment and Care" executed by the Caribbean Epidemiology Center (CAREC). The Grant's Closing Date has been extended once from December 31, 2007 to June 30, 2009.

8. The Project has made progress so far, namely: (a) rehabilitated and equipped the regional tuberculosis laboratory and training of laboratory staff from a number of countries in the region; (b) trained PLWHA country networks in advocacy and program management, sensitized CSOs on laws, ethics and human rights, and strengthened the CRN+ Regional Secretariat; (c) trained through the University of the West Indies (UWI) with internships, a number of national program staff, prepared educational materials for use in undergraduate programs, sensitized 250 students at the UWI on HIV prevention and provided situation analysis of response to HIV/AIDS on two UWI campuses; (d) strengthened capacity for monitoring and evaluation through provision of technical assistance to the countries in the region by UNAIDS; (e) completed a number of analytical studies; and (f) provided direct support to regional HIV/AIDS related initiatives through CARICOM.

9. Overall, the notable achievements towards Project Development Objectives are: (a) development of a regional governance structure; (b) development of an information and communication framework and an advocacy campaign through the "Champions for Change" program that has reached out to involve political leaders, the media, religious leaders and private sector leaders in the fight against AIDS; (c) development of tools for use by countries, including model workplace policies and an education sector and HIV/AIDS policy; (d) development of model programs that demonstrate effective ways of reaching key vulnerable groups; (e) development of the new Caribbean Regional Strategic Framework (2008-2012); and (f) strengthened capacities of regional institutions (CAREC, CRN+, UWI, CCNAPC and CVC), enabling them to provide interventions targeted at specific vulnerable and at-risk groups and to help countries strengthen the implementation of national HIV/AIDS strategic plans.

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<sup>1</sup> At present, these agencies are: the Caribbean Epidemiology Center (CAREC), Caribbean Health Research Council (CHRC), Caribbean Network of People Living with HIV/AIDS (CRN+), University of the West Indies (UWI), Caribbean Coalition of National AIDS Program Coordinators (CCNAPC), Caribbean Vulnerable Communities Network (CVC) and the Caribbean Community (CARICOM) Secretariat.

10. PANCAP has won acclaim as a model of regional cooperation (UNAIDS has recognized it as “International Best Practice”). It is an example of the emerging trend toward the consolidation of regional entities in the Caribbean with a view to achieving greater impact and cost-effectiveness.

11. Notwithstanding the progress described above, project implementation has been slower than envisaged. As mentioned above, after initial delays, CARICOM and the implementation agencies have signed MoUs and most of the earlier constraints in project execution have been addressed. The performance of PANCAP and most of the implementing agencies has improved considerably in the past year. The delay in reaching an agreement on how to disburse funds to CAREC, however, has continued to cause low disbursements. As of January 2009, most of the agencies involved had spent or committed a large share of their allocated funds: the CARICOM Secretariat 86%, CRN+ 85%, and UWI 89%. However, CAREC has disbursed only 33% of its funds, due primarily to the fact that the agency requires the availability of full funding before initiating any activity. Consequently, advances to CAREC from the project special account have usually taken an inordinate amount of time to document. The slow documentation of CAREC’s advances, which represented about 75% of the special account initial advance, adversely affected the timely replenishment of the special account, which in turn delayed project implementation. Due to the delays under CAREC, the overall disbursement is only 55.7% (US\$5.3 million of the grant as of June 1, 2009). The initially dysfunctional flow of funds arrangements have led to a financial management rating of “unsatisfactory” in the current ISR, as well as a rating for achieving the Project Development Objectives of “moderately unsatisfactory”, and a rating for Implementation of “moderately satisfactory”. However, despite these disbursement-related issues, based on the most recent information, the financial management systems of the project are considered adequate to provide reasonable assurance that Grant proceeds are being utilized in accordance with the Grant Agreement. The unsatisfactory rating is not dictated by any serious fiduciary concerns. Due to the institutional changes, CAREC is no longer implementing the Project. The future disbursement to PAHO will be based on a cooperation Agreement between CARICOM and PAHO providing for a blanket withdrawal mechanism. That would resolve the disbursement issues that CAREC faced before. Staff of the Loan Department has programmed a special visit to the implementing agencies to assess the rate of progress and to help resolve any bottlenecks that might remain.

### **C. Reasons for Project Restructuring**

12. The main reasons for restructuring the Project are as follows:

- (a) the original PDO was vague and ambitious and only reflected broader regional objectives of the HIV/AIDS response as opposed to realistically stating achievable and measurable project objectives;
- (b) the original Results Framework did not have appropriate indicators to measure the Project’s expected outputs and attributable outcomes, which are mainly related to capacity building at the regional level rather than changes in the AIDS epidemic at the individual country level; and
- (c) the CARICOM member states have recently decided to restructure the public health institutions in the Caribbean region. As a result of this restructuring, CAREC, along with four other agencies, will be consolidated into a new agency, the Caribbean Public Health Agency (CPHA) under CARICOM. The transition is planned to take place by the end of 2009. The new agency will not be part of PAHO, where CAREC is currently placed. As a result of the restructuring, CAREC will no longer implement some of the planned

activities under Component C of the Project and some of these activities will be taken over by PAHO through its HIV Caribbean Office (PHCO).

### III. PROPOSED CHANGES

13. The restructuring would involve changes in following areas:
- (a) ***Amending the Project Development Objective.*** The original Project Development Objective (PDO) was to expand, consolidate and effectively coordinate regional support within the CARICOM's member countries in an effort to reduce the impact of HIV/AIDS on the human and economic development of the Caribbean region. The Project's Mid-Term Review concluded that the original PDO was vague and ambitious and only reflected broader regional objectives of the HIV/AIDS response as opposed to realistically stating achievable and measurable project objectives. Therefore, the proposed revised PDO would be to enhance the Caribbean regional response to HIV/AIDS by: (i) supporting improvements in the policy and legal environments for addressing HIV/AIDS; (ii) strengthening the knowledge base on HIV/AIDS in the region; and (iii) strengthening the capacity of selected regional institutions to provide public goods and model tools to help CARICOM's member countries<sup>2</sup> implement their national HIV/AIDS strategic plans.
  - (b) ***Changing Indicators in the Results Framework.*** The original project monitoring and evaluation indicators resemble outcome indicators for the national AIDS programs. This is overly ambitious, because this project is a capacity building project at the regional level and does not provide or control the service delivery at the country level that would be needed to change behavior or reduce HIV incidence rates. Thus, outcome indicators on behavior change/results of HIV control that can be measured at the country level are not appropriate for monitoring achievements of this project. Based on the revised PDO, the results framework would therefore be amended to measure the results that are attributable to the Project. The revised PDO indicators are: (i) the new Regional AIDS strategy is developed and disseminated; (ii) a new regional coordination mechanism is established and functional; and (iii) regional products in policy and model programs being used by countries. The revised Project Results Framework is presented in Annex 1 to this Project Paper as well as in the revised Operations Manual.
  - (c) ***Adding a new subcomponent under Part B of the Project,*** "Prevention of the Spread of HIV/AIDS," for the provision of mini-grants to support subprojects carried out by youth organizations and community-based organizations to implement innovative interventions for HIV/AIDS prevention, care, and to address stigma and discrimination. The Mini-Grant Program (MGP) is a regional mechanism for creating an enabling environment for the reduction of HIV/AIDS among young people through a focus on youth leadership, mobilization and outreach. The MGP is designed by and for youth and implemented by youth through multiple youth/adult partnerships and networking arrangements operating at community, national, sub-regional and regional levels. The program is designed to equip young people aged 15–24 in disadvantaged communities with information and resources to provide service to peers and community. Key outputs include a strengthened leadership base of the CARICOM Youth Ambassador Program,

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<sup>2</sup> According to the Grant Agreement, the countries benefitting from the Project's regional activities are as follows: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, the Dominican Republic, Haiti, and Trinidad and Tobago.

National Youth Councils and other non-Government organizations. This program has been mainly supported by the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM). CARICOM has requested the Bank to support the scaling up of this program under this project. The funding mechanism, selection criteria and procedures have been developed and incorporated to the Project's Operational Manual, Annex E.

- (d) ***Amending Part C of Schedule 2 to reduce the work program for CAREC and to reflect the addition of the Pan American Health Organization (PAHO) as the implementing entity*** in charge of some of the activities under this component. As mentioned above, due to the restructuring of CAREC, some activities described under Part C of Schedule 2 would not be implemented and the scope of Part C will be reduced. In addition, during the project extension period, PAHO will implement some activities under Part C of the Project through its HIV Caribbean Office (PHCO). The detailed work plan for PAHO/PHCO is attached as Annex 3. A Cooperation Agreement between CARICOM and PAHO will be signed. Amended project descriptions are in III (g) below.
- (e) ***The Project description has been amended*** to reflect the changes described in points (c) and (d) and to align the description consistent with the activities financed under the Project. The revised Project Description is as follows:

Under Component 1, Advocacy and Policy Development, the Project will: (i) support implementation of the regional strategy to raise awareness and knowledge of the HIV/AIDS epidemic; (ii) support efforts to reduce stigma and discrimination (S&D) towards PLWHA and their families; and (iii) mobilize public support to address the epidemic at the regional level. Activities to be financed include studies on the interaction between tourism and HIV/AIDS; costing and monitoring of HIV/AIDS programs; the Bahamas' experience in reducing HIV/AIDS; assessment of legal frameworks and development of model policies, guidelines and legislation to reduce S&D.

Under Component 2, Prevention of the Spread of HIV/AIDS, the Project will support: (i) provision of support to Member Countries for the preparation of studies and programs aimed at reducing the risk of HIV infection among mobile populations; (ii) carrying out of HIV preventive services at tertiary educational institutions; (iii) development and dissemination of materials concerning the prevention and control of HIV/AIDS in the region; (iv) support for a regional condom social marketing program to promote safer sexual social practices among youth and other vulnerable groups; (v) provision of support in connection with Member Countries' programs to promote corporate responsibility on HIV/AIDS prevention in multi-country enterprises, which programs shall include, *inter alia*, the development of policies to be adopted at the workplace and a training program for the staff of said enterprises; and (vi) provision of mini-grants to support subprojects carried out by youth organizations and community-based organizations to implement innovative interventions for HIV/AIDS prevention and care and to address stigma and discrimination.

Under Component 3, Strengthening Regional Laboratory Services to Support the Expansion of Treatment and Care, the Project will carry out the following activities:

- Through CAREC to strengthen regional laboratory services to improve the care and treatment of HIV/AIDS, other sexually transmitted infections and other opportunistic infections, such as tuberculosis, through, *inter alia*: (a) the renovation and expansion of its existing small high security mycobacteriology laboratory; (b) the acquisition and utilization of new

laboratory equipment and related supplies; (c) the design and carrying out of a training program concerning new tuberculosis laboratory methods; and (d) the strengthening of its biomedical waste management and disposal system and procedures.

- Through PAHO (using PHCO): (i) provision of laboratory testing services through outsourcing and strengthening laboratory testing for HIV/AIDS and other sexually transmitted infections, and opportunistic infections, including tuberculosis; (ii) training of staff on new tuberculosis laboratory methods systems and (iii) training on prevention and treatment for HIV/AIDS and other infectious diseases including tuberculosis control; and (iv) provision of technical assistance in connection with the establishment of a Caribbean laboratory network, the definition of its *modus operandi*, and the strengthening of its capacity.

Under Component 4, Strengthening the Regional Response Capacity, the Project will support: (i) strengthening PANCAP/CARICOM's capacity to coordinate the role of regional HIV/AIDS agencies/entities; (ii) increasing the institutional and operational capacity of CRN+ to support country networks of PLWHA; (iii) strengthening the UWI's Health Economics Unit to enhance capacity to undertake research and provide technical training to countries in the region through, *inter alia*, training and mentoring programs; strengthening the health economics undergraduate and graduate program, creating a pool of experts for the countries to draw upon; short-term mentoring programs for staff of eligible countries; expansion of infrastructure facilities; and strengthening the UWI's own internal HIV/AIDS (UWIHARP) program to expand its outreach objectives; and (iv) supporting the UNAIDS objectives to expand country capabilities in monitoring the evolution of the HIV/AIDS epidemic. The component also supports assessing drug registration and patent systems across countries and sponsoring HIV/AIDS care and treatment meetings to facilitate cross-fertilization among countries.

- (f) Allowing for the use of the October 2006 revised World Bank Procurement and Consultant Guidelines, which allow for more flexibility in the use of procurement methods and eligibility of countries to participate in Bank-funded procurement.
- (g) Amending Schedule 1 of the Grant Agreement. Schedule 1 would be amended to: (i) include a new category of expenditures for the provision of mini grants; (ii) reallocate resources among categories of expenditure to take account of the actual costs of project activities; (iii) allow the following expenditures to be financed from the proceeds of the Grant: "Goods" under Part B, "Prevention of the Spread of HIV/AIDS"; and, "Training" under Part A, "Advocacy and Policy Development" and Part B of the Project "Prevention of the Spread of HIV/AIDS"; and (iv) increase the financing percentage in Category 5, "Operating Expenses" to 100 percent, retroactive to February 26, 2007, and
- (h) Extending the Grant's Closing Date from June 30, 2009 to June 30, 2010. This would be the second extension of the Closing Date. With restructuring and a one-year extension, the project will be able to attain its revised objectives. Implementation problems have had more to do with institutional arrangements than with lack of commitment or technical shortcomings, and the restructuring will remedy these. Even with a one-year extension, the project will have had a total implementation period of just over six years from original Board approval. Additional time will

allow the Project to fully utilize the Grant and complete all the planned activities benefiting the region.

#### IV. ANALYSIS

14. **Economic and Social Analysis.** The proposed changes will not affect the economic, financial, technical and social aspects of the Project as appraised. The economic justification for investment in the PANCAP Regional HIV/AIDS Project outlined in the Project Appraisal Document (Report No. 27267 dated March 4, 2004) is still valid. The Caribbean is still the region most affected by HIV/AIDS after sub-Saharan Africa, with an average HIV/AIDS prevalence of 1.1 percent. The fact that HIV/AIDS is the main cause of death of 25 to 44 year old Caribbean nationals has important consequences for output, labor supply, employment, savings, investment, and household and Government expenditures on treatment. The ability to reduce new infections and prolong the lives of those already infected is important for the economic and social development of Caribbean countries.

15. PANCAP is a critical regional organization for HIV/AIDS prevention and treatment that plays an important role in dealing with the epidemic. PANCAP has led the development of the Caribbean Regional Strategic Framework on HIV and AIDS 2008-2012 (CSRF) and is playing a special role in building the capacity of the Caribbean countries to implement the priorities outlined in the CSRF and national plans.

16. **Environmental Assessment.** The Project was assigned a Category "B" environmental rating and this rating will remain unchanged for the restructuring. As part of project preparation in 2003, a biomedical waste management assessment was carried out to identify potential environmental impact from the handling of biomedical wastes generated from laboratory testing of blood samples by the CAREC regional laboratories. Resources were allocated for updating the manuals for handling and disposal of biomedical waste generated by the laboratories; and for the purchase of waste disposal equipment and staff training in the application of appropriate standards to health care waste management. With support under the Project, CAREC revised the laboratory hazardous waste management policy and Standard Operating Procedures (SOPs). The revised policy outlines staff responsibilities in the management of biomedical waste; different categories of laboratory waste produced at CAREC; collection and segregation of waste at the point of generation; and treatment of different types of waste produced and safe disposal of the waste. The implementation of the biomedical waste management plan has been monitored regularly during supervision missions. It was assessed as satisfactory during the Project's Mid-Term Review. Due to the restructuring of CAREC, the project will focus on the establishment of a regional Caribbean laboratory network, which will provide information on testing capacity in laboratories in the region; thus, countries will be able to send samples to those laboratories during the period in which CAREC is in transition and therefore unable to provide testing services.

17. The Project envisaged civil works activities at two institutions: CAREC and the UWI at St. Augustine (Trinidad). At the CAREC site, the civil works involved the refurbishment of the tuberculosis laboratory. These civil works have been completed and the laboratory is operational. No adverse environmental impacts resulted from the refurbishment of the laboratory. The project will not support further civil works as CAREC will not be implementing further project activities, due to its absorption into the new Caribbean Public Health Agency (CPHA).

18. A teaching/learning facility for the UWI's Health Economics Unit (HEU) is being constructed at the UWI site, with significant co-financing from the Government of Trinidad. The site that was selected for the construction is owned by the UWI and is within the perimeter of the

University campus. It is the site of a previous structure that belonged to the University and was demolished. The site was cleared of debris before this Project was designed. There are currently no occupants of the site or any claims to the site, other than that of the UWI. The UWI campus at St. Augustine (Trinidad) has a stringent internal environmental code enforced by the University Administration. The HEU obtained the relevant construction clearance from the University Administration and the Local Government authorities prior to the construction of the HEU building.

19. **Reallocation of Funds.** Project costs have been adjusted and funds reallocated to reflect the actual costs of planned activities supported by the Project. Due to the organizational changes affecting CAREC, the Project will not continue to support the provision of equipment to laboratories, and some funds originally allocated under Component C will be reallocated. Some funds will be used to support the establishment of a regional laboratory network. PAHO will help countries in the region to make arrangements for the laboratory work that CAREC will not be able to carry out during its transition period. Given that PANCAP also receives funding from the GFATM and bilateral donors, reallocation of funds is required to adjust for possible gaps in the parallel financing.

20. CARICOM has submitted time-bound action plans with monitorable indicators for the extension period. The Bank team has reviewed the plans and found them satisfactory.

21. Neither the Grant nor CARICOM (the Recipient) is subject to an ongoing suspension of disbursements. There are no outstanding audit reports. Overall, although the Project has experienced delays with regard to implementation and flow of funds, PANCAP has been playing a critical role in coordinating the region's efforts in combating the AIDS epidemic, and currently, the implementation of activities under the PANCAP secretariat is progressing well. The Project is being restructured to ensure that the advances in project implementation continue and to formally correct the problems which have been contributing to the implementation delays and partial progress towards the PDOs.

## **V. EXPECTED OUTCOMES**

22. It is expected that the proposed restructuring will: (a) improve the Project's focus on more realistic and achievable objectives, (b) improve monitoring and evaluation of project performance based on relevant indicators, and (c) contribute to maximizing the effectiveness of Bank support to the region. The revised outcome indicators are discussed in Paragraph 13 (b) and presented in Annex 1.

## **VI. BENEFITS AND RISKS**

23. The Project adds value to the national HIV/AIDS programs by offering options for gaining economies of scale through regional interventions that strengthen networks of infrastructure and capacity of regional institutions which provide regional public goods that countries individually could not afford. The Project has been supporting strengthening of regional reference laboratories; facilitating research and exchange of information; training to improve skills and capacities of countries; improved sharing of knowledge and experience; supporting PANCAP and enabling it to strengthen collective bargaining (e.g., through the PANCAP process, the region was the first to negotiate for better AIDS drug prices). The Project has been supporting the regional agencies, including PANCAP, CRN+ and the UWI, which play a strong role in policy formulation and advocacy, to address major challenges, including stigma and discrimination which are major impediments to addressing the HIV/AIDS epidemic. The Project is also helping to strengthen vulnerable and at-risk groups (youth, young adults at tertiary level

institutions, mobilized population, commercial sex workers, migrant workers) through improving the design and implementation of interventions that will continue to serve as models for country-level interventions and through research to help improve the knowledge base on these groups. Given the political visibility of the PANCAP framework, Caribbean countries have been increasingly using it as a platform for other issues. Achievement of the Project's objectives will contribute significantly to strengthening the regional and national capacity to address various issues beyond health. In sum, benefits will be realized in: (i) stronger institutional and technical capacity for regional agencies; (ii) strengthened capacity for Caribbean member countries through enhanced leadership, improved technical capacity resulting from training provided under the Project by the regional institutions, and availability of tools for addressing stigma and discrimination (e.g., model legislation); (iii) greater knowledge and understanding of the trends in the epidemic; and (iv) stronger regional advocacy and leadership capacity of key regional institutions.

24. The pace of implementation poses a moderate risk to achievement of the Project's Development Objectives due to possible delays in project execution by the beneficiary agencies. Agencies have been slow to utilize and account for funds disbursed to them. This risk will be mitigated by more frequent site visits by the fiduciary staff of the PANCAP PCU. There is also a risk that the construction work at UWI could be delayed due to the possibility that the current global financial crisis may reduce the Government of Trinidad and Tobago's contributions to completing the building. CARICOM and UWI management teams are aware of this risk and have already explored different financing options. Finally, the issues in procurement and disbursement that affected the implementation under CAREC may continue to affect the new implementation agency, PAHO, and delay implementation. To resolve the issue, CARICOM and PAHO will enter into a cooperation agreement, with the no-objection of the Bank, providing for a blanket withdrawal mechanism in order to speed up the flow of funds and to ensure compliance with the Bank's fiduciary requirements.

Annex 1. Revised PANCAP Results Framework and Monitoring Indicators

Development Project Objectives	Project Outcome Indicators	Target			Means of Verification/ Data Source
		Baseline	Current status	Final	
<p><b>Project Development Objective:</b> To enhance the Caribbean regional response to HIV/AIDS by:</p> <p>(a) supporting improvements in the policy and legal environments for addressing HIV/AIDS;</p> <p>(b) expanding the knowledge base on the cost &amp; consequences of HIV/AIDS in the region</p> <p>(c) strengthening the capacity of selected regional institutions to help countries implement their national HIV/AIDS strategic plans.</p>	(a- i) New Regional AIDS strategy developed and disseminated.	0	1	1	Regional Strategic Framework document, dissemination plan & report, financial records
	(a- ii) Draft model policy guidelines & legislation to reduce stigma & discrimination developed and disseminated to all participating countries.	0	0	15	
	(b- i) # of countries using regional policy documents and model programs as reported by country delegates to PANCAP at RCM meetings	0	6	8	RCM reports
	(b -ii) Project study reports on topics such as HIV and poverty; HIV & tourism, and Costing and milestones in HIV/AIDS, disseminated to all participating CARICOM countries.	0	0	14	Study publications, policy documents, dissemination reports
	(c- i) regional coordination mechanism (RCM) established and functional.	0	1	1	RCM quarterly reports
	(c- ii) capacity of six regional institutions strengthened and capable of increasing mandated service as	0	5	6	Implementing agency progress reports

	evidenced by achievements of their workplans.				
<b>Objectives of each component</b>	<b>Intermediate outcome and output indicators</b>				<b>Means of Verification/ Data Sources</b>
<b>1. Advocacy and Policy Development</b>	# of regional studies conducted with findings disseminated to inform policy development and advocacy	0	4	7	Final study reports
	# of toolkits produced & disseminated documenting best practices to reduce stigma & discrimination at the country level	0	1	6	Toolkits
	# of draft regional model policies & legislation developed to reduce stigma & discrimination against PLWHAs & their families	0	0	1	report , workshops and draft legislation
<b>2. Prevention of the Spread of HIV/AIDS</b>	Regional program designed to provide HIV infection prevention services at tertiary educational institutions	0	0	1	Regional framework and report
	# of workplace HIV/AIDS prevention CEO/business leader workshops and/or meetings conducted	0	0	2	Workshop reports
	# of vulnerable population networks supported	0	0	6	Quarterly monitoring reports
	# of HIV/AIDS prevention mini-grants implemented by CARICOM Youth Ambassadors (CYA)	0	0	5	Quarterly monitoring reports
	# of healthcare providers trained to train other providers	0	0	30	Workshop & quarterly reports

	how to serve MSM & CSW healthcare needs				
<b>3. Strengthening Regional Laboratory Services to Support Scaling-Up Treatment &amp; Care</b>	# of regional laboratories renovated and expanded	0	1	1	Quarterly monitoring Reports
	# of regional laboratories equipped	0	2	2	Quarterly monitoring reports
	Regional Lab Network established	0	0	1	Quarterly monitoring reports
<b>4. Strengthening Regional Response Capacity</b>	# of UWI-HEU training facilities expanded & equipment support provided	0	0	1	Building site review & quarterly reports
	Number of graduate students trained in HIV-related health economics	0	6	8	Quarterly monitoring Reports
	Number of regional HIV/AIDS coordination meetings conducted	0	4	10	RCM and AGM reports
	# of countries completing accreditation in the Caribbean Initiative for the Elimination of Vertical Transmission of HIV & Syphilis	0	0	4	Quarterly reports
	# of countries receiving technical assistance on IT/M&E database and tools.	0	0	5	Project reports
	# of PLWHAs trained in advocacy, project & financial management, & marketing	0			Project reports on actual numbers