



1. Project Data:		Date Posted : 05/30/2002	
PROJ ID: P002542		Appraisal	Actual
Project Name: Health & Education	Project Costs (US\$M)	12.04	11.83
Country: Sao Tome & Principe	Loan/Credit (US\$M)	11.4	11.8
Sector(s): Board: HE - Health (83%), Central government administration (15%), Primary education (1%), Secondary education (1%)	Cofinancing (US\$M)	None	
L/C Number: C2343			
	Board Approval (FY)		
Partners involved : None	Closing Date		
Prepared by :	Reviewed by :	Group Manager :	Group:
Roy Jacobstein	Madhur Gautam	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
The project objective was “to assist the Government of Sao Tome & Principe (STP) to reverse the recent serious declines in health and education status faced by the population.”			
b. Components			
The project had two components, a Health Sector component and an Education Sector component. The Health Sector component had three major subcomponents (“subprojects”): Integrated Malaria Control, Essential Drugs, and Health Planning. The Education Sector component also had three subprojects: School Textbooks and Educational Materials, Education Inspection, and Education Planning.			
The Health Sector component was by much the larger, with 83% of funds allocated to it at appraisal, and 80% in actuality. The Integrated Malaria Control subproject was the major thrust of the health component and of the overall project: it represented 83% of the health component at appraisal and 96% of the actual. Overall, 77% of project funds went to this one subcomponent; i.e., this was in essence a malaria control project, with a few ancillary activities in addition.			
c. Comments on Project Cost, Financing and Dates			
The estimate of the IDA contribution at appraisal, \$11.4 million, was exceeded by \$.4 million. The Govt. contribution at appraisal, .63 million, was .5 million in actuality—a shortfall of 21%. The project became effective approximately one year after approval (6 months beyond the planned effective date). The project was extended twice beyond its original closing date of 06/30/1998, in order to allocate \$3.9 million of unspent project funds to additional infrastructure in the form of drainage works; no other project activities were carried out during the three-year extension period.			
3. Achievement of Relevant Objectives:			
Project objectives were very general, i.e., to improve health and education status of the populace. With respect to improvement in health status, the malaria case fatality rate decreased, but the number of case increased (see Sections 4 and 5 for discussion). Improvement in education status is not (and cannot be) documented.			
4. Significant Outcomes/Impacts:			
The malaria case fatality rate dropped significantly, among both under-5 and over-5 segments of the population, from mid-project levels of 3.2% and 5.2% in 1995 and 1996 respectively, to levels of 2.3% and 1.7% respectively in 1999 and 2000. Measures of trained health provider knowledge and behavior suggest that substantial improvements have been made in malaria case management. Similarly, the behavior of the populace changed, with over 1/3 protected by bed nets in 1999 compared to almost none at the time of the start of the project. Adequate drainage works were constructed in the Agua Grande District (the capital city district), which may have had the unintended positive effect of improving land values. Supply of essential drugs improved, and improved systems and policies (e.g. cost recovery) were in place. Seven education inspectors (out of a planned 10) were trained and increased their supervisory visits.			

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

Project design was flawed. Baseline indicators and quantifiable objectives were not established, and, more fundamentally, the interventions were not clearly linked to stated objectives. Achievements in education were minimal to nonexistent: the education planning system remains weak, the few supervisors who were trained made little progress in pedagogical support to teachers, and only 20% of planned textbooks were printed. With respect to health, the infrastructure investments—representing well over 50% of total project costs (the exact % is not given in the ICR)—was highly inefficient. The drainage canals collapsed soon after construction during the project's first five years, necessitating a project extension and their total replacement over the next three years. Furthermore, drainage was not even the correct intervention, given that the vector involved prefers small accumulations of clean water. The number of reported cases of malaria increased approximately 40% from 1995 to 2000. Health planning achievements were negligible. Despite the heavy emphasis on infrastructure, Bank supervisory teams did not include infrastructure expertise until September 2000. The Government participation in design was unsatisfactory, as was its guidance and support to the PCU; it had a 34% shortfall in its contribution, and a significant drug misprocurement.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Moderately Unsatisfactory	The project made modest contributions to malaria treatment, but with substantial shortcomings in most of the investment activities.
Institutional Dev .:	Modest	Modest	
Sustainability :	Likely	Likely	The activities that were successfully implemented are likely to be sustained.
Bank Performance :	Satisfactory	Unsatisfactory	Both quality at entry and quality of Bank supervision were unsatisfactory (see above).
Borrower Perf .:	Satisfactory	Unsatisfactory	Borrower implementation performance was unsatisfactory with respect to civil works, inadequate counterpart financing, and a significant drug misprocurement.
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:

Infrastructure—drainage works for malaria in this case—should be preceded by sector work suggesting that it is a correct technical intervention, likely to have significant impact. If an infrastructure component is large, infrastructure expertise should be part of every supervisory mission. Baseline indicators and benchmarks that will be used for management and feedback during implementation are a necessary part of any project. If a project is of too small scope—as was the education component of this project—it will predictably lead to “small” (if any) results.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The ICR was well written and thorough, thoughtful and internally consistent. It provided ample evidence for the lower ratings assigned by the ES to the project, but failed to draw the conclusion that the project had not, in general, been successful (admittedly a difficult judgment call, given the heterogenous nature of the outcomes). In particular, the Bank performance, which is rated satisfactory in the ICR, clearly was not, for reasons discussed above—reasons well-described in the ICR.