

1. Project Data:		Date Posted : 05/14/2002	
PROJ ID: P003914		Appraisal	Actual
Project Name : Id-third Comm Health &	Project Costs (US\$M)	152.8	100.3
Country : Indonesia	Loan/Credit (US\$M)	93.5	72.2
Sector(s) : Board: HE - Health (100%)	Cofinancing (US\$M)		18.5
L/C Number : L3550			
	Board Approval (FY)		92
Partners involved : KfW	Closing Date	03/31/1999	03/31/2001
Prepared by :	Reviewed by :	Group Manager :	Group:
Roy Jacobstein	John R. Heath	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
<p>The project objectives were to raise infant, child, and maternal health status in the provinces of Irian Jaya (now Papua), Maluku, Nusa Tenggara Timur, West Java, and Central Java by improving the effectiveness of safe motherhood, child survival, nutrition, and health education programs. These development objectives remained the same during the period of project implementation as well as during project extension.</p>			
b. Components			
<p>The project had two components: a provincial service delivery and capacity development component in each of the five provinces (\$87.2 million), and a central support services and capacity building component (\$47.1 million). Contingencies were estimated at \$29.8 million, for a total project cost of \$164.1 million. (Data from Table 4.1 of SAR, Project Cost Summary by Component.)</p>			
c. Comments on Project Cost, Financing and Dates			
<p>Actual costs were \$100.3 million, with a Bank loan of \$72.2 million, counterpart funding (in the form of a KfW grant) of \$12 million, and CoFinancier funding of \$16.1 million. Overall, \$21.3 million of the loan was cancelled because of various factors, including Indonesia's severe economic crisis of 1997-1999, with attendant shortfalls in government funding, as well as civil strife in Maluku in 1998, which led to cessation of project activities.</p>			
3. Achievement of Relevant Objectives:			
<p>The project met or exceeded its objectives in the provincial service delivery and capacity development component in Irian Jaya (now Papua), Nusa Tenggara Timur, West Java, and Central Java. Sustained civil violence in Maluku led to an unfinished agenda after a promising start. The central support services and capacity building component, which accounted for approximately 1/3 of project spending, had a more marginal performance record. Neither the central Ministry of Health or Ministry of Education and Culture performed satisfactorily in the area of HIS development or development of the MOH Center for Health Education into a strong and useful unit; on the other hand, the training subcomponent of the central support component was satisfactory.</p>			
4. Significant Outcomes/Impacts:			
<p>Many population-level health indicators improved substantially in the five provinces. For example, immunization rates improved in each province, dramatically so in the case of Maluku (DPT vaccinations increased from 55% to 81% in the former and from 76% to 98% in Irian Jaya. Levels were between 95-102% in the other three provinces). Similar trends were recorded in all five provinces for pregnant women receiving tetanus toxoid. Initial levels that ranged from lows of 20% in Maluku and 34% in Irian Jaya to highs of 63% in Central Java and 70% in West Java, rose to levels of 41% in Irian Jaya and 55% in Maluku to 83% in West Java and 86% in Central Java. From the standpoint of capacity building and institutional development, thousands of health personnel received training—almost 3000 in-country, and</p>			

almost 500 overseas, including over 40 PhD's and 400 Master's Degrees. In this and in other ways the capacities of provincial health ministries were greatly augmented, e.g., in terms of new infrastructure as well as deployment and improved performance of various health cadres such as trained midwives.

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

Significant shortcomings in the project included the absence of baseline (and lower-level) indicators of health outcomes and health status, such that improvements in health indicators cannot necessarily be attributed to project interventions. The development of the MOH's Center for Health Education into a capable support unit for provincial levels did not take place. Nor did a general policy environment of support to stronger, decentralized provincial and local health units arise, as had been expected due to support to the central level. Similarly the development of the central Center for Health Information into a unit that would serve as the MOH's technical secretariat for health information was not achieved.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev .:	Substantial	Substantial	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
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:

The most notable Indonesia-specific lesson is that provinces and districts, even ones with relatively poor health status, can establish increased capacity and maintain increased responsibilities, even in the absence of robust support from central levels. In such situations, only a relatively small component of support for central levels (if any at all) may be required. The most notable lessons of broad applicability that were confirmed in this project are: it is risky to rely on an unreformed central ministry to lead the way in health decentralization; capacity-building strategies which respond to local situations can be effective and sustainable (even in adverse economic or political circumstances); development of well-designed, well-utilized and useful health information systems is labor-intensive and difficult; and poor monitoring and evaluation design—including the absence of baseline performance indicators—is a serious flaw which cannot be easily rectified subsequently during supervision and implementation, and which makes assessment of project performance very difficult.

8. Assessment Recommended? Yes No

9. Comments on Quality of ICR:

The ICR was well-organized and written, fair and accurate in its judgments, and internally consistent, with analysis and evidence supporting its judgments.