ICR Review

Operations Evaluation Department

Report Number : ICRR11435

1. Project Data:		Date Posted : 05/08/2003		
PROJ ID : P010526			Appraisal	Actual
Project Name :	Health Services Dev	Project Costs (US$M)	22.6	16.75
Country :	Sri Lanka	Loan/Credit (US$M)	18.8	12.85
Sector(s):	Board: HE - Health (93%), Central government administration (7%)	Cofinancing (US$M)	-	-
L/C Number :	C2928			
		Board Approval (FY)		97
Partners involved :		Closing Date	06/30/2002	06/30/2002

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2. Project Objectives and Components

a. Objectives

Enable Government to: (1) Address the major public health problems of malaria, malnutrition and HIV /AIDS; (2) Address the new challenges raised by the epidemiological transition and increasing importance of non-communicable diseases of adults; and (3) Address key health policy and financing issues .

b. Components

The project had three main components :

(1) Communicable Diseases and Nutrition (70% of base costs). This included three separate areas of work : (a) Malaria - to reduce the annual incidence of malaria in high prevalence districts (17%); (b) STD/AIDS - to take measures to ensure that Sri Lanka remains a low HIV prevalence country (39%); (c) Malnutrition - to reduce protein-energy malnutrition and the proportion of low-weight births, and eliminate iodine deficiency diseases (14%).

(2) Non-Communicable Diseases (NCD) and Epidemiological Transition (2% of base costs). This pilot NCD component would assess the issues, care and treatment, develop guidelines of best practice, develop national communication strategies, establish an NCD data registry and develop recommendations in the area of food and tobacco policy.

(3) Program Support (27%). This had four activities: (a) Strengthen Government capacity for policy analysis and planning in the health sector, and support further research and analysis of health policy and financing issues (6%); (b) Increase the capacity of the Ministry of Health to organize and utilize information for management and planning purposes by establishing an MIS (8%); (c) Support enhanced quality, effectiveness and coverage of the activities of the Health Education Bureau in MoH (12%), and (d) Run the PIU within the MoH (1%).

c. Comments on Project Cost, Financing and Dates

Project closed as scheduled on 06/30/2002; $3.46 million were cancelled as a result of project restructuring and exchange rate savings.

3. Achievement of Relevant Objectives:

The project was restructured following the MTR : The components on malaria and health education were expanded, nutrition was refocused to support NGO activities; the STD /AIDS component was reduced; the policy component remained unchanged; and the unsuccessful NCD and MIS components were substantially reduced .

- Communicable Disease: Malaria - Implementation of WHO's Revised Malaria Strategy was supported, surveillance was strengthened, and the target reduction in the number of malaria cases in six high prevalence districts was achieved, but this achievement cannot be solely attributed to the project as the reduction was facilitated by a drought. The mobile malaria clinic strategy was found expensive (30% of the program costs) and not sustainable; expansion into four additional high prevalence areas was not undertaken until after the MTR; the plan to use chemically treated bednets was very slow in implementation . Regarding STD/AIDS, capacity for treatment of STDs was increased, awareness increased, condom use rose, a national strategic plan was prepared and released, and the target of a prevalence rate for STD /AIDS below 1% was achieved, again not solely attributable to the project. The nutrition component did not perform well. Some outputs (such as nutrition guidelines and establishment of nutrition surveillance sentinel points) were achieved which may strengthen nutrition work in the future, most of its outputs and outcomes were not measured (i.e. adoption of recommended

breastfeeding and weaning practices, anemia among pregnant women, staffing of community nutrition centers, consumption of iodized salt). Although low birthweight among 5-year old children did decrease, the project's contribution may be only marginal. After the MTR, NGOs were engaged to implement nutrition projects but management by the PIU was weak and led to confusion and poor implementation; evaluation of the one year of work by NGOs showed little impact.

- NCD: The planned outcome was development of an NCD strategy and policy recommendations but these were not produced. Guidelines for diabetes and hypertension were prepared and disseminated; due to lack of information, their utilization is not known.
- Program Support: Some increase in the capacity for analysis and planning was developed, through training of managers and, to a limited extent, through the program linking the MoH and the University of Colombo (Health Economics Study Program), and some studies have been completed. However, of the studies planned, very few were undertaken, and the University of Colombo withdrew from the link program. Plans to develop an MIS were dropped because of poor performance in moving ahead with procurement of services. The utility of improved knowledge and practices on health and nutrition-related behavior resulting from the health education training and IEC efforts was weakened by lack of coordination between the Health Education Bureau and public health components, and no impact evaluation is available. Although the target was training of **all** health field staff in communication skills, the number trained was "over 50%".

4. Significant Outcomes/Impacts:

- Malaria: The project succeeded in controlling epidemics in 1999, 2000, 2001 and 2002 through strengthened surveillance and improved malaria control interventions.
- STD/AIDS: Capacity of STD clinics was strengthened in provincial and base hospitals. Condom use among HRG increased from 25% to 38%. STD care-seeking behavior increased. Blood safety guidelines have been developed and disseminated. A national strategic plan for control of HIV/AIDS in 2001-5 was prepared and released.
- Nutrition: Nutrition surveillance sentinel points were established, capacity development was achieved through training, a nutrition guide was prepared in three languages and distributed.
- Non-Communicable Disease: Best practice guidelines on both diabetes and hypertension were produced and distributed.
- Health Policy: Six Needs Assessments and three studies on relevant areas were prepared. Staff training in Health Sector Reform and Financing has been undertaken. Recommendations of the mental health study are being implemented.
- Health Education: Half of the field staff were trained in interpersonal communication; an auditorium and hostel complex was constructed for the Health Education Bureau, and most hospital health education units were upgraded. New materials were prepared on STD/AIDS, NCD, malaria and malnutrition.

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

- The first project for the Health Sector in Sri Lanka (which closed in 1995, before this project was appraised) experienced major implementation difficulties in its early phases, due primarily to lack of ownership by the MoH and poor project management; only after a critical MTR was project management modified and implementation improved substantially. It was criticized as being overly complex for the management skills available. Precisely the same pattern is exhibited with this project indicating lessons were not learned.
- Monitoring and evaluation was very weak. The selected outcome, output and process indicators were frequently objectives or activities; most indicators were without baseline data. The impact of many of the project initiatives has not been evaluated.
- Weak government commitment affected implementation, with a lack of continuity in the Project Management Unit. During five years, there were seven project coordinators and eight accountants.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	The main component (on Communicable Disease) did achieve some critical outputs, but other components were not implemented effectively, or were dropped.
Institutional Dev .:	Modest	Modest	
Sustainability :	Likely	Unlikely	Capacity for policy analysis and planning in the health sector remains weak, the MIS system does not exist, NCD strategies and recommendations have not been developed, and the University of Colombo has withdrawn from its linkage to the MoH.
Bank Performance :	Satisfactory	Unsatisfactory	Lessons from the earlier health project

			were not taken into account in the design and management of this project. M&E was poorly carried out and not a focus of supervision missions, even though the indicators could have provided useful implementation guidance.
Borrower Perf.:	Satisfactory	Unsatisfactory	The lack of commitment to the project during its first three years was exemplified by the poor staffing arrangements for the PIU, procurement decision delays, and lack of counterpart funding.
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 effective implementation of a project often depends on the satisfactory performance of the Project Coordinator. In circumstances where a country, and sector, have already demonstrated problems with effective Coordinators, recruitment of a satisfactory Project Coordinator can usefully be made a Condition of Effectiveness.

8. Assessment Recommended? ○ Yes ● No

9. Comments on Quality of ICR:

The ICR provides a thorough review of the project and the problems, and is frank in identifying the failings that occurred. The detailed comments from the Borrower provide useful balance.