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FOR A

PROPOSED ACGF GRANT IN THE AMOUNT OF USD 15¹ MILLION

TO THE

INTER-GOVERNMENTAL AUTHORITY ON DEVELOPMENT²

FOR A

IGAD REGIONAL HIV/AIDS PARTNERSHIP PROGRAM (IRAPP) SUPPORT PROJECT

June 26, 2007

Africa Catalytic Growth Fund (ACGF)
Regional Integration
Africa Office

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¹ The amount includes the Project Preparation Advance that the Recipient already received.

² Member countries: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda.

CURRENCY EQUIVALENTS

FISCAL YEAR
January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AAP	Africa Action Plan
ACGF	Africa Catalytic Growth Fund
ADB	African Development Bank
AIDS	Acquired Immune Deficiency Syndrome
ALCO	Abidjan-Lagos Transport Corridor Project
ARCAN	African Regional Capacity Building Network for HIV/AIDS Prevention, Care, and Treatment (ARCAN)
ARV	Anti-Retroviral (Drugs)
ART	Anti-Retroviral Therapy
ASAP	AIDS Strategy and Action Plan
AU	African Union
BSS	Behavioral Surveillance Survey
CAS	Country Assistance Strategy
CBMP	Cross-Border and Mobile Populations
CIDA	Canadian International Development Agency
CNLS	National HIV/AIDS Control Committee (<i>Comité National de Lutte contre le SIDA</i>)
CSO	Civil Society Organizations
DFID	Department for International Development
EU	European Union
GAMET	Global HIV/AIDS Monitoring and Evaluation Team
GLIA	Great Lakes Initiative on HIV/AIDS
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HESAD	Health and Social Development Section
HIV	Human Immune Deficiency Virus
HIV/AIDS	Human Immune Deficiency Virus/ Acquired Immune Deficiency Syndrome
HMWMP	Health and Medical Waste Management Plan
HOAP	Horn of Africa Partnership on HIV Vulnerability and Cross Border Mobility
ICB	International Competitive Bidding
IDA	International Development Association
IDF	Institutional Development Fund
IDMC	Internally Displaced Monitoring Centre
IDP	Internally Displaced People
IFR	Interim Financial Reports
IGAD	Inter-Governmental Authority on Development
IOM	International Organization for Migration
IP	Implementing Partner
IPF	IGAD Partnership Forum
IRAPP	IGAD Regional HIV/AIDS Partnership Program
MAP	Multi-Country HIV/AIDS Program
M&E	Monitoring and Evaluation
MSC	Most Significant Change
OFID	OPEC Fund for International Development
PDO	Project Development Objective
PMTCT	Prevention of Mother-To-Child Transmission
PLWHA	People Living With HIV/AIDS
QCBS	Quality and Cost Based Selection
SBD	Standard Bidding Documents
SC	Steering Committee
STI	Sexually Transmitted Infection

TAP	Treatment Acceleration Project
TB	Tuberculosis
TOT	Training of Trainers
TTL	Task Team Leader
TWG	Technical Working Group (on Health and on M&E)
UNAIDS	Joint United Nations Program on HIV/AIDS
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
VTC	Voluntary Counseling and Testing
WHO	World Health Organization

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AFRICA
Inter-Governmental Authority on Development (IGAD)
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

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A. STRATEGIC CONTEXT AND RATIONALE

1. Regional and sector issues

1. The Horn of Africa, defined for the purposes of this project as Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan, and Uganda, represents one of the largest, most complex political, social and economic environments on the Continent. While there are many complicating and interrelated aspects, population mobility and migration are thought to be key factors that bear on HIV prevalence and incidence rates. In cross-border areas in the Horn, transport workers spend time away from their homes, and where migrants, mobile workers, refugees, internally displaced persons (IDPs), and other mobile populations transit or settle. These persons move from one place to another temporarily, seasonally or semi-permanently for a host of voluntary and involuntary reasons. Such reasons may include seasonal migration patterns, family reunification, search for better professional or economic opportunities, poverty, war, human rights abuse, ethnic tension, violence, famine, other natural disasters, persecution, and/or health needs. Due to the disruption of social norms and the political and economic instability associated with mobility, these populations often face food shortages, physical and psychological insecurity and abuse, extreme poverty, poor hygiene, lack of education, and other hardships.

2. Mobile women and children are often the most vulnerable and bear the brunt of these hardships. Women and girls in such situations are forced to submit to sexual abuse, and have little choice other than to involuntarily trade sex for economic survival. Moreover, these populations are often marginalized and/or alienated for political, linguistic, and/or geographic reasons. As well as being at a stark disadvantage in terms of accessibility to community and public sector services, including health counseling, care and support. At the same time these higher risk populations interact with local populations on many levels, and are rarely addressed in national HIV/AIDS programs. (An IGAD Regional mapping assessment of HIV/AIDS interventions confirms that at-risk regional populations are often not included in national strategies or policies, and that services are poor or completely lacking for cross-border and mobile populations [CBMPs].)

3. *Internally Displaced Persons (IDPs)*: The number of internally displaced persons (IDPs) in Africa remains enormous: some 12 million of the world's 23.5 million IDPs were living in Africa as of the end of 2005, and the numbers have most probably increased. During the same time various peace processes across the continent yielded positive results, allowing for the return of more than three million African IDPs – substantially more than in any other region of the world. Yet sustainable return and reintegration is hampered by numerous constraints, including in many cases continuing protection concerns and grim living conditions in areas of return. IDPs in Africa have often been particularly vulnerable to direct physical attacks or threats, sexual assault, forced labor, torture, mutilation and rape, which have been documented in recent years in many countries monitored by the Internally Displaced Monitoring Centre (IDMC). Despite, or because of, the fact that internal displacement in Africa presents a humanitarian challenge of enormous proportions, the response has on the whole been inadequate. The responses in numerous countries share some common constraints: weak or non-existent national response capacities; endemic insecurity resulting in limited humanitarian access; an acute lack of funding for programs; and in many cases weak capacity and coordination at the international level, particularly between peacekeeping missions and humanitarian operations. Recently UNHCR has been identified as the lead UN agency dealing with IDPs, and is taking steps to improve the coordination of assistance from the multiple entities which are responsible for some aspect of the IDP response.

4. *Refugees:* The refugee challenge in the Horn of Africa has been dramatically exacerbated as a result of the fragile political situation throughout the sub-region. There are refugee camps in all Inter-Governmental Authority on Development (IGAD) countries, and these refugees often fall outside of the national HIV/AIDS programs, epidemiological tracking and related service delivery. UNHCR is the UN agency with the lead responsibility for supporting refugees and does so through tri-partite agreements with the host country and mutually approved implementing partners, typically an NGO.

5. *HIV/AIDS Situation:* With regard to HIV, in 2006, almost two thirds (63%) of all persons infected with HIV were living in sub-Saharan Africa (24.7 million), according to the UNAIDS 2006 AIDS Epidemic update. Furthermore, during that year, an estimated 2.8 million adults and children became infected with HIV, more than in all other regions of the World combined. Across the region, women bear a disproportionate part of the AIDS burden: not only are they more likely than men to be infected, but in most countries they are also more likely to be the ones caring for people infected with HIV. The countries in the Horn of Africa are greatly impacted by the HIV/AIDS epidemic, are facing different and similar challenges, and are at different stages of addressing the epidemic. The UNAIDS Epidemic update estimates the current prevalence levels (age 15-49) for the Horn of Africa countries to be: Djibouti (3.1%); Eritrea (2.4%); Ethiopia (3.5%); Kenya (6.1%); Somalia (0.9%); Sudan (1.6%); and Uganda (6.7%). Since the data vary depending on the target groups and the geographical areas, targeted programs for the most vulnerable groups are critical. The movement of vulnerable populations is another major challenge, requiring programs that specifically target the CBMPs in a comprehensive and collaborative manner among the Horn of Africa countries.

6. *Regional Integration:* The Inter-Governmental Authority on Development (IGAD), a Regional Economic Commission (REC) in the context of NEPAD, was created in 1996 to supersede the Intergovernmental Authority on Drought and Development (IGADD) which was founded in 1986. The recurring and severe droughts and other natural disasters between 1974 and 1984 caused widespread famine, ecological degradation and economic hardship in the Eastern Africa region. Although individual countries made substantial efforts to cope with the situation and received generous support from the international community, the magnitude and extent of the problem argued strongly for a regional approach to supplement national efforts. In 1983 and 1984, six countries in the Horn of Africa (Djibouti, Ethiopia, Kenya, Somalia, Sudan and Uganda) took action through the United Nations to establish an intergovernmental body for development and drought control in their region. The Assembly of Heads of State and Government met in Djibouti in January 1986 to sign the Agreement which officially launched IGADD with Headquarters in Djibouti. Eritrea became the seventh member in 1993. In April 1995 the Assembly of Heads of State and Government issued a Declaration to revitalize IGADD and expand cooperation among member states. On 21 March 1996 in Nairobi the Assembly of Heads of State and Government signed the "Letter of Instrument to Amend the IGADD Charter/Agreement" replacing IGADD with "The Inter-Governmental Authority on Development (IGAD)". The revitalized IGAD, with expanded areas of regional cooperation and a new organizational structure, was launched by the IGAD Assembly of Heads of State and Government on November 25, 1996 in Djibouti, the Republic of Djibouti.

7. IGAD is guided by an overarching strategy, which was adopted in 2003. The strategy provides a coherent framework aimed at guiding IGAD priority development programs in pursuit of its mandate, and in moving forward as the premier regional economic organization

for achieving peace, prosperity and regional integration in the IGAD region. It incorporates and benefits from: (a) experience gained in the past; (b) current framework conditions of development cooperation; and (c) regional as well as global challenges and emerging issues facing the region. In preparing the Strategy, IGAD embraced and employed the principles of ownership, participation and partnership. IGAD is considered a “Regional Economic Commission” (REC) in the context of NEPAD, and thus is looked to for economic and social sub-regional ownership, information and action.

8. In 2005, IGAD’s Health and Social Development Section (HESAD) was established as part of the IGAD structure based upon recommendations of Ministers of Health in the IGAD member states, and supported by the African Union requesting REC’s to establish HESAD Units. HESAD has already made good progress during the implementation of a World Bank Institutional Development Fund (IDF) grant with the World Bank in the amount of US\$495,000. The IDF grant was successfully implemented in partnership with all the IGAD Member States and with the development partners. As part of the grant, IGAD developed the regional mapping assessment, which will guide many of the interventions as part of this proposed project. HESAD, in close collaboration with all the Member States, has also developed a Regional Reproductive Health Strategy with UNFPA and AU, which is scheduled to be endorsed by the Ministers of Health.

9. *Partnership Program Approach:* The proposed project will assist the IGAD region in addressing the regional challenges of HIV/AIDS, in particular addressing vulnerable groups in the cross-border areas. The project will be catalytic in mobilizing additional resources from other development partners, and will work in collaboration with those in the region (e.g., the African Development Bank, UNAIDS, UNHCR, WHO, UNICEF and IOM). The proposed project will aim to: (i) support interventions targeting refugees, IDPs, and cross-border and mobile populations; (ii) support cross-border collaboration on the health-sector response to HIV/AIDS; and strengthen IGAD’s and countries’ capacity to coordinate a regional response to HIV/AIDS in the region by ensuring increased collaboration among the countries and by mobilizing resources for a sustainable regional program. These efforts will add value to the national programs which do not adequately address these vulnerable groups. The project will ensure that sustainable attention and support is provided for these groups and that this is done through collaboration and linked with national level service delivery systems.

2. Rationale for ACGF Funding and Bank Involvement

10. The main rationale for including this project through the regional integration window of the ACGF is that the project: (a) supports a regional body (or cooperation among nations in a sub-region) that adds value to existing country efforts; (b) strengthens the capacity of the regional body (or cooperation among nations) to address a public good in a sustainable way (in this case HIV/AIDS for cross border and mobile populations); and (c) strengthens or builds mechanisms/forums for policy sharing, advocacy and surveillance in a regional grouping.

11. The project also seeks to facilitate the delivery of needed services to supply a multi-country public good to targeted cross-border and mobile populations, migrants, refugees, returnees and internally displaced persons in order to reduce the spread of HIV/AIDS and to provide care and mitigate its impact. Ultimately these services will be delivered through regional cooperation and/or national programs, and ACGF implementation will help build and sustain this capacity. Thus, the ACGF operation is a catalyst for a regionally coordinated program of support in the Horn of Africa to address HIV/AIDS; for harmonizing approaches

among nations and ensuring that cross border populations do not "fall through the cracks" in receiving essential services; and for mobilizing additional resources for the broader program.

12. The ACGF will also be instrumental in helping to develop a scaled up response to regional cooperation for cross border and mobile populations, initially for HIV/AIDS but over time for harmonization on other health issues which require regional collective action. There is broad recognition in the region of the need to address the regional challenges of HIV/AIDS, and the countries have urged IGAD to take the lead in coordinating this effort and requesting the support of development partners. The Africa Catalytic Growth Fund (ACGF) is the only option available to fill this need. Given the fragility of the Horn and limited resources in most IGAD Member States, the difficulties posed with devising formulas for credit financing and burden sharing, limitation of resources in IGAD Member States, and the need to maintain momentum in addressing HIV/AIDS in a coordinated manner, the ACGF is the only instrument at this stage that can provide substantial resources to support this partnership which would create the enabling environment for other donors and partners to join. Several other development partners, including the African Development Bank, the OPEC Fund for International Development (OFID) and some bilaterals, have indicated that they will provide additional resources when the program has been established.

13. Each of the seven IGAD Member States has a national HIV/AIDS strategy and a national HIV/AIDS plan. Most of the countries have, or will be, receiving funds from different instruments of the Bank in addressing HIV/AIDS. While these programs address national concerns they are not well positioned, designed, or have the institutional capacity to address cross-border aspects despite the sub-regional intersection with national efforts, and which can importantly affect the success of national efforts. All IGAD countries have developed a strategic approach to HIV/AIDS, a high level coordinating body, and an expressed willingness to use exceptional implementation arrangements and multiple channels for service delivery. The proposed regional approach will build on these foundations, complementing HIV/AIDS national programs in all IGAD Member States, and contributing to the effectiveness of resources directed at national efforts.

14. The ACGF will leverage the skills and knowledge of IDA through involvement of the regional integration department and significant HIV/AIDS experiences from more than 30 national HIV/AIDS supported programs. Regional integration is an area of great strategic need for Africa, due to its large number of land-locked resource-poor economies and cross-border issues. Success in these cases would address multi-country shared constraints to growth, bring together fragmented investments, and support missed opportunities in a regional context. Under the ACGF, regional integration funding can be provided to participating countries or to regional institutions.

15. World Bank involvement provides: (a) a broad perspective and understanding as to how HIV/AIDS fits into multinational, multi-sectoral and sub-regional development agendas; (b) experience in over 30 countries in Sub-Saharan Africa in designing and implementing programs under the MAP; (c) experience in preparing regional multi-country HIV/AIDS-focused efforts, such as the Great Lakes Initiative on AIDS (GLIA) Support Project, the Abidjan-Lagos HIV/AIDS Transport Corridor and African Regional Capacity Building Network for HIV/AIDS Prevention, Care, and Treatment (ARCAN), and the Treatment Acceleration Project (TAP) projects; (d) the ability to dialogue at the highest political and economic levels with countries which may be in de-facto conflict with one another; and (e) experience in sub-regional multi-donor disarmament, demobilization and reintegration efforts.

16. The Independent Evaluation Group (IEG) in their recently published report, “The Development Potential of Regional Programs,” recommends that the World Bank take on a larger role in support of regional programs. Further, the report identified five design features vital to the success of regional programs, namely: (1) strong country commitment to regional cooperation; (2) the scope of objectives has to match national and regional capacities; (3) a clear delineation and coordination of the roles of national and regional institutions; (4) accountable governance arrangements; and (5) planning for sustainability of program outcomes. These recommendations were taken into account during the preparation of this project. Furthermore, in 2006, the IEG published a review on Bank “Engaging with Fragile States”³, which highlighted the challenges of working in these environments and the experience of the World Bank. These fragile states pose some of the toughest development challenges, and concern is growing about the ability of these countries to reach the Millennium Development Goals (MDGs) as well as about the adverse economic effects they have on neighboring countries and the global spillovers that may follow. Some of the findings of the IEG report that relate to the proposed project and that have been included in the project design, are: (a) Country ownership; (b) donor coordination and a common vision; and (c) M&E; and (d) sharing of experiences – both positive and negative.

17. In sum, no other institution has the breadth of knowledge, resource flexibility, implementation experience in undertaking a multi-country sub-regional HIV/AIDS effort of this dimension and scale. Accordingly, IGAD, based on these factors and the relationship developed in the execution of the IDF grant, requested the Bank to assist it in initiating its HIV/AIDS program addressing the regional dimension of HIV/AIDS, integrating national and regional efforts.

3. Higher-level objectives to which the project contributes

18. The program development objective of IGAD, the Member States and its development partners in the Horn of Africa Region is two-fold: (i) contribute to the reduction of HIV infections and (ii) mitigate the socio-economic impact of the epidemic in the IGAD region by improving regional collaboration and implementing interventions that add value to the efforts of each individual country. NEPAD/AU objectives that relate to HIV/AIDS and regional institutions increasingly taking on responsibility for coordinated efforts are objectives that the ACGF operation expects to contribute to.

19. In addition, through regional cooperation coordinated by IGAD, member countries will seek to develop mechanisms for continuity of services across borders, including referral systems *in a selected number of sites* and to develop and adopt a regional strategy for improved and sustainable HIV/AIDS/STI prevention, treatment and care services directed to cross-border and mobile populations. This will help address IGAD region transient populations and related policies through:

- (a) regionally owned institutional capacity to coordinate a multi-sectoral HIV/AIDS response;
- (b) improvement of the situation of vulnerable and often underserved vulnerable groups; and

³ Engaging with Fragile States: An IEG Review of World Bank Support to Low-Income Countries Under Stress (IEG, 2006).

(c) confidence building among the IGAD countries in working together for mutual benefit in addressing a common enemy, namely the HIV virus.

20. Finally the project will seek to catalyze concerted action by several actors to support the long-term strategy in addressing the regional challenges of HIV/AIDS in the Horn of Africa. The resource mobilization strategy will be based on the long-term regional HIV/AIDS Strategic Plan that IGAD will develop in close collaboration with the Member States and the development partners. The project will contribute to a coordinated approach with several other development partners, including the African Development Bank, the OPEC Fund for International Development (OFID) and members of the IGAD Partnership Forum (Austria, Belgium, Canada, Denmark, Finland, France Greece, Germany, Ireland, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, the UK, USA, the EC, UNDP and the World Bank).

B. PROJECT DESCRIPTION

1. Grant instrument

21. The ACGF will be the initial grant instrument for this operation. Given the fragility of the Horn and limited resources in most IGAD states, the difficulties posed with devising formulas for credit financing and burden sharing, limitation of resources in IGAD member States, and the need to maintain momentum in addressing HIV/AIDS in a coordinated manner, the Africa Catalytic Growth Fund (ACGF) is well suited to respond to the needs of the Horn in containing the HIV pandemic. The ACGF is designed to move, in a timely manner, in support of multiple country interests in providing an infusion of capital to scale up results—particularly in supporting outcome-focused programs, catalyzing efforts by development partners, and creating opportunities for spillover effects. The ACGF targets countries and investments that can deliver results and that can initiate activities quickly.

22. Of the three categories of entry points for accessing the ACGF funds, this program fits squarely within **Regional integration**: Initiatives that can increase the supply of multi-country public goods or deliver growth opportunities. This is an area of great strategic need for Africa, due to its large number of land-locked resource-poor economies and cross-border issues. Success in these cases would address multi-country shared constraints to growth, bring together fragmented investments, and support missed opportunities in a regional context. Regional integration funding can be provided to participating countries or to regional institutions.

2. Project development objective and key indicators

23. There are two interrelated project development objectives for the project. They are to:

A. Increase preventative action, and reduce misconception of cross border and mobile populations, refugees, IDPs, returnees and surrounding host communities concerning HIV/AIDS prevention, treatment and mitigation in selected sites in the IGAD member states; and

B. Establish a common and sustainable regional approach to supporting these populations in the IGAD member states.

24. The proposed key performance indicators include indicators directly related to HIV/AIDS prevention, treatment and mitigation and measures of regional cooperation and capacity to

address these issues. For the former objective, they have, to the extent possible, been adopted from the Africa Region HIV/AIDS Scorecard⁴, which is the Region's tool for reporting on the Africa Action Plan (AAP)⁵. Several are adapted UNGASS (United Nations General Assembly Special Session on HIV/AIDS) indicators, which the countries are already committed to collect and report upon. Since this is a regional intervention, some modifications have been made, and additional indicators have been identified to capture the regional dimension of HIV/AIDS.

25. Key performance indicators for prevention, treatment and mitigation of HIV/AIDS include:

- a) Percentage of target populations aged 15-49 who undergo HIV voluntary counseling and testing and know their results in the last 12 months (disaggregated by sex);
- b) Percentage of target populations reached with community-based HIV prevention programs in targeted areas;
- c) Percentage of targeted Refugees and IDPs aged 15 to 49 who had more than one sexual partner in the past 12 months reporting the use of a condom during their last sexual intercourse (by sex and age) – (UNGASS);
- d) Percentage of refugees and IDPs targeted aged 15 to 49 who both correctly identify three ways of preventing the sexual transmission of HIV and who reject major misconceptions about HIV transmission (by refugee, IDP and by sex) (UNGASS);
- e) Number of functioning VCT sites in targeted areas (hot-spots);
- f) Number of male and female condoms distributed to target populations by IGAD implementers;
- g) Percentage of countries who harmonized the drug list for HIV treatment; and
- h) The number of new national strategies during the project period that incorporate the targeting of CBMPs.

26. The key performance indicators (KPIs) for regional collaboration will be assessed through the Most Significant Change (MSC) technique, as it is challenging to establish and define indicators for regional collaboration in terms of HIV/AIDS assistance. The KPIs will measure capacity to sustain provision of services (as well as regional collaboration). The MSC technique is described in detail in Annex 6 (on implementation arrangements), as well as in the Project Operations Manual.

27. Key performance indicators for measuring effectiveness of project interventions was discussed in detail and agreed upon during the M&E Technical Working Group meeting on May 6-7, 2007 (which included M&E experts from the IGAD Member States), during which time the IGAD regional mapping assessment was further updated, and the draft work plans for the refugee and IDP areas were reviewed. Annex 3 contains the Results Framework, which provides detailed information on the performance indicators.

3. Project components

28. The proposed ACGF grant of US\$15⁶ million would finance a four-year program. The direct beneficiaries are: (a) refugees, IDPs, returnees, and surrounding host communities (in every IGAD country); and (b) vulnerable cross-border and mobile populations. Indirect

⁴ Further information about the Africa Region HIV/AIDS Scorecard is available at www.worldbank.org/afr/aids.

⁵ Further information about the Africa Action Plan (AAP) is available at www.worldbank.org/afr.

⁶ This amount includes the Project Preparation Advance already provided to the Recipient.

beneficiaries are those in the region who gain from better health policies, programs, service delivery, and knowledge of the epidemic as a result of cross-fertilization. Capacity building support would be provided to IGAD to better coordinate the regional effort, in addition to capacity building efforts at the national level for supporting coordination mechanisms. The three components (detailed in Annex 4 and in Project Operations Manual) are as follows:

Component 1: Support to Refugees, IDPs, Returnees, Surrounding Host Communities and Cross-border and Mobile Populations

29. The objective of this component is to scale up HIV interventions in size and geographical areas for refugees, IDPs, returnees and surrounding host communities, as well as for vulnerable cross-border and mobile populations. This component will include two sub-components: (a) Refugees, IDPs, returnees and surrounding host populations; and (b) Cross-border and Mobile Populations (CBMPs). Subcomponent (a) is well advanced in preparation, and ready to be initiated at project effectiveness.

30. For sub-component 1 (a), UNHCR would be the principal implementer of activities, following the approach developed for the Great Lakes Initiative on HIV/AIDS (refugee areas to be targeted along with the surrounding communities). A full range of services will be provided depending on the country and refugee/IDP site situation, but can include prevention, care, support, treatment and mitigation services, principally through provision of services and goods. Activities will be closely monitored and evaluated using linked behavioral and biological surveillance surveys and sentinel sites so that, if successful, IGAD countries and donors will support replication and further scaling up of interventions. Over the four-year period, the support for the refugee, IDP, and returnee areas is estimated at US\$5 million.

31. The refugee/IDP sites to be supported in Year 1 have been identified by national authorities in collaboration with UNHCR based on clear selection criteria developed by IGAD. National level planning workshops took place in each country, involving the key implementing partners in the refugee area (and with the surrounding communities), national HIV/AIDS authorities, MOH, and UNHCR. This exercise was led by the national authorities in each of the member States. Detailed budgeted work plans for the first 12 months would then be endorsed by all member states and submitted by UNHCR to IGAD for its review and approval. Resource allocations are determined based on the camp site work plans, which reflect country needs. Quarterly progress reports submitted by UNHCR to the member States and IGAD would ensure that bottle-necks would be addressed early on and that lessons learned would be shared among the countries.

32. IGAD and UNHCR already have an established Memorandum of Understanding (MOU), which will be updated and be part of the Project Operations Manual (POM). A Management Contract between IGAD and UNHCR will set the terms and conditions for the financing of UNHCR activities. The Management Contract has been drafted and will be submitted to IDA for no-objection. Additional refugee and IDP sites can be added in subsequent years using the same methodology in identifying the camps, and will be included in annual work plans submitted to the IGAD Ministerial Committee on Health and HIV/AIDS for approval. IGAD will submit annual plans to the World Bank for no-objection on consolidated basis.

33. For sub-component (b) selected hot spot areas will be identified jointly by IGAD and the Member States as points for delivery of specific services and support to cross-border and mobile populations (CBMPs). NGOs and organizations identified as having substantial

programs in the selected areas and meeting the selection criteria⁷ will be providing the services to the targeted community. Based upon the services provided by the NGO's, health facilities in these areas will face greater demand for services. Therefore, some support will be channeled to the local health facilities to address this increased demand, based on rapid surveys for these selected sites. The regional mapping assessment conducted by IGAD provides a list of organizations and government agencies working in the cross-border areas in each of the countries, and the kind of services being provided (if any), which has provided the basis for moving forward with the proposed project. In addition, during the "Horn of Africa Partnership" (HOAP) meeting in November 2006, some of the IGAD countries developed draft work plans for activities in the border areas, which should be further strengthened and taken into account when the countries and IGAD are identifying the key hot-spot areas. The IGAD regional mapping assessment and the draft work plans would therefore be the basis for one "situation analysis" for selecting hot-spots to be supported. This regional mapping assessment will be updated on an annual basis in order to guide the selection of the hot-spot areas to be supported every year.

34. A list of potential interventions will be developed and provided in the POM, which will be based on the IGAD regional mapping assessment conducted. These interventions would include a minimum package of HIV, STI prevention, treatment, and care and support services, as well as developing a referral system to ensure continuity of services for the CBMPs across the borders. The component will support the establishment of mechanisms to facilitate access to laboratory investigations and ART treatment and adherence. This component will have a strong focus on M&E to track the progress and learn from the innovative programs that will be supported. The proposed ACGF project would not be expected to address all eligible sites but rather look to other interested donors to select and follow the same formula for additional sites addressing the CBMPs. It is envisioned that one site per country would be selected for the first year, and further scaling up would start in the second year. This approach would also enable other partners to support the overall HIV program in the Horn of Africa in a comprehensive and coordinated manner, and finance the scaling-up process. In addition, for the long term, it is estimated that for some of the targeted groups, the national programs could eventually take over the responsibility of supporting and financing activities for such groups (nomads, IDPs, and national vulnerable groups located along the border areas).

Component 2: Cross-border collaboration on the Health Sector Response to HIV/AIDS

35. This component will address the challenges of the health sector responses to HIV/AIDS with regard to migrant populations across the borders of IGAD Member States and the learning and exchange of experience among health sector partners.

36. Specifically, the objectives of this component are to: (a) provide a forum for interaction among IGAD countries in terms of information exchange, sharing of country experiences, and disseminating best practices and lessons learned from providing services to the project target population and facilitate potential harmonization of policies and procedures related to HIV/AIDS; (b) develop mechanisms for continuity of services across borders including referral systems for CBMPs in the selected treatment sites; and (c) develop and adopt a regional strategy for improved HIV, STI prevention, treatment and care services directed to cross-border and mobile populations.

⁷ The selection criteria are detailed in the Project Operations Manual.

37. The reinforcement of HIV/AIDS capacity will be carried out within Component 1b of the project. This health component will support identification of the needs and the elaboration of an implementation plan. A rapid survey of health facilities located in the border areas of each IGAD country will be conducted and findings will be used to develop a capacity strengthening plan.

38. The component will support the following activities:

- Periodic technical review meetings, study tours, and training programs aiming at exchanging information and sharing of experiences;
- A review of existing protocols and materials on selected topics, comparable protocols and materials as well as implementation plans prepared and then adopted by the IGAD country health authorities;
- The development of a referral system between a few selected service delivery sites to ensure continuity of care for cross-border and mobile populations including refugees. Service continuity at selected service sites will be achieved through identification and set up of a referral system that allows prolongation of treatment started in one country in another without difficulty; and
- Developing a comprehensive 5-Year Regional HIV and STI Strategic Plan focused on the regional dimensions of HIV and STI epidemic control that covers both the service delivery and communication aspects. The plan will also support the IGAD member countries in mobilizing additional resources to expand the program.

39. Collaboration and permanent dialogue among health-sector partners will allow exchange of information and country experiences, thus contributing to the improvement of service quality and to the establishment of the way forward in dealing with HIV/AIDS coordination programs among IGAD Member States. Collaboration and dialogue should be established not only at the level of program managers but also at the level of implementing agencies, including those at the border areas (a non-formal meeting and information sharing process).

40. To ensure the effective implementation of this component, a Technical Working Group (TWG) on health response to HIV/AIDS will be identified and will be composed of representatives of the health sector response of the National AIDS Programs in the IGAD Member States. The TWG on Health will meet regularly and will provide ongoing support to implementation of the health component.

Component 3: Project Management, Coordination, Capacity Building and Monitoring and Evaluation (M&E)

41. This component would focus on three main sub-components: management and coordination, capacity building and M&E.

42. In terms of **project coordination and management**, this component would also support the overall facilitation of the program, both by establishing a Program Facilitation Office (PFO)⁸, as well as providing key capacity support for IGAD to fulfill its role as the facilitating organization for the regional partnership in the Horn of Africa (the IGAD Regional HIV/AIDS Partnership Program – IRAPP). It would also provide direct support to the national HIV/AIDS authorities to support them in coordinating the efforts at the national

⁸ The IGAD Member States determined in May 2007 that the PFO will be located in Uganda.

level so that this does not become an extra burden for already stretched programs. The TORs for this coordination “function” and how this will be supported is included in the Project Operations Manual.

43. In terms of **capacity building**, the project will provide funding for the training of key stakeholders and implementers to ensure the efficient implementation of the project. This assistance would include capacity support to the IGAD Secretariat, the PFO, the national AIDS coordination authorities, and the implementers under component 1. A detailed capacity building plan for the first year will be developed by IGAD, and updated on an annual basis.

44. **M&E**, is both crucial and cross-cutting; it is essential to track implementation, assess the progress with achieving intended and unintended results, and provide data to improve future implementation. The M&E system for the project will use indicators, linked to the objectives of the project, to track the implementation status and project outcomes. Indicator data will be obtained from five sources of data – biological surveillance, behavioral surveillance, essential operations research, financial monitoring, and program activity monitoring – and will facilitate learning for IGAD and its member states. The data collected will then be analyzed and disseminated to stakeholders within IGAD to inform the decisions they make. In order to track the increase in regional collaboration the Most Significant Change (MSC) technique has been incorporated into the project design. This technique of monitoring regional collaboration is further detailed in the Annex 6 and in the in Project Operations Manual. Data collected in this project will be used by National AIDS Authorities to inform initiatives aimed at reaching CBMPs, refugees, returnees, IDPs and surrounding populations. In this way, IGAD would become the central synthesizer of HIV/AIDS M&E information about these targeted populations. To facilitate information sharing, an interactive website will be developed, hosted and managed by IGAD to enable countries to share information and key data about HIV/AIDS-related issues in the region and about the implementation of this project.

45. The M&E system used for the project will be a precursor to a regional M&E framework that will be developed once IGAD (1st of the Three Ones at the regional level) has developed a regional HIV strategy. Once the regional HIV strategy has been developed, the project’s M&E system will be subsumed within the regional HIV M&E system that will also be managed by IGAD. It is, however, critical that the regional M&E system (3rd of the Three Ones at regional level) is developed to track the achievement of the HIV goals and objectives set out in the regional HIV strategy. In turn, the regional HIV strategy can only be developed once more information about the drivers of transmission are known, as it is “essential that the regional HIV strategy is based on a rigorous understanding of HIV transmission dynamics. It is vital to understand the proportion of HIV infections that may be attributed to each major source of transmission. Armed with an understanding of national and regional transmission dynamics and sources of infection, national and regional strategies and programs must be designed to address the major drivers of transmission” (Wilson, 2007).

46. The sequence of development is as follows: existing HIV-related epidemiological data is collected as part of the mapping assessment. This data will be updated in 2007 and then analyzed to determine the transmission drivers of the epidemic and the proportion of infection. With this information in hand, the regional HIV strategy will be developed, which will then inform the development of the regional HIV M&E system. Therefore, this project will be catalytic in ensuring that IGAD collects data to inform the development of its regional HIV strategy – the 2nd of the Three Ones.

4. Lessons learned and reflected in the project design

47. Regional HIV/AIDS projects provide important lessons for this project, including GLIA, ARCAN, ALCO, and the TAP. In addition, important lessons have been outlined in the Africa Regional Integration Portfolio Review (August 2006), and the IEG Report on The Development Potential of Regional Programs (March 2007).

- (a) Creating a simple project design is especially important given the extraordinarily complex operating environment.
- (b) Selecting strong institutions as implementing agencies is a key success factor. It is generally more effective to use existing institutions and develop their capacity than to establish new ones.
- (c) Establishing a functional M&E and procurement system early in the process is crucial. The need to negotiate procurement responsibility for supranational project components, and the lack of harmonized procurement systems often delay implementation.
- (d) Linking M&E aspects with the M&E of the national host governments is critical.
- (e) Discussing early on the institutional framework, and get agreement on the basic arrangements.
- (f) Setting up of project facilitation and capacity building takes time, resources and effort, and will need urgent strengthening and funding.
- (g) Agreeing on a small Project Facilitation Office (PFO) staff which out-sources activities needs to be tackled early in the project cycle.
- (h) Regional projects typically take longer than expected because of greater coordination requirements which are time-consuming, and because of the complex operational and political environment in which they work.
- (i) It is a complex but important task to design regional projects so that they assign benefits and costs equitably among participating countries and effectively coordinate country and regional activities during implementation.
- (j) A clear delineation and coordination of the roles of national and regional institutions is needed.
- (k) Planning for a sustainable program requires a resource mobilization strategy.
- (l) Working in partnership with governments, NGOs, other donors, and the private sector is important.
- (m) Project teams need a range of skills during preparation and implementation, including consensus building and institutional assessment/capacity building skills.
- (n) Leveraging field-based staff for preparation and supervision reduces the coordination burden of regional projects and increases Bank's responsiveness.

5. Alternatives considered and reasons for rejection

48. One alternative was to expand national HIV/AIDS programs in the individual countries. However, national programs do not typically address cross-border issues adequately but rather concentrate on country-specific concerns. National staff has many tasks and other priorities which unintentionally result in less attention to cross-border concerns.

49. Another alternative was to simply "duplicate or expand" the Great Lakes Initiative on HIV/AIDS (GLIA), which began operations in June 2006. However, GLIA focuses on the refugee and network challenges, and the establishment of a new institution, which is important for the Great Lakes Region. The Horn of Africa Region is especially challenged by the high numbers of IDPs and cross-border mobility in very fragile and remote areas. In addition, IGAD is a well-established institution, enabling a different approach for the Horn of

Africa countries. There are several similarities so there will be very close coordination between the GLIA and IGAD programs, with learning to be shared across sub-regional initiatives on a regular basis.

C) IMPLEMENTATION

1. Partnership arrangements

50. IGAD was mandated by the Heads of State to advance cross-border programs on health in the Horn of Africa. Since 2004, with the support of the World Bank, IGAD has enhanced health-related capacity by focusing on information regarding cross-border and mobile populations. It has conducted seven country assessments on HIV interventions in the cross-border areas, which in the end produced the IGAD regional mapping assessment⁹. These assessments looked at the needs of these population groups in relation to HIV, TB and Malaria, and provided a baseline for further involvement, as well as serve as a resource mobilization tool.

51. During this period, UNAIDS supported national HIV/AIDS programs in some IGAD member States (Djibouti, Ethiopia, Eritrea, Somalia and Sudan) and Yemen to form the *Horn of Africa Partnership on HIV Vulnerability and Cross Border Mobility (HOAP)*. These countries recognized that HIV programs cannot be implemented without regional collaboration. In 2006, they developed an operational framework which delineated how countries would collaborate across borders to address HIV vulnerability. Member countries recognized that for this regional partnership to be sustainable, there must be continuity, and therefore must be underpinned and supported by a regional coordinating mechanism, such as IGAD.

52. As these two efforts evolved, it became clear that there were synergies and that consolidating the IGAD, the IGAD Member States and UNAIDS efforts would be of mutual benefit. A unified approach was agreed to by UNAIDS, IGAD, the external partners and endorsed by the IGAD Ministerial Committee on Health and HIV/AIDS in Nairobi on March 9, 2007, and was further endorsed by the IGAD Council of Ministers in Nairobi on April 13, 2007. This Partnership approach will ensure that countries are leading the process, and that IGAD plays the key facilitating role for the partnership program. This partnership program – the IGAD Regional HIV/AIDS Partnership Program (IRAPP) - approach aims to leverage substantial resources with the establishment of this project, ensuring longer-term sustainable activities and coordination of interventions in the cross-border areas. The Member States, with the financial and technical support of development partners, have agreed to submit a proposal for the Global Fund 8th round.

53. The IGAD Regional HIV/AIDS Partnership Program (IRAPP) includes Kenya and Uganda, countries also supported by the GLIA Support Project. GLIA already finances interventions in refugee camps and surrounding areas in both Kenya and Uganda. The interventions under IRAPP will be closely coordinated with the GLIA project to avoid duplication of efforts, as well as share important lessons on how to coordinate a regional approach to HIV/AIDS. The camps and sites supported by GLIA will not be supported by the IGAD project.

⁹ The findings and recommendations of the regional mapping assessment are further described in the Project Operations Manual. They are also available at the IGAD website www.igad.org.

54. The proposed project has been developed in close coordination with other development partners (ADB, UNHCR, UNAIDS, IOM and UNICEF), and the national HIV/AIDS authorities have been instrumental in determining the institutional arrangements as well as identifying potential implementation areas. Further, the Ministerial Committee on Health and HIV/AIDS met to discuss the project in March 2007, and gave their full endorsement to the proposed project, and praised the development partners for supporting the countries and the region in addressing the regional dimension of HIV/AIDS¹⁰. The regional approach will ensure that countries share information and lessons learned, ensuring a comprehensive response to HIV/AIDS in the Horn of Africa region.

2. Institutional and implementation arrangements

Institutional arrangements

55. The project will be facilitated by IGAD and will utilize its institutional set-up, which is described in the “Agreement Establishing the Inter-Governmental Authority on Development”. The structure outlined in this Agreement is:

- a) Assembly of Heads of State and Government;
- b) A Council of Ministers;
- c) A Committee of Ambassadors; and
- d) A Secretariat.

56. In addition to the permanent structures outlined above, the Council of Ministers is authorized to establish sectoral Ministerial committees to deal with issues in their respective sectors (Article 10, paragraph 3). For the purpose of the implementation of this project a Ministerial Committee on Health and HIV/AIDS has been established (April 13th, 2007), as well as a Steering Committee (NAC or appropriate Representatives) endorsed by the Council of Ministers. Terms of references have been established for both the Ministerial Committee on Health and HIV/AIDS and the Steering Committee to ensure the coordination and participation of national programs with this regional program. Annual work plans and programs will determine the kinds of activities to be carried out. The annual work plan and programs will contain adequate activity details and a timetable for implementation and procurement. Annual program reviews (at a minimum), coupled with flexibility for subsequent year programs, are of particular importance given that the situation with refugees and other mobile populations may change quickly with repatriation or new disruptions, and that AIDS policy and technology are dynamic and may require shifts in focus. Given the nature of the program, IGAD will establish a Program Facilitation Office (PFO), to be located in Uganda, to ensure the day-to-day activities of the Program, under the close supervision of HESAD. The Project Operations Manual (POM), to be produced in English and French, details these and other operational matters.

57. IGAD Countries will:

- i) Designate representatives to the Ministerial Committee on Health and HIV/AIDS and to the Steering Committee;
- ii) Appoint an IGAD country focal point in its national HIV/AIDS secretariat (or appropriate authority) to liaise with IGAD (PFO);

¹⁰ While there have been recent heightened tensions in the region, no Horn of Africa country has indicated it does not support the March 2007 agreements.

- iii) Take IGAD regional HIV/AIDS operations into account when planning national HIV/AIDS activities;
- iv) Advocate for the IGAD Regional HIV/AIDS Program through dissemination of its recommendations; and
- v) Facilitate, promote and supervise IGAD activities in their respective country.

a) Ministerial Committee on Health and HIV/AIDS

58. Given the specialized nature of HIV and AIDS pandemic and plans to scale up the regional response, a Ministerial Committee consisting of Health Ministers (or Ministers in charge of HIV/AIDS) from Member States was established (March 2007), and endorsed by the IGAD Council of Ministers in April 2007. The Ministerial Committee will determine policy and program directions of the IGAD initiative and serve as advocate for HIV/AIDS activities, as well as approve annual budgets and audit reports. The Ministerial Committee established a Steering Committee (consisting of national HIV/AIDS Program Directors) to promote smooth implementation of the project.

b) Steering Committee (SC)

59. The Steering Committee (SC) is to be a subcommittee composed of the Directors of National HIV/AIDS Program Authorities (or appropriate authority) and representatives of the IGAD Secretariat. The Program Manager of HESAD at the IGAD Secretariat will be the IGAD Representative at the SC. The SC may invite key development partners (such as UNAIDS, IOM, UNHCR, UNICEF, the African Development Bank and the World Bank) to participate in meetings to contribute to the discussion of agenda items of interest and, in general, matters related to HIV/AIDS. The SC will review various documentation (such as budgets and audit reports) before submitting them to the Ministerial Committee on Health and HIV/AIDS for endorsement. The SC will be participating in the annual review and planning exercise, and work closely with the IGAD Secretariat and the PFO.

c) IGAD Secretariat (Headquarters)

60. The Secretariat is the executive arm of IGAD and is headed by an Executive Secretary appointed by the Assembly of Head of State and Government. Besides the Administration and Finance Division, the Secretariat has three operational divisions, namely Economic Cooperation, Health and Social Development; Peace and Security; and Agriculture and Environment. The IGAD Health and Social Development Section, which will oversee the implementation of the Project is organized under the Division of Economic Cooperation, Health and Social Development. The IGAD Secretariat has more than 25 professional staff with long experience in implementing projects¹¹ in collaboration with various donors, including a World Bank IDF grant.

d) Program Facilitation Office (PFO)

61. The Program Facilitation Office (PFO) functions under the overall supervision of the IGAD Secretariat, more particularly of the Health and Social Development Section of the Economic Cooperation, Health and Social Development Division. The core staff of the PFO will include a PFO Coordinator, Assistant Coordinators to be in charge of the project components, assistant accountant, M&E Officer, liaison officer and general service staff. The

¹¹ IGAD has recently managed funds from CIDA, GTZ, EU, World Bank and other donors.

Coordinator will be responsible for the overall management (planning, coordination, monitoring) of operations as well as for administrative and financial functions of the PFO. The level of financial management at the PFO was determined during appraisal by IGAD in consultation with its Member States and the Bank. The PFO staff will be technical staff focusing on the coordination and facilitation aspects of the proposed project. The PFO will be established in Uganda, as determined by the IGAD Member States.

e) IRAPP Country Focal Points

62. The project will also establish focal points in each of the member States. These individuals will be posted in the offices of the respective NAC, CNLS, or a similar organ responsible for HIV and AIDS programs in the country. Each National HIV/AIDS Coordination Authority will appoint its IRAPP HIV/AIDS Country Focal Point, who will coordinate activities in the country, integrate regional considerations into the national HIV programs, and inform the IGAD/PFO of HIV/AIDS developments. Based on an annual IGAD-approved work-plan, the IRAPP Country Focal Points will be provided with funds for eligible activities as described in the IRAPP Project Operations Manual. The annual work-plan will reflect the needs of the individual country (e.g., improved administration/supervision of all or any component activities, IEC/BCC assistance, environmental and safeguard matters, national workshops, additional consultancies/technical assistance, training, eligible goods, travel and operating costs). These country allocated funds are in addition to, and separate from, the activity/component financing under IRAPP, national MAP (Multi-Country HIV/AIDS Program) programs, or other funding sources.

Other Implementation Aspects

63. IGAD recently completed the implementation of an IDF grant (US\$495,000), which was implemented satisfactorily, with no fiduciary or safeguard issues triggered. A post-procurement and financial management review found that the Finance and Administration Department performed the fiduciary functions to the satisfaction of the Bank. IGAD worked closely with all the Member States and several development partners, providing an excellent implementation experience for this proposed project, and knowledge of managing Bank funds in a transparent and efficient manner.

64. Modalities for carrying out finance, procurement and disbursement activities, monitoring, evaluation and reporting, are detailed in Annexes 3, 4, 6, 7 and 8, and the respective sections of the draft Project Operations Manual (Volume 1 and 2). Capacity building, mentorship and training of IGAD-PFO core professional staff and national IRAPP Focal Points will be included in consultancy contracts or specific training, as may be necessary.

Governance Dimensions

65. *Proposal Reviews:* Identification of refugee and IDP camps will be done in close collaboration between the Member States, IGAD and UNHCR based on the selection criteria already agreed upon. The development of the annual work plans will be done through workshops, including the national HIV/AIDS authorities, key stakeholders, and UN agencies. For component 1 (b), the regional mapping assessment of HIV/AIDS interventions in the cross-border areas will be the basis for selection by Member States and IGAD of target areas (hot spots) for interventions. Requests for technical and financial proposals will be posted on the IGAD website and advertised in all the Member States. The selection of the implementing partners will be done in close collaboration between IGAD and the Member States and with

the support of the development partners. This selection process is further described in the project operations manual.

66. *Transparency:* Regarding public disclosure of key data on program performance, IGAD will ensure widespread dissemination of project objectives, targeting criteria, including eligibility for financing and technical selection criteria for sub-project proposals to ensure understanding of project objectives, procedures, and implementation progress among key stakeholders. Frequent collection of data measuring the project progress will be shared with the Member States and development partners and listed on the IGAD website. The IGAD quarterly newsletter will also highlight project interventions. Comprehensive progress reports will be prepared for the Annual IGAD Heads of State meeting, which will be an excellent opportunity to highlight the regional dimension of HIV/AIDS to the Heads of State. Such reports will also help ensure that appropriate policies are in place at the national level.

67. *Capacity building for coordination at national and regional level:* There will be capacity building support required at the national and regional level to ensure the efficient and transparent implementation of the proposed project. The IGAD Secretariat will be supported by technical experts (as required), conduct the supervision of the PFO, and ensure efficient implementation at the outset of the project prior to the establishment of the PFO. At the national level, financial support to the national HIV/AIDS authorities will enable the national programs to perform the coordination and facilitation role at the national level in close collaboration with IGAD. Several of the development partners, including UNAIDS, IOM and UNICEF, have expressed readiness to provide technical support.

68. *Fiduciary Controls:* The overall fiduciary responsibility resides with the Executive Secretary (ES) of IGAD, or his/her designee, and the Finance and Administration Department at the IGAD Headquarters. This responsibility is further explained in the Annexes on financial and procurement management arrangements. An assessment conducted in February 2007 found that IGAD has the fiduciary capacity to manage the project funds for this initiative. Further, the European Commission (EC) is planning a capacity building project for the Finance and Administration department based on a “Road Map” developed for the long-term institutional capacity building of the Finance and Administration department at IGAD. This proposed project will also identify areas of the “Road Map” that can be supported by this project, thereby further strengthening the capacity at IGAD, and in coordination with other development partners’ support to IGAD. With respect to country and NGO fiduciary management of nationally disbursed project resources, on a country-by-country basis, IGAD will have in place, and/or reach agreement on, the ways and means to ensure adequate fiduciary oversight. (Bank offices in the various IGAD countries will provide assistance, on request, in this regard.)

69. *Supervision of PFO by IGAD:* The IGAD Secretariat will perform the supervision control of the PFO by making frequent visits to support the PFO staff to ensure the efficient and transparent implementation of the project. In addition, IGAD is in the process of contracting an internal auditor at the Secretariat, who will make frequent visits to the PFO (the associated costs of these trips will be supported by the project funds). In addition, UN agencies and other partners will provide support to the PFO. Various UN agencies have expressed interest in seconding technical support staff to the PFO. There is the potential that video-conferencing facilities be supported at the PFO and the Secretariat in order to ensure the coordination between the two offices, and in working closely with the national HIV/AIDS authorities. IGAD, with the support of the EC, is already planning to set up a video-conferencing facility at the Secretariat, a step that will also benefit this project.

70. *Annual Program Partnership Review and Planning*: Annual Program Partnership Review and Planning workshops will be conducted to ensure that lessons learned are incorporated into the project in a timely manner, that the project adapts to the fragile security situation in the region, to incorporate the funds provided by additional partners, and to address financing gaps. These reviews will be critical in reviewing the implementation experience and progress, and will determine the budgets and work plans for the following year. The reports of the annual reviews will be made available on the IGAD website, and circulated to the key stakeholders. The TORs for the Annual Reviews will be included in the project operations manual.

71. **Accounting, Financial Reporting and Auditing**: IGAD Director of Finance and Administration will coordinate manage IRAPP financial resources. The IGAD Director of Finance and Administration will assume overall financial management responsibility for the project funds. He/she will ensure that: (i) the project financial management activities are carried out efficiently and in accordance with acceptable international accounting standards; (ii) PFO has an adequate and qualified accountant handling the PFO account; and (iii) adequate internal controls are in place and IGAD internal audit unit provide regular support to this office.

72. The existing computerized accounting system currently being used to report on IGAD and IDA- IDF and PPA finances will be used to report on IRAPP finances. This software will be customized to adapt to IDA project needs, more specifically to produce quarterly IFRs. A Project Operational Manual will include a section on financial management. This section will outline the detailed project financial management arrangements, including accounting, audits, chart of accounts, fund flow, audits, and quarterly financial reporting formats (IFRs and other financial statements), and job responsibilities for staff handling project financial affairs.

73. A project dollar designated account will be maintained to channel project funds from IDA. Disbursement would be made initially on the basis of incurred eligible expenditures (transaction based disbursements). The Project may later become eligible to use the report-based disbursement, i.e., one based on quarterly IFR reports, upon fulfillment of the conditions listed in the Disbursement Arrangement section. The external audit will be carried out annually as part of the IGAD audit by the same private auditor that is auditing IGAD financial statements. The auditor will express an opinion on the annual project financial statements based on International Standards on Auditing and submit the audit report within six months of the end of the financial year.

3. Monitoring and evaluation of outcomes/results

74. An M&E system has been designed for the project to monitor and evaluate outcomes and results. Recently, the World Bank, US Government, The Global Fund, UNAIDS and other partners agreed on a joint definition of a functional HIV M&E systems – they agreed that there are 12 elements to a functional regional or national HIV M&E system. It is therefore proposed that the M&E system for this project be based on these 12 elements, which are: (a) institutional structures for HIV M&E, (b) human capacity for HIV M&E, (c) M&E partnerships, (d) M&E framework, (e) M&E costed work plans, (f) advocacy and communications for HIV M&E, (g) surveys and surveillance, (h) routine program monitoring, (i) HIV database, (j) supervision and data auditing, (k) HIV learning and research, (l) and data dissemination and information use. Annex 4 contains the detailed implementation arrangements in terms of these 12 elements.

75. **M&E partnerships** will be essential for the regional M&E system to function. Partnerships that the TWG on M&E establish, may include links with other regional M&E groups, such as the GLIA M&E system stakeholders, with development partners, with the UNAIDS M&E team (regional support team and country-level UNAIDS M&E advisors in IGAD countries where these M&E advisors have been appointed), with GAMET consultants and with other stakeholders. Although this project will not fund the establishment and maintenance of these partnerships, it will strengthen the M&E Technical Working Group to share best practices, implementation documents, build partnerships, provide consultancies, and to hold annual M&E meetings.

76. An **M&E framework** is essential to guide operationalization of the M&E system. For IGAD, a two-phased approach will be developed. In the first instance, data will be collected for the IGAD project using the sub-set of project indicators defined in Annex 3. Once data have been collected and a synthesis study has been done, the regional HIV strategy will be developed. This will, in turn, enable the development of a regional HIV M&E strategy. This project will fund the establishment of a regional HIV strategy. Included in the M&E framework for the project is a set of indicators – as defined in the Results Framework and Monitoring (Annex 3). As part of the M&E strategy development, IGAD will also work with Member States to identify indicators for CBMP that will be added in National M&E Frameworks. The regional HIV M&E strategy will constitute the 3rd of the Three Ones for IGAD.

77. The M&E system cannot be operational without funding. Therefore, a **costed M&E work plan** will be developed and updated on an annual basis as part of Component 3 of this project. Once the regional M&E strategy has been developed this strategy will also be operationalized on an annual basis through the development of one regional and costed M&E work plan. IGAD will dedicate, for future HIV funding, a percentage of funding to the functioning of the M&E system – a minimum of 10% of all HIV project funding will be dedicated by IGAD to sustain the functioning of the regional HIV M&E system.

78. **Surveys and surveillance** data will be used to track PDO-level project results. There are six types of surveys and surveillance that need to be carried out, partially with project funding (additional resources would need to be mobilized by IGAD for all these surveys and surveillance to be carried out): BSS, sentinel HIV surveillance, health facility survey, rapid assessment at hot spots, mapping assessment, and regional assessment.

- **BSS:** Customized behavioral surveillance surveys (BSSs) will be undertaken amongst refugees and surrounding populations (IDPs and returnees if possible). The BSS will be customized to allow for the inclusion of unique characteristics of mobile populations, pre and post displacement, and conflict situations. UNHCR already has BSS information for some of the camps to be supported by the project, and if resources are made available in future, it is envisioned that the other camps would be covered by BSS as well.
- **Sentinel surveillance:** Sentinel surveillance will be undertaken by IGAD member states, who will add additional sentinel sites to their national sentinel surveillance system – one in each refugee site, IDP site and among the surrounding population. Initially, only those sites supported by this project will be added. Later, when the regional HIV M&E strategy has been developed, all the sites and camps will be added to national sentinel surveillance.

- **Health facility surveys:** At all health facilities in hot spots, a health facility survey will be undertaken to assess the availability of HIV related services in the health facilities that are servicing populations in the 14 hot spots.
- **Rapid assessment in hot spot areas:** All 14 hot spot areas – the seven targeted for year 1 of implementation and the seven targeted for year 2 of implementation - will be assessed prior to the initiation of implementation. The purpose of these rapid assessments will be to collect the baseline data on services supporting CBMPs, identify vulnerable populations (CBMPs), estimate the sizes of the vulnerable populations, the demographics of the local populations (including nomads), vulnerability factors, and interaction between the CBMPs and local populations.
- **IGAD Regional Mapping assessment:** In the last couple of years IGAD implemented a World Bank Institutional Development Fund (IDF) grant on Strengthening the HIV/AIDS M&E Capacity in the Horn of Africa Cross-Border Regions. The main output of this grant was a regional mapping assessment of HIV/AIDS interventions in the cross-border areas, and the establishment of a regional M&E working group. The data generated from in-country reports will be updated regularly through this project and posted on the IGAD web site. The rich information gathered thus far through the country reports will be strengthened by additional information from areas that were not covered through the initial situation analysis due to lack of resources. This mapping, which is also a type of survey, will be updated using new data collected on an annual basis.
- **Regional Collaboration Assessment:** The *Most Significant Changes (MSC) technique* is a proposed method to be used by IGAD in this project to assess the extent of and benefits to member states of regional collaboration in HIV and related diseases, given the dynamic, unknown and diverse impacts of regional collaboration. MSC is a qualitative, inductive evaluation technique. It is a form of participatory and inductive evaluation - It is *participatory* because many project stakeholders are involved both in deciding the sorts of change to be recorded and in analyzing the data. It is *inductive* because indicators are not developed up front for which data are then collected; domains of change are defined only after stories of most significant change have been collected. It contributes to *evaluation* because it provides data on impact and outcomes that can be used to help assess the performance of the program as a whole. The decision to use MSC is based on the GLIA, where this technique is used to identify and quantify the organic, dynamic and unintended results from regional collaboration. Essentially, the process involves the collection of significant change (SC) stories emanating from the field level, and the systematic selection of the most significant of these stories by panels of designated stakeholders or staff. The designated staff and stakeholders are initially involved by ‘searching’ for project impact. Once changes have been captured, various people sit down together, read the stories aloud and have regular and often in-depth discussions about the value of these reported changes.

79. In addition to surveys and surveillance, **routine program monitoring** data will be collected for components 1a and 1b, focusing on all the target populations to whom services will be provided, in order to monitor the progress with the implementation and coverage of HIV services to which the project has contributed. As the ACGF is complementary and supplementary funding and in line with the Three Ones principle on one M&E system, routine program monitoring data about medical HIV services generated from health facilities in refugee sites, returnee sites, IDP sites, surrounding populations and in ‘hot spot’ areas will not measure services provided to target populations specifically, but it will record increases in

service delivery. HIV services delivered in the community will, however, be based on specific target populations as such data can be collected from UNHCR (for component 1a) and the NGOs and other appropriate agencies (for component 1b) that implement such projects. All routine data collected, will be based on the country's data collection protocols, and will be sent to both the PFO and the NAC M&E unit to ensure that the NACs have ownership and are informed of developments.

80. Regular **supervision** by PFO, IRAPP Country Focal Points and UNHCR will assess implementation quality and verify data submitted and will be funded, for activities implemented by this project, by the grant. For this purpose, supervision guidelines will be developed and piloted for use by those involved in supervision and data quality assurance.

4. Sustainability

81. Long-term financial sustainability depends on external assistance, and therefore additional resources will be required urgently. Over the four year implementation period, financial resources from the project are sufficient for start-up of activities, and to mobilize additional funding from other partners. (Currently country contributions cover the operating costs of the IGAD Secretariat. The annual contributions by IGAD Member States to the Secretariat are estimated at US\$3 million.) During the initial implementation period IGAD, in collaboration with the partners and Member States, will actively pursue funds from other sources, including the Global Fund, bilateral donors, and foundations. The proposed project will assist in funding the development of a long-term resource mobilization strategy in addressing the regional challenges of HIV/AIDS in the Horn of Africa. The resource mobilization strategy will be based on the long-term regional HIV/AIDS Strategic Plan that IGAD will develop in close collaboration with the Member States and development partners. IGAD plans to approach the AIDS Strategy and Action Plan (ASAP) for support in developing the strategy¹². ASAP services, hosted by the World Bank on behalf of UNAIDS, are undertaken in consultation with the UNAIDS Secretariat, the Technical Support Facilities, governments and other partners. Since July 2006 ASAP has been active in twenty-six countries and has provided services in the following areas:

- Organization of peer reviews of draft national strategies;
- Provision of technical and financial support to assist countries and regions to strengthen their strategic response to HIV/AIDS;
- Development of and sharing tools to assist countries in their strategic planning work;
- Beginning the process of capacity building for policymakers and practitioners in strategic planning to strengthen the response to HIV/AIDS.

82. Other donors already have expressed interest in becoming partners and providing additional resources to scale up the program. The African Development Bank and the OPEC Fund for International Development (OFID) have expressed interest and are in dialogue with IGAD. The ADB also participated in various missions and meetings in preparation of this project, and have indicated that resources from ADB will become available to the program beginning 2008. In addition, bilateral donors that are members of the IGAD Partnership Forum (IPF) have also shown interest in the initiative. The IPF was created to have a well-established cooperation and coordination system in order to enhance and to facilitate the development process in the IGAD region. The IPF is comprised of the following members

¹² Eritrea and Southern Sudan are already receiving support for the development of their national HIV/AIDS strategies.

(Austria, Belgium, Canada, Denmark, Finland, France Greece, Germany, Ireland, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, the UK, USA, the EC, UNDP and the World Bank) under the present co-chairmanship of the Italian Government. This project will create the enabling environment of further resource mobilization to target the neglected cross-border areas, by bring together the member States, the development partners, and the potential donors, including the IPF.

83. Designed to complement national multi-sectoral undertakings in prevention, care, treatment and mitigation, the IGAD Regional HIV/AIDS Partnership Program (IRAPP) is the first in the Horn of Africa to focus primarily on cross-border and mobile populations, and cooperation among member States. IGAD's approach is fully consistent with national policies and programs, and closely linked to the national HIV/AIDS structure in each country, as well as prevailing policies of the Governments, UNAIDS agencies, and other donors. The Bank's project is designed to strengthen the institutional capacity of IGAD and the national HIV/AIDS authorities to coordinate a regional program, as well as to build trust and partnership among the governments, communities, NGOs, the private sector, and the international community.

84. Long term sustainability will depend on continued political commitment of Governments to find ways to work together in very contentious circumstances taking into account HIV/AIDS represents a common enemy, a mutual interest which trumps national differences. Given the nature of sub-regional relationships, inevitably over the four year period there will be ups and downs in terms of articulated or actual support to regional HIV/AIDS efforts. At this point the formal record is reflected in the Ministerial Declaration and Report from the Ministerial Committee on Health and HIV/AIDS meeting in Nairobi March 2007. This was further endorsed by the IGAD Council of Minister meeting on April 13, 2007 which formally created the new institutional structures at IGAD for the effective implementation of the project, and to ensure a long-term and sustainable commitment by IGAD and the member states in fighting HIV/AIDS. Currently country contributions enable the satisfactory functioning of the IGAD Secretariat, but funds are not allocated to project activities.

85. In addition, several development partners have committed themselves to support IGAD in this endeavor. UNHCR expressed its full support for the project, and have already undertaken considerable work in project preparation. UNAIDS has also been supporting the Horn of Africa Region, and is a steady IGAD partner and which will remain actively involved.

86. By expanding and harmonizing HIV/AIDS efforts throughout the region, IGAD will enhance the effectiveness of national investments in prevention, care, treatment, and mitigation. By identifying and encouraging the sharing of information and promising approaches between countries and in different operational settings, the likelihood increases that such activities will be scaled up, and attract additional funding from many sources, including donors and technical assistance entities, the governments, and affected communities. It will provide operational and policy inputs to national programs, which in turn can apply to their programs what is done and learned under this project.

5. Critical risks and possible controversial aspects

87. The proposed project will operate in a region that is currently faced with a fragile political and security situation, with some areas affected by ongoing conflict, and a very varied level of human, institutional, technical and implementation capacity. This will be a very fluid environment, with potential for activities to be suspended or halted for non-project reasons.

That said, this project offers the opportunity to build capacity, the knowledge base, and partnerships within and outside Government-to-Government relationships. While the risks are substantial, and can only be partly mitigated by project related efforts, failure to take action coupled with the potential to contribute to containment of the virus and improve technical relationships between Governments, makes this effort worth the risks.

<i>Risks</i>	<i>Risk Rating</i>	<i>Risk-Mitigating Measures</i>
Project fiduciary management capacity may be insufficient	M	The Administration and Finance Unit at IGAD will closely oversee the fiduciary staff at the PFO (which will have limited funds management). An internal auditor will make regular visits to the PFO. The project operations manual will outline project financial and procurement management arrangements. PFO will be staffed with adequate and qualified finance staff.
Fiduciary management by IGAD Member States and NGOs	H	IGAD will utilize its fiduciary staff and work close with member State implementers and NGOs to have in place ways to assure fiduciary arrangements are adequate.
Cooperation on HIV/AIDS may be affected by temporary changes in political relations among IGAD countries.	H	There will be strong emphasis on consensus decision making and partnership in both technical and policy matters. This includes regular meetings and communication through the IGAD HIV/AIDS Steering Committee.
IGAD Member States may formally decide to withdraw from IGAD due to political reasons.	H	Appropriate and flexible implementation arrangements will be pursued. Interventions will be suspended, however, in a country that formally withdraws or otherwise falls into non-member status. If activities are suspended, they will resume should the country become an IGAD member again.
Duplication of efforts and resources, since it is difficult to coordinate regional and national programs.	S	Coordination with national programs will be ensured through the national focal points, regular meetings of the Steering Committee, and regular communication from IGAD to the Member States. Further, Bank TTLs will be closely involved and briefed of the regional project progress, to make sure it is well coordinated with national HIV/AIDS programs.
Uncertainty in relations between refugee and surrounding communities may impact the success of the program.	S	Support for refugees, IDPs, and returnee populations will be closely coordinated with efforts in surrounding areas, and by working closely with national programs.
National AIDS program support for regional efforts may be insufficient, and/or national	H	Funds will be provided to national AIDS Secretariats for capacity building and liaison activities to enhance the sense of ownership;

AIDS Secretariats do not fully comprehend IGAD/national program benefits.		representation by all IGAD member states in the Ministerial Committee on Health and HIV/AIDS should reinforce synergy with national efforts. Bank TTL's for national HIV/AIDS programs will be part of the implementation support team and provided with regular updates.
Insufficient attention would be paid to M&E aspects	H	M&E will continue to build on IDF support and an essential element of implementation support missions.
The fragile security situation in parts of the region may cause major population displacements.	S	The program is designed as a flexible instrument that will conduct annual review and planning sessions, which can take into account and address some of these areas.
Overall	H	

Legend: H – High risk; S – Substantial risk; M – Moderate risk; N – Low or negligible risk

6. Grant conditions and covenants

(i) Conditions for effectiveness

There is a single operational condition of effectiveness of the Grant, that is:

- a) Adoption by IGAD of a satisfactory Project Operations Manual.

(ii) Covenants

- a) The Program Facilitation Office (PFO) must be established within three months of effectiveness, with the core staff in place.
- b) Annual Partnership Program Review and Planning meetings will analyze the performance over the past year, review performance indicators, and implementation performance, determine budgets for the upcoming year, as well as identify funding gaps.
- c) Memorandum of Understanding's (MOU's) need to be agreed between IGAD and the National AIDS Programs (or appropriate entity) in each Member State, prior to disbursement of funds for activities under component 1b and 2.

D. APPRAISAL SUMMARY

1. Economic and Financial analyses

88. Economic analysis of HIV/AIDS has been carried out under the umbrella Multi-Country HIV/AIDS Program for the Africa Region (Report No. 20727 AFR, paragraphs 76-78). The analysis includes an overall assessment of the impact of HIV/AIDS on economic development and poverty and shows that a reduction in AIDS-related deaths would increase the growth of GDP.

89. The project will be largely implemented through contracts with UNHCR, various national and regional networks, health sector policy and program professionals, and consultancies (the latter mainly for developing regional cooperation and harmonized policy approaches).

Annual plans and contracts with UNHCR, sub-projects in the cross-border areas, health sector policy programs, and activities of consultants will be reviewed and approved according to the procedures and criteria expressed in Annex 6 (Implementation Arrangements), and the Project Operations Manual. These procedures and criteria will ensure that approved proposals are cost-effective and provide the benefits expected from the project.

2. Technical

90. The project has incorporated the best internationally accepted practices for HIV/AIDS responses as set forth in UNAIDS and UNHCR guidelines on HIV/AIDS, in MAP Guidelines of the World Bank's Africa Region, and in HIV/AIDS projects in the IGAD countries. These policies have been tailored to the IGAD Region context, the project design, and the M&E system. The approach of targeting the refugees and surrounding host communities was reported as a best practice by UNAIDS and UNHCR in October 2005 in the Strategies to Support the HIV-Related Needs of Refugees and Host Populations (UNAIDS Best Practice Collection), which was piloted in the Great Lakes Initiative on HIV/AIDS (GLIA) Support Project. The selection of refugee and IDP areas to be supported was done in close collaboration between the Member States, IGAD and the UNHCR. The budgeted work plans for these areas were developed through national level workshops that included all the major stakeholders, in order to ensure sound technical work plans, and to make sure that there was no duplication of ongoing interventions in the target areas. In terms of the targeting of the cross-border and mobile populations (CBMPs) it is being done in close collaboration with UNAIDS, the International Organization for Migration, and other agencies with long experience of working with these vulnerable groups. The regional mapping assessment already completed provides the baseline for selecting target areas along the cross-border areas. This selection will be done by the Member States and IGAD, followed by a transparent and competitive selection process. This will be further described in the project operations manual, with clearly articulated selection criteria of implementing partners.

3. Fiduciary

91. The fiduciary aspects of the project will be overseen by the Administration and Finance Division at IGAD Headquarters in Djibouti. At this stage, it is not envisioned that the PFO will manage large amounts of funds, but that this will be managed by the Administration and Finance Office at IGAD. The PFO will be located in Uganda. The recruitment process of PFO staff has been initiated by IGAD, including technical experts that will handle the minor fiduciary aspects at the PFO. However, until the PFO is established, the Bank has determined that IGAD does have the adequate fiduciary capacity to perform all the necessary fiduciary functions in the period until the PFO has been established. The financial management and procurement aspects were agreed upon during the appraisal mission. A detailed project operations manual will include all aspects on fiduciary arrangements for the project.

Financial Management:

92. As part of financial management preparations, the mission in February 2007 reviewed the financial operation of the IDA-IDF grant implemented by IGAD. The grant, (US\$495,000) Strengthening HIV/AIDS M&E Capacity in the Cross-Border Regions of Horn of Africa closed in August 2006. The audit is scheduled to be completed soon. IGAD is also managing the Project Preparation Advance (PPA) (US\$ 492,000¹³) for the preparation of the proposed

¹³ This amount is part of the Project preparation Advance already provided to the Recipient.

project. Financial arrangements, including the documentation and filling systems for the above projects were found satisfactory. IDA funds are managed under the Division of Administration & Finance, and IGAD’s normal authorization procedures are followed to ensure appropriate checks and balances. A qualified and experienced project accountant, who managed the closed IDF Grant and is managing the PPA funds, is expected to manage the project funds.

Procurement:

93. Procurement arrangements are also detailed in the draft IGAD HIV/AIDS Project Operations Manual, and have been further described during the appraisal mission. The Ministerial Committee on Health and HIV/AIDS will approve annual plans that include the procurement plan, with IGAD making operational procurement decisions without need of further Council of Ministers’ approval. With regard to UNHCR, its procurement procedures will apply to IGAD funding, with requests approved by IGAD. The procurement arrangements are further detailed in Annex 8, and in the Project Operations Manual.

4. Social

Potential issue	Yes	No
Differential access to project benefits		X
Traditional entitlement rights		X
Conflicting demand on the same resources		X
Positions of expected winners and losers		X
Risk of adverse social impacts of the project		X
Social risks to the project		X
Public perception and degree of voice in governance		X
Adequacy of targeting and delivery mechanism		X

94. The Project Operations Manual includes procedures that are designed to ensure adequate targeting of project activities. The project is expected to have positive social effects for particular vulnerable groups to HIV/AIDS (refugees, IDPs, returnees, and vulnerable groups along the cross-border areas). Project support to improve HIV/AIDS prevention, care, treatment and mitigation approaches in widely scattered and remote areas will have a positive influence on social development among underserved target populations in virtually all IGAD countries. The project will contribute to the destigmatization of HIV positive people, provide greater empowerment, inclusion, and security for vulnerable groups, and reduce gender inequities and discrimination.

5. Environment

95. The only safeguard issue to be raised by the project is the medical waste management aspect. Most of the IGAD countries already have medical waste management plans that are available from the national HIV/AIDS authorities in each of the countries. These plans were re-disclosed in the Bank Infoshop and are available in each Member State. In addition, the plans are available at the IGAD website www.igad.org. The two countries that currently do not have medical waste management plans include Somalia and Sudan. The medical waste management plan for Sudan is under development, and will be disclosed prior to effectiveness. For Somalia, all activities will be implemented through the UNHCR. The medical waste management plans for UNHCR, which covers both refugee and IDP camps,

have also be disclosed, and will guide the waste management aspect in Somalia, and for the activities being implemented by UNHCR in the other IGAD Member States. This is further explained in Annex 3 of the Project Operations Manual.

6. Safeguard policies

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

7. Policy Exceptions and Readiness

96. **Policy Exception:** The proposed project does not require any exceptions.

97. **Readiness for Implementation:** The project will be channeled through and facilitated by a competent organization, which has more than twenty years of experience. This organization will handle all implementation until the Program Facilitation Office has been established. The office has sufficient capacity and staff on fiduciary arrangements. The work plans for the selected refugee camps to be supported during year 1 have been finalized, and will be submitted by IGAD to the World Bank for no-objection. The procurement plan for the first 18 months has been finalized, and will be submitted to the World Bank for no-objection. The project is envisioned to be deemed ready for implementation shortly.

98. **Compliance with Bank Policies:** This project complies with all applicable Bank policies.

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

Annex 1: Regional and Sector or Program Background
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

1. The IGAD region stretches over an area of 5.2 million square kilometers (km) comprising the countries of Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda. Some 80% of the region is arid and semi arid lowlands which receive less than 400 mm of rainfall per year. The rest of the region has great variety of climates and landscapes including cool highlands, swamp areas, tropical rain forests and other features typical of an equatorial region. Farmlands account for 7% of the total land area; forests 19% and 28% are permanent pastures. The remaining 46% of the land is unproductive. The rainfall pattern is unreliable, both spatially and temporally. The region is prone to recurrent droughts and dry spells making it one of the most vulnerable regions on the African continent to climate variations.

2. The IGAD region has a population of over 160 million people characterized by high growth rates. The average population density is about 30 persons/km². The population density varies between the countries, however, are substantial, ranging from 14.5 persons per km² in Somalia to above 95 per km² in Uganda. These variations are even more pronounced between the different ecological zones. There are deserts with scarcely anybody living in them, and pockets in rural areas with high populations of more than 600 persons living on one km².

3. The Horn of Africa represents one of the largest, most complex political, social and economic environments on the Continent. Among other complex, inter-related factors, population mobility and migration are thought to be important factors that bear on HIV prevalence rates. Cross-border areas in the Horn are places where transport workers spend time away from their homes, where traders, uniformed services, sex workers, migrants, refugees, internally displaced persons (IDPs), mobile workers and other mobile populations transit or settle. These persons move from one place to another temporarily, seasonally or semi-permanently for a host of voluntary and involuntary reasons. Such reasons may include seasonal migration patterns, family reunification, professional or economic opportunity, poverty, war, human rights abuse, ethnic tension, violence, famine, other natural disasters, persecution, and/or health needs. Due to the disruption of social norms, and the political and economic instability usually associated with mobility, these populations often face food shortages, physical and psychological insecurity and abuse, extreme poverty, poor hygiene, lack of education, and other hardships.

4. Mobile women and children are often the most vulnerable and bear the brunt of these hardships. Women and girls in such situations are forced to submit to sexual abuse, or have little choice other than involuntarily trade sex for economic survival. Additional complicating factors are that these populations are often marginalized and/or alienated for political, linguistic, and/or geographic reasons. The sum total of these factors put such groups at a stark disadvantage, limiting their accessibility to counseling on disease prevention, as well as to health care and support. The net result is that these groups are highly at risk, interact with local populations on many levels, and are low priority or rarely addressed in national HIV/AIDS programs. The regional mapping assessment of interventions on HIV/AIDS indicated that the at-risk regional populations are often not included in national strategies or policies, and that services are poor or completely lacking for cross-border and mobile populations (CBMPs), and/or where available, access is limited.

The challenges of refugees are as difficult in the Horn of Africa as in other sub-regions of Africa, and the numbers of refugees have increased in numbers due to the fragile political situation in the Horn. There are refugee camps in all IGAD countries (except Somalia, where there are mostly IDPs camps), and these populations often fall outside of the national HIV/AIDS programs, and remain a very vulnerable population for the HIV epidemic. UNHCR is the UN agency with the lead responsibility for supporting refugees, and does so via tri-partite agreements with the host country and the implementing partners.

5. The magnitude of internally displaced persons (IDPs) in Africa remains enormous: some 12 million of the world's 23.5 million IDPs were internally displaced in Africa at the end of 2005. The Horn of Africa is particularly challenged by the IDPs situation, with the current fragile security situation in parts of the region, creating mass populations movements (estimated numbers are under revision) At the same time various peace processes across the Continent initially yielded positive results, allowing the return of more than three million African IDPs – substantially more than in any other region of the world. Yet sustainable return and reintegration is hampered by multiple constraints, including (in many cases) continuing protection concerns and grim living conditions in areas of return. IDPs in Africa have often been particularly vulnerable to direct physical attacks or threats, sexual assault, forced labor, torture, mutilation and rape. This has been documented in recent years in many countries through monitoring by the Internally Displace Monitoring Centre (IDMC). Despite, or because of, the fact that internal displacement in Africa presents a humanitarian challenge of enormous proportions, the response has on the whole been inadequate. Responses in numerous countries share some common constraints: weak or non-existent national response capacities; endemic insecurity resulting in limited humanitarian access; an acute lack of funding for programs; and in many cases weak capacity and coordination at the international level, particularly between peacekeeping missions and humanitarian operations. Recently UNHCR was identified as the lead agency dealing with IDPs, and the first global Consultation on HIV/AIDS and IDPs met in April 2007, which will be preparing a policy paper by 2008 on this subject. It will reflect the best information available for providing targeted and sustainable support to large number of IDPs in Africa.

6. In 2006, almost two thirds (63%) of all persons infected with HIV were living in sub-Saharan Africa (24.7 million), according to the UNAIDS 2006 AIDS Epidemic update. Furthermore, an estimated 2.8 million adults and children became infected with HIV, more than in all other regions of the World combined. Across the region, women bear a disproportionate part of the AIDS burden: not only are they more likely than men to be infected, but in most countries they are also more likely to be the ones caring for people infected with HIV. The countries in the Horn of Africa are greatly impacted by the HIV epidemic, they are facing different and similar challenges, and they are all at different stages of addressing the epidemic. The UNAIDS Epidemic update estimates the current prevalence levels (age 15-49) for the Horn of Africa countries to be: Djibouti (3.1%); Eritrea (2.4%); Ethiopia (3.5%); Kenya (6.1%); Somalia (0.9%); Sudan (1.6%); and Uganda (6.7%). The data are different depending on the target groups and the geographical areas, so targeted programs for the most vulnerable groups are critical. Movement of vulnerable populations is another major challenge, requiring programs specifically targeting the CBMPs in a comprehensive and collaborative manner among the Horn of Africa countries.

7. The Inter-Governmental Authority on Drought and Development (IGADD) was founded in 1986. The recurring and severe droughts and other natural disasters between 1974 and 1984 caused widespread famine, ecological degradation and economic hardship in the Eastern Africa region. Although individual countries made substantial efforts to cope with the

situation and received generous support from the international community, the magnitude and extent of the problem argued strongly for a regional approach to supplement national efforts. In 1983 and 1984, six countries in the Horn of Africa - Djibouti, Ethiopia, Kenya, Somalia, Sudan and Uganda - took action through the United Nations to establish an intergovernmental body for development and drought control in their region. The State of Eritrea became the seventh member in 1993. In April 1995 in Addis Ababa, the Assembly of Heads of State and Government made a Declaration to revitalize IGADD and expand cooperation among member states. On 21 March 1996 in Nairobi the Assembly of Heads of State and Government signed "Letter of Instrument to Amend the IGADD Charter / Agreement" establishing the revitalized IGAD with a new name "The Inter-Governmental Authority on Development". The revitalized IGAD, with expanded areas of regional cooperation and a new organizational structure, was launched by the IGAD Assembly of Heads of State and Government on November 25, 1996 in Djibouti, the Republic of Djibouti. With the initiation of NEPAD and the concept of Regional Economic Commissions (REC) as the key institutions at sub-regional level, IGAD was designated the REC for the Horn of Africa.

IGAD Strategy

8. IGAD is guided by its Strategy, which was finalized in 2003, and IGAD recently conducted its mid-term review of the Strategy. The Strategy provides a framework for IGAD priority development programs in pursuit of its mandate. The Strategy incorporates and benefits from: (a) experience gained in the past; (b) current framework conditions of development cooperation; and (c) regional as well as global challenges and emerging issues facing the region. The objective of the Strategy is to assist and complement the efforts of the Member States to achieve, through increased cooperation:

- Food Security and environmental protection;
- Promotion and maintenance of peace and security and humanitarian affairs; and
- Economic Cooperation and integration.

9. These three priority areas cover some twenty areas of cooperation among Member States, including:

- Enhancing cooperation and coordinating their macro-economic policies;
- Promoting sustainable agriculture development and food security;
- Conserving, protecting and improving the quality of the environment;
- Ensuring the prudent and rational utilization of natural resources;
- Promoting conflict prevention, management and resolution;
- Respect of the fundamental and basic rights of the peoples of the region to benefit from emergency and other forms of humanitarian assistance;
- Promoting trade and the gradual harmonization of trade policies and practices;
- Gradual harmonization of transport and communication policies and development of infrastructure.

10. The IGAD Strategy (Section 5.3 "Resource Mobilization") notes that implementation of the strategy will pose both human and financial challenges for the Secretariat. In addition to assessed contributions from Member States, "Other sources of funds are received as grants from donors and international agencies to make the Secretariat efficient."

11. In January 2005 the Health and Social Affairs Desk (HESAD) at IGAD was established, based upon the recommendations of Ministers of Health in 1996 and 1998, and further

supported by the African Union requesting RECs to establish these Units. HESAD has already made good progress through implementing an Institutional Development Fund (IDF) grant with the World Bank, developing a Reproductive Health Strategy with WHO and AU in close collaboration with all the member States.

Principles and Values

12. IGAD is guided by a set of values and principles included in the Agreement Establishing IGAD. These include:

- Promotion of good governance that strictly adheres to the establishment and protection of fundamental human rights through institutionalization of democracy and transparency;
- Promotion of a sense of community that aspires to maintaining peace in the region and finding peaceful resolution of disputes between and within the member states;
- The endorsement of those principles and values that encourage individual and collective responsibility;
- The establishment and maintenance of frameworks which enable the people to identify their priority needs and be in the forefront in resolving them;
- IGAD adheres to the principle of subsidiarity, which means that it operates at the levels in society where it can achieve maximum impact;
- IGAD subscribes to the principle of variable geometry, which recognizes that its members are at different levels of development and move at different speeds and constellations depending on their priorities;
- Adding value and complementing development efforts of the member states in a consultative process that enhances cooperation and spirit of partnership in programs; and
- Adherence to the principle of gender sensitivity and equity.

HIV/AIDS

13. All three priority areas of IGAD: agriculture and environmental protection; political and humanitarian affairs; and economic cooperation and integration, touch upon the issue of HIV/AIDS in their respective programs. The challenges of HIV/AIDS require a multi-sectoral approach, with the effort of every sector, and in particular the health sector. Furthermore, HESAD has in collaboration with the AU and UNFPA drafted a regional Strategy on Sexual and Reproductive Health, which is envisioned to be endorsed by the IGAD Member States shortly. In addition, the Gender Section at IGAD is planning a 4-Year Strategic Plan in addressing gender issues in the Horn, including related to HIV/AIDS. All these different initiatives will be closely linked with the IGAD Regional HIV/AIDS Partnership Program, and the development of the 5-Year Strategic Plan for addressing the challenges of the regional dimension of HIV/AIDS.

**Annex 2: Major Related Projects Financed by the Bank and/or other Agencies
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project**

FIELDS OF INTERVENTION	PARTNERS* *As Available	FINANCING IN US\$	DURATION
Djibouti: HIV/AIDS	a) World Bank b) GFATM	US\$15 million US\$14 million	2004-2008 2007-2011
Ethiopia: HIV/AIDS	a) World Bank b) GFATM c) PEPFAR	US\$30 million US\$540 million US\$350 million	2007-2010 Round 2 and 4 2004-2006
Eritrea: HIV/AIDS	a) World Bank b) GFATM	US\$24 million US\$30 million	2006-2010 Round 3 and 5
Kenya: HIV/AIDS	a) World Bank b) GFTAM c) PEPFAR	US\$115 million ¹⁴ US\$109 million US\$440 million	2008-2011 Round 1-2 2004-2006
Somalia: HIV/AIDS	a) GFATM	US\$10 million	Round 4
Sudan: HIV/AIDS	a) MDTF b) GFATM	US\$36.75 million US\$58 million	2007-2012 Round 3-5
Uganda: HIV/AIDS	a) GFATM b) PEPFAR	US\$120 million US\$410 million	Round 1 and 3 2004-2006

¹⁴ This includes US\$33 million from DFID.

Annex 3: Results Framework and Monitoring
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

Results Framework¹⁵

Preface

The results framework for the IRAPP Support Project was developed in close collaboration between IGAD, the IGAD Member States, GAMET, the World Bank and other development partners. The monitoring table which outlines the baseline data and targets for the Project is being finalized, and is a critical part of the project. The UNHCR is currently finalizing the baseline data for the refugee camps, which have been collected through behavioral surveillance surveys for each of the refugee areas to be targeted. IGAD is completing additional baseline data based on the regional mapping assessment recently completed. This data will be presented, discussed and targets finalized during the IGAD Technical Working Group meeting on M&E, which will include all the IGAD Member States and development partners, scheduled for the project launch (September 2007).

The project will contribute towards the establishment of a regional M&E system, in order to get systematic and regular data updates for cross-border and mobile populations. As of now there is no regional M&E system that captures data on these target groups.

Furthermore, data on increased regional collaboration will be collected using the Most-Significant-Change technique. This qualitative data will be collected by September 2007, and annually thereafter.

The monitoring table for the project will be completed by September 2007.

¹⁵ The Results Framework will be further refined during the M&E Technical Working Group meeting scheduled for September 2007.

IRAPP Goal ¹⁶	Indicator	Target
<p>A: Contribute to the reduction of HIV infections amongst target populations and to mitigate the socio-economic impact of the epidemic in the IGAD region</p>	<p>Spread of HIV:</p> <ul style="list-style-type: none"> • HIV prevalence amongst refugees supported through the IGAD HIV strategy and interventions (by target population, and by sex) <p>Knowledge to prevent further spread of HIV:</p> <ul style="list-style-type: none"> • Percentage of populations targeted in the IGAD HIV strategy aged 15 to 49 who both correctly identify three ways of preventing the sexual transmission of HIV and who reject major misconceptions about HIV transmission (by population¹⁷ and by sex) (UNGASS) <p>Behaviors to support reduction in new HIV infections:</p> <ul style="list-style-type: none"> • Percentage of populations targeted in the IGAD HIV strategy aged 15 to 49 who have had sex before the age of 15 (by target population, and by sex) (UNGASS) • Percentage of populations targeted in the IGAD HIV strategy aged 15 to 49 who have had sex with more than one partner (by target population, and by sex) (UNGASS) • Percentage of populations targeted in the IGAD HIV strategy aged 15 to 49 who had more than one sexual partner in the past 12 months reporting the use of a condom during their last sexual intercourse (by target population, and by sex) – (UNGASS) 	<p>The targets will be determined and highlighted in the IGAD Regional Strategy on HIV/AIDS.</p>
<p>B: Ensure that appropriate and comprehensive HIV services of an appropriate scale are delivered through sustainable funding mechanisms to target populations not targeted in the HIV response plans of the 7 IGAD member states</p>	<p>Resource mobilization: Total amount of funds mobilized for HIV assistance as defined in the regional IGAD HIV strategy and spent by IGAD and its contractors in the reporting period (UNGASS)</p>	<p>Sufficient resources mobilized to implement a regional program targeting refugees, IDPs, and CBMPs, as formulated in IGAD Regional Strategy.</p>

¹⁶ The IRAPP Goal is the objective of the overall partnership program, and not something to which the IRAPP Support Project will be measured in terms of achieving the objectives.

¹⁷ This would be aggregated to capture CBMPs, refugees and IDPs, to the extent possible.

PDO	Outcome Indicators	Use of Outcome Information
A: Increased use of HIV prevention, care and impact mitigation services by the target populations ¹⁸	<ul style="list-style-type: none"> • VCT: Percentage of target populations aged 15-49 who undergo HIV voluntary counseling and testing and know their results in the last 12 months (disaggregated by sex) • PMTCT: Percentage of HIV-positive pregnant women in targeted areas who are referred for antiretrovirals to reduce the risk of mother-to-child transmission (by site and age) • IEC/BCC: Percentage of target populations reached with community-based HIV prevention programs in targeted areas • Percentage of targeted Refugees and IDPs aged 15 to 49 who had more than one sexual partner in the past 12 months reporting the use of a condom during their last sexual intercourse (by sex and age) – (UNGASS) • Percentage of targeted Refugees and IDPs aged 15 to 49 who both correctly identify three ways of preventing the sexual transmission of HIV and who reject major misconceptions about HIV transmission (by refugee, IDP and by sex) (UNGASS) 	Monitor the increase uptake of HIV services by target populations
B: A common approach to HIV service delivery for populations targeted by IGAD HIV strategy that is sustainable and being used by all IGAD member states ¹⁹	<ul style="list-style-type: none"> • Number of countries who harmonized the drug list for HIV treatment ▪ The number of new national HIV/AIDS strategies during the project period that incorporate the targeting of CBMPs. 	
Intermediate Results	Results Indicators for Each Component	Use of Results Monitoring
Component 1		
The targeted sites (refugee sites, surrounding population sites and hot spot areas) have been provided with increased access to functioning and appropriate HIV prevention, care and support services.	<ul style="list-style-type: none"> • VCT: Number of functioning VCT sites in targeted areas (hot-spots) • STIs: Number of clients receiving STI services in the targeted sites (hot-spots) • IEC/BCC: Number of Peer Educators trained by IGAD implementers • Condom distribution: Number of male and female condoms distributed to target populations by IGAD implementers • Support: Number of PLWHA associations established for CBMPs 	
Intermediate Results	Results Indicators for Each Component	Use of Results Monitoring
Component 2: IGAD has facilitated dialogue and opportunities for harmonization of	<ul style="list-style-type: none"> ▪ Strategy development: Existence of an approved regional strategy for improved HIV/AIDS/STI prevention, treatment and care services directed to cross-border and mobile populations. 	

¹⁸ 'Target populations' is defined as Cross Border and Mobile Populations, refugees, returnees, internally displaced persons and surrounding populations

¹⁹ The Most Significant Change (MSC) technique will be used to measure increased regional collaboration. This technique is described in detail in the Project Operations Manual and in the M&E manual.

approaches to HIV service delivery for target populations amongst all 7 IGAD member states		
Component 3		
Strengthened capacity of IGAD, member states and contractor to plan, implement, monitor and evaluate HIV/AIDS programs for targeted populations	Ability to plan and implement activities - Project coordination and management <ul style="list-style-type: none"> • Number of civil society organizations²⁰ funded by the project in the last 12 months, by type of civil society organization • Amount of funds disbursed to civil society organizations providing services to CBMPs, refugees, returnees, IDPs and surrounding populations in the 7 IGAD countries 	
	Capacity building <ul style="list-style-type: none"> • Number of NGOs that are able to design HIV service delivery programs for CBMPs in line with the IGAD HIV strategy • Number of persons from IGAD Member states trained in M&E including the use of Data 	Track the extent of capacity strengthening
	M&E system (including structured learning agenda) <ul style="list-style-type: none"> • Number of website hits in the last 12 months • Percentage of NACs that submit program monitoring data to the PFO within specified reporting time frames • Percentage of refugee, IDP, returnee and cross border areas included in IGAD member states' National Sentinel Surveillance system in the last 12 months • Number of operational research studies funded 	Track whether functioning M&E system regularly monitors and reports on epidemic. Track level of implementation of work planning for HIV/AIDS programming. Track changes in prevalence in refugees camps and disbursement funds to local NGOs

²⁰ Civil society organizations include both NGOs that will provide HIV services under component 1 (b) to CBMPs; and UNHCR Implementing Partners that will provide HIV services to refugees, returnees, IDPs, and surrounding populations under component 1 (a).

Arrangements for results monitoring

Outcome Indicators	Baseline ²¹	Target Values					Data Collection and Reporting		
		YR1	YR2	YR3	YR4	YR5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
VCT: Percentage of target populations aged 15-49 who undergo HIV voluntary counseling and testing and know their results in the last 12 months (disaggregated by sex)	TBD	N/a							
PMTCT: Percentage of HIV-positive pregnant women in targeted areas who are referred for antiretrovirals to reduce the risk of mother-to-child transmission (by site and age)	TBD	N/a							
IEC/BCC: Percentage of target populations reached with community-based HIV prevention programs in targeted areas	TBD								
Percentage of Refugees and IDPs aged 15 to 49 who had more than one sexual partner in the past 12 months reporting the use of a condom during their last sexual intercourse (by sex and age) – (UNGASS)	TBD								
Percentage of refugees and IDPs targeted aged 15 to 49 who both correctly identify three ways of	TBD								

²¹ The baseline data will be inserted when information is submitted by the UNHCR, and with data available from the IGAD Regional mapping assessment.

preventing the sexual transmission of HIV and who reject major misconceptions about HIV transmission (by refugee, IDP and by sex) (UNGASS)									
Percentage of countries who harmonized the drug list for HIV treatment	0								
The number of new national strategies during the project period that incorporate the targeting of CBMPs.	0								
Results Indicators for Each Component									
Component 1: The targeted sites (refugee sites, surrounding population sites and hot spot areas) have been provided with increased access to functioning and appropriate HIV prevention, care and support services.									
a) VCT: Number of functioning VCT sites in targeted areas (hot-spots)	TBD								
b) STIs: Number of clients receiving STI services in the targeted sites (hot-spots)	TBD								
c) IEC/BCC: Number of Peer Educators trained by IGAD implementers									
d) Condom distribution: Number of male and female condoms distributed to target populations by IGAD implementers									
e) Support: Number of PLWHA associations established for CBMPs									
Component Two: IGAD has									

facilitated dialogue and opportunities for harmonization of approaches to HIV service delivery for target populations amongst all 7 IGAD member states									
Strategy development	NA								
a) Existence of an approved regional strategy for improved HIV/AIDS/STI prevention, treatment and care services directed to cross-border and mobile populations.									
Component Three: Strengthened capacity of IGAD, member states and contractor to plan, implement, monitor and evaluate HIV/AIDS programs for targeted populations	NA								
Ability to plan and implement activities - Project coordination and management	NA								
a) Number of civil society organizations ²² funded by the project in the last 12 months, by type of civil society organization	0	7	14	21	21				
b) Amount of funds disbursed to civil society organizations providing services to CBMPs, refugees, returnees, IDPs and surrounding populations in the 7 IGAD countries									
Capacity building									
a) Number of NGOs that are able to design HIV service delivery									

²² Civil society organizations include both NGOs that will provide HIV services under component 1 (b) to CBMPs; and UNHCR Implementing Partners that will provide HIV services to refugees, returnees, IDPs, and surrounding populations under component 1 (a).

programs for CBMPs in line with the IGAD HIV strategy									
b) Number of persons from IGAD Member states trained in M&E including the use of data									
M&E system (including structured learning agenda)									
a) Number of website hits in the last 12 months	0								
b) Percentage of NACs that submit program monitoring data to the PFO within specified reporting time frames	0								
c) Percentage of refugee, IDP, returnee and cross border areas included in IGAD member states' National Sentinel Surveillance system in the last 12 months									
d) Number of operational research studies funded									

Annex 4: Detailed Project Description

IGAD Regional AIDS Partnership Program (IRAPP) Support Project

Project Components

1. The IRAPP project will address three key areas:

- Support to selected refugee camps and surrounding host communities, IDPs, returnees, and cross-border and mobile populations (CBMPs);
- Assistance to increase access to prevention, care, treatment, support and mitigation for CBMPs, and sharing of policies and approaches, agreed to by IGAD health sector stakeholders;
- Program management, capacity strengthening and technical support, M&E, information sharing, and reporting.

Description of Project Components

Component 1: Support to Refugees, IDPs, Returnees, Surrounding Host Communities and Cross-border and Mobile Populations

Sub-component (a)

2. The purpose of this sub-component is to improve HIV/AIDS prevention, care, support and treatment in refugee camps, surrounding communities, and among returnees/IDPs in a limited number of sites (the expectation is that replication in other areas will take place over time). Depending on circumstances, assistance can include a full range of HIV/AIDS prevention, care, support and treatment. Internally displaced persons and people who have returned from refugee camps constitute part of the target population depending on the country situation. Sites in each IGAD country for support during the first year were identified jointly by the governments and UNHCR, based on agreed IGAD selection criteria as follows:

- Beneficiaries should have as their country of origin one of the seven IGAD countries (while there may be exceptions in any given setting, these should not be significant).
- Beneficiary populations should be located in a rural setting, preferably near IGAD country borders.
- In countries with multiple sites, those locations with large beneficiary populations will be preferred.²³
- Different implementing partners should be chosen within and between various countries, whenever possible.

²³ For IDP/returnee sites the administrative unit should cover a population ranging between 50,000-100,000

- Populations with large numbers of vulnerable groups (e.g., high proportion of women and children, demobilized soldiers, single headed households), if known, should be chosen on a preferential basis.
- The selected site should not be a Great Lakes Initiative on AIDS (GLIA) or OFID (OPEC Fund for International Development) site.
- Camp/settlements planned for closure/consolidations within less than 12 months should not be selected. However, where integration with the surrounding host population is planned, such sites should be given priority.
- Camps should have a minimal ongoing HIV/AIDS program (basic awareness) and planning envisioned for an expanded effort over the initial 18 months (and 1 year thereafter).
- Camp programs should be selected taking into account the potential for replication or scaling up at other sites

3. UNHCR currently operates HIV/AIDS programs in many refugee sites in Africa, principally through its Implementing Partners (IPs) who enter into tripartite agreements with the Government and UNHCR for specific sectoral activities. Such programs can be scaled up, and new ones developed with IGAD support. Government engagement in HIV/AIDS programs in rural areas where the target groups are found varies from country-to-country. UNHCR will be responsible for programs in the refugee and IDP camps. Based on the new UN Agencies Technical Division of Labor, UNHCR has an increased mandate to support IDPs, and recently hosted the first global HIV/AIDS consultation on IDPs. Further, a Memorandum of Understanding (MOU) already exists between IGAD and UNHCR, and a Management Contract was developed during the appraisal period of the project. The contract will be subject to no-objection by the Bank. This and the approved camp work plans will provide the basis for implementing programs in the selected areas. The outputs will be: HIV/AIDS prevention, care, treatment, support and mitigation activities in selected sites, improved knowledge among target populations about HIV/AIDS and related opportunistic infections, and measures to fight them, as well as declining infection rates. UNHCR and national AIDS programs will be provided funds to finance a share of site specific HIV/AIDS sub-activities. IGAD Country Focal Points will work closely with UNHCR and, in particular, the UNHCR Regional Coordinator(s), and UNHCR national representatives. This has already been done in agreeing on specific sites and linkages between programs. IGAD will enter into a long term (four year) contract with UNHCR. Program activities will be annually reviewed and the following year's program approved. IDA will be requested to provide its no-objection for each annual work plan (see Annex 6 on Implementation Arrangements), and in the Project Operations Manual).

4. UNHCR services will be based on annual plans that contain individual camp-site sub-plans and, in cases where the national AIDS secretariat has so requested, sub-activities for areas surrounding the camps and/or for returnee sites. Situation analyses and first-year Action Plans will be reviewed during the appraisal mission. Action Plans for future sites will be reviewed in a similar manner when a site or target group is identified for funding the first time. For sites that complete the first-year Action Plan sub-activities and have implemented them satisfactorily, the review process will be more limited. Annual plans will take into consideration gender sensitivity, incorporating youth into programs, funding for at-risk groups,

and other objectives of the IGAD Regional HIV/AIDS Partnership Program (IRAPP). IGAD will submit annual plans to the World Bank for no-objection on a consolidated basis.

Sub-component (b)

5. The sub-component is aiming to provide HIV/STI prevention, care, support and treatment services to cross-border and mobile populations. The Mapping Surveys conducted in the 7 IGAD countries pointed out the significant mobility of these populations, which increases their vulnerability to HIV and STI. The analysis further found that there was a lack of HIV interventions in these areas, and that where present, the capacity and coverage was extremely limited. Despite this high level of vulnerability, the existing HIV and STI programs do not address CBMP in most IGAD countries and moreover, in the border areas, the health facilities are deficient or often completely missing.

6. The Regional Expert Meeting (Nairobi, Kenya, June 2006) recommended initiating, promoting and supporting programs at strategic CBMP concentrated areas by improving knowledge, capacity, infrastructure and care. This subcomponent will support reinforcement of institutional capacity which may include staff training, basic equipment and medical supplies for selected health facilities (in the area of the “hot-spot interventions”) in border areas to deliver HIV/STI prevention, treatment, care and support service packages for CBMPs. Based on the outcome of the health facilities surveys in border areas, which will be conducted under Component 2 (Health component), the MOH in each member country and IGAD, will define the necessary improvements for provision of adopted service package by health facilities and elaborate an implementation plan (and determine what can, if any, be supported by the project funds).

7. In response to the mobility of the population, in addition to the availability of services, the subcomponent will support establishment of referral mechanism to support service continuity for CBMPs across the borders. Populations to be targeted are: (i) cross border and mobile populations (long distance drivers, nomads, uniformed personnel, cross-border traders, commercial sex workers, etc.); (ii) local populations living in the strategic CBMP concentrated areas (unemployed young men and women, khat and alcohol sellers; local bus drivers, shopkeepers, etc.) and (iii) nomad camping sites located 5 to 10 kilometers around the concentrated areas.

8. Thus the target areas of support are key hot-spot areas or strategic cross border and mobile populations concentrated areas located at or near the border. The mapping assessment conducted in the 7 IGAD countries identified a number of these key spot areas for each country. The proposed project would cover selected eligible hot spot areas; it is envisaged, however, that other interested donors would support and follow the same model for additional sites. This would enable other partners to support the overall IGAD partnership program. Over the long term, it is expected that the national programs could eventually take responsibility for targeting and financing activities for some of the targeted groups (nomads, IDPs, and national vulnerable groups located along the border areas).

9. Support and services to CBMPs will be provided through those organizations (including MOH and NGOs) identified as having substantial programs in areas which meet the selection

criteria (as defined in the Project Operations Manual) and are reaching the targeted community. The regional mapping assessment conducted by IGAD provides a list of organizations and government agencies working in the cross-border areas in each of the countries. This would be the initial basis for planning and implementing such activities. To select service providers, the IGAD secretariat will circulate an Expression of Interest (EOI) in each Member State. Thereafter IGAD, in collaboration with the Member State, will develop a short-list (if there is more than one response) for each hot-spot area, and send a Request for Proposals (RFP), technical and financial, to the short-listed NGOs/organizations. The first three proposals would need to be submitted to the Bank for prior review and non-objection, and depending on the financing thresholds to be explained in the project operations manual.

Component 2: Health Sector Dialogue and Harmonization

10. This component will address the challenges of health sector responses to HIV and STI with regard to migrant populations across the borders of IGAD states and the learning and exchange of experience among health sector partners in the IGAD Member States.

11. Specifically, the objectives of this component are to:

- (i) provide support for interaction and information exchange among IGAD countries including sharing of country experiences, disseminating best practices and lessons learned from providing health services to the project target populations;
- (ii) develop mechanisms for continuity of health services across borders including referral systems for returning populations in a selected number of area; and
- (iii) develop and adopt a regional strategy for improved HIV/STI prevention, treatment and care services directed to cross-border and mobile populations, based on improved understanding of the drivers of the epidemic in cross-border and mobile populations.

12. Provision of HIV/AIDS/STI treatment and care services to cross border and mobile populations, including refugees will require reinforcement of HIV/AIDS related health capacity, as well as establishment of sustained collaboration and dialogue between the partners. Capacity strengthening relating to health sector will be carried out under the Component 1b, while the health component will support identification of the key vectors and drivers of transmission, the needs and the elaboration of implementation plan. Therefore, a rapid survey of the main groups and behaviors affecting the spread of the virus, as well as health facility service delivery located in border areas of each IGAD country, will be conducted. The findings will be used to develop a plan of action.

13. The Regional Experts Meeting (June 2006) recommended that the services provided across the border areas should, to the practical extent possible, contribute to service continuity for the beneficiaries, and equitable distribution of the workload between health facilities across the border areas.

14. The component will support the following activities:

- Periodic technical review meetings, study tours, and training programs aiming at exchanging information and sharing of experiences;

- A review of existing protocols and materials on selected topics, comparable protocols and materials as well as implementation plans prepared and then adopted by the IGAD country health authorities;
- The development of a referral system between a few selected service delivery sites to ensure continuity of care for cross-border and mobile populations including refugees. Service continuity at selected service sites will be achieved through identification and set up of a referral system that allows prolongation of treatment started in one country in another without difficulty; and
- Developing a comprehensive 5-Year Regional HIV and STI Strategic Plan focused on the regional dimensions of HIV and STI epidemic control that covers both the service delivery and communication aspects. The plan will also support the IGAD member countries in mobilizing additional resources to expand the program.

15. Collaboration and regular dialogue among health sector partners will allow exchange of information and country experiences contributing thus to the improvement of service quality and the way forward in dealing with HIV/AIDS coordination programs between Member States. Collaboration and dialogue should be established not only at the level of program managers but also at the level of implementing agencies, including those at the border areas (non formal meeting and information sharing process).

16. To ensure the effective implementation of this component, a Technical Working Group on the health response to HIV/AIDS will be identified and composed of the National AIDS authorities responsible for health sector matters in each of the IGAD Member States. The TWG on Health will meet as agreed to and described in the Project Operations Manual. IGAD, in close collaboration with Member States and partners, will during the first part of the project:

- Conduct a facility survey to identify needs in terms of supplies and staff training;
- Develop and adopt a comprehensive 5-Year Regional HIV/AIDS and STI Strategic Plan focused on the regional dimensions of HIV and STI epidemic control.

17. This would allow IGAD to organize advocacy and fund raising activities and other donors and partners to join the Partnership Program.

Component 3:

18. This component will support IRAPP project activities, including IGAD strengthening. Component elements can be grouped into three broad categories:

- Administration and management
- Capacity strengthening and technical support
- Monitoring and evaluation, information and reporting.

Administration and Management:

19. Expenses eligible for project financing under this sub-component include investment and operational costs related to the project organs of IGAD, namely the Ministerial Committee on

Health and HIV/AIDS, the Steering Committee, the Technical Working Groups (Health and M&E), the Secretariat and the Program Facilitation Office. Major expenditures are for the core project technical staff, component coordinating consultants, and operating costs needed for the functioning of the relevant IGAD/ PFO Secretariat and the IRAPP Country Focal Points. IRAPP Country Focal Points are to play an important coordinating role. Each IRAPP Focal Point will be provided an equal amount of funds to fulfill responsibilities for eligible categories of expenses which will be treated as “sub-activities”. These funds will be utilized based on an annual IGAD-approved work plan, with such plans reflecting the particular needs of the individual country. Plans could contain elements for improved administration/supervision, equipment to support the IRAPP Country Focal Point in fulfilling her or his IGAD responsibilities, for all or any IGAD component activities. IEC material development, environmental matters, national workshops, additional consultancies/technical assistance, training, eligible goods, travel and operating costs are examples of eligible expenditures (no vehicles would be procured, but transportation costs could be supported). IRAPP Country Focal Point sub-activity allocated funds are in addition to, and separate from, other Project component financing, or other funding sources.

20. In terms of eligible non-salary operating costs for IGAD, these include expenses incurred for implementation, management and monitoring, including office supplies, expenses related to communications and utilities, incremental contributions to rent and refurbishment of IGAD offices, insurance, office equipment, spare parts, travel costs, including those for supervision.

Capacity Development and Technical Support Activities:

21. This subcomponent will support necessary activities not otherwise covered under components 1-2. One such aspect is to improve IGAD technical staff and key component consultants, Country Focal Points, and other partners (national AIDS program staff, NGOs, the private sector) in understanding IGAD arrangements and assisting them to carry out activities effectively. Workshops would be held at both regional and national levels for these purposes.

22. In particular at the outset before the PFO is established and operational, the IGAD Secretariat will perform the PFO function and will need additional technical support. The project will support this, but will also coordinate with other development partners to coordinate what technical and financial assistance can be provided by them. In addition, workshops and training events to build capacity to better manage a regional intervention will be targeted both at regional and national staff. An annual capacity building plan will be developed, and included in the project operations manual.

Monitoring and Evaluation, Information and Reporting:

23. An M&E system has been designed for the project to monitor and evaluate outcomes and results. Recently, the World Bank, US Government, The Global Fund, UNAIDS and other partners agreed on a joint definition of a functional HIV M&E systems – they agreed that there are 12 elements to a functional regional or national HIV M&E system. It is therefore proposed that the M&E system for this project be based on these 12 elements, which are: institutional structures for HIV M&E, human capacity for HIV M&E, M&E partnerships, M&E framework,

M&E costed work plan, advocacy and communications for HIV M&E, surveys and surveillance, routine program monitoring, HIV database, supervision and data auditing, HIV learning and research, and data dissemination and information use. Annex 4 contains the detailed implementation arrangements in terms of these 12 elements.

24. First, in terms of **institutional structures for HIV M&E**, there will be an M&E officer at the PFO, and IGAD Focal Points in each of the IGAD countries that will be concerned with monitoring and evaluating this and other HIV projects that IGAD may implement in future.

25. **Human capacity for HIV M&E** will be strengthened through a structured capacity strengthening plan that will be a part of Component 3. IGAD is working to strengthen M&E of HIV/AIDS interventions focusing on CBMPs in member states. Capacity in M&E will be required to execute the monitoring and evaluation activities in the project. Capacity building activities for M&E of IGAD Health Desk personnel, PFO and member countries M&E officers will also be supported under the M&E component.

26. **M&E partnerships** will be essential for the regional M&E system to function. Partnerships that the TWG establish, may include links with other regional M&E groups, such as the GLIA M&E system stakeholders, with development partners, with the UNAIDS M&E team (regional support team and country-level UNAIDS M&E advisors in IGAD countries where these M&E advisors have been appointed), with GAMET consultants and with other stakeholders. Although this project will not fund the establishment and maintenance of these partnerships, it will strengthen the M&E Technical Working Group to share best practices, implementation documents, build partnerships, provide consultancies, and to hold annual M&E meetings.

27. An **M&E framework** is essential to guide operationalization of the M&E system. For IGAD, a two-phased approach will be developed. In the first instance, data will be collected for the IGAD project using the sub-set of project indicators defined in Annex 3. Once data have been collected and a synthesis study has been done, the regional HIV strategy will be developed. This will, in turn, enable the development of a regional HIV M&E strategy. This project will fund the establishment of a regional HIV strategy. Included in the M&E framework for the project is a set of indicators – as defined in the Results Framework and Monitoring (Annex 3). As part of the M&E strategy development, IGAD will also work with member countries to identify indicators for CBMP that will be added in National M&E Frameworks. The regional HIV M&E strategy will constitute the 3rd of the Three Ones for IGAD.

28. The M&E system cannot be operational without funding. Therefore, a **costed M&E work plan** will be developed and updated on an annual basis as part of Component 3 of this project. Once the regional M&E strategy has been developed this strategy will also be operationalized on an annual basis through the development of one regional and costed M&E work plan. IGAD will dedicate, for future HIV funding, a percentage of funding to the functioning of the M&E system – a minimum of 10% of all HIV project funding will be dedicated by IGAD to sustain the functioning of the regional HIV M&E system.

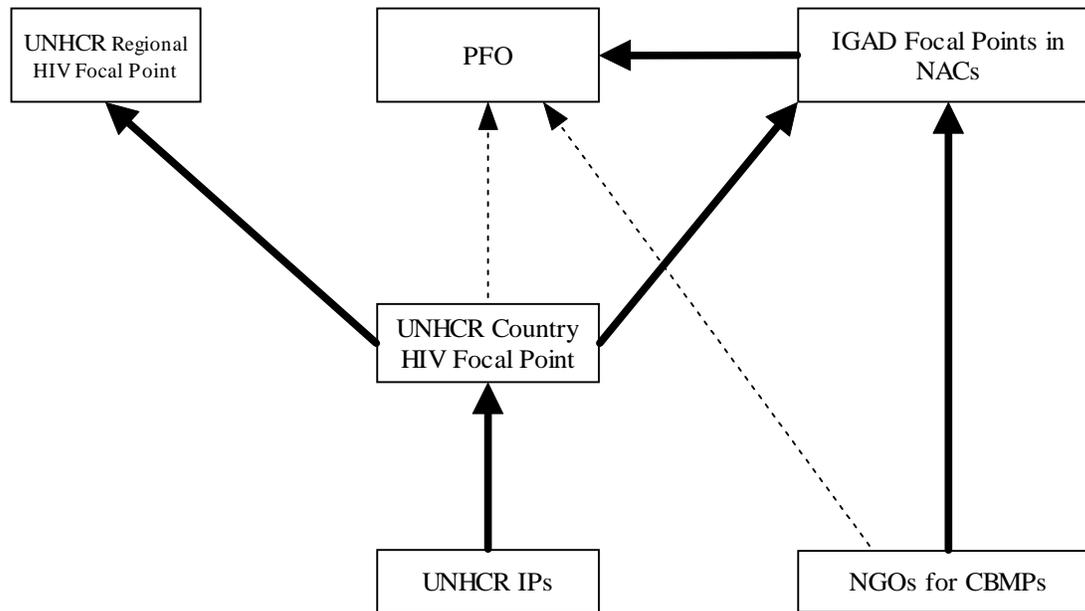
29. **Advocacy and communications** about this new HIV ME system is essential. For this reason, communications plan will be included as part of the annual costed M&E work plan and will involve the PFO and M&E champions in each IGAD country.

30. **Surveys and surveillance** data will be used to track PDO-level project results. There are six types of surveys and surveillance that need to be carried out, partially with project funding (additional resources would need to be mobilized by IGAD for all these surveys and surveillance to be carried out): BSS, sentinel HIV surveillance, health facility survey, rapid assessment at hot spots, mapping assessment, and regional assessment.

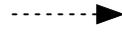
- a) **BSS**: Customized behavioral surveillance surveys (BSSs) will be undertaken amongst refugees, returnees, IDPs, and surrounding populations. The BSS will be customized to allow for the inclusion of unique characteristics of mobile populations, pre and post displacement, and conflict situations. UNHCR already has BSS information for some of the camps to be supported by the project, and if resources are made available in future, it is envisioned that the other camps would be covered by BSS as well.
- b) **Sentinel surveillance**: Sentinel surveillance will be undertaken by IGAD member states, who will add additional sentinel sites to their national sentinel surveillance system – one in each refugee site, IDP site and surrounding population. Initially, only those sites supported by this project will be added. Later, when the regional HIV M&E strategy has been developed, all the sites and camps will be added to national sentinel surveillance.
- c) **Health facility surveys**: At all health facilities in hot spots, a health facility survey will be undertaken to assess the availability of HIV related services in the health facilities that are servicing populations in the 14 hot spots.
- d) **Rapid assessment in hot spot areas**: All 14 hot spot areas – the seven targeted for year 1 of implementation and the seven targeted for year 2 of implementation - will be assessed at the start of year 1. The purpose of these rapid assessments will be to identify vulnerable populations (CBMPs), estimate the sizes of the vulnerable populations, the demographics of the local populations (including nomads), vulnerability factors, and interaction between the CBMPs and local populations.
- e) **Mapping assessment**: In the last couple of years IGAD implemented a World Bank Institutional Development Fund (IDF) grant on Strengthening the HIV/AIDS M&E Capacity in the Horn of Africa Cross-Border Regions. The main output of this grant was a mapping assessment of HIV/AIDS interventions in the cross-border areas, and the establishment of a regional M&E working group. The data generated from in-country reports will be updated regularly through this project and posted on the IGAD web site. The rich information gathered thus far through the country reports will be strengthened by additional information from areas that were not covered through the initial situation analysis due to lack of resources. This mapping, which is also a type of survey, will be updated using new data collected on an annual basis.

f) **Regional Assessment:** The Most Significant Changes (MSC) technique is a proposed technique to be used by IGAD in this project to assess the extent of and benefits to member states of regional collaboration in HIV and related diseases, given the dynamic, unknown and diverse impacts of regional collaboration. MSC is a qualitative, inductive evaluation technique. It is a form of participatory and inductive evaluation - It is *participatory* because many project stakeholders are involved both in deciding the sorts of change to be recorded and in analyzing the data. It is *inductive* because indicators are not developed up front for which data are then collected; domains of change are defined only after stories of most significant change have been collected. It contributes to *evaluation* because it provides data on impact and outcomes that can be used to help assess the performance of the program as a whole. The decision to use MSC is based on the GLIA, where this technique is used to identify and quantify the organic, dynamic and unintended results from regional collaboration. Essentially, the process involves the collection of significant change (SC) stories emanating from the field level, and the systematic selection of the most significant of these stories by panels of designated stakeholders or staff. The designated staff and stakeholders are initially involved by 'searching' for project impact. Once changes have been captured, various people sit down together, read the stories aloud and have regular and often in-depth discussions about the value of these reported changes.

31. In addition to surveys and surveillance, **routine program monitoring** data will be collected for components 1a and 1b, focusing on all the target populations to whom services will be provided, in order to monitor the progress with the implementation and coverage of HIV services to which the project has contributed. As the ACGF is complementary and supplementary funding and in line with the Three Ones principle on one M&E system, routine program monitoring data about medical HIV services generated from health facilities in refugee sites, returnee sites, IDP sites, surrounding populations and in 'hot spot' areas will not measure services provided to target populations specifically, but it will record increases in service delivery. HIV services delivered in the community however, are based on specific target populations as such data can be collected from UNHCR (for component 1a) and the NGOs (for component 1b) that implement such projects. All routine data collected, will be based on the country's data collection protocols, and will be sent to both the PFO and the NAC M&E unit to ensure that the NACs have ownership and are informed of developments.



LEGEND

-  Main reporting line
-  Information copied for information

32. IGAD will develop a data warehouse with the project funding as an **HIV database** to facilitate the archiving, analysis and sharing of information. Some data will be made available on the IGAD website. The IGAD website will also include information about the GLIA, ARCAN and other initiatives of which the IGAD countries are members.

33. Regular **supervision** by PFO, NAC Focal Points and UNHCR will assess implementation quality and verify data submitted and will be funded, for activities implemented by this project, by the grant. For this purpose, supervision guidelines will be developed and piloted for use by those involved in supervision and data quality assurance.

34. Structured **HIV learning and operational research** will be important; this is a new HIV initiative in a high risk area. Therefore, the project will fund the identification of a learning agenda and support IGAD to secure resources for the execution of research studies through a resource mobilization strategy. An illustrative list of some key areas that should be included in the learning agenda and for which this project will fund the resource mobilization to conduct such research, are:

- Regional synthesis study which will collect new data and conduct a meta analysis of existing epidemiological data to answer the question – where did the last 100 infections come from?

- Quality, utilization, coverage and satisfaction with HIV services provided to refugees, returnees, IDPs and surrounding populations
- Quality, utilization, coverage and satisfaction with HIV services provided to CBMPs
- Analysis of differential HIV knowledge and behavior in refugee and surrounding communities to guide intervention strategies
- Assessment of the referral system
- Best / good practice HIV service delivery in the region

35. **Dissemination of data** to facilitate their use is essential. The PFO will prepare standardized information products (reports), which IGAD will disseminate through an annual information sharing seminar about the IGAD HIV/AIDS initiative – bi annual physical progress report, annual mapping assessment and annual IGAD HIV progress report (also for the IGAD Annual Heads of State meeting). These information products will be ready before new work plans are developed for the following year – therefore – the time frame for the annual report will lag three months behind the planning cycle, to ensure that M&E data are available when decisions are made about implementation of activities. Not only implementers of activities, but also beneficiaries of activities will be invited to attend the workshops in each IGAD country where the annual report will be shared.

Annex 5: Project Costs
Horn of Africa Regional HIV/AIDS Project

Project Cost By Component and/or Activity	Local US \$million	Foreign US \$million	Total US \$million
Component 1:			
Subcomponent (a): Support to refugees and IDPs	2.7	2.8	5.5
Subcomponent (b): Support to CBMPs	2.9	1.6	4.5
Component 2: Health-sector Response to HIV/AIDS	.6	1.4	2
Component 3: Coordination, Management, and Monitoring and Evaluation	1.3	1.3	2.6
PPA	.2	.2	.4
Total Baseline Cost			15
Physical Contingencies (2-3% needs to be deducted from each component total)			
Price Contingencies (2-3%--needs to be deducted from each component total)			
Total Project Costs¹			
Interest during construction			
Front-end Fee			
Total Financing Required			

¹The project costs contain a small amount of taxes and duties, estimated at less than 10 percent. They cannot be separated from the large number of relatively small cost items involved in the project. The share of project costs net of taxes is thus estimated to be more than 90 percent.

Annex 6: Implementation Arrangements
IGAD Regional AIDS Partnership Program (IRAPP) Support Project

Implementation Arrangements

1. The Project will be implemented through IGAD, utilizing its institutional set-up, which is described in the Agreement Establishing the Inter-Governmental Authority on Development. The structure outlined in this Agreement is:

- a) Assembly of Heads of State and Government;
- b) A Council of Ministers;
- c) A Committee of Ambassadors; and
- d) A Secretariat.

2. In addition to the permanent structures outlined above, the Council of Ministers may establish sectoral Ministerial committees to deal with issues in their respective sectors (Article 10, paragraph 3). For the purpose of the implementation of this Project a Ministerial Committee on Health and HIV/AIDS has been established, as well as a Steering Committee (NAC or appropriate Representatives), endorsed by the Council of Ministers in Nairobi on April 13th, 2007). Two Technical Working Groups (TWG), one for health and another for monitoring and evaluation, which will provide advice to the Steering Committee, have been established.

3) **Ministerial Committee on Health and HIV/AIDS:** Due to the specialized nature of the HIV and AIDS pandemic, a Ministerial Committee consisting of Health Ministers (or Ministers in charge of HIV/AIDS) from Member States has been established. The Committee will determine policy and program directions of the IGAD initiative and serve as advocate for HIV/AIDS activities. This Committee will meet at least once annually.

The tasks of the Ministerial Committee on Health and HIV/AIDS are to:

- Determine the broad policy and program directions for IGAD regional health matters, including those for HIV/AIDS, malaria, TB, vaccinations and other health matters;
- Determine the policy and program directions of the IGAD initiative, modify them as required, and serve as advocates for anti-HIV/AIDS activities;
- Adopt resolutions, approve annual work plans and budgets, approve rules of procedure, make regulations, issue directives, and make recommendations for implementing the provisions of the Agreement that relate to HIV/AIDS activities;
- Review program progress in achieving project objectives and approve annual and financial reports;
- Approve the project audit reports;
- Recommend HIV/AIDS best practices in the IGAD region; and
- Establish *ad hoc* task groups, and assign responsibilities to them.

4) **IRAPP Steering Committee:** This Ministerial Committee on Health and HIV/AIDS has established a Steering Committee to promote smooth implementation of the Program. This IRAPP Steering Committee (SC) is composed of the Directors of all National AIDS Programs (or appropriate authority) and representatives of the IGAD Secretariat. The Program Manager of HESAD at the IGAD Secretariat will be the IGAD representative on the SC. The SC is expected to meet at least twice per year. If possible, meetings can be conducted by video-conference, or linked with regional meetings. The SC may invite the key development partners (such as UNAIDS, IOM, UNHCR, UNICEF, and the World Bank) to participate at its meetings and deliberations to discuss items related to HIV/AIDS.

The tasks of the SC include the following:

- Review the overall draft Project work plan and budget submitted by the IGAD Secretariat and/or designee, for review, approval and submission to the Ministerial Committee of Health and HIV/AIDS;
- Review quarterly reports on Project activities as presented by the IGAD Secretariat and/or its designee;
- Approve subprojects, activity proposals, and studies, to be outsourced;
- In collaboration with IGAD Secretariat, assess the performance of the Program Facilitation Office (PFO);
- Review the management and audit reports for presentation to the Ministerial Committee on Health and HIV/AIDS;
- Identify and disseminate HIV/AIDS good practices in the IGAD region;
- Review regional monitoring and evaluation HIV/AIDS reports and responses; and
- In collaboration with IGAD Secretariat, identify complementary interventions taken or to be taken by IGAD Member States or other partners in the fight against HIV/AIDS.

5) **IGAD Secretariat:** The Secretariat is the executive arm of IGAD, headed by an Executive Secretary appointed by the Assembly of Head of State and Government. Besides the Administration and Finance Division, the Secretariat has three operational divisions, namely Economic Cooperation, Health and Social Development; Peace and Security; and Agriculture and Environment. The IGAD Health and Social Development Section that will oversee the implementation of the Project is organized under the Division of Economic Cooperation, Health and Social Development.

The tasks of the IGAD Secretariat with respect to Project facilitation includes:

- Oversee the overall implementation of the Project;
- Provide leadership and supervision to the Program Facilitation Office (through the Economic Cooperation and Social Development Division, Health and Social Development) and participate in the deliberations of the Steering Committee;
- Review work plans and budgets, and share their observations and recommendations with the Steering Committee;
- Review financial and audit reports, before passing them to the Steering Committee.

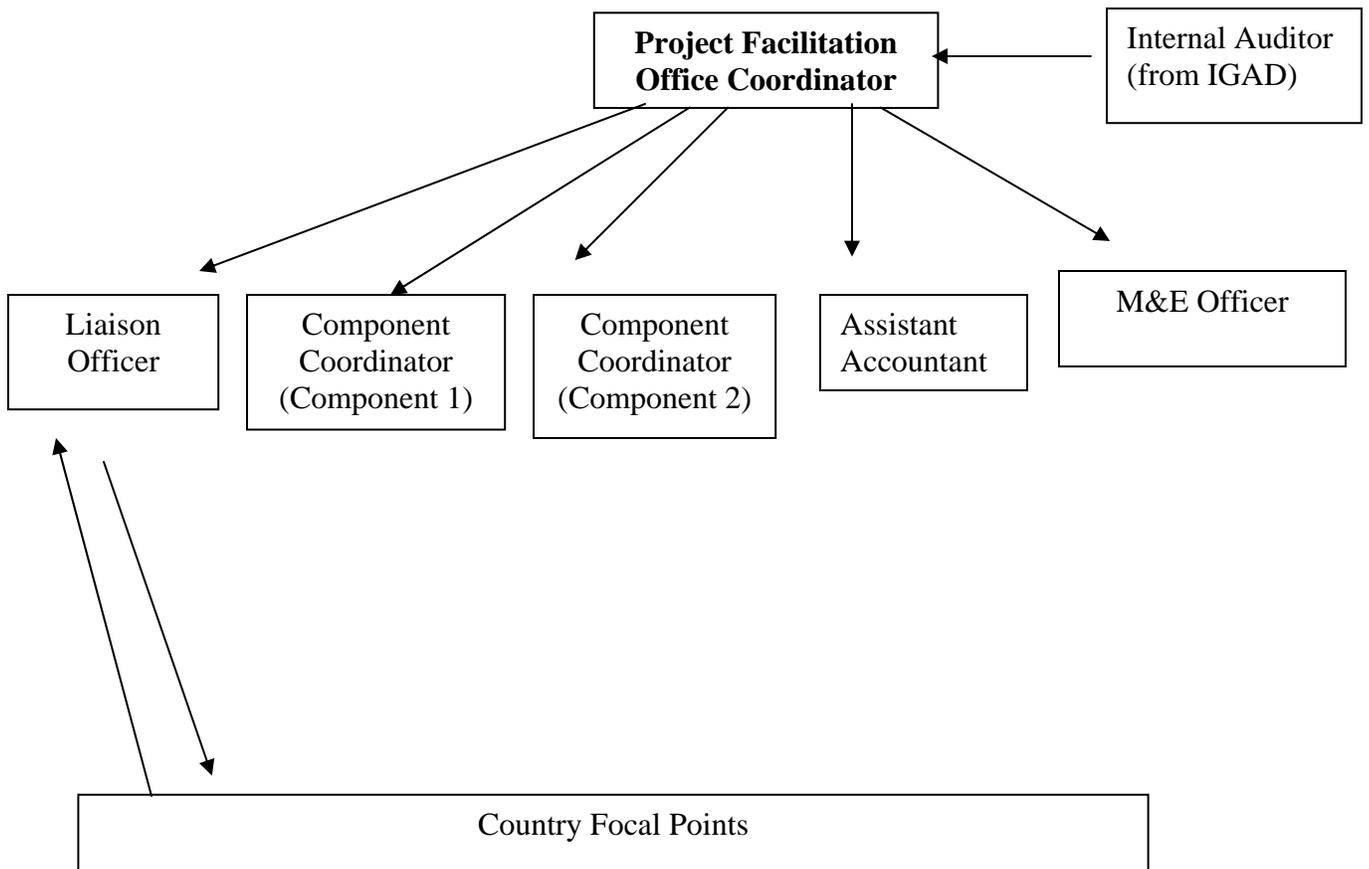
- Establish an appropriate financial management system to assure fiduciary operations are carried out according to the generally accepted principles and in agreement with the World Bank (by IGAD Administration and Finance Division);
- Select the professional staff for the Program Facilitation Office, observing World Bank selection (procurement) procedures for selection of consultants (IC); and
- Review and approve mechanisms for scaling up responses against HIV/AIDS through facilities provided by the Project.

6) **The Program Facilitation Office:** The Program Facilitation Office (PFO) functions under the overall supervision of IGAD Secretariat, more particularly of the Health and Social Development Section which is a sub-body of the Economic Cooperation, Health and Social Development Division. The core staff of PFO includes the PFO Coordinator, Assistant Coordinators in charge of the Project components, an assistant accountant, M&E Officer, liaison officer and general service staff. The PFO Coordinator shall be responsible for the overall management (planning, coordination, monitoring) of IRAPP operations as well as for administrative and financial functions at the PFO.

7. Before new staff are recruited, selected and appointed, all fiduciary tasks will be carried out by IGAD's headquarters financial and procurement staff, which was been found satisfactory by the World Bank in executing a recently closed IDF grant. In addition, financial and procurement consultants, experienced in system design, will assist IGAD in expanding its current system to accommodate IRAPP needs, so that there is a comprehensive fiduciary management system (accounting, disbursement, procurement, financial and procurement reporting), integrating the Project monitoring system and activities of the Components (i.e., refugee sites, IDPs and cross-border mobile populations and health harmonization). The fiduciary functions will mostly be managed by the Administration and Finance Department at the IGAD Secretariat. The PFO will only manage limited funds (such as the PFO operating costs).

8. The Program Facilitation Office is designed to support the overall mission of the Project as determined by the Ministerial Committee on Health and HIV/AIDS, under the supervision of IGAD's Health and Social Development Section and under the guidance of the Steering Committee. PFO's core professional staff will be responsible for developing plans and programs, and for carrying out the operational, and monitoring and evaluation management of the program. Some of these services may be contracted out to private-sector providers, with the approval of the IRAPP-SC.

Figure: PFO Office Structure



9) **IRAPP Country Focal Points:** The project will also support IRAPP focal points in each of the Member States. He/she will be posted in the offices of the respective NAC, CNLS, or a similar organ responsible for national HIV/AIDS programs, in order to ensure close coordination of regional and national interventions. Each National HIV/AIDS authority will appoint its IRAPP Country Focal Point, responsible for coordinating activities, integrate regional considerations into national HIV/AIDS policies, plans and programs, and, inform IGAD of HIV/AIDS developments in his/her country. Based on an annual IGAD-approved work-plan, the IRAPP Country Focal Points will be provided with limited funds for eligible activities as described in the IRAPP Project Operations Manual. The annual work plan will reflect the needs of the individual country (e.g. improved administration/supervision of all or any Project component activities, IEC/BCC assistance, environmental and safeguard matters, national workshops, additional consultancies/technical assistance, training, eligible goods, travel and operating costs). These IGAD country allocated funds are in addition to, and separate from, the activity/component financing under IGAD, national HIV/AIDS programs, or other funding sources.

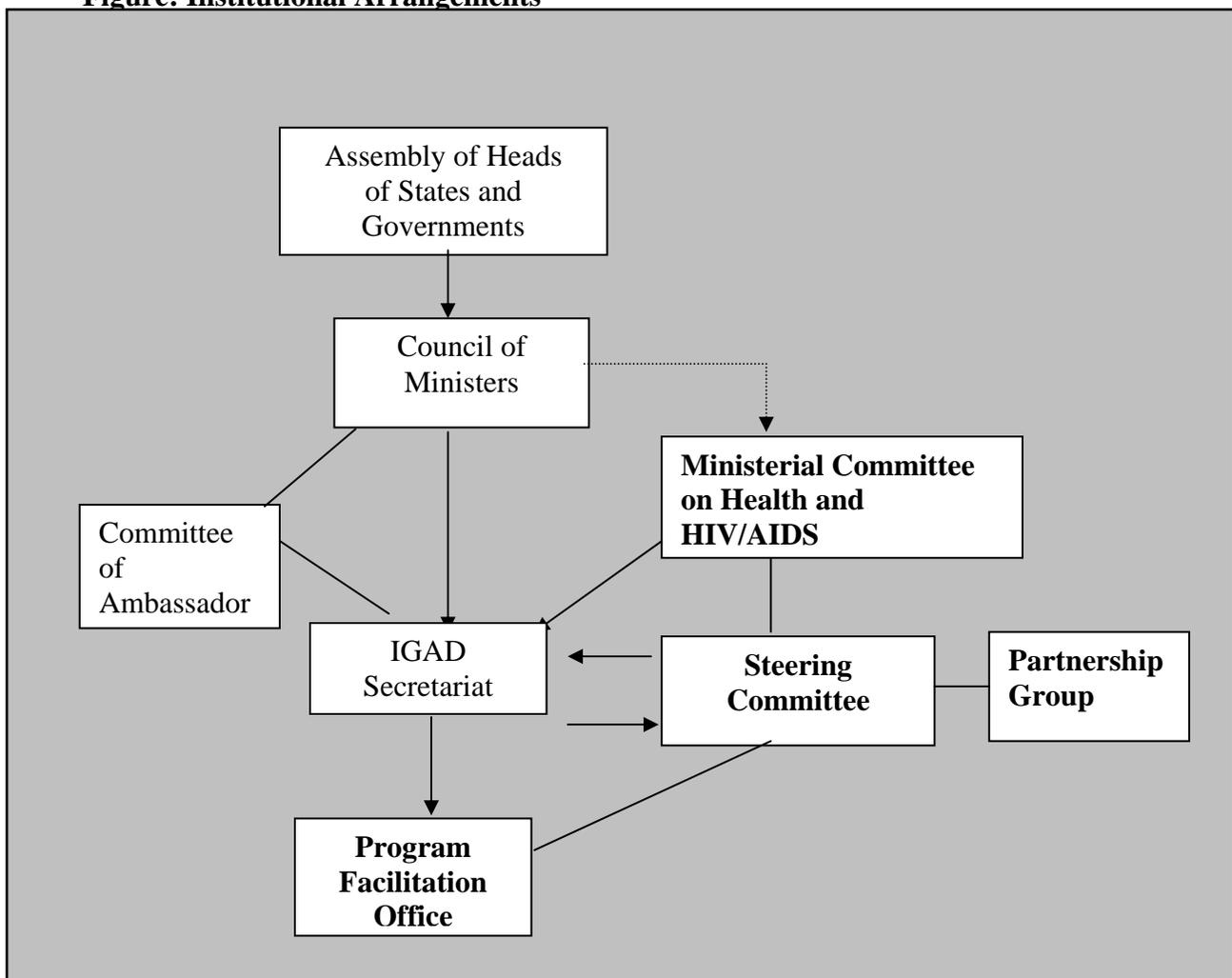
10) **Technical Working Groups:** There will be two technical working groups that will support the activities of IRAPP. These are: i) technical working group on health; and ii) technical working group on monitoring and evaluation. These technical working groups will meet at

least once a year. Their terms of reference will be in Volume III of the Project Operations Manual.

11) **The Partnership Group** was created to provide support to IRAPP, and in particular to the SC in ensuring an efficient and sustainable program. It is envisioned that the Partnership Group will support the Steering Committee to:

- Advocate for Project awareness and actions in their own constituency/networks;
- Together with the Steering Committee, identify and rank by priority areas for common interventions, taking into account the national strategic plans on HIV and AIDS;
- Provide technical and policy advice and support, when requested by the Steering Committee;
- Incorporate IRAPP approaches into their programs and contribute to the M&E system;
- Help mobilize and coordinate resources, including developing the resource mobilization strategy; and
- Provide, on request, advice to the Technical Working Groups reporting to the Steering Committee.

Figure: Institutional Arrangements



Financial and M&E Implementation

11. Modalities for carrying out finance, procurement and disbursement activities are described in Annex 7 and in the respective sections of the Project Operations Manual. Detailed M&E indicators are presented in Annex 3 and modalities of M&E reporting are detailed in the M&E section of the Project Operations Manual, as well as in a separate M&E manual²⁴.

Implementation Arrangements of the Components

12. IGAD is the recipient of the Grant and the responsible entity for all Grant activities. It will “contract out” major service delivery, in particular service delivery in the refugee sites and cross-border areas. In addition, the Program Facilitation Office (PFO) will oversee the day-to-day activities of IRAPP, under the close supervision of the IGAD Secretariat

Component 1 (a) and (b):

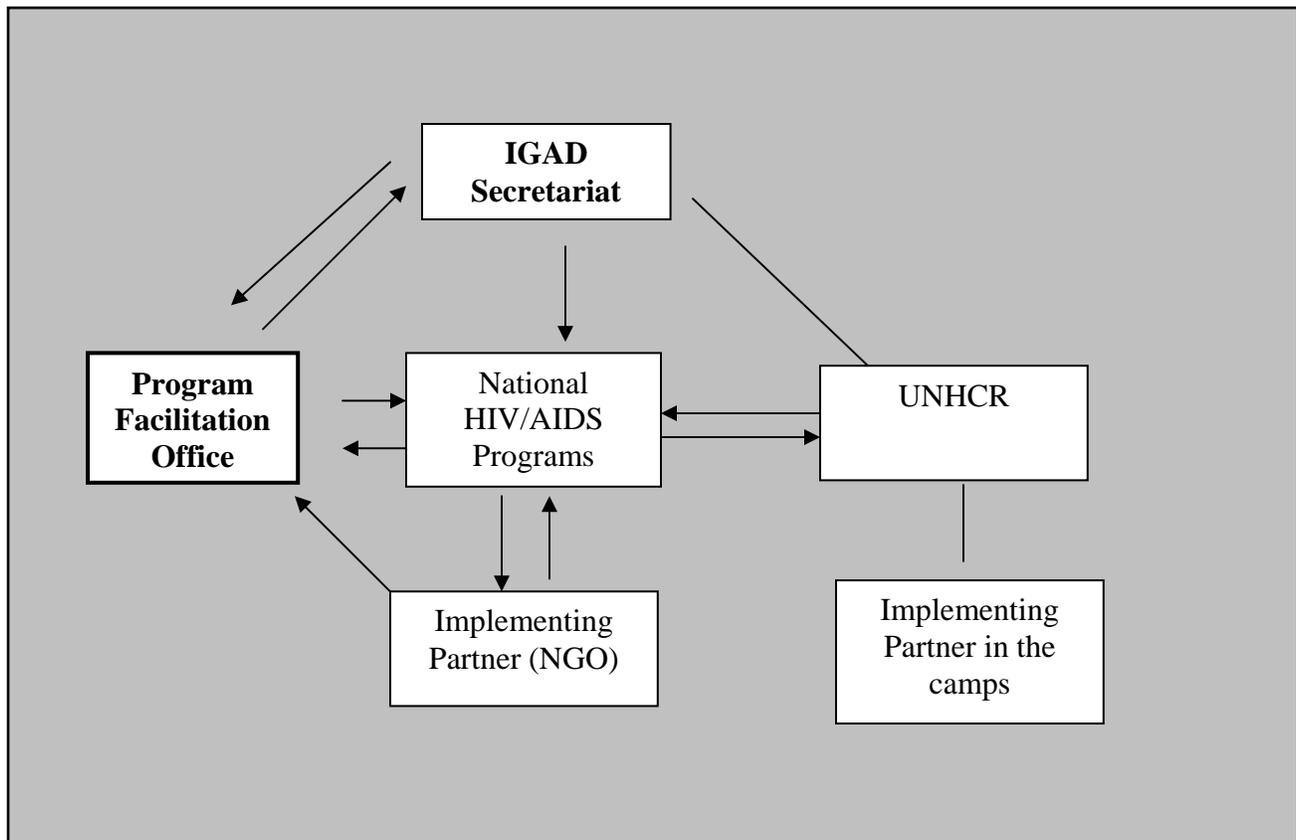
13. **Component 1(a):** UNHCR will be contracted by IGAD to implement Component 1(a). This would be based upon comprehensive work plans, developed in close collaboration with the national HIV/AIDS authorities, and other key stakeholders. Activities in refugee/IDP areas would be closely coordinated with the surrounding host populations, depending on each site situation. These implementation arrangements are similar to the Great Lakes Initiative on HIV/AIDS (GLIA) Support Project, which was identified as a best practice by UNAIDS in December 2005. UNHCR would enter into tripartite agreements with the Government and the refugee camp or IDP implementing partner (IP). To the extent possible, refugee sites have been selected among the IGAD Member States ensuring a broad representation of IPs. UNHCR would be required to provide regular reports (quarterly) on activities and Project progress, in order for IGAD to inform key stakeholders and partners. Additional refugee and IDP areas may be selected after year 1 of the project, depending on the availability of resources.

14. The potential hot-spot areas will be determined in close collaboration between the national HIV/AIDS authorities (focal points), the PFO and the IGAD Secretariat. For the initial year, IGAD will submit 3 short-listed hot-spot areas to each IGAD Member State with one option already selected. The Member State can either agree on the selected hot-spot area, or suggest one of the other two short-listed areas, with the necessary justification. Thereafter a RFP process would be initiated in each of the countries closely coordinated between the PFO and the national AIDS authorities. When the IPs have been selected, a contract will be signed between the IP and the NAC, with close involvement of the PFO. The activities to be supported under 1b are explained in detail in the Project Operations Manual. These activities will create some increased demand from the hot-spot areas health facilities. A rapid assessment will therefore be conducted of the health facilities in the selected hot-spot areas, in order to determine what capacity support would be required. Funds would then be channeled through the NAC's, in order to support this capacity strengthening at the health centers in the hot-spot areas.

²⁴ The approval of the M&E manual is a condition for disbursement under component 1(b) and 2.

15. The funds for the activities will be disbursed from the IGAD Secretariat to the NAC, based on an MOU that will be agreed upon with each country. The funds will then be transferred from the IGAD Secretariat (on request by the PFO). The funds will then be disbursed from the NAC to the IP, based upon the contract between the NAC and the IP. In terms of the reporting flow, the IP will report on financial and program progress to the NAC, copying the PFO on the program monitoring. The NAC will then report on financial aspects to the IGAD Secretariat and to the PFO on program monitoring progress. These arrangements are fully described in the Project Operations Manual.

Figure: Funds and Information Flow for Component 1



Component 2:

16. HESAD and the PFO would play a critical coordination role, working closely with the Ministries of Health, as well as with WHO, UNAIDS and the African Union. IGAD would rely on country teams in each of the Member States to monitor and coordinate activities and health harmonization work. Further, a Technical Working Group on Health will be created to advise IGAD and the Steering Committee of health related aspects.

17. IGAD has a country presence in each of the Horn countries which could assist the IRAPP focal point. Given the nature of the proposed grant the appropriate national AIDS authority

(where such exists), the Ministry of Health, WHO, UNAIDS, UNHCR, and IGAD would constitute the national “Sub-Regional HIV/AIDS Group”. The IRAPP focal point would be provided with resources to administer the programs where appropriate, and to coordinate IGAD financed activities in the national setting. Emphasis would be on coordinating closely with the national HIV/AIDS authorities, making sure that the project does not duplicate national efforts, but rather add value and address the gaps in terms of HIV/AIDS interventions in the cross-border areas.

Component 3:

18. This component would be facilitated by the IGAD Secretariat, the PFO, and the member states, and supported by the development partners, including support from GAMET (Global HIV/AIDS Monitoring and Evaluation Team) on Monitoring and Evaluation. The working relationship between the PFO, IGAD and Member States, both in terms of reporting and coordination, will be fully described in the project operations manual, and updated in a regular basis, if needed. This is also described in more detail in the paragraphs above.

19. In terms of the implementation arrangements for M&E, this is a critical area that will be further discussed with the Member States and detailed both in the Project Operations Manual and in the M&E Implementation Manual. UNAIDS and GAMET will provide substantial support to IGAD in addressing the M&E challenges, which they have also done during the preparation of the proposed project.

20. During the project the team will utilize a technique called Most Significant Change (MSC), in order to measure the increase in regional collaboration, which is an important part of the project. The MSC technique is a form of participatory monitoring and evaluation. It is participatory because many project stakeholders are involved both in deciding the sorts of change to be recorded and in analyzing the data. It is a form of monitoring because it occurs throughout the program cycle and provides information to help people manage the program. It contributes to evaluation because it provides data on impact and outcomes that can be used to help assess the performance of the program as a whole. Essentially, the process involves the collection of significant change stories emanating from the field level, and the systematic selection of the most significant of these stories by panels of designated stakeholders or staff. The designated staff and stakeholders are initially involved by ‘searching’ for project impact. When the technique is implemented successfully, whole teams of people begin to focus their attention on program impact. The MSC technique will be further described in the M&E manual.

Annex 7: Financial Management and Disbursement Arrangements

IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

Summary of FM assessment

1. The objective of the financial management assessment is to determine whether the IGAD, the entity that will be responsible to implement the proposed Horn of Africa Regional HIV/AIDS Project, has acceptable financial management arrangements in place before the start of the project implementation. During the pre-appraisal mission, a financial management assessment was carried out at the IGAD Secretariat in line with the World Bank Financial Management Practices Manual issued by the Financial Management Sector Board in November 2005. This includes identification of financial risks that may affect project implementation and risks mitigation measures to address these risks.
2. The assessment also draws on the following: (i) IGAD audit reports for the FY 2004 and 2005 which received clean certificates (unqualified opinions). The audit for FY 2006 is expected to be completed by end of June 2007. These reports were reviewed and found satisfactory; (ii) IGAD has good experience of managing other donor funds including IDA-IDF grant No. TF052586 (Strengthening HIV/AIDS M&E Capacity in the Cross-Border Regions of Horn of Africa Project) which was closed in August 2006.
3. The major findings of the financial management assessment carried out during the mission confirmed that generally the IGAD financial management system is satisfactory. The assessment identified the fiduciary risks and appropriate risk mitigating measures have been identified as highlighted in the risk management matrix. Subject to the implementation of these measures, the overall conclusion of the assessment is that the project's financial management arrangements satisfy the World Bank's minimum requirements under OP/BP10.02. The overall project financial management risk is assessed as *moderate*.

Overview of Financial Management Implementation Arrangements

4. Project financial arrangements will be coordinated and managed by IGAD Secretariat, more specifically the Division of Administration and Finance. The division will be providing oversight role in ensuring financial affairs and administration of the project PFO are carried out as per the Financing Agreement. IGAD Director of Finance and Administration will assume overall financial management responsibility for project funds. He/she will ensure that: (i) the project financial management activities are carried out efficiently and in accordance with acceptable international accounting standards; (ii) the PFO has adequate and a qualified accountant handling the PFO account; and (iii) adequate internal controls are in place and IGAD internal audit unit provide regular support to this office.
5. A dollar designated account will be maintained to channel project funds from IDA. Disbursement would be initially made on the basis of incurred eligible expenditures (transaction based disbursements). The project may later become eligible to use the report-based disbursement method i.e. based on quarterly IFR reports, upon fulfillment of the

conditions listed in the Disbursement Arrangement section. The existing computerized accounting ‘SUN’ system currently being used to report on IGAD, IDA - IDF and PPA finances will be used to report on project finances. This software will be customized to adapt to IDA project needs more specifically to be able to produce IFRs. The Project Operational Manual under development will include a section on the financial management arrangements and establishment of an integrated financial management system that also includes procurement and M&E..

6. Risk Assessment and Mitigations: The table below summarizes the financial management risks relating to the program as well as the necessary mitigating measures.

Financial management risks and mitigating measures

<i>Risk</i>	<i>Risk Rating</i>	<i>Risk Mitigating Measures Incorporated into Project design</i>	<i>Condition of Negotiations, Board or Effectiveness Conditions.</i>
Inherent Risk			
<u>Country level:</u> Funds may not be used in an efficient and economical way.	M	<ul style="list-style-type: none"> • A qualified project accountant will be recruited within three months after grant effectiveness to handle IRAPP accounts. It is anticipated that the current project accountant handling IDF and PPA accounts will continue to manage project funds until the project accountant is in place. • There will be adequate supervision support and quality assurance of the project by the Bank and IGAD Secretariat. • IGAD Ministerial Committee responsible for HIV/AIDS and IHRAPP Steering Committee will play an oversight role in ensuring that the project funds are used for intended purposes, accountability and value for money is achieved. It will periodically review the financial performance of the project. • There will be linkages between physical output and financial outcomes, including M&E functions within IGAD which will monitor the output & outcome of the project. • There will be supervision missions by the Bank on the project which shall include field visits. • In addition to the annual external financial audit, annual procurement audit will be 	

		carried by independent auditor and consultant respectively.	
<p>Implementing Entity & Project Level:</p> <p>Fiduciary management aspects in the IGAD, PFO, and other implementing agencies</p>	M	<ul style="list-style-type: none"> ▪ The Administration & Finance Division at IGAD will closely oversee the fiduciary aspects of the project. ▪ IGAD Internal Auditor will review project transactions and make regular visit to the PFO. ▪ National Aids Commission (NAC) in the IGAD member countries will be responsible for IRAPP funds earmarked to support NGOs, national focal staff and health care activities at each country. 	
<i>Overall Inherent Risk</i>	M		
Control Risk			
<i>Planning & Budgeting:</i>	L	Annual work programs for all project activities will be integrated in IGAD's institutional financial plans and budgets for every year.	
<i>Accounting Policies and Procedures.</i>	L	Will follow IGAD accounting /financial policies as detailed in the accounting manual. This includes project financial management arrangements highlighted under section III of the Project Operational Manual to support the project activities.	
<p><i>Staffing:</i></p> <p>Lack of adequate qualified finance staff.</p>	M	Two qualified Accountants will be recruited to handle IRAPP funds and will report directly to Director of Administration and Finance. In the interim period (the first year of project implementation), IGAD Finance and Administration division will manage the project funds until PFO is in full operation.	
<i>Information Systems</i>	L	The accounting system "SUN" will be used for budgetary control and link planned with actual expenditures on a continuous basis. It will also produce interim financial reports and annual financial statements.	
<i>Internal Control :</i>	M	There will be a strong supervision and quality assurance of the project by the oversight project committees, IGAD Secretariat and the	
Controls, compliance may not be fully			

effective.		World Bank.	
<i>Funds Flow:</i> Delays in release of funds	M	Transaction based disbursement arrangements will be used to release funds to the Project Designated Dollar account from IDA. A dollar designated account will be opened to facilitate disbursement on effectiveness in a reputable commercial bank.	
<i>Financial Reporting and Monitoring:</i>	L	The existing computerized accounting package called 'SUN' system will be used to produce the financial reports and statements.	
<i>Internal Audit</i>	M	Recruitment of a qualified IGAD internal auditor is in the final stage. The Internal Auditor will carry out regular review of IRAPP activities by developing an audit strategy and plan for the project based on the risk assessment.	
<i>External Audit :</i>	L	The auditor for IGAD will also be assigned audit of the Project accounts. Currently IGAD has a contract with Ernst & Young. The TOR for the audit will be prepared by IGAD by negotiations, and satisfactory to IDA.	
<i>Overall Control Risk</i>	M		
<i>Overall Risk Assessment</i>	M		

Risk rating: *H (High Risk), S (Substantial Risk), M (Moderate Risk), L (Low Risk)*

The action plan below indicates the actions to be taken for the project to strengthen its financial management system and the dates that they are due to be completed by.

	Action	Date due by	Responsible
1	Agreement of Interim Financial Report (IFR) formats.	Done	IGAD and IDA
2	Approving a Financial Management annex in the Operational Manual for the project.	At the time of project effectiveness	IGAD and IDA
3	Recruitment of key PFO finance staff	Within three months after grant effectiveness	IGAD
4	Recruitment of short tem consultant to customize financial, procurement, and physical reports using SUN system, and train project staff	Within six weeks after grant effectiveness	IGAD
5	Agreement of terms of reference for external auditor	Negotiation	IGAD and IDA
6	Appointment of external auditor.	Six months after Credit Effectiveness	IGAD and IDA

Major Strengths

IGAD has good experience in implementing donor-financed projects including IDA-IDF grant. During the IRAPP preparation, IDA mission reviewed the financial operation of the IDA-IDF grant which follow Gad's normal financial management procedures and authorization and found satisfactory.

Financial management Arrangements for the Project

9. Project financial arrangements will be coordinated and managed by IGAD Secretariat more specifically the under the supervision of Division of Administration and Finance. A full time qualified Accountant will be recruited by with in three months after grant effectiveness to handle project finances. It is anticipated that the current project accountant handling IDF and PPA accounts will continue to manage project funds until the project accountant is in place.

10. A chapter on the financial management arrangement is under development to support implementation of the project finances. This was reviewed by the Bank during appraisal and found satisfactory. It will be part of the Project Operational Manual. This provides guidance to personnel charged with project financial management on how to ensure effective resource management, record management, accounting and financial reporting. It will also ensure that adequate controls are applied to all transactions under the project.

11. *Planning and Budgeting:* The overall project budget and a disbursement schedule has been drawn up and included in the PAD. IDA funds will be provided in line with this disbursement schedule (as may be subsequently revised). The Annual Work Plans and Budgets (AWP&B) and procurement plans will be prepared based on the agreed activities and will be approved by World Bank and the IGAD Ministerial Committee on Health and HIV/AIDS.

12. *Accounting Policies & Procedures:* IGAD financial statements are prepared using a computerized, double entry, accrual-based system called 'SUN' system. The project accounting arrangements shall comply with international accounting standards and reporting and project transactions will be processed on the existing computerized system. A Project Operational Manual under development will include a section on financial management. This section will outline in detailed project financial management arrangements including accounting, audits, chart of accounts, fund flow, audits, and quarterly financial reporting formats (IFRs and other financial statements), and job responsibilities for staff handling project financial affairs.

13. *Staffing:* IGAD has an accounting unit which is headed by the Chief Accountant. This unit is report to the Director of Finance and Administration. IGAD is adequately staffed with highly qualified accountants who are able to manage and report on the project financial affairs and well experienced with World Bank requirements. An additional qualified accountant will be recruited to handle project accounts. The core staff of PFO (when established) will include an accountant. Training on World Bank FM procedures will be carried out once the core project staff is in place.

14. A Short term financial management consultant, experienced in system design, will be recruited to prepare a comprehensive financial management system (accounting, disbursement, procurement, financial and procurement reporting), integrating the project monitoring system and the activities of the Component Coordinators (i.e., refugee sites, IDPs and cross-border mobile populations and health harmonization).

16. *Information systems:* The existing computerized accounting ‘SUN’ system currently being used to report on IGAD finances will be used to report on project finances. This software will be customized to produce IDA reporting requirements. The system is a user friendly and currently operating three accounting modules: ledger, corporate allocation or budget, and asset register. All finance staff including those in the two offices Nairobi and Ethiopia have received adequate training to operate the system. There is adequate internal IT support within IGAD provided by the System Administrator. Additional support is provided by the SUN office in Nairobi on annual basis for upgrade of the system and training of the users. IGAD plans are to expand the integrated system to the two offices Nairobi and Ethiopia by end of April 2007. There is adequate back up arrangements (on site and off-site back systems system), maintenance support from SUN office in Nairobi, and security to various users in terms data entry, verification and approvals. The system can also maintain data base information which does not contain accounting data but can be used to enhance the program monitoring system such as M&E, procurement etc.

17. *Periodic Reporting for Project Monitoring:* Formats of the interim un-audited financial reports (IFRs), i.e. periodic financial monitoring reports, are designed to provide quality and timely information to the World Bank and various stakeholders on the project’s performance. *(Samples of these reports are included in the project financial procedure addendum. Refer to Financial Monitoring Reports for World Bank-Financed Projects: Guidelines for Borrowers Dated November 30, 2002).*

18. Within 45 days of the end of each quarter, the following reports would be prepared by the IGAD and submitted to the World Bank, and other stakeholders. The contents of these reports should, at a minimum, include the following:

- (i) Financial reports which sets forth sources and uses of funds by project activity/component, and statement of actual and budget expenditures, both cumulatively and for the period covered by said report, showing separately funds provided under the IDA and other financiers, and explains variances between the actual and planned uses of such funds;
- (ii) physical progress/ output monitoring report which describes physical progress in Project implementation, both cumulatively and for the period covered by said report, and explains variances between the actual and planned Project implementation; and
- (iii) Procurement report which sets forth the status of procurement under the Project, as at the end of the period covered by said report

19. *Project Financial Statements:* IGAD will prepare the annual financial statements in accordance with Generally Accepted Accounting Practice. These Financial Statements ²⁵will comprise of:

- a. *A Balance Sheet* reflecting the assets, liabilities and funding of the project.
- b. *A Statement of Sources and Uses of Funds / Cash Receipts and Payments, which recognizes all cash,* receipts, cash payments and cash balances controlled by the entity for this project; and separately identifies payments by third parties on behalf of the entity.(if any)
- c. *The Accounting Policies Adopted and Explanatory Notes.* The explanatory notes should be presented in a systematic manner with items on the Balance Sheet and Statement of Cash Receipts and Payments being cross-referenced to any related information in the notes. This should include a summarized statement of fixed assets.
- d. *A Management Assertion* that project funds have been expended for the intended purposes as specified in the relevant financing agreements.

20. *Internal Control and Internal Auditing:* The internal control systems of the IGAD indicated satisfactory levels of segregation of duties and control. Recruitment of a qualified internal auditor is in the final stage. Internal auditor will make regular visits to the PFO and will develop an audit strategy and plan for the project based on the risk assessment. The internal auditor's work would be monitored and reviewed by the IGAD management during project implementation to ensure that the internal control systems are functioning adequately and that the issues raised in the internal auditor's report are addressed by PFO

21. *External Audit:* The external audit will be carried out annually as part of the IGAD audit by the same private auditor auditing IGAD annual financial statements. The current auditor is Ernst & Young. The Auditors will express an opinion on the annual project financial statements based on International Standards on Auditing and submit the audit report within six months of the end of the financial year. In addition, the Auditors will provide: (i) an opinion on the project financial statements and operation of the IDA designated account; and (ii) a detailed management letter containing the auditor's assessment of the internal controls, accounting system and compliance with financial covenants in the Financing Agreement. It is recommended that arrangements for the external audit of the financial statements of the project should be communicated to IDA through agreed terms of reference. Appropriate terms of reference for the external auditor will be developed and agreed by Negotiations.

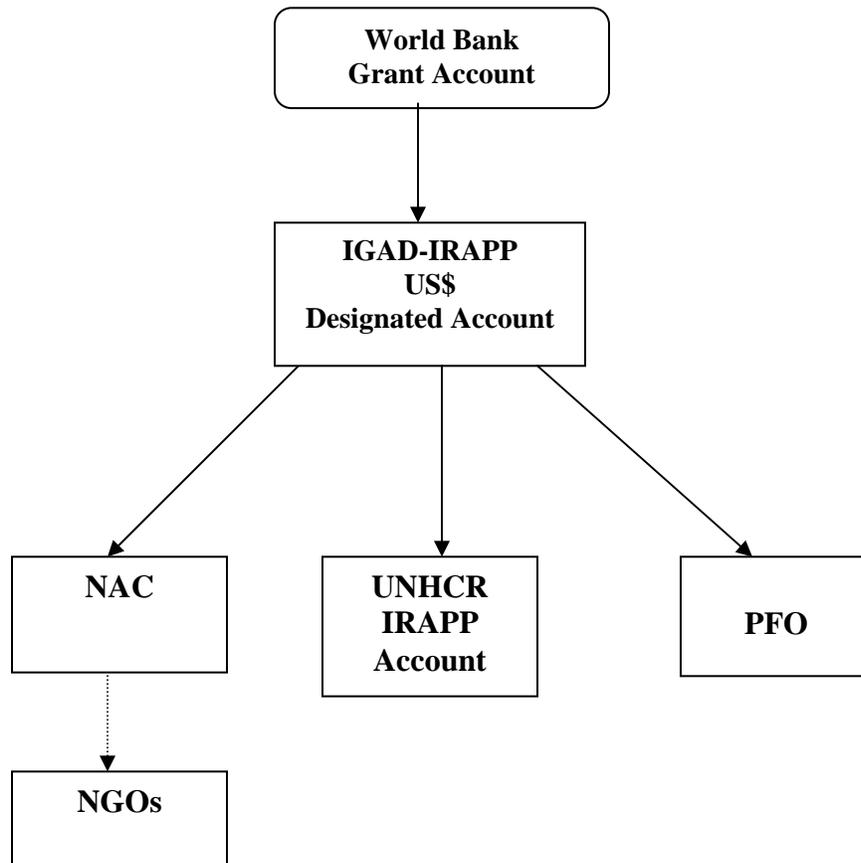
²⁵ It should be noted that the project financial statements should be all inclusive and cover all sources and uses of funds and not only those provided through IDA funding. It thus reflects all project activities, financing, and expenditures, including funds from other development partners and contributions in kind such as labor and accommodation, irrespective of whether the project implementing agency controls the funds for a particular aspect of the project.

Audit Report Chart

<i>Audit Report</i>	<i>Due Date</i>
Project Specific Financial Statements	By December 31 (within six months after end of the IGAD FY).
Special opinion on the Designated Account	By December 31 (within six months after end of the IGAD FY).

Bank Account and Flow of Funds Arrangements:

Flow of Funds:



22. The following bank accounts will be maintained for the purposes of implementing the project:

- (a) *IDA Designated Account*: IGAD will open a US Dollar “Designated Account” into which the Bank may, at the IGAD’s request, deposit amounts withdrawn from the Grant Account as advance for purposes of paying for eligible expenditures as they are incurred. This account shall be opened by credit effectiveness date.
- (b) *Sub-Designated Account*: IGAD may open a foreign bank account to be managed by PFO in case PFO will be located in one of the IGAD member countries. IGAD will transfers funds from the Designated Account to this account to support project activities to be managed by PFO.
- (c) *Project Account in local currency at the PFO head office country for PFO expenses*

Disbursement Methods and Supporting Documentation Requirements

23. Disbursements from IDA would be initially made on the basis of incurred eligible expenditures (transaction based disbursements). IDA would then make advance disbursement from the proceeds of the Grant by depositing into IGAD’s Designated Account to expedite project implementation. The advance to a Designated Account would be used by the IGAD to finance IDA’s share of project expenditures under the proposed Grant. Another acceptable method of withdrawing funds from the Grant is the direct payment method, involving direct payments from the Grant account to a third party for works, goods and services upon IGAD’s request. IDA’s Disbursement Letter stipulates a minimum application value for direct payment and any other disbursement procedures.

24. Upon credit effectiveness, IGAD will be required to submit a withdrawal application for an initial deposit to the Designated Account, drawn from the IDA Grant, in an amount to be agreed to in the Financing Agreement. Replenishment of funds from IDA to the Designated Account will be made upon evidence of satisfactory utilization of the advance, reflected in SOEs and/or on full documentation for payments above SOE thresholds. Replenishment applications would be required to be submitted regularly on a monthly basis. If ineligible expenditures are found to have been made from the Designated Account, the IGAD will be obligated to refund the same. If the Designated Account remains inactive for more than six months, the IGAD may be requested to refund to IDA amounts advanced to the Designated Account. *Refer: Disbursement Handbook and World Bank Disbursement Guidelines for Projects*, dated May 1, 2006).

25. The Designated Account will have a ceiling of USD 1,500,000 and will be established at a commercial bank acceptable to the institution. The Designated Account will replenish 7 second generation accounts for each NAC that is located in each participating country. The ceiling for each second generation account will be USD 80,000. For operating expenses in local currency at the IGAD Secretariat, there will be a local currency account in Djibouti, a 30-day advance account.

26. In order for IRAPP to move from transaction based disbursement to report based disbursement where six monthly forecasts of expenditure are paid quarterly hence ensuring the project has adequate funding at all times, IRAPP will during implementation have to meet the following requirements: (a) sustain satisfactory financial management rating during the project's supervision; (b) submit Interim Financial Reports consistent with the agreed form and content within 45 days of the end of each reporting period, and (c) submit all expected Audit Reports by the due date.

Grant Proceeds Table

Category	Amount of the Grant Allocated (Expressed in USD)	Percentage of Expenditures to be Financed (Inclusive of Taxes)
(1) Part 1 (a) of Project (Goods, works, consultants' services, including audits, and Training)	5,100,000	100%
(2) Part 1 (b) of Project (Sub-financings)	4,100,000	100% of amounts disbursed
(3) Parts 2 and 3 of Project (Goods, works, consultants' services, including audits, and Training)	4,300,000	100%
(4) Unallocated	1,008,000	
TOTAL AMOUNT	\$14,508,000²⁶	

27. *Procurement arrangements:* The specific Procurement issues that affect FM have been summarized in the risk assessment table above.

28. *Supervision and Monitoring:* There will be adequate supervision support and quality assurance of the project by the World Bank project team throughout the project life, .e. at the rate of three (3) times in first year and twice (2) in subsequent years. In addition, the inherent risks of project will continue to be addressed through various oversight committees meetings

²⁶ The Recipient has also received a Project Preparation Advance in the amount of US\$492,000, bringing the total amount to US\$15 million.

such as: IRAPP Steering Committee, the Ministerial Committee on Health and HIV/AIDS. IGAD Directory of Finance and Administration will also provide fiduciary oversight role in ensuring financial affairs of the project at PFO are carried out as per Financing Agreement and in accordance to the international accounting standards.

29. There will be linkages between physical output and financial outcomes, including M&E functions within IGAD which will monitor the output & outcome of the project. Additional project monitoring will include the following:

- Annual external financial audit of the project finances, that includes both financial and procurement audit.
- Procurement post reviews to be carried out by the Bank.

30. The World Bank FMS will also carry out regular reviews of quarterly IFRs, and annual audit reports, and follow up on any issues and recommendations. Transactions and control reviews will be carried out by IGAD's internal audit unit and their report would be submitted to IDA and IRHAPP Steering Committee for further follow up.

Effectiveness Conditions

31. None

Financial Covenants

32. Standard financial covenants include the submission of the following to IDA and other development partners:

- (i) Annual audited financial statements for the project within six months after the financial year-end.
- (ii) Agreed Interim (un-audited) Financial Reports (IFRs) within 45 days after each calendar quarter.

Annex 8: Procurement Arrangements

IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

A. General

1. Procurement for the project would be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated May 2004 revised October 2006; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004 revised October 2006, and the provisions stipulated in the Grant Agreement. The general description of various items under different expenditure category is described below. For each contract to be financed by the Grant, the different procurement methods or consultant selection methods, estimated costs, prior review requirements, and time frame are agreed between the Recipient and the Bank project team in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity. To the extent practicable Bank's standard bidding documents for goods and works and Standard Requests for Proposals for consultants as well as all standard evaluation forms would be used throughout project implementation.

Advertising

2. A General Procurement Notice (GPN) is mandatory and would be published in all IGAD Member States (Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda) after appraisal in the Development Gateway dgMarket online, UN Development Business online and in a national newspaper in each IGAD Member States as provided under the Guidelines. In addition, a Specific Procurement Notice (SPN) for ICB for goods is required and Expressions of Interest (EOI) for consulting services with an estimated value in excess of US\$200,000. In the case of assignments estimated to cost less than US\$200,000, the assignment will be advertised in IGAD Member States.

3. In order to accelerate project implementation, IGAD has the intention to proceed with the initial steps of procurement before signing the related Grant Agreement particularly with regard to selection of IGAD/PFO staff and the implementation of the refugees' component by UNHCR. The procurement procedures, including advertising, will be done in accordance with the Guidelines in order for the eventual contracts to be eligible for Bank financing, and the normal review process by the Bank will be followed in accordance with the Procurement Guidelines for Goods and Consultants mentioned above.

4. **National Competitive Bidding** (NCB) advertised in IGAD Member States will be carried out in accordance with IGAD's Operations Manual, acceptable to IDA, provided that: (a) bids are advertised in national newspapers with a wide circulation; (b) the bid document clearly explains the bid evaluation, award criteria and bidder qualification; (c) bidders are given adequate response time to prepare and submit bids (minimum four weeks); (d) technical and financial bids are publicly and simultaneously opened; (e) bids are awarded to the lowest

evaluated bidder; (f) no eligible bidder is precluded from participation, regardless of nationality; (g) no domestic preference margins are applicable to domestic manufacturers or suppliers; and (h) prior to issuing the first call for bids, a draft standard bidding document will be submitted to and found acceptable by IDA.

Procurement of Works

5. No procurement of works under the project is anticipated except for small rehabilitation of project office space facilities. No ICB or NCB works contracts are expected under the project. However, if this ever happened, works estimated to cost between US\$50,000 and less than US\$250,000 equivalent per contract would be procured using NCB procedures satisfactory to IDA in accordance with the Bank's Procurement Guidelines. Small contracts estimated to cost less than US\$50,000 equivalent may be procured by way of soliciting quotations through written invitations from not less than three qualified contractors from the IGAD Member States concerned by the rehabilitation.

Procurement of Goods

6. Goods procured under this project would include office equipment, computers, video-audio equipment, vehicles, office supplies and furniture in small quantities and possible HIV materials other than pharmaceuticals. The procurement will be done using Bank's SBD for all ICB and National SBD satisfactory to the Bank. To the extent possible, goods would be grouped into contract packages, and packages estimated to cost the equivalent of US\$250,000 or more would be procured under ICB procedures (if appropriate). Procurement of goods packages estimated to cost between US\$50,000 and less than US\$250,000 equivalent per contract would be procured using NCB procedures. Goods packages estimated to cost less than US\$50,000 would be procured by shopping on the basis of comparison of quotations from at least three qualified suppliers. Requests for such quotations will include a clear description and quantity of the goods, as well as requirements for delivery time and point of delivery. The sample request for quotations annexed to the project Operations Manual would be used. Goods like vehicles, computers, etc., can be procured through specialized agencies of the United Nations (IAPSO, UNFPA) if applicable, in accordance with the Bank Guidelines.

Selection of Consultants

7. The consultant services are related to financial management, procurement, monitoring and evaluation, training, workshops and studies and Implementing Partners performed by firms, individuals and NGOs. Consulting firms for all assignments estimated to cost the equivalent of US\$100,000 or more will be selected through Quality and Cost Based Selection (QCBS) methodology. For assignments costing less than US\$100,000, QCBS or Least-Cost Selection (LCS) procedures may be used provided the assignment meets the requirements of paragraph 3.6 in the case of LCS. Consultant services provided by firms estimated to cost less than the equivalent of US\$100,000 may be contracted by comparing the qualifications of consultants in accordance with paragraph 3.7 of the Guidelines. Assignments estimated to cost the equivalent of US\$200,000 or more would be advertised for Expressions of Interest (EOI) in Development Business (UNDB) online, in Development Gateway Market, dgMarket online and in at least

one newspaper of wide national circulation in each IGAD Member States. In addition, EOI for specialized assignments may be advertised in an international newspaper or magazine. In the case of assignments estimated to cost less than US\$200,000, the assignment will be advertised nationally in every IGAD Member States.

8. The shortlist of firms for assignments estimated to cost less than US\$100,000 may be made up entirely of national consultants from IGAD countries in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. In case of assignments requiring individual consultants, the selection will follow the procedures stipulated in Section V of the Consultants Guidelines.

Others/UNHCR

9. Component 1 (a): The United Nations High Commissioner for Refugees (UNHCR) will be responsible for the implementation of Component 1 (a) in the refugee sites and to scale-up their current interventions in these countries. The national AIDS Commissions and/or Secretariats (NAC/NAS) within the national HIV/AIDS framework using the NAC/NASs approach will administer Component 1 (a) activities in affected surrounding areas. Returnees will be the shared responsibility of UNHCR and the NAC/NASs; while responsibility for IDPs will be decided upon on a case-by-case basis. A Memorandum of Understanding between IGAD and UNHCR will be presented to the Council of Ministers at its next session. A long term (four year) Management Contract between IGAD and UNHCR will set the terms and conditions for financing UNHCR activities. This Management Contract has been drafted and will be submitted to IDA for no-objection before effectiveness. The actual implementation will be based on annual Action Plans and carried out by Implementing Partners, namely NGOs subcontracted by UNHCR. The first-year Action Plan has been developed for all countries except Sudan which is expected shortly. The program activities will be reviewed every year and IDA will be requested to provide its no-objection.

Implementation Partners (IP)

10. Component 1.b will be implemented by International and/or local NGOs in every IGAD Member States. The NAC/NASs of each Member States will have the responsibility to select the Implementation Partners (IP), in close collaboration with PFO, and to evaluate their capacity to implement procurement in a timely and sound manner before delegating any procurement activities (other than UNHCR Implementing Partners). The NAC/NASs will train the IP staff if necessary and will supervise the procurement by international NGOs and other inter-country organizations benefiting from project funds. IP will follow the policies and procedures of the World Bank and in accordance with the project procurement principles and rules described in the Operations Manual.

11. Conflict of interest: No government entity from IGAD countries involved with project management may be a member of the IP management in any capacity that can be regarded as conflict of interest per IDA guidelines. No member of an IP may exert any oversight or selection authority over other IPs.

Training and Workshops

12. All training and workshops under the Project will be conducted on the basis of programs, which should be approved by the Bank on an annual basis, and which shall, inter alia, identify: (a) the training and workshops envisaged; (b) the personnel to be trained; (c) the institutions which will conduct the training; (d) the duration of the proposed training and (e) an estimate of the cost.

B. Assessment of the agency's capacity to implement procurement

13. Project procurement arrangements will be coordinated and managed by the IGAD Secretariat, more specifically by the Division of Administration and Finance. The division will be providing oversight role in ensuring procurement management is carried out as per the Financing Agreement. The PFO will have limited funds management. In addition to IGAD Management staff, a Procurement Officer (PO) will be recruited before effectiveness. The PO will be responsible to establish a sound procurement management system for the project with the objective to provide the management with accurate and timely information regarding resources and expenditures. The PO will be under the authority of Manager/Coordinator Office Facilitation and will be also responsible to train the staff of the Program Facilitation Office and enhance their capacity in the fiduciary field.

14. A procurement assessment of IGAD Headquarters was conducted during pre-appraisal although the project will most likely not be directly executed by IGAD Office in Djibouti. The result of this capacity assessment is in the project files. It was not possible to conduct an assessment of the capacity of the Program Facilitation Office to implement some procurement actions for the project since the PFO and other professional staff members are not yet in place.

15. Before new staff are recruited, selected and appointed, fiduciary tasks will be carried out by IGAD's headquarters financial and procurement staff, which have been found satisfactory by the World Bank in executing the IDF grant. In addition, financial and procurement consultants, experienced in system design, will assist IGAD in expanding its current system to accommodate IRAPP needs, so that there is a comprehensive fiduciary management system (accounting, disbursement, procurement, financial and procurement reporting), integrating the Project monitoring system and activities of the Components (i.e., refugee sites, IDPs and cross-border mobile populations and health harmonization).

16. The Operations Manual gives the organizational structure for implementing the project and the interaction between the project's staff responsible for procurement and the seven Member States. The Operations Manual includes, in addition to the procurement procedures, the SBDs to be used for NCB and other procurement methods, as well as model contracts for the procurement of works, goods and the selection of consultants.

17. Given that (i) the bulk of fiduciary tasks will be carried out by IGAD's headquarters, (ii) IPs will be selected by NAC/NAS's fiduciary staff in each IGAD Member States, and (iii) PFO will be responsible only for the procurement of small items and contracts, the overall project procurement risk is considered moderate.

C. Procurement Plan

18. The IGAD's Council of Ministers will approve an annual plan that includes the procurement plan, with the IGAD Secretariat making operational procurement decisions without need of further Council of Ministers' approval. IGAD has developed a Procurement Plan for the first 18 months of project implementation, which provides the basis for the procurement methods. The draft plan has been discussed between the Beneficiary and the Project Team during pre-appraisal on May 12, 2007 and will be agreed during negotiations. The procurement plan will be available on the IGAD website at www.igad.org. It will also be available in the Project's database and in the Bank's external website. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

Publication of Results and Debriefing

19. Publication of results of the bidding process will be required for all ICBs, NCBs, and Direct Contracting. Publication should take place as soon as the no objection is received, except for Direct Contracting and NCB, which may be done quarterly and in a simplified format. For selection of consultants disclosure of results is also required. All consultants competing for the assignment would be informed of the result of the technical evaluation (number of points that each firm received) before the opening of the financial proposals, and at the end of the selection process the results should be published. The publication of results in selection of consultants applies to all methods, however for QCBS and Single Source Selection (SSS) the publication may be done quarterly and in a simplified format. The IGAD/PFO shall debrief losing bidders/consultants on the reasons why they were not awarded the contract, if the losing bidders/consultants request for explanation.

Fraud, Coercion and Corruption

20. All procuring entities as well as Bidders/Suppliers/Contractors shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with paragraphs 1.14 & 1.15 of the Procurement Guidelines and paragraphs 1.22 & 1.23 of the Consultants Guidelines.

D. Frequency of Procurement Supervision

21. In addition to the prior review supervision to be carried out from Bank offices, it is recommended that there be supervision missions to the field every twelve months to carry out post review of procurement actions.

Procurement Plan

I. General

1. **Name of the Project: IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project**
2. **Project Implementing Agency: IGAD (Intergovernmental Authority on Development) through the Project Facilitation Office (PFO) located in (country)**
3. **Bank's approval date of the Procurement Plan: June 2007**
4. **Date of General Procurement Notice: June 2007**
5. **Period covered by this Procurement Plan: June 2007 – December 2008**

II. Goods and non-consulting services

1. **Prior Review Threshold:** Procurement decisions subject to Prior Review by the Bank as stated in Appendix 1 to the Guidelines for Procurement.

2.

	Procurement Method	Prior Review Threshold (US\$ equivalent)	Comments
1.	ICB (Goods)	≥ 250,000	ALL
2.	NCB (Goods)	> 50,000 & < 250,000	First Two Contracts

3. **Reference to the Operational/Procurement Manual:** Items to be financed under the project will be procured in line with rules and procedures described in the Operational Manual to be reviewed and found acceptable to the Bank: (Scheduled to be approved by the Bank at appraisal)

4. **Any Other Special Procurement Arrangements:** N/A

5. Procurement Packages with Methods and Time Schedule (Summary)

1	2	3	4	5	6	7	8	9
Ref. No.	Contract (Description)	Estimated Cost (US\$)	PROCUREMENT Method	Prequalification (yes/no)	Domestic Preference (yes/no)	Review by Bank (Prior/Post)	Expected Bid-Opening Date	Comments/Completion Date
1.								

Note: Goods procured under this project would include computers, photocopiers, telecommunication equipment and materials, vehicles office equipment, office supplies and furniture in small quantities using shopping procedures.

III. Selection of Consultants

- 1. Prior Review Threshold:** Selection decisions subject to Prior Review by Bank as stated in Appendix 1 to the Guidelines Selection and Employment of Consultants:

No.	Selection Method	Prior Review Threshold (US\$ equivalent)	Comments
1.	QCBS (Firms)	>100.000	ALL
2.	Single Source (SS)/Firms/ Individual	All	ALL
3.	Individual Consultants (IC)	>50.000	ALL
4.	Consultant Qualification (SCQ)	N/A	TOR
5.	Training	ALL	ALL

- 2. Short list comprising entirely of national consultants:** Short list of consultants for services, estimated to cost less than \$100,000 equivalent per contract, may comprise entirely of national consultants (IGAD Member States) in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.
- 3. Other Special Selection Arrangements:** The United Nations High Commissioner for Refugees (UNHCR) will be responsible for the implementation of Component 1 (a) in the refuges sites. UNHCR has experience of exceptional worth for the assignment and will be recruited on a sole source basis in accordance to paragraph 3.9 and 3.13 of the Consultants' Guidelines. The contract estimated to cost 5 million USD will be subject to IDA prior review and eventually a waiver from the MD Office will be necessary with regard to the fraud and corruption clauses.

4. Consultancy Assignments with Selection Methods and Time Schedule

1	2	3	4	5	6	7
No.	Description of Assignment	Estimated Cost (US\$ equivalent)	Selection Method	Review by Bank (Prior / Post)	Expected Proposals Submission Date	Comments/ Completion Date
1.	UNHCR Refugees (C. 1a)	5 M	SS	Prior	May 07	July 11
2.	Program Coordinator	63,000	IC	Prior	May 07	Sept 09
3.	Administrative and Finance Officer	55,000	IC	Prior	June 07	July 09
4.	Monitoring & evaluation Officer	55,000	IC	Prior	June 07	July 09
5.	Procurement Officer	55,000	IC	Prior	June 07	July 09
6.	Financial External Auditor	20,000	SS	Prior	March 08	Dec 09
7.						
8.						
9.						

QCBS: Quality-and Cost Based Selection
CQS: Selection Based on Consultants' Qualification
IC: Individual Consultants
SS: Single Source

Annex 9: Economic and Financial Analysis
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

General:

1. Disruption in the social and human capital accumulation process, resulting in the loss in domestic savings, is the essence of what causes HIV/AIDS to adversely affect the economic development process. War, violence, social and political changes, social norms, extensive migration (for various reasons other than economic efficiency), sex inequality are among the major factors in the IGAD Region contributing to high rates of HIV/AIDS infection. These high rates of infection reduce economic growth and the capacity of society to provide services, and this in turn accelerates the numbers of people infected. The limited resources available to Governments and civil society to finance health and other services are of necessity reallocated from other priority programs to HIV/AIDS, thus reducing economic efficiency and compromising prospects for the region to improve. A high morbidity result in extensive labor absenteeism at all levels, coupled with premature mortality, translates into significant losses in labor productivity.

2. Currently while the rates are high in the IGAD Region, they do not approach the levels of countries in Southern Africa. Thus there is still time to make key investments before the epidemic grows exponentially. What is known is that the most cost effective investments are those made before the virus is out of control and the costs of care and treatment overwhelm the region even beyond its current state. Each IGAD country is making that investment in its national program. Because of the mobility and volatility of populations in the region, these investment can be compromised or at the very least less effective, unless there is some regional cohesion.

Economic Benefits:

3. The IGAD Horn of Africa Regional HIV/AIDS Project will generate direct benefits to those populations in selected refugee camps, affected surrounding areas, returnees and Cross-Border and Mobile Populations (CBMPs) in terms of reduced HIV/AIDS prevalence and heightened awareness of ways to avoid contracting the virus. Indirect benefits are expected for all IGAD populations as a result of improved and more effective HIV/AIDS and related health policies, protocols, and service delivery. This will occur as good practices in one IGAD country are shared with others, from information exchange and harmonization of approaches, and knowledge generated from IGAD financed studies and surveys which are customized to benefit the IGAD region. The underlying premise of the project is that good ideas will be integrated into national AIDS programs, and vice versa. Benefits will also be incurred for those refugee populations served by UNHCR as UNHCR adopts service delivery lessons learned in IGAD selected sites and applies them elsewhere in the region and beyond.

Financial Benefits:

4. Over its four year implementation period IGAD project resources will reach populations in each of the seven IGAD countries. The goal is that they more efficiently address HIV/AIDS prevention, care, treatment and mitigation in refugee populations and surrounding areas, and for CBMPs, and that the health sector in each IGAD country draws on collective knowledge in such areas as drug policies and procurement. It is expected that IGAD resources invested in the basic IGAD institutional infrastructure will be leveraged by contributions from other

donors, a significant multiplier affect. Finally, the project will make a substantial investment in the M&E system. It includes program, biological and behavioral aspects. The monitoring should produce sound information on which activities are effective and should be scaled-up. Those which are not would need to be modified or discontinued.

Annex 10: Safeguard Policy Issues

IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

The inappropriate handling of infectious materials constitutes a serious danger to public health, particularly for health facility staff. Most of the IGAD countries already have Health Care Waste Management (HCWM) plans that are available from the national HIV/AIDS authorities in each of the countries. These will be re-disclosed in each country, and be made available at the IGAD website www.igad.org. The two countries that currently do not have medical waste management plans include Somalia and Sudan. However, the HCWM for Sudan is being prepared, and for Somalia all activities will be implemented through the UNHCR. The medical waste management plans for UNHCR, which covers both refugee and IDP camps, will also be disclosed, and will guide the waste management aspect in Somalia and Sudan. The Environmental Guidelines of UNHCR were prepared by the World Conservation Union (IUCN) and by the Environment, Technical Support Section of UNHCR in Geneva, August 2005.

The project goal is to improve public health by strengthening a HCWM system that takes into consideration environmental, technical, and socio-cultural concerns. The HCWM will reinforce better coordination by determining the prerequisite changes in management and will identify needs in terms of specific investments, capacity-building programs, and training programs.

The regional project is aiming at providing HIV/AIDS VCT services through: (i) 7 health facilities located inside the refugee camps under component 1.a, in which the HCWM plan of UNHCR will be implemented; and (ii) about 14 health centers located in hot spot areas to serve the CBMP, in which the HCWM national plans will be implemented, where available. The solid waste and Health Care Waste (HCW) production in the health facilities is estimated to be low.

The objective of each of the national HCW Management Plan to be adopted and implemented in each of the IGAD member states is to trigger a process and to support the respective local response. The plan will stress preventive measures, especially actions to be taken in order to reduce health and environmental risks related to the current practices. Pertinent actions must eventually foster behavioral change, sector-wide protection from the associated risks of infection, and ecological sustainability of HCWM. In this respect, pertinent measures will support the intervention strategy and will aim at:

Improving the institutional and legal framework in the field of HCW management

- Set up a structure to coordinate and follow up on the HCWM plan
- Develop a national policy on environmental health, public hygiene, and HCWM
- Develop rules and regulations linked to HCWM
- Develop technical guidelines for HCWM.

Improving HCW management within health facilities

- Regulate HCWM within health facilities
- Appoint a responsible in charge of HCWM issues and follow-up
- Provide health facilities with materials and equipments for HCWM

- Conduct systematic sorting of items and rationally manage the disposal of sharp objects
- Promote the use of recyclable materials
- Determine HCW treatment and final disposal for any type of health facility
- Estimate financial resources in order to fund HCWM activities.

Training the health staff and waste operators

- Elaborate training programs and train-the-trainers
- Train all the operators acting in the HCWM system
- Evaluate training programs.

Informing and make populations aware of HCWM-related risks

- Inform populations of dangers related to HCW and to the use of recycled objects
- Ensure a sound HCWM plan for households providing at-home medical care.

Promoting inclusion of private companies in HCWM

- Implement a partnership framework between public, private, and civil society sector
- Reinforce managing capacities of civil society in HCWM.

Supporting the implementation of HCWM plan

- Validate the HCWM plan
- Prepare operational activities
- Follow up on implementation and evaluate the HCWM plan.

The most relevant activities related to the project are those at the health facility level, which include: (i) improving HCW management within health facilities, and (ii) training the health staff on self protection and medical waste disposal.

The cost of implementing the HCWM plan at the health facility level is already included and allocated to component 1a and 1b, including protective gear, collection materials, and disposal supplies. Treatment will follow the national HCWM plan.

Throughout the program there will be regular follow-up on implementation and competent consultants will be selected to evaluate the HCWM-related aspects of the program. The Environmental Department at IGAD will work closely with the IGAD HIV/AIDS program manager, as well as the PFO, in ensuring that HCWM-related aspects are addressed.

Annex 11: Project Preparation and Supervision
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project
Project Preparation and Supervision

1. Project Preparation

(a) Project timetable

Activity	Planned	Actual
Project Concept Note	01/12/06	01/12/06
Initial PID to PIC		
Initial ISDS to PIC		
Pre-Appraisal	02/06/07	02/06/07
Quality Enhancement review	04/05/07	04/13/07
Decision Meeting	04/12/07	06/04/07
Appraisal	04/16/07	06/13/07
Negotiations	05/10/07	06/18/07
Approval	05/15/07	
Planned Effectiveness Date	05/31/07	
Planned Mid-Term Review Date	01/06/09	
Planned Closing Date	01/06/11	

(b) Key Institutions Responsible for Project Preparation:

- IGAD Secretariat
- IGAD Member States
- UNHCR
- UNAIDS
- IOM
- UNICEF

(c) Bank Staff and Consultants:

Name	Title	Unit
Stephen Brushett	Lead Transport Specialist	LCSTR
Ruxandra Burdescu	Operations Analyst	AFCRI
Wolfgang Chadab	Finance Officer	LOAG2
Therese Cruz	Senior Program Assistant	AFTHV
Frode Davanger	Task Team Leader	AFTHV
Sascha Djumena	Sr. Operations Officer	AFCRI
Sameena Dost	Sr. Counsel	LEGAF
Sheila Dutta	Sr. Health Specialist	AFTH1
Sameh El-Saharty	Sr. Health Specialist	MNSHD
Serigne Omar Fye	Sr. Environmental Specialist	AFTS1
Marelize Gorgens	M&E Expert (GAMET)	HDNGA
Hassine Hedda	Finance Analyst	LOAG2
Javed Karimullah	Program Assistant	AFTHV
Mohamed Khatouri	Lead M&E Specialist	AFTRL

Jody Kusek	Lead M&E Specialist	HDNGA
Luc Lapointe	Procurement Specialist	AFTPC
Elizabeth Lule	Manager	AFTHV
Bremala Nathan	Operations Officer	AFTRL
John Nyaga	Sr. Financial Management Specialist	AFTFM
Mercy Sabai	Sr. Financial Management Specialist	AFTFM
Richard Seifman	Advisor	AFTHV
Albertus Voetberg	Lead Health Specialist	AFTHV
Chris Walker	Lead Specialist and Cluster Leader	AFTH1
Warren Waters	Regional Environment and Safeguards Advisor	AFTQK
Elizabeth White	Program Manager, ACGF	AFRCE

(d) Estimated Project Preparation Advance (PPA), Appraisal and Supervision Costs

- ACGF funds expended to date on Project preparation:

ACGF PPA Grant:	250,000
ACGF Appraisal Resources ²⁷ :	150,000
Total:	400,000
- ACGF preparation/appraisal funds remaining:

ACGF PPA Grant:	242,000
ACGF Appraisal Resources:	85,500
Total:	327,500
- Estimated annual supervision cost for the Bank: US\$200,000-250,000²⁸.

(e) Project Implementation Support Plan

Project implementation will require intensive supervision, especially during its start-up phase, given the complex and pioneering nature of this cross-border operation, and the need to coordinate closely with national HIV/AIDS programs and the active involvement of the Bank TTLs for HIV/AIDS projects at the national level. Implementation across the seven IGAD Member States will involve multiple stakeholders, including: a) the public sector (multiple actors), the private sector, NGOs, UN agencies, and civil society and community-based organizations. Experience with HIV/AIDS programs varies considerably but most stakeholders will not have worked together on this type of operation, nor be familiar with the sub-regional objectives and the challenges of implementing such an initiative. This implementation approach is new to the seven countries, as well as to the implementing partners, and IDA. As mentioned, the range of activities include refugees and surrounding areas (and coordination between them), cross-border and mobile populations and health sector collaboration. While linked, each poses different challenges in terms of translating concept to implementation. While Bank TTLs in IGAD countries will be asked from time-to-time to assist, given the nature of IGAD, the TTL will be responsible for making regular visits to the IGAD Secretariat in Djibouti, the PFO office in Uganda, visit IGAD countries

²⁷ These are the ACGF resources provided for Bank preparation.

²⁸ Estimated amount for Year 1 is US\$250,000, and thereafter US\$200,000 annually.

from time to time, and for coordinating the supervision efforts with the national program TTLs.

With regard to the IGAD PFO, its Ministerial Council on Health and HIV/AIDS, and the Steering Committee, they will have been recently established. Responsibility for project management and coordination will be with the PFO, under the close supervision of HESAD, and working in close coordination with IGAD Country Focal Points, each of whom will be responsible for integrating regional considerations into national AIDS programs, and vice versa. Core fiduciary responsibilities will require regular support and assessment during the initial launch and supervision phase (and thereafter), both at the IGAD Secretariat and at the PFO. Of particular emphasis are procurement of services and goods, financial management, monitoring and evaluation, and implementation of service delivery. IGAD will use World Bank procurement rules, and will have a procurement officer recruited to the IGAD Secretariat, which will require some assistance in the start-up phase.

Multiple skills for supervision will be needed on a regular basis while others will be required on an ad hoc basis. It is therefore proposed to establish a core supervision team, which would be complemented by technical specialists, as deemed necessary. The core supervision team will operate so as to respond to Project needs, with support provided on an individual basis or during conventional supervision missions, comprised of a team of experts. In addition, the Project's Peer Reviewers will remain closely engaged during the first year of the Project, and potentially join the supervision missions. The core team will need to cumulatively conduct the equivalent of three large-scale supervision missions annually (comprising up to 7 staff), to cover the main issues to be addressed. Technical experts will provide assistance periodically, as it may be required. Bank supervision will be primarily led by the core supervision team (lead by the TTL), working in coordination with World Bank Country Office Staff in the IGAD countries, and supported by Washington staff. The TTL will be responsible for following IGAD performance, providing regular reporting, and maintaining regular contact with the IGAD Secretariat core professionals, the PFO and the main implementing entities (such as UNHCR), and participate in IGAD workshops and institutional meetings to the extent possible. The TTL will also work with the national MAP TTLs for the IGAD countries, and on request participate in missions where IGAD coordination is of relevance. The TTL will further send regular updates to the country TTLs, in order to have ongoing coordination with national programs.

Core supervision (whether through joint missions or separately) is to include the following: Task Team Leader, Health Specialist, Community Development Specialist, Post conflict/Refugee Specialist, Financial Management Specialist, Procurement Specialist, and M&E Specialist. Technical experts would include, as needed: Bank Legal Counsel; sector specialists (e.g. health, gender, anthropologists/ social scientists, private sector); Economists; and communication specialists. Every effort will be made to take advantage of Bank specialists coming to the region for other purposes to add IGAD to their missions.

To effectively accomplish the above tasks for the first fiscal year, and the fact that a large launch workshop is envisioned (including the country program TTLs), \$250,000 will need to be budgeted to allow for inter-country travel costs, supervision in IGAD countries, and a broader mix of specialists for supervision than is the case in other projects. Thereafter, the annual minimum budget required will be \$200,000 to support the equivalent of three supervision missions per year, as well as IDA participation in the meetings of the Ministerial

Committee on Health and HIV/AIDS, and the Steering Committee. Set forth below are estimates of the equivalent of three supervision missions per project year.

Implementation Support Plan

Total Estimated Staff Weeks per fiscal year: 69

Core Team: 34

- Task Team Leader: 10
- Health Specialist: 4
- Community Development: 4
- Fragile State Specialist: 4
- Financial Management: 4
- Procurement Specialist: 4
- M&E Specialist: 4

Technical Experts: 35

- National Program TTLs ²⁹ 14
- Gender specialist 3
- Safeguards 3
- Communication specialist 3
- Capacity building expert 3
- Lawyer 3
- Private sector 2
- Economist 2
- Others 3

This level of implementation support budget should be continued until the mid-term review, at which point the adequacy of this approach and the amount should be reviewed and increased, if necessary.

²⁹ 2 staff weeks per TTL, multiplied by the seven IGAD countries.

Annex 12: Documents in the Project File
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project
Documents in the Project File

Section I: Project Implementation Plan

1. Project Operations Manual and Annexes (Volume 1-3)
2. Project Preparation Advance (PPA)

Section II: Bank Staff Assessment

1. PCN approved on December 1, 2006.
2. Aide Memoire dated January 2007.
3. Aide Memoire dated February 2007.
4. BTOR dated March 2007.
5. BTOR dated April 2007.
6. BTOR dated June 2007.
7. ISDS and PID.
8. PAD.

Section III: Other Documents

1. Agreement Establishing the Inter-Governmental Authority on Development (IGAD)
2. IGAD (overall) Strategy
3. IGAD Strategy on Reproductive Health
4. Report and Declaration of Principles and Institutional Framework (March 2007).
5. Regional mapping and country assessments.
6. Memorandum of Understanding (IGAD and IOM).
7. Memorandum of Understanding (IGAD and UNHCR).

Annex 13: Statement of Loans and Credits
IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

Project ID	FY	Purpose	Original Amount in US\$ Millions				Cancel.	Undisb.	Difference between expected and actual disbursements	
			IBRD	IDA	SF	GEF			Orig.	Frm. Rev'd
P103189	2007	3A-Africa Stockpiles1 MMT GEF (FY07)	0.00	0.00	0.00	13.40	0.00	9.12	0.00	0.00
P097201	2007	3A-Reg&Domestic Pwr Mkt Dev. (FY07)	0.00	0.00	0.00	0.00	0.00	296.74	0.00	0.00
P094103	2007	3A-Telecommunications APL (FY07)	0.00	144.40	0.00	0.00	0.00	166.40	0.00	0.00
P094084	2007	3A-W.Af Agric Prod Prgm APL WAAPP (FY07)	0.00	45.00	0.00	0.00	0.00	45.73	0.00	0.00
P083751	2006	3A-West &Central Afr Air Tran TAL (FY06)	0.00	11.97	0.00	0.00	0.00	31.98	-1.15	0.00
P093826	2006	3A-SRB M. Water Res. Dvpt. APL (FY06)	0.00	91.96	0.00	0.00	0.00	105.90	-4.32	0.00
P094916	2006	3A-WAPP APL 2 (OMVS Felou HEP)	0.00	75.00	0.00	0.00	0.00	75.36	0.00	0.00
P079734	2006	3A-E Afr Trade & Transp Facil (FY06)	0.00	184.02	0.00	0.00	0.00	164.11	33.31	0.00
P075776	2006	3A-W Africa Stockpiles 1 GEF (FY06)	0.00	0.00	0.00	21.74	0.00	5.12	3.78	0.00
P094917	2006	3A-WAPP APL 1 (CTB Phase 2) Project	0.00	60.00	0.00	0.00	0.00	60.45	0.00	0.00
P075994	2005	3A-WAPP Phase 1 APL 1 (FY05)	0.00	40.00	0.00	0.00	0.00	36.72	7.76	0.00
P070547	2005	3A-GEF Grndwtr & Drght Mgmt TAL (FY05)	0.00	0.00	0.00	7.00	0.00	6.35	1.80	0.00
P080406	2005	3A-ARCAN SIL (FY05)	0.00	0.00	0.00	0.00	0.00	4.23	0.50	0.00
P080413	2005	3A-HIV/AIDS Great Lakes Init APL (FY05)	0.00	0.00	0.00	0.00	0.00	13.78	2.09	0.00
P092473	2005	3A-Afr Emergency Locust Prj (FY05)	0.00	59.50	0.00	0.00	0.00	38.57	15.31	-4.01
P069258	2004	3A-Southern Afr Power Mrkt APL 1 (FY04)	0.00	178.60	0.00	0.00	0.00	192.44	171.10	0.00
P064573	2004	3A-GEF Senegal River Basin (FY04)	0.00	0.00	0.00	5.26	0.00	2.61	4.85	0.00
P082613	2004	3A-Regional HIV/AIDS Treatment Prj (FY04)	0.00	0.00	0.00	0.00	0.00	27.15	23.58	0.00
P070256	2004	3A-GEF Niger River Basin (FY04)	0.00	0.00	0.00	13.00	0.00	3.81	4.35	0.00
P074850	2004	3A-HIV/AIDS Abidjan Lagos Trnspt (FY04)	0.00	0.00	0.00	0.00	0.00	1.54	0.11	0.00
P074525	2004	3A-WAEMU Capital Markets Dev FIL (FY04)	0.00	96.39	0.00	0.00	0.00	98.46	79.51	48.24
P070252	2003	3A-GEF Lake Chad Basin (FY03)	0.00	0.00	0.00	2.90	0.00	1.72	2.90	2.38
P070073	2003	3A-GEF Nile Transbound Env Action (FY03)	0.00	0.00	0.00	8.00	0.00	9.85	14.01	0.00
P072881	2003	3A-BEAC Reg Payment System (FY03)	0.00	14.50	0.00	0.00	0.00	8.03	5.07	1.35
P063683	2001	3A-Trade Facil SIL (FY01)	0.00	5.00	0.00	0.00	0.00	4.85	-0.31	0.71
Total:			0.00	1,006.34	0.00	71.30	0.00	1,411.02	364.25	48.67

AFRICA
STATEMENT OF IFC's
Held and Disbursed Portfolio
In Millions of US Dollars

FY Approval	Company	Committed				Disbursed			
		IFC				IFC			
		Loan	Equity	Quasi	Partic.	Loan	Equity	Quasi	Partic.
1999	AIF	0.00	16.83	0.00	0.00	0.00	0.31	0.00	0.00
1999	AIF (Mgmt)	0.00	0.06	0.00	0.00	0.00	0.00	0.00	0.00
2003	AIFH	0.00	18.25	0.00	0.00	0.00	0.03	0.00	0.00
2005	Afren	0.00	0.84	0.00	0.00	0.00	0.80	0.00	0.00
2005	Africa Re	0.00	0.00	10.40	0.00	0.00	0.00	10.40	0.00
2002	Africap	0.00	1.48	0.00	0.00	0.00	1.06	0.00	0.00
2006	Cape II	0.00	9.62	0.00	0.00	0.00	3.00	0.00	0.00
2005	Celtel	0.00	11.83	0.00	0.00	0.00	11.83	0.00	0.00
2005	LFI	0.00	2.02	0.00	0.00	0.00	0.27	0.00	0.00
2004	Olam	30.00	5.60	0.00	0.00	30.00	5.60	0.00	0.00
2002	Osprey	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00
2001	PAIP	0.00	27.27	0.00	0.00	0.00	8.62	0.00	0.00
2002	SABCO	0.00	10.00	0.00	0.00	0.00	10.00	0.00	0.00
2006	SABCO	20.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2006	Standard Bank GR	0.00	0.00	75.00	0.00	0.00	0.00	0.00	0.00
2004	Tullow	0.00	14.40	0.00	0.00	0.00	14.40	0.00	0.00
2006	Veolia Water AMI	44.62	31.87	0.00	0.00	0.00	0.00	0.00	0.00
Total portfolio:		94.62	150.08	85.40	0.00	30.00	55.93	10.40	0.00

FY Approval	Company	Approvals Pending Commitment			
		Loan	Equity	Quasi	Partic.
2006	ARECO	0.00	0.02	0.00	0.00
2006	Brait IV	0.00	0.03	0.00	0.00
2004	BusPartners	0.00	0.00	0.00	0.00
2003	African Lakes	0.00	0.01	0.00	0.00
2006	CCS	0.02	0.00	0.00	0.00
Total pending commitment:		0.02	0.06	0.00	0.00

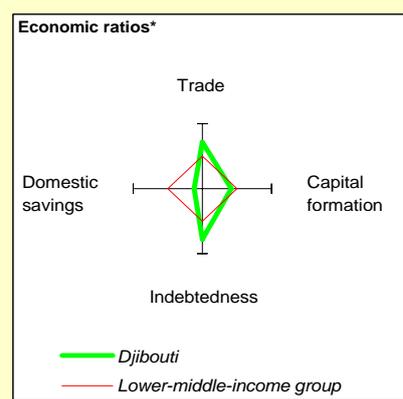
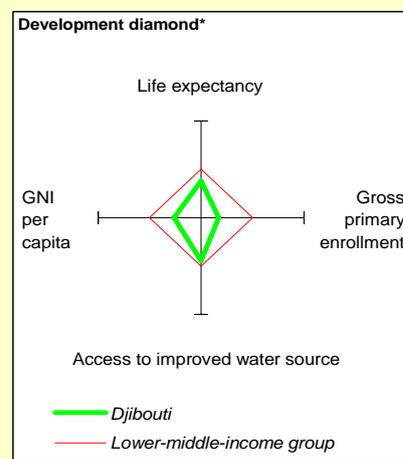
Annex 14: Region at a Glance

IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

Djibouti at a glance

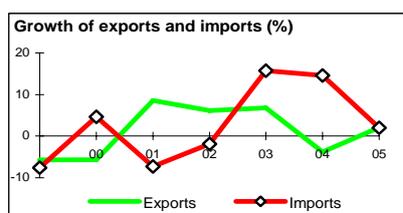
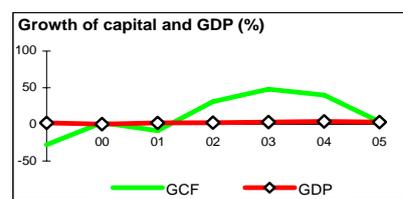
9/15/06

	Djibouti	M. East & North Africa	Lower-middle-income		
POVERTY and SOCIAL					
2005					
Population, mid-year (millions)	0.79	305	2,475		
GNI per capita (Atlas method, US\$)	1,010	2,241	1,918		
GNI (Atlas method, US\$ billions)	0.80	685	4,747		
Average annual growth, 1999-05					
Population (%)	2.2	1.9	1.0		
Labor force (%)	2.5	3.5	1.4		
Most recent estimate (latest year available, 1999-05)					
Poverty (% of population below national poverty line)	..	..	..
Urban population (% of total population)	86	57	49		
Life expectancy at birth (years)	53	69	70		
Infant mortality (per 1,000 live births)	101	44	33		
Child malnutrition (% of children under 5)	..	13	12		
Access to an improved water source (% of population)	73	89	82		
Literacy (% of population age 15+)	..	72	89		
Gross primary enrollment (% of school-age population)	39	103	114		
Male	44	106	115		
Female	35	100	113		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1985	1995	2004	2005	
GDP (US\$ billions)	0.34	0.50	0.67	0.71	
Gross capital formation/GDP	..	8.4	22.0	24.3	
Exports of goods and services/GDP	..	39.1	37.0	36.5	
Gross domestic savings/GDP	..	-3.6	4.8	7.3	
Gross national savings/GDP	..	12.0	18.5	20.5	
Current account balance/GDP	..	3.5	-1.2	-4.1	
Interest payments/GDP	0.6	0.4	0.6	..	
Total debt/GDP	42.2	56.6	64.3	..	
Total debt service/exports	..	5.3	7.1	..	
Present value of debt/GDP	44.5	..	
Present value of debt/exports	118.3	..	
	1985-95	1995-05	2004	2005	2005-09
(average annual growth)					
GDP	-3.1	1.5	3.8	3.2	..
GDP per capita	-4.6	-1.2	1.9	1.4	..
Exports of goods and services	-9.4	1.0	-3.8	2.1	..



STRUCTURE of the ECONOMY

	1985	1995	2004	2005
(% of GDP)				
Agriculture	..	3.2	3.6	3.7
Industry	..	15.4	16.6	17.2
Manufacturing	..	2.8	2.7	2.7
Services	..	81.3	79.8	79.1
Household final consumption expenditure	..	68.7	65.5	65.0
General gov't final consumption expenditure	..	34.9	29.7	27.6
Imports of goods and services	..	51.2	54.2	53.5
	1985-95	1995-05	2004	2005
(average annual growth)				
Agriculture	-0.9	2.3	4.5	4.5
Industry	-11.3	2.6	7.3	6.6
Manufacturing	-8.5	0.8	4.0	4.0
Services	-0.9	1.3	3.7	2.0
Household final consumption expenditure	..	0.9	8.4	5.9
General gov't final consumption expenditure	..	0.3	4.3	-3.9
Gross capital formation	-18.0	9.1	40.0	3.5
Imports of goods and services	-11.8	1.5	14.6	2.0



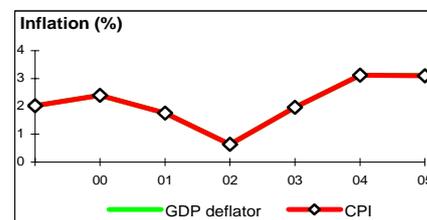
Note: 2005 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

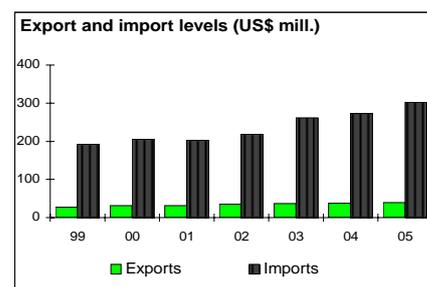
PRICES and GOVERNMENT FINANCE

	1985	1995	2004	2005
Domestic prices				
<i>(% change)</i>				
Consumer prices	..	4.9	3.1	3.1
Implicit GDP deflator	..	4.9	3.1	3.1
Government finance				
<i>(% of GDP, includes current grants)</i>				
Current revenue	..	30.7	35.6	37.1
Current budget balance	..	-4.9	5.6	9.6
Overall surplus/deficit	..	-8.5	-2.1	0.3



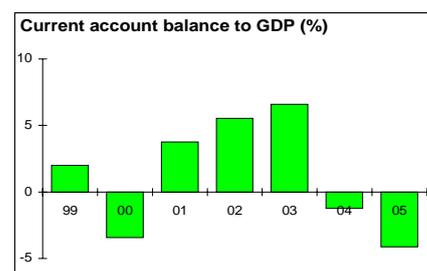
TRADE

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	..	32	38	40
Food and live animals
Coffee and derivatives
Manufactures
Total imports (cif)	..	177	273	303
Food	..	105	113	92
Fuel and energy	..	14	44	65
Capital goods	..	40	85	108
Export price index (2000=100)	..	106	114	120
Import price index (2000=100)	..	113	107	132
Terms of trade (2000=100)	..	94	107	91



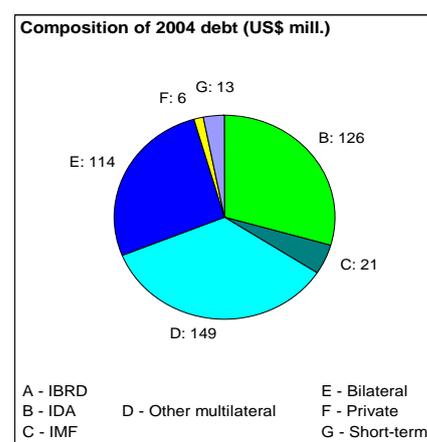
BALANCE of PAYMENTS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	..	195	251	264
Imports of goods and services	..	255	350	386
Resource balance	..	-60	-99	-123
Net income	..	17	65	67
Net current transfers	..	60	26	26
Current account balance	..	18	-8	-29
Financing items (net)	..	-25	1	23
Changes in net reserves	..	7	7	6
Memo:				
Reserves including gold (US\$ millions)	..	71	94	88
Conversion rate (DEC, local/US\$)	177.7	177.7	177.7	177.7



EXTERNAL DEBT and RESOURCE FLOWS

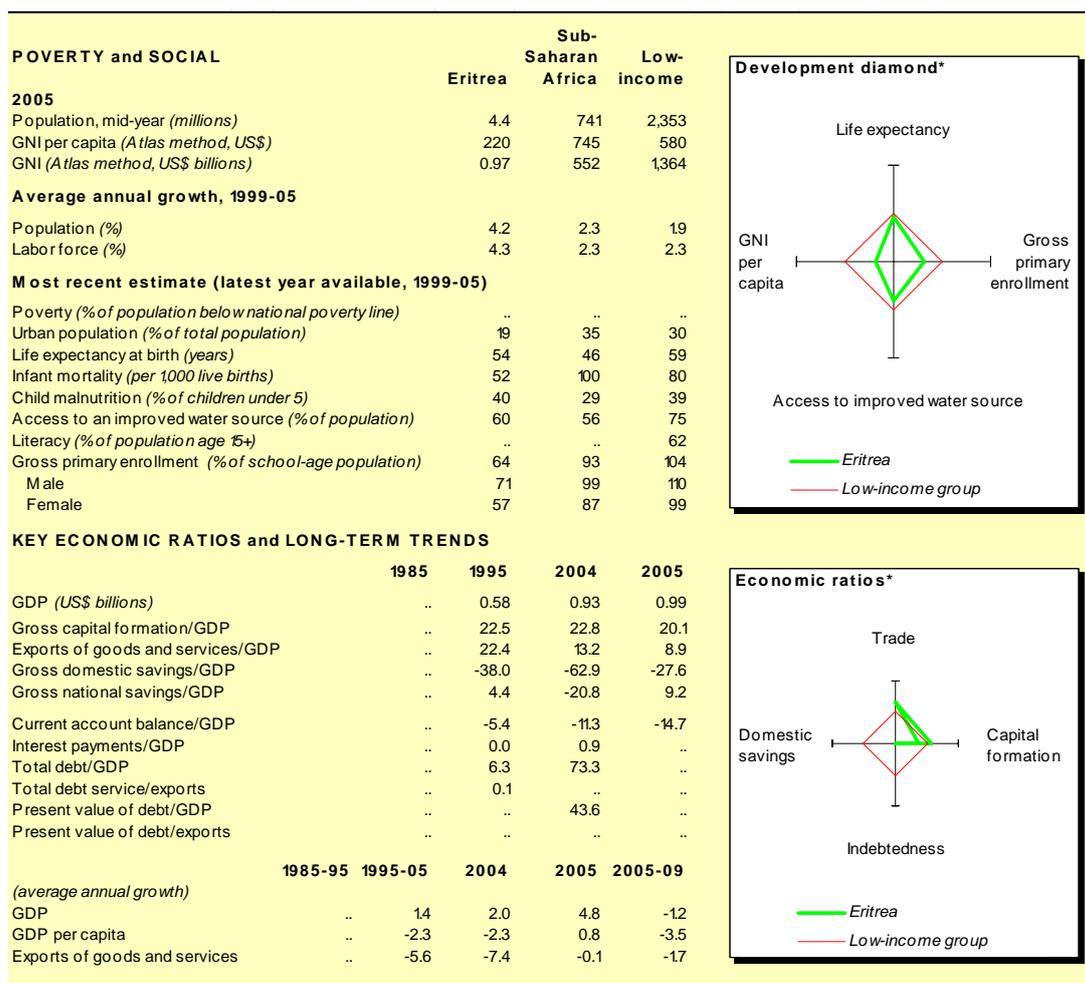
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	144	282	429	..
IBRD	0	0	0	0
IDA	7	46	126	120
Total debt service	7	12	18	..
IBRD	0	0	0	0
IDA	0	1	2	2
Composition of net resource flows				
Official grants	33	49	30	..
Official creditors	30	9	13	..
Private creditors	0	0	0	..
Foreign direct investment (net inflows)	0	3	33	..
Portfolio equity (net inflows)	0	0	0	..
World Bank program				
Commitments	10	0	3	..
Disbursements	5	3	10	5
Principal repayments	0	0	1	1
Net flows	5	3	9	3
Interest payments	0	0	1	1
Net transfers	5	2	8	2



Note: This table was produced from the Development Economics LDB database.

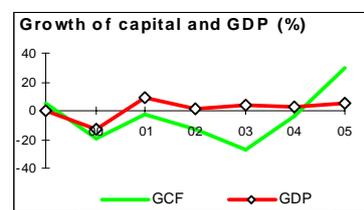
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Eritrea at a glance



STRUCTURE of the ECONOMY

	1985	1995	2004	2005
(% of GDP)				
Agriculture	..	20.9	13.9	22.6
Industry	..	16.8	25.9	22.6
Manufacturing	..	9.0	11.3	8.2
Services	..	62.3	60.1	54.8
Household final consumption expenditure	..	94.1	109.3	82.3
General gov't final consumption expenditure	..	43.9	53.5	45.3
Imports of goods and services	..	82.9	98.8	56.6



	1985-95	1995-05	2004	2005
(average annual growth)				
Agriculture	..	-3.1	7.0	8.4
Industry	..	4.1	-0.4	..
Manufacturing	..	4.0	2.0	..
Services	..	1.7	1.4	..
Household final consumption expenditure	..	-5.8	-27.2	..
General gov't final consumption expenditure	..	9.6	14.7	..
Gross capital formation	..	-2.7	-3.4	30.2
Imports of goods and services	..	-18	-14.6	-12



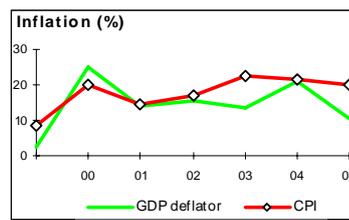
Note: 2005 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

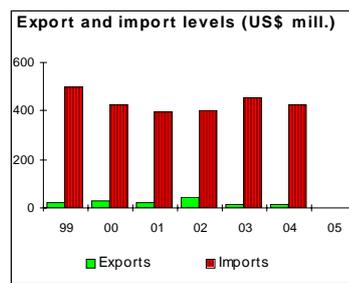
* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

PRICES and GOVERNMENT FINANCE

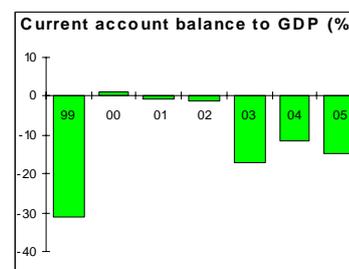
	1985	1995	2004	2005
Domestic prices				
<i>(% change)</i>				
Consumer prices	..	12.0	215	19.9
Implicit GDP deflator	..	9.8	21.0	10.3
Government finance				
<i>(% of GDP, includes current grants)</i>				
Current revenue	..	48.7	54.9	..
Current budget balance	..	-8.9	-5.0	..
Overall surplus/deficit	..	-24.6	-22.0	..

**TRADE**

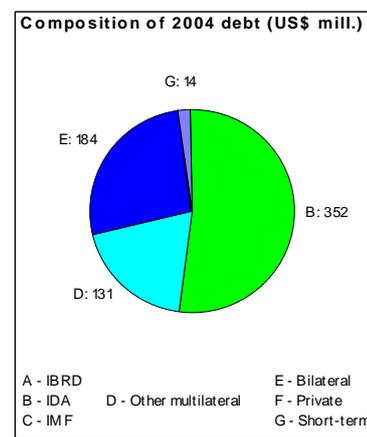
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	..	81	13	..
Food and live animals	..	22	5	..
Beverages and tobacco	..	3	0	..
Manufactures	..	31	4	..
Total imports (cif)	..	404	426	..
Food	..	68	123	..
Fuel and energy	..	38	5	..
Capital goods	..	173	128	..
Export price index (2000=100)	..	108	106	..
Import price index (2000=100)	..	101	116	..
Terms of trade (2000=100)	..	107	92	..

**BALANCE of PAYMENTS**

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	..	171	64	64
Imports of goods and services	..	448	559	572
Resource balance	..	-276	-495	-508
Net income	..	8	-15	-8
Net current transfers	..	237	405	371
Current account balance	..	-31	-105	-145
Financing items (net)	..	-27	105	..
Changes in net reserves	..	58	1	..
Memo:				
Reserves including gold (US\$ millions)	..	63	16	16
Conversion rate (DEC, local/US\$)	..	6.4	13.8	15.0

**EXTERNAL DEBT and RESOURCE FLOWS**

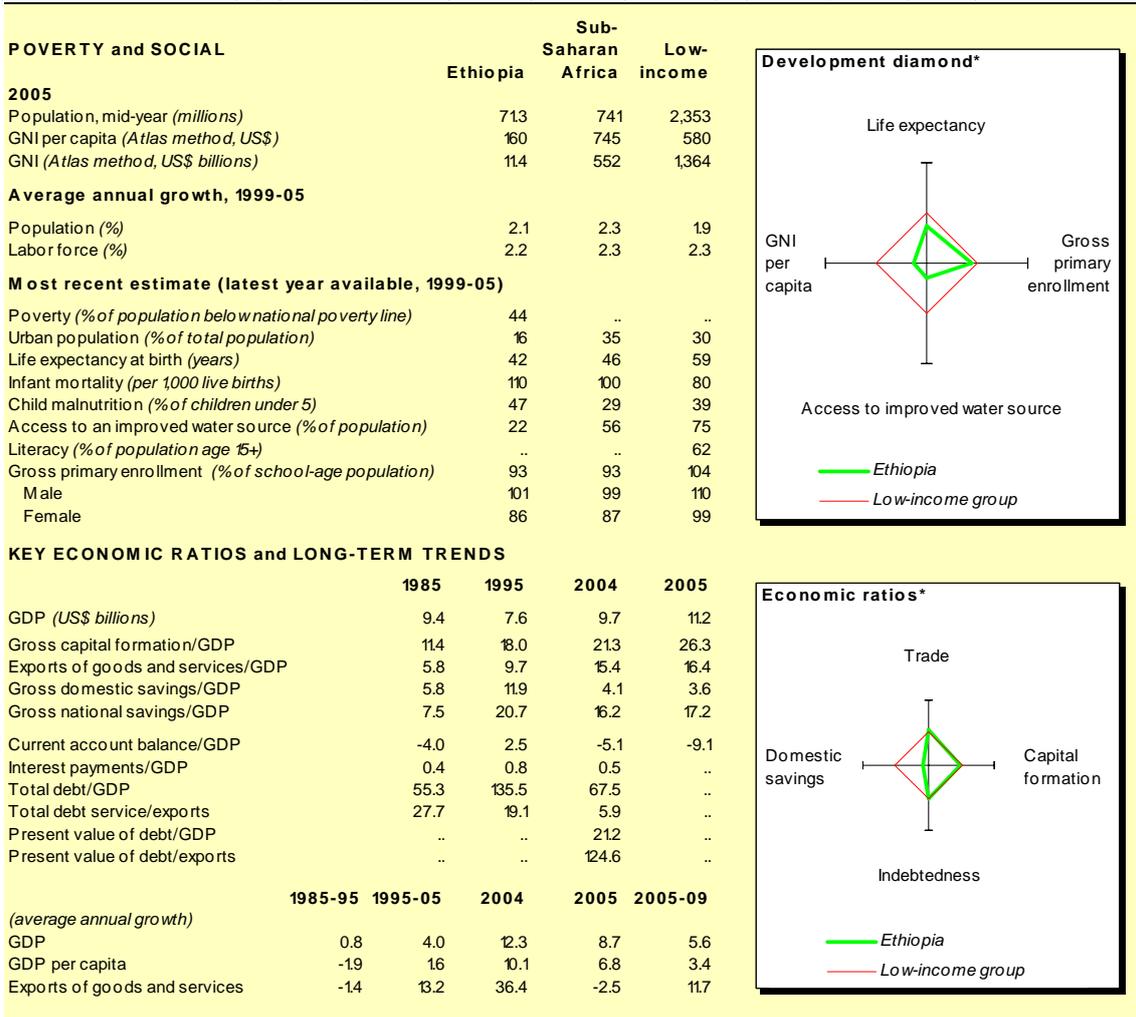
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	..	37	681	..
IBRD	..	0	0	0
IDA	..	24	352	381
Total debt service	..	0	19	..
IBRD	..	0	0	0
IDA	..	0	4	4
Composition of net resource flows				
Official grants	..	103	187	..
Official creditors	..	7	48	..
Private creditors	..	0	0	..
Foreign direct investment (net inflows)	..	0	30	..
Portfolio equity (net inflows)	..	0	0	..
World Bank program				
Commitments	..	0	29	..
Disbursements	..	5	36	57
Principal repayments	..	0	1	1
Net flows	..	5	35	57
Interest payments	..	0	3	3
Net transfers	..	5	32	54



Note: This table was produced from the Development Economics LDB database.

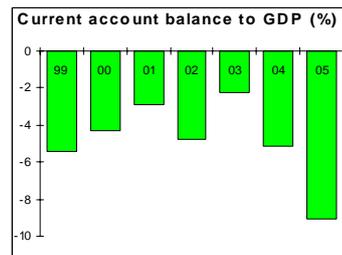
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Ethiopia at a glance



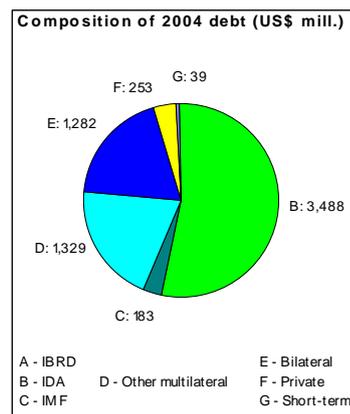
BALANCE of PAYMENTS

(US\$ millions)	1985	1995	2004	2005
Exports of goods and services	549	784	1,498	1,829
Imports of goods and services	1,082	1,272	3,171	4,367
Resource balance	-533	-488	-1,673	-2,538
Net income	-33	-60	-64	-36
Net current transfers	193	739	1,238	1,561
Current account balance	-373	190	-499	-1,013
Financing items (net)	420	-111	903	1,225
Changes in net reserves	-48	-79	-405	-212
Memo:				
Reserves including gold (US\$ millions)	216	589	1,350	1,555
Conversion rate (DEC, local/US\$)	2.1	6.3	8.6	8.7



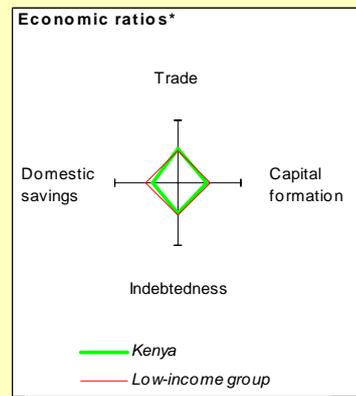
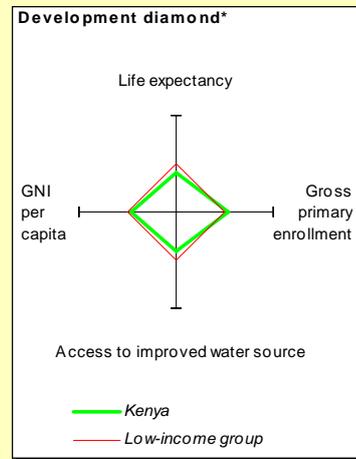
EXTERNAL DEBT and RESOURCE FLOWS

(US\$ millions)	1985	1995	2004	2005
Total debt outstanding and disbursed	5,206	10,308	6,574	..
IBRD	49	0	0	0
IDA	437	1,470	3,488	3,359
Total debt service	159	154	97	..
IBRD	7	4	0	0
IDA	6	23	36	72
Composition of net resource flows				
Official grants	515	476	1,422	..
Official creditors	527	189	259	..
Private creditors	59	-48	71	..
Foreign direct investment (net inflows)	0	14	545	..
Portfolio equity (net inflows)	0	0	0	..
World Bank program				
Commitments	32	142	189	..
Disbursements	50	84	202	162
Principal repayments	7	16	13	44
Net flows	43	67	189	118
Interest payments	7	11	23	28
Net transfers	36	56	167	90



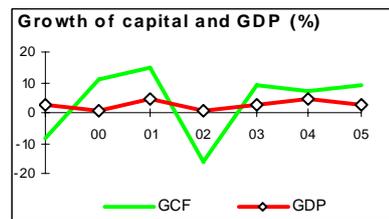
Kenya at a glance

POVERTY and SOCIAL	Kenya	Sub-Saharan Africa	Low-income		
2005					
Population, mid-year (millions)	34.3	741	2,353		
GNI per capita (Atlas method, US\$)	530	745	580		
GNI (Atlas method, US\$ billions)	18.2	552	1,364		
Average annual growth, 1999-05					
Population (%)	2.2	2.3	1.9		
Labor force (%)	2.6	2.3	2.3		
Most recent estimate (latest year available, 1999-05)					
Poverty (% of population below national poverty line)	..	..	..
Urban population (% of total population)	21	35	30		
Life expectancy at birth (years)	48	46	59		
Infant mortality (per 1,000 live births)	79	100	80		
Child malnutrition (% of children under 5)	20	29	39		
Access to an improved water source (% of population)	61	56	75		
Literacy (% of population age 15+)	74	..	62		
Gross primary enrollment (% of school-age population)	111	93	104		
Male	114	99	110		
Female	108	87	99		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1985	1995	2004	2005	
GDP (US\$ billions)	6.1	..	16.1	18.0	
Gross capital formation/GDP	25.3	..	18.3	25.4	
Exports of goods and services/GDP	25.3	..	26.2	24.7	
Gross domestic savings/GDP	20.5	..	12.6	19.2	
Gross national savings/GDP	18.4	..	16.9	23.6	
Current account balance/GDP	-6.9	..	-1.4	-6.0	
Interest payments/GDP	2.7	..	0.4	..	
Total debt/GDP	68.1	..	42.4	..	
Total debt service/exports	39.2	30.4	8.5	..	
Present value of debt/GDP	31.3	..	
Present value of debt/exports	18.0	..	
	1985-95	1995-05	2004	2005	2005-09
<i>(average annual growth)</i>					
GDP	3.2	2.4	4.3	2.8	4.8
GDP per capita	-0.1	0.1	2.0	0.4	3.9
Exports of goods and services	7.4	3.1	19.8	-18.5	13.6

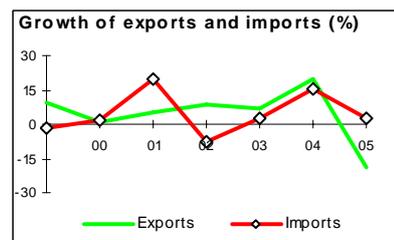


STRUCTURE of the ECONOMY

	1985	1995	2004	2005
<i>(% of GDP)</i>				
Agriculture	32.6	..	26.8	27.4
Industry	19.1	..	17.2	17.8
Manufacturing	11.7	..	11.1	12.4
Services	48.3	..	56.1	54.9
Household final consumption expenditure	62.1	..	70.4	69.8
General gov't final consumption expenditure	17.5	..	17.0	11.0
Imports of goods and services	30.1	..	31.8	30.9



	1985-95	1995-05	2004	2005
<i>(average annual growth)</i>				
Agriculture	1.6	2.8	1.4	0.7
Industry	3.3	1.3	3.4	1.4
Manufacturing	4.0	0.8	4.1	1.4
Services	4.2	2.6	5.3	1.6
Household final consumption expenditure	3.7	2.8	4.2	9.7
General gov't final consumption expenditure	7.0	0.7	-0.6	3.0
Gross capital formation	0.1	5.2	6.8	8.8
Imports of goods and services	8.9	4.5	15.3	2.8



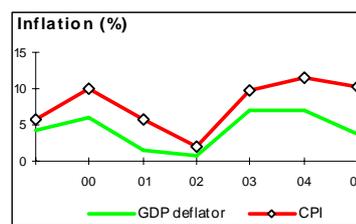
Note: 2005 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

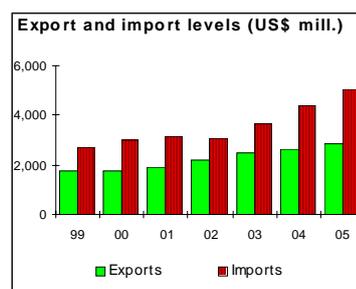
PRICES and GOVERNMENT FINANCE

	1985	1995	2004	2005
Domestic prices (% change)				
Consumer prices	13.0	16	116	10.3
Implicit GDP deflator	8.3	..	6.9	3.7
Government finance (% of GDP, includes current grants)				
Current revenue	24.2	..	21.1	21.4
Current budget balance	0.8	..	2.2	1.4
Overall surplus/deficit	-4.0	..	2.1	-2.9



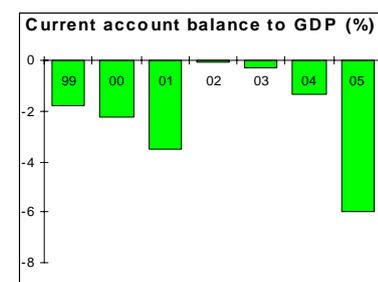
TRADE

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	940	1924	2,641	2,820
Petroleum	118	95	3	3
Coffee	281	282	101	111
Manufactures	108	467	599	619
Total imports (cif)	1,486	2,666	4,358	5,065
Food	112	96	185	185
Fuel and energy	461	401	955	901
Capital goods	340	995	1,183	1,601
Export price index (2000=100)	104	96	100	101
Import price index (2000=100)	109	93	111	110
Terms of trade (2000=100)	96	103	90	92



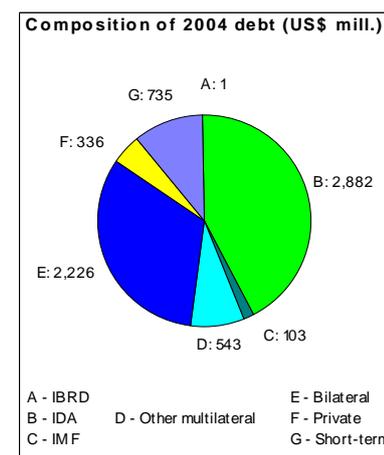
BALANCE of PAYMENTS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	1,552	2,948	4,207	4,843
Imports of goods and services	1,850	3,542	5,114	6,572
Resource balance	-297	-594	-907	-1,729
Net income	-209	-320	-130	-110
Net current transfers	81	404	817	767
Current account balance	-425	-509	-220	-1,073
Financing items (net)	518	381	473	1,200
Changes in net reserves	-92	129	-253	-127
Memo:				
Reserves including gold (US\$ millions)	417	473	1,563	2,043
Conversion rate (DEC, local/US\$)	16.4	51.4	79.2	75.6



EXTERNAL DEBT and RESOURCE FLOWS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	4,181	7,309	6,826	..
IBRD	751	435	1	0
IDA	409	1,977	2,882	2,663
Total debt service	621	904	364	..
IBRD	85	144	5	1
IDA	5	24	73	77
Composition of net resource flows				
Official grants	195	242	373	..
Official creditors	135	274	6	..
Private creditors	8	-163	-111	..
Foreign direct investment (net inflows)	29	32	46	..
Portfolio equity (net inflows)	0	6	3	..
World Bank program				
Commitments	6	65	354	..
Disbursements	113	159	79	34
Principal repayments	35	110	57	55
Net flows	77	49	22	-21
Interest payments	55	58	22	23
Net transfers	22	-8	0	-44



Note: This table was produced from the Development Economics LDB database.

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Somalia at a glance

POVERTY and SOCIAL	Somalia	Sub-Saharan Africa	Low-income		
2005					
Population, mid-year (millions)	8.2	741	2,353		
GNI per capita (Atlas method, US\$)	..	745	580		
GNI (Atlas method, US\$ billions)	..	552	1,364		
Average annual growth, 1999-05					
Population (%)	3.2	2.3	1.9		
Labor force (%)	3.1	2.3	2.3		
Most recent estimate (latest year available, 1999-05)					
Poverty (% of population below national poverty line)	..	..	..
Urban population (% of total population)	35	35	30		
Life expectancy at birth (years)	47	46	59		
Infant mortality (per 1000 live births)	133	100	80		
Child malnutrition (% of children under 5)	26	29	39		
Access to an improved water source (% of population)	29	56	75		
Literacy (% of population age 15+)	..	..	62
Gross primary enrollment (% of school-age population)	..	93	104		
Male	..	99	110		
Female	..	87	99		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1985	1995	2004	2005	
GDP (US\$ billions)	0.88	
Gross capital formation/GDP	29.8	
Exports of goods and services/GDP	6.3	
Gross domestic savings/GDP	16.8	
Gross national savings/GDP	21.4	
Current account balance/GDP	-12.7	
Interest payments/GDP	0.3	
Total debt/GDP	187.0	
Total debt service/exports	14.2	
Present value of debt/GDP	
Present value of debt/exports	
	1985-95	1995-05	2004	2005	2005-09
<i>(average annual growth)</i>					
GDP	12
GDP per capita	0.5
Exports of goods and services

Development diamond*

Life expectancy

GNI per capita

Gross primary enrollment

Access to improved water source

— Somalia

— Low-income group

Economic ratios*

Trade

Domestic savings

Capital formation

Indebtedness

— Somalia

— Low-income group

STRUCTURE of the ECONOMY

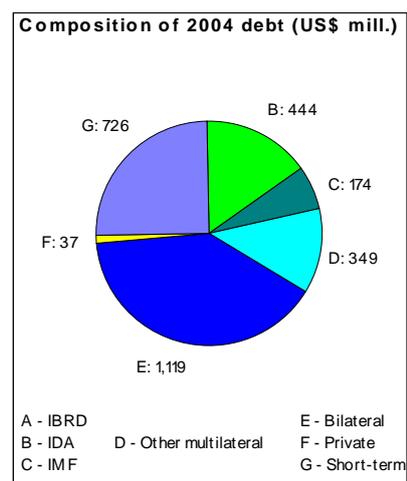
	1985	1995	2004	2005
<i>(% of GDP)</i>				
Agriculture	66.8	..	..	..
Industry	7.7	..	..	..
Manufacturing	5.0	..	..	..
Services	25.6	..	..	..
Household final consumption expenditure	..	..	..	..
General gov't final consumption expenditure	..	..	..	..
Imports of goods and services	19.3	..	..	..
	1985-95	1995-05	2004	2005
<i>(average annual growth)</i>				
Agriculture	2.1	..	..	..
Industry	-0.6	..	..	..
Manufacturing	-3.8	..	..	..
Services	0.5	..	..	..
Household final consumption expenditure	..	..	..	..
General gov't final consumption expenditure	..	..	..	..
Gross capital formation	..	..	..	..
Imports of goods and services	..	..	..	..

Note: 2005 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

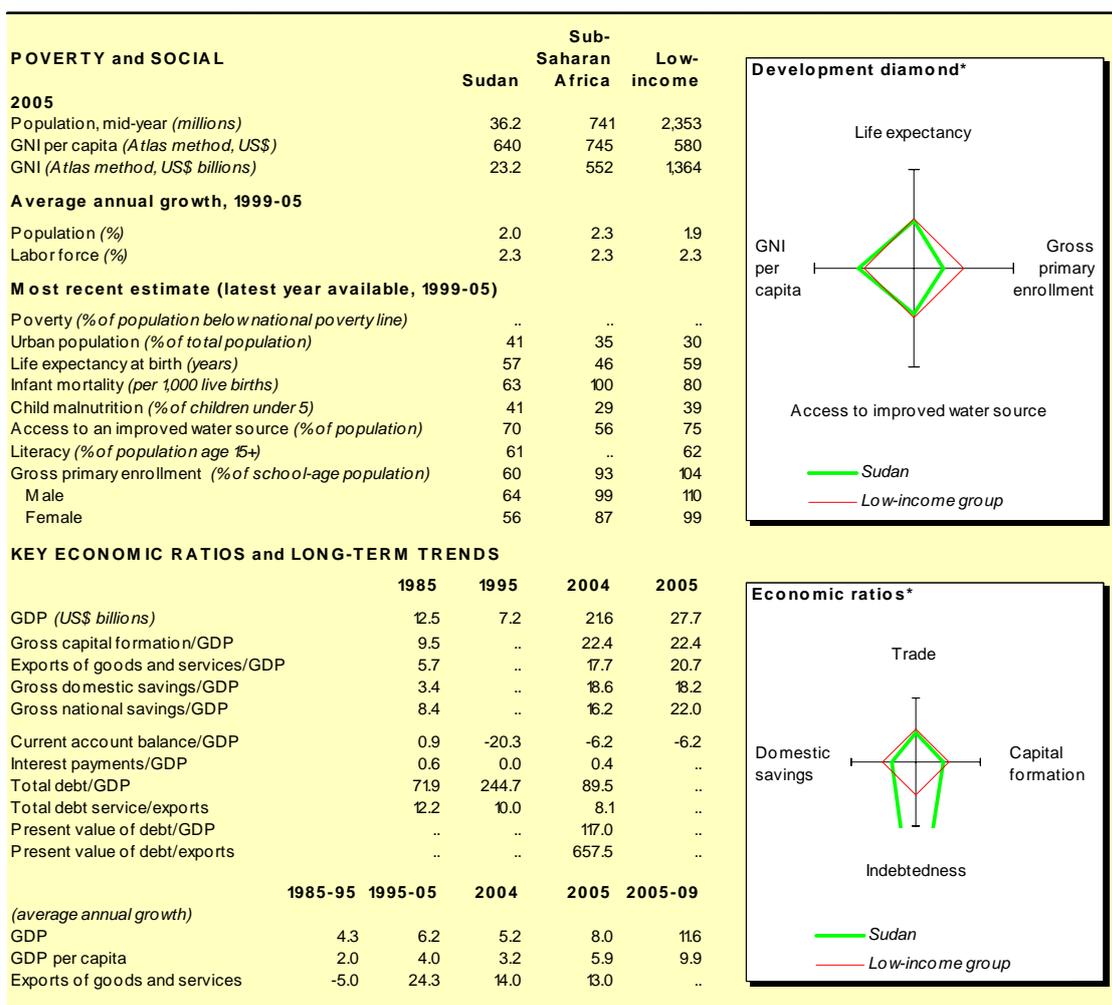
PRICES and GOVERNMENT FINANCE				
	1985	1995	2004	2005
Domestic prices				
<i>(% change)</i>				
Consumer prices	..	..	..	..
Implicit GDP deflator	29.6	..	..	..
Government finance				
<i>(% of GDP, includes current grants)</i>				
Current revenue	..	..	..	..
Current budget balance	..	..	..	..
Overall surplus/deficit	..	..	..	..
TRADE				
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	93	..	..	..
Commodity 1	..	..	..	..
Commodity 2	..	..	..	..
Manufactures	..	..	..	..
Total imports (cif)	373	..	..	..
Food	100	..	..	..
Fuel and energy	13	..	..	..
Capital goods	236	..	..	..
Export price index (2000=100)	..	..	..	..
Import price index (2000=100)	..	..	..	..
Terms of trade (2000=100)	..	..	..	..
BALANCE of PAYMENTS				
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	141	..	..	..
Imports of goods and services	427	..	..	..
Resource balance	-286	..	..	..
Net income	-49	..	..	..
Net current transfers	224	..	..	..
Current account balance	-111	..	..	..
Financing items (net)	113	..	..	..
Changes in net reserves	-2	..	..	..
Memo:				
Reserves including gold (US\$ millions)	9	..	..	..
Conversion rate (DEC, local/US\$)	99.7	..	..	..
EXTERNAL DEBT and RESOURCE FLOWS				
	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	1639	2,678	2,849	..
IBRD	0	0	0	0
IDA	186	432	444	422
Total debt service	20	1	0	..
IBRD	0	0	0	0
IDA	2	0	0	0
Composition of net resource flows				
Official grants	113	149	183	..
Official creditors	104	0	0	..
Private creditors	7	0	0	..
Foreign direct investment (net inflows)	-1	1	9	..
Portfolio equity (net inflows)	0	0	0	..
World Bank program				
Commitments	21	0	0	..
Disbursements	39	0	0	0
Principal repayments	1	0	0	0
Net flows	38	0	0	0
Interest payments	1	0	0	0
Net transfers	37	0	0	0



Note: This table was produced from the Development Economics LDB database.

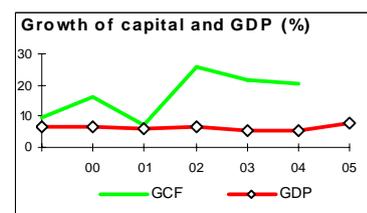
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Sudan at a glance

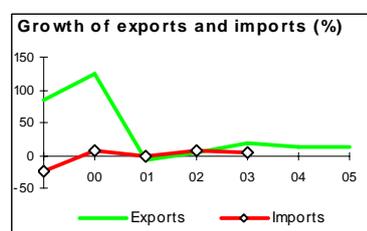


STRUCTURE of the ECONOMY

	1985	1995	2004	2005
<i>(% of GDP)</i>				
Agriculture	33.5	..	35.4	33.7
Industry	16.5	..	26.6	29.7
Manufacturing	8.6	..	7.5	6.6
Services	50.0	..	38.0	36.6
Household final consumption expenditure	84.3	..	69.6	64.5
General govt final consumption expenditure	12.3	..	11.9	17.3
Imports of goods and services	11.9	..	21.5	24.8



	1985-95	1995-05	2004	2005
<i>(average annual growth)</i>				
Agriculture	3.3	10.4	..	..
Industry	3.8	7.0	..	..
Manufacturing	2.8	-2.7	..	..
Services	5.3	4.2	..	..
Household final consumption expenditure	5.7	..	..	..
General govt final consumption expenditure	-3.4
Gross capital formation	3.8	10.3	20.5	..
Imports of goods and services	0.6	6.9



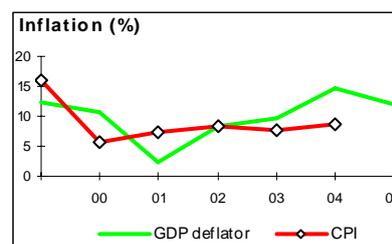
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* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

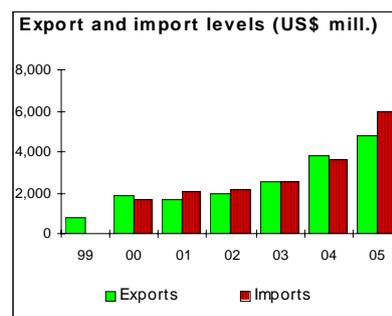
PRICES and GOVERNMENT FINANCE

	1985	1995	2004	2005
Domestic prices (% change)				
Consumer prices	45.4	68.4	8.5	..
Implicit GDP deflator	46.2	66.6	14.8	12.1
Government finance (% of GDP, includes current grants)				
Current revenue	10.8	8.9	19.8	21.8
Current budget balance	-9.0	-0.1	6.1	14
Overall surplus/deficit	..	-1.9	1.5	-1.6



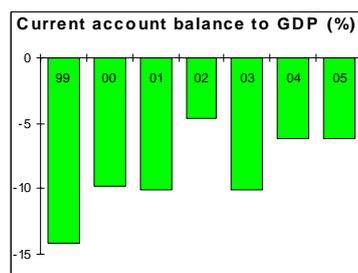
TRADE

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	444	556	3,778	4,825
Sesame	..	..	3,101	4,187
Cotton	..	..	..	..
Manufactures	..	..	..	..
Total imports (cif)	1,114	1,219	3,586	5,946
Food	192	215	514	713
Fuel and energy	286	194	81	283
Capital goods	254	210	1,521	2,747
Export price index (2000=100)	..	18	161	172
Import price index (2000=100)	..	24	171	191
Terms of trade (2000=100)	..	77	94	90



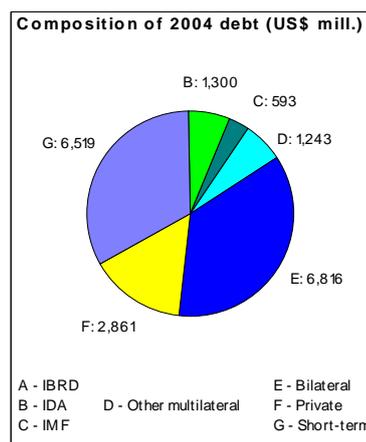
BALANCE of PAYMENTS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	818	687	3,822	4,937
Imports of goods and services	926	1,356	4,650	7,701
Resource balance	-108	-669	-828	-2,764
Net income	-524	-914	-1,635	-1,933
Net current transfers	747	121	1,123	2,974
Current account balance	116	-1,462	-1,340	-1,723
Financing items (net)	-159	1,485	..	..
Changes in net reserves	44	-23	..	..
Memo:				
Reserves including gold (US\$ millions)	35	163	524	554
Conversion rate (DEC, local/US\$)	0.1	58.1	257.9	243.6



EXTERNAL DEBT and RESOURCE FLOWS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	8,955	17,603	19,332	..
IBRD	43	6	0	0
IDA	517	1,272	1,300	1,234
Total debt service	149	69	312	..
IBRD	7	0	0	0
IDA	6	0	4	3
Composition of net resource flows				
Official grants	775	149	792	..
Official creditors	85	36	-32	..
Private creditors	0	0	54	..
Foreign direct investment (net inflows)	-3	0	1,511	..
Portfolio equity (net inflows)	0	0	0	..
World Bank program				
Commitments	51	0	0	..
Disbursements	38	0	0	0
Principal repayments	7	0	2	1
Net flows	31	0	-2	-1
Interest payments	6	0	2	1
Net transfers	25	0	-4	-3

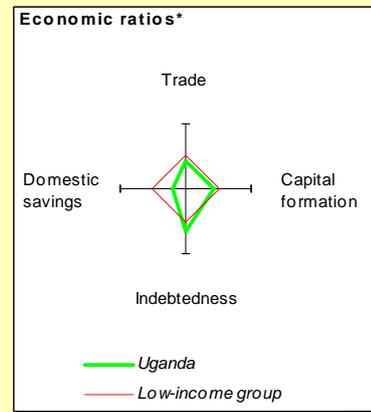
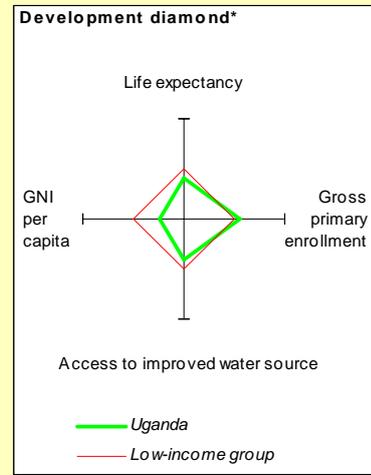


Note: This table was produced from the Development Economics LDB database.

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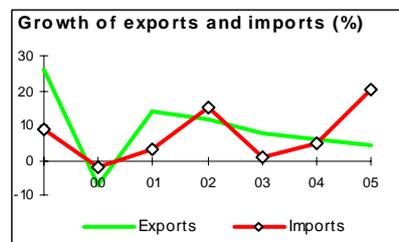
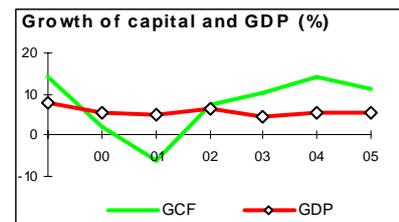
Uganda at a glance

POVERTY and SOCIAL	Sub-Saharan Africa				
	Uganda	Africa	Low-income		
2005					
Population, mid-year (millions)	28.8	741	2,353		
GNI per capita (Atlas method, US\$)	280	745	580		
GNI (Atlas method, US\$ billions)	8.1	552	1,364		
Average annual growth, 1999-05					
Population (%)	3.4	2.3	1.9		
Labor force (%)	3.0	2.3	2.3		
Most recent estimate (latest year available, 1999-05)					
Poverty (% of population below national poverty line)	38	..	..
Urban population (% of total population)	13	35	30		
Life expectancy at birth (years)	49	46	59		
Infant mortality (per 1,000 live births)	80	100	80		
Child malnutrition (% of children under 5)	23	29	39		
Access to an improved water source (% of population)	60	56	75		
Literacy (% of population age 15+)	67	..	62		
Gross primary enrollment (% of school-age population)	118	93	104		
Male	118	99	110		
Female	117	87	99		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1985	1995	2004	2005	
GDP (US\$ billions)	3.5	5.8	6.8	8.7	
Gross capital formation/GDP	8.7	12.4	22.5	22.7	
Exports of goods and services/GDP	13.7	11.8	13.7	14.6	
Gross domestic savings/GDP	7.5	4.8	9.1	9.1	
Gross national savings/GDP	7.5	9.7	10.2	12.1	
Current account balance/GDP	-2.5	-7.7	-12.0	-10.2	
Interest payments/GDP	0.5	0.6	0.5	..	
Total debt/GDP	35.0	62.2	70.7	..	
Total debt service/exports	38.0	19.8	7.8	..	
Present value of debt/GDP	30.2	..	
Present value of debt/exports	156.3	..	
	1985-95	1995-05	2004	2005	2005-09
<i>(average annual growth)</i>					
GDP	6.1	5.8	5.6	5.6	5.9
GDP per capita	2.4	2.5	2.0	1.9	3.6
Exports of goods and services	5.9	8.4	6.2	4.4	5.6



STRUCTURE of the ECONOMY

	1985	1995	2004	2005
<i>(% of GDP)</i>				
Agriculture	52.7	49.4	32.2	33.5
Industry	9.9	14.3	21.2	20.9
Manufacturing	5.8	6.8	9.2	9.0
Services	37.4	36.3	46.6	45.6
Household final consumption expenditure	78.0	84.0	76.4	76.7
General gov't final consumption expenditure	14.5	11.2	14.5	14.2
Imports of goods and services	15.0	20.8	27.5	27.7
<i>(average annual growth)</i>				
Agriculture	4.0	4.0	5.2	5.1
Industry	9.3	8.4	5.6	9.1
Manufacturing	9.8	8.5	4.0	6.7
Services	6.8	7.2	6.3	7.2
Household final consumption expenditure	5.4	5.2	3.0	5.0
General gov't final consumption expenditure	4.8	5.5	6.1	7.5
Gross capital formation	7.6	5.3	14.0	11.5
Imports of goods and services	3.9	5.5	5.1	20.2



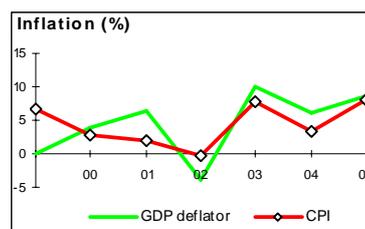
Note: 2005 data are preliminary estimates.

This table was produced from the Development Economics LDB database.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

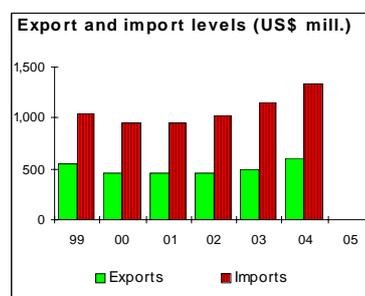
PRICES and GOVERNMENT FINANCE

	1985	1995	2004	2005
Domestic prices				
<i>(% change)</i>				
Consumer prices	157.7	8.6	3.3	8.2
Implicit GDP deflator	120.3	9.4	6.1	8.6
Government finance				
<i>(% of GDP, includes current grants)</i>				
Current revenue	9.1	9.8	12.6	..
Current budget balance	0.3	0.6	-0.7	..
Overall surplus/deficit	-4.3	-6.9	-10.6	..



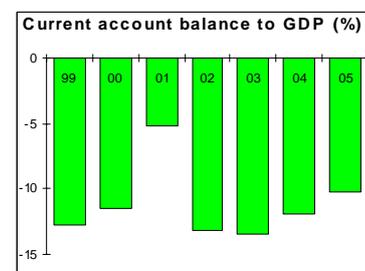
TRADE

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total exports (fob)	383	595	603	..
Coffee	353	457	108	..
Cotton	..	3	29	..
Manufactures	..	..	..	..
Total imports (cif)	404	1085	1,336	..
Food	..	..	..	..
Fuel and energy	76	64	144	..
Capital goods	..	..	..	..
Export price index (2000=100)	247	188	86	..
Import price index (2000=100)	62	96	94	..
Terms of trade (2000=100)	395	196	91	..



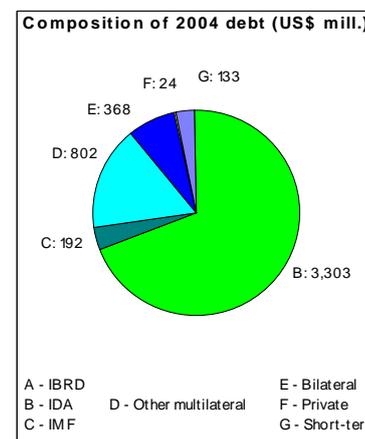
BALANCE of PAYMENTS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Exports of goods and services	408	667	979	1,151
Imports of goods and services	484	1,383	1,880	2,290
Resource balance	-76	-716	-902	-1,139
Net income	-53	-58	-139	-167
Net current transfers	40	330	225	419
Current account balance	-89	-444	-816	-887
Financing items (net)	128	591	1,044	1,127
Changes in net reserves	-39	-146	-228	-240
Memo:				
Reserves including gold (US\$ millions)	85	388	1,112	1,087
Conversion rate (DEC, local/US\$)	5.1	932.5	1,934.9	1,737.2



EXTERNAL DEBT and RESOURCE FLOWS

	1985	1995	2004	2005
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	1,231	3,582	4,822	..
IBRD	37	0	0	0
IDA	285	1,792	3,303	3,411
Total debt service	155	135	103	..
IBRD	3	12	0	0
IDA	4	21	41	74
Composition of net resource flows				
Official grants	47	400	916	..
Official creditors	140	174	167	..
Private creditors	6	-9	7	..
Foreign direct investment (net inflows)	-4	121	222	..
Portfolio equity (net inflows)	0	0	1	..
World Bank program				
Commitments	44	94	25	..
Disbursements	92	160	138	133
Principal repayments	2	20	17	49
Net flows	90	140	121	84
Interest payments	5	13	24	25
Net transfers	86	126	96	58



Note: This table was produced from the Development Economics LDB database.

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Annex 15: Maps

IGAD Regional HIV/AIDS Partnership Program (IRAPP) Support Project

