



# Technical Assistance Report

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Project Number: 54297-002  
Transaction Technical Assistance (TRTA)  
October 2021

## Islamic Republic of Pakistan: Preparing the Khyber Pakhtunkhwa Health Systems Strengthening Program (KPHSSP)

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## **CURRENCY EQUIVALENTS**

(as of 21 September 2021)

Currency unit	–	Pakistan rupee/s (PRe/PRs)
PRe1.00	=	\$0.005923
\$1.00	=	PRs168.825

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
DLI	–	disbursement-linked indicator
GOKP	–	Government of Khyber Pakhtunkhwa
DOH	–	Department of Health
HRH	–	human resources for health
RBL	–	results-based lending
TRTA	–	transaction technical assistance

## **NOTES**

- (i) The fiscal year (FY) of the Government of Islamic Republic of Pakistan ends on 30 June. “FY” before a calendar year denotes the year in which the fiscal year ends, e.g., FY2021 ends on 30 June 2021.
- (ii) In this report, “\$” refers to United States dollars.

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## TRANSACTION TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 54297-002</b>	
<b>Project Name</b>	Preparing the Khyber Pakhtunkhwa Health Systems Strengthening Program (KPHSSP)	<b>Department/Division</b>	CWRD/CWSS
<b>Nature of Activity Modality</b>	Project Preparation Regular	<b>Executing Agency</b>	Department of Health, Khyber Pakhtunkhwa
<b>Country</b>	Pakistan		
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
✓ Health	Health sector development and reform		0.50
		<b>Total</b>	<b>0.50</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Addressing remaining poverty and reducing inequalities		GHG Reductions (tons per annum)	0.000
✓ Accelerating progress in gender equality		Climate Change impact on the Project	Low
✓ Strengthening governance and institutional capacity			
		<b>ADB Financing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
<b>Sustainable Development Goals</b>		<b>Gender Equity and Mainstreaming</b>	
SDG 1.5		Effective gender mainstreaming (EGM)	✓
SDG 3.8			
SDG 5.1		<b>Poverty Targeting</b>	
SDG 10.4		General Intervention on Poverty	✓
<b>4. Risk Categorization</b>	Complex		
<b>5. Safeguard Categorization</b>	Safeguard Policy Statement does not apply		
<b>6. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>0.50</b>	
Transaction technical assistance: Technical Assistance Special Fund		0.50	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>0.50</b>	
<b>Currency of ADB Financing: US Dollar</b>			

## I. THE ENSUING PROGRAM

1. The proposed Khyber Pakhtunkhwa Health Systems Strengthening Program will support the Revamping Secondary Health Care program of the Government of Khyber Pakhtunkhwa (GOKP) of the Khyber Pakhtunkhwa Province, Islamic Republic of Pakistan. The program will assist in achieving the goal of the Department of Health (DOH) of GOKP in strengthening the health system and providing quality health care services that are accessible, efficient, and equitable, especially for the poor and vulnerable.<sup>1</sup> The program will support the health sector by (i) strengthening and streamlining the human resources for health management, (ii) strengthening the DOH's capacity to deliver health services, (iii) improving governance and financing quality, (iv) transforming secondary care facilities, and (v) ensuring availability of quality medicines.

2. The Khyber Pakhtunkhwa is the smallest province geographically with 35 million inhabitants in 2017 according to preliminary census estimates, including the population of 5 million of the former Federally Administered Tribal Areas. GOKP's budget for FY2021 is PRs923 billion, while the DOH's budget is PRs124 billion, which amounts to 13.4% of the total budget and shows the commitment to improving the health sector.

3. Health care was devolved to the provinces in 2010 under the 18th Amendment of the Constitution. Progress in improving health indicators has been relatively slow in Pakistan, and Khyber Pakhtunkhwa has consistently performed below the national average for Pakistan. There is significant bypassing of primary and secondary care, with tertiary hospitals carrying the bulk of the load.

## II. THE TECHNICAL ASSISTANCE

### A. Justification

4. Under the Revamping Secondary Health Care, quality of services will be ensured by implementing the Minimum Health Services Delivery Package for Secondary Care Khyber Pakhtunkhwa.<sup>2</sup> A results-based lending (RBL) program lends itself to investing in measurable improvements in quality of care,<sup>3</sup> such as, the establishment of multidisciplinary hospital quality committees to candidly discuss patient treatment events, learn from errors and discern possible future improvements, and the introduction and implementation of clinical pathways. Through a well-defined disbursement-linked indicators (DLIs), the RBL will create incentives and accountability for results. One such DLI is a reduction of surgical site infections, a leading cause of complications and death in patients who have had operations, which is considered a good indicator of in-hospital quality of surgery and after-care.<sup>4</sup> Implemented and institutionalized, the aforementioned quality gains coupled with preventive and corrective maintenance plans, enhanced human resources for health (HRH) management, and forecasting of health demand and supply, will make the quality of care sustainable, leading to a lasting impact of the program.

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<sup>1</sup> Government of Khyber Pakhtunkhwa, Department of Health. 2018. [Khyber Pakhtunkhwa Health Policy \(2018-2025\)](#). Peshawar.

<sup>2</sup> GOKP, DOH. 2019. [Minimum Health Services Delivery Package for Secondary Care Khyber Pakhtunkhwa](#). Peshawar.

<sup>3</sup> Next to quality medical equipment and infrastructure and availability of medicines, quality of care also concerns medical and supporting staff that all collaborate in an organized, conducive, accountable, evidence-based, and optimal manner.

<sup>4</sup> As opposed to, for example, maternal deaths, which may be due outside factors, such as late referral.

5. The transaction technical assistance (TRTA) will help GOKP to (i) review the technical, economic, and financial viability of the program and ascertain the program rationale, scope, cost, schedule, implementation arrangements, risks and mitigation measures; (ii) ensure compliance with ADB's Safeguard Policy Statement (2009) and identify mitigation measures and institutional strengthening actions; and (iii) assist the program executing and implementing agencies undertake advance actions for the ensuing program.

## **B. Outputs and Activities**

6. **Output 1:** RBL program preparation and program due diligence undertaken. This will include assisting in the preparation of all documents required for program processing, including linked documents, program implementation document, and program implementation startup support.

7. **Output 2:** Quality of care measurement indicators established for monitoring and reporting. Developing and fine-tuning of the DLIs, including proposed disbursements in amounts or percentages of the loan amount. Developed and government agreed proposal for an independent third-party verification agent to verify the achievement of DLIs before disbursing by ADB.

8. **Output 3:** Framework for Clinical Pathways Developed. Development of a framework for clinical standards and protocols remains a major objective of Khyber Pakhtunkhwa's health strategy to streamline the health sector development and quality review. The program will help GOKP meet this objective by designing a framework to develop standard gender-sensitive protocols and pathways for diagnostic and therapeutic procedures elaborated for the top 10 causes of morbidity and mortality at SHC hospitals. Review HRH imbalances and requirements related to strengthening of SHC. Develop an HRH plan and design the development of a medium to long-term health needs planning tool to be institutionalized at DOH. Review the pharmaceutical supply chain at SHC hospitals, and assess the refurbishment plans for the pharmacies, according to international best practices. Design a short-to-medium-term medicine and supply needs planning tool institutionalized at DOH.

9. **Output 4:** Analysis in changes in health outcomes and quality of care due to improvements in SHC triggered by the program.

## **C. Cost and Financing**

10. The TRTA is estimated to cost \$0.50 million which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-7). The key expenditure items are listed in Appendix 1. The government will provide counterpart support in the form of office accommodation for the program implementation unit and consultants, venue meetings, access to data, exemptions on taxes and duties and other in-kind contributions. The government was informed that approval of the TRTA does not commit ADB to finance any ensuing program.

## **D. Implementation Arrangements**

11. ADB will administer the TRTA which will be implemented from October 2021 to June 2022. The Social Sector Division of ADB's Central and West Asia Regional Department will select, supervise, and evaluate consultants, and will be the coordinator of consulting inputs and activities. The DOH will be the executing agency.

12. The implementation arrangements are summarized in the table.

**Table 1: Implementation Arrangements**

Aspects	Arrangements		
Indicative implementation period	October 2021 – June 2022		
Executing agency	Department of Health		
Implementing agency	Social Sector Division, Central and West Asia Department, ADB		
Consultants	To be selected and engaged by ADB		
	Individual selection: ICS	International (24 person-months)	\$444,835
		National (24 person-months)	\$54,165
Procurement	To be procured by consultants		
	Request for Quotations	Equipment including ICT (information and communication technology) equipment and accessories; 1–2 small contracts	Approximately \$1,000
Disbursement	Disbursement of TA resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time).		
Asset turnover or disposal arrangement upon TRTA completion	Equipment, information, and communication technology-related hardware and software, and any facility equipment and furniture purchased will be turned over to the executing agency upon completion of the technical assistance.		

ADB = Asian Development Bank, ICS = individual consultant selection, ICT = information and communication technology, TRTA = transaction technical assistance.

Source: Asian Development Bank.

13. **Consulting services.** ADB will recruit individual consultants to implement the TRTA. About 48 person-months of consulting services in health economics, quality of care, procurement, financial management, HRH and gender and social safeguards are required, of which 24 person-months are international and 24 person-months national. ADB will engage consultants and procure equipment and goods for consultants' use during TRTA implementation following the ADB's Procurement Policy - Goods, Works, Non-consulting and Consulting Services (2017, as amended from time to time) and associated program administration instructions and/or staff instructions. The TRTA consulting services requirements are in Table 2.<sup>5</sup>

**Table 2: Summary of Consulting Services Requirement**

Positions	Person-Months Required
<b>International</b>	
Quality of Care Specialist	3.0
Biomedical Engineer	3.0
Clinical Pathway Specialist	2.0
Environmental Safeguards Specialist	2.0
Financial Management Specialist	2.0
Gender and Social Safeguards Specialist	3.0
Health Economist	2.0
Hospital Infrastructure Specialist	2.0
Human Resources for Health Specialist	3.0
Procurement Specialist	2.0
<b>National</b>	
Biomedical Engineer	4.0
Environment Specialist	4.0
Financial Management Specialist	4.0
Gender Specialist	4.0

<sup>5</sup> Terms of reference for consultants (accessible from the list of linked documents in Appendix 2).



<b>Positions</b>	<b>Person-Months Required</b>
Procurement Specialist	4.0
Quality of Care Specialist	4.0

Source: Asian Development Bank estimates.

## **E. Governance**

14. The TA will help conduct the due diligence for the ensuing program including the fiduciary system assessment, financial management assessment, financial evaluation, financial analysis, risk assessment, and risk management plan. The TA will undertake safeguard screening and categorization results and prepare safeguard documents on environment and involuntary resettlement. The due diligence will be conducted in accordance with the respective ADB guidelines and requirements.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Amount
<b>A. Asian Development Bank<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	369.6
ii. National consultants	33.6
b. Out-of-pocket expenditures	
i. International and local travel	27.2
ii. Goods (rental and/or purchase) <sup>b</sup>	1.0
iii. Surveys	4.0
iv. Reports and communications	2.0
v. Miscellaneous administration and support costs <sup>c</sup>	2.0
2. Training, seminars, and conferences <sup>d</sup>	
i. Facilitators	2.0
ii. Venue rental and related facilities	2.0
3. Contingencies	56.6
<b>Total</b>	<b>500.0</b>

Note: The transaction technical assistance (TRTA) is estimated to cost \$0.50 million, of which contributions from the Asian Development Bank are presented in the table. The government will provide counterpart support in the form of exemptions on taxes and duties, counterpart staff, office accommodation, venue meetings, access to data, and other in-kind contributions. The value of the government contribution is estimated to account for 10% of the total TA cost.

<sup>a</sup> Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-7).

<sup>b</sup> Includes router, modem and other information and communication technology-related accessories, multifunction printer with scanner, and small office supplies and furniture. Equipment will be turned over to the executing agency upon completion of TRTA activities.

<sup>c</sup> Includes consultants' office operations and related cost.

<sup>d</sup> Includes rent of venue, cost of materials, refreshments, hiring of resource persons, honorarium, travel-related costs, and other workshop-related expenses.

Source: Asian Development Bank estimates.

**LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/LinkedDocs/?id=54297-002-TARreport>

1. Terms of Reference for Consultants