PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE

Report No.: PIDA1174

Project Name	UGANDA REPRODUCTIVE HEALTH VOUCHER PROJECT (P144102)
Region	AFRICA
Country	Uganda
Sector(s)	Health (100%)
Theme(s)	Population and reproductive health (70%), Health system performance (20%), HIV/AIDS (10%)
Lending Instrument	Investment Project Financing
Project ID	P144102
Borrower(s)	Ministry of Finance, Planning and Economic Development
Implementing Agency	Ministry of Health
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	01-Aug-2013
Date PID Approved/Disclosed	02-Aug-2013
Estimated Date of Appraisal Completion	06-Aug-2013
Estimated Date of Board Approval	31-Oct-2013
Decision	

I. Project Context

Country Context

Uganda over the past 20 years, from 1990 to 2000 experienced sustained economic growth averaging 7 percent . However, in recent years, the rate of growth has slowed down and is characterized by increased volatility. The growth rate dropped to 3.4% in 2012 and is projected to remain around 4.5% in 2013. Uganda is among the least developed countries in the world with GDP per capita of US$320. Poverty levels remain quite high with half of the population subsisting on less than US$1.25 per day. The high population growth rate (3.2%) and dependency ratio (1.12), which are among the highest in the world are partly responsible for Uganda not fully realizing the benefits of the robust economic growth of the last two decades.

Uganda's medium term development framework is outlined in the five year National Development Plan, 2011 – 2015 (NDP). The plan seeks to transform the economy through: (a) raising income levels; (b) improving labor force distribution; (c) improving human development outcomes; and (d) improving Uganda's competitiveness. The proposed project will contribute to the NDP objectives of enhancing human capital development and increasing access to quality social services as well as the goals of the health sector as outlined in the National Health Policy (NHP, 2010/11 – 2019/20)

and Health Sector Strategic Investment Plan (HSSIP, 2010/11 – 2014/15) of improving the overall health of Ugandans, reducing health inequalities and enhancing socio-economic development. The government seeks to achieve the health sector goals through through improving health service delivery by scaling up access to critical and cost-effective interventions and overcoming key performance impediments in the areas of human resources for health, supplies of medicines, and functionality of the existing health infrastructure.

Uganda's progress towards the Millennium Development Goals (MDG) is mixed. Uganda is on track to achieve the MDG targets of halving poverty and improving gender equality and empowerment of women, and has made significant progress in improving access to HIV/AIDS treatment and access to safe water. On the other hand, progress has been slow for other MDGs, especially those related to child and maternal mortality, access to reproductive health services, and control of malaria and other communicable diseases. Maternal mortality remains a major problem in Uganda. Without accelerated progress, the country is unlikely to achieve the MDG on reducing maternal mortality by three-quarters by 2015. Although the 2011 Demographic and Health Survey (DHS) findings reported improvements in skilled delivery attendance and contraceptive prevalence rate (CPR) from 42% to 59% and 24% to 30% between 2006 and 2011 respectively, these did not result in reduced maternal mortality and need to be sustained for Uganda to realize better reproductive health outcomes. While 80% of health facilities (hospitals and health center type 2 and 3) in Uganda provide Prevention of Mother to Child Transmission of HIV (PMTCT) services actual coverage is estimated to be only 52%.

Sectoral and institutional Context

Peri-natal and maternal morbidity and mortality are major causes of the high disease burden in Uganda, accounting for 20.4 percent of the burden . Hemorrhage, abortion, sepsis, obstructed labor, pregnancy induced hypertension and malaria are the major causes of maternal deaths and still births. These conditions are preventable if women can access obstetric services of high quality. The low coverage of skilled delivery services, especially comprehensive emergency obstetric care, is a major challenge . According to the 2011/2012 Annual Health Sector Performance Report, only 7% of sampled facilities were able to provide comprehensive emergency obstetric care. Adolescent reproductive health services are generally limited despite high rates of teenage pregnancies. Although contraceptive prevalence rate has been increasing, it remains low and unmet need for contraceptives has remained high. Induced abortions are quite common; it is estimated that about 297,000 induced abortions take place annually. Total fertility rate of 6.2 births per woman in the reproductive age group is among the highest in the world. In addition, vertical transmission of HIV to children by mothers contributes over 15% of HIV new infections annually.

Reversing poor maternal health outcomes is a key priority for Uganda. The strategies as outlined in the Road Map for Acceleration of Maternal and Neonatal Mortality and Morbidity (2006 – 2015) and the Reproductive Health Commodity Security Strategic Plan (2010/11 – 2014/15) include: (a) improving and expanding maternal and newborn care services; (b) improving management and staff motivation; and (c) strengthening supply chain management for reproductive health commodities. Currently several initiatives are being rolled out including expanding use of existing contraceptive methods as well as introducing family planning implants; strengthening management of abortion through the use of manual vacuum aspiration; and strengthening capacity of health facilities to resuscitate newborn babies and to conduct maternal and peri-natal death audits. In order to improve the supply of reproductive health communities, a separate supply chain management system to

distribute reproductive health commodities to the private providers has been set up. In addition, efforts are underway to improve patient referrals and streamline management and operations of ambulance services countrywide. In 2012, Uganda also adopted the policy of giving all HIV positive pregnant mothers lifelong treatment under the PMTCT program.

A recent review of existing voucher programs demonstrated their potential to increase utilization of health services among beneficiary populations . Vouchers are seen to offer many advantages, which include among others capacity to target services to vulnerable population groups; providing consumer choice and facilitating greater transparency in the service delivery process while ensuring the services meet the specified standards and for which the participating service providers receive commensurate financial rewards. Additionally, with fixed reimbursement rates, vouchers provide a useful tool for monitoring costs, calculating budgets and tracking voucher redemption rates.

Uganda successfully piloted an Output Based Aid (OBA) scheme to improve safe delivery services through the use of vouchers. Financed by the German Development Bank (KfW) and the Global Partnership on Output-Based Aid (GPOBA), the Uganda Reproductive Health Vouchers Program was able to deliver a cumulative total of 65,590 mothers (130 percent of target) and (ii) treat 31,658 STD episodes (90 percent of target). The government and partners acknowledge the project's success. The following development partners have expressed interest to expand the program to provide safe delivery servi ces: Swedish International Development Agency (SIDA), United States Agency for International Development (USAID) and Department for International Development (DFID). A stand-alone STD voucher scheme will not be continued because while the the redemption rates are high, it is difficult to verify if treatment offered was for STDs or another condition, which was then claimed as a case of STD; however, STIs in pregnancy will be treated under the project. A Family Planning Voucher Scheme is also being rolled out countrywide since 2012 with funding from DFID and USAID. In addition, USAID is implementing, as a separate initiative, a safe delivery voucher scheme in four districts. To avoid fragmentation, all these schemes will come under the oversight of the Inter Agency Coordination Committee (ICC) established by the Ministry of Health (MoH).

The evaluation of the previous scheme and experience from voucher schemes in other countries reveal several important lessons . The previous program was able to target poor households, as a significantly high er proportion of women from the two poorest quintiles used the vouchers compared to those from the other quintiles. The program contributed to significant reductions in home-based births and in the likelihood of out-of-pocket payments for deliveries in privatehealth facilities among communities with the voucher program. In addition, the previous scheme was able to streamline patient referrals and ambulance services in the project area. The evaluation also revealed challenges of high staff turnover, quality of services in some facilities and compliance with the frequency and format of reporting by providers. In terms of lessons, the program revealed the need to consider (a) the inclusion of public providers and PMTCT of HIV/AIDS in any future scheme; (b) simplifying the targeting mechanism to reach poorer women; (c) better management and motivation of staff who have to work harder because of increased service utilization; and (d) establishing a transparent process for setting the unit costs for the different voucher service packages. These lessons will inform the development of the new project.

II. Proposed Development Objectives

The proposed project development objective is to increase access to skilled care among poor women living in disadvantaged areas during pregnancy and delivery.

III. Project Description

Component Name

Package of Safe Delivery Services to Poor Pregnant Women. The objective of the component is to provide 132,400 pregnant women access to a defined package of safe delivery services.

Comments (optional)

Component Name

Support project management and build national capacity to mainstream and scale up implementation of reproductive health voucher scheme in the country.

Comments (optional)

IV. Financing *(in USD Million)*

Total Project Cost:	13.30	Total Bank Financing:	0.00
Total Cofinancing:		Financing Gap:	0.00
For Loans/Credits/Others			**Amount**
Borrower			0.00
Global Partnership on Output-based Aid			13.30
Total			13.30

V. Implementation

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	×	
Natural Habitats OP/BP 4.04		×
Forests OP/BP 4.36		×
Pest Management OP 4.09		×
Physical Cultural Resources OP/BP 4.11		×
Indigenous Peoples OP/BP 4.10		×
Involuntary Resettlement OP/BP 4.12		×
Safety of Dams OP/BP 4.37		×
Projects on International Waterways OP/BP 7.50		×
Projects in Disputed Areas OP/BP 7.60		×

Comments (optional)

VII. Contact point

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