

**PROJECT INFORMATION DOCUMENT (PID)  
APPRAISAL STAGE**

Report No.: PIDA12884

|                                               |                                                                                                     |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------|
| <b>Project Name</b>                           | National Immunization Support Project (P132308)                                                     |
| <b>Region</b>                                 | SOUTH ASIA                                                                                          |
| <b>Country</b>                                | Pakistan                                                                                            |
| <b>Sector(s)</b>                              | Health (100%)                                                                                       |
| <b>Theme(s)</b>                               | Health system performance (50%), Child health (25%), Other communicable diseases (25%)              |
| <b>Lending Instrument</b>                     | Investment Project Financing                                                                        |
| <b>Project ID</b>                             | P132308                                                                                             |
| <b>Borrower(s)</b>                            | Economic Affairs Division                                                                           |
| <b>Implementing Agency</b>                    | Expanded Program on Immunization, Ministry of National Health Services, Regulation and Coordination |
| <b>Environmental Category</b>                 | B-Partial Assessment                                                                                |
| <b>Date PID Prepared/Updated</b>              | 12-Feb-2015                                                                                         |
| <b>Date PID Approved/Disclosed</b>            | 12-Feb-2015                                                                                         |
| <b>Estimated Date of Appraisal Completion</b> | 20-Mar-2015                                                                                         |
| <b>Estimated Date of Board Approval</b>       | 28-May-2015                                                                                         |
| <b>Decision</b>                               | The team was authorized to appraise the project.                                                    |

**I. Project Context**

**Country Context**

Pakistan is the world's sixth most populous country with a population of 180 million and a per capita income of US\$1,386 in 2013/14 - a lower middle-income country. Pakistan's cycles of high growth have been interrupted by shocks and crises and followed by relative stagnation. Continuing insecurity and slow economic reform pose critical challenges. Global economic crisis and devastating floods in 2010 and 2011 aggravated Pakistan's stagnant economic growth and double-digit inflation. The economic and political instability of the 1990s was followed by improved economic performance in the first half of the 2000s, with an average growth of real GDP of around 5%, and decreasing levels of poverty from 34.5% in 2001/02 to 12-13% in 2011/12. However, the sharp rise in international oil and food prices, combined with recurring natural disasters like the 2010, 2011, and 2012 floods, had a devastating impact on economic growth. The country's recovery from the 2008–09 global financial crises has been the weakest in South Asia, with GDP growth averaging 2.9 in the FY09-13 period.

Accelerating progress in human development remains the key underpinning for sustained economic gains in Pakistan. At the current rate of progress, Pakistan will not meet the MDG targets on health

by 2015. Pakistan has undergone a major demographic transition over the last 40 years, with an overall decline in the ratio of the dependent age population to the working age population from 90 percent in the early 1960s to about 68 percent today. Although, Pakistan has made great strides in service delivery over the last three decades, it has not been able to translate an increasing working age population into a strong and sustained impetus for growth. This is partly because the level of expenditure on education and health has been very limited. Pakistan is ranked as one of the lowest spenders on education and health in the region (at less than 2% of GDP). The social indicators for both health and education have remained low and lag seriously behind other countries in the region. Infant and under five mortality rates still lag behind other South Asian countries. Gender disparities persist in education, health and all economic sectors. Nutrition also remains a significant cross-cutting challenge. Pakistan faces a growing burden to meet the basic needs of its population and a seemingly endless string of challenges including an economic downturn with high inflation, volatile insecurity, and an unstable political climate. However, without substantial investments in human development, Pakistan is unlikely to capture a potential demographic dividend and to enjoy high levels of economic growth.

### **Sectoral and institutional Context**

Pakistan's performance in maternal and child health remains poor in the South Asia Region (SAR), only Afghanistan has worse indicators. Significant inequity exists in health service access and utilization, with little has changed for the poorest and rural population since the 1990s. Immunization coverage in Pakistan however has stagnated - the proportion of children who are fully immunized has been variously estimated between 43 to 62 percent - and this figure varies considerably across geographic, social and political boundaries. The regrettable deficits in immunization coverage are reflected in the continued incidence of endemic polio transmission and the recent measles outbreaks. Plans to expand routine immunization to include delivery of new vaccines will present additional challenges to existing capacity.

Childhood immunization against vaccine preventable diseases presents a highly cost effective intervention - delivering significant reductions in morbidity and mortality from inexpensive and standardized interventions. It remains one of the most fundamental competencies of public health programs. In line with international standards, the Expanded Program on Immunization (EPI) in Pakistan aims to immunize all children between 0 and 23 months against eight vaccine preventable diseases that include tuberculosis, poliomyelitis, diphtheria, pertussis, tetanus, hepatitis B, haemophilus influenza type b (Hib), and measles. Newer vaccines which will expand EPI are either in the process of roll out (pneumococcal vaccine) or under planning (rotavirus vaccine, inactivated polio vaccine).

Pakistan is faced by a formidable challenge in achieving the national elimination of polio virus. Ensuring strong national routine immunization is the first essential pillar in polio eradication and has been the key to rapid control of polio in many countries. The national Routine Immunization system faces serious systemic challenges, which have also resulted in recurrent outbreaks of transmissible diseases such as measles.

Pakistan is striving to achieve polio eradication, as one of the world's last three endemic countries. For the last several years National Emergency Plans have put significant emphasis on eradication and focused the energies of the provincial departments of health and the immunization staff on implementation of eradication activities. A strong routine immunization system is by itself essential

to achieve the goal of polio eradication. But as the goal of polio eradication is judged to be almost within reach, there is now an even more urgent requirement to strengthen routine immunization programs to respond to outbreaks of polio if these occur after the country reaches zero cases. There has been a major investment in Polio eradication by the global community - including more than \$800 million by the WBG - and out of this more than one third has been in Pakistan. Strengthening of the routine EPI is imperative to safeguard this investment in Pakistan, and globally.

The provincial Routine Immunization programs suffer from fragmentation of financing, with multiple sources from federal and provincial development budgets and from the considerable international support that flows off budget. This fragmentation causes inefficiencies due to delayed flow of funds and unpredictable resource projections. In addition it limits accountability due to failures of accounting and reporting. The financial sustainability of the program is threatened by the continued reliance on development budgeting and off-budget international support. The barriers to improve routine immunization performance are not primarily financial but systemic. Program governance and accountability mechanisms are weak and fragmented between federal, provincial and district levels. Effective mechanisms for performance management and accountability for results are lacking. Access to quality services varies greatly across geographic and socioeconomic dimensions.

The current political context presents both challenges and opportunities for improving EPI performance. Addressing the above challenges requires strong leadership, good governance, and effective management, particularly at the provincial and district levels to implement fundamental reforms, restructure institutions, and strengthen systems in the context of the 18th Amendment to the Constitution which was passed by Parliament in April 2010. The Amendment enhances provincial autonomy through devolving federal legislative powers and responsibilities to the provinces, which appear in the Concurrent List including health and population welfare. At the same time, the federal role in national planning and coordination in health needs further definition after dissolution of the federal Ministry of Health under the 18th Amendment. The management of health services, including immunization, has been devolved to the provinces. While the stewardship function for EPI at the federal level has been moved to the Ministry of National Health Services, Regulation and Coordination (MONHSRC), the extent to which federal roles like policymaking, oversight, and monitoring and evaluation will be managed by this unit remains unclear. While there are concerns about the capacity of provincial governments, the devolution presents clear opportunities for increased access, accountability, ownership and equity in immunization programs.

Pakistan national Expanded Program on Immunization (EPI) aims to immunize all children between 0 and 23 months against eight vaccine preventable diseases. Children under two years of age in Pakistan are to be the primary beneficiaries of NISP. In addition, children aged to 5 years are targeted during Pakistan's supplementary immunization activities (SIA) for polio and till 10 years for measles. Children aged to 10 years are to be secondary beneficiaries under the project. Pakistan is one of the last three countries globally in which polio is endemic. The eradication of this virus, for which billions of dollars are being invested, will be heavily contingent upon an effective EPI program. This project aims to strengthen EPI in Pakistan at the critical endgame stage of polio eradication, and therefore its ultimate beneficiaries also include all children globally.

This project also focuses on building provincial level capacity for EPI implementation, while supporting a limited set of competencies in coordination and reporting at the federal level. The first three components take a results-based approach using Disbursement Linked Indicators (DLIs),

while the fourth finances the Federal EPI cell in national coordination, project management and analytic capacities as well as Health System Strengthening (HSS) elements to catalyze the provincial activities.

The proposed IDA Credit of US\$50 million is expected to be financed through Investment Project Financing, which will use a programmatic approach, focusing on results with well-defined qualitative and quantitative targets for a five-year period. The Bill & Melinda Gates Foundation have indicated interest in financing up to US\$25 million for a partial, conditional buy-down of the credit. The contribution will be proportionately determined by the amount of disbursement against the same DLIs. At the completion of the project, the credit would be partially bought down to the extent of the total contribution – potentially cancelling the service charges and a portion of the principle and thereby increasing the concessionality of the credit.

The project will be co-financed with up to US\$80 million grant through a Multi-Donor Trust Fund with contributions, subject to their approval, from the GAVI Alliance, and potentially from other development partners. In addition, US\$20 million will be sought from the Health Results Innovation Trust Fund (HRITF), in the second year of the project for the demand-side interventions.

## **II. Proposed Development Objectives**

The project development objective is to increase the equitable coverage of services for immunization against vaccine preventable diseases (VPD), including poliomyelitis, for children between 0 and 23 months in Pakistan.

## **III. Project Description**

### **Component Name**

Component 1: Strengthening Management, Governance and Stewardship Functions

### **Comments (optional)**

This component has the objective of addressing the fundamental systemic weaknesses that underlie the poor performance and accountability of EPI in Pakistan: (i) Oversight, coordination and stewardship functions, (ii) Robust monitoring & evaluation mechanisms, and (iii) Surveillance systems.

### **Component Name**

Component 2: Improving Service Delivery Performance

### **Comments (optional)**

This component will increase equitable access to EPI services at the UC level through improved planning, management of human resources and strengthened supply chain management at the point of service delivery: (i) Enhanced planning for performance, (ii) Availability and management of skilled human resources, (iii) Enhanced planning for performance, and (iv) Availability and management of skilled human resources.

### **Component Name**

Component 3: Demand Generation

### **Comments (optional)**

The objective of this component is to explore and expand innovative strategies to empower communities to access immunization services and promote positive behaviors for acceptance and seeking of immunization services. CSOs will be key partners in this project component: (i) Social

mobilization and community awareness, (ii) Conditional Cash Transfer Scheme, (iii) Advocacy, and (iv) School Curriculum.

**Component Name**

Component 4: Health Systems Strengthening

**Comments (optional)**

This component will support the national procurement of cold rooms and ice lined refrigerators, expansion/maintenance of the vaccine logistics management information system, and other health systems strengthening. It will also support provision of technical assistance by the World Health Organization and United Nations Children’s Fund.

**Component Name**

Component 5: Improving Capacity in Technical Areas for Increased Immunization Coverage

**Comments (optional)**

This component will finance strengthening of national coordination, project management and analytic capacities through (i) strengthening the capacity of Federal and Provincial EPI Cells, (ii) support the national coordination of EPI Programs, and (iii) research and evaluation.

**IV. Financing (in USD Million)**

|                                             |        |                       |               |
|---------------------------------------------|--------|-----------------------|---------------|
| Total Project Cost:                         | 170.00 | Total Bank Financing: | 50.00         |
| Financing Gap:                              | 0.00   |                       |               |
| <b>For Loans/Credits/Others</b>             |        |                       | <b>Amount</b> |
| BORROWER/RECIPIENT                          |        |                       | 20.00         |
| International Development Association (IDA) |        |                       | 50.00         |
| National Immunization Support Project       |        |                       | 80.00         |
| Results-Based Financing                     |        |                       | 20.00         |
| Total                                       |        |                       | 170.00        |

**V. Implementation**

Pakistan is a federal country, with responsibility for the financing and delivery of health services fully devolved to the four provinces. Provincial EPI program activities will be implemented by the provincial EPI cells. This project is also intended to support the Federal EPI cell under the MONHSRC in delivering the technical assistance to strengthen the provincial programs, monitoring, reporting and project management. The Federal EPI Cell additionally has responsibility to implement EPI in the federally administered territories. The program will therefore have five implementing agencies viz., the Federal EPI cell under the MONHSRC and the four EPI cells established in the Director General Health Services (DGHS) in each province. The program will use the existing institutional arrangements at the federal, provincial and district levels. The implementing entities will coordinate with each Department of health (DOH), Finance Department, the Accountant General (AG) office and the concerned Audit offices. A single financing agreement will govern all flow of funds under NISP – the EPI unit within MONHSRC will be responsible for processing and submitting of withdrawal applications on behalf of itself and all four provinces. Each provincial EPI cell will be responsible for independent program implementation, with coordination being provided by the federal body.

There are notified Steering Committees for immunization at the Federal and Provincial levels which

will meet bi-annually to review physical and financial progress as well as annual work plans - including procurement and training plans. There will be bi-annual review meetings of provincial coordination committee and monthly review meetings at district level for the purpose of monitoring, supervision, planning, reporting, data analysis, HR management, trainings, coordination and data validation. The design of the program relies on district-led program implementation and regular monitoring whereby the activities are coordinated by District Health Officer (DHO) of each district. The program will support measures to improve the capacity of both provincial and district managers for effective program implementation.

## VI. Safeguard Policies (including public consultation)

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

**Comments (optional)**

## VII. Contact point

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