

PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE

Report No.: AB7702

Project Name	System Enhancement for Health Action in Transition (SEHAT) - Additional Financing
Region	SOUTH ASIA
Country	Afghanistan
Sector	Health (75%); Public administration- Health (25%)
Project ID	P152122
Parent Project ID	P129663
Borrower(s)	ISLAMIC REPUBLIC OF AFGHANISTAN
Implementing Agency	Ministry of Public Health
Environment Category	<input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
Date PID Prepared	January 22, 2015
Date of Appraisal Authorization	March 12, 2015
Date of Board Approval	May 26, 2015

1. Country and Sector Background

About 36.5 percent of the Afghan population lives in poverty and many more people are susceptible to becoming poor (National Risk and Vulnerability Assessment, 2011/12). The economy of Afghanistan is characterized by a high reliance on agriculture which contributes for about a quarter of the GDP and 60 percent of employment. Since 2003, the country has seen high economic growth rates (9.1 percent on average) but with high levels of volatility due to agriculture's dependence on weather conditions. Public spending remains highly dependent on donor assistance while revenue collection performance has weakened in the past two years.

The Afghan health system has made considerable progress over the period of 2002 – 2014 because of Ministry of Public Health (MOPH) leadership, sound public health policies, innovative service delivery, careful program monitoring and evaluation, and development assistance. Available data show significant improvement in the coverage of health services as well as a drop in maternal and child mortality. According to the Afghanistan Mortality Survey conducted in 2010, the under-five and infant mortality rate has reduced from 257 and 165 per 1000 live births in 2000 to 97 and 77 per 1000 live births, respectively. Similarly, the number of functioning health facilities has increased from 496 in 2002 to more than 2,000 in 2012, while at the same time the proportion of facilities with female staff has much increased.

Despite the significant progress, the infant, under-five and maternal mortality rates in Afghanistan are still well above the average for low income countries, indicating a need to further decrease barriers for women to accessing services. Afghanistan also has one of the highest levels of child malnutrition in the world. About 40.9% of children under-five suffer from chronic malnutrition and both women and children suffer from high levels of vitamin and mineral deficiencies.

2. Objectives

The Project Development Objective is to expand the scope, quality and coverage of health services provided to the population, particularly to the poor, in the project areas, and to enhance the stewardship function of the MOPH.

3. Rationale for Bank Involvement

For a decade, the World Bank, EU and USAID have supported the health sector, each targeting a specific set of provinces. The original SEHAT design had a provision for expanding the project scope to the entire sector both in terms of BPHS/EPHS delivery and health system strengthening. Given the political, security and financial transitions, it was deemed necessary to have one source of financing for the health sector, and all development partners to move towards a programmatic or sectoral approach. Such a sectoral approach will make SEHAT more responsive to the medium/longer term needs of the sector and enable financing for sectoral priorities to be better planned through a well-coordinated effort by the government and development partners. The joint support to the health sector will also help harmonize donor support and align it with key priorities of the country.

The National Nutrition Survey of 2013 showed a significant decline in both the prevalence of stunting and underweight levels since 2004, but the stunting rates of children under 5 years old in Afghanistan still remain amongst the highest in the world at 40.9%. Given the alarmingly high levels of chronic child malnutrition, actions to identify and address gaps in reaching the most vulnerable groups using innovative approaches with high quality nutrition interventions are required.

4. Description

The Additional Financing (AF) will be financed by the Afghanistan Reconstruction Trust Fund (ARTF), supported by contributions from the United States Agency for International Development (USAID) and the European Union (EU). The proposed AF will enhance the scope of the SEHAT project to provide coverage of BPHS/EPHS service delivery to the remaining 13 provinces¹ of the country, enhance nutrition services and strengthen the national health system and MOPH's capacity at central and provincial levels. Hence SEHAT will become financier of health care across the country.

Component 1: Sustaining and improving BPHS and EPHS services: The AF will support the extension of BPHS in 13 additional provinces and EPHS in 5 additional provincial hospitals through performance-based contracts between MOPH and NGOs. The AF will also finance Community Midwifery Education (CME) and Community Health Nursing Education (CHNE) programs and enhancing nutrition interventions in BPHS/EPHS by supporting in-service training and increasing access to quality nutrition services through innovative approaches.

¹ BPHS packages in the provinces: Badakhshan, Baghlan, Bamyan, Faryab, Ghazni, Herat, Jawzjan, Kabul, Kandahar, Khost, Paktiya, Paktika, and Takhar. EPHS packages in the following provinces: Badakhshan, Ghazni, Khost, Paktiya and Paktika

Component 2: Building the stewardship capacity of MOPH and system development: The AF will further support building the stewardship capacity of MOPH and system strengthening with a focus on the ten thematic areas² already identified under SEHAT.

Component 3: Strengthening program management: The AF will support strengthening program management through the financing of Incremental Operating Costs of MOPH including remuneration of additional contracted staff of the ministry.

5. Financing (Grant)

	(\$m.)
Source:	
Borrower	0
Afghanistan Reconstruction Trust Fund	246.9
Total	246.9

6. Implementation

There are no changes envisaged in implementation agencies and arrangements under the AF. As under SEHAT, the Deputy Minister for Policy and Planning will be the project's coordinator and focal point. The MOPH through its central departments and provincial offices will remain responsible for the implementation of the proposed AF. The institutional and implementation arrangements in the additional 13 provinces are the same as those under original SEHAT project. The actual health services will be delivered through contracted NGOs. The procurement and contract management for NGO services will be carried out by the Service Procurement and Contract Management Directorate (SPCMD), and the provision of services by NGOs will be monitored through the regular health management information system (HMIS) and through facility and community surveys carried out by a third party. The central provincial structures and systems are in place for managing NGO contracting in the additional 13 provinces. The service delivery has been managed and delivered by NGOs under similar arrangements with USAID direct financing.

7. Sustainability

At the sector level, all development partners have agreed to move toward a programmatic or sectoral approach. With the AF, SEHAT will effectively expand and its scope will be nationwide. Such a sectoral approach will make the SEHAT project more responsive to the medium/longer term needs of the sector and enable financing for sectoral priorities to be better planned through a well-coordinated effort by the government and development partners.

² Sub-national Planning and Budgeting, Healthcare Financing, Pharmaceuticals, Human Resources for Health, Governance and Social Accountability, Working with the Private Sector, Hospitals, Fiduciary Systems, Health Information System (HIS), Health Promotion and Behavioral Change

8. Lessons Learned from Past Operations in the Country/Sector

The project design incorporates lessons from previous Bank-assisted projects. A number of important lessons have been learned from the Bank's engagement in the health sector in Afghanistan, including: (i) the BPHS contributes to improving health outcomes and is strongly pro-poor; (ii) contracting with NGO for delivery of services is a successful approach partly due to the NGO's flexibility, creativity and responsiveness to identified problems; (iii) investing heavily in monitoring and evaluation (M&E) is critical to identifying and solving problems, tracking changes in a rapidly evolving health system, and providing the evidence needed for rational policy formulation; (iv) testing innovations on a reasonable scale and evaluating them carefully is an effective way of moving the health sector forward; (v) providing local consultants to the MOPH that are competitively recruited and paid market salaries is central to the Ministry being able to effectively carry out its stewardship function; and (vi) training of community midwives has had great impact on availability of trained female health workers in the rural areas.

9. Safeguard Policies (including public consultation)

The SEHAT project was designated as a "Category B" and triggered OP/BP 4.01 (Environmental Assessment). The environmental category for the AF will remain "B" as under the original project. Activities to be financed under the AF do not trigger any additional safeguard policies. The existing Environmental and Social Management Framework (ESMF) and Health Care Waste Management Plan (HCWMP) currently under implementation in SEHAT will also apply to the proposed AF and in all new provinces.

The Ministry has updated the HCWMP which was reviewed by the Bank and disclosed at the World Bank Info Shop on November 6, 2014 and in-country on November 20, 2014. In addition, the revised HCWMP has been shared with all BPHS/EPHS implementing agencies.

10. List of Factual Technical Documents

- Comprehensive Health Care Waste Management Plan for the System Enhancement for Health Action in Transition (SEHAT) Project, Islamic Republic of Afghanistan, Ministry of Public Health, October 2014
- Afghanistan Interim Strategy Note (ISN) dated March 9, 2012
- Strategic Plan for the Ministry of Public Health (2011-2015), Government of the Islamic Republic of Afghanistan
- National Priority Program (NNP-5), Health for All Afghans
- Afghanistan National Risk and Vulnerability Assessment, 2007/8

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