PROJECT INFORMATION DOCUMENT (PID)
CONCEPT STAGE

Report No.: AB957

Project Name	Second National Tuberculosis Control Pro
Region	SOUTH ASIA
Sector	Health (100%)
Project ID	P078539
Borrower(s)	GOVERNMENT OF INDIA
Implementing Agency	
	Department of Economic Affairs, Ministry of Finance India Tel: +91 11 23094140
	Ministry of Health and Family Welfare India Tel: +91 11 23018126
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1. Key development issues and rationale for Bank involvement

Background: TB is the biggest single cause of adult illness and death from a communicable disease in India. The disease is fairly evenly distributed across the country with a concentration in urban areas and amongst the poor. India carries one fifth of the tuberculosis (TB) burden of the world. Controlling TB in India will be critical to reaching the worldwide MDG targets for TB.

The Bank's India Tuberculosis Control project has provided credit support of ~USD 142 million since 1997 with the objective of reducing preventable mortality, morbidity and incidence of infectious TB. Through the Credit and resources from other donors viz.; Danida, Department for International Development, United States Agency for International Development, Global Fund against AIDS, TB and Malaria and the Stop TB global drug facility; the Government of India (GOI) hopes to implement the WHO recommended modern TB treatment strategy described as DOTS in the entire country by December 2005. The ongoing Bank project was originally designed to provide full support for these services to roughly 200 million population, and drugs in areas of the country not implementing the strategy. At the outset, the project exhibited slow start up. Following a midterm review in 2000, significant restructuring was carried out increasing the scope of the project to cover over 700 million population; reprogramming savings; and modifying implementation arrangements to include a crucial role for state governments. Implementation progress improved sharply. At the same time, WHO stepped up its assistance in providing significant technical resources to state governments.

Achievements and progress: The expansion of DOTS seen in the India TB program is the fastest anywhere in the world. By March 2004, DOTS had become available to 805 million population with over 3 million cases treated under the program. A Joint Monitoring Mission (WHO/GOI 2003) found that due to the program, each day in India more than 10,000 symptomatic patients are examined, more than 2,500 patients placed on treatment, and nearly 500 lives saved. Treatment outcomes have consistently been high (over 85% compared to an estimated 40% under the old program), but case detection in the program at 57% of total cases remains a problem.

The project employs clear guidelines for procurement, financial management and technical aspects of the project. Entry to the project is based upon districts and states meeting criteria to the satisfaction of a committee of peers and once within the program, supervision is strictly enforced by district, state and central administration. Monitoring is well established and quality assurance of diagnostic protocols, treatment, and drugs has been initiated. The project employs a system of performance based funding. There is no pre-set allocation of funds to states, instead money drawn is based upon the performance of states and districts. Release of funds to states and from states to districts is in at least two tranches allowing performance based adjustments to be made to norm-based indicative budgets.

The project is expected to meet its (upwardly revised) development objectives. Closure date of the ongoing project is September 30, 2005.

Lessons learned: Lessons yielded by the first project indicate that technical and fiduciary accountability of state governments is critical to successful implementation but that it takes time for implementers to become familiar with technical and fiduciary guidelines of any project. External monitoring of program quality ensures credibility and attention to internal fiduciary control provides impetus to the achievement of high standards. Performance based funding encourages local and state levels to improve performance, however, this needs to be matched with careful supervision of quality and uncompromising commitment to outcomes. 'Easy to do' activities such as infrastructure development and training tend to outpace equally important but more complex components such as communications support and private sector involvement. Incentives need to be created to encourage better outputs in this respect.

New thrust in the next phase of support: While the current Credit has been useful in developing the framework for the delivery of DOTS through the primary health care network of the country, many challenges remain. Strategic involvement of the *private sector* to increase case detection, definition of an institutional framework for service delivery in *urban areas* to improve treatment outcomes in urban areas, coordination between the *TB and HIV* programs of the government and expansion in the *demand for better quality services* by users are areas that will require attention during the next phase.

Documentation indicates that poor urban and rural dwellers rely on first contact care in the private sector. While it is widely accepted that India has made important strides in involvement of the private sector in TB control, nevertheless the systematic and wide spread provision of treatment through private providers to reduce delays in treatment, ensure treatment compliance and promote equitable access to treatment remain a challenge.

It is clear from program data that the burden of treatment in urban areas is much higher than in rural. This is partly due to the higher rates of urban TB noted during recent incidence studies as well as to a rural influx, seeking treatment services. However the absence of a clearly delineated primary health care system and the often transient nature of urban resident greatly compromises compliance with treatment. Additional work is needed to define and set up systems of treatment delivery suitable to the urban environment.

The country has taken serious note of the emergence of drug resistant forms of TB. This threat is compounded by the rising tide of HIV positive persons in the country, who are at much greater risk of TB themselves and may contribute to drug resistant TB in the country. The Bank supports a parallel program for HIV-AIDS in the country. Collaboration to institutionalize guidelines for diagnosis and treatment of those co-infected has begun. Initial results have been good, demonstrating the value of cooperation between these two important public health programs.

The program has recently developed a cogent communications strategy aimed at increasing the demand for high quality TB services, encouraging and supporting the institutional reforms within the public and private sectors, and advocating for DOTS with those in decision making positions. This will need to be supported over the life of the next phase, in order to have an impact on the ground.

Much of the gain of the ongoing project have been due to the massive expansion efforts since 2001 following which services began to be provided to an additional 600 million population. It is essential that support be maintained to *consolidate institutional reforms* encouraged by the project including ownership by state governments, quality assurance, and attention to performance criteria.

The country intends to provide modern TB services to its entire population by December 2005 and clearly recognizes the long term nature of engagement that control of this disease would require. The GOI estimates a resource gap of approximately 150 million USD for the period of the proposed operation. There are as of now, only two donors that have made a commitment to support this program over the period of the proposed project-USAID and GFATM. Taken together, they would provide support for 130 million of the >1000 million population of India with a grant total of USD 35 million. It is clear that support from these agencies cannot meet the much larger resource support that India requires.

Why the Bank should support anti-TB efforts in India: This operation would be fully consistent with the over-riding CAS objective of assisting India to reduce poverty and would specifically address one of the most important public health issues that India faces today. Beginning the reversal of TB incidence and halving prevalence and mortality by 2015 are identified MDG targets and this project would support India's efforts to meet that challenge.

TB is a common disease, has externalities relating to its infectious nature, and causes income losses and forces people into debt as a result of the costs of treatment. It is estimated that losses to India due to death and disability from TB are USD 3 billion yearly.

2. Proposed objective(s)

The proposed Second National TB Control project would be implemented for a period of 5 years with the objective to "*Significantly increase TB case detection and treatment completion rates in*

the private and public sectors with a particular emphasis on poor and marginalized groups". This would in the longer term lead to a decline in prevalence and incidence of the disease in the country.

3. Preliminary description

The development objective stated above would be achieved through Central assistance for States and Union Territories which would support the following *components:*

i) provision of TB treatment through the general health services of states and union territories and developing collaborative systems for provision of TB services to those accessing the HIV/AIDS program to ensure equitable access to all.

ii) communications campaign to create demand for TB services, sponsor community mobilization, reduce stigma, support institutional reform and advocate for TB control.

iii) private sector participation to increase early case detection and extend the reach of TB control services while widening patient choice; and providing TB services in urban areas in the absence of a well developed public sector health care system.

The operation will utilize the Bank's technical and institutional expertise to establish a results based operation, strengthen internal fiduciary oversight and set up a mechanism for performance based funding to states and districts. The project would undertake donor coordination through regular exchanges and coordinating participation in missions. Performance will be assessed against agreed indicators at the end of year 2, year 4 and at the end of project.

The project would provide resources for minor civil works; drugs, laboratory consumables and equipment; consultant services to support government oversight functions, training programs monitoring and evaluation, support to private entities (both for profit and non-government organizations),operations research, innovative projects; and incremental operating costs.

4. Safeguard policies that might apply

Safeguard policies that might apply include Environmental Assessment (OP/BP 4.01) and Indigenous Peoples (OD 4.20). During project preparation, the GOI will undertake an assessment of representative sample of TB clinics to assess practices associated with TB testing, prevention and control activities, namely waste generated at testing laboratories and healthcare facilities and needle and sputum container usage, sterilization and/or disposal. This will provide an understanding of additional measures needed to address environmental issues and public health safety concerns related to TB and other related infectious diseases such as HIV/AIDS. The findings from the assessment will facilitate in strengthening the existing Manual for Laboratory Technicians to include components for environmental management and health and safety, through the inclusion of an Infection Control and Infectious Waste Management Section.

During project preparation an in-depth assessment will also be carried out of the efficacy of the strategy developed for providing TB services to tribal population. The findings from this assessment will provide necessary inputs for strengthening/modifying the strategy and plan for implementing TB services in Tribal areas.

Workshops and/or discussion groups will be organized to review the findings of the environmental assessment. These workshops will be attended by relevant stakeholders to discuss and provide inputs for the updated Manual.

Consultations with representatives of tribal communities, NGOs, public and private providers and also project authorities at the state and central level will be critical in finalizing the Tribal strategy for project. The plan for implementation will be widely shared to invite suggestions and comments across different states and locations.

5. Tentative financing

Source:		($m.)
BORROWER/RECIPIENT		36
INTERNATIONAL DEVELOPMENT ASSOCIATION		144
	Total	180

6. Contact point

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