ICR Review
Operations Evaluation Department

Report Number : ICRR11758

1. Project Data:		Date Posted : 06/10/2004		
PROJ ID : P002422			Appraisal	Actual
Project Name :	Health Sector	Project Costs (US$M)	138.1	NA
Country :	Sierra Leone	Loan/Credit (US$M)	20.0	19.7
Sector(s):	Board: HE - Health (91%), Central government administration (9%)	Cofinancing (US$M)	54.9	NA
L/C Number :	C2827; CP952			
		Board Approval (FY)		96
Partners involved :	UNDP, AfDB, EU, Saudi Development Fund, UNICEF, UNFPA, WHO and NGOs	Closing Date	06/30/2001	06/30/2003

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2. Project Objectives and Components

a. Objectives

Original - The project aimed at improving the health status of the people of Sierra Leone by increasing access to and improving the quality of a basic package of health services that would be better managed and delivered through an increasingly decentralized system. It supported execution of the core program of the National Health Action Plan (NHAP), via a sector wide approach (SWAP) - one of the first in the health sector in Africa. Specific objectives were to: (i) improve key health status indicators; (ii) increase access to health care and family planning, particularly in the rural areas; (iii) improve quality of services through training, supervision and improved logistics; (iv) strengthen management, accountability and community involvement at central and peripheral levels, and; (v) increase and improve financing of health care.

Revised - Civil war and a coup d'etat which began 6 months after project effectiveness (September 1996), rendered the original project irrelevant and unexecutable. The project was restructured (SWAP was dropped), apparently with only IDA support (ICR reported majority of donors had fled), 3 and 1/2 years later (December 2000), to assist the country address its priority health needs and undertake urgent measures to : (i) deal with major public health issues such as sexually transmitted diseases, HIV/AIDS, malaria, onchocerciasis, and other infectious diseases; (ii) provide care for amputees and psychologically traumatized women and children; and (iii) reform of the health system.

b. Components

Original - The IDA credit was to support a "slice" of the integrated sector program with eight components :
a)Policy formulation, coordination and support services; ($2.3 m)
b) District Operations ($4.3m)
c) Medical Infrastructure and Equipment Services ($0.4m)
d) Planning and Information ($0.4m)
e) Human Resources Management ($2.0m)
f) Drugs and Medical Supplies ($4.6m)
g) Primary Health Care ($6.9m)
h) Hospital and Laboratory Services ($4.7m).
SAR provided only planned costs from all Donors/government per component for the first year (1996).

Revised -
a) Health Emergency Package ($9.0m; actual $10.28m)
b) Provision of Electricity ($3.5m; actual $3.44m)
c) Reform Package ($7.5m; actual $4.58m)
Above reflect only IDA financing. Government of Sierra Leone (GOSL) spent another $0.4 m in the revised project.

c. Comments on Project Cost, Financing and Dates

At appraisal GOSL committed $63.4m, IDA ($20m) and other donors ($54.9m). Approximately $6m IDA funds had been spent prior to restructuring (December 2000), and the rest was disbursed in the revised project. GOSL spent $0.4m in the revised project. No other cost data was provided in ICR. IDA disbursements were suspended for a year

(August 1997 - June 1998). The project was extended by 2 years in the restructured project and closed on June 30 2003.

3. Achievement of Relevant Objectives:

- In light of the civil unrest and changing priorities of the sector (including emergency health services), little if any of the original objectives could be achieved. Parts of the original project (funded by IDA) continued to be implemented, providing basic services to the populace, and IDA's continuous involvement (and financial support) helped prevent the collapse of the health system. The ultimate fate of the original NHAP program and other donor activities are unknown, even after the security situation had improved and the project was restructured.
- The objectives of the revised project (considerably scaled down and with no cofinancing) were less than fully realized. There were shortfalls in development of manpower (traditional birth attendants) and of the peripheral health network (district level facilities). Further, attribution may be an issue as we do not know about the scope/contribution of this revised IDA project, against that of other donor activities (in the sector) which may have resumed. Reform of the Health System (third objective) was partially met. However, policies pertaining to immunization, malaria and cost recovery were developed; and other reform initiatives /accomplishments carried over from the original project, such as decentralization, improved budgeting, financial management and procurement, continued to be strengthened and reinforced.

4. Significant Outcomes/Impacts:

- The inclusive and participatory process used in defining the NHAP and leading up to the SWAP generated substantial social capital among a wide range of internal stakeholders and a common commitment to program goals of improving health services in an equitable way. This has helped Ministry of Health and Sanitation (MOHS) persevere throughout the multiple conflicts, achieve some important systemic improvements and continue service delivery in a hostile environment. Throughout the conflict, MOHS and overall GOSL commitment to the program remained on track. IDA played a key role in supporting country counterparts in all these endeavors.
- IDA responded quickly and supported the urgent and changing needs of the sector when the economy was near collapse. The annual planning and review system in the original project design enabled this flexibility.
- A start has been made in the elaboration of relevant policies in health education and environmental health; and for malaria control, immunization, and an equitable cost-recovery system.
- Twelve out of 13 districts targeted were decentralized and deemed "fully functionally" - ie. having a financial officer, a functioning health management team and a referral system. Discretionary funds were available to such districts enabling their planning / budgeting of district level activities. Other sectors were reported to be replicating MOHS decentralization efforts.
- Management practices in MOHS have begun to improve in staffing, budgeting, procurement, drugs and financial planning.

5. Significant Shortcomings (including non-compliance with safeguard policies):

Original Project

- A major shortcoming was the over ambitiousness of the original project especially in light of the continuously volatile security situation and the extremely weak capacity of MOHS. At project design, parts of the country were under rebel control and inaccessible, as the country had recently emerged from war. Additionally, lack of counterpart resources/funds and a generally poor economy were additional risks against such a complex and large scale program. Both QAG and ICR concurred on the over ambitiousness of the original project design.
- Risk assessment/management was inadequate. Project was heavily dependent on external funds (other donors 40%) and GOSL was expected to provide $ 63.2 m or 46% of total costs. Both these sources proved unreliable.
- Lessons from a preceding health project which closed as this was being appraised had not been applied. It had encountered the same problems of insecurity and lack of counterpart funding, resulting in unsatisfactory project outcome and performance.
- The project became irrelevant and unexecutable soon after effectiveness with resurgence of civil war and a coup 6 months later (May 1997).

Revised Project

- GOSL had serious liquidity problems, was unable to pay suppliers and remained heavily dependent on IDA funds throughout project life. This caused implementation delays.
- In the revised project, $3.4m IDA funds were approved for redirection towards the power sector to generate emergency electric power. Supplementary funding which was to offset this "redirected $3.4m" did not materialize and ultimately compromised implementation of the district level health civil works.
- Under the health reform package, while many input/output activities were implemented, systemic reforms envisaged were only partially met.
- Sustainability of accomplishments remain uncertain and unlikely. Underlying other constraints, including institutional capacity of MOHS, is the financial situation of GOSL. GOSL will be highly dependent on external assistance for many years to come.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	[the ICR's 4=point scale does not provide for a " moderately sat." rating]. Rating is based primarily on the performance of the restructured project. Given the shortcomings in section 5, and less than full achievement of the scaled down objectives, the project outcome is rated moderately satisfactory
Institutional Dev .:	Substantial	Modest	Restructured project was largely an emergency/recovery operation, focused mainly on inputs/outputs; and achievement of revised health system reform objectives was rather limited, hence the modest IDI rating
Sustainability :	Unlikely	Unlikely	
Bank Performance :	Satisfactory	Satisfactory	Bank performance is on the borderline of satisfactory. QAE was unsatisfactory, offset only by the very good supervision, high responsiveness and commitment during project execution.
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with ' * ' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

Among the lessons documented in the ICR are:

- Risk assessment and management needs to take into greater account, the local capacities (institutional and financial), the political/security situation, and past project experiences, when designing highly complex and large scale projects.
- Project financing of contractual staff for key implementation positions ensured the continuity of implementation, in a conflict environment where most civil servants are no longer in place .
- For long term assignments in conflict/post conflict situations, local consultants should be used in place of international financial management and procurement companies.

8. Assessment Recommended? ○ Yes ● No

9. Comments on Quality of ICR:

- ICR is of satisfactory quality overall, but there are gaps in the information available . Other donor comments would have been highly desirable and aided in the fuller assessment of the project, as other donor activity in the sector are likely to have resumed, after security had improved . Region subsequently clarified that such information was difficult to come by.