# ICR Review

**Operations Evaluation Department**

**Report Number : ICRR10435**

| 1. Project Data : | |
|---|---|
| **OEDID:** | C2217 |
| **Project ID :** | P001727 |
| **Project Name :** | Second Health, Population and Rural Water Supply |
| **Country :** | Mali |
| **Sector :** | Basic Health |
| **L/C Number :** | C2217 |
| **Partners involved :** | USAID, European Union |
| **Prepared by :** | Timothy A. Johnston, OEDST |
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| **Date Posted :** | 08/06/1999 |

## 2. Project Objectives, Financing, Costs and Components :

**Objectives**: The project objectives were to (i) increase the coverage and quality of health services for about 1.4 million people in four of Mali's seven regions, including improving geographical access to services and availability of affordable essential drugs; (ii) implement the emerging population policies; and (iii) provide access to safe water for about 180,000 people living in these four regions and implement an iodination program to eliminate goiter from among 240,000 people.

**Financing:** The total project cost was originally estimated at $61.3 million, of which IDA financed $26.6 million. Cofinancing was provided by the European Development Fund ($12.3 Million), the Republic of Germany/KFW ($6.1 million). The central government provided $2.8 million, and local contributions (from community cost recovery) amounted to $1.7 million. The USAID provided $40.6 million in parallel financing for population activities, and UNICEF provided FCFA 207 million in parallel financing.

**Project Costs:** From the IDA credit, the major costs were civil works ($10.3 million), equipment, vehicles and materials ($5.6 million); medical supplies ($1.4 million), consultant services ($3.6 million), and training ($1.1 million).

## 3. Achievement of Relevant Objectives :

The project was largely successful in achieving its objectives . It served as a vehicle for implementing a new health policy based on community management and financing of local health services through cost recovery, establishing an essential drugs policy, and reforming the state pharmaceutical parastatals . The project contributed to improved coverage and quality of health services, and led to improvements in the availability of affordable generic drugs . The water supply component expanded access to potable water .

This project is reviewed a greater detail in the OED country sector study : *The World Bank and the Health Sector in* Mali (Report No. 18112), which is also summarized in an OED *Precis.*

## 4. Significant Achievements :

The project resulted in a number of significant achievements, both in terms of health policy and service access . Consistent with the Bamako Initiative, project design contributed to the establishment of a government health policy based on community participation and essential drugs . In addition:

- The project helped establish a new essential drugs policy, which shifted the parastatals pharmaceutical company away from purchasing high-cost specialty drugs to procuring only essential generics, and opened up the pharmaceutical market for private competition . Availability in health centers increased substantially, and drug prices declined significantly during the project, even after the 1994 CFA devaluation.
- The project helped establish 98 community health centers and strengthen 47 existing government health centers, increasing the proportion of the population with access to primary health services from 3 percent in 1993 to 33 percent in 1996.
- Together with parallel financing from UNICEF, the project helped establish community health management committees at the new and upgraded health centers, which are managing health services and recovering most of the recurrent costs of the clinics through the sale of drugs .
- The population component (mostly financed by USAID) substantially contributed to increased awareness of FP issues, increased NGO capacity, and improved government ability to monitor demographic trends . Contraceptive prevalence has increased only slightly to 7.9 percent (below the 8.5 percent target), but it seems reasonable that further gains may come in the future . Low levels of female education and empowerment may remain constraints to substantial gains in CPR, however .

- The water supply component drilled and equipped 485 wells, and rehabilitated another 600, in excess of original targets. The project also helped establish community involvement in building and maintaining the wells.

The election of a democratic government in the early 1990s that was strongly committed to improving access to health services was an important factor in project success, as were the effective working relations among the various partners.

**5. Significant Shortcomings :**

Project shortcomings should be considered in the context of the country's overall poverty and the very poor state of rural health services prior to the project. That said, several shortcomings are worth noting:

- While contributing to significant improvements in physical access to services and drug availability, service utilization -- while increasing at community health centers -- remains low in center catchment areas and in the country overall (about 0.2 visits per capita per year). Also, much of the disease burden needs to be addressed through preventive and outreach services, but cost-recovery schemes provide incentives primarily for curative services.
- Although the project helped establish a national health information system in the latter years of the project, the lack of good baseline data and community surveys makes it difficult to assess the impact on HNP outcomes or access for the very poor. It is not clear if cost recovery is deterring use by the very poor, or if other factors are at work.
- Child malnutrition rates are extremely high, and undoubtedly contribute to much of the excess mortality and morbidity, but were not addressed by the project. The subsequent SIP contains a nutrition component.
- The community health sector is outside the government civil services, so the centers have experienced difficulty in attracting and retaining qualified staff (although providers employed by communities often are more sensitive to community priorities);
- The project was successful in mobilizing significant community financing for rural health services, but government's own spending may have shifted even more toward urban curative care during the project. This points to the need for a more integrated approach to health financing, which the current sector investment program is attempting.
- Although designed as an integrated intersectoral project, the population and water supply components were not always well coordinated with the health component (although this improved after the mid-term review);

| 6. Ratings: | ICR | OED Review | Reason for Disagreement /Comments |
|---|---|---|---|
| Outcome: | Satisfactory | Satisfactory | |
| Institutional Dev .: | Substantial | Substantial | |
| Sustainability: | Likely | Likely | |
| Bank Performance: | Satisfactory | Satisfactory | |
| Borrower Perf .: | Satisfactory | Satisfactory | |
| Quality of ICR: | | Satisfactory | |

**7. Lessons of Broad Applicability :**

Key lessons from the ICR include:

- An established legislative and regulatory framework is a prerequisite in decentralizing health care services;
- Gaps in human resources and institutional capacity need to be evaluated during project appraisal and addressed throughout the project life-cycle, with measurable impact.
- Consistent community engagement must be ensured and sustained. Intensive support to communities by district officials and through UNICEF cofinancing was critical. The recent creation of a national federation of community health committees may help strengthen accountability and sustainability;
- NGOs capacity needs to be strong enough to support the decentralization process. Where NGOs communities are weak, mechanisms to provide support (both in basic operations and in applying for project funds) need to be established;
- Donor coordination is effective when government owns and leads the process. The development and implementation of a multisectoral and multi-donor project, together with support for MOH planning in coordination, helped improve collaboration.

The OED study provides several additional lessons, including:

- Community-based financing of health services can contribute to improve to quality and sustainability, but the Bank needs to also give attention to overall health sector financing, so that government resources are not shifted to urban tertiary care.
- Improving physical access to health services does not necessarily lead to increased service utilization, either because of continued cost-barriers, inadequate outreach, or preferences for traditional or self-treatment.

**8. Audit Recommended?** ○ Yes ● No

**9. Comments on Quality of ICR :**
The ICR provides a balanced and concise overview of the project .