

**MANAGEMENT RESPONSE TO THE PROGRAM PERFORMANCE EVALUATION REPORT
FOR THE HEALTH SECTOR DEVELOPMENT PROGRAM IN MONGOLIA
(Loans 1568-MON[SF]/1569-MON[SF])**

On 8 April 2008, the Director General, Operations Evaluation Department, received the following response from the Managing Director General on behalf of Management:

I. Overall Assessment

1. We appreciate OED's evaluation of the Health Sector Development Program (HSDP: Loans 1568-MON and 1569-MON). We are pleased with the overall Project rating of "successful". We also agree with the PPER's assessment that the Project is likely to be effective in the longer term. We support the PPER's statement that the HSDP's major achievement was to promote primary health care (PHC) with the establishment of urban family group practices.

II. Comments on Issues and Lessons

2. We agree with the PPER's observation that the HSDP was overambitious in its objectives, given the complexities of the social, political, cultural and economic dimensions within which the reforms had to take place during Mongolia's early transition from a planned to a market economy. We note that broad health reforms, as required in Mongolia, to transform the hospital dominated health care system towards PHC, need continuous support and a long-term vision.

3. We note that the lesson on a more careful and gradual extension of the family group practice model that could have been more effective and sustainable seems theoretical. However, we believe that it does not recognize the fact that the HSDP seized the opportunity of an open window for change at an early stage of transition in Mongolia to introduce drastic reforms in favor of establishing a solid basis for basic health services.

III. Comments on Follow-up Actions

4. We concur with the PPER's recommendation that in the context of ADB's strategy for Mongolia, assistance should be provided to the Government to develop strategies for adjusting the national registration system to overcome access barriers to health and other social services for the migrant poor.