



Papua New Guinea: Rural Primary Health Services Delivery Project

Project Name	Rural Primary Health Services Delivery Project																		
Project Number	41509-013																		
Country	Papua New Guinea																		
Project Status	Active																		
Project Type / Modality of Assistance	Grant Loan																		
Source of Funding / Amount	<table border="1"><tr><td colspan="2">Grant 0259-PNG: Rural Primary Health Services Delivery Project</td></tr><tr><td>Government of Australia</td><td>US\$ 40.00 million</td></tr><tr><td colspan="2">Grant: Rural Primary Health Services Delivery Project</td></tr><tr><td>Japan International Cooperation Agency</td><td>US\$ 1.20 million</td></tr><tr><td>World Health Organization</td><td>US\$ 1.00 million</td></tr><tr><td colspan="2">Loan 2785-PNG: Rural Primary Health Services Delivery Project</td></tr><tr><td>Concessional ordinary capital resources / Asian Development Fund</td><td>US\$ 20.00 million</td></tr><tr><td colspan="2">Loan 8274-PNG: Rural Primary Health Services Delivery Project</td></tr><tr><td>OPEC Fund for International Development</td><td>US\$ 9.00 million</td></tr></table>	Grant 0259-PNG: Rural Primary Health Services Delivery Project		Government of Australia	US\$ 40.00 million	Grant: Rural Primary Health Services Delivery Project		Japan International Cooperation Agency	US\$ 1.20 million	World Health Organization	US\$ 1.00 million	Loan 2785-PNG: Rural Primary Health Services Delivery Project		Concessional ordinary capital resources / Asian Development Fund	US\$ 20.00 million	Loan 8274-PNG: Rural Primary Health Services Delivery Project		OPEC Fund for International Development	US\$ 9.00 million
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Strategic Agendas	Inclusive economic growth																		
Drivers of Change	Governance and capacity development Partnerships																		
Sector / Subsector	Health - Health sector development and reform																		
Gender Equity and Mainstreaming	Gender equity																		
Description	The project will strengthen rural health systems in selected areas by expanding the coverage and improving the quality of primary health care in partnership with state and other service providers. It will build on Asian Development Bank experience in strengthening health service delivery in rural areas of PNG. The project will cover two districts in each of the following eight provinces: Eastern Highlands, East Sepik, Enga, Milne Bay, Western Highlands, West New Britain, Morobe, and the Autonomous Region of Bougainville.																		

Project Rationale and Linkage to Country/Regional Strategy

The government's long-term Vision 2050; Development Strategic Plan, 2010-2030; and Medium Term Development Plan, 2011-2015 aim to transform PNG's health system to achieve the Millennium Development Goals for health and improve PNG's ranking in the human development index. In support of the government's approach and in line with ADB's operational plan for health, ADB's country partnership strategy for PNG, 2011-2015, which recognizes issues of fragility in PNG, includes health as a priority area.

The health status of the population of PNG has deteriorated since 1980s with severe neglect of the health system, especially in rural areas, where 87% of the population lives. An estimated 40% of rural health facilities have closed or are not fully functioning. Limited resources, deteriorating infrastructure, poorly trained staff, and inadequate and declining access to basic health services are among the main reasons for the decline.

The country has widespread poverty and weak health indicators, particularly for maternal and child health. The infant mortality rate is 57 per 1,000 live births and the maternal mortality rate is 733 per 100,000 live births. The main health problems continue to be communicable diseases, with malaria, tuberculosis, diarrheal diseases, and acute respiratory disease being the major causes of morbidity and mortality. PNG has a generalized HIV epidemic, driven predominantly by heterosexual intercourse. The epidemiological profile of PNG, with a heavy burden of communicable disease, indicates that significant gains in health outcomes could be achieved with simple and effective interventions focused on PHC and health promotion. While some hospital services (e.g., for maternal complications) are essential, more than 80% of health problems can be addressed adequately and at lower cost through the effective delivery of PHC. The current poor health status of the rural population points to a weak PHC system that lacks outreach services such as for child immunization and providing women with the basic support required for safe delivery.

Provinces and districts are responsible for delivering health care services through hospitals, health centers, health subcenters, community health post (CHP), and aid posts. The 1998 Organic Law on provincial and local-level governments significantly decentralized responsibility for delivering health care services to the provinces and districts. However, the law did not adequately address how to implement the changes. In the health sector, only operational responsibilities have been devolved, while capital investments remain centralized in the public investment program. Provinces are allocated a percentage of net government revenue through staffing and health sector functional grants, which cover operational costs but not capital investment costs. Resources, authority, and competency are thus poorly aligned with decentralized responsibility.

To overcome this misalignment, three provinces have so far exercised the option outlined in the 2007 Provincial Health Authorities Act to establish their own provincial health authorities. In addition, the government, recognizing that it needs to prioritize health service delivery in districts and communities, has recently developed the concept of the CHP in 2010. CHPs will provide services at the outer perimeter of the health system. Over time, the government will transform existing aid posts and health sub-centers into a service able to meet the requirements of the National Health Plan (NHP) 2011-2020.

ADB has provided support for the PNG health sector since the 1980s. The completed Health Sector Development Program¹⁰ established the Health Sector Improvement Program (HSIP) trust account in 1998, which became a major mechanism for administering extended development assistance to the health sector.

The HIV/AIDS Prevention and Control in Rural Development Enclaves Project has successfully built innovative partnerships with non-state service providers to improve rural PHC service delivery. Under that project, local health authorities in eight provinces established partnerships with six large private companies to improve more than 100 rural health facilities and trained health workers and communities in preventing HIV/AIDS transmission, significantly increasing the number of PHC beneficiaries in project areas.

Building on the lessons and experience of the existing project, the proposed project will support the government in implementing NHP, as it relates to rural health. The project will establish and develop partnerships between state and other health care service providers, including the private sector, churches, nongovernment organizations, and civil society, working at the provincial and district level to strengthen the rural PHC system.

By working through the envisioned partnerships, the project will build human resource capacity in the health sector, improve health information and monitoring systems, and revitalize rural health facilities to strengthen the existing rural PHC system in PNG. The project will expand the coverage and improve the quality of PHC services for the rural population by strengthening the rural health system at the provincial and district level.

The project will be implemented under the sector-wide approach currently in place for the health sector. To avoid replicating government functions, the project will use government systems whenever possible, and the government will be responsible for all facility recurrent costs. The project will focus on infrastructure and training that can help the government deliver health services more efficiently and effectively, building on the strengths of existing health institutions run by the government and others.

Impact

Improved health of rural population in the project areas.

Project Outcome

Description of Outcome

Selected provinces in partnership with non-state service providers, efficiently deliver high quality PHC to rural residents, in particular to women and children

Progress Toward Outcome	The Midterm Review (MTR) finds the Project to continue to be relevant. The Project is in line with the government's long-term Vision 2050 and Development Strategic Plan, 2010-2030. The Project adjusted the original project design to accommodate changes such as government's plan to acquire land for public facilities, provide more strategic outputs such as the preparation of Strategic Health Service Development Plan to facility investment and provide critical support to urgent issues such as health workforce development. The MTR finds implementation to be effective across most project components. The Project is advancing well in terms of achieving its planned activities.
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Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. National, and selected provincial and district governments implement policies and standards for community health posts 2. Sustainable partnership established between selected provincial governments and non-state actors for delivering PHC services 3. Community health workers in project areas have the capacity to provide quality PHC services 4. Selected provincial and district governments upgraded selected rural health facilities. 5. Local communities in project areas are aware of maternal and child health, HIV, sanitation and gender issues 6. Effective project monitoring, evaluation and management services rendered
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Status of Implementation Progress (Outputs, Activities, and Issues)	<p>PSU team engaged and recruitment of consultants are ongoing.</p> <p>completed</p> <p>completed</p> <p>Activities ongoing</p> <p>Activities ongoing</p> <p>Activities to be completed by June 2016</p> <p>Activities to be completed by June 2016</p> <p>Facility Infrastructure audits undertaken in Milne Bay, East Sepik, West New Britain and Eastern Highlands Provinces.</p> <p>During the facility audits, the Health Mentors and Provincial and District Health Officers have been assessing the condition of medical/non-medical equipment.</p> <p>Activities just started. Regular discussions held for "healthy islands" work plan and training and implementation strategies, and resources required.</p> <p>Recruitment of the formative evaluation team ongoing. Baseline data collection will commence by end Feb 2013.</p>
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Geographical Location

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	The Project is classified as category B in accordance with ADB's Safeguard Policy Statement (2009). Initial Environmental Examination, with specific details on how to mitigate and monitor environmental effects, was updated and endorsed by the GoPNG based on selected sites in 8 project provinces. The activities are expected to be small-scale and replicable in nature.
Involuntary Resettlement	The Project will not involve involuntary resettlement. Majority of civil works will be undertaken on land currently being used by existing health facilities. A land assessment framework has been prepared that provides detailed guidelines on land assessment to ensure that ADB's Safeguards Policy will be adhered to.
Indigenous Peoples	Melanesians comprise the vast majority of the PNG population. The Project is not expected to have any negative impact on indigenous peoples. While a separate indigenous peoples plan is not needed, all project outputs will be delivered in a culturally appropriate and participatory manner to meet the needs of various people of the country.

Stakeholder Communication, Participation, and Consultation

During Project Design	The National Department of Health (NDOH) is the executing agency responsible for managing and supervising all project activities. NDOH is also coordinating with other Government departments at the national and provincial level, with donor partners and relevant stakeholders in implementing the project. The PMU was established under the NDOH and support the NDOH in project management including procurement of goods and services. Method of consultant recruitment for firms and individual will be the quality and cost-based selection and simplified technical proposals.
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During Project Implementation	<p>NDOH is providing all critical and important information to various stakeholders in a manner easily understood by them. Special efforts will be made to provide information to the citizens and proper compliance will be ensured with national legislation on rights to information.</p> <p>Provinces will be supported to conduct information campaigns on community health posts and strengthening the PNG rural health service delivery system to keep the public and staff engaged and informed. Public disclosure of all project documents is made available through the development of a Project website attached to the NDOH website. The PSU manager under the signature of the DOH is producing a short newsletter to inform stakeholders of the progress being made by the project. Formative evaluation reports are being disseminated widely, including to other provinces with an interest in health system strengthening. Annual PNG health sector national conferences are being used to keep the staff of the health service and the public fully informed of developments and progress.</p> <p>Special efforts will be made to provide information to the citizens and proper compliance will be ensured with national legislation on rights to information.</p>
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Business Opportunities

Consulting Services	An estimated 1,756 consulting months will be required to successfully implement the project. The majority of consulting services will be recruited using the quality cost based selection approach, adopting a cost quality ratio of 80:20. Where limited skills are available in the local market or where the quality of the services is of overriding importance to the outcome of the project, a quality based selection approach may be adopted for the recruitment of national consultants. At the request of the government and to assist the facilitation of project start-up the ADB will assist with the recruitment of the international project manager. A professional services firm may be engaged to fulfill some administrative activities performed the PSU.
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines. Project civil works are small and relate to construction, rehabilitation and upgrade of existing facilities. No land acquisition will be necessary.

Responsible Staff

Responsible ADB Officer	Mikkelsen-Lopez, Inez
Responsible ADB Department	Pacific Department
Responsible ADB Division	Urban, Social Development & Public Management Division, PARD
Executing Agencies	<i>Department of Health ADB Projects Office, P.O. Box 807, Waigani, NCD, Papua New Guinea</i>

Timetable

Concept Clearance	17 Nov 2011
Fact Finding	19 Nov 2010 to 28 Nov 2010
MRM	16 Feb 2011
Approval	30 Sep 2011
Last Review Mission	-
Last PDS Update	29 Sep 2016

Grant 0259-PNG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Sep 2011	15 Mar 2012	18 Jun 2012	30 Apr 2020	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	42.20	Cumulative Contract Awards			
ADB	0.00	30 Sep 2011	0.00	32.64	82%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	42.20	30 Sep 2011	0.00	13.44	34%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Unsatisfactory	-	-	-	Unsatisfactory

Loan 2785-PNG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Sep 2011	15 Mar 2012	18 Jun 2012	30 Apr 2020	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	30.00	Cumulative Contract Awards			
ADB	20.00	30 Sep 2011	0.00	16.42	94%
Counterpart	10.00	Cumulative Disbursements			
Cofinancing	0.00	30 Sep 2011	0.00	12.88	73%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	-	-	-	Satisfactory

Loan 8274-PNG

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
21 Dec 2011	29 Jan 2013	16 Oct 2013	28 Feb 2017	28 Feb 2018	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	9.00	Cumulative Contract Awards			
ADB	0.00	21 Dec 2011	0.00	7.94	88%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	9.00	21 Dec 2011	0.00	3.31	37%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	-	-	-	Satisfactory

Project Page	https://www.adb.org/projects/41509-013/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=41509-013
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