

SECTOR ASSESSMENT (SUMMARY): HEALTH¹

Sector Road Map

1. Sector Performance, Problems, and Opportunities

1. **Sector performance.** Papua New Guinea (PNG) continues to show mixed progress with major health outcomes. The National Health Plan (NHP), 2011–2020 provides the framework within which the government and development partners are operating. Four years after the launched of the NHP, there is much left to be desired in overall health sector performance. There was some improvement with some communicable diseases but progress remains uncertain in the absence of external support. A number of health indicators are declining and gender-based violence remains at worryingly high levels.²

2. Infant mortality was estimated at 57 infant deaths per 1,000 live births in 2006, with the majority of cases expected in rural areas.³ Recent estimates by the World Health Organization reported infant mortality at 45 deaths per 1,000 live births in 2011.⁴ However, progress remains insufficient for the country to meet Millennium Development Goal 4, which calls for a reduction of the infant mortality rate to 24 per 1,000 live births by 2015. Meeting the under-5 mortality rate target of 32 per 1,000 live births is even more challenging, with 58 deaths per 1,000 live births in 2011.⁵ The estimated prevalence of stunting was identified at 48.2% in 2010. The prevalence of stunting is higher in rural areas (50%) compared to in urban areas (35%), although both remain high in children up to 5 years old.⁶

3. Maternal mortality rates have decreased over recent years but remain relatively high compared with regional and global averages. In 2006, it was estimated at 733 per 100,000 live births. The World Health Organization estimated maternal mortality rate at 230 per 100,000 live births in 2010. The current progress is at risk, with a decline in supervised births in health facilities from 44% in 2012 to 37% in 2013 and huge disparities between urban and rural areas. About 75% of rural women reported at least one antenatal visit during their pregnancy. However, only 47% of deliveries in rural areas were assisted by professional health staff, compared with 88% of deliveries in urban areas.

4. Malaria incidence decreased between 2012 and 2006 with the exception of New Ireland and East and West New Britain Provinces. However, it remains high compared with regional and global averages. Other communicable diseases such as tuberculosis, pneumonia, diarrheal diseases, and meningitis have not improved and accounted for 58% of mortality in 2012.

5. Improved surveillance and data collection has reclassified HIV as a concentrated epidemic with a national prevalence of 0.49% among 15–49 year olds.⁷ Challenges remain in

¹ This summary is based on data from the Government of Papua New Guinea (PNG). 2014. *Sector Performance Annual Review*. Port Moresby; Government of PNG. 2010. *National Health Plan, 2011–2020*. Port Moresby; and Government of PNG. *Demographic and Health Survey: 2006 National Report*. Port Moresby.

² Gender Assessment (Summary) (accessible from the list of linked documents in Appendix 2).

³ The Government of PNG 2000 National Census reported an infant mortality rate of 64 per 1,000 live births, with 69 per 1,000 in rural areas and 29 per 1,000 in urban areas.

⁴ The difference can be attributed to different data collection methods employed.

⁵ Asian Development Bank (ADB). 2013. *Basic 2013 Statistics*. Manila.

⁶ Government of PNG. 2011. 2009–2010 Papua New Guinea Household Income and Expenditure Survey. Port Moresby.

⁷ United Nations Program on HIV/AIDS. 2013. *Papua New Guinea 2013 HIV&AIDS Estimations and Projections*. Port Moresby.

increasing access to effective treatment of sexually transmitted infections, prevention of mother–child transmission of HIV, and improving access to antiretroviral therapy. The HIV epidemic is also increasingly becoming a rural problem, with a higher prevalence rate in rural areas. This poses a significant challenge for the country in controlling the spread of HIV/AIDS, given poor health services, limited transport and information, and low literacy rates.

6. **Problems and opportunities.** The allocation of funds to poorer provinces has improved with the national government's equitable distribution of health function grants among provinces. Following the reform of intergovernment financing arrangements in 2009, the government put more money to those provinces that need it most. Provincial own-source revenue and donor funds through the Health System Improvement Program (sector-wide approach mechanism) are also available to support operating costs in health facilities. Overall provincial health spending increased by about 50% during 2006–2013. Provincial health allocation, comprising church operating grant and function grants, increased steadily from 2010 to 2013.⁸ Yet, despite increased financial resources, the majority of health indicators are not improving and the number of people using health services, especially in rural areas, remains very low. Less than 70% of aid posts are open and functioning, and there have been no improvements since 2008.

7. The biggest challenge remains the lack of proper financial control mechanisms, along with weak accountability and management that undermines the bureaucracy's capacity to utilize available resources effectively and deliver services to where they are needed most. Significant bottlenecks exist in the flow of funds from multiple buckets of financing sources to health providers at various levels of government. Health facilities also suffer from weak planning, budgeting, and implementation of activities, compounded by an unreliable and unpredictable disbursement of funds from the central government to executing agencies. The health workforce crisis in the country impacts on delivery of health services across all types of health facilities.

8. With the introduction of the 1995 New Organic Law on Provincial and Local Level Governments, the responsibility for rural health services was transferred to local governments. However, some provinces with higher levels of own-source revenue are not giving enough priority to the health sector, as shown by low internal budget allocation amidst limited access to health function grants. At the same time, the New Organic Law undermines the ability of the National Department of Health to hold the local government accountable for sector performance. Furthermore, the introduction of the Free Health Care Policy in 2012 has disallowed the collection of minimal user fees to keep facilities functioning on a user-charge basis.

9. Under the New Organic Law, only operational responsibilities have been devolved to provincial government, while capital investments for building health infrastructure and purchasing medical equipment remain the responsibility of the national government. The lack of capacity to finance and manage capital investments impacts on health service availability, especially in rural areas. Shortages of health staff, lack of transportation access and reliable water supply, and security issues further exacerbate the situation. Further, with limited national transport infrastructure networks and inaccessible terrain, the majority of villages can be reached only by air or foot. Other sectors such as infrastructure and water supply and sanitation also have a huge impact on the health of the population.

⁸ World Bank. 2013. *Below the Glass Floor. An Analytical Review of Expenditure by Provincial Administrations on Rural Health from Health Function Grants and Provincial Internal Revenue*. Washington, DC.

10. Large gains in health outcomes can be achieved through effective interventions focused on primary health care and health promotion, particularly in rural areas where 87% of the population live. More effective use and allocation of existing financial resources is a key factor which will determine substantial improvement in overall health sector performance.

2. Government's Sector Strategy

11. The government's overall sector strategy is to revise national health implementation structures with the aim of revitalizing primary health care and transforming health service delivery systems in rural and urban areas to reverse the country's deteriorating health indicators. This is embodied in the NHP, 2011–2020 as a single governing policy for the health sector, aligned with PNG Vision 2050 and the Millennium Development Goals.

12. The NHP introduces community health posts that will serve as frontline health facilities providing clinical, public health, awareness, and advocacy services for important local health issues. They will be the places where different health programs, such as for HIV/AIDS and family planning, work together.⁹ The NHP, 2011–2020 acknowledges that greater integration between hospitals and rural health services through the Provincial Health Authorities (PHA) Act¹⁰ will further improve service delivery as it will solve institutional fragmentation between hospitals and public health programs and between government, and nonstate providers.

13. Aside from churches providing approximately 60% of rural health services, extractive and agriculture industries are expected to play a key role in expanding health services. A new National Health Sector Partnership Policy has been approved to serve as a framework for developing partnership agreements with a range of these partners. It is envisaged that this will promote an enabling environment through clear partnership implementation plans and guidelines which will attract more partners in health service delivery.

3. ADB Sector Experience and Assistance Program

14. ADB has a long history of investment in the public health sector in PNG, starting in 1982 and consisting mostly of large-scale projects focused on establishing and extending rural health infrastructure (health centers, aid posts, and staff housing); rural water supply; and the procurement of medical, transport, and radio communication equipment. The assistance evolved to a more comprehensive approach that aimed to strengthen the health system with the approval of a sector development program loan in 1997,¹¹ aimed at supporting the implementation of the NHP, 1996–2000 and strengthening the health system by improving health services to the rural majority and supporting health promotion and preventive strategies.

15. ADB's approach in health recognizes that strengthening partnerships is one of the pillars of improving health access and outcomes. The global shift from vertical one-off disease

⁹ Government of PNG, National Department of Health. 2013. *Community Health Post Policy and Implementation Guidelines*. Port Moresby.

¹⁰ The PHA Act was enacted in May 2007, giving more authority to provincial government in managing the sector. Under the act, the governance of all government-funded health services will be under a single PHA board of governance with administrative and financial responsibility for hospitals and public health, including primary health care services. Church health services remain under a separate governance and management structure but are required to integrate planning and service development with the PHA plans. To date, Western Highlands, Eastern Highlands, Milne Bay, West New Britain, and Enga provinces have adopted the PHA model.

¹¹ ADB. 1997. *Health Sector Development Program*. Manila (Loans 1516-PNG/1517-PNG [SF]; total \$50 million; approved on 20 March 1997); and ADB. {1994. *Human Resource Development Project*. Manila (Loan 1518-PNG, \$10 million, approved on 20 October 1994).

programs to health system strengthening requires various support and a multidisciplinary approach which can be effectively achieved through partnerships and collaborations. The recently completed ADB HIV/AIDS Prevention and Control in Rural Development Enclaves Project grant (cofinanced by the Australian Department of Foreign Affairs and Trade [DFAT] and the New Zealand Aid Program) was evaluated *successful* in building partnerships with nonstate service providers, especially in rural areas where partnership with nonstate actors was considered essential to improve access to and quality of health services.¹² The project made a substantial contribution not only to HIV prevention and care activities but also to improving overall primary health services in rural communities within the economic enclaves.

16. Building on the HIV/AIDS Prevention and Control in Rural Development Enclaves Project is the ongoing ADB Rural Primary Health Services Delivery Project¹³, which intends to deliver high-quality primary health care to the rural population through a package of health interventions and partnerships with development organizations and government stakeholders. It is a multidonor project, with ADB (loan), DFAT (grant), Organization of the Petroleum Exporting Countries (OPEC) Fund for International Development (OFID) (loan), World Health Organization (provision of 20% of time for a health system specialist and a maternal health system specialist), United Nation's Children Fund (provision of curriculum materials on the health promotion component), and the Japan International Cooperation Agency (provision of volunteers). The project will be completed in 2020.

17. ADB will continue to play a key role in the PNG health sector, including supporting health access and service improvement and placing a focus on attracting new sources of cofinancing and counterpart funding to be implemented through existing implementation structures. Opportunities to tap devolved government funds as counterpart funding will be actively explored through ADB's current engagement in project provinces. ADB will continue to support government capacity building through technical assistance and by working through existing government processes in the current project implementation, where best practices and innovative approaches could be learned and adopted by the government.

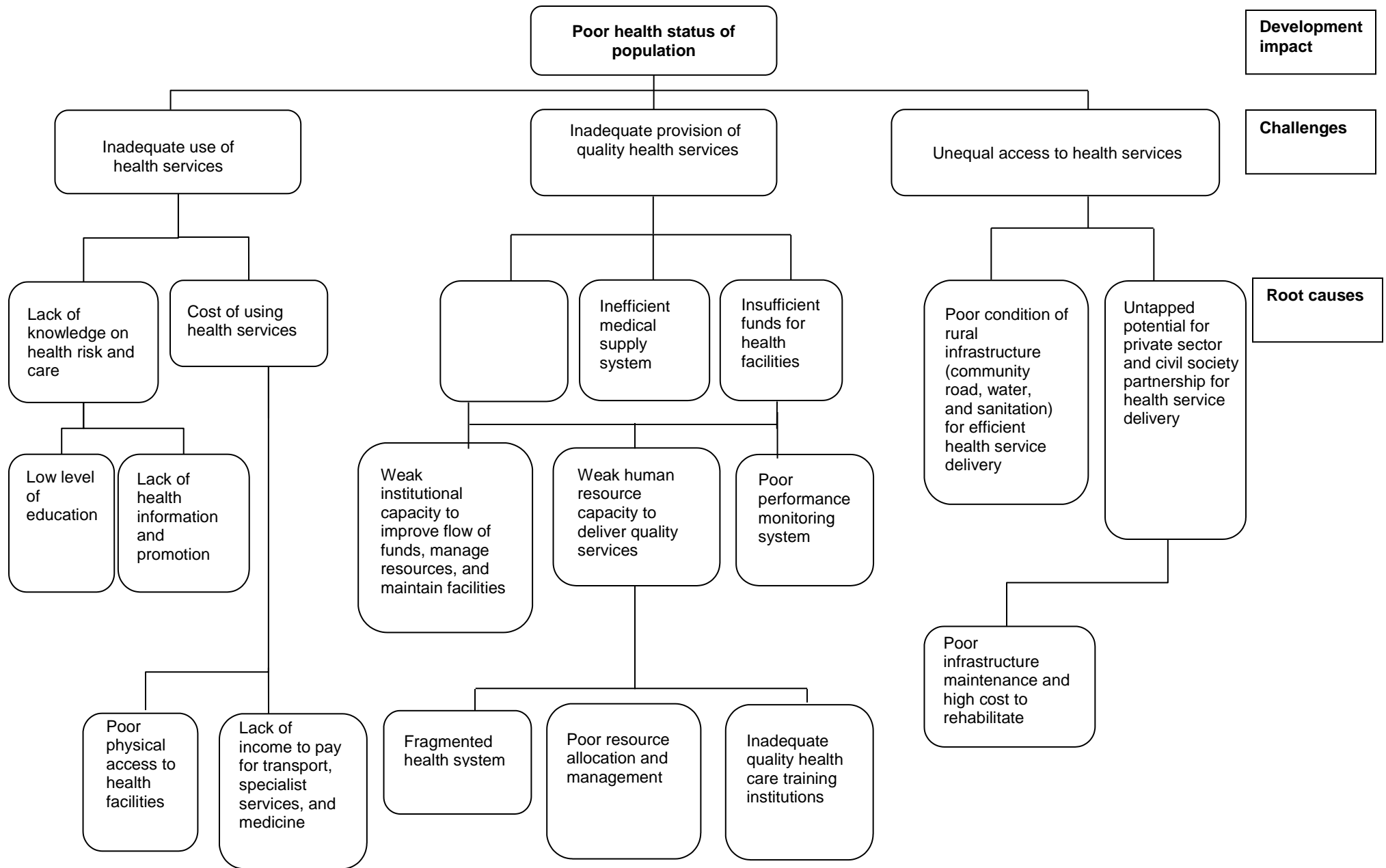
18. The government recognizes that reform is required to strengthen the health system and services. Specifically, reform agendas should further aim to enhance the sector's efficiency in management and the regulatory framework; develop innovative and sustainable financing; address the health workforce crisis effectively; and improve access to, quality of, and expansion of priority health services along with improvement in the overall referral system. ADB will aim to assist in achieving these reforms through program lending targeted at maternal and child health, HIV/AIDS, and other infectious diseases, among others, through an integrated approach to health system strengthening.

19. ADB's sector engagement in the country will also continue to leverage off the competitive advantage of development partners with technical expertise in health. A more strategic direction of strengthening the integration between the health and other sectors such as transportation and water and sanitation will be pursued by increasing the scope of health activities in these sectors and adopting innovative ways to maximize health impacts in ADB operations in the country.

¹² ADB. 2006. *Report and Recommendation of the President to the Board of Directors: Proposed Asian Development Fund Grant to Papua New Guinea for the HIV/AIDS Prevention and Control in Rural Development Enclaves Project*. Manila (Grant 0042-PNG).

¹³ ADB. 2006. *Report and Recommendation of the President to the Board of Directors: Proposed Asian Development Fund Grant to Papua New Guinea for the Rural Primary Health Services Delivery Project*. Manila (Loan 0259-PNG).

Problem Tree for Health Sector



Sector Results Framework (Health, 2016–2020)

Country Sector Outcomes		Country Sector Outputs		ADB Sector Operations	
Outcomes with ADB Contribution	Indicators with Targets and Baselines	Outputs with ADB Contribution	Indicators with Incremental Targets	Planned and Ongoing ADB Interventions	Main Outputs Expected from ADB Interventions
Increased and more equitable utilization of quality primary health services in rural catchment areas	<p>Percentage of births attended by trained health personnel (from 37% in 2013 to 68% in 2020)</p> <p>Percentage of pregnant women receiving at least one antenatal care visit (from 65% in 2013 to 75% in 2020)</p> <p>Percentage of children under 1 year old receiving DPT immunization by gender (from 52% in 2013 to 80% in 2020)</p>	Increased and more equitable access to primary health services in rural areas	<p>Number of new CHPs increased by 32 by 2020 (2014 baseline: 0)</p> <p>Number of new CHPs with minimum necessary medical equipment for primary health care installed increased by 32 in 2020 (2014 baseline: 0)</p> <p>Number of new CHPs with the required number of trained health professionals increased by 32 in 2020 (2014 baseline: 0)</p> <p>30% increase in population (of which 40% are women) with access to primary health services in rural areas by 2020 (2014 baseline: 8.2 million outpatient visits to health facilities)</p>	<p>Planned key activity areas</p> <p>Health sector policy reform aimed at strengthening rural health provision and rollout of minimum standards for quality primary health care services in rural catchment areas (100%)</p> <p>Pipeline projects with estimated amounts</p> <p>Health Sector Development Program (\$40.8 million)</p> <p>Ongoing projects with approved amounts</p> <p>Rural Primary Health Services Delivery Project (\$81.2 million composed of ADB loan of \$20 million; DFAT grant of \$40 million; OFID loan of \$9 million, and Government of PNG contribution of \$12.2 million)</p>	<p>Pipeline projects</p> <p>Policy reform program in (i) strengthening institutional arrangements and regulatory functions at all levels of health governance, (ii) improving overall referral system and services, (iii) strengthening public health, and (iv) innovative and sustainable health financing</p> <p>Ongoing projects</p> <p>Rehabilitation of community-based rural health facilities</p> <p>Capacity development for human resources in the rural health sector</p> <p>Implementation of health promotion programs in rural communities by nongovernment organizations or civil society</p> <p>Strengthened relationships between local governments and nonstate service providers</p>

ADB = Asian Development Bank; CHP = community health post; DFAT = Australian Department of Foreign Affairs and Trade; DPT = diphtheria, pertussis, and tetanus; OFID = Organization of the Petroleum Exporting Countries (OPEC) Fund for International Development. PNG = Papua New Guinea.

Source: Asian Development Bank.