Health in Asia and the Pacific

A Focused Approach to Address the Health Needs of ADB Developing Member Countries

Operational Plan for Health, 2015–2020

Asian Development Bank
HEALTH IN ASIA AND THE PACIFIC
A FOCUSED APPROACH TO ADDRESS THE HEALTH NEEDS OF ADB DEVELOPING MEMBER COUNTRIES
OPERATIONAL PLAN FOR HEALTH, 2015–2020

March 2015
Health in Asia and the Pacific: A focused approach to address the health needs of ADB developing member countries.


The views expressed in this publication are those of the authors and do not necessarily reflect the views and policies of the Asian Development Bank (ADB) or its Board of Governors or the governments they represent.

ADB does not guarantee the accuracy of the data included in this publication and accepts no responsibility for any consequence of their use. The mention of specific companies or products of manufacturers does not imply that they are endorsed or recommended by ADB in preference to others of a similar nature that are not mentioned.

By making any designation of or reference to a particular territory or geographic area, or by using the term “country” in this document, ADB does not intend to make any judgments as to the legal or other status of any territory or area.

This work is available under the Creative Commons Attribution 3.0 IGO license (CC BY 3.0 IGO) https://creativecommons.org/licenses/by/3.0/igo/. By using the content of this publication, you agree to be bound by the terms of said license as well as the Terms of Use of the ADB Open Access Repository at openaccess.adb.org/termsofuse.

This CC license does not apply to non-ADB copyright materials in this publication. If the material is attributed to another source, please contact the copyright owner or publisher of that source for permission to reproduce it. ADB cannot be held liable for any claims that arise as a result of your use of the material.

**Attribution**—In acknowledging ADB as the source, please be sure to include all of the following information:
Author. Year of publication. Title of the material. © Asian Development Bank [and/or Publisher].

**Translations**—Any translations you create should carry the following disclaimer:
Originally published by the Asian Development Bank in English under the title [title] © [Year of publication] Asian Development Bank. All rights reserved. The quality of this translation and its coherence with the original text is the sole responsibility of the [translator]. The English original of this work is the only official version.

**Adaptations**—Any translations you create should carry the following disclaimer:
This is an adaptation of an original Work © Asian Development Bank [Year]. The views expressed here are those of the authors and do not necessarily reflect the views and policies of ADB or its Board of Governors or the governments they represent. ADB does not endorse this work or guarantee the accuracy of the data included in this publication and accepts no responsibility for any consequence of their use.

Please contact OARsupport@adb.org or publications@adb.org if you have questions or comments with respect to content, or if you wish to obtain copyright permission for your intended use that does not fall within these terms, or for permission to use the ADB logo.

**Note:** In this publication, “$” refers to US dollars.
# Contents

Abbreviations iv

Acknowledgments v

Executive Summary vi

I. Rationale 1

II. Directions 6
   A. Expected Outcomes 6
   B. Operational Plan for Health Priority Areas 6
   C. Business Lines and Flagship Programs 8
   D. Priority Areas for ADB Health Analytical Work 8
   E. Monitoring and Reporting on Achieving Universal Health Coverage in Asia and the Pacific 9

III. Implementation Plan 10
   A. Key Responsibilities for Implementing the Operational Plan for Health 10
   B. Main Instruments/Modalities of Planned Assistance 11
   C. Skills Mix Implications and Resource Requirements for Current and Anticipated Portfolio 11
   D. Demand for Health Operations 13
   E. Supporting Partnerships and Collaborating with Centers of Excellence 14
   F. Increase in Private Sector Investment 15
   G. Resource Requirements 15

IV. Monitoring and Reporting 16
   A. Performance Indicators 16
   B. Reporting to Management 16

Appendixes

1. Results Framework for the Operational Plan for Health, 2015–2020 17
2. The Operational Focus of ADB in Low- and Middle-Income Countries, and Comparative Strengths 21
3. Infrastructure Projects and Health Outcomes 23
4. Health Regional Public Goods 25
5. Key Responsibilities for Implementation of the Operational Plan for Health 26
6. Expected Demand for Health Operations 28
7. Opportunities for Partnerships within the New Strategic Priorities of ADB 29

Figures

1. From Health Needs to ADB Branding Strategy 3
2. Innovation Chain 5
3. The Health Sector Framework of ADB 6
4. Operational Departments and Health Sector Group Secretariat Staff Coordination for Business Development 12
## Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
</tr>
<tr>
<td>ADF</td>
<td>Asian Development Fund</td>
</tr>
<tr>
<td>COBP</td>
<td>country operations business plan</td>
</tr>
<tr>
<td>CPS</td>
<td>country partnership strategy</td>
</tr>
<tr>
<td>DMC</td>
<td>developing member country</td>
</tr>
<tr>
<td>eHealth</td>
<td>ICT in the health sector</td>
</tr>
<tr>
<td>HHR</td>
<td>health human resources</td>
</tr>
<tr>
<td>HSG</td>
<td>Health Sector Group</td>
</tr>
<tr>
<td>HSGS</td>
<td>Health Sector Group Secretariat</td>
</tr>
<tr>
<td>ICT</td>
<td>information and communication technology</td>
</tr>
<tr>
<td>IS</td>
<td>international staff</td>
</tr>
<tr>
<td>LIC</td>
<td>low-income country</td>
</tr>
<tr>
<td>MIC</td>
<td>middle-income country</td>
</tr>
<tr>
<td>MTR</td>
<td>midterm review</td>
</tr>
<tr>
<td>NHA</td>
<td>National Health Accounts</td>
</tr>
<tr>
<td>OCR</td>
<td>ordinary capital resources</td>
</tr>
<tr>
<td>OD</td>
<td>operational department</td>
</tr>
<tr>
<td>OPH</td>
<td>Operational Plan for Health</td>
</tr>
<tr>
<td>OPPP</td>
<td>Office of Public–Private Partnership</td>
</tr>
<tr>
<td>PCR</td>
<td>project completion report</td>
</tr>
<tr>
<td>PPER</td>
<td>project performance evaluation report</td>
</tr>
<tr>
<td>PPP</td>
<td>public–private partnership</td>
</tr>
<tr>
<td>PSOD</td>
<td>Private Sector Operations Department</td>
</tr>
<tr>
<td>PVR</td>
<td>project validation report</td>
</tr>
<tr>
<td>RBL</td>
<td>results-based lending</td>
</tr>
<tr>
<td>RMTF</td>
<td>Regional Malaria and Other Communicable Disease Threats Trust Fund</td>
</tr>
<tr>
<td>RPG</td>
<td>regional public goods</td>
</tr>
<tr>
<td>UHC</td>
<td>universal health coverage</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organization</td>
</tr>
</tbody>
</table>
Acknowledgments

Vice-President

B.N. Lohani, Knowledge Management and Sustainable Development

Director General

C. Locsin, Regional and Sustainable Development Department (RSDD)

Senior Director

G. Kim, Sector Advisory Service Division, RSDD

Team leaders

C. Bodart, Principal Health Specialist, East Asia Department

S. Roth, Senior Social Development Specialist (Social Protection), RSDD

Team members

E. P. Banzon, Senior Health Specialist, RSDD

N. Carandang, Social Development Specialist, Pacific Department (PARD)

B. Chin, Social Sector Economist, South Asia Department (SARD)

P. Clos, Senior Advisor, Vice-President, Finance and Risk Management

A. Inagaki, Director, Human and Social Development Division, Southeast Asia Department (SERD)

J. Leusink, Investment Specialist, Private Sector Operations Department

B. Lochmann, Senior Social Sector Specialist, SERD

H. Manzano-Guerzon, Associate Operations Analyst, RSDD

P. Moser, Lead Health Specialist, RSDD

D. Navarrete, Operations Assistant, RSDD

S. Ra, Director, Human and Social Development Division, SARD

K.E. Seetharam, Principal Knowledge Sharing and Services Specialist, RSDD

G. Servais, Senior Health Specialist, SERD

N. Soetantri, Transport Specialist, RSDD

S. Tanaka, Senior Economist, Economic Research and Regional Cooperation Department

M. Van der Auwera, Senior Financial Sector Specialist (Social Security), Central and West Asia Department

E. Veve, Director, Urban, Social Development and Public Management Division, PARD

M. Vijayaraghavan, Senior Evaluation Specialist, Independent Evaluation Department

H. Win, Social Sector Specialist, SARD

Advisor

I. Bhushan, Director General, Strategy and Policy Department
Executive Summary

Every country, regardless of its income status, faces challenges providing and financing health care. Health care requires investments in infrastructure, technology, medical goods, human resources, capacity development, and reforms. As countries prosper, expectations of better health service infrastructure and healthier living conditions rise, but the resources available remain low, particularly in Asia and the Pacific. Achieving better health outcomes demands innovative approaches to manage health care in new ways, more effectively, with better quality and for lower cost. Quality, efficiency, and cost-effectiveness are the key words for the new health sector at the Asian Development Bank (ADB). They are also the guiding principles for strengthening health systems to achieve universal health coverage (UHC) which means that quality health services are available to all those in need without undue financial hardship.

Regionwide, countries have made efforts toward achieving UHC, which requires increased investments in health services, including investments in health infrastructure, to increase the supply of services, and health financing to create demand for services. Achieving UHC also means efficient management of health systems aimed at maximizing better-quality outcomes from limited resources. ADB, thanks to these new commitments to UHC, has been presented with avenues to partner with countries on developing responsive and effective health systems that promote inclusion, and good use of public and private resources. The focus on UHC also offers ADB a means to build a long-term health practice and to usher in assistance beyond health infrastructure. Building knowledge and lines of investment that support countries with different levels of income in achieving UHC will provide a practice that will remain relevant as developing member countries (DMCs) evolve from low- to middle- to high-income levels.

The midterm review (MTR) of Strategy 2020 recommended that ADB scale up health sector investments from the current 1%–2% to 3%–5% of total portfolio in the remaining period of the Strategy to support inclusiveness and to reduce vulnerabilities in Asia and the Pacific. Investments should: (i) support DMCs in meeting the post-2015 sustainable development goal of UHC; (ii) continue to leverage health impacts by optimizing health outcomes from infrastructure projects; and (iii) support improvements in the regional public goods (RPGs) of the health sector.

The MTR proposal of more than doubling the approvals of grants and loans presents not only an opportunity but also a challenge for the health sector operations of ADB. In response, the health team of ADB will build on its past experience and focus on three areas of health systems strengthening: hard and soft infrastructure for health services delivery (hospitals, clinics, human resources for health, management systems); health governance (accreditation, regulation, institution, and RPGs); and health financing (insurance, private sector, and public budgets). To double its portfolio in health care, ADB has to have extensive dialogue with, and support from, traditional and new cofinanciers, and development and technical partners.
The initial health sector support efforts of ADB will focus on 8–12 interested DMCs. Interventions will be aligned along four business lines based on strong existing and anticipated demand from DMCs (infrastructure for health services delivery, health financing and insurance, elderly care, and information technology). Selected flagship programs will be developed to build the ADB brand in the health sector.

This approach will cater to the health sector needs of the DMCs, and help in achieving UHC, and also scale up the health sector investments of ADB toward 3%–5% of the total portfolio by 2020. The three requisites for a successful implementation of the Operational Plan for Health (OPH) are: (i) strong capacity of operational departments backed by targets for ordinary capital resources (OCR)/Asian Development Fund (ADF) allocation for health; (ii) acquiring new health expertise based on DMC needs; and (iii) strengthening the network advantage of ADB through partnerships, including cofinancing and linkages to centers of excellence.
I. Rationale

1. The purpose of the revised Operational Plan for Health (OPH) is to address the health sector needs of the developing member countries (DMCs) and to respond to the recommendation of the midterm review (MTR) of Strategy 2020 of the Asian Development Bank (ADB) toward scaling up health sector investments from the current 1%–2% to 3%–5% of the total portfolio in the remaining period of the Strategy.¹ To support inclusiveness and to reduce vulnerabilities, the MTR proposes three strategies, namely: (i) support DMCs in meeting the post-2015 sustainable development goal of universal health coverage (UHC), which includes expanding public and private provision of health services, and health care access for vulnerable groups;² (ii) continue to leverage health impacts by optimizing health outcomes from infrastructure projects; and (iii) further support improvements in health sector regional public goods (RPGs).

2. Many governments now prioritize reforming and strengthening of health systems toward achieving UHC.³ Almost all countries in Asia and the Pacific, irrespective of their level of development, have embraced the goal of UHC—providing quality health services to all those in need without undue financial hardship. To achieve these aspirations, the “business-as-usual” attitude should make way for innovative and integrated policies and solutions to build, manage, and finance quality supply of health services. Many countries are now exploring different ways to mobilize additional resources and technical expertise to strengthen their health services by moving toward UHC, often within a broader social protection agenda. This presents an opportunity for ADB to provide effective health sector assistance by focusing its support on operations that meet the needs and demands of the DMCs, aligned with the strengths of ADB in infrastructure financing, and by carrying the potential to combine lending with knowledge services.

3. The MTR proposal to more than double the approvals of grants and loans presents not only an opportunity but also a considerable challenge for the health sector of ADB. ADB health sector has experienced a gradual decline in approved financing since 2006. Successive strategies of ADB since 2004 resulted in a gradual decrease in approved financing from 3% of total ADB financing in 2003–2007 to 2% in 2008–2012, and less than 1% of approved financing by ADB in 2014.⁴ The 2008 OPH aimed to move away from standalone investment projects to embed health into the broader spectrum of ADB operations in infrastructure, economic governance, and RPGs.⁵ This led to a further reduction of approvals, a downsized health team, and limited health sector policy dialogue with DMCs, with very few country partnership strategies (CPSs) assigning health as a sector for ADB country operations.

4. In view of the lessons learned from the 2008 OPH, ADB can respond to the changing health needs of DMCs only through high-quality health sector practice and standalone health sector investments focused on priority areas. That ADB is capable of designing and implementing

---

² The goal of universal health coverage is to ensure that all people obtain the health services they need without suffering financial hardship when paying for them. This requires a strong, efficient, well-run health system; a system for financing health services; access to essential medicines and technologies; and sufficient capacity of well-trained, motivated health workers. The World Health Organization. http://www.who.int/features/qa/universal_health_coverage/en/
successful health sector projects is evident from the successful project completion reports. The 2008 OPH
lacked health sector focus and focused very much on indirect health sector outcomes from infrastructure
projects. A review of the 2008 OPH experience calls for a more vibrant health sector lending practice to
anchor a strong health team—to continue high-quality health sector operations and to facilitate positive
health outcomes from infrastructure projects. This requires better cross-sectoral links and a more knowledge-
intensive health sector practice.

5. The health operations of ADB will pursue two key strategies to meet the MTR objectives: focusing
and branding. Focusing requires analysis of future health risks, needs, and challenges in the health sector in
selected DMCs, translation of the strategic focus recommended by the MTR into action, and an operational
focus that plays to the strengths of ADB. Branding requires identification of both priority business lines and
flagship programs. These programs will be implemented in specific countries to build the health “brand” and
deliver on the Finance++ agenda of ADB (Figure 1).

6. Health needs and risks in Asia and the Pacific. To address the challenging and diverse evolving needs
of the region, the persistent pockets of poverty, the increasing inequality that leads to high out-of-pocket
expenditures for health care, and the weak social security systems must be tackled. Health services are still
not available for or accessible to many in Asia Pacific. The rapid aging of the population in the region has far-
reaching consequences on increased health care spending, and there is a growing negative impact on health
because of changing lifestyles and risk factors for noncommunicable diseases. Managing these is costly as it
requires a highly skilled workforce, sophisticated diagnostic technology, long-term treatments, and integrated
care. Rapid urbanization has not been matched by the required level of investment to meet the demand for
more sophisticated health service infrastructure and healthy living conditions. Moreover, there are health risks
associated with large mobile populations, increasing vulnerability to climate change and natural disasters, and
emerging and reemerging infectious diseases, all of which require a systems approach toward strengthening
the health sector, as recognized by the DMCs.

7. Strategic directions of the revised OPH. The MTR recommends three strategic directions, namely UHC,
RPGs, and health outcomes from infrastructure projects, with UHC being the core strategic focus.

(i) **UHC.** ADB has already accumulated valuable experience in health systems investments for achieving
UHC. These include investments in health infrastructure, as well as hospitals, primary health care
clinics, medical training institutes, and laboratories; strengthening health governance; and financing
of health services. UHC provides an opportunity to expand these efforts into broader health systems
approaches and to move away from fragmented small health projects, besides constituting the core
strategic focus of OPH 2015–2020, elevating sector dialogue to address broader country aspirations,
and opening opportunities for substantial ADB health operations aligned with country needs. Also,
UHC will be linked to the broader social protection strategy of ADB and will underpin its partnerships
with health sector cofinanciers and technical agencies.\(^7\)

(ii) **RPGs.** Regional integration and cooperation are of great importance to the strategic directions of
ADB. ADB will continue to seek cofinancing, develop projects, and provide technical assistance to help
build and institutionalize capacity to manage RPGs. This will form part of the support of ADB toward
strengthening health sector governance. ADB has accumulated impressive experience in health
RPG. The SARS crisis, avian influenza, and H1N1 events provided ample evidence that DMCs sought

---

\(^6\) IED, 2008–2013. Project completion reports for health programs rated 12 projects out of 13 as successful.

Figure 1: From Health Needs to ADB Branding Strategy

- **Health risks/needs**
  - Persistent pockets of poverty
  - Rapidly aging population
  - Increase in noncommunicable diseases
  - Accelerated urbanization
  - Mobile population
  - Natural disasters and climate change
  - Recurrent reemerging diseases

- **Sector challenges**
  - Low-quality health services
  - Inefficient health sector
  - Underfunding of the health system

- **Strategic focus**
  - Universal health coverage
  - Health outcomes from infrastructure projects
  - Health regional public goods

- **Operational focus**
  - Health infrastructure
  - Health governance and regional public goods
  - Health financing

- **Priority business lines**
  - Engagement with the government and private health sector on:
    - Infrastructure for integrated health services delivery
    - Elderly health care
    - Information and communication technology
    - Health financing/insurance

- **Flagship programs**
  - Phase 1 (building on existing portfolio) (2015–2018)
    - Urban health in South Asia
    - Equitable health insurance in Southeast Asia
    - Efficient service delivery in Southeast Asia and the Pacific
    - Regional health security in Southeast Asia
    - Integrated hospital care in East Asia
  
  - Phase 2 (based on anticipated portfolio) (2018 onward)
    - Elderly health care in East Asia
    - eHealth in Asia Pacific
    - Integrated hospital care in Papua New Guinea
    - Private sector health service delivery financing in Asia and the Pacific

Source: ADB Health Sector Group.
ADB support. The involvement of ADB in the AIDS response in the region, more recent support to malaria control and elimination through the Asia Pacific Leaders Malaria Alliance (APLMA) and the Regional Malaria and Other Communicable Disease Threats Trust Fund (RMTF), including regulatory convergence of medical goods and pharmaceuticals, and nascent initiatives in the area of climate change and health are proof that the region can benefit from ADB’s convening power, interdisciplinary approaches to regional health governance, and the ability to combine technical knowledge with development finance.

(iii) Health outcomes from infrastructure projects. ADB will continue to advocate and advise infrastructure initiatives to optimize health outcomes. This will be linked to the support of ADB toward health service infrastructure under a broader public health approach. Collaboration with infrastructure sectors (such as urban development, water and sanitation, transportation, energy) has thus far been insufficient. The OPH will promote cross-sectoral cooperation for ADB to use its impressive presence in infrastructure to better account for the contribution of nonhealth sectors to health outcomes and to mitigate possible adverse health impacts of infrastructure projects.

8. Business lines and flagship programs. The expertise of ADB in the health sector is yet to be fully recognized and requires dedicated branding. This will be done by developing business lines and flagship programs aimed at promoting the strengths and experience of ADB, thereby building the ADB brand in the health sector. The flagship programs will be developed based on operational experience in two phases: Phase 1 will build on the current health sector portfolio of ADB, and Phase 2 will be developed based on the currently anticipated portfolio of ADB (Figure 1). This branding strategy requires linking health sector investments with cutting-edge technical assistance and knowledge management, collaboration with centers of excellence, and well-designed communication programs. It will be an ADB-wide effort supported by “One ADB” under the leadership of the operational vice-presidents. Anticipated business lines and flagship programs are summarized in Figure 1.

9. Internal challenges in ADB to the implementation of the OPH. The plan will address important challenges to ensure that the MTR targets are met. These include constraints in processes, products, and knowledge management that must be dealt with. For example:

(i) Processes. There is a need for: (a) more qualified staff to increase the volume of health sector lending; (b) expanded support (beyond MTR health targets) for sector directors, country directors, and directors-general to engage in health; (c) increased health sector skills in resident missions; (d) more CPSSs and/or country operations business plans (COBPs) which focus on health; and (e) resources to support programming of health operations for the next 3 years.

---

8 “One ADB” in this paper includes: (i) collaboration between sovereign and nonsovereign operations; (ii) cooperation between the health sector group secretariat and the operational departments; and (iii) cross-departmental support, including operation and specialized knowledge departments.
(ii) **Products.** Increasing ADB operations in health will require: (a) expanded policy dialogue on health with DMCs over several years in targeted countries; (b) creating a pipeline of private sector health deals; (c) a focused OPH to guide operations; and (d) more robust linking of lending with knowledge management.

(iii) **Knowledge management.** Building of an evidence-based health portfolio will also require: (a) better communication of the successes and experiences of ADB in the health sector and (b) more sharing of best practices.

These constraints will be largely addressed through an innovation chain resulting in increased lending (Figure 2). More details are described in the implementation section of the plan.

**Figure 2: Innovation Chain**

- **Process**
- **Product**
- **Knowledge management**
- **Increased lending in health sector**

**“One ADB” health sector team**
- HSGS–ODs collaboration on CPS and COBPs
- HSGS aligns workplan with OD needs
- Cross-sectoral working groups
- Collaboration with centers of excellence

**Business lines**
- Finance ++ (finance plus leverage plus knowledge)

**Health flagship programs (extract best practices, incubate innovations, share knowledge)**

**Health flagship events**

COBP = country operations business plan, CPS = country partnership strategy, HSGS = Health Sector Group Secretariat, OD = operational department.

Source: ADB Health Sector Group.
A. Expected Outcomes

10. The expected impact of this OPH is reduced vulnerability and inequality in the DMCs. The plan will support targeted DMCs to achieve the following outcomes: (i) improved coverage and quality of health care; (ii) strengthened efficiencies of health systems; and (iii) reduced household-related private expenditures for health care (see Figure 3).

11. To this end, the operational plan will be a tool for ODs to increase the total health sector portfolio of ADB from 1% to 3%–5% in the remaining period of Strategy 2020, and to build a sustainable and high-quality health sector program beyond 2020.

B. Operational Plan for Health Priority Areas

12. The OPH supports three operational focus areas (with health infrastructure at the core) addressing the key challenges in the health systems in Asia and the Pacific to achieve UHC. Across these areas, ADB will lead an advocacy for strengthened regional cooperation and integration. ADB will focus on (see Figure 3 and also Appendix 2):

![Figure 3: The Health Sector Framework of ADB](image-url)

RPG = regional public goods, UHC = universal health coverage.
Source: ADB Health Sector Group.
(i) **Health Infrastructure.** ADB will invest directly in quality health service infrastructure for primary health clinics and hospitals providing differentiated financing and knowledge solutions for low-income countries (LICs) and middle-income countries (MICs) to strengthen health systems as laid out in Appendix 2. ADB will take a holistic approach toward health infrastructure away from construction only to ensure that infrastructure is well integrated in health systems, managed efficiently, and operated at high quality with sustainable financing. This requires investments in human resources (linked to the education sector in ADB), including training practitioners to serve an aging population, strengthening supply of quality pharmaceuticals, medical goods, and technology. Investments in sound information and communication technology (ICT) systems will underpin health infrastructure projects. The OPH will strongly support private sector approaches to address quality, efficiency, and financing issues in the health infrastructure. ADB will also optimize indirect public health outcomes from ADB infrastructure projects by strengthening collaboration between health and infrastructure sectors (primarily transport [road safety], urban [healthy cities], water [water safety], sanitation and energy), as highlighted in Appendix 3.

(ii) **Health governance and RPG.** ADB will address health governance, including RPG, which is at the core of regional health governance. The health market is imperfect and government stewardship remains crucial. ADB will provide financing and technical assistance to strengthen planning, financial management, institutions, health information, and health regulatory systems backed by ICT solutions to ensure quality, efficiency, effectiveness, transparency, and accountability. This will include investments to strengthen accreditation of hospitals, licensing of health workers and facilities, and regulatory processes for pharmaceuticals and medical goods. Strong technical support will be provided to improve legal and regulatory environment for private sector engagement and public–private partnerships (PPPs). ADB will continue to support DMCs in building and institutionalizing capacity to manage RPGs. Regional coordination mechanisms (e.g., Central Asia Regional Economic Cooperation [CAREC], Greater Mekong Subregion [GMS], Association of Southeast Asian Nations [ASEAN]) will be used to benefit the health sector governance in DMCs, and to strengthen cross-border collaboration and policy dialogue. Appendix 4 details how ongoing RPG activities will be expanded.

(iii) **Health financing.** Despite the increased fiscal space for health in the region, the resource needs of the sector are not met in particular for achieving UHC. Furthermore, huge issues remain on equitable access to health care and efficient use of scarce financial resources. ADB will support measures to improve the allocative efficiency, for example, increasing spending on primary care in underserved areas; and the technical efficiency, for example, financial incentives for adherence to diagnostic and treatment guidelines for public resources. ADB will help support health financing reforms instead of inefficient, input-based budget lines toward program budgeting and government purchasing of services based on outputs. ADB will help consolidate risk-pooling initiatives in LICs and expand coverage and financial protection of health insurance systems in MICs. Performance incentives will be created through the reform of provider payment mechanisms. Investments in ICT solutions will be key in sustaining reforms in health financing.

13. **Gender mainstreaming in health operations.** Gender mainstreaming is recognized as a key driver of development in the Strategy 2020 of ADB. The health sector provides excellent opportunities for gender mainstreaming, positively impacting the health of women, thereby making a difference in achieving gender equality. As a result, ADB has targeted 100% of health sector projects for gender mainstreaming. Many DMCs in Asia and the Pacific are lagging behind in maternal and child health indicators, with insufficient access to

---

quality health services for women in both rural and urban settings. Access to reproductive health services is also lagging in many of these countries, resulting in too many high-risk pregnancies, for example, among teenagers, or unwanted pregnancies, negatively impacting women’s health and often parents’ economic and social opportunities. The health sector is also key to the multisector approaches needed for addressing gender-based violence. Under the OPH, ADB health sector activities will aim to strengthen gender outcomes in health sector projects and will systematically focus on two areas: improving the access of women to health services and addressing gender-based violence.

C. Business Lines and Flagship Programs

14. The health sector of ADB will apply new business practices and develop improved products (lending and knowledge services) to meet the needs of LICs and MICs. New business practices include working in cross-departmental teams, capitalizing on skills and expertise across ADB, and leveraging partnerships with technical agencies that have cutting-edge expertise, such as the World Health Organization (WHO) and centers of excellence. Improved products will be defined through business lines and flagship programs, as follows:

(i) Business lines. Business lines will comprise products and services that address DMC needs. The responsibility to define business lines will lie with the Health Sector Group (HSG, formerly the Health Community of Practice) working in close coordination with ODs. Anticipated business lines are listed in Figure 1.

(ii) Flagship programs. Products and services will be turned into flagship programs to share implementation experiences, successes, and failures. The programs will be under the responsibility of ODs supported by the Health Sector Group Secretariat (HSGS). Flagship programs will be implemented in specific subregions to build the ADB brand in the health sector. Flagship programs will be used to incubate and scale up new approaches to tackle specific health sector challenges. As outlined in Figure 1, Phase 1 includes: urban health in South Asia (health infrastructure); equitable health insurance/protection in Southeast Asia (health financing); efficient health service delivery in Southeast Asia and the Pacific (health infrastructure and health governance); regional health security in Southeast Asia (health governance); integrated hospital care in East Asia (health infrastructure); and Phase 2 includes: elderly health care (health infrastructure, governance, and financing) in East Asia, particularly the People’s Republic of China (PRC); eHealth in Asia and the Pacific (health infrastructure and governance), and financing models for private sector health service infrastructure in the region. Flagship programs will be developed continuously but concrete results of Phase 1 are expected within the next 2–3 years.

D. Priority Areas for ADB Health Analytical Work

15. Health sector analytical work will be connected to ongoing and future operational work, business lines, and flagship programs. A tentative scope of work for ADB’s health sector is as follows:

(i) Within the health infrastructure, ADB will develop integrated urban health models to improve urban health and produce health workforce planning models to address emerging needs such as elderly health care. ADB will study the use of ICT as a tool to improve the efficiency and quality of services as well as health information for evidence-based decision making. ADB will also pilot autonomous
hospital governance models. Studies on the role of social franchises for health and other innovative nongovernment service delivery models will be conducted.

(ii) Under health governance, ADB will develop capacity for policy analysis and development; study health regulations for pharmaceuticals, accreditation, and licensing to foster regional economic integration; and support strengthening of institutions to address health aspects of climate change. This will also require a strong focus on regional cooperation and integration, and continued analytical work and capacity development for RPGs.

(iii) Within health finance, ADB will study PPP and private sector investment models for health service infrastructure financing and provide payment mechanisms to modernize public purchasing systems backed by ICT. The effect of taxation (e.g., sin taxes) and other nonhealth interventions to address noncommunicable diseases financing will be explored.

(iv) Capacity in health economic analysis will be developed in-house or through partnering with centers of excellence. Health economics evidence is in high demand from DMCs and is crucial in the context of increasing investment in the health sector (UHC, eHealth, health security, prevention of non-communicable diseases, etc.).

E. Monitoring and Reporting on Achieving Universal Health Coverage in Asia and the Pacific

16. A clear understanding of country situations in terms of demographic profile, socioeconomic development, health priorities, and health systems’ structure and performance is critical to inform policy and planning to provide the right mix of quality services, develop and implement specific reforms, and to support appropriate financing strategies.

17. To measure achievements toward UHC, ADB is collaborating with WHO on developing monitoring frameworks with performance indicators derived from existing health information systems. These are being developed both regionally and for several countries. Regular monitoring of key performance indicators is necessary to make adjustments in health services, governance, and financing programs to ensure progression toward achievement of UHC. The project performance indicators of ADB will be harmonized with the regional and national UHC monitoring and evaluation frameworks.
A. Key Responsibilities for Implementing the Operational Plan for Health

18. Assignment of key responsibilities for the implementation of the OPH is detailed in Appendix 5. These responsibilities are regrouped under:

(i) **Business development.** Business development will require an effective interplay between ODs and the HSG. The involvement of the HSG will be substantial during CPS and COBP preparations and will decrease during project processing and implementation. Operational departments will determine the demand for operational support from the HSG. Also, the HSG will adequately address the needs of ODs. The demand for support from these departments will be monitored by the HSGS and discussed in the sector committee, comprising the social sector directors of ODs. It is expected that the highly qualified experts of the HSG will prioritize their time to support operations (see para. 21 [ii]).

(ii) **Knowledge management and sharing.** The HSG, under the leadership of the HSG chairperson and the technical advisor, is responsible for health knowledge management and sharing, in addition to operations support. This responsibility includes identifying a limited number of relevant knowledge areas, which are linked to the flagship programs of the OD, monitoring progress, allocating technical support mainly from the HSGS and through recruitment of consultants, and organizing knowledgesharing events.

(iii) **Reaching out.** The HSG is responsible for developing effective relationships with: (a) other sectors in ADB to identify and monitor the contributions of nonhealth sectors to health outcomes and to advise these nonhealth sectors on mitigating possible adverse health impact of infrastructure projects; (b) partners in the health sector to identify cofinancing, organize joint learning events, and prepare analytical work; and (c) centers of excellence to strengthen the health capacity and the brand of ADB. Responsibility for outreach will be shared with ODs as agreed upon in the HSG work plan. The ODs, supported by the HSG, are responsible for regular consultations with governments.

(iv) **Mobilizing additional resources.** The HSG, in close coordination with the Office of Cofinancing Operations, will mobilize potential partners to contribute to and manage the Health Financing Partnership Facility (HFPF). Expansion of the HFPF will be strategic, that is, fitting in the overall direction of the OPH. In addition to the present RMTF, and the health equity fund, new funds in other areas (e.g., aging, ICT, urban health) will be explored. In addition, ODs will, with the support of Office of Cofinancing Operations and the HSGS, continue to mobilize potential sources of direct cofinancing for operations in key business lines.

(v) **Human resources.** A phased approach to strengthen health staffing is discussed in para. 22. Operational departments and the HSG will be responsible for preparing skills development plans (derived from the staff development plans) in line with the OPH strategic approach, including business lines and flagship programs. These skills development activities will be in consultation with the Budget, Personnel, and Management Systems Department. Cross-departmental support will be institutionalized in staff work plans with the support of the operational directors-general and vice presidents, as appropriate.

(vi) **Monitoring and evaluation.** The HSGS is in charge of monitoring and reporting the achievements under the implementation of the OPH (MTR and strategic result framework targets). The HSG will initiate the review of the OPH before the end of the timeframe for the OPH or when otherwise required.
Operational departments, with support from the HSGS, will monitor the health sector project outcome and output indicators and project strategic alignment with the OPH. The Independent Evaluation Department (IED) of ADB will independently evaluate the projects under the revised OPH through the project validation reports and project performance evaluation reports (PPER).

B. Main Instruments/Modalities of Planned Assistance

19. Lending modalities that lead to larger lending amounts and reduced transaction costs will be explored. Most countries in the region are MICs with better country systems, and increased policy development, planning, and borrowing capacity. This is fertile ground for ADB to engage in larger lending operations supporting DMC policies and programs such as results-based lending (RBL) and sector program/policy loans. The current RBL program prepared to support the National Urban Health Mission in India, which links health infrastructure investments with sector reforms, is a case in point. This approach strengthens institutional capacities, reduces transaction costs, and will allow MTR approval targets to be achieved with fewer but larger operations. Such experiences (from the health or education sector) will be shared across the HSG to enable quick learning from successful approaches. The UHC monitoring and evaluation framework will help develop RBL programs as disbursement-linked indicators can be drawn from the framework.

20. ADB staff will actively promote and cross-support PPP and private sector operations in health care in the sovereign sector during country policy dialogue with the government by meeting private investors and professional associations and by developing appropriate frameworks and health sector criteria for investment projects to ensure social due diligence and oversight. The involvement of Private Sector Operations Department (PSOD) staff in the HSG and regular interaction with staff of other ODs will ensure that ADB support to private sector operations fits in the broader health policies and country sector plans.

C. Skills Mix Implications and Resource Requirements for Current and Anticipated Portfolio

21. Resource requirements for operations and analytical work. There has been a gradual decline in the number of health staff in ADB since 2006. Cross-departmental support can only be a partial answer to the lack of skills to meet the requirements of the current and the anticipated portfolio, which is based on the needs of the DMC. A significant increase in portfolio is expected in South Asia Department in urban health and in Southeast Asia Department in health infrastructure and financing. Short-term and medium-term MTR objectives can be met as follows:

(i) Short term. The project processing and administration capacity of ODs will be increased by filling vacant positions, and highly competent national staff will be hired to strengthen the role of resident missions in portfolio development, project processing, and administration. New positions created for the health sector need to be available for ODs to ensure adequate processing capacity. Secondments of health experts from ADB developed member countries to ADB will be explored. Given the limited number of experts in the health sector in ADB, senior-level experts need to be recruited to accelerate the implementation of the MTR action plan, deliver on the Finance++ agenda of ADB, and establish a strong ADB health brand.
(ii) **Medium term.** The capacity of the HSGS to support ODs in the development of health business, the design of complex projects, and the development of flagship programs will be strengthened (Figure 4). Specialized experts will be made available across ADB. The requisite skills will be mapped to the proposed focus areas of this OPH. Additional HSGS staff with expertise will devote the majority of their time to supporting operations, including participation in the business development (CPS, COBP) processing and administration of complex projects. The remaining time will be used to carry out sector/analytical work. Operation support will be priority and will be provided on demand.

---

**Figure 4: Operational Departments and Health Sector Group Secretariat Staff Coordination for Business Development**

---

**Health Sector Group experts**
- Health Financing Expert
- Health Security Expert
- Health Governance Expert
- Health Human Resources Expert
- eHealth/ICT Expert

---

COBP = country operations business plan, CPS = country partnership strategy, ICT = information and communication technology, OD = operational department.

* Experts will be international staff, staff consultants, or long-term consultants and will be made available across ADB.

Source: ADB Health Sector Group.
22. **Skills development.** Continuous development of current and future health staff will primarily focus on new lending modalities—RBL, PPP, private sector investments, mobilizing capital markets in the health sector, and ICT. These areas open tremendous investment opportunities and efficiency gains in the health sector. Capacity building for health staff in urban health, elder care services, and provision of services for noncommunicable diseases are additional priorities to respond to pressing needs in a fast aging and urbanizing region. This requires building partnerships with centers of excellence and developing a staff development and talent management plan for health sector staff.

23. The MTR has clearly set increased approval targets for the health sector. To raise capacity and ownership of ODs to engage in health:

(i) The HSG will ensure strong support to business development and complex project development of ODs (availability to join country missions, contributing to documentation, support mobilizing high-level technical expert consultants) backed by targets for ordinary capital resources (OCR)/Asian Development Fund (ADF) allocation for health for each OD.

(ii) ADB will recruit additional staff and consultants, as this will boost the confidence of ODs to engage in the health sector.

24. Operational departments will ensure that health staff are involved in the preparation of CPS for potential countries and the HSGS is mobilized for policy discussions with DMCs on the business line and the flagship programs of the ADB health care team.

25. The results of past ADB health strategies and decreasing dialogue with DMCs have led to a dramatic reduction of countries that include health care in the CPS. As of 2014, only Mongolia, Papua New Guinea, and Viet Nam have health as an operational sector in their CPS. The aim of sovereign health operations, as summarized in Appendix 6 to:

(i) maintain and expand operations in countries with current operations (Bangladesh, Cambodia, the Lao People’s Democratic Republic, Myanmar, Thailand, Viet Nam, Mongolia, and Papua New Guinea);

(ii) develop strong projects and programs in countries with new health operations in 2015 (the PRC and India);

(iii) reconsider exiting from countries with prior programs (e.g., Indonesia, Pakistan, and Philippines); and

(iv) reach out to countries that have not borrowed in the past but where substantial investments in the health sector could be expected.

26. Developing specific approaches for lower and upper MICs and LICs is a must. Health flagship events are needed to bring together the ministries of health, finance/planning, and social protection agencies, thereby facilitating policy dialogue and raising awareness about the business lines of ADB in the health sector. Operational departments, with support from the HSGS, will engage in consultations with the DMCs (with ministries of health and finance as main partners), which will result in better alignment of proposed business lines and demand from DMCs. The consultations must prioritize the most promising DMCs.
E. Supporting Partnerships and Collaborating with Centers of Excellence

27. Under the OPH, establishing and maintaining strategic partnerships and alliances are critical to develop a network advantage in the health sector. ADB will unlock value from its alliances and partnerships, leverage its strengths in health service infrastructure financing and project implementation to bring global best practices to DMCs. Regional knowledge networks such as the Asia Pacific Health Observatory (APO), the Asia eHealth Information Network (AeHIN), the Asia Pacific Malaria Elimination Network (APMEN), and other regional networks, which advance regional knowledge and capacity development, will be supported and linked to the flagship programs of ADB.

28. ADB will develop and deepen its alliances with multilateral and bilateral partners, funds and foundations, and centers of excellence. Appendix 7 indicates the current status and potential of strategic partnerships and alliances.

(i) **Technical partnerships are critical to expansion of ADB policy dialogue and to ensure project quality.** A key partner is WHO, which provides technical oversight and guidance for national health plans and programs. ADB is developing a memorandum of understanding that covers joint work, including mechanisms for financing the technical activities of WHO as needed, with WHO and its four regional offices that overlap with ADB: the regional offices for Western Pacific (WPRO), Southeast Asian (SEARO), Eastern Mediterranean (EMRO), and Europe (ERO). Other major technical partners in the health sector include specialized agencies of the UN, such as the Joint United Nations Programme on HIV/AIDS (UNAIDS) and the United Nations Children’s Fund (UNICEF), and the World Bank. ADB should be prepared to financially support WHO and specific UN agencies, as appropriate and needed, to increase their engagement in areas considered germane to ADB outcomes and to collaborate on analytical work and capacity development. In addition, ADB should participate in and contribute to key global and regional partnerships that support OPH objectives. For example, ADB is a member of the P4H Social Health Protection Network, a partnership supporting countries on their way toward UHC.10

(ii) **The health sector work of ADB requires engagement in knowledge partnerships with centers of excellence.** The role of these centers will be to (a) provide technical assistance on demand (studies, research, development of flagship programs), (b) organize events of regional and global significance, and (c) monitor and evaluate operations. Centers of excellence will be engaged through a modality which is needs based, can flexibly respond to new demands, and supports joint development of solutions needed for the long term and sustained development of DMC health sectors.

(iii) **Potential cofinancing partnerships for grants, loans, or guarantees must also be cultivated.** Major sources should be tapped for potential cofinancing. Development assistance for health in Asia and the Pacific varies by ADB region, but the key development assistance for health financiers include, listed roughly according to the level of contribution, the Global Fund to Fight AIDS, Tuberculosis and Malaria; the World Bank; the Department of Foreign Affairs and Trade (DFAT, Australia), the Department for International Development (DFID, UK); the Government of Sweden; the United States Agency for International Development (USAID); and the Bill & Melinda Gates Foundation. Other sources include the German Agency for International Cooperation, the European Union, and Nordic development agencies. An important potential cofinancier, particularly for Central and West

---

Asia Department (CWRD), is the Islamic Development Bank. ADB has health cofinancing partnerships with DFAT; DFID; and the governments of Canada, Germany, and Sweden; and has obtained limited regional support from the Bill & Melinda Gates Foundation.

F. Increase in Private Sector Investment

29. The current accelerated pace of economic development in the region has led to the emergence of a more affluent middle class in many of the MICs. This means there are health care consumers aspiring for quality health services, backed by first-class infrastructure, technology, procedures, and competent staff. This will create tremendous opportunities for private sector investments (as can be seen in the PRC and India). If MICs strengthen their health financing systems, it will ensure access to services for less affluent populations and will attract private sector investments eager to benefit from regular revenue streams. PSOD will strengthen its nascent engagement in the health sector, as collaboration with ODs and the HSG will be further intensified. A working group, consisting of PSOD and HSG members, will actively look at identifying potential private health projects. At the country level, ODs will assist in the development of more solid health financing schemes and will ensure a favorable climate for investment in the health sector. PSOD and OPPP staff in ADB will contribute to a growing portfolio by analyzing private sector opportunities and advising ODs.

G. Resource Requirements

30. Resources for the health sector are inadequate and need to be scaled up. Scaling up the health sector investments of ADB from less than 1% to 3%–5% requires an additional yearly OCR/ADF resource allocation of around $405 million–$675 million. This amount may be around $1 billion in case of the 2017 OCR/ADF merge. To build this portfolio, the health sector of ADB requires funding to be used jointly by ODs and the HSG to: (i) support project preparation; (ii) conduct sector and analytical work for sector assessments, collaborate with centers of excellence and technical partners to strengthen knowledge work, and develop flagship programs and hold flagship events; (iii) recruit additional staff or long-term consultants; and (iv) arrange operational funds for extensive and continuous country consultations.
IV. Monitoring and Reporting

A. Performance Indicators

31. Overall, the implementation of the plan will contribute to level 1 indicators of the ADB corporate results framework (poverty reduction, and reduction of maternal and child mortality).\textsuperscript{11} Some level 2 indicators will assist in monitoring the contribution of ADB to health sector results. These will be recommended for incorporation into the overall ADB corporate results framework during the period of the plan. The successful design and implementation of the plan and the extent to which MTR recommendations are met will be measured under the corporate results framework of ADB, level 3 indicators—increasing the financing for health and private sector operations with targets for each OD and contributing to the number of operations supporting inclusive growth. The results framework for the OPH 2015–2020 (Appendix 1) presents baselines and targets for each of these indicators.

B. Reporting to Management

32. Progress of OPH implementation will be reported to the Management on a yearly basis. This will include reporting on progress of MTR recommendations, MTR action plan, and the indicators included in the results framework. The OPH review is planned before the end of the OPH implementation (2020), or when otherwise required.

\textsuperscript{11} Maternal mortality rate and child mortality rate are also recognized indicators to measure strengthening of the health systems.
## APPENDIX 1

### Results Framework for the Operational Plan for Health, 2015–2020

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Baseline (year or period)</th>
<th>Target (year or period)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level 1: Health Sector Progress in Asia and the Pacific</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Universal health coverage achieved</td>
<td>Global process of determining baseline ongoing</td>
<td>80% of the poorest 40% of the population have coverage to ensure access to essential health services (2030)*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Out-of-pocket expenditure kept under 30% (2030)</td>
</tr>
<tr>
<td>Maternal mortality ratio (number per 100,000 live births)*</td>
<td>195.7 (2009)</td>
<td>100.7 (to be negotiated again after 2015)</td>
</tr>
<tr>
<td>Burden from communicable diseases reduced</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIV prevalence among people aged 15–49</td>
<td>New HIV infections 350,000 in total, including children at 22,000 (2013)</td>
<td>Decreased from baseline</td>
</tr>
<tr>
<td>Malaria</td>
<td>Approximately 30 million cases per year and 42,000 deaths per year in Asia Pacific (2013)</td>
<td>Malaria eliminated in Asia and Pacific (2030)*</td>
</tr>
<tr>
<td><strong>Level 2: The Contribution of ADB to Health Sector Results</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Quality at Completion</strong> (Sources: PCRs and technical assistance completion reports)</td>
<td>2014</td>
<td>2020</td>
</tr>
<tr>
<td>Completed sovereign operations rated successful</td>
<td>100% (11 out of 11) (completed between 2008–2013)</td>
<td>80%*</td>
</tr>
<tr>
<td>Completed nonsovereign operations rated successful (%)</td>
<td>0 (No completed transaction in health between 2008 and 2013)</td>
<td>80%*</td>
</tr>
<tr>
<td>Completed technical assistance project rated successful (%)</td>
<td>72% 2011–2013</td>
<td>80%*</td>
</tr>
</tbody>
</table>

*continued on next page*
### Results (PCR-Based Analysis Validated by the HSGS)

Number of projects which contributed to:
- Improved quality of health care
- Strengthened efficiency of health systems
- Reduced household-related expenditures for health

Number of projects which mainstreamed regional public goods in the three priority areas.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Baseline (year or period)</th>
<th>Target (year or period)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2020</td>
</tr>
<tr>
<td>Sovereign operations supporting health (number of projects)</td>
<td>3 approved in 2012–2014</td>
<td>Increased from baseline</td>
</tr>
<tr>
<td>(3-year rolling average)</td>
<td>(overall 12 projects under implementation)</td>
<td></td>
</tr>
<tr>
<td>Nonsovereign operations supporting health</td>
<td>1 (2012–2014)</td>
<td>Increased from baseline</td>
</tr>
<tr>
<td>Financing for health sector (%)* (3-year rolling average)</td>
<td>Less than 1% of total ADB financing in 2014</td>
<td>1.5% average for 2015–2017, 3%–5% average for 2018–2020</td>
</tr>
<tr>
<td>Integration of health in CPS/COBP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of CPSs with health as a sector, health sector road maps and results frameworks</td>
<td>3 out of 40</td>
<td>8 in 2020</td>
</tr>
<tr>
<td>Number of CPSs with health indicators in other sector road maps and results framework</td>
<td>0</td>
<td>8 in 2020</td>
</tr>
<tr>
<td>Number of regional cooperation strategies with regional cooperation on health included</td>
<td>1 (GMS)</td>
<td>2</td>
</tr>
<tr>
<td>COBP including health operation (%)</td>
<td>1 as a sector out of 40</td>
<td>8 in 2020</td>
</tr>
</tbody>
</table>

*continued on next page*
## Results Framework for the Operational Plan for Health, 2015–2020

### Indicators

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Baseline (year or period)</th>
<th>Target (year or period)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level 4: Organizational Management of ADB’s Sector Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Staff</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HQ (f)</td>
<td>11 (8 filled in 2014)</td>
<td>17 (IS staff total)</td>
</tr>
<tr>
<td>HSGS</td>
<td>3 (3 filled in 2014)</td>
<td>5</td>
</tr>
<tr>
<td>RDs</td>
<td>8 (5 filled in 2014)</td>
<td>12</td>
</tr>
<tr>
<td>Trust fund financed (fS equivalents) (not counted as part of total)</td>
<td>1 (0 filled in 2014)</td>
<td>3</td>
</tr>
<tr>
<td>Secondees (not counted as part of total)</td>
<td>0</td>
<td>2–4</td>
</tr>
<tr>
<td>HQ (nS)</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>RM (nS)</td>
<td>3.5 (FTE) (3 have been filled in 2014)</td>
<td>10</td>
</tr>
<tr>
<td><strong>Budgetary resources</strong></td>
<td>(3-year rolling average 2012–2014) $’000 (increased from baseline)</td>
<td></td>
</tr>
<tr>
<td>TASF</td>
<td>1018</td>
<td></td>
</tr>
<tr>
<td>ADF loan</td>
<td>70,000</td>
<td></td>
</tr>
<tr>
<td>ADF grant</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>OCR</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Nonsovereign</td>
<td>60,000</td>
<td></td>
</tr>
<tr>
<td>Trust Funds</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td><strong>Other Operational Areas</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Knowledge</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of knowledge products published in accordance with community of practice standard</td>
<td>6 (average number 2012–2014) (project related, no health flagship publication)</td>
<td>1 (flagship publication per year and project-related publications in the form of briefs as needed)</td>
</tr>
<tr>
<td>Health sector flagship event</td>
<td>1 (2014)</td>
<td>1 (per year)</td>
</tr>
<tr>
<td><strong>Partnerships</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of joint initiatives conducted with development partners and centers of excellence</td>
<td>4 (2014) (increased from baseline)</td>
<td></td>
</tr>
</tbody>
</table>
### Business Process and Practices

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Baseline (year or period)</th>
<th>Target (year or period)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Process</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Road map to develop health flagship programs established (2015)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Health Sector Group strengthened with expanded secretariat and core team (2015–2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cross-sectoral and department working groups to support health OPH business lines and flagship (2016)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Health Sector Group peer review functions for projects, and knowledge products continued (2015)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Strategic partnerships with centers of excellence established (2015–2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Product</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Business lines and flagship programs defined (2015)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Practice</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Communication material on business lines and flagship programs developed (2015–2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Knowledge from flagship programs flow back into new project designs (2016–2020)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Data on new health projects output/outcome/impact indicators per priority area collected and analyzed (2015–2020)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ADB = Asian Development Bank, ADF = Asian Development Fund, COBP = country operations business plan, CPS = country partnership strategy, FTE = full time equivalent, GMS = Greater Mekong Subregion, HQ = headquarters, HSGS = Health Sector Group Secretariat, IS = international staff, JFPR = Japan Fund for Poverty Reduction, NS = national staff, OCR = ordinary capital resources, PCR = project completion report, RD = regional department, RM = resident mission, TASF = Technical Assistance Special Fund.

a  WHO proposes this indicator and target as part of the post 2015 development health goal.
b  In ADB’s Corporate Results Framework (level 1).
c  WHO data from the Global Malaria Report.
d  Elimination goal as endorsed by WHO in Global Malaria Action Plan, 2014.

ADB corporate target as described in the results framework of ADB. 2015.
f  This scoring will depend on when the first nonsovereign investment will be made, and when this will be first evaluated.
g  Japan Fund for Poverty Reduction (JFPR) and Health Financing Partnership Facility (HFPF).
h  HIV and AIDS activities with UNAIDS; Malaria and communicable diseases activities with DFID and DFAT; Dengue and Malaria Risk Mapping with call data records with Mahidol and Oxford Research Unit, Harvard School of Public Health; eHealth and UHC with WHO, GIZ, and AeHIN.

Source: ADB Health Sector Group.
## APPENDIX 2

The Operational Focus of ADB in Low- and Middle-Income Countries, and Comparative Strengths

<table>
<thead>
<tr>
<th>Universal Health Coverge Operational Focus</th>
<th>Low-Income Countries</th>
<th>Middle-Income Countries</th>
<th>The Comparative Strengths of ADB</th>
</tr>
</thead>
</table>
| Health infrastructure                     | Direct: Investments in primary health care and basic hospital services:  
• Health infrastructure (management and referral system)  
• Human resources strengthening (basic)  
Access to quality pharmaceuticals and medical goods | Direct: Investment in primary, secondary and tertiary hospital services:  
• Health infrastructure (integrated service delivery—public/private, eHealth)  
• Human resources strengthening (specialized)  
• Electronic supply chain management  
• Prepare health services for the consequences of climate change and natural disasters |  
• Infrastructure project financing, design, implementation |

*Indirect:*  
• Investments in roads which improve access to health services  
• Investments in road safety  
• Investments in water supply and sanitation  
• Investments in healthy cities

---

*continued on next page*
Table continued

<table>
<thead>
<tr>
<th>Universal Health Coverage Operational Focus</th>
<th>Low-Income Countries</th>
<th>Middle-Income Countries</th>
<th>The Comparative Strengths of ADB</th>
</tr>
</thead>
</table>
| Health governance                         | • Strengthen public sector and financial management (including NHA)  
                                           • Improve health information systems | • Reform licensing of health personnel, facilities, and accreditation of hospitals  
                                           • Support eHealth enterprise architecture (eHealth)  
                                           • Reform legal and policy environment for private sector investments  
                                           • Strengthen regulatory processes of pharmaceuticals | • Sector governance  
                                           • Regional cooperation and integration |
| Health governance                         | • Strengthen implementation of mutual recognition agreements on health professional training  
                                           • Strengthen convergence of regulatory policies (pharmaceuticals and medical goods)  
                                           • Support regional agreements on foreign and/or private ownership of hospitals and other health facilities  
                                           • Support regional health funds for health services for migrant workers (e.g., portable health insurance, interoperability of eHealth systems)  
                                           • Mobilize regional financing for public health threats and pandemic preparedness | | |
| Health financing                          | • Risk pooling for better health financing | • Purchasing of health services by government and insurance  
                                           • Optimize health insurance systems through ICT | • Public sector management  
                                           • Financing |

ADB = Asian Development Bank, ICT = information and communication technology, NHA = National Health Accounts.  
Source: ADB Health Sector Group.
APPENDIX 3

Infrastructure Projects And Health Outcomes

The HSGS will strengthen collaboration with infrastructure sectors (primarily transport, urban, water and energy) to optimize health outcomes from infrastructure projects. Table A3.1 details the advocacy, awareness raising, and technical support, which will be provided to infrastructure sectors (sector group secretariats, sector committees, sector group members) during the business cycle. A key step will be to ensure that health criteria for infrastructure project selection will be taken into account during CPS programming and project design (e.g., access to health services, improving water supply and sanitation to contribute to decreasing water-borne diseases, addressing road safety in road projects). ADB has not documented or carried out any systematic evaluation of health outcomes through infrastructure projects. However, literature is available on the subject from non-ADB sources, which will be disseminated and discussed among ADB infrastructure sector members. In 2016, the HSGS will undertake a formal review of the contribution of nonhealth sector groups to the health outcome.

Table A3.1: Ensuring Health Outcomes from Infrastructure Projects

<table>
<thead>
<tr>
<th>Business Cycle Step</th>
<th>How</th>
<th>Responsible/Resources Available</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-CPS stage</td>
<td>• Proactively disseminate and discuss best practices with transport, urban, water, and energy sector group secretariats</td>
<td>• HSGS • Health impact assessment expert</td>
<td>RMTF</td>
</tr>
<tr>
<td></td>
<td>• Develop and publish working paper on health impact assessment for ADB infrastructure projects</td>
<td>HSGS</td>
<td>RMTF</td>
</tr>
<tr>
<td>CPS stage</td>
<td>• Proactively engage country teams during selected CPS processes to develop possible health outcomes</td>
<td>HSGS</td>
<td>ODs/RMTF</td>
</tr>
<tr>
<td>Project design</td>
<td>• Ensure health criteria are taken into account in infrastructure project design to optimize health impact</td>
<td>ODs</td>
<td>ODs/RMTF/CEFPF/UFPF/WFPF</td>
</tr>
<tr>
<td></td>
<td>• Mitigate adverse health impact of infrastructure projects</td>
<td>ODs • Transport, urban, water, and energy sector group secretariats • HSGS</td>
<td>ODs/RMTF</td>
</tr>
</tbody>
</table>

continued on next page
<table>
<thead>
<tr>
<th>Business Cycle Step</th>
<th>How</th>
<th>Responsible/Resources Available</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project implementation monitoring</td>
<td>• Ensure feasible indicators and targets are defined and monitored, and lessons are incorporated into future design</td>
<td>• ODs (monitoring)</td>
<td>RMTF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• HSGS (assist in design and monitoring framework preparation)</td>
<td></td>
</tr>
<tr>
<td>Project/program review</td>
<td>• Organize a formal review of the contribution of ADB infrastructure projects to health outcomes in 2016</td>
<td>• HSGS</td>
<td>RMTF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Health impact assessment expert</td>
<td></td>
</tr>
</tbody>
</table>

CEFPF = Clean Energy Financing Partnership Facility, CPS = country partnership strategy, HSGS = Health Sector Group Secretariat, OD = operational department, RMTF = Regional Malaria and Other Communicable Disease Threats Trust Fund, UFPF = Urban Financing Partnership Facility, WFPF = Water Financing Partnership Facility.
Source: ADB Health Sector Group.
APPENDIX 4

Health Regional Public Goods

Table A4.1 includes examples on how ADB will expand its Regional Public Goods work as an important part of regional cooperation and integration.

<table>
<thead>
<tr>
<th>Item</th>
<th>Current Focus (Regional Cooperation on Communicable Diseases)</th>
<th>Expanding Focus (Regional Health Governance)</th>
</tr>
</thead>
</table>
| Regional Public Goods       | • Strengthen implementation of international health regulations  
                               • Strengthen pandemic preparedness  
                               • Harmonize HIV and AIDS policies in the Greater Mekong Subregion  
                               • Strengthen cross-border surveillance of communicable diseases  
                               • Malaria elimination in Asia Pacific                                                                                                                                                                                  | • Strengthen implementation of mutual recognition agreements on health professional training  
                               • Strengthen convergence of regulatory policies (pharmaceuticals and medical goods)  
                               • Support regional agreements on foreign and/or private ownership of hospitals and other health facilities  
                               • Support regional health funds for health services for migrant workers (e.g., portable health insurance, interoperability of eHealth systems)  
                               • Mobilize regional financing for public health threats and pandemic preparedness                                                                                                                      |

Source: ADB Health Sector Group.
## APPENDIX 5

### Key Responsibilities for Implementation of the Operational Plan for Health

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Prime Responsibility</th>
<th>Support</th>
<th>Broader Institutional Support</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country business development</td>
<td>ODs</td>
<td>HSGS</td>
<td>SPD</td>
<td>Growing health pipeline</td>
</tr>
<tr>
<td>Project development</td>
<td>ODs</td>
<td>HSGS</td>
<td></td>
<td>Approvals of quality projects</td>
</tr>
<tr>
<td>Private sector business development</td>
<td>PSOD</td>
<td>HSGS</td>
<td></td>
<td>Growing private sector health pipeline</td>
</tr>
<tr>
<td><strong>ADB Health Branding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business lines</td>
<td>HSG</td>
<td>ODs, HSGS</td>
<td>HSG</td>
<td>Defining and reviewing the operational focus</td>
</tr>
<tr>
<td>Flagship programs</td>
<td>ODs</td>
<td>ODs, HSGS</td>
<td>HSG</td>
<td>ADB health brand</td>
</tr>
<tr>
<td><strong>Knowledge Management and Sharing</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional learning</td>
<td>HSGS</td>
<td>ODs</td>
<td>RSDD-KS, ERD</td>
<td>Quality analytical work</td>
</tr>
<tr>
<td><strong>Reaching Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultations with governments</td>
<td>ODs/RMs</td>
<td>HSGS</td>
<td>Vice presidents</td>
<td>ADB health brand reinforced</td>
</tr>
<tr>
<td>(implemented jointly)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coordination with other ADB sectors</td>
<td>HSG</td>
<td>ODs, HSGS</td>
<td>Nonhealth sector groups/</td>
<td>Health outcome contribution from nonhealth</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>thematic groups</td>
<td>sectors</td>
</tr>
<tr>
<td>Cooperation with partners in health</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Institutional level</td>
<td>HSGS</td>
<td>OCO</td>
<td>HSG</td>
<td>Synergies, cofinancing, joint learning, and</td>
</tr>
<tr>
<td>• Country level</td>
<td>ODs/RMs</td>
<td>HSGS</td>
<td></td>
<td>analytical work</td>
</tr>
</tbody>
</table>

*continued on next page*
### Key Responsibilities for Implementation of the Operational Plan for Health

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Prime Responsibility</th>
<th>Support</th>
<th>Broader Institutional Support</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperation with centers of excellence</td>
<td>HSGS</td>
<td>ODs</td>
<td>HSG</td>
<td>Stronger ADB health brand</td>
</tr>
</tbody>
</table>

#### Mobilizing Additional Resources

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Prime Responsibility</th>
<th>Support</th>
<th>Broader Institutional Support</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and management of Health Financing Partnership Facility</td>
<td>HSGS</td>
<td>ODs</td>
<td>OCO</td>
<td></td>
</tr>
<tr>
<td>Mobilize direct cofinancing of operations</td>
<td>ODs</td>
<td>HSGS</td>
<td>OCO</td>
<td>Increased leverage for specific countries and activities</td>
</tr>
</tbody>
</table>

#### Human Resources

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Prime Responsibility</th>
<th>Support</th>
<th>Broader Institutional Support</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staffing</td>
<td>BPHP</td>
<td>ODs, HSG</td>
<td>HSG</td>
<td>Adequacy between skills needed and available</td>
</tr>
<tr>
<td>Skills development of existing staff</td>
<td>BPHP</td>
<td>ODs, HSG</td>
<td>HSG</td>
<td>Use of online course, attendance of seminars, and ADB in-house training, development assignments</td>
</tr>
<tr>
<td>Cross-departmental support</td>
<td>ODs</td>
<td>HSG</td>
<td>OD vice presidents, BPMSD</td>
<td>Efficient use of health skills</td>
</tr>
</tbody>
</table>

#### Monitoring and Evaluation

<table>
<thead>
<tr>
<th>Functions/Activities</th>
<th>Prime Responsibility</th>
<th>Support</th>
<th>Broader Institutional Support</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring OPH implementation</td>
<td>HSGS</td>
<td>ODs</td>
<td></td>
<td>MTR recommendations and strategic result framework indicators monitored</td>
</tr>
<tr>
<td>OPH review</td>
<td>HSG</td>
<td>HSGS, ODs</td>
<td>SPD, vice president offices, IED</td>
<td>Renewed orientation and adaptation of ADB health work</td>
</tr>
<tr>
<td>Evaluation</td>
<td>ODs, HSG</td>
<td>HSGS</td>
<td></td>
<td>Lessons learned can inform new health sector projects and programs</td>
</tr>
</tbody>
</table>

**ADB** = Asian Development Bank, **BPHP** = HR Business Partners Division, **BPMSD** = Budget, Personnel, and Management Systems Department, **ERD** = Economics and Research Department, **HSGS** = Health Sector Group Secretariat, **IED** = Independent Evaluation Department, **MTR** = midterm review, **OCO** = Office of Cofinancing Operations, **OD** = operational department, **OPH** = operational plan for health, **PCR** = project completion report, **PPER** = project performance evaluation report, **PSOD** = Private Sector Operations Department, **PVR** = project validation report, **RM** = resident mission, **RSDD** = Regional and Sustainable Development Department, **RSDD-KS** = Regional and Sustainable Development Department—Knowledge Sharing and Services Center, **SPD** = Strategy and Policy Department, **TCR** = technical assistance completion report.

Source: ADB Health Sector Group.
## APPENDIX 6

### Expected Demand for Health Operations

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>DMCs (8–12 out of 40)</td>
<td>Bangladesh, Cambodia, the Lao People’s Democratic Republic, Mongolia, Myanmar, Papua New Guinea, Thailand, and Viet Nam</td>
<td>The People’s Republic of China, India</td>
<td>Central Asia, Indonesia, Pakistan, Philippines</td>
</tr>
<tr>
<td>Business lines</td>
<td>• Urban health</td>
<td>• Urban health</td>
<td>• Health financing/insurance</td>
</tr>
<tr>
<td></td>
<td>• Integrated health service delivery</td>
<td>• Elderly care</td>
<td>• ICT (eHealth)</td>
</tr>
<tr>
<td></td>
<td>• Regional health security</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DMC = developing member country, ICT = information and communication technology.
Source: ADB Health Sector Group.
## APPENDIX 7

### Opportunities for Partnerships within the New Strategic Priorities of ADB

<table>
<thead>
<tr>
<th>Organization</th>
<th>Technical Partnership</th>
<th>Cofinancing Partnership</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Health Organization</td>
<td>✓</td>
<td></td>
<td>UHC, health systems, eHealth, social determinants, health security</td>
</tr>
<tr>
<td>World Bank</td>
<td>✓</td>
<td>✓</td>
<td>Health care financing</td>
</tr>
<tr>
<td>Japan International Cooperation Agency (JICA)</td>
<td>✓</td>
<td>✓</td>
<td>UHC, eHealth</td>
</tr>
<tr>
<td>Department of Foreign Affairs and Trade (DFAT, Australia)</td>
<td>✓</td>
<td></td>
<td>Pacific, malaria, and communicable disease threats, private sector</td>
</tr>
<tr>
<td>Department for International Development of the United Kingdom (DFID)</td>
<td>✓</td>
<td></td>
<td>MCH, malaria, access to quality medicine</td>
</tr>
<tr>
<td>Swedish International Development Cooperation Agency (Sida)</td>
<td>✓</td>
<td></td>
<td>Urban health in Bangladesh</td>
</tr>
<tr>
<td>Bill &amp; Melinda Gates Foundation</td>
<td>✓</td>
<td>✓</td>
<td>Malaria, private sector, ICT</td>
</tr>
<tr>
<td>German Agency for International Cooperation (GIZ)</td>
<td>✓</td>
<td></td>
<td>UHC, health care financing, social health insurance</td>
</tr>
<tr>
<td>Norwegian Agency for Development Cooperation (NORAD)</td>
<td>✓</td>
<td></td>
<td>eHealth</td>
</tr>
</tbody>
</table>

ICT = information and communication technology, MCH = maternal and child health, UHC = universal health coverage.

Source: ADB Health Sector Group.
Health in Asia and the Pacific
*A Focused Approach to Address the Health Needs of ADB Developing Member Countries*

The Operational Plan for Health, 2015–2020 articulates the focused and scaled-up response of the Asian Development Bank (ADB) to the health sector needs of its developing member countries. As they strive to achieve universal health coverage and achieve better health outcomes, these countries need support to develop innovative approaches to manage health care in new ways, more effectively, with better quality, and for lower cost. ADB is a unique and invaluable partner through this process and is more committed than ever to making health sector investments. The Plan sets ambitious targets, focuses on interventions where demand is strongest, and builds on ADB’s strong expertise and previous successes in the health sector.

About the Asian Development Bank

ADB’s vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region’s many successes, it remains home to the majority of the world’s poor. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.