

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PAHQ

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| TA No., Country and Name | | | Amount Approved: US\$500,000 | |
| TA 4057-PNG: Preparing the Health Sector Development Program | | | Revised Amount: US\$398,542 | |
| Executing Agency: Department of Health | | Source of Funding: Japan Special Fund | Amount Undisbursed: US\$101,458 | Amount Utilized: US\$398,542 |
| TA Approval Date: 19 Dec 2002 | TA Signing Date: 29 Jan 2003 | Fielding of First Consultants: Feb 2003 | TA Completion Date Original: 31 Oct 2003 Actual: 30 Nov 2003 | Account Closing Date Original: 31 Oct 2003 Actual: 25 Jul 2005 |
| Description <p>The Papua New Guinea (PNG) health sector faces severe problems, with key health indicators either stagnating or declining. The TA was developed following recognition by the Government and donors that past approaches to health service delivery in PNG have been failing and new mechanisms are needed to improve performance. Building on experiences from the ADB supported Health Sector Development Program (HSDP) and the multi-donor supported Health Sector Improvement Program (HSIP) Trust Fund, the National Department of Health (NDOH) has moved towards implementing a sector-wide approach (SWAp) to health service delivery. This approach was to be developed by a cross-sectoral Working Group established by the Department of National Planning and Rural Development (DNPRD).</p> | | | | |
| Expected Impact, Outcome and Outputs <p>The purpose of the TA was to help prepare and design a sector development program, for possible financing by the ADB, which would enable the Government to introduce and implement reforms required to improve health services delivery in PNG under a SWAp. These reforms were to be identified by Technical Committees (TCs) under a multi-sector Working Group, supported by ADB through the TA. The expected outputs of the TA were: (i) agreement of all donors on common management arrangements; (ii) identification of the most efficient modalities to help the Government to implement the SWAp; (iii) identifications of mechanisms for possible ADB financing; (iv) identification of reforms required; and (v) detailed costing of the adjustment to the reforms required. The TA was expected to undertake broad consultation with all stakeholders, particularly in the provinces and should involve AusAid, who had also committed to help the TCs, and the World Bank who had been involved in ongoing discussions on the TA and the SWAp.</p> | | | | |
| Delivery of Inputs and Conduct of Activities <p>The original inputs of the TA included 15 months of international consultant support. The consultant team was expected to (i) provide assistance to the Working Group and TCs to prepare the basic requirements for the donors and the Government to move to a SWAp based assistance framework; and (ii) help the Government prepare a program for assistance from ADB. In addition, the consulting team was required to prepare for working group meetings and undertake extensive consultations with government agencies at national and provincial levels; other health service providers; and donors. At inception it was originally anticipated that the TA would assist three TCs (program, finance and management), during implementation this was expanded to cover four TCs: (i) planning prioritization and resource management; (ii) finance; (iii) monitoring; and (iv) management.</p> | | | | |
| Evaluation of Outputs and Achievement of Outcome <p>Outputs of the TA included: (i) an Inception Report (May 2003); (ii) a Progress Report (June 2003); (iii) a Final Report (December 2003); (iv) a draft Memorandum of Understanding between the Government and donors (revised in November 2003); and (v) a draft ADB Program Loan Proposal (November 2003). The final report includes: (i) comments of the current situation of the PNG health sector; (ii) an assessment of the current process of SWAp development; (iii) key findings of the SWAp development team; and (iv) recommendations for SWAp development in the health sector for 2004 and in the medium term.</p> <p>The consultants generally achieved all outputs 1-4 although MOU and Loan proposal were only in draft forms. They appear not to have achieved output 5. Eighty percent of TA budget was utilized. Consultants' performance was rated highly satisfactory with reports being submitted on time. They were all highly satisfactory. However, as the</p> | | | | |

Government lost interests in financing a proposed loan project, the TA was not effective in meeting the project purpose and did not satisfy the client. See notes below on outputs:

- (i) Agreement of all donors on common management arrangements –discussions were held with donors and a draft MOU was prepared. Since the Government lost interests in financing the project, the MOU was not signed.
- (ii) Identification of the most efficient modalities to help the Government to implement the SWAp – this was covered in the consultant's final report. The report was accepted by the government and donor partners; however, the government was not interested in preparing a loan project to follow up the recommendations.
- (iii) Identifications of mechanisms for possible ADB financing – the draft Report and Recommendation to the President (RRP) was prepared by the consultants and submitted to the Government in November 2003. However, there was no final agreement on the RRP as the Government decided not to proceed.
- (iv) Identification of reforms required - this is covered in the final report.
- (v) Detailed costing of the adjustment to the reforms required – it was not included in the report but it was suggested in the report that National Economic Fiscal Committee (NEFC) will conduct research on costing.

Overall Assessment and Rating

Satisfactory. Recruitment of consultant, timely report submission, and report quality assessed by both EA and ADB was highly satisfactory. Consultants were also rated highly satisfactory. Overall rating was highly satisfactory until August 2003 where most of consultant services were completed. The submission of final report by the consultant was on time in January 2004 (draft made in December 2003); however, overall rating was down graded to satisfactory because it took another 19 months to finally close TA. Moreover, though wider consultation provide better opportunities for improving SWAp in Health Sector, the Government expressed its reluctance to further process the Health Sector Development Project if it is a loan project. It shows that the TA did not meet primary objective to build government ownership for designing further project.

Major Lessons

- Greater consultations with the Government, especially the EA is essential to ensure ownership of the project to achieve the PPTA purposes. This is very important lesson to learn for other project and TAs. Project should be carefully implemented to keep the Government ownership at any stage of project.
- Timely follow up with the Government and development partners on the draft MOU and proposal for a loan project, and document feedbacks from stakeholders for further actions were necessary for achieving results.
- Timely decision making and follow up actions for closing consultant's contracts and TA financial account were required to complete TA in timely manner.
- Because Health is not the first priority area for the Government to borrow money, it was difficult for the Government to process the project as a loan. An alternate approach such as combining a loan with a grant was supported by other donor agencies and involving private sectors to support a project with their investments appears more favorable for the Government.

Recommendations and Follow-Up Actions

Official documentation for this TCR was very limited, in particular, after December 2003 when consultants finished their work. Most information was obtained through the Project Officers' e-mails. No reporting of implementation status was filed under TA performance reports. Too much time has lapsed since the consultants' last report, the Government's decision not to follow-up with a Project, and TA completion. Close follow up with the TA implementation status and more consultations with the Government and key donor partners would provide better understanding on the needs of the project as well as create appropriate approaches for future projects with the Government's strong interests and commitments.