



Based on the Report *Review of Bank Group Assistance Effectiveness in the Health Sector (1987-2005)* presented to CODE on 26 January 2007

Review of Bank Group Assistance Effectiveness in the Health Sector (1987-2005)

Key Messages

- Africa still faces a huge gap between the need for and supply of good health care delivery and the review pleads for increased and sustained Bank assistance to the health sector.
- The health sector receives a small share of the total Bank financing in spite of the increasing recognition that human capital is critical for economic development and poverty reduction: 4.1 per cent for 1996-2000 and 3.5 for 2001-2005.
- The Bank interventions have been mainly oriented to primary health care for its universal access, equity, community participation, and inter-sectoral approach to health care.
- Investment in health care in rural areas may have very significant outcomes even if the investment is limited: Kitunda dispensary (Tanzania), Bab Taza hospital (Morocco).
- The Management of the Bank is urged to select priority areas and significantly improve the quality-at-entry of operations and implementation performance.
- The RMCs are invited to enhance commitment to improve the capacity and efficiency of the health care system.

Health Challenges in Africa

Africa faces major health challenges, which are adversely impacting economic development, human development, and poverty reduction efforts. In addition to a high disease burden resulting from persistence of such infectious diseases as HIV/AIDS, malaria and TB, ongoing demographic and epidemiological transitions have led to a substantial rise in prevalence of non-communicable diseases, accidents and injuries. Poor health care delivery systems in most of Africa, the migration of health professionals to urban areas and to other countries and continents, weak infrastructure with lack of clean water, poor roads and communications, and poorly maintained health facilities, have compounded the problems.



While health challenges in Africa and cost-effective solutions to most of them are well known, there is still serious financing deficit by the governments and the donor community. This is despite several national and international resolutions that they have subscribed to, and the recognition that the health sector is central to development through a mutually reinforcing relationship between health and economic growth.

Effectiveness of Bank Assistance to the Health Sector

The Bank began its interventions in the health sector in 1975. The health sector policy was formulated in 1987 and revised in 1996. The health policy guidelines were prepared in 1998

but were not made available to the health experts and task managers who were expected to translate the policy into practice. While the policies and guidelines have generally reflected international thinking and consensus on health sector policies, strategies, and interventions, they have not set forth operationally practical priority areas in which to invest. This resulted in a weak policy-project linkage for some priority areas like human resource development and reproductive health.

Weak use of the sector analysis, coupled with superficial treatment of epidemiological data, recurrent costs, and the lack of specific cost projections based on

Bank Operations in Health Sector 1987-2005
Total Commitments : 990.72 million UA
Number of Loans & Grants approved: 154 (corresponding to 108 projects)
Number of countries : 39
Percent of total Bank commitment: 3.4

expected service levels, have hindered the Bank projects in meeting quality standards for epidemiological and economic analyses. Institutional and political analyses are also weak with inadequate discussion on the political economy of the health sector. The Bank often spends insufficient time to assess risks, Regional Member Countries (RMCs) capacity to implement projects, and the demand for the programmed services. This is in part due to the incentive structure at the Bank, which rewards the staff, including senior managers, for the number and size of projects sent to and approved by the Board, without sufficient regard for project quality.

The Bank's health sector portfolio has demonstrated a lacklustre overall implementation performance, with a stagnant score of around 50 per cent of all projects doing satisfactorily for the period 1998-2005 for which coherent



data are available. Borrower performance has been marred by long delays in effectiveness, deficiencies in management capacity, delays in providing counterpart funds, auditing, and reporting irregularities. At the Bank level, inadequate quality-at-entry and insufficient project supervisions are among the major impediments to better implementation performance.



The areas among which the Bank could select its future assistance include: supporting health human resources development, reproductive health, developing sustainable and integrated health systems, advocacy for African institutions with other donors, promoting specialised African institutions for technical assistance in health care provision, and developing appropriate health infrastructures.

can make the greatest impact on health; (b) The health sector policy guidelines should contain detailed guidance for performing technical aspects in project design and management; (c) The Bank should augment its assistance to selected areas with high priority given to development of health human resources, integrated health system, and reproductive health; (d) The Bank is recommended to improve the quality of its health sector projects at the design, appraisal and execution stages through adequate assessment of the capacity within the Bank and in RMCs; (e) The Bank should actively participate in or initiate Sector-wide Approaches in the health sector; (f) Staff should be rewarded for contributing to effectively promoting national policies that have a positive impact on the health outcomes; (g) The Bank should promote feasibility studies aiming at exploring possibilities to effectively support private sector financing.

Generic Recommendations: (a) The Bank must draw upon well informed economic and sector analyses in developing appropriate country strategies and relevant lending programmes; (b) The staff incentive structure must incorporate monitoring and supervision activities as a factor in staff performance evaluation; (c) The Bank should provide administrative support to technical staff and consider increasing current staffing profiles and levels of both professional and administrative personnel; and (d) The managers should have appropriate skills, capacity, and incentives to manage for sustainable results on the ground.

Lessons Learned

- Inadequate attention given to preparation and appraisal leads to unreasonable estimates of time and cost required for project implementation and inadequate attention to risk factors, eventually jeopardising implementation and outcome performance;
- Weak use of economic and sector analysis prevents the Bank from determining its comparative advantages and from producing qualitatively superior project designs.
- The participation of different stakeholders in the design of health projects enables enhanced utilisation and sustainability of the facilities;
- Lack of adequate monitoring and evaluation system prevents the Bank and RMCs from learning from health investments and from being fully accountable towards stakeholders and African people;
- Inadequate incentives structure makes it difficult to attract and retain qualified health personnel in rural areas and to find a solution to human resources deficit and regional imbalances; and
- Governments' commitment and quality of institutions are crucial for making successful and equitable investments from national revenue and international assistance.

Evaluation Recommendations

Specific Recommendations: (a) The Bank should revise its current health sector policy and guidelines and identify areas where it

Management Response

The Bank Management has acknowledged that the report is a comprehensive health sector review that is useful to redirecting the Bank Group actions for greater development impact in health. It has endorsed most of the recommendations of the report and promised to widely disseminate its messages.

CODE Comment

The Committee on Operations and Development Effectiveness (CODE) proposed that Management pursue the issue of the Bank's future role in the health sector by analyzing its comparative advantages and strengths in the sector as an input into the process of outlining the Bank Group's new strategic plan.

For further information

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