PD-AAP-528

CLASSIFICATION

PROJECT EVALUATION SUMMARY (PES) — PART I

Report Symbol U-447

1. PROJECT TITLE	2. PROJECT NUMBER	3. MISSION/AID/W OFFICE
HEALTH SECTOR I	522-0153	

4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY)

☑ REGULAR EVALUATION ☐ SPECIAL EVALUATION

5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING	7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY 80	B. Final Obligation Expected FY 84	C. Final Input Delivery FY 84	A. Total $ 32,452,000 B. U.S. $ 15,391,000	From (month/yr.) 7/80 To (month/yr.) 9/83 Date of Evaluation Review

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
1. Prepare a detailed, time-phased work plan with a tracking system for the Project as a whole.	1. HRD/MOH	2/84
2. Establish a system for improved procurement and financial information flow between the Mission and the GOH.	2. HRD/MOH	2/84
3. Study the capacity of the MOH to meet recurring costs and the appropriate level of technical assistance and make corresponding recommendations.	3. HRD/IQC	3/84
4. Assure that the MOH has sufficient staff to continue Project activities, particularly in Health Education, Supervision, and Operations Research.	4. HRD/MOH	8/84
5. Assure Project design focusses on consolidation rather than expansion into new areas.	5. HRD/MOH	5/84
6. Study the use of local and private sources of drug production and make corresponding recommendations.	6. HRD/IQC	3/84
7. Prepare an amended PP, with procurement and implementation plans.	7. HRD	5/84
8. Prepare an approved ProAg.	8. HRD/MOH	8/84

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

- [X] Project Paper
- [X] Financial Plan
- [X] Logical Framework
- [X] Project Agreement
- [X] Implementation Plan e.g., CPI Network
- [ ] PIO/T
- [ ] PIO/C
- [ ] PIO/P
- [ ] Other (Specify) _____
- [ ] Other (Specify) _____

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

- A. [ ] Continue Project Without Change
- B. [X] Change Project Design and/or
  - [X] Change Implementation Plan
- C. [ ] Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

Abby Bloom, Petra Reyes and Harry Feirman, Westinghouse Health Systems Evaluators
Fidel Barahona and Daisy Mejía, MOH
Barry Smith and Tom Park, USAID/Honduras

12. Mission/AID/W Office Director Approval

Signature

Typed Name: Anthony J. Cauterucci

Date: July 10, 1984

AID 1330-15 (3-78)

13. Summary

The purpose of the evaluation was to look at the adequacy of the Project's administrative arrangements, to analyze its input-output linkages by sub-component, to identify problem areas, to relate findings to reprogramming proposals, and to make corresponding recommendations. Overall, the evaluation concluded that the pace of project implementation was acceptable, particularly in view of the many external factors that have slowed progress. It also concluded that the project's design is still valid. It responds to the needs and interests of the MOH, and the institutional changes it seeks to bring about are appropriate and necessary. The technical assistance provided under the Project has been of high quality, and substantial institutionalization has begun particularly in basic medicines (development of a basic medicine list, p.18,19 of the evaluation report), logistics (preparation of a supply manual and procurement norms, p.22), planning and management (integration of management training in all MOH training programs, p.31-34), mass media for Village Health Workers (client-oriented messages incorporated into educational materials, p.43), supervision (now viewed by MOH as an educational process, p.45,46), and continuing education (acceptance of a training plan which systematizes training into phases: institutional development, technical skills upgrading, and community development, p.51,52). Although the Project's administrative arrangements were considered adequate, there is need for improved implementation planning, annual budgeting, and much more technical coordination within the MOH. Project activities are behind schedule, the delays principally due to an initial lengthy delay in meeting the initial CPs (not until February 1981), followed by delays in approving the overall technical assistance contract. (Technical assistance was scheduled to begin in November 1980, but didn't begin until February 1982.) Major implementation problems cited are: frequent changes in key host country personnel; lack of sufficiently trained MOH counterpart personnel; repeated postponement of the creation of an additional 63 permanent MOH positions; tortuous contracting and procurement procedures (both A.I.D. and GOH); a weak MOH logistics system; and need for a clarified role of the Project Coordination Unit (to include expanded authority over implementation, budgeting, and coordination with the normative divisions of the MOH, MOF, and A.I.D.); and chronic breakdowns in the financial mechanism. Improvements were noted in recent months in several of these areas, particularly in clarified roles being defined for the technical coordination unit and the Project Coordination Unit. The rationale underlying the reprogramming proposals was found to be sound. Also, the Project's purposes could be achieved in a second phase, during which there would be consolidation in the critical components of management/planning, logistics, maintenance, supervision, as well as in the high priority technical health interventions. These do not include rabies and sexually transmitted diseases, which have been terminated, nor do they include oral health, which was recommended by the MOH. For an update on recent project action, see Annex III.

14. Evaluation Methodology

The objectives of the first external evaluation of the Project were to determine if the Project is still valid and necessary, to analyze input-output linkages by sub-component, to identify problem areas, to determine what mid-course corrections are required, and with these analyses in mind, to

assess reprogramming proposals. The focus of the evaluation was on implementation and process rather than on impact and outcome. The methodology was based on a review of Project documentation, on interviews with relevant Project actors within AID, the MOH, MSH, and the MOF, and on field visits to three health regions, selected on the basis of representative health activities. The evaluation team centered its investigations on three principal areas: the Project's sub-components (particularly timing, quality and quantity of inputs), its administrative systems (focusing on the Project Coordination Unit), and on the performance of the key institutions (A.I.D., MOH, and the MOF). Within the Project components, highest priority was given to management, logistics, mass media, supervision, and maintenance. The evaluation was conducted by a multidisciplinary team of three consultants with experience in LDC health program design, implementation, and evaluation.

15. External Factors

The Health Sector I Project was designed at a time when Honduras had an overall 3-4% GNP growth rate and when the MOH's annual per capita budget was over $25. Since then, there has been a worldwide economic recession, export prices for Honduras' exports have collapsed, interest rates have risen, etc. As a result, the Honduras economy in 1983 suffered a negative growth rate resulting in a MOH budget that was stagnant in 1983 and suffered a 14% reduction in 1984. Economic prospects do not appear bright for the rest of the decade. Fiscal austerity measures made it very difficult for the MOH to absorb new permanent positions for the activities begun by the Project, although in April 1984 the MOF agreed to create over 60 new Project-related permanent positions. It may be difficult for the MOH to meet the recurring costs of expanded supervision, training, and maintenance. The overall state of the economy needs to be weighted against the scope of the reprogramming proposals and the capacity of the MOH to carry out Project activities.

Another external factor which affects the GOH's potential financial support to the Project is the ambitious hospital construction program begun in the mid 1970's, with IDB financing. Although many facilitites were constructed, or partially constructed, the GOH is having major difficulties meeting the financial terms of the program, not the least of which are the recurring costs required to operate and to maintain these facilities. These recurring costs represent a competitive claim on scarce resources potentially available for primary health care.

On the other hand, the current government's priorities in health correspond to the Project purpose and commitment to the Project in the MOH is higher than at any time in the past.

16. Inputs

There were delays in contracting technical assistance in malaria, maintenance, and in logistics. Warehouse construction delays, due to legal problems in contracting, in determining titles and land ownership, as well as identifying sites safe for insecticide storage, continue to be a major constraint in the implementation of the malaria, maintenance, and logistics sub-components. Tortuous procurement procedures have resulted in delays in

the timely adquisition of vehicles, spare parts, and computers, thereby adversely affecting the malaria, maintenance, immunization, and planning sub-components. In particular, the decision to purchase Chrysler trucks against the wishes of the MOH, the confusion over the specifications needed, and Chrysler's inability to provide maintenance services as called for under the contract, have not only adversely affected the Project's progress, but have strained relationships between the Mission and the MOH. Breakdowns in the financial mechanism have at one time or another reduced malaria spraying, and training courses in continuing education and supervision. The economic crisis has made it increasingly difficult for the MOH to fulfill its counterpart requirements, to provide personnel, and to create permanent positions. There have been some shifts in the quantity of inputs needed. Total cold-chain requirements resulted in about double the original anticipated need. Laboratory and workshop equipment needs were also larger than anticipated, but medical equipment needs were less since equipment originally anticipated under the Project was provided by another donor.

90% of commodity inputs are complete. 100% of T.A. inputs are complete. In-country training is going well, but overseas training has been delayed because of problems indentifying appropriate training sites, selecting appropriate candidates, and GOH restrictions in paying salaries to personnel while in training. A Financial Input Table is included as Annex 2.

17. Outputs

(See Annex 1)

18. Purpose

The purpose of the Project is to increase the effectiveness, efficiency, coverage, and use of the health care delivery system. As this was not a final evaluation, but rather an implementation evaluation which focussed on process, a full discussion of EOPS would be premature. Progress, however, has been made in achieving some of them.

a. EOP: At least 70% of the target population of less than two years of age are correctly vaccinated.

Achievement: By the end of 1983 full vaccination coverage in children under two years nationwide was 60% with some regions registering over 80%.

b. EOP: Norms related to screening diagnosis, treatment, follow-up, and prevention appropriately followed for diarrhea control, immunization, tuberculosis, pregnancy and birth practices, and sexually transmitted diseases, resulting in a decrease in reported cases of at least 20%.

Achievement: Norms for diarrhea control, TB, immunizations, and sexually-transmitted diseases have been incorporated into the curriculum for the regular in-service training of MOH personnel. Norms for MCH/FP have been developed. There is no evidence of a 20% drop in reported cases, principally

because there is no before and after base line data to make such a comparison. Even if there were, it would be premature to expect to see a health impact from the institutional changes brought about by the Project.

c. EOP: Malaria vector control activities designed and implemented according to area and region needs.

Achievement: Some progress has been made in the introduction of a balanced vector control strategy (including physical, biological, and chemical methods), but more training and technical assistance is needed to ensure full acceptance.

d. EOP: At least 70% of the trained village health workers are actively providing services.

Achievement: As the Project's efforts thus far have necessarily focussed on the needs of the health care system above the community level, there has been little impact on the services provided by village health workers, except for empirical midwives where this goal is being approached. In two or three years, an expansion of services provided by other village health workers should be evident.

e. EOP: Director General's office strengthened to assure appropriate and timely development and implementation of norms related to program planning, implementation, and evaluation; and human resources, administrative services, and budgetary and cost analysis.

Achievement: The evaluation reports that substantial progress has been made in the following areas: management training has been integrated into all Ministry in-service training programs; an administrative flow analysis resulted in accelerating the processing of documents; technical advisors stimulated the preparation of a list of basic pharmaceuticals, a corresponding formulary, and plans for the expanded local production of pharmaceuticals; a study on health financing alternatives influenced the Ministry to change its policy, thereby permitting health facilities to charge patients for medicines; technical advisors helped to produce a new supervisory manual; reforms in warehouse inventory, receiving and distribution procedures resulted from technical assistance activities; and finally, important steps have been taken in the area of local programming, i.e. needs, resources, and priorities are sorted out in an interactive process involving the field and central personnel. The evaluation recommends that planning and management receive more intensive effort during the remainder of the Project's life and that technical coordination of the Ministry's divisions be strengthened.

f. EOP: Logistical and Maintenance Systems adequately staffed with trained personnel operating in accordance with established policies and procedures.

Achievement: The majority of personnel identified as new in the PP have been hired and trained. The evaluation reports that the basic improvements needed to implement a proper logistics system are not identified in the PP. As a

result, the scopes of work for technical assistance are not adequate for the range and complexity of the tasks required. More technical assistance is needed to implement the system at the regional level. However, the development of a supply system manual has been "a milestone in establishing the normative aspects of the logistics system."(p.22) Delays in warehouse construction are adversely affecting the accomplishment of Project purposes. The logistics and maintenance training targets have been met and exceeded in the case of logistics. The evaluation recommends that the Ministry administrative division be given responsibility for all logistics activities.

g. EOP: All rural health system personnel receive at least one supervisory visit every two months.

Achievement: According to the evaluation report (p.45-46), the Project has brought about a major change in the MOH's approach to supervision: it is now viewed as a functional, educational process. A national model for supervision has been tested and implemented from the area to health center level nationwide. At this level EOPS achievement has occured. It has not, however, yet reached the level of the rural health volunteers. The major reason for the delay is the lack of personnel at the central level to do the training of trainers. The evaluation recommends that the implementation of the model be accelerated; otherwise enthusiasm may turn into loss of interest. The MOH needs to assign more personnel to this effort.

h. EOP: Cost per consultancy at the CESAMO, CESAR, and village health worker levels decreased by at least 5% per year.

Achievement: This EOP was not addressed by the evaluation.

i. EOP: Consultations per capita increase from 1.12 to at least 2 by 1985.

Achievement: This EOP was not addressed by the evaluation, although it still is considered to be valid for the end of the Project.

j. EOP: Increase the annual number by consultations per CESAR and CESAMO by 10% per year.

Achievement: See above.

19. Goal/Subgoal

As mentioned in the previous section and in the Evaluation Methodology section, this was not an impact evaluation. Nonetheless, there are several areas, described below, in which the Project already has had a considerable impact on the health status of the Honduran people.

The goal of the Project is to improve the health status of the Honduran people. At least partially as a result of Project activities, 60% of the under two years of age population nationwide has been immunized against the

major childhood communicable diseases. Levels of around 45% were typical prior to Project implementation.

In some selected sites, deaths due to diarrheal diseases have dropped by 40%.

Mortality due to rabies has dropped from 14 deaths in 1982 to 3 in 1983. In 1983 there were 20,000 fewer reported cases of malaria as compared to the previous year. Not clear is to what extent this decrease is attributable to the Project's malaria control activities.

Infant mortality which was cited at 117 in the PP is now cited at 87 by official GOH sources. The causes of this drop are multiple, of which the Project is only one factor.

20. Beneficiaries

The direct beneficiaries of this Project are the personnel of the MOH. Their capacity to plan and manage an increase in the effectiveness, efficiency, coverage and use of the health care system is an outcome of the Project's efforts. The target beneficiaries, however, are indirect: the people of Honduras who will benefit from improved quality and quantity of health services.

Summarized data from other sections of the evaluation follows:

Direct
- 793 person/weeks of training in malaria control
- 27 persons trained in rabies control
- 66 persons trained in immunizations
- 541 persons trained in diarrhea control
- 60 persons trained in TB control
- 42 persons trained in sexually transmitted diseases
- 9 persons trained in epidemiological surveillance
- 172 persons trained in the use of the logistics manual
- 305 persons trained in supervision model
- 773 persons trained in teaching methodologies
- 2,732 person/weeks in continuing education (planning/management and health technologies)
- 800 person/weeks of village health worker training

Indirect
- 60% of the under two year of age population immunized
- 40% reduction in mortality due to diarrhea diseases (in one area)
- 20,000 fewer reported cases of malaria
- drop in reported cases of death from rabies from 14 to 3.

21. Unplanned Effects

None significant at the moment.

22. Lessons Learned

Lesson #1: The achievement of a Project's purpose, if it depends on "institution building," takes a long term commitment. And A.I.D. must be prepared to make that commitment up front if it embarks on such Projects.

Lesson #2: A.I.D. and the host government should expect a need to redesign and/or correct Project implementation mechanisms once they are established and tested.

Lesson #3: To a degree, an evaluation team should be treated in a directive fashion. Expecting them in one month to be able to know which are key and which are secondary sources of information is unreasonable. Extending the evaluation period is another option.

Lesson #4: Frequent changes in key host country personnel is an external factor which can cripple implementation. The opposite, stability in key host government personnel, can provide a very favorable environment for Project implementation. However, given the reality of Honduras, one must expect and be prepared to deal with key host country prsonnel changes.

23. Special Comments or Remarks

Program Management Implications:

-If the Project's goals and purposes are to be achieved, a long term commitment to this or a follow on Project is necessary.

ANNEX 1

OUTPUT TABLES

STATUS	ELEMENT	REASONS
Good Progress	-Immunization	- Considerable support from Epidemiology Division (TA, educational materials and vaccines) and from PAHO's and Expanded Program for Immunization. AID's support complements and reinforces these efforts. Problems because of deficiencies in cold chain and in adequate supply of vaccines. Inmunization levels now over 70% nationwide.
" "	-Diarrhea Control	- MOH counterparts are dedicated, eager and well qualified. Training carried out as part of an integrated strategy and program. The curricula reflect a comprehensive approach to diarrheal disease prevention and treatment, with recognition of the role of environmental sanitation and proper nutrition (including lactating and weaning). Only problem being inordinately large supplies of ORT packets, given storage space available.
" "	-Tuberculosis	- Mass-media campaigns planned well underway and training planned under this component has been largely carried out. However, quality and impact of in-country training cannot yet be gauged.
" "	-Basic Medicine List	- Complementarity of AID's concerns with those of the Ministry. This activity has become a key element in the strategy to strengthen the overall logistical capacity of the MOH. "Systems thinking" institutionalized to the extent that a National Drug Commission (CONAME) formed, with representatives from the Purchasng and Warehouse Departments, the Medical Supply Unit and the Directorate General.

STATUS	ELEMENT	REASONS
Good Progress	-Logistics	Normative aspects of Logistics System have been developed, particularly as a result of the involvement of a previous MOH employee as advisor in this area. Administrative process and information flow for each one of the system components (e.g., planning, procurement, warehousing, distribution and supervision) have been conceptually rationalized. This system will be put into operation in a gradual way in certain regions. Training targets also have been achieved. However, major delays in the contruction of warehouses due to legal problems in obtaining land and contracting for design. In addition, all commodities for this component are purchased by AID, with MOH officials being totally unaware of the status of these purchases. Adequate procurement planning and tracking mechanisms between AID and the PCU are needed.
" "	-Management and	Most of this component is TA. The assistance Planning provided to data has been of high caliber. Major accomplishments in this sub-component have been: integration of management training into all MOH Training Programs; improvement of document flow and processing; role of catalyst for the production of a basic formulary and guides for prescription of drugs; search for alternative financial sources for the Ministry; melding of supervisory, resupply and accounting control functions into a single supervisory visit thus rationalizing use of resources; and stimulation rather than substitution of MOH personnel involvement in support of systems improvements. Progress though has been slower than anticipated because of constant turnover of personnel; lenghty and complex GOH

STATUS	ELEMENT	REASONS
		process for contracting personnel, and making direct and Proveduría purchases; lack of an effective mechanism for expenditure of Project funds; lack of sufficient trained counterparts; and deficient communication between participating agencies. (Specific activities under this component are dealt with below.)
Good Progress	-Continuing Education of Village Health Workers	- Although PP did not specify which of four categories of workers (e.g., guardianes, parteras, representante de salud, colaborador de malaria) had to be trained and initial start was difficult, 7,000 parteras have been trained.
" "	-Continuing Education for MOH Employees	- Caliber of TA and political support for activity has allowed systematization of training into phases (e.g., institutional development, technical capacity development and community participation development), and also has allowed training content to be rationalized by making it functional and job-specific.
" "	-Mass Media for Village Health Workers (VHW)	- Mass media emphasized the education of the client, with less importance given to the VHW per se. Counterpart position for this component under the Division of Health Education still vacant.
Slow Progress	-Malaria Component	- Although in-country training proceeding as expected, delays observed in contracting TA and locating and arranging for sites safe for insecticide storage.
" "	-Rabies Control	- Equipment purchased, but slow progress in attaining training goals. Unknown reasons for these delays.

STATUS	ELEMENT	REASONS
" "	-Maintenance	- Progress affected by delays in negotiating TA contract and qualifications of initial personnel to be trained which had to be partially removed. Serious delays in the ordering of spare parts and in getting them through customs, in the construction of the warehouses, and in settling on candidates to be trained overseas. Main accomplishments essentially in the in-country training sub-activity.
" "	-Local Programming, Management and Planning Component	- Insufficient manpower to undertake special activities parallelly to regular functions; lack of sufficient information and coordination among relevant participants, with regional authorities not fully aware of their duties.
" "	-Regionalization/ Extension of Service Coverage, Management and Planning Component	- Lack of MOH personnel resources.
" "	-Extension of Supervision	- Despite high caliber of TA, slow progress because of shortage of MOH personnel and because transportation is not always available when needed. However, activities have introduced a change in the supervision philosophy from policing action to an educational process. Rotating funds created at regional level in certain regions, and training called for has taken place. Because of logistical and personnel problems, new philosophy developed is still to be applied.
Major Delays	-Sexually Transmitted Diseases	- Does not seem to be priority for the MOH. No specific plans developed for TA, observational trips anticipated were cancelled, and no plans for mass-media or any draw down of funds for this activity.

STATUS	ELEMENT	REASONS
" "	-Maternal and Child Health	- Strategy for this area just recently developed by the MOH.
" "	-Information System Management and Planning	- Cumbersome and lengthy purchasing process at Proveeduria and poor communication between participating agencies, including AID, resulting in inability to purhase interactive computer.
" "	-Teacher Training	- Internal problems within UNAH.
Information Not Available	-Epidemiology Training	

FINANCIAL INPUT TABLE

Category	Total Authorized	Total Expended thru CY 1983
HEALTH SECTOR PROJECT I TOTALS		
AID Funds	14,791.0	7,311.1
Grant	3,826.0	2,859.7
Loan	10,965.0	4,451.4
MOH Funds	17,111.0	5,457.0
Cash	9,506.8	707.3
In kind	7,604.2	4,749.7
1. MALARIA		
AID Funds	1,099.0	723.9
Grant	118.0	107.3
Loan	981.0	616.6
MOH Funds	1,841.0	
Cash	54.0	
In-kind	1,787.0	
2. RABIES		
AID Funds	31.0	68.0
Grant	0.0	0.0
Loan	31.0	68.0
MOH Funds	4.0	
Cash	0.0	
In-kind	4.0	
3. IMMUNIZATIONS		
AID Funds	70.2	27.1
Grant	0.0	0.0
Loan	70.2	27.1
MOH Funds	39.0	
Cash	11.0	
In-kind	28.0	
4. DIARRHEA		
AID Funds	102.5	75.7
Grant	0.0	0.0
Loan	102.5	75.7
MOH Funds	19.0	
Cash	0.0	
In-kind	19.0	

Category	Total Authorized	Total Expended thru CY 1983
5. TUBERCULOSIS		
AID Funds	136.0	34.4
Grant	10.0	9.2
Loan	126.0	25.2
MOH Funds	65.0	
Cash	10.5	
In-kind	46.5	
6. SEXUALLY TRANSMITTED DIS.		
AID Funds	51.0	8.1
Grant	1.0	1.7
Loan	50.0	6.4
MOH Funds	49.0	
Cash	19.0	
In-kind	30.0	
7. MATERNAL/CHILD		
AID Funds	768.0	105.4
Grant	712.0	89.7
Loan	56.0	15.7
8. EPIDEMIOLOGY		
AID Funds	24.0	5.6
Grant	7.00	4.3
Loan	17.0	1.3
MOH Funds	31.0	
Cash	1.8	
In-kind	29.2	
9. BASIC MED LIST		
AID Funds	0.0	0.0
Grant	0.0	0.0
Loan	0.0	0.0
MOH Funds	2.0	
Cash	0.0	
In-kind	2.0	

15

Category	Total Authorized	Total Expended thru CY 1983
10. LOGISTICS SYSTEM		
AID Funds	2,901.1	1,271.7
Grant	350.0	350.0
Loan	2,551.1	921.7
MOH Funds	2,465.0	
Cash	677.0	
In-kind	1,780.0	
11. MAINTENANCE		
AID Funds	1,032.0	721.7
Grant	350.0	350.0
Loan	682.0	371.7
MOH Funds	3,033.0	
Cash	2,235.0	
In-kind	797.5	
12. MGMT/PLANNING		
AID Funds	3,080.0	1,920.1
Grant	1,623.0	1,393.7
Loan	1,457.0	526.4
MOH Funds	431.0	
Cash	431.0	
In-kind	0.0	
13. MASS MEDIA		
AID Funds	626.0	420.2
Grant	165.0	67.2
Loan	461.0	353.0
MOH Funds	179.0	
Cash	179.0	
In-kind	0.0	
14. TEACHER TRAINING		
AID Funds	243.0	39.4
Grant	28.0	27.2
Loan	215.0	12.2
MOH Funds	309.0	
Cash	79.0	
In-kind	230.0	

Category	Total Authorized	Total Expended thru CY 1983
15. SUPERVISION		
AID Funds	2,194.0	519.2
Grant	165.0	165.0
Loan	2,029.0	354.2
MOH Funds	3,846.0	
Cash	1,861.0	
In-kind	1,985.0	
16. CONT. ED. FOR VHWS'		
AID Funds	212.0	270.0
Grant	0.0	0.0
Loan	212.0	270.0
MOH Funds	336.0	
Cash	216.0	
In-kind	120.0	
17. CONT. ED. MOH		
AID Funds	1,149.0	885.4
Grant	297.0	294.4
Loan	852.0	591.0
MOH Funds	866.0	
Cash	400.0	
In-kind	466.0	
18. CONTINGENCY FUND		
AID Funds	1,072.2	215.2
Grant	0.0	0.0
Loan	1,072.2	215.2
MOH Funds	3,294.0	0.0
Cash	3,294.0	0.0
In-kind	0.0	0.0

AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES OF AMERICA AID MISSION TO HONDURAS
AMERICAN EMBASSY
TEGUCIGALPA, HONDURAS

MEMORANDUM

ANNEX III

TO : Anthony J. Cauterucci, Mission Director

FROM : Thomas Park and Barry Smith, HRD/H

THROUGH: Orlando Hernández, PCR

SUBJECT: Update of the Health Sector I PES

DATE : July 2, 1984

The following is an update and a summary of the actions taken on the Health Sector I Evaluation recommendations.

1. Problems of Coordination and Communication

An implementation plan has been prepared collaboratively by Mission and MOH staff and is being used for Project monitoring through regular follow-up meetings with the MOH implementation divisions and programmed field visits. These plans will continue to be developed on an annual basis. An improved procurement information system is in place reducing delays in clearing equipment through customs. The financial mechanism has been improved by making use of ESF to enlarge the revolving fund. All these actions were taken in March 1984.

2. MOH Absorptive Capacity

The Project's recurring costs, actual and projected, were studied by an IQC firm, Birch and Davis, in February 1984. The MOH's capacity to meet these costs is not established. An IDB financed hospital construction project currently under design could place a major strain on scare resources. The overall economic prospects are another factor which could further limit recurring cost resources. Mission staff are monitoring these developments in the design of the PP amendment and an eventual Health Sector II Project. A Mission funded pre-feasibility study of local drug production alternatives suggested that an initial capital investment would save considerable recurring costs currently being spent on imported drugs.

3. Institutionalization of Changes

Although the Project is well integrated into the MOH and policy dialogue and change have taken place in key areas (local programming, administrative reform, alternative financing/drug sales, and family planning), concern has been expressed over the quantity of MOH staff required to carry out project activities. Recently the MOH has created a number of permanent positions that go a long way to putting this concern to rest. The supervision group has been increased from two to six full time people. Two full (contract) time positions in the Science and Technology Unit have been added. The position of the Health Education Chief has been filled. Other steps include reorganizing the Ministry's technical coordination group so that it now has greater implementation responsibility. These actions were taken in April 1984.

4. Consolidation vs. Expansion of Project Activities

Following the recommendations of the Evaluation Report and the Mission review meeting, project activities are being consolidated in the design of the PP amendment. These subcomponents have been dropped: Rabies, Sexually Transmitted Diseases, Teacher Training, Basic Medicines, and Epidemiology Training. These subcomponents requested by the MOH were disregarded: Oral Health, Community Participation, Continuing Education by correspondence and Construction of PANI Labs (pending the results of a comprehensive plant design and administrative feasibility study). The Village Health Worker subcomponent was collapsed into the Continuing Education subcomponent. Two subcomponents were added: Nutrition and Operations Research. The upshot of these changes is that the amended project will have 14 subcomponents as opposed to the current 17.

TP/mrfi