

USAID/NEPAL EVALUATION REPORT
FY 1982-5

Volunteer Village Health Workers - Jumla
(498-0251)
(IHAP)

Recommendations:

1. Revise the original project proposal to reflect IHAP/Nepal Red Cross/AID discussions regarding changes in elements of the project that depart from what was originally envisioned, including budget adjustments. This revision should be accomplished immediately.
2. Clarify funding questions regarding how much IHAP has drawn down to date against the project and how IHAP intends to handle future drawdowns of funding in view of the switch (now completed) of project responsibility from AID/Washington to AID Nepal. It is essential that this clarification be made immediately so that project funds can continue to be available when required.
3. IHAP should clarify what authorities have been or are being transferred from IHAP/NY to IHAP/Kathmandu for implementation of the project.
4. IHAP should advise AID whether problems which existed between IHAP/NY and IHAP/Kathmandu which led to a disruption in the flow of funds have been resolved. Moreover, IHAP should give assurances that it does not anticipate such disruptions in the future.
5. IHAP should share reporting documents directly with AID Nepal, as required by the Grant Agreement. This flow of documents should include Quarterly Reports, Annual Reports and other relevant documents.
6. IHAP should prepare for AID and its own use a comparison of funding and job coverage implications of the TA/DA system

HFP:GVvan der Vlugt *GVV*

HFP:Sanderson _____

A/FM:DMutchler *DM*

PDIS:JPinney *JP*

FRM:WBNance *WBN*

D:DJBrennan *DB*

normally used by HMG for its personnel and the experimental incentive system proposed by IHAP and the Red Cross for staff under this project. No further contractual arrangements including the experimental system should be entered into until this comparison has been prepared and reviewed.

7. NRCS should continue to recruit new staff (replacing those who resigned), but should only enter into a contracting period through August 1982, the current termination date for the project. NRCS may consider adding a clause to such a contract to the effect that the contract can be extended under the same conditions for a total of twelve months (including the original period), if the project is extended beyond August 1982 and if funds remain available to cover such an extension.
8. Following discussions in early March with IHAP headquarters personnel and after thorough review of pertinent documentation (not available for the formal review), AID will review the project and determine what action, if any, should be taken regarding extension of the project beyond August 1982.
9. AID should discuss and decide with IHAP and the Nepal Red Cross the best approach to providing administrative support to the project.
10. IHAP and the Nepal Red Cross should continue their dialogue with HMG regarding the latter's eventual assumption of the primary health care delivery system being establishing under this project.

Attachment: Jumla Issues Paper, February 11, 1982.

Report of The First Annual Evaluation
For
Volunteer Village Health Workers - Jumla
(498-0251)
February 12, 1982

Evaluation Setting.

The first annual evaluation of the Volunteer Village Health Worker (Jumla) project was held in the AID Nepal Conference Room on February 12, 1982. The Evaluation was chaired by the Office of Program and the following persons attended and participated:

Nepal Red Cross: Mr. Onta, Chief Executive Officer
Miss Ragin, Coordinator
Mr. S.B. Rai, Coordinator
Mr. J.S. Thapa, Accountant
Mr. T. Ganai, Assistant Coordinator
Ms. T.K. Gurung, Community Dialogue
Ms. R. Giri, Teaching Assistant

IHAP : Mr. P.J. Fenney
Mr. Arthur Taylor
Ms. Sidney Schuler

JSI : Dr. Melvyn Thorne

AD : Mr. Thomas L. Rose

HFP : Dr. G.V. van der Vlugt
Ms. Sigrid Anderson

FM : Mr. M.R. Sharma

PDIS : Mr. Steven Freundlich

PRM : Mr. Paul D. Morris
Mr. John M. Ryan
Mr. R.C. Shrestha
Mr. William B. Nance

This was the first AID evaluation to be held for this project, which began August 30, 1979. The purpose of the evaluation was to review accomplishments to date and to determine, to the degree possible, progress made toward meeting the objectives of the project. (An Issues Paper, which was prepared and distributed prior to the formal review session, is attached).

Project Accomplishments

The Issues Paper outlined several project accomplishments. IHAP Technical Advisor added other major accomplishments, i.e.

1. 20 surenis (traditional nurse attendants) in Jumla given training
2. Nepal Red Cross Society members mobilized and NRCS office renovated
3. Staff housing completed (4 complete; 1 partial)
4. Two successful consultancies, one on involving women in the Jumla project; the second on training, supervision, staff development, etc.
5. Coordination/cooperation with UMN, K'-Bird, HMG offices, etc. in Kathmandu and Jumla.

Major Discussion Points

Since the return of the Technical Advisor from his first visit to Jumla in the last quarter of 1980, discussions have been conducted between AID, IHAP and the Nepal Red Cross about refining many parts of the original project proposal to reflect more accurately current conditions in Jumla. During the summer of 1981 the Technical Advisor prepared a list of some sixty (60) changes (most of them minor) to the project proposal. Most of those proposed changes had been discussed with AID Nepal at some length and agreement reached, in principle, on revising the project proposal accordingly. The Technical Advisor felt that IHAP headquarters would want to review/revise the numerous changes being proposed. Although the agreement in principle existed between AID Nepal and IHAP Kathmandu, the field-recommended changes were never incorporated into a single comprehensive document and forwarded to AID Washington by IHAP/NY. The result is that the original project proposal remains in force. It was the consensus of the evaluation team that the absence of a revised document is causing some delays in project implementation. It was agreed that as a priority item, IHAP should submit to AID Nepal a revised project proposal reflecting the changes that have been under discussion for the past fifteen months.

At the request of the evaluation team, the Technical Advisor outlined the major changes being proposed. First of all, it was pointed out that the project's original five objectives (see paragraph one of the Issues Paper) remain unchanged. The total budget remains unchanged (although there are several internal shifts being proposed), and the principal goal of the project -- to establish a primary health care delivery system using local health workers -- also remains as originally envisioned. The major changes fall in the following three areas:

- Health demonstration activities: IHAP is proposing a significant increase in the number and focus on health demonstration activities. One important change is the

inclusion of funding and staff supervision time to construct a Health Post. This was not originally envisioned, but IHAP and NRCS now believe it is crucial to the success of the project. Also, the use of agriculturally related activities as a way to increase local participation in ways they understand and to raise the general level of nutrition is another change in the make-up and support of demonstration activities.

- Staff Support: The original project proposal called for recruitment and support under the project of a staff made up entirely of health personnel. IHAP and NRCS now are employing a mixed team of health workers and persons with technical skills, i.e. engineering and agriculture, to implement the project.
- Baseline Survey - Community Dialogue Interrelationship: The existing project proposal calls for Johns Hopkins University to play a major role in designing and carrying out a baseline survey and community dialogue. IHAP/NRCS reduced the role of Johns Hopkins in the community dialogue portion of the project (resulting in a re-allocation of some \$50,000 being taken from the Hopkins sub-contract, but Hopkins is providing technical assistance for these activities). The participation of the IHAP Technical Advisor in the design and implementation of the survey and community dialogue has been increased. Johns Hopkins is retained in a technical advisory capacity and the Institute of Medicine of Tribhuvan University conducted the field work and is analyzing the data.
- Local practitioner: Greater emphasis is being placed on use of local medical practitioners.

When AID Washington was still monitoring the project, IHAP/NY wrote a letter (August 1981) proposing budget shifts within the project. Those proposed shifts, to which no response is recorded in the file, reflect the budget adjustments that were discussed in Kathmandu during the summer of 1981 between IHAP/Kathmandu, the Nepal Red Cross and AID Nepal. Those proposed changes now should be incorporated into a comprehensive project proposal revision reflecting all proposed changes and submitted to AID Nepal for approval.

Funding under the project was the topic of much discussion during the project evaluation. Neither AID/Nepal, nor IHAP Kathmandu was able to show how much total funding had been drawn down under the project and for what purposes. Partly, this reflects the fact that until recently, AID Washington administered the project, rather than AID Nepal. This meant that the flow of documents, including financial reporting was between IHAP/NY and AID Washington, with a substantial delay in information exchange at the field level. Partly, it was also due to an absence of IHAP documents, financial or otherwise, being provided directly to

AID Nepal as required by the Grant Agreement. AID Nepal, now fully responsible for administering the project on the AID side, needs to reconcile financial records to show what funding has been advanced and spent, by line item, and to work out with IHAP procedures for handling future drawdown of funds. This is a priority task.

In accordance with AID Nepal's request to shift project administration responsibilities to the field, AID Nepal is fully responsible for the project from AID's perspective. It is not clear, however, what responsibilities IHAP/NY has transferred to IHAP/Kathmandu to implement the project. This needs to be clarified and operational procedures established.

AID Nepal was informed by IHAP/NY in August 1981 that funding for the Jumla project had been "frozen" pending certain internal clarifications (between IHAP/NY and IHAP/Kathmandu). IHAP/Kathmandu informed the evaluation group, when queried about the status of "frozen" funds, that some monies are available to the project. It still is unclear, however, whether the internal IHAP problems have been resolved and whether funds are again flowing smoothly. AID Nepal plans to discuss this question with IHAP/NY personnel when the latter visit Nepal in early March, 1982, and to request assurances from IHAP/NY that no further disruption of funding is anticipated.

During the formal evaluation session, considerable discussion was devoted to IHAP's recommendation that the regular TA/DA system, which HMG uses, be replaced for staff under this project by an experimental incentive system. Several important points were raised during this discussion. The rationale provided for wanting to use the experimental system is that the TA/DA system does not work in Jumla. The incentive provided by the TA/DA system, according to IHAP and the Nepal Red Cross, is not sufficient to encourage workers to travel to various project sites. It was proposed by IHAP that paying performance bonuses on an annual basis and by using training incentives on a bi-annual basis project staff would receive greater motivation to work in remote areas covered by the project. The discussion was unable, however, to provide firm comparisons between the TA/DA system and the experimental system in terms of the projected costs of each and why motivation was assumed to be stronger under one as opposed to the other. It was the consensus of the group that data should be developed on which comparisons could be made before the experimental system is expanded further.

Existing contracts for several project staffers include commitments to use an experimental bonus system. AID suggested that IHAP and the Red Cross should develop data so that procedures for meeting existing contractual commitments can be established, but that no further contractual arrangements involving the experimental incentives system should be undertaken until comparison of the two systems can be completed.

The evaluation group recommended that the project should continue to recruit new staff (to replace those who resigned) so as not to lose project momentum, even though questions of incentives remain to be addressed and even though the project is scheduled to

terminate at the end of August 1982. It was suggested that the project should proceed with recruitment of personnel, but that no contractual commitment could exceed the life of the project. Since the question of the project's future beyond August 1982 is expected to be the subject of future discussions (see next paragraph), it was suggested that consideration be given to including in any new contract a clause indicating Red Cross/THAP agreement, subject to availability of additional funding, to consider extending any contract under the same conditions that are entered into between now and August, for a total of twelve months, including an initial period which would be covered only through August 1982.

The project evaluation group did not consider this project for extension beyond August 1982 although it was recognized that a decision about the project extension had to be made soon. The group felt that any discussion regarding possible extension was premature in the absence of: 1) full project documentation, including especially a revised project proposal per discussion above, 2) complete project reporting, including financial reports and reconciliation of same, and 3) receipt of information and assurances concerning previously reported problems (which led to "freezing" of project funds) between THAP/NY and IHAP/Kathmandu.

The context of the incentives question concerned not only the question of comparisons of two different systems of encouraging worker performance -- an important question -- but also the long-term prospect of the Government eventually assuming the operation of any system this project is finally able to establish. While the question is of incentives for project staff and not incentives for local health workers (Volunteer Village Health Workers or Community Health Leaders), it is important that whatever technique is used under the project be one in which there is at least a reasonable chance of being replicated by HMG after this project is terminated. THAP expressed the feeling that the experimental incentives systems, once proven under this project, could offer an important alternative to a system (TA/DA) that is not working well.

Also, with regard to institutionalizing the health care system, which this project is attempting to establish, from the start of the project HMG line ministry officials were consulted and a dialogue begun. The Nepal Red Cross sought and received approval and promise of assistance from the then Secretary of Health. Following changes in HMG senior personnel in the Ministry of Health, the Red Cross has continued this dialogue. Particularly through the Community Health Integration Project (CHIP), the Red Cross and THAP have maintained a dialogue and established a working relationship. For example, CHIP has provided training

manuals for CHL training under the project -- an extremely important step to ensure compatibility of training. CHIP also participated in a workshop designed and conducted under this project, thus demonstrating continuing interest by CHIP in activities under this project. Furthermore, the Red Cross believes it has a commitment from CHIP to raise Jumla on the CHIP priority list (from fortieth to thirtieth), if this project proves successful. There may be a chance of raising Jumla's priority even further, depending on the performance of this project. In addition, the project cooperates with UNICEF, MOH Nutrition Cell and Health Education Unit in Kathmandu and with all IMG and external donors (UMN, K'-Bird) in Jumla.

Discussion also was held concerning the flow of project documentation between IHAP and AID. While it was recognized that IHAP/NY and AID/Washington had been the principal points of contact until recently, AID pointed out that the Grant Agreement requires that copies of IHAP reports be provided also to AID Nepal. AID noted its plans to discuss improvement of the flow of reporting documents, including financial reports, with IHAP headquarters personnel in March (1982). At that time, AID and IHAP should agree on specific operational procedures.

The IHAP Technical Advisor and the Red Cross expressed a desire to change the administrative support arrangements in Kathmandu for the project. The Red Cross specifically suggested hiring a full-time administrative person who would work in Kathmandu to support the project. Under the grant, administrative support for the project is to be provided by the IHAP/NDBA representative to Nepal and is funded through this project. AID suggested that as this issue is addressed, the Nepal Red Cross, the implementing agency for Nepal, should reconsider its support for the project and determine whether additional administrative support could be provided through the Red Cross.

Volunteer Village Health Worker OPG

ISSUES PAPER

Background

AID agreed on August 30, 1979 to grant International Human Assistance Programs Inc. (IHAP) \$493,000 to conduct this project through September 1982. The Nepal Red Cross Society was identified as the Nepalese entity through which IHAP would coordinate implementation of the project. The principal objective of the project is to establish a primary health care delivery system (mainly preventive health care) using local health workers as the chief agents of change. This grass roots health care system would be linked to the national Ministry of Health delivery system. To achieve this goal, the project was designed to:

- Conduct a baseline data health survey of Jumla district
- Conduct a community dialogue activity that would provide a framework for broad-based community participation and feedback into the project
- Conduct a training program for (Volunteer Village Health Workers) VVHs
- Establish a health care delivery system in the villages
- Establish demonstration activities with community participation

In the first two of these specific activities, the Johns Hopkins University is participating through a subgrant to IHAP.

The project estimated selection and training for 432 VVHs (50% of which would be female) and 120 "Health Committee" members. A system of individual and panchayat incentives were anticipated to provide support to the VVHs.

Accomplishments

- The project Technical Advisor arrived in Nepal on September 3, 1980
- Revised project design and budget prepared (IHAP project proceeding in accordance with these revisions although formal revisions have not been completed)
- In May 1981 the project hired 11 full-time salaried Nepali personnel and in September 1981 daily wage personnel (also Nepali). (5 full-time salaried and 1 daily wage personnel resigned in December 1981. Advertisements for replacement were placed in the local newspaper on Feb. 10, 1982)
- The baseline health survey for Jumla district has been completed and the data are being processed by the Institute of Medicine, with technical assistance from Johns Hopkins University

- 117 of the planned 120 (life of project) Health Committee personnel have been trained as part of the basic infrastructure necessary to establish a village health care delivery system (12 panchayats have requested similar training)
- The Guest House Cum Training Center in Jumla is being renovated
- The first IHAP-NRCS evaluation was held February 8 & 9, 1982
- Initiated construction of model health post
- Initiated several demonstration activities in agriculture, health, and horticulture
- Conducted community dialogue activities in 12 of 24 panchayats in Jumla district
- 46 VVW/CRLs have been trained through Phase 1 of a three-phase training program
- Conducted a three-day workshop in January/February 1982 at the Nepal Red Cross in Kathmandu for 100 participants. The workshop, entitled "Development for Better Health", placed emphasis on remote area development activities.

Discussion of Implementation Problems

1. One major delay in implementing the project revolved round IHAP's difficulty in fielding a Technical Advisor after the project grant was signed in August 1979. Over a year elapsed before the Technical Advisor actually arrived in Kathmandu. Thus the project, although in its third year since the signing of the Grant Agreement, has been under implementation for only 16 months. Project Implementation is therefore considerably behind the schedule originally anticipated.
2. After the arrival of the Technical Advisor, he made an initial visit to the Project site and he concluded that much of the description in the Project Proposal had been overtaken by events and needed revision. A large portion of the time therefore between September 1980 and June 1981 was spent in conceptualizing and recommending certain changes in the Scope of the Project Proposal. These changes required revision in the Project budget as well. Included in these changes were questions concerning the use of the Johns Hopkins University to conduct the base-line survey, the way the community dialogue activities should be conducted, redesign of the VVW training so as to coincide with the CRL training which currently is being conducted by CHP and other GON entities, and concerning appropriate types of staff to personnel carry out the revised Project Proposal. Much discussion and many changes were made also with respect to the type of demonstration activities to be conducted under the Project. While these changes have been discussed between IHAP, the Red Cross and AID, formal changes in Project documentation remain to be completed.

3. The Grant Agreement for this Project was executed in Washington and the Project Officer in AID/W administered the Project directly with IHAP headquarters. This led to several delays in information flow between New York and Kathmandu and between Washington and Kathmandu. AID Nepal subsequently requested that authority for management of the Project be transferred from Washington to Kathmandu and that IHAP Kathmandu be accorded similar authority by IHAP headquarters. AID/Washington recently completed the transfer of Project administration authority to AID Nepal. It is not clear however, either in the AID Mission or IHAP Kathmandu what authorities IHAP headquarters has transferred to the field. This question of transfer of authorities needs to be clarified so that administrative approvals and transfer of Project funds will not suffer.
4. Project did not suffer problems with regard to transfer of funds through the Social Services National Coordination Committee (SSNCC). Problems were experienced, however, regarding the flow of funds from IHAP New York to its field office. In August 1981 IHAP headquarters decided to suspend disbursement of further funds to the Project until certain questions were resolved which had been raised with its field office in Kathmandu. The suspension of funding resulted in an abrupt slowdown of Project activity.
5. The Project Technical Advisor had several discussions with the Nepal Red Cross concerning hiring procedures for Project personnel. This process was not well established within the NRC and required time consuming discussions by a number of parties, resulting in some delays in project implementation. The procedure was finally worked out and a process established which, hopefully, will be used not only for this Project but for future activities of this kind. As for this Project, the positions to be filled were advertised by the Nepal Red Cross and job interviews were conducted by the Technical Advisor and Nepal Red Cross staff. Both IHAP and the Nepal Red Cross participated in the interviews and IHAP was pleased with the results feeling that a high caliber of Project personnel was obtained through the process.
6. The Technical Advisor will provide details at the evaluation session concerning constraints to project implementation due to living, working and other unique conditions in Jumla district.

Issues

1. While a number of revisions to the original Project Proposal have been discussed and orally agreed between the IHAP field Mission and AID Nepal, formal Project documentation needs to be changed to reflect IHAP/Nepal Red Cross/AID recommended changes. These formal changes should be executed immediately.
2. One of the changes recommended by IHAP relates to the use of incentive for project staff. The recommendation is that in certain cases the regular system of TA/DA be replaced by an experimental incentive system, using performance bonuses and training programs as incentives. Before this recommended proposal is agreed to specifics of the experimental

incentive program, as well as its projected implications, should be thoroughly explored. AID, IHAP and the Nepal Red Cross have not yet worked out details concerning this incentive system.

3. Although the responsibility for Project administration has been transferred to the field by AID/W, AID Nepal and IHAP records have not been reconciled. In this regard, it is unclear whether or what authority IHAP Kathmandu has been given by IHAP New York for this Project. Specifics of this transfer of authority need to be clarified and appropriate actions taken.
4. With regard to funding, AID records indicate that a Federal Reserve Letter of Credit was established at the beginning of this Project and that this Letter of Credit is the method through which IHAP continues to receive funds for the Project. We have no records, however, either in the official AID/Washington file which has been transferred to the Mission or from IHAP Kathmandu regarding the amount of funds IHAP has actually drawn down against the Project or of the status of any outstanding advances against the Letter of Credit. As a priority item IHAP Kathmandu and the AID Mission need to reconcile the status of Project funding, irrespective of the other issues concerning Project authorities.
5. In late August 1981 IHAP New York indicated to AID Nepal its decision to suspend disbursement of funding for the IHAP Project. Have those problems been resolved, and is IHAP New York currently prepared to resume funding for the Project? If there are outstanding conditions regarding the resumption of funding they need quickly to be identified and appropriation action taken.
6. Although AID funding to the Nepal Red Cross through the SSNCC mechanism has not been a problem in the past, the procedure needs to be monitored to insure that IHAP can adequately account to AID for proper use of all funds.
7. One of the stated objectives is to link the rural health system being developed at the grass roots level under this Project to the Ministry of Health's overall health delivery system. What progress has been made in this regard so far under this Project and how can these linkages be further strengthened so as to improve overall health services in Nepal?

PRM:WBNance:prs
February 11, 1982