

PD-ABR-020

**REVISION AND FINALIZATION  
OF THE PROGRAM ACTION PLAN  
OF ETHIOPIA'S HEALTH SECTOR  
DEVELOPMENT PROGRAM**

July 8-24, 1998

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## ACRONYMS

BASICS	Basic Support for Institutionalizing Child Survival
CJSC	Central Joint Steering Committee
DACD	Drug Administration and Control Department
ESDP	Education Sector Development Program
FDRE	Federal Democratic Republic of Ethiopia
HSDP	Health Sector Development Program
HSTD	Health Services and Training Department
IDA	International Development Association (World Bank)
MEDAC	Ministry of Economic Development and Cooperation
MIS	Management Information System
MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
NGO	Non-governmental Organization
PAP	Program Action Plan
PHRD	Policy and Human Resource Development Project
PIM	Program Implementation Manual
PMO	Prime Minister's Office
PPD	Planning and Project Department
RHB	Regional Health Bureau
USAID	United States Agency for International Development

## EXECUTIVE SUMMARY

At the request of the Ministry of Health (MOH), USAID/Ethiopia, through the BASICS project, provided technical assistance to the Planning and Projects Department (PPD) from July 8-24, 1998 to revise and finalize the Program Action Plan (PAP) for Ethiopia's Health Sector Development Program (HSDP) BASICS had previously provided assistance to PPD in April-May 1998 in preparing a draft version of the HSDP PAP for appraisal by the World Bank during its mission of May-June 1998 Terms of reference for the mission are presented in Appendix A, the principal tasks of this follow-up mission were to—

- organize and edit the HSDP Program Action Plan (PAP) and supporting documentation related to the HSDP
- ensure that concerns raised in the “aide memoire” dated June 6 are incorporated in the final version of the PAP and supporting documentation related to HSDP
- produce a final version of the PAP document

The consultant worked with personnel of MOH's departments, principally PPD, the Health Services and Training Department (HSTD), and the Drug Administration and Control Department (DACD), as well as staff of the Prime Minister's Office (PMO) The list of persons contacted is presented in Appendix B and list of documents consulted is presented in Appendix C

A briefing for USAID/Ethiopia was held on July 20 and attended by the Mission director, senior Mission staff, and BASICS/Ethiopia Discussion during this briefing focused on—

- potential institutional reform measures raised by the appraisal mission and the proposed means of verification
- anticipated revisions in the PAP, particularly with regard to the implementation arrangements, the World Bank's project preparation process and the likely calendar for its financing
- outstanding issues which the USAID Mission, as coordinator of the donor group, should raise at the meeting planned for July 24

A summary of issues for discussion with other donors was prepared and the notes are presented in Appendix D

A second briefing for the Mission director, senior Mission staff, and BASICS/Ethiopia was held on July 30 with the principal objective of discussing mission questions and concerns regarding

the relationship of HSDP to USAID's non-project assistance At the same time, a summary of the results of the mission was presented and may be found in Appendix E

A debriefing for staff of BASICS/Washington was held on September 16, 1998

## I BACKGROUND

Over the past 18 months, the government of the Federal Democratic Republic of Ethiopia (FDRE) has initiated important changes in the health sector. With the support of donors active in the health sector, the principal implementers of the national health policy (the Federal Ministry of Health, the regional health bureaus (RHBs), and other concerned ministries and stakeholders) have adopted a comprehensive approach for development of the health sector. The approach is based on—

- promotion of a coherent program of policy reforms and service delivery strategies that comprehensively address sectoral objectives
- commitment to implement the agreed-upon program by both local stakeholders and the international community
- new methods for managing aid relationships, including common implementation arrangements and minimal use of long-term technical assistance

A 5-year plan for the HSDP has been formulated and comprises a central MOH plan, 11 regional plans, and a national Program Action Plan. These documents were prepared and reviewed collaboratively during three joint government/World Bank/donor missions conducted in October-November 1997 (identification), February 1998 (pre-appraisal), and May-June 1998 (appraisal).

In its aide-memoire summarizing the results and conclusions of the appraisal mission and indicating actions to be taken before negotiations (scheduled for latter July 1998), the appraisal team proposed improvements and revisions in the HSDP PAP. Since BASICS had previously provided assistance to MOH/PPD in preparing the draft version of the HSDP PAP for appraisal, MOH requested a follow-up mission to integrate changes proposed by the appraisal mission and other concerned government ministries and agencies. The follow-up mission took place from July 8-24 and overlapped with the World Bank's mission to negotiate IDA's participation in the HSDP.

## II TRIP ACTIVITIES

**Overall results** The mission accomplished its principal objective of revising and finalizing HSDP's PAP. In addition, a number of different studies and analyses, linked with several of the annexes, were carried out, and several supporting documents related to the civil works program were revised and edited. Finally, at USAID's request, a presentation of some of the outstanding issues was prepared as the basis for a meeting with other donors in the health sector.

**Revised PAP** The draft Program Action Plan, prepared in May and revised in June at the end of the appraisal mission, was further revised. A summary of the proposed revisions is presented in

Appendix E The consultant's July version, incorporating government's requested changes and a revision of the appendixes was left with BASICS/Ethiopia At the time of departure of the consultant, however, an official, final version was still being discussed

Following the lead of the Education Sector Development Program (ESDP), an abbreviated (10 page) version of the PAP was also prepared to serve as a potential marketing document for the program

**Analyses** Additional analyses were done in several areas, including proposed institutional reforms, program indicators, regional program comparisons, and human resource needs and training capabilities Results of these analyses were left with PPD

Institutional reforms The aide memoire of the appraisal mission requested that the proposed institutional reforms, dispersed throughout the PAP and the central and regional plans, be summarized in a single table This was done, the list was discussed with the relevant department heads and consolidated into a series of priority reforms indicating the department responsible and the dates for carrying them out These reforms were subsequently included in the government's Letter of Sectoral Policy, which was finalized during negotiations

Indicators The indicators proposed in the aide-memoire were analyzed in terms of their links with the individual HSDP components and their level (input, process, outcome, and impact) so as to ensure that the selected indicators were the most meaningful for measuring progress in the implementation of HSDP Indicators from other sector development programs in Ghana and Sierra Leone were also shared with PPD

Regional descriptions The regional plans were reviewed and a comparison of the proposed interventions made by component Overall, there was considerable homogeneity among the interventions described in the plans, although the level of detail varied significantly from plan to plan This analysis may also provide a basis for standardizing the presentation format of the annual plans

Human resource development In anticipation of expanded health coverage, the regions had estimated required additional personnel, as well as the existing regional training capacities As requested in the aide-memoire, these data were reviewed and compared with more complete estimates of training school intakes and expected outputs

**Supporting documentation** Several other documents had been prepared by PPD, mostly related to standards development, civil works, and maintenance Four such documents were reviewed and edited

Several additional areas of assistance were initially requested by MOH/PPD, but subsequently dropped These included—

- donor mapping, for which there was insufficient information to measurably improve on the results of the previous mission
- harmonization of planning and reporting, procurement arrangements, and financial management (the Prime Minister's Office had been coordinating efforts to prepare a common manual for both education and health)
- creation of a technical assistance fund, for which ideas were still being discussed among the various parties

**Sectoral issues** At the request of the USAID Mission, a summary of sectoral issues related to the implementation arrangements for the HSPD as prepared. This summary may be found in Appendix D

### III DISCUSSION AND RECOMMENDATIONS

Compared with the May (before appraisal) and June (immediately after appraisal) versions of the PAP, the July revisions reflect the current concerns of the government and MOH regarding the proposed HSDP (and ESDP) implementation arrangements and the current institutional capacity for carrying out these implementation arrangements

**HSDP implementation arrangements** The major change in the July version of the PAP was the replacement of the May version of Part II, with a shortened and more generic version of Part II. This was the result of a decision by Prime Minister's Office to prepare a common program implementation manual (PIM) for both the Education and HSDPs and avoid potentially contradictory versions

At the same time, as indicated in the summary of issues for USAID, many important implementation questions remain outstanding. A number of key institutional issues (including the federal subsidy ceiling) continue to be problematic for the sector development programs and certain technical steps and their timing remain unclear, including organization of the annual review, budgeting formats, and the budget formulation process. A draft version of the project implementation manual is expected by mid-August and may resolve some of these issues

The results of Ghana's first annual review were shared with PPD as an example of the kinds of information required. The BASICS project is proposing to organize a study tour of several HSDPs, and it is strongly recommended that these be financed (and even repeated in a year or two if possible)

**Institutional capacity building** The BASICS project has been contributing to institutional capacity building at both regional and central levels. Proposals for strengthening PPD (both in its role as planning unit for the ministry and in its role as Secretariat to the Central Joint Steering



Committee) were included in the June PAP and developed in more detail in July with the assistance of BASICS. Other activities planned by the BASICS project over the coming months include an ambitious training program and the preparation of manuals and other materials.

Other analyses, in particular of the reforms (including health care financing), human resource development, and training school capacities, indicate the need for an ongoing policy analysis function that does not currently exist within MOH. Such capabilities are needed (possibly through short-term technical assistance) to help with the overall institutional reforms and with the specific conditions of USAID's non-project assistance.

USAID/Ethiopia (through its experience in non-project assistance) and the BASICS project (through its support of HSDP principles and practices at central and regional levels) would seem to have a privileged role to play in the implementation of HSDP. MOH and the RHBs will continue to require the kinds of periodic assistance that BASICS is already providing, as well as more intensive support for financial management and accounting (particularly at zonal and woreda levels).

## **APPENDIXES**

**APPENDIX A**  
**TERMS OF REFERENCE**

## **Terms of Reference**

Qualification and Work Experience The Consultant should have a masters degree or above in health or a related field such as health economics and planning His/Her work experience should include health service planning in developing countries and preparation of documentation related to Sector Development Programs He/She should also have some knowledge of the Ethiopian Program Knowledge of health sector financing strategies, public health policy issues and prior experience in writing of Program Action Plans is an advantage

### Tasks

- organize and edit the HSDP Program Action Plan (PAP) and supporting documentation related to the HSDP,
- ensure that concerns raised in the “aide memoire” dated June 6 are incorporated in the final version of the PAP and supporting documentation related to HSDP, and
- produce a final version of the PAP document

Duration of Work The duration for the Consultant will be two weeks The Consultant is expected to begin work on the 11<sup>th</sup> July

Deliverables Assisted by the Ministry of Health's Planning and Projects Department, the Consultant is expected to produce a final version of the PAP document

Counterpart Arrangement The head of the Ministry of Health's Planning and Projects Department is responsible for finalization of documentation related to the HSDP The Consultant will work under the guidance of the department head and as such the department head of MOH/PPD will be his main counterpart The Consultant will, however, also work closely with the other members of the Planning and Projects Department and also have contact with all component counterparts and other concerned agencies as necessary

Facilities and Equipment The Ministry of Health will provide the Consultant with office space and necessary supplies This will include office equipment, stationary and computer service

Access to Information The Consultant will have access to and provision of national and regional documents including the latest plans and the draft PAP so that he/she may successfully accomplish his/her assignment

**APPENDIX B**  
**LIST OF CONTACTS**

## **List of Contacts**

### **PMO**

Mr Mazengia Makonen, Executive Assistant to the Senior Minister for Social Affairs  
Mr Tesfaselassie Mezgebe, Regional Affairs

### **PHRD Project**

Mr Shimelis Worku, Program Manager

### **MOH**

#### **Planning and Project Department**

Mr Abduletif Abas, Head, Planning and Project Department  
Mr Abebe Gesit, Team Leader, Planning and Budget  
Mr Girma Teshome, Team Leader, Procurement  
Mr Salehuine, Architecture and Engineering  
Mr Amanuel Estifunos, MIS

#### **Health Services and Training Department**

Dr Yohannes Kebede, Head  
Mr Befekadu Girma  
Mrs Almaz, Training Schools

#### **Drug Administration and Control Department**

Mr Mohammed Abadir Mussie, Deputy Head

### **IDA**

Mr David Berk, Team Leader, Washington  
Dr Gebreselassie Okubagzhi, Operations Officer, Resident Mission

### **USAID**

Mr Keith Brown, Director  
Mr Carl Schwartz  
Ms Laketch Mikael, Economist, Program Office  
Ms Wuleta Betemariam, Acting HPN Officer

### **BASICS**

Dr Vincent David, Chief of Party  
Dr Logan Brenzel, Health Care Financing Advisor

**APPENDIX C**  
**LIST OF DOCUMENTS CONSULTED**

## List of Documents Consulted

### Ministry of Health

- Proposal for Strengthening the Capacity of the Planning and Projects Department of MOH (Addis Ababa, July 1998)
- HSDP Program Action Plan, revised (Addis Ababa, June 1998)
- Federal MOH Five Year Plan (Addis Ababa, June 1998)
- Human Resource Development in the Health Sector (Addis Ababa, March 1998)
- Planning and Project Department, Health and Health Related Indicators (Addis Ababa January 1998)
- Health Care and Financing Strategy (Addis Ababa 1997)
- Health Sector Investment Programme for Ethiopia (Consultative Group Meeting Document) (Addis Ababa, November 1996)
- Health Policy of the Transitional Government of Ethiopia (Addis Ababa, September 1993)

### Regional Health Bureaus/Regional Level

- Eleven Regional Health Bureaus, Health Sector Development Programs (1990-1994 E C ) (June-July 1998)

### Ministry of Education

- Program Action Plan for the Education Sector Development Programme (Draft Three) (Addis Ababa March 1998)

### Ministry of Economic Development and Cooperation

- Health Sector Donor Map (Draft) (Addis Ababa, nd)

### World Bank

- Appraisal mission aide memoire (June 1998)
- Various aides memoires and consultant reports from the Joint Donor Technical Assistance Missions

### United Kingdom/DFID

- Stephen Lister, Implementing Sector Development Programmes in Ethiopia (Draft) (Oxford, England, January 1998)



**APPENDIX D**

**SUMMARY OF ISSUES**

## Potential Topics For Discussion at the Donors' Meeting Of 24 July 1998

Issues and Questions	Brief Status and Discussion
<b>Policy and institutional reforms</b>	
What is the status of the policy and institutional reforms and the letter of sector policy?	Draft letter has been prepared by PMO Analysis of potential reforms for inclusion in PAP has been prepared
How will these reforms be monitored?	
What impact will donor approaches have?	World Bank (theoretically) suspends disbursements for non-compliance, USAID disburses for compliance
What will the annual review process look like?	BASICS is proposing a study tour to Zambia and/or Ghana Ghana's first annual review report was given to USAID and PPD
What is being done about capacity building?	
How are the RJSC and CJSC functioning?	RJSCs and CJSC were to meet in June to review the regional and central/overall plans
What measures are proposed for MOH?	BASICS prepared a short-term plan for strengthening PPD Proposed reforms include broader measures for capacity building
What measures are proposed for the RHBs, etc ?	Analysis of the regional management components indicates the need for more analysis and resources
What about the support to the newly emerging regions and the TA fund?	PMO seems to have taken over both issues since they address both the health and education SDPs
<b>Technical components</b>	
Is the content of the components sufficiently clear?	An summary analysis by region and by MOH across components has been done showing gaps/overlapping areas
Is the quality of the components sufficiently developed?	Elements for the five-year period are probably okay, but there is a need for details on the first-year plan
<b>Implementation arrangements</b>	
What is the status of the documentation?	Revised PAP will be ready by the end of July An implementation manual has been discussed and should include the necessary reporting formats, etc First year plans are needed
What are the outstanding management issues	
-for planning and budgeting?	Activities, implementing units and budgets need better links Timing, formats and cost elements of the annual planning and budgeting process will be discussed during BASICS-organized training for RHBs in late August
-for organizing and staffing?	Estimations of personnel needs in the regional plans need to be analyzed using comparable categories and approaches Actual capacities of the training schools by job category have been determined Organization of the in-service training through the RTCs needs clarification
-for directing and controlling?	GOE's preference for channel 1 financial management is clear, but a process (as for BMCs in Ghana) of pre-qualification is needed There is a need for some short or medium-term objectives for harmonizing procurement arrangements
-for monitoring and evaluation?	Proposed indicators have been reviewed in MOH, and a revised proposal needs to be discussed

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**APPENDIX E**  
**PAP REVISIONS**

## Summary of Analysis and Revisions Incorporated in the PAP

Documents	Modifications
<b>PAP/Part I</b>	
Health Sector Overview Issues, Objectives and Strategies	Minor editing changes Paras 2 2, 2 4 and 2 5 were incorporated from Part II Paras 2 20-2 23 were inserted to clarify HSDP strategies Table 8a was modified
Scope and Design	Minor editing changes Para 3 39 concerning reforms was extensively reviewed with MOH and comprehensive and summary tables proposed
Financial Planning for HSDP	Para 4 8 was expanded to take into account additional analysis
<b>PAP/Part II</b>	Revised to take into account appraisal mission comments Revised completely to take into account PMO's draft Planning calendar was prepared but not used
<b>Annexes</b>	Renumbered to take account of their position in the text
Annex 1 National Health Policy	Completed the health policy annex
Annex 2 Capacity building for emerging areas	Still waiting for PMO to draft annex PPD's annex renumbered
Annex 3 Monitorable indicators	Analysis done, but no changes made
Annex 4 HRD projections	Regional plans reviewed and number of personnel needed (by category) were recalculated (greater than estimates in PAP) Training school intake capacities were calculated This information was not incorporated into Annex 4
Annex 5 Regional Five-Year Plans	Comparison of program interventions NB This could serve as content outline for future revisions
Annex 6 Donor mapping	Nothing was done
Annex 7 Financial analysis	New financial numbers were incorporated into the annex
Annex 8 Risks	Nothing new
Annex 9 Proposed staffing for PPD	Nothing new
Annex 10 TORs for JSC	Nothing new
Annex 11 Reporting calendar	Revisions taken into account
<b>PAP/Abridged version</b>	Short version of PAP was prepared for marketing purposes
<b>Civil Works Documents</b>	Four documents were edited and revised