Australian Government
AusAID

Report on **Quality at Entry** and Next Steps to Complete Design for **East Timor Health Sector Strategic Plan Support Program**

A: AidWorks details			
Initiative Name:	**East Timor Health Sector Strategic Plan - Support Program (HSSP-SP)**		
AIDWorks ID:	INH592	**Total Amount:**	$28 million over 5 years
Start Date:	15 Jan 2008	**End Date:**	30 September 2012

B: Appraisal Peer Review meeting details	
Meeting date:	31 October 2007
Chair:	Neil McFarlane / Dan Heldon
Peer reviewers providing formal comment & ratings:	– Dr Kris Hort – Heather MacDonald – Graham Rady

C: Quality Rating Assessment against indicators

completed by Peer Reviewers / Independent Appraiser

Criteria	Rating (1-6) *	Actions to improve
1. Clear Objectives	**5**	**Overall score agreed at Peer Review** *(Note that comments below reflect Peer reviewer's scores before meeting was held. See D: Next steps, comments and issues, which were raised at the meeting).*
1. Clear objectives *Kris Hort*	5	Clarification on how the program strategies and objectives in the HSSP fit in with the three main HSSP strategy objectives.

Explanation

Objectives of the first part are to support objectives of the Health Sector Strategic Plan (HSSP). This itself is consistent with AusAID policy objectives to harmonise with other donors and to support recipient government systems.

The objectives of the HSSP address AusAID Health Strategy paper priorities of MCH, systems strengthening, and addressing high burden diseases. The HSSP focus on primary and preventive care, and reaching the vulnerable, support AusAID's overall aid program objectives of reducing poverty.

Objectives of the second part are to 'promote innovation and program development'. This appears to be a flexible approach to piloting initiatives to address underlying health system issues, and is thus consistent with the health system focus. (Annex 4.14)

As the objectives encompass the government's strategic plan, they are clearly supported by the government, and the donors who were involved in the HSSP development.

It will be challenging to achieve the targets set out in the results framework (Annex 3 p 35). The technical appraisal (para 50) notes the challenge of translating policies into practice, and the need to balance primary health care level with referral level support.

The HSSP is somewhat confusing in that it presents a series of objectives and strategies for programs, as well as the three main strategies which are the framework of the strategic plan. There is a risk of diffusion of effort among the program and the plan strategies.

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1. Clear objectives, *Heather MacDonald*	5	Clearly state whether the overall objective is the Program Goal. * Emphasis is placed on community health and nutrition programs with little recognition of the dire status of family planning, maternal and peri-natal mortality. The same target group will be involved and it is recommended that a "combined" educational program approach be undertaken to the captive audience, not just nutrition.

Explanation

HSSP-SP overall objective -or is this a Goal- is acceptable as it builds strongly upon the HSSP's three main pillars, recognising clear health priorities presently facing the ET population..

- The focus of the HSSP-SP objectives build upon previous EU and WB projects thus presenting continuation and recognition of successful direction.
- HSSP-SP focus will optimise the potential for the HSSP objectives to be sustainable, relevant and achievable.
- The objectives use an integrated systemic approach that will ensure multiple entry points for supportive intervention.
- The second objective to promote innovative program development is well received, particularly in improving consumer confidence and uptake of services.

1. Clear objectives *Graham Rady*	6	Provide the MDG targets for East Timor in Annex 3

Explanation

- The objective statements are clear, measurable, but of unknown realism to the reviewer.
- Clearly consistent with GoA/East Timor Country Program Strategy, World Bank CAS and GoET Health Sector Strategy
- The overall objective statement is a mixture of a Goal-level statement, ie., "accelerating progress towards the MDGs" and an AusAID Purpose-level statement of "improving quality and coverage of preventative and curative health services, particularly for women and children". However, in the Results Frame this statement is disaggregated into these two different levels.
- The design disaggregates into a set of intermediate or Component-level objective statements (called Intermediate Outcomes in the Results Frame). With the exception of the 4th objective "promoting innovation and learning" these are all directly taken from the GoET's HSSP.
- There is no reason to believe that they do not reflect the needs of the ultimate beneficiaries, the people of East Timor.
- While it is not certain whether all donors support the detail of this proposal (otherwise they would have signed up or given strong statements of commitment), presumably all donors are supportive of achieving the MDGs.
- At all levels of the objectives (with the exception of the MDGs) these statements are translated into planned/desired Outcomes to help define clearly what success looks like.

2. Monitoring and Evaluation	**5**	**Overall score agreed at Peer Review** *(Note that below comments reflects Peer reviewer's scores before meeting was held. See D: Next steps, comments and issues, which were raised at the meeting).*
2. Monitoring and Evaluation *Kris Hort*	5	Include the dimension of the equity of distribution of results among districts in the indicators. Clarify the outcomes sought from component 4.

Explanation

The Results Framework in Annex 3 provides a good framework for M&E of both outcomes and intermediate levels. Indicators are measurable with available data, or through some additional data collection, as set out in Annex 3.5. Responsibilities are set out in the following table (p 35).

The indicators do not appear to include the dimension of the distribution of the results, and this reflects a tendency to focus on 'whole of country' level rather than look at 'within country' distribution. As much of the implementation is at district level, it would be useful to include the dimension of inter-district comparison, to identify and provide additional support to poor performing districts, and achieve equitable distribution of benefits.

Indicators for component 4 on 'innovation and learning' are at process level, rather than outcomes. Greater clarity on the overall outcomes sought from this component would assist in selection of 'pilot' interventions eg. address underlying health system issues or needs.

The risks of relying on the MIS for M&E data is acknowledged, and the mix of methods for data collection will enable cross-checking of results.

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2. Monitoring and Evaluation *Heather MacDonald*	5	Need particular monitoring and analysis of ***changing trends in health consumer behaviour and attitudes*** to new staffing roles and service delivery. This will assist in accurate pitching of health promotion messages as health services improve and consumers become more informed, trusting and confident. Care must be taken to keep an appropriate balance between collection and analysis of qualitative and quantitative data.

Explanation

- It is excellent that the HSSP-SP performance indicators align with the HSSP M&E framework.
- Annex 3 presents a comprehensive monitoring framework.
- It is pleasing to see the worth of operational research has been recognised and an appropriate capacity building partnership established with University of NSW.
- Agree with the inclusion of "Rapid Results Initiative" methodology in the three BSP pilot districts.
- Agree with the utilisation of community based NGOs to collect data and distribute evaluated findings back to the community.

2. Monitoring and Evaluation *Graham Rady*	5	• While the need to build capacity of the GoET management information systems/M&E arrangements is recognised, it is not clear about the extent of that capacity building challenge or the resources required. It is suggested that this be the subject of an early specific study. • We do not seem to explicitly require expenditure tracking studies, though presumably this is part of the work of the financial adviser. • For almost all of the "indicators" in the Results Frame, the Health Sector managers will need qualitative/evaluative information about the constraints to progress. This notion of the need for qualitative information differentiates a good performance oriented framework (often called Results Frames) from an even better management information framework. • It is not clear what gender disaggregated data or other data disaggregation will be undertaken or needs to be undertaken to analyse distributional effects of health services and various initiatives.

Explanation

- One of the more clearly and comprehensively thought through set of M&E arrangements for a SWAp-like proposal that I have seen.
- Good consideration has been given to defining what success should look like in terms of targets for the various indicators of performance (obviously some information gaps exist but this is a "work-in-progress" aspect of the design). I can't comment on realism of these targets.
- Responsibilities for collection and use of information are explicit.
- Detailed consideration of data collection instruments.
- Baseline data noted, though not sure what addition information will be collected.
- With regards to M&E information needed for the promotion of innovation component, quantitative data on numbers of these innovations is of little management utility. Qualitative information is needed about what are the development constraints that need studying and evaluative work about what is working or what is not working, why and what are the implications.
- Good recognition of the need to utilise management information being generated and the need to foster a "results based management" culture.

3. Sustainability	**5**	**Overall score agreed at Peer Review** *(Note that below comments reflects Peer reviewer's scores before meeting was held. See D: Next steps, comments and issues, which were raised at the meeting).*
3. Sustainability *Kris Hort*	4	Consider reviewing current experience with TA and twinning, and examining options to facilitate and support better institutional links rather than individual TA. Include more attention on district health system capacity building in the HSSP-SP supported elements of the HSSP.

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Explanation

- The proposal examines financial sustainability at some length in Annex 9.14 ff. and concludes that the program is unlikely to create ongoing fiscal demands which are not sustainable.
- Institutional sustainability is treated in less depth (Annex 9.22; para 45). The issue of dependence on technical advisors (TA), and the difficulties in ensuring that TA leads to capacity building are noted, and it is proposed to improve coordination and management of TA (para 38). There is also reference to support for 'twinning' arrangements with appropriate institutions in the region. This potentially offers significant benefits compared to individual TA, and is worthy of greater consideration and appropriate mechanisms. The arrangements for 'twinning' proposed in Annex 8.5 provide some flexibility, but it is likely that more active measures will be needed to facilitate and develop effective twinning arrangements.
- An area of sustainability not well treated is that of capacity building of district health systems. This will be of even greater importance if proposed decentralisation goes ahead. There is reference in the HSSP-SP to district supervision and capacity building (para 39), but not to the more extensive proposals in the HSSP logframe (HSSP p 149)

3. Sustainability *Heather MacDonald*	5	• More thought needs to be given to ***continuing education*** initiatives for health workers. Monetary incentives are not enough, additional on-going training & promotional opportunities for career advancements are essential

Explanation

- Creative thinking and flexible approaches have been presented as a means of improving institutional sustainability.
- Whilst there are clear constraints, every effort has been made to work within established institutional systems and national policy, planning and budgetary frameworks.
- The proposed innovative institutional pilots to improve implementation, planning and budgetary capacity are valid strategies to support sustainability of the program.

3. Sustainability *Graham Rady*	4	• Institutional capacity would appear to be the main factor influencing sustainability and it would be useful if there was a major joint study done to develop a formal capacity building strategy and to quantify the extent of the challenge and the resources needed early in implementation.

Explanation

- The strategy of working through and building GoET systems will promote sustainability. However, this capacity building strategy requires further subsequent analysis.
- The prospects for fiscal sustainability over the medium term (ie. longer than this program's life) seem reasonable with the expanding GoET budget, and assuming a firm GoET commitment to upper limit benchmarks on potential problem areas like hospitals and construction. But what about control over pharmaceutical expenditures ("medicalisation") and the cooperation of construction/equipment focused donors like Japan?
- Due to the extent of the development challenge involved, it is important that the Agency recognise that this initiative will require a long-term commitment from the donors to be sustainable at the Purpose level.

4. Implementation & Risk Management	**4**	**Overall score agreed at Peer Review** *(* this rating was as much a reflection of the challenging implementation and risk environment, as much as a reflection on the Project's arrangements to address these risks).*
4. Implementation & Risk Management *Kris Hort*	4	• Add risks associated with decentralisation and ensure capacity to address these. • Ensure activities to build district capacity are included in the annual plans. • Consider more emphasis on support for measures to build links with communities, and community trust and support for health services.

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Explanation

- Implementation and risks need to be considered for both the HSSP and the HSSP-SP. In both cases the implementation arrangements appear to be sound, are harmonised with government systems, and are robust but flexibile. However, risks for both programs are substantial. Separate risk matrices have been prepared for the HSSP (para 47) and the HSSP-SP (Annex 7.6 p 52)
- In regards to the HSSP-SP, the financial management arrangements appear sound, although dependent on the ongoing presence of an international TA finance supervisor. Use of a separate trust account will reduce risks. However, the pace of disbursement will depend on government systems, which have been slow in the past. The approvals and supervision arrangements appear to balance adequate scrutiny without imposing too much cost or burden.
- The risks associated with the progression of decentralisation do not appear to have been given much weight, and have not been included in either matrix. If the government proceeds with decentralisation this will have a significant impact on financial controls and disbursement.
- Implementation of the HSSP itself will be the responsibility of the MoH. This will be very dependent on capacity at the district level. The proposed supervision and capacity strengthening measures in para 39 will go some way to address this aspect, but risk themselves in not being given enough attention as they are not directly related to the HSSP.
- The major risk of social instability is identified. The proposal notes that the MoH has been able to continue to function in a neutral way during earlier disturbances. Continuing to build trust and support with communities served will be important to preserve the MOH's ability to function in disturbances. The HSSP has strategies around community participation (1.3 p 143) but this aspect is not mentioned in the HSSP-SP.

4. Implementation & Risk Management *Heather MacDonald*	4	• Would like assurance that the Minister will have time to commit to the HSSP-SP as Project Director. How will urgent decisions be addressed with this multi-layered management structure? Practical management application needs clarification. • Consider the incorporation of additional training for doctors and nurses as health promotion educators and advocates. • Suggest the HSSP-SP consider the principles and applicability of the WHO "Health Promotion Settings" approach, ie. "Healthy Villages", "Healthy Schools", "Health Promoting Hospitals" to promote the project objectives.

Explanation

- Whilst applauding the MOH having responsibility and control of HSSP-SP, the proposed management structure appears complicated and unwieldy. Perhaps the desire to integrate into established MOH structures has clouded the need for application of practical day to day management.
- The notion of a Department of International Cooperation is excellent.
- The integration of the PMU staff managing the HSRDP2 into MOH structure will be advantageous to HSSP-SP.
- Oversight arrangements appear adequate.
- Agree with the effort to expand the use of Timorese/Tetum speaking consultants to adapt best practice into simple tools and guidelines for use at local levels.
- Applaud improvements in MOH supervision of hospitals and district health facilities.
- The risk assessment has clearly recognised the substantial country level risks involved for the life of the HSSP-SP, the most important one being national political and social stability. I agree however that the rewards of success would be high.
- Risk mitigating measures are viable and realistic.
- The over "medicalisation "of the health system is well recognised in the report, but it must be remembered that doctors can be very effective first contact health promotion educators and advocates for preventive health behaviours.

4. Implementation & Risk Management *Graham Rady*	4	• We need to determine AusAID's technical resource requirements for monitoring and supporting policy dialogue. • Not sure what commission percentage we are paying to the World Bank for managing the fiduciary risks. • Not sure why we have to be locked into contributing via the World Bank accounts for 5 years. Based on experience of say 2-3 years and the policy of other donors joining the MDTF, is it possible for all donors to contribute directly to the GoET's SWAp Trust Account within the current 5-year life of the program?

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Explanation

- The proposed approach of seeking some short-term successes while working on a medium-term agenda is a pragmatic implementation strategy.
- The risks to successful implementation are substantial, due largely to the extent of the capacity building challenge ahead. To monitor these risks and participate in the policy dialogue, AusAID will need to stay actively engaged in this sector with technically qualified and experienced health expertise in Dili. However, I am not sure whether this person needs to be full-time or required to visit periodically.
- It is not clear what the role of the UN Agencies will be in the innovations development component. It seems that WHO, UNICEF and UNAIDS have considerable comparative advantage in developing, piloting and assisting GoET with scaling up of key innovations, however, their role is unclear in the document.
- Financial/fiduciary and contracting/procurement arrangements appear to have been thoroughly considered.
- Has the problem of poor government disbursement rates been overcome?
- Joint Annual Sector Reviews and the Joint Annual Planning Summits will foster harmonised and aligned donor support.

5. Analysis and lessons	**5**	**Overall score agreed at Peer Review** *(Note that below comments reflects Peer reviewer's scores before meeting was held. See D: Next steps, comments and issues, which were raised at the meeting).*
5. Analysis and lessons *Kris Hort*	5	Consider potential benefits of independent, ongoing academic review in collecting, collating and disseminating lessons learnt.

Explanation

- Technical analysis needs to be considered for both the HSSP-SP and the HSSP itself.
- In the case of the HSSP-SP, the options considered and reasons for adopting the selected approach are set out in para 33. The key lessons from the predecessor programs are outlined in para 29. The proposed approach adopts best practice in harmonisation appropriate to the context of East Timor. The appraisal analysis considers a broad range of aspects.
- The HSSP-SP proposal refers to a Health Sector Review which has been undertaken, and which supports the approach of the HSSP (para 50). In general the HSSP has taken a balanced approach to addressing the main health needs, although it is overly complex in the combination of program and strategic plan objectives (see section 1 of the QaE template). The challenge will be in developing feasible annual plans which progress implementation across the range of strategies. The focus on PHC and MCH / communicable diseases provides a technically sound basis, which economic analysis has demonstrated to have favourable cost benefit ratios.
- Given the broad range of the HSSP and the HSSP-SP, a more explicit approach to collecting, collating and disseminating the lessons learnt, and successful or unsuccessful interventions could be considered. This could involve appointing an appropriate independent group (eg. an ET academic institution) to take on this task.

5. Analysis and lessons *Heather MacDonald*	5	

Explanation

- Analysis within this report is appropriately based upon lessons learned from previous health projects and current national institutional capacity.
- The analysis of the worth of the BSP and HSP upon health service delivery is valid.
- Agree that the technical content in the HSSP-SP is sound having been drawn from proven interventions and packages, and aligned strongly with established national planning, budgetary and policy frameworks. As cited, the challenge is to turn policy into practice that is relevant and usable.
- Equally agree with the desire to introduce pilot innovations and remain flexible to population needs that will inevitably change over the years of the project.
- Analysis of financial management and procurement appears sound.
- The analysis shows that there will be minimal impact upon social and environmental factors within the national community.

5. Analysis and lessons *Graham Rady*	4	• No apparent gender analysis conducted or gender equality strategy developed. Needs to be done early in implementation unless some analysis already exists. • Analysis of the work of the key UN Agencies needs to be documented. • BSP and HSP models seem to be inadequately explained; arguably appropriate for an annex.

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Explanation

- Useful economic analysis despite the traditional significant problems with CBA in this sector. An example to be copied in other studies.
- Health Sector Review has provided a sound technical analysis on which to build this design. I hope the other sectoral specialist appraisers have had the opportunity to confirm its thoroughness.
- Cannot comment on the appropriateness of the BSP and HSP models proposed and suggested to be appropriate and their cost-effective based on international experience. I am assuming this is the case.
- The analysis of the past work and the future role of the key UN Agencies is unclear.
- It is presumed that the BSP and HSP embody the notion of proven models and represent the full scope for scaling up proven technologies; but is this actually the situation?
- First and Second phases of the Health Sector Rehabilitation Development Project combined with the recent Health Sector Review have helped distil a limited but clear list of key lessons learnt which are clearly integrated into the new HSSP-SP.

* **Definitions of the Rating Scale:**			
Satisfactory *(4, 5 and 6)*		***Less than satisfactory*** *(1, 2 and 3)*	
6	Very high quality; needs ongoing management & monitoring only	**3**	Less than adequate quality; needs to be improved in core areas
5	Good quality; needs minor work to improve in some areas	**2**	Poor quality; needs major work to improve
4	Adequate quality; needs some work to improve	**1**	Very poor quality; needs major overhaul

D: Next steps and key comments and issues from peer review

Provide information on all steps required to finalise the design based on *Required Actions* in "C" above, and additional actions identified in the peer review meeting	Who is responsible	Date to be done
Add further reference to gender issues, possibly drawing from the HSSP or other relevant documents (eg. p. 4 in para. on health seeking behaviour, and in annex 10,).	World Bank/ AusAID	6/11/07
Include additional references to the Health Seeking Behaviour Study (eg. in the description of Component 1).	World Bank/ AusAID	6/11/07
Edit discussion on community activities, to make clear that these would be integrated health and nutrition activities.	World Bank/ AusAID	6/11/07
In discussion on strengthening district capacity, note that the Project will be providing flexible support to the capacity building priorities identified in the HSSP, with particular attention in the first year.	World Bank/ AusAID	6/11/07
Add reference in Annex 3 to disaggregating key service indicators according to gender, to the extent possible.	World Bank/ AusAID	6/11/07
Add more information of the role of UN agencies and possibly include an annex describing the BSP and HSP package.	World Bank/ AusAID	6/11/07

D: Next steps and key comments and issues from peer review

General comments and issues raised at Peer Review (Overall)

- Overall, the Chair and AusAID Principal Health advisor are supportive of approach and recommend moving forward in final negotiations with the East Timor Ministry of Health.
- Partnership with the World Bank is functioning well with a few additional administrative arrangements to be processed before finalisation for the World Bank Board scheduled for 13 December.
- Project is set up though a multi-donor trust fund that may include funding through other donors as the project moves into implementation. MoH and MOF decided it would be premature at this stage to direct funding through the General State Budget.
- The success of the HSSP-SP depends largely on HSSP (GoET National Health Plan), particularly as it relies on its strategic framework.
- Further reference to the Health-Care Seeking Behaviour Study would give context to action being undertaken to address the low utilisation of basic health services.
- Potential spin off benefits of incrementally building on proposed interventions, particularly multisectoral benefits, under the HSSP-SP need to be considered in early implementation phase.
- The importance of operating through current Government systems, but augmenting capacity where needed, to avoid overwhelming the capacity MoH officials.
- Australian Department of Health and Aging will seek future involvement in the capacity of possibly providing technical assistance.

Key comments and issues raised specific to QaE criteria

Objectives: Peer reviewers agreed to an overall rating of 5.

- Adding program goals and objectives were discussed, but not taken forward since the World Bank prefers to keep targets at the operational level and the MoH are happy with current objectives.
- The program will also rely on the three specific goals of the HSSP.

Monitoring and Evaluation: Peer reviewers agreed to an overall rating of 5.

- It was agreed to consider taking into account more qualitative evaluations during early implementation as long as it's a simple process. The HSSP is already to complex and it is important to keep M&E frameworks simple and stripped down, especially at the district level while building capacity for incorporating more quality data. Possibly through WHO HMIS technical assistance.

Sustainability: Peer reviewers agreed to an overall rating of 5.

- It was recognised that flexibility will need to be built into the program in early implementation as there are inherent risks of other donors contributing finances in the way of infrastructure or other means at a later stage. It was agreed to focus on first 12 months of the program and to utilise annual planning processes to address other issues as they arise in later years.
- It may also be worth taking another look at district capacity building as outlined in the HSSP.

Implementation and Risk Management: Peer reviewers agreed to an overall rating of 4 but noted that this relatively low rating reflected the difficult implementation context as much as the attributes of the design.

- It was suggested that the project may need to consider decentralisation and how this would be handled.
- Additional technical advice maybe required by Post to effectively participate in joint monitoring, policy dialogue and analysing reports.
- The point was raised that doctors can be involved in health promotion more so than what is currently taking place. WHO have done a lot of work on utilising doctors to take on this role in other parts of the Pacific. Language problems may be a significant barrier to community health promotion in East Timor.

Analysis and Lessons: Peer reviewers agreed to an overall rating of 5.

- It was suggested to include the role of UN agencies into the PAD, although the role of the UN had been considered at length, just not included in main text.
- It was agreed that gender would be involved in a social assessment to take place in early implementation, although it should still be more specifically addressed in the main text and in M&E.

F: Approval *completed by ADG or Minister-Counsellor who chaired the peer review meeting*		
On the basis of the final agreed Quality Rating assessment (C) and Next Steps (D) above: ❑ **QAE REPORT IS APPROVED**, and authorization given to proceed to: ○ **FINALISE** the design incorporating actions above, and proceed to implementation *or:* ○ **REDESIGN** and resubmit for appraisal peer review ❑ **NOT APPROVED** for the following reason(s): _____ _____ _____		
Neil McFarlane, A/g ADG Asia Bilateral	signed:	6-11-07

When complete:

- Copy and paste the details from Part C of this final approved Quality at Entry report into Aidworks, to be used for management reporting
- The original signed report must be placed on a registered file