Report of the
UNFPA Workshop on Sector-Wide Approaches (SWAps)
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Technical Support Division
United Nations Population Fund
220 East 42nd Street
New York, NY 10017

1 This report was compiled by Mr. Benson C. Morah, UNFPA Representative in Ethiopia, in his capacity as the General Rapporteur for the workshop.
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Executive Summary

The United Nations Population Fund (UNFPA), with the financial and technical assistance of DFID and CIDA, organized a Workshop on Sector-Wide Approaches (SWAps) at its New York headquarters from 12 - 13 October 2000. The primary objective of the workshop was to enable UNFPA and other participating institutions to learn more about critical issues related in the planning and implementation of sector-wide approaches (SWAps) focussing on the health sector. The knowledge acquired would assist them in fine tuning their responses to this increasingly popular approach, and in laying the groundwork for harmonizing such responses. This objective was to be achieved through exchange of experiences with representatives of programme country governments implementing SWAps in the health sector and officials of multi-lateral and bi-lateral development agencies.

The workshop participants (51) were thus drawn from:

- programme country governments implementing SWAps in the health sector (Bangladesh, Ethiopia, Ghana, Nicaragua, Tanzania and Yemen);
- representatives from the UN Permanent Missions of Sweden, Denmark, Netherlands, Canada, Great Britain and Northern Ireland;
- representatives of bi-lateral and development-oriented agencies (DFID, CIDA, USAID, JSI, ODI);
- representatives of various multi-lateral agencies (UNICEF, UNIFEM, World Bank) and from the United Nations Development Group Office;
- representatives from the Ministry of Foreign Affairs of Sweden and Denmark;
- UNFPA professional staff, (26), six of whom were from its field offices (Bangladesh, Ethiopia, Ghana, Nicaragua, Tanzania and Yemen).

The workshop was based on a combination of presentations in plenary sessions and working group sessions. Both were deliberately focussed on issues around three critical stages/aspects of SWAps: planning stage, implementation stage, and accountability.

Below is a summary of the recommendations of the workshop on these issues.

Recommendations related to planning stage issues

(i) All stakeholders who wish to support or be involved in the implementation of a SWAp should join its preparatory and planning stages as early as possible. This is the only way to ensure that issues of interest to them, as well as modalities and instruments for measuring desired changes in those issues, are factored therein. However, while stakeholders can use the policy dialogue process to ensure that their priority issues are adequately addressed, they should be careful not to unduly expand or dictate the agenda.
(ii) Donors/development partners working in a country should be involved with the planning and development of SWAps (in sectors that are relevant to their mandates) at the initial stages even when they are not sure whether or not they would pool their resources in support of that particular SWAp. The relevant national institutions should also make it possible for such donors/development partners to participate so as to expand the scope of partnerships, enrich the policy dialogue, and encourage those who would like to ‘come on board’ at a later stage.

(iii) Since SWAps represent a new modality of delivery development assistance (somewhere in between a continuum from ‘stand-alone projects’ at one end to ‘budgetary support’ at the other end), donors/development partners wanting to participate in their planning and/or implementation must change their mindsets and old ways of doing business. They should be willing to work with other partners, under the leadership of governments, and in ways and with instruments they have not been used to.

(iv) The role of external agencies is to support, influence and assess government plans and capacities. These agencies should not expect governments to aim at satisfying their planning requirements.

(v) The technical support role of donors should be fully integrated within the government planning processes and supportive of them. Experience to date suggests that where the production of analytical documents through such support is de-linked from the government’s planning process, these documents tend not to be taken into consideration and are little used.

(vi) Agencies of the UN system, especially those belonging to the UN Development Group, should develop a common position on (and modalities for) their involvement in SWAps. When each member agency independently decides on what to do and how to do it negates the principle of adopting a coordinated and/or coherent approach to development issues at the country level.

(vii) The planning and content of various development frameworks used by United Nations agencies operating in a country should be linked to and reflect those of national development plans and programmes, including SWAps. Such UN and WB/IMF development frameworks include: the Common Country Assessments (CCAs), the United Nations Development Frameworks (UNDAFs), Poverty Reduction Strategy Programmes (PRSPs), Comprehensive Development Frameworks (CDFs), etc. It is important that the planning cycles of UN agencies in a country are brought in line with those of the Government and incorporate the policies and strategies of government.

(viii) All stakeholders in a SWAp should respect the principle that offers of aid should not be made outside the agreed government program.
(ix) Donors should ensure that their policies on SWAps are clear, well understood by field staff and applied consistently across the board.

Recommendations related to implementation stage issues

(i) Effective and successful participation in SWAps requires changes in organizational cultures, mindsets, ways of doing business, and in institutional relationships as well as the roles of existing and new staff. There is often resistance to such changes; deliberate efforts need to be made to address such resistance.

(ii) There is often inadequate understanding of (and commitment to) SWAps and especially of their implications among officials of programme country governments and of donor/development agencies. There is therefore the need to continue to promote that understanding and to break the mindsets and resistances to making the changes necessary for this modality of development assistance.

(iii) Special attention should be paid to monitoring and evaluation throughout implementation of SWAps. In addition, a clear set of rules for harmonization of information collection, reporting, monitoring and evaluation should be established and adhered to by all participating agencies, especially donor agencies and development partners. The number of indicators of progress should be reduced to workable level.

(iv) The tendency for some donors (usually those making large contributions to a SWAp budget) to dominate the implementation process should be avoided as it undermines national leadership/ownership and could result in the SWAp being seen as ‘the project’ of one or two donors.

(v) There is the need to compile and share both positive and negative experiences with respect to the implementation of SWAps. Such sharing can take place within the framework of South-South cooperation/collaboration.

(vi) All UN agencies supporting a SWAp should adopt a coordinated approach to their involvement in the programme, ideally within the framework of its UNDAF. Since this will be an UN-wide issue, it needs to be discussed and approved at high policy levels.

(vii) SWAps in the health sector provide excellent opportunities and appropriate frameworks for mobilizing the support of governments and development partners for more effective interventions addressing issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.

(viii) UNFPA should explore, expand and take advantage of opportunities provided by SWAps in the health sector to promote increased attention to issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.
Recommendations related to accountability issues

(i) Donors/development partners participating in SWAps should develop new ways of accounting for and reporting on their performance to their governments or governing councils. They should therefore revise/adapt their old accountability frameworks which were designed under the old paradigm of project based delivery of development assistance and are consequently highly weighted towards their own project management needs and reporting requirements.

(ii) Donors contributing to multi-lateral institutions should be consistent in their accountability requirements of themselves and of the multi-lateral institutions they support, especially when both work independently or collectively in the framework of SWAps.

(iii) Unlike the case with stand-alone projects, it is impossible to attribute results and/or outcomes/impacts of interventions undertaken within the framework of a ‘pure’ SWAp (with pooled funding, no earmarking of funds, and with no pre-conditions, etc) to any single one of the participating agencies. Consequently, all institutions participating in a SWAp should be prepared to jointly share credit for programme outcomes/impacts and adjust the criteria for assessing their performance accordingly.

(iv) The Results Based Management (RBM) approach which many agencies (including UNFPA) use as a way of demonstrating/accounting for their performance (and use of funds) to their Executive Boards or Governing Councils poses particular challenges in reference to SWAps.

A summary of some of the recommendations that are most relevant to UNFPA as it develops modalities for greater and more effective involvement in SWAps is presented in section 5 of this report on ‘Way forward for UNFPA’.
Section 1

Introduction

1.1 Objectives of the workshop

The primary objective of the workshop was for UNFPA and other participating institutions to learn more about critical issues related in the planning and implementation of sector-wide approaches (SWAps) that are being increasingly adopted by the governments of many developing countries and their development partners as a modality for channeling development assistance. The knowledge acquired from the exercise would assist UNFPA and participating agencies in fine tuning their responses to this increasingly popular approach, and in laying the groundwork for harmonizing such responses.

The above objective was to be achieved through exchange of experiences with senior representatives of governments of developing countries implementing SWAps (especially in the health sector), UNFPA field offices in such countries, and representatives from other UN agencies, bi-lateral and multi-lateral organizations directly involved with supporting and/or implementing SWAps.

1.2 Workshop format

The workshop was based on a combination of presentations (on critical issues related to SWAp planning, implementation and accountability); on case studies based on experiences with the implementation of health sector SWAps in Ethiopia and Bangladesh; plenary discussions; and working group sessions.

The workshop programme is attached as Annex 1.

1.3 Workshop participants

There were 51 participants at the workshop. These participants included:

- senior level officials of developing country governments implementing SWAps in the health sector (Bangladesh, Ethiopia, Ghana, Nicaragua, Tanzania and Yemen);
- representatives from the UN Permanent Missions of Sweden, Denmark, Netherlands, Canada, Great Britain and Northern Ireland;
- representatives of bi-lateral and development-oriented agencies (DFID, CIDA, USAID, JSI, ODI);
- representatives of various multi-lateral agencies (UNICEF, UNIFEM, UNDG, World Bank);
- representatives from the Ministry of Foreign Affairs of Sweden and Denmark;
• 26 UNFPA professional staff, six of whom were from its field offices (Bangladesh, Ethiopia, Ghana, Nicaragua, Tanzania and Yemen).

The list of the workshop participants is attached as Annex 2.

1.4 Opening remarks

Ms Kerstine Trone, Deputy Executive Director for Programmes (UNFPA), formally opened the workshop. She welcomed all participants to UNFPA and to the workshop, and thanked DFID and CIDA for their financial and technical support which made the workshop possible.

Ms Trone noted that while the sector-wide approach is relatively recent, it is however gaining in popularity as an increasing number of developing country governments, with the support of international development agencies, are implementing sector-wide programmes. This is a consequence of the increasing recognition of usefulness and advantages of SWAps. They seek to harmonize policies and procedures; engage a wide range of stakeholders; increase the quality and coverage of sector services; and bring greater predictability and coordination to funding. In addition, by establishing genuine partnerships in development cooperation and a framework of common values and goals, the SWAp modality has the potential of increasing the effectiveness of public sector expenditures.

Ms Trone noted that there are however many issues of concern in SWAps. These include, among others, complex and time intensive initial stages; funding arrangements; accountability issues; etc. Experiences and lessons learned by and from agencies, organizations and countries that are involved in SWAps can be invaluable in addressing these concerns.

Consequently, this workshop was organized to examine key issues related to the different stages of SWAps and to provide an opportunity for all participating institutions to share experiences and learn from each other. She therefore expressed the hope that all partners – bilaterals, multilaterals, UN agencies and developing country governments – will benefit from the exchange and will identify key issues relating to common approaches for follow-up.

She reiterated that UNFPA encourages its country offices to take part in all sector-wide initiatives, especially those involving the health and education sectors since population and gender issues can best be addressed within these sectors. Consequently, the Fund continues to take an active part in the planning and implementation of SWAps under the overall guidance of Governments. Furthermore, UNFPA's Executive Board encouraged the Fund to strengthen its participation in SWAps in accordance with its mandate and comparative advantage; to ensure adequate training of its staff in this area; and to carefully monitor its involvement in SWAps. She hoped that the workshop discussions over the next two days would assist UNFPA and other participants to advance their understanding and involvement in sector wide approaches.
Mr. Mohammad Nizamuddin, Director of Asia Division at UNFPA, and Chairperson of the workshop, indicated that the workshop was being organized as a follow-up to discussions on two papers on SWAps presented by UNFPA to its Executive Board. It had been suggested during such discussions that the Fund should hold consultations with its field staff, staff of other multi-lateral and bi-lateral agencies supporting SWAps, and officials of developing country governments implementing sector-wide programmes. The aim of such consultations would be to learn from their experiences, and thereafter develop its own modalities and instruments for greater and more effective involvement in sector wide approaches. Another suggestion that emanated from the Executive Board discussions was the need for the development of a common United Nations system-wide approach to sector-wide programmes, especially by member agencies of the United Nations Development Group (UNDG).

Mr. Nizamuddin ended his remarks by reiterating that the objectives of the workshop were therefore to:

- arrive at workable recommendations for all participating agencies represented at the workshop (and especially for UNFPA); and

- enable all participants learn more about ‘successful ingredients’ of the sector-wide approach through sharing and exchange of experience.
Section 2

Plenary sessions on critical issues in sector-wide approaches (SWAps)

The first of the two plenary sessions was devoted to presentations, questions and answers on some of the critical issues in the design and implementation of SWAps. The aims of the questions and answers were to provide further clarifications and to identify issues for in-depth discussion during the working group sessions. The issues raised during these question and answer sessions are reflected in the section of the report on discussions of the working groups. A summary of each of the papers presented during the plenary sessions is presented in this section.

2.1 Issues paper: ‘Planning and implementation of SWAps: an overview’ (presentation by Heather Baser, Canadian International Development Agency, CIDA)

The paper provided an overview of major issues related to the planning and implementation of SWAps, with emphasis on the implications for development agencies of the increasing reliance on SWAps as an aid modality.

The increasing interest in SWAps reflects a response to the numerous criticisms of traditional approaches to development assistance, in particular the project modality. SWAps, by their characteristics, are supposed to address these criticisms. These characteristics are that all significant funding for the sector supports a single policy and expenditure program, under Government leadership, adopting common approaches across the sector, and progressing towards relying on Government procedures to disburse and account for all funds. SWAps represent a method of working or a way of ‘doing business’ rather than a blueprint for development.

Major issues at the planning stage of SWAps

The initial stages in the planning for an ‘ideal’ SWAP involve: joint (government and donor) assessment of relevant issues in the sector, leading to the development or refinement of national policies; agreement on financial, managerial and procedural issues; agreement on joint strategies for implementation. However, no sectoral programs ever evolve in such an orderly or sequential fashion.

Experience shows that processes used to assess the program context in the lead up to SWAP vary. However, emphasis is usually placed on relying to the greatest extent possible on developing country-led processes, and on the need for broad based stakeholder participation (governments, donors, civil society) in the assessment processes.

Issues to be addressed in the assessment phase should include all critical factors necessary for the successful implementation of a SWAP. This typically assists donors in making decisions as to their participation in SWAps, and helps to identify and resolve issues that would negatively affect the implementation of the programme.
It is important in the planning stage that regard is given to links with other national development frameworks and reform processes, e.g. CDF, CCA, UNDAF, PRSP, public sector reform, decentralisation, poverty eradication, etc. to ensure that synergies are maximised and differences are minimised.

It is imperative that cross-cutting, vertical or thematic issues (gender, reproductive rights, poverty eradication, etc) are factored into the planning and design process. Early participation of relevant stakeholders can help to ensure this.

Two approaches seem to have been adopted so far in developing SWAps: relying on parallel systems, and integrating planning of SWAps into the government’s own systems. There has been a clear preference for the latter.

Donors and other participating agencies should be involved from the early stages of the planning process of SWAps before decisions on policies, strategies and management arrangements are firmed up. Donor inputs may be technical in nature but should also involve policy analysis and dialogue, negotiation, etc.

Differences in processes and priorities among SWAp stakeholders can best be addressed through joint planning exercises, led by developing countries and including donor representatives who are well informed about the local context and empowered to make decisions on behalf of their agencies.

**Major issues at the implementation stage of SWAps**

Since most SWAps are at a relatively early stage of implementation, there is limited hard evidence on critical issues or factors at this stage. Nevertheless, the emerging experiences point to the following as being central to the success of the implementation process:

- Importance of the effectiveness of the management and co-ordinating mechanisms that oversee the implementation process. This largely determines the successful implementation of SWAps (e.g. committees, working groups etc.). The annual review process is central to co-ordination efforts as it provides all stakeholders the opportunity to assess progress against expected results and to agree on undertakings for the period to follow.
- Progress on harmonisation/reliance on common approaches for implementation has been mixed. It has proven easier for partners to agree on some issues (e.g. disbursements, reporting, audits, technical assistance) than others (e.g. contracts, procurement, salaries/topping up, etc). Reasons for this include capacity constraints in developing country governments and policies of donors that limit their options.
- Accountability still remains a source of major concern, and has constrained the participation of many donor agencies. The shift from projects to SWAps has significant implications for accountability relationships. The focal point for accountability for projects was between the donor and the project entity. In SWAps, the main locus of
accountability shifts to the government agency responsible for implementing the sector program. The developing country government is in turn accountable to its own citizens, as well as to funding agencies, for performance in the sector.

- It is almost impossible within 'ideal' sector-wide programmes for participating agencies (whether national or international) to be able to demonstrate a link between their investments and specific, measurable results in the program. Yet many donors expect this.

- Availability of adequate (national) technical and institutional capacities is central to the success of SWAps.

- Corruption reduces willingness (especially among donors) to move towards delegated authority.

- The extent to which SWAps have focused on poverty and effectively addressed concerns related to gender continue to be of concern.

Implications for Donors

Experiences to date suggest that there are a number of implications for donors in moving towards greater reliance on SWAps as an aid modality. Critical among these are:

- need to review agency policies and procedures in various areas (e.g. links between agency programming frameworks and developing country sector programs; options for funding arrangements; accountability requirements; procurement procedures;

- need to come to terms with such issues as: criteria for participating in SWAps; field presence, including appropriate skills and authority; potential value-added in a SWAp; willingness or ability to participate in common approaches; ability to make a long-term commitment.

The Way Forward for Development Agencies

For development agencies considering greater involvement in SWAps, the following are some options for consideration to move the agenda forward.

- Establish agreement on entry criteria for participation in SWAps, and processes to review constraints and opportunities for advancing such participation.

- Develop guidelines to support agency participation in SWAps.

- Participate in the activities of ongoing groups (e.g. like-minded donors) reviewing emerging experiences with SWAps.

- Take a pilot approach; choose a few countries and ensure conditions are ripe from the
Establish mechanisms to ensure experience and learning is funnelled back into the agency and shared with partners.

Take an iterative approach – go gradually, don’t force reluctant staff; deal with scepticism through successful examples.

Ensure that appropriate staff are in place, and trained properly, to support participation in SWAps.

Provide targeted support to developing countries to support their participation in SWAps.

2.2 Sector Wide Approaches: ‘Entry Factors’ (presentation by Mick Foster, Center for Aid and Public Expenditure).

The presentation largely covered issues and challenges that donors must confront, address, and possibly resolve in reaching decisions to ‘enter into/participate in SWAps and on the nature of their participation.

SWAps are part of the trend towards the ‘programme approach’ to development planning, funding, and implementation. It can be defined as a situation where, for a sector, all significant funding supports a single sector policy and expenditure programme developed and implemented under Government leadership; where all participating agencies (national and international) adopt common approaches across the sector; and where there is a deliberate and conscious move towards using Government procedures to disburse and account for all funds.

The move to programme approaches is being increasingly adopted because of: the numerous criticisms of the ‘project modality’; development aid works better where policy is supportive; achievement of broader objectives (as IDTs) requires broader dialogue; ‘additionality’ requires broader agreement on spending priorities. The programme approach becomes very necessary where aid constitutes a large part of public spending (making a multiplicity of aid funded projects unmanageable), and where Government capacity and ownership have become grossly undermined. It implies selectivity in the sector to which aid is given but need not imply change in the form of aid; it helps reduce the high over-head costs of donors (for missions, reporting, etc).

Entry/decision to join a SWAp implies, for a donor agency, agreement to: a common nationally owned/developed policy, strategy and associated plan/workplan that is matched to resources; clearly established management responsibilities; and clearly defined monitoring and review processes. These are often formalized in the form of agreements with participating donor agencies/funders.

National ownership of SWAps should always be enhanced rather than undermined by donors. Such ownership can be assessed by whether or not (and the extent to which):
• consultation and approval processes were used;
• views of those with (and without) power to help or hinder the programme were sought;
• government was active or passive in dialogue leading up to the process and its formulation;
• difficult choices were confronted and how;
• programme priorities and management were reflected in budget allocation;
• how people refer to and/or perceive the programme.

Some critical challenges are typically encountered in the policy dialogue. These include: consistency of programme goals; extent to which donors meddle in details; too many voices which may stymie the process; imposing conditionalities on governments; etc. Donors should not and cannot dictate sector development agenda to government but should decide whether to support the government agenda as agreed during the policy dialogue.

Attention should be paid by donors who wish to participate in SWAps to such macro issues as: budget reform, pay and employment; linkages between the sector programme and other national development and/or reform programmes (such as civil service and budget reforms; demand for better governance; etc.).

Donor assistance should help build national capacities and not by-pass them. In deciding whether or not to participate in a SWAP, UNFPA should consider the following issues:
• role of Government in the formulation (and subsequent implementation) of the sector programme
• procurement procedures adopted and how the Fund can assist with their formulation and implementation
• financial sustainability of the sector programme and how the Fund can help enhance it
• extent to which global programs and associated quantified goals/targets have been integrated in the programme
• mechanisms for monitoring and evaluating programme performance.

2.3 Accountability issues in SWAps (presentation by Mick Foster, Center for Aid and Public Expenditure)

Accountability remains one of the most difficult and contentious issues in SWAps. It is the primary reason cited by many international development agencies for their reluctance to
participate in SWAs (and particularly in pooled funding). This is particularly the case for financial accountability, and attribution of impacts; many agencies need to demonstrate to their constituencies that allocated funds have been used wisely, and what has been achieved with these funds.

Accountability in SWAs is at various levels: from the implementing government to its parliament and ultimately to its people; from the implementing government to external donors supporting the programme; from bi-lateral donor agencies to their governments and ultimately to its people; from development agencies to their governing boards/councils; from donors/development agencies to the government of the recipient country; from service provider to service user; etc.

From the perspective of donor agencies, accountability for results/impacts requires attribution of programme outcomes (or parts thereof) to the interventions financed by them, which is impossible in 'ideal' SWAs. Budget coding has proved unhelpful in this regard. Change/outcome/impact in most areas addressed by sector-wide programmes takes time to occur, yet donor agencies have to report at relatively short periods to their governments/governing councils. Government should be held accountable for how it manages performance, not by short-term results achieved. The establishment of effective monitoring and evaluation mechanisms for measuring progress/results and for good management is preferable to imposing conditionalities (eg. for release of funds).

Managing for performance within SWAs also remains problematic. Pay should be at reasonably competitive levels but most often are not within national governments. Programme staff react if good performance is recognized and rewarded in some way, and also react when they are not. Performance pay de-motivates. Information for monitoring and evaluation should be decentralized to allow for peer comparison and emulation. Efforts should be made to determine where performance is better and why.

Financial accountability becomes more of an issue when governments are seen as corrupt, and in the context of decentralization when management capacities are typically limited at sub-national levels. Issues to be addressed here include: how accountability could be built into plans, budgets and execution linkages; and into accounting, audit and procurement mechanisms/procedures; follow up on audit reports; employment of sanctions; etc.

Several approaches have been adopted in various contexts to ensure financial accountability. These include: joint (government and donor) assessments; action plans; adoption of some readiness criteria; earmarking funds to ‘clean’ areas; reimbursement for expenditures after they have been audited; starting small and expanding as capacity and confidence increase.

2.4 Sector Wide Approaches: Opportunities and Challenges for Reproductive Health (presentation by Ms Marilyn McDonagh, DFID/JSIUK.

The International Development Targets (IDTs) agreed upon in various global conferences that are most directly relevant for reproductive health include the following, among others:
• overall elimination of poverty;
• universal access to reproductive health services before 2015;
• reduction by three-quarters of maternal mortality rate by 2015;

Experience to date shows that there is no clear evidence that Health Sector Reform (HSR) initiatives are having any impact (positive or negative) on reproductive health (RH) or maternal health (MH).

The justifications for the above observation are that:
• HSRs are relatively new, with insufficient time to demonstrate impact;
• there are several confounding effects, with many changes taking place at the same time in most developing countries;
• there is no clear definition of HSR, which is often confused with SWAps;
• relevant existing literature tends mostly to examine process instead of outcomes; etc.

Findings from the field indicate that:
• RH continues to be delivered as a vertical programme
• there is fragmentation and overlapping of policies, duplication of efforts, missed opportunities, etc
• reforms tend to be initiated when the health systems is in crisis, exacerbating rather than resolving the problems
• in the context of decentralization, a central RH/ MH policy with a degree of flexibility may be needed to ensure that sensitive RH services and problems are not neglected.

SWAps in general present several opportunities for the advancement of RH interventions and thus for the achievement of RH goals. This is because SWAps:
• represent a fundamental shift in the way we do business through, among others, the development of genuine partnerships
• place donors in the wider context of development
• focus on the overall effectiveness of the health sector and systems (which is particularly important for reduction in MMR), and

• reduce fragmentation and duplication in policies and funding.

With particular reference to RH, SWAps present the opportunities of:

• thinking sectorally, which helps to highlight issues that are typically ignored under the traditional project support approach

• highlighting RH and MH policies so that they become a fundamental part of the policy agenda

• flexibility in mechanisms (which help to ensure RH issues are sufficiently covered)

• including changes in RH conditions as part of the short and long term indicators of programme performance.

But SWAps also present challenges to RH.

• resources are typically limited, so hard choices have to be made; RH may be down in the list of priorities, or not as up as some donors would wish

• focus on RH may be diluted and funding to it may be reduced. It is thus important for interested donors to participate early and positively during design phase to ensure the focus of policies and funding

• there is typically the need to be more outcome focused so as to be able to prove effectiveness, yet some RH outcomes take a long time to be achieved.

• pooled funding highlights the impossibility of attribution of impacts to specific donors, (although specific budget lines may be kept to satisfy donor requirements). All partners in a SWAp (whether or not they are part of the pooled funding) are important particularly to ensure consistency in policy dialogue.

• procurement: it is important to establish a procurement system before closing the existing one. Some evidence suggests that maintaining a central procurement system within a decentralized framework may be cost effective and efficient in many cases.

What does this mean for UNFPA?

• SWAps present UNFPA and others with exciting opportunities to take a central role in developing and implementing health sector policy and strategies.
• Participation in SWAps requires UNFPA (and other external partners) to make changes in current working practices, as well as in institutional and human resources.

• SWAps provide UNFPA (and other external partners) with the opportunity to make a difference.

• UNFPA has an important role to play in the design of procurement systems and during transition period from one system to another.
Section 3

Plenary sessions on field experiences with SWAps

3.1 Case Study Focussing on Planning Stage Issues: Ethiopia's Health Sector Development Programme, HSDP (presentation by Mr. Johannes Tadesse, Ministry of Health, Addis Ababa, Ethiopia)

Planning context: The Government of the Federal Democratic Republic of Ethiopia was the originator of the idea of formulating a sector-wide approach to planning in the health, education and road sectors. This decision was based on the need to address problems associated with the fragmented approach to development programming in the country (as represented by numerous stand-alone projects), as well as the desire of the Government to own, lead the planning, management and implementation of national development programmes.

A new government came into power in Ethiopia in 1991, and immediately adopted several policies aimed, among other things, at re-orienting the system of governance from the socialist model to a democratic one, and arresting, then reversing the declining trends in various social and economic indicators. Amongst these was a health policy adopted in 1993. A strategy for its implementation was subsequently developed. Various studies and assessments of the health sector were undertaken in the attempt to operationalize this strategy. These included the Policy and Human Resources Development (PHRD) studies conducted in 1995 – 1996 with the assistance of the World Bank and Japanese Government. One of the conclusions of this study was to develop and implement a sector-wide programme for the health sector so as to achieve the goals of the 1993 health policy and address nationally identified health problems. This sector-wide programme later became known as the Health Sector Development Programme (HSDP).

Planning process: The planning of the HSDP was done in three distinct stages: identification, pre-appraisal and appraisal stages. The following were undertaken during these stages:

- an assessment of the health situation in the country and its underlying determinants;
- preparation of preliminary plans to address the identified health and related problems;
- preliminary plans were extensively discussed with officials from the regional level of government and donors/development partners (often in two-week workshop sessions);
- the plans were subsequently revised and then discussed in a consultative meeting with donors/development partners in December 1996.

Many multi-lateral and bi-lateral donor agencies were actively and intensively involved in the formulation of the HSDP. Principal among these were the World Bank, the African
Development Bank (ADB), WHO, UNICEF, UNFPA, UNDP, USAID, SIDA, Irish Concern, etc. The major contributions of the donors at the planning stages were mostly in the provision of technical assistance (through participating in various planning related activities, studies and development of instruments); engagement in policy dialogue; funding some of the preparatory activities including missions; and funding of several workshops.

UNFPA, on its part, sponsored various consultants whose contributions were invaluable to the planning process. The staff of its field office was also involved in major aspects of the policy dialogue and other related activities. The participation of UNFPA ensured the adequate coverage of reproductive health issues as well as an adequate mainstreaming of gender concerns in the programme.

The HSDP was finally launched by the Government in 1997 and its implementation started immediately. It is a twenty-year framework for joint (central and regional) government and donor activities in the health sector. The first phase is for the five-year period 1997/98 to 2002/3. A Programme Action Plan (PAP) and a Programme Implementation Manual (PIM) were subsequently prepared and jointly agreed upon by the Government and the principal donors to the programme. A mapping of all donors was also subsequently undertaken.

**Components of HSDP** are eight and include: Service delivery and quality of care; Health facility rehabilitation and expansion; Human resource development; Strengthening pharmaceutical services; Information, Education and Communication; Strengthening health sector management and MIS; Monitoring and evaluation; Health care financing.

**Major targets of the HSDP** for the first five year period are: to increase coverage of health services from 45 per cent to 60 per cent, immunization rate from 67 per cent to 80 per cent, and contraceptive prevalence rate from 8 per cent to between 15 and 25 per cent; and to decrease infant mortality rate from 128 to 95 per 1,000 live-births, and maternal mortality ratio from 500 – 700 to 450 – 500 per 100,000 live births.

**Provisions for monitoring and evaluation** include: periodic meetings of the Central and Regional Joint Steering Committees; annual joint (government/donor) review missions and meetings; final evaluation after the first five years.

**Successes recorded so far** during the third year of implementation of the HSDP include: increase in number of health facilities and thus increased health service coverage; better organization of the health sector; better planning and implementation of health related interventions; and an increase in the number of trained service providers.

An **important lesson learned** during the planning stage of the HSDP is that the Government and donors can actually work together productively, iron out problems and agree on the use of common procedures and instruments, all under the leadership of the government. Problems however emerged during the implementation stage.
3.2 Case study focussing on planning stage issues: UNFPA’s perspective and experiences with respect to Ethiopia’s Health Sector Development Programme
(presentation by Benson C. Morah, UNFPA Representative in Ethiopia)

Reasons why UNFPA's field office in Ethiopia decided to support the Ethiopian Health Sector Development Programme (HSDP)

(i) The commitment of the Fund to the goals of the programme (to more effectively operationalize the health policy adopted in 1993; to restructure and expand the health care system so as to make it responsive to the health needs of the less privileged rural population), and why the government decided to develop it (as a result of the recommendations of a critical and exhaustive assessment of the health sector).

(ii) The planning periods of the HSDP (1995 – 1997) and of UNFPA's 4th Country Programme of assistance to Ethiopia (1996 – 1997) overlapped. Most of UNFPA’s past assistance was primarily in the area of MCH/FP. Indications were that such assistance will primarily focus on Reproductive Health during the 4CP period.

(iii) Pragmatism, as UNFPA's RH interventions can only be effectively implemented within the framework of HSDP. It was therefore considered best to be part of the planning stages right at the beginning so as to ensure that all RH components were reflected in the final sector-wide programme document; and that UNFPA’s interventions during the 4CP period met nationally identified needs in the health sector.

(iv) The traditional role of UNFPA to support/assist developing country governments in the design of development plans and programmes in areas that fall under its mandate and where it has the technical capacity/comparative advantage to do so.

(v) Attractions of the sector-wide approach (as an operationalization of the ‘programme approach’) to development planning and programming vis-à-vis the ‘project approach’.

UNFPA's main contributions to the planning of the HSDP

(i) Provision of technical expertise/assistance through UNFPA/CST Advisors and field office staff by: participation in all preliminary assessments, and preparatory activities; participation in the activities of various task forces and review activities at various stages of the programme development process.

(ii) Conduct of studies/programming activities that were fed into the HSDP development process.
Factors that influenced UNFPA's role in the planning of the HSDP

(i) Government encouraged participation of donors/development partners since the HSDP was seen as a joint exercise but with the Government 'in the driving seat';

(ii) Human resource limitations within Government and related national institutions; development partners/donors were invited to help fill the gap;

(iii) Recognized role/competence/comparative advantages of UNFPA in the area of Reproductive Health by Government and other development partners;

(iv) Recognized position of UNFPA as the major development partner of the Government in the area of Reproductive Health.

How UNFPA collaborated with other donors in the planning of the HSDP

(i) Networking as a key member of the Health, Population and Nutrition Donor Group (a grouping of all the donors supporting the HSDP and ESDP).

(ii) Jointly preparing and reviewing various HSDP instruments.

(iii) Jointly discussing with/putting pressure on the Government for the introduction of alternative channels for funding by donors/development partners (in addition to the government preferred 'basket funding').

Links of the HSDP with other national development planning frameworks

There were no other programming frameworks to be linked with at that time, except the Educational Sector Development Programme (ESDP) that was developed simultaneously and with which the HSDP is closely and systemically linked. Ethiopia’s CCA was developed later (1999); the UNDAF is to be finalized at the end of 2000. There are however linkages between the HSDP (and ESDP) since many UN agencies support these and have therefore reflected their interventions in both programmes in the UNDAF for the period 2002 – 2004. Ethiopia does not have a PRSP.

3.3 Case study focussing on implementation stage issues: the Health and Population Sector Strategy in Bangladesh [presentation by Mr. M. A. Muktadir Mazumder, Joint Chief (Planning), Ministry of Health and Family Welfare, Government of the People’s Republic of Bangladesh]

A sector-wide programme in the health sector for the period 1998 – 2003 was formulated in 1997 by the Government of Bangladesh in consultation with various stakeholders including development partners. The programme is called the Health and Population Sector Strategy (HPSS), and its implementation started in 1998.

The vision for the sector as outlined in HPSS is of a health and population sector in which:
• priority is given in the allocation of public-sector expenditures to support services for the poor and vulnerable groups (women and children);

• service delivery culture is gender-sensitive, pro-poor and client-focused;

• stakeholders participate in the design and oversight of service delivery;

• overall public-sector expenditure programme is managed on a sector-wide basis i.e., SWAp.

In order to translate this vision into reality, the GOB abandoned the project modality/approach and adopted the sector-wide approach (SWAp) for the Health & Population Sector.

The broad objectives and goals of the HPSP are:

• Improvement of the health and family welfare status of the population particularly of the most vulnerable (women, children and the poor).

• Reduction of maternal and infant mortality and morbidity, and slowing down population growth.

**Sector Wide Management (SWM)**

The overall purpose of SWM is to improve the performance of the health and population sector, and hence improve the health of the people of Bangladesh through: improving Government’s capacity to set policy and strategies which are then translated into plans and implemented; and improving the efficiency of resource utilisation, enhancing service coverage and improving service quality.

The major advantages for the GOB for adopting SWM are that:

• it increases the efficiency and coverage of health services

• the GOB is now able to take leading role in defining the health strategies and plans instead of trying to convince funding agencies to fund particular activities and accommodate their requirements,

• it facilitates management of resources in a more comprehensive and integrated way, and with better accountability

• it allows for time slice financing.

Implementation arrangements of the HPSP using sector-wide management approach involved/consisted of:
• Preparation of Annual Operational Plans
• Conducting/holding Annual Programme Reviews for performance and expenditure
• Using measurable performance indicators for each programme area
• Designation of organisational units for managerial accountability
• Involvement of stakeholders in implementation and planning
• Revising GOB-internal financial procedures for authorisation, release and disbursements of funds;
• Pooling of financial resources for the sector from both GOB and its development partners (DFID, The Netherlands, SIDA, European Union and IDA); and
• Strengthening co-ordination of support from development partners.

**Highlights of implementation process of the HPSP**

• Project type planning and revision processes were changed.
• Formulation of plans through Annual Operational Planning for Programme Outputs and the Line Management.
• Annual Operational Plans made realistic in terms of availability of resources and capacity.
• Designating individual Line Directors within the existing government management system as managers (instead of project directors appointed from outside the main line management as in the past).
• Planning, management and financial processes were simplified with the abolition of the then existing 130 or more projects.
• The Change Management Development is integrated into a Management Development Programme
• Three reforms are incorporated in the HPSP. These are: organisational restructuring through unification of Health and Family Planning Directorates; introduction of the Sector-wide Programme Approach (SWAp); reorganisation of service delivery.

**Accountability Arrangements**

Issues/concerns related to accountability are being handled through the following:
• Holding of internal monthly monitoring meetings/discussions for individual Operational Plans focusing on outputs improved the monitoring and review arrangements.

• Involving stakeholders in programme implementation and oversight through the formation of Community Groups for supervision of services at community levels. Additional health watch groups and Advisory Groups have been formed for the Essential Services Package (ESP) and hospital services to ensure local level accountability.

• Replacing the previous periodic and frequent project monitoring and review exercises by individual donors by a combined/joint Annual Programme Review (APR) with the participation of all development partners. Such review meetings focus mainly on policy issues.

• APR provides an opportunity to both the GOB and the DPs to jointly monitor the performances of the programme and to identify and address priority problem areas that need immediate intervention.

• Financial accountability has been streamlined through a single fund disbursement and accounting process; creating a Management Accounting Unit at the MOHFW with staff seconded from the Finance Ministry thus abolishing individual accounts for each project.

• Arrangement for performance audit by independent international auditing firms has been introduced.

Lessons Learned

• Sector-wide Approach (SWAp) is a better planning and management tool for the Health and Population Sector, compared with the project modality.

• It is also more cost effective. About US$ 10 million has been saved on administrative costs of projects in the first two years of the HPSP.

• Pooling of resources is an advantage for the Government in terms of flexibility in managing the programme.

• Service delivery, particularly family planning, was not disrupted despite the introduction of SWAP and structural reforms. Latest DHS shows that CPR increased by 5 percentage points over last three years.

• Good experience evolved in terms of Integrated Basic Health Care (ESP) whilst still being able to focus on management of key interventions like EPI, CDD, ARI, HIV/AIDS etc.
The mix of SWAp and reform caused problem of ownership amongst the bureaucrats and other public providers despite full commitment of the political leadership.

Different financing mechanisms of some development partners posed problems for effective monitoring, as well as for speedy implementation and disbursement of funds.

Effective utilisation of available technical assistance has been problematic as some bilateral and multilateral partners still keep the technical assistance they provide outside the overall TA co-ordination mechanism.

Procurement using World Bank guidelines which are more suited for projects and for capital investments poses problem in terms of the flexibility required for the SWAp.

SWAp demands an effective inter-sectoral management system through co-ordination amongst line management; this has been addressed by setting-up an Operational Management Committee which meets every month and consists of all Line Management.

Role of UNFPA and other multilateral development partners

UNFPA and other UN agencies provided support in the form of technical assistance, training/capacity building and logistics. UNFPA also supports the procurement of contraceptives, and is an active participant in the Annual Review Process.

The support provided by UNFPA and other multi-lateral agencies are incorporated in the Operational Plans.

UNFPA is focusing on activities related to reproductive health as per its mandate and comparative advantage.

Way Forward

There is a need to have a Memorandum of Understanding or Code of Conduct in terms of the roles and responsibilities of all partners in SWAps (Government, DPs, NGOs and civil society).

An effective communication programme is necessary to enhance ownership and acceptance of the reforms as well as SWAp by government officials.

All development partners need to participate in the SWAp and also understand the rationale of government for embarking on the reform process.

Capacity building on SWAps is needed amongst the development partners supporting SWAps.
• Adherence by all participating agencies to common arrangements for funding, monitoring and evaluation of the sector programme is necessary.

Case study on implementation stage issues: perspectives and experience of UNFPA in the implementation of HPSP (by Mr. Shu-Yua Xu, UNFPA Representative in Bangladesh)

UNFPA’s Country Programme in Bangladesh is integrated into the operational plans of the HPSP. The Fund takes part in the HPSP APR/MTR processes, participates in joint DP/GOB field reviews and policy dialogues. It assisted in finalisation of Aide Memoire/GOB action plan.

UNFPA also belongs to the Donor Consortium which meets every two months to discuss and exchange information on the progress of HPSP, identify critical issues of common concern, and jointly dialogues with GOB irrespective of type of funding. The Fund is not part of the Steering Committee which oversees administration of pooled funding (chaired on rotation).

Lessons from the Fund's participation in the implementation of the HPSP include the following:

• Multi-bi offers better continuity/flexibility in flow of funds which allows the programme to move forward.
• There is need for a strong transition plan to enable government to be ready to take a SWAp.
• The reform component of the programme needs a longer time frame than a SWAp allows (e.g. for unification, phasing out posts etc).
• NGOs to have larger role in SWAp planning.
• SWAp progress would be greater if there was less delay in use of pool funds (procurement of services, goods, construction)

Management concerns of UNFPA in Bangladesh HPSP

• Financial administration of pooled funds should be separated from technical monitoring of SWAP/HPSP.
• The agency overseeing the administration of pooled funds should be independent of any donor to prevent conflict of interest and should be located in its own premises.
• The agency monitoring pooled funds on behalf of DPs should not be the same as that supposed to be assisting and advising MOHFW in managing HPSP.
• A separate international agency should provide technical guidance and advice to MoHFW in HPSP management.
- There should be no conflict with UNFPA accountability and pooled funding because:
  - There is agreed level of funding for specified outputs and results (RBM).
  - Financial and programme accountability is assured through both internal and external review/auditing processes.
  - RH improvement is integral to almost every aspect of the essential services package which is the cornerstone of HPSP.
Section 4

Proceedings of the working group sessions:
issues raised and related recommendations

All participants were divided into three working groups. The first group was tasked with discussing all issues raised during the plenary sessions (and especially during the question and answer period after each presentation) related to SWAps during the planning stage. Similarly the second group was tasked with discussing all issues related to SWAps at the implementation stage, whilst the third group discussed all issues related to accountability in SWAps. Each group was also to come up with recommendations relevant to their discussion topics.

Below is a summary of the major issues raised in the group discussions as well as the associated recommendations.

Summary of observations, discussions and recommendations

4.1 Issues related to the planning stage of SWAps

Despite their increasing popularity among donors/development partners and governments of developing countries as a new approach to development assistance (aimed at addressing the numerous criticisms of the project modality), SWAps may not be appropriate in all countries and in all sectors.

There are no commonly accepted criteria for selecting sectors around which to develop SWAps. Some sectors (for example health, education) are however more amenable and/or conducive to SWAps than others (for example agriculture, environment). The decision on the sector should be left to national governments.

There is no blueprint as to how to develop or formulate a SWAp. Approaches adopted in each country vary depending on country specific contexts, levels of socio-economic development, and national planning frameworks.

There are currently three approaches to deciding on the development of SWAps:

- the political leadership decides that SWAps will be the mode of working in a sector and instructs the public service accordingly;
- professionals and bureaucrats, often in the role of change agents, work out the sectoral program in co-operation with donors;
- donors encourage the development of a SWAp. Experience suggests that this approach has a higher failure rate than the others.

It is absolutely necessary that governments of concerned developing countries should own SWAps and lead the process of their development. However, national ownership is
sometimes compromised when national capacities to plan/develop the programme are weak and/or inadequate, leading to reliance on expertise provided by donors and/or development partners.

Enough time should be allowed for the design/planning of SWAps as well as for consensus building among key partners, including relevant departments within the government at various levels. Adequate arrangements have also to be made for the transition from pre-SWAp to SWAp phase.

Experience has shown that the planning of SWAps takes a very long time and requires considerable investments in energy and human resources. Care should be taken to ensure that the institutions involved in the preparation of the SWAP and/or that may be affected by its implementation continue to function with minimal disruptions during this period so that provision of services is not jeopardized.

One of the cardinal characteristics of SWAp is building partnerships: between developing country governments and donors/development partners; between governments, the private sector, NGOs, CBOs; among various institutions of government; among donors/development partners themselves; etc. Many a time however, the private sector and the civil society hardly ever make any significant input into the planning of SWAp nor in its implementation.

Some of the critical pre-requisites necessary for the planning of SWAps (for instance a thorough assessment of the sector in question) are sometimes not in place when the planning process is started. This not only contributes to the proposals of the SWAps not addressing important/priority issues but also makes their effective implementation difficult.

To the extent possible, efforts should be made at the planning stages to ensure that the measures/variables constituting the bases for the International Development Targets (IDTs) as agreed upon by the international community in recent global conferences and their plans of action are adopted as the objectives/targets of SWAps.

How to adequately integrate/mainstream cross cutting issues (such as gender, reproductive health, HIV/AIDS, poverty alleviation, etc) within SWAp programmes remains very problematic. Consequently, such issues need to be highlighted very early in the planning stages, and deliberate efforts made to ensure that they are adequately addressed.

In the majority of cases SWAps are still funded through ‘project-type’ funding arrangements, which undermines some of the principles of the SWAp approach. This typically reflects lack of confidence in developing country financial management and/or accountability systems, or in some cases due to the inability of some donors to pool funds, for example because of their own policies.

Donors seen as being supportive of government efforts can have an influence beyond their financial inputs into sector budgets.
4.2 Recommendations related to planning stage issues

(i) All stakeholders who wish to support or be involved in the implementation of a SWAp should join its preparatory and planning stages as early as possible. This is the only way to ensure that issues of interest to them, as well as modalities and instruments for measuring desired changes in those issues, are factored therein. However, while stakeholders can use the policy dialogue process to ensure that their priority issues are adequately addressed, they should be careful not to unduly expand or dictate the agenda.

(ii) Donors/development partners working in a country should be involved with the planning and development of SWAps (in sectors that are relevant to their mandates) at the initial stages even when they are not sure whether or not they would pool their resources in support of that particular SWAp. The relevant national institutions should also make it possible for such donors/development partners to participate so as to expand the scope of partnerships, enrich the policy dialogue, and encourage those who would like to ‘come on board’ at a later stage.

(iii) Since SWAps represent a new modality of delivery development assistance (somewhere in between a continuum from ‘stand-alone projects’ at one end to ‘budgetary support’ at the other end), donors/development partners wanting to participate in their planning and/or implementation must change their mindsets and old ways of doing business. They should be willing to work with other partners, under the leadership of governments, and in ways and with instruments they have not been used to.

(iv) The role of external agencies is to support, influence and assess government plans and capacities. These agencies should not expect governments to aim at satisfying their planning requirements.

(v) The technical support role of donors should be fully integrated within the government planning processes and supportive of them. Experience to date suggests that where the production of analytical documents through such support is de-linked from the government’s planning process, these documents tend not to be taken into consideration and are little used.

(vi) Agencies of the UN system, especially those belonging to the UN Development Group, should develop a common position on (and modalities for) their involvement in SWAps. The current situation where each member agency independently decides on what to do and how to do it negates the principle of adopting a coordinated and/or coherent approach to development issues at the country level.

(vii) The planning and content of various development frameworks used by United Nations agencies operating in a country should be linked to and reflect those of
national development plans and programmes, including SWAps. Such UN
development frameworks include: the Common Country Assessments (CCAs), the
United Nations Development Frameworks (UNDAFs), Poverty Reduction Strategy
Programmes (PRSPs), Comprehensive Development Frameworks (CDFs), etc. It is
therefore important that the planning cycles of UN agencies in a country are brought
in line with those of the Government and incorporate the policies and strategies of
government.

(viii) All stakeholders in a SWAp should respect the principle that offers of aid should not
be made outside the agreed government program.

(ix) Donors should ensure that their policies on SWAps are clear, well understood by field
staff and applied consistently across the board.

4.3 Issues related to the implementation stage of SWAps

Securing and sustaining political commitment at all levels of administration in a country is
absolutely necessary for the smooth and effective implementation of SWAps. This is
particularly the case if the move for the development of SWAps emanated from technocrats
and/or donors/development partners.

There is often inadequate understanding of (and commitment to) SWAps and their
implications among government officials at various levels and institutions (even within the
ministry implementing a SWAp).

The successful implementation of SWAps requires changes in ways of doing business,
modes of delivery of development assistance, and thus in the relationships between
developing country governments and their development partners. It thus requires changes in
institutional relationships as well as the roles of existing and new staff. There is often
resistance to such changes, and deliberate efforts need to be made to address such resistance
especially at the early stages of programme implementation.

The start up/teething problems at the start of the implementation of SWAps have often been
grossly underestimated. Consequently, services provided in the sector have tended to
deteriorate at the initial/transition stages of SWAp implementation.

It is better to start small, for example with a sub-sector, before going to scale in the entire
sector. This will allow for the testing out of tools, operational modalities, working
arrangements; enhancing of technical capacities; building of confidences; etc. and enhance
the more effective implementation of the programme in the entire sector.

Particular attention should be paid to the handling of some issues that have proven to be
problematic at the implementation stage of many SWAps. These include: adoption of
common procedures for procurement; award of contracts; monitoring and evaluation;
uniform indicator framework; development of national capacities; common
financial/accounting regulations/procedures; attribution of impacts/outcomes of programme interventions; financial accountability; etc.

There is usually an evolution in the implementation of SWAps. This usually starts with agreements on a common policy framework, to increasing harmonization of procedures, and finally towards common financial arrangements. This underlies the importance of agreement on policies first, supported by hard budgetary commitments, which then leads to an action plan. Experience shows that diverse funding arrangements still follow from basic agreements on policies, budgetary commitments and action plans.

There is the need for a constant review (and revision if need be) of various modalities and instruments for the implementation of SWAps so as to ensure their adequacy and/or appropriateness.

SWAps offer good opportunities for better coordination among donors, and especially for agencies in the UN Development Group (UNDG). With the development and adoption of common sectoral policies, strategies, action plans and financial frameworks, as well as the acceptance of national ownership/leadership, fragmentation of donor assistance and duplication of efforts could be greatly reduced.

SWAps in the health sector provide excellent opportunities and appropriate frameworks for mobilizing the support of governments and development partners for more effective interventions addressing issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.

4.4 Recommendations related to implementation stage issues in SWAp

(i) Effective and successful participation in SWAps requires changes in organizational cultures, mindsets, ways of doing business, and in institutional relationships as well as the roles of existing and new staff. There is often resistance to such changes; deliberate efforts need to be made to address such resistance.

(ii) There is often inadequate understanding of (and commitment to) SWAps and especially of their implications among officials of developing country governments and of donor/development agencies. There is therefore the need to continue to promote that understanding and to break the mindsets and resistances to making the changes necessary for this modality of development assistance.

(iii) Special attention should be paid to monitoring and evaluation throughout implementation of SWAps. In addition, a clear set of rules for harmonization of information collection, reporting, monitoring and evaluation should be established and adhered to by all participating agencies, especially donor agencies and development partners. The number of indicators of progress should be reduced to workable level.
(iv) The tendency for some donors (usually those making large contributions to a SWAp budget) to dominate the implementation process should be avoided as it undermines national leadership/ownership and could result in the SWAp being seen as ‘the project’ of one or two donors.

(v) There is the need to compile and share both positive and negative experiences with respect to the implementation of SWAps. Such sharing can take place within the framework of South-South cooperation/collaboration.

(vi) All UN agencies supporting a SWAp should adopt a coordinated approach to their involvement in the programme, ideally within the framework of its UNDAF. Since this will be an UN-wide issue, it needs to be discussed and approved at high policy levels.

(vii) SWAps in the health sector provide excellent opportunities and appropriate frameworks for mobilizing the support of governments and development partners for more effective interventions addressing issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.

(viii) UNFPA should explore, expand and take advantage of opportunities provided by SWAps in the health sector to promote increased attention to issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.

4.5 Issues related to accountability

Accountability relationships have proven to be very thorny issues for both developing country governments implementing SWAps and their donors/development partners. This is primarily because SWAps demand a re-thinking of the ways all participating institutions (donors/development partners and developing country governments) hold themselves accountable to their respective constituencies and to themselves.

Levels of accountability in SWAps vary: donor to its government and ultimately to its taxpayers; development partner to its Executive Board or Governing Council; government to the donor/development partner; government to its people; service providers to their clients; etc.

The locus/focal point and direction of accountability relationships in the sector-wide approach to the delivery of development assistance is very different from those of the project-based mode. The locus for accountability in SWAps is the core government institutions of developing countries, and not the field offices of donor agencies/development partners. The direction of accountability is also different; it should be from developing country governments to their people who are the intended ultimate beneficiaries of SWAps.

Key issues for accountability also vary: financial accountability; accountability for performance/results; instruments for measuring accountability or demonstrating progress;
etc. Primary focus has been on financial accountability in the context of corruption in some developing country governments probably because this has been the main concern cited by donors/development partners for their reluctance to pool funds. There is also the problem of attribution, that is the need/requirement for donors to demonstrate results/what they have achieved with their programme funds.

Some donors who contribute funds to/through multi-lateral agencies are sometimes inconsistent in their accountability requirements of themselves and the agencies they support. For instance, some bilateral donors ‘pool’ their funds in some sector-wide programmes and do not expect the developing country governments to account specifically for what has been achieved with those funds (independently from what has been achieved with the ‘pooled’ funds). These same donor, however, when they contribute to some agencies like UNFPA, require such organizations to demonstrate the impact of their programme funds in the framework of SWAps.

Use of measures/variables that constitute the bases of the international development goals/targets (as agreed upon by the international community during recent global conferences) as some of the criteria for measuring SWAp outcomes/impacts would assist developing country governments measure the extent of achievement of such global goals/targets as well as enhance international comparison.

4.6 Recommendations related to accountability issues in SWAps

(i) Donors/development partners participating in SWAps should develop new ways of accounting for and reporting on their performance to their governments or governing councils. They should therefore revise/adapt their old accountability frameworks which were designed under the old paradigm of project based delivery of development assistance and are consequently highly weighted towards their own project management needs and reporting requirements.

(ii) Donors contributing to multi-lateral institutions should be consistent in their accountability requirements of themselves and of the multi-lateral institutions they support, especially when both work independently or collectively in the framework of SWAps.

(iii) Unlike the case with stand-alone projects, it is impossible to attribute results and/or outcomes/impacts of interventions undertaken within the framework of a ‘pure’ SWAp (with pooled funding, no earmarking of funds, and with no pre-conditions, etc) to any single one of the participating agencies. Consequently, all institutions participating in a SWAp should be prepared to jointly share credit for programme outcomes/impacts and adjust the criteria for assessing their performance accordingly.

(iv) The Results Based Management (RBM) approach which many agencies (including UNFPA) use as a way of demonstrating/accounting for their performance (and use of funds) to their Executive Boards or Governing Councils poses particular challenges in reference to SWAps.
Section 5

The way forward for UNFPA

All presentations during the plenary sessions, and questions/answers/discussions during the working group and plenary sessions, placed emphasis on the way forward for UNFPA in its future involvement with SWAps. This was primarily because the Fund has yet to develop and put into action a coherent set of policy responses and operational guidelines for its involvement in SWAps, especially since its Executive Board had approved its limited involvement in sector-wide programmes. Almost as importantly is the fact that the Fund’s field offices badly need guidance in this area, as many of them have been responding in various ways in the absence of such guidance.

This section brings together some of the suggestions and/or recommendations of the workshop related to what UNFPA should do in the future. Of course, some of these are also applicable in various ways and degrees to other participating agencies in the workshop.

It was generally accepted that SWAps present UNFPA with exciting opportunities to take a central role in developing and implementing health sector policy and strategies, and thereby further advance its programme interventions especially in the areas of reproductive/sexual health and rights, and the empowerment of women.

However, participation in SWAps requires the Fund to do the following, among others:

- establish (and adhere to) criteria for entry/participation in SWAps, and on processes to review constraints and opportunities for advancing such participation. Such criteria may include, among others: the role of Government and of the civil society in the formulation of the sector programme; extent to which global programmes and associated quantified goals/targets have been integrated; extent of integration of issues relevant to the mandate of the Fund; mechanisms for monitoring and evaluating programme performance; potential financial sustainability of the sector programme; etc.

- identify issues which may constrain its involvement in SWAps (eg. attribution; different planning/programming cycles; harmonization of procedures; etc), and make decisions on how to address them.

- develop its policies with respect to involvement in SWAps; make sure that they are clear, well understood by staff both in the field and headquarters, and that they applied consistently across the board.

- be involved in the preparatory activities and planning stages of SWAps as early as possible, even when it is not sure whether or not it would pool its funds by contributing to the ‘common basket’.
• harmonize/adapt its policies and guidelines for monitoring and evaluation with those already established in SWAps and approved by developing country governments and their development partners (which also often include UNFPA).

• explore the possibility of developing and applying two sets of guidelines, one set applicable to programme interventions within SWAps, and the other for interventions supported through the ‘project’ modality.

• take a pilot approach, possibly by not supporting SWAps in all countries where the Fund operates and the approach is adopted. Instead it should choose a few countries where it perceives that conditions are ripe from the donor and developing country perspectives.

• establish mechanisms to ensure experience and learning in the planning and implementation of SWAps is funneled back into the Fund and shared amongst its staff and with its partners.

• develop and implement training programmes for its staff in SWAp approaches and their implications for the activities of the Fund. Such a training programme could be jointly designed and implemented by member agencies of the United Nations Development Group (UNDG).

• participate in the activities of ongoing groups (e.g. like-minded donors) reviewing emerging experiences with SWAps.

UNFPA should continuously explore, expand and take advantage of opportunities provided by SWAps in the health sector to promote increased attention to issues related to reproductive/sexual health and rights, family planning, gender issues, population and development linkages, etc.

The Results Based Management (RBM) approach which UNFPA currently uses as a way of demonstrating/accounting for performance (and use of funds) to its Executive Boards poses particular challenges in reference to SWAps. UNFPA should therefore either develop new ways of accounting for and reporting on performance for its programme interventions within SWAps or be allowed to share credit (attribution) for programme successes with both the government and other agencies supporting a particular SWAp.

UNFPA should play a more active role in the design of procurement systems within SWAps, and during transition period from one procurement system to another.

With its increasing work with NGOs, UNFPA can (and should) make important contributions to strengthening the role of civil society to participate more effectively in SWAp planning and implementation through policy dialogue, strengthening demand for services, and for holding governments accountable for planned SWAp outcomes.
UNFPA should always emphasize effective use of national capacity in the design and implementation of SWAps, and work towards ensuring that mechanisms for the further enhancement of such capacities are integral components of the programmes.

UNFPA may wish to consider signing partnership agreements with developing country governments on entry into SWAps to provide a basis for resolving problems later on.

UNFPA should work closely with agencies of the UN system, especially those belonging to the UN Development Group, to develop and adhere to a common position on (and modalities for) their involvement in SWAps. If each member agency independently decides on what to do and how to do it negates the principle of adopting a coordinated and/or coherent approach to development issues at the country level.

UNFPA should invite members of its Executive Board to observe (e.g. through field visits) problems that some programming procedures and guidelines create for the Fund programme interventions that are implemented within the framework of SWAps.
Annex 1: Workshop programme

Thursday, October 12

A.M.

- 9:00 - 9:10 Welcoming Comments / Objectives of Workshop, Chair
- 9:10 - 9:20 Presentation of ‘SWAps Issues Paper’, an overview by Heather Baser, CIDA
- 9:20 - 9:40 Discussion Period
- 9:40 - 10:00 Presentation on ‘SWAPs: Entry Factors’ by Mick Foster, Centre for Aid and Public Expenditure (CAPE), Overseas Development Institute (ODI)
- 10:00 - 10:20 Discussion Period
- 10:20 - 10:40 Refreshment Break
- 10:40 - 11:00 Presentation on ‘SWAps and Accountability’ by Mick Foster
- 11:00 - 11:20 Discussion Period
- 11:20 - 11:40 Presentation on ‘Health Sector Reform and Reproductive Health: Lessons Learned from Implementation in Selected Countries and Implications for Practice’ by Marilyn McDonagh, DFID
- 11:40 - 12:15 Discussion Period
- 12:15 - 1:30 LUNCH BREAK
- 1:30 - 1:40 Introduction to Session on Field Experiences
- 1:40 - 1:55 Presentation of Case Study Focusing on Planning Stage Issues (Ethiopia’s Health SWAp), National Representative, Ethiopia
- 1:55 - 2:05 UNFPA’s Perspective and Experiences, UNFPA Representative
- 2:05 - 2:45 Discussion Period
- 2:45 - 3:05 Presentation of Case Study Focusing on Implementation Issues (Bangladesh Health SWAp), National Representatives, Bangladesh
(two part presentation covering health and financial aspects of the SWAp)

- 3:05 - 3:15 UNFPA's Perspective and Experiences, UNFPA Representative
- 3:15 - 3:40 Refreshment Break
- 3:40 - 4:20 Discussion Period
- 4:20 - 4:30 Introduction to Working Group Sessions
- 4:30 - 5:30 Working Group Sessions - SWAps: Lessons Learned and Key Issues to be Addressed (3 concurrent sessions)
  - SWAps: Planning Stage Issues
  - Implementation Issues related to SWAps
  - SWAps and Accountability
- 5:30 - 6:00 Meeting of Working Group Facilitators, Resource Persons, Notetakers and Rapporteurs

**Friday, October 13**

- 9:00 - 9:10 Recap of Day 1 / Introduction to Day 2
- 9:10 - 10:30 Working Group Sessions continued
- 10:30 - 11:00 Refreshment Break
- 11:00 - 12:30 Plenary Session - Reports from Working Groups and Discussion on Lessons and Key Issues
- 12:30 - 1:30 LUNCH
- 1:30 - 3:30 Working Group Sessions - Looking Forward: Next Steps for Key Stakeholders (esp. UNFPA)
- 3:30 - 4:00 Refreshment Break
- 4:00 - 5:50 Plenary Session – Reports from Working Groups and Discussion on Next Steps
- 5:50 - 6:00 Wrap Up Comments - Chair

**Annex 2: List of workshop participants**

Dr. Sam Adjei
Deputy Director-General
Ghana Health Services
Ministry of Health
Accra, Ghana
Fax: 233-21-22-6739
e-mail: Sam.Adjei@hru-moh.org

Mr. Per Augustsson
First Secretary
Permanent Mission of Sweden to the United Nations
One Dag Hammarskjold Plaza
885 Second Ave, 46th Fl.
New York, NY 10017
Fax: 212-832-0389
Tel. 212-583-2507

Mr. Silvery B. Buberwa
Director
Social Services and Human Resources Department
Planning Commission
Office of the President
P. O. Box 9242
Dar-es-Salaam
Tanzania
Fax: 011-255-222-115-519
Tel.: 011-255-222-115-519
e-mail: buberwa@plancom.go.tz

Ms. Heather Baser
Senior Advisor
Capacity Development/Anti-corruption activities
Policy Branch
Canadian International Development Agency
200 Promenade du Portage
Hull, Quebec
Canada K1A 0G4
Fax: 819-997-9049
Tel.: 819-997-1597
e-mail: heather_baser@acdi-cida.gc.ca

Mr. Joe Bolger
Development Consultant
695 Potvin Ave.
Rockland
Ontario K4K 1H2, Canada
Fax: 613-446-4994
Tel.: 613-282-2803
e-mail: jbolger@magma.ca

Ms. Louise Brincker
First Secretary
Permanent Mission of Denmark to the United Nations
One Dag Hammarskjold Plaza
885 Second Avenue, 18th floor
New York, NY 10017
Fax: 212-308-3384
Tel. 212-308-7009

Ms. Marja Cochius
First Secretary
Permanent Mission of the Netherlands to the United Nations
235 East 45th Street, 16th Floor
New York, NY 10017
Fax: 212-370-1954
Tel. 212-697-5547
e-mail: cochius@nyv.minbuza.nl

Dr. Mehtab Currey
Deputy Chief Adviser
Health and Population Department
Department for International Development
London SW1E 5GL
United Kingdom
Fax: 44-207-917-0428
Tel.: 44-207-917-0960
e-mail: m-currey@dfid.gov.uk

Dr. Karla Eslaquit
Coordinator
Project on Sexual Reproductive Health
Health Department Services
Ministry of Health
Managua, Nicaragua
Fax: 505-289-4211
Tel. 505-289-4211; e-mail: eslaquit@ibw.com.ni

Mr. Mick Foster
Centre for Aid and Public Expenditure (CAPE)
Overseas Development Institute (ODI)
111 Westminster Bridge Rd.
London SE1 75D
United Kingdom  
Fax:  44-207-922-0399  
Tel.   44-207-922-0300  
e-mail:  m.foster@odi.org.uk

Ms. Hanne Fugl  
Head of Section  
Ministry of Foreign Affairs  
Copenhagen  
Denmark

Dr. Jama Gulaid  
Senior Programme Officer  
Programme Division  
UNICEF  
New York, NY   10017  
Fax:  824-6470  
Tel.  824-6552  
e-mail:  igulaid@unicef.org

Mr. Habib Hammam  
Associate Director  
United Nations Development Group  
DC1-1636  
New York, NY  10017  
Fax:  (212) 906-3609

Ms. Ginette Lachance  
Counsellor (Development)  
Permanent Mission of Canada to the UN  
885 Second Avenue, 14th Floor  
New York, NY  10017  
Fax:  212-848-1195  
Tel:  212-848-1167  
e-mail:  ginette.lachance@dfait-maeci.gc.ca
Mr. M. A. Muktadir Mazumder
Joint Chief (Planning)
Ministry of Health and Family Welfare
Government of the People’s Republic of Bangladesh
Bangladesh Secretariat
Dhaka, Bangladesh

Ms. Marilyn McDonagh
Technical Adviser
Centre for Sexual and Reproductive Health
JSI
2nd Floor, Block B
Highgate Studios
53-79 Highgate Road
London NW5 1TL
United Kingdom
Fax 020-7482-4395
Tel. 020 7241-8599
e-mail: mmcdonagh@jsiuk.com

Ms. Sarah MacIntosh
Permanent Mission of Great Britain and Northern Ireland to the UN
885 Second Avenue
New York, NY 10017
Fax: 212-745-9316
Tel. 212-745-9200

Mr. Ian McFarlane
Policy Specialist
United Nations Development Group Office (UNDGO)
DC1-1660
New York, NY 10017
Fax: 212-906-6070
e-mail: ian.mcfarlane@undp.org

Mr. Thomas Merrick
Senior Population and Reproductive Health Adviser
Human Development Network
The World Bank
1818 H Street, N.W.
Washington, DC 20433
Fax: 202-522-3234
Tel. 202-473-6762
e-mail: tmerrick@worldbank.org

Ms. Monique Derfuss
Senior Technical Advisor  
Office of Population  
Center for Population, Health and Nutrition  
US Agency for International Development (USAID)  
1300 Pennsylvania Ave., Room 3.06-041U  
Washington, DC  20523  
Fax:  202-216-3046  
Tel. 202-712-0906  
e-mail: mderfuss@usaid.gov

Ms. Aagje Papineau’salm  
Senior Health and Population Advisor  
Ministry of Foreign Affairs  
DSI/SB  
Postbus 20061  
2500 EB Den Haag  
Bezuidenhoutseweg 67  
The Netherlands  
Fax:  3170-348-5366  
Tel.:  3170-348-5366  
e-mail: aa.papineau-salm@minbuza.nl

Mr. Md. Shahjahan  
Deputy Secretary (Programme Finance Cell)  
Ministry of Health and Family Welfare  
Government of the People’s Republic of Bangladesh  
Bangladesh Secretariat  
Dhaka, Bangladesh

Mr. Johaness Tadesse  
Head, Health Services and Training Department  
Government of Ethiopia  
P.O. Box 1234  
Addis Ababa, Ethiopia

Ms. Daniele Testelin  
Senior Programme Manager  
United Nations and Commonwealth Programme  
Canadian International Development Agency  
Hull  
Quebec K1A 0G4, Canada  
Fax:  819-997-6632  
e-mail: DANIELE_TESTELIN@acdi-cida.gc.ca

Ms. Yasmine Thiam  
United Nations Development Fund for Women
New York, NY 10017
Fax: 212-906-6705
Tel. 212-906-6435

**UNFPA Participants**
Mr. Andre De Clercq
Africa Division

Dr. Nicholas Dodd
Technical and Policy Division

Ms. Lone Kristensen
Africa Division

Ms. Neela Jayaratnam
Office of Personnel and Training

Mr. Tomas Jimenez Araya
UNFPA Representative
Nicaragua

Ms. Bettina Maas
Office of the Executive Director

Mr. Vernon Mack
Information and External Relations Division

Mr. Satish Mehra
Asia and Pacific Division

Dr. Suman Mehta
Technical and Policy Division

Mr. Benson Morah
UNFPA Representative
Ethiopia

Mr. Lalan Mubiala
Africa Division

Mr. Moses Mukasa
UNFPA Representative
Ghana

Mr. Mohammad Nizamuddin
Technical and Policy Division
Ms. Virginia Ofosu-Amaah
Africa Division

Ms. Marisela Padron-Quero
Latin America and Caribbean Division

Ms. Ann Pawliczko
Technical and Policy Division

Ms. Nerina Perea
Asia and Pacific Division

Ms. Elena Pozdorovkina
Asia and Pacific Division

Mr. Som Pudasaini
UNFPA Representative
Republic of Yemen

Ms. Zubaida Rasul
Division of Arab States and Europe

Mr. Sethuramiah L. N. Rao
Division for Finance, Administration and MIS

Mr. Teferi Seyoum
UNFPA Representative
Tanzania

Ms. Linda Sherry-Cloonan
Office of Oversight and Evaluation

Ms. Kerstin Trone
Office of the Executive Director

Mr. Kunio Waki
Office of the Executive Director

Mr. Shu-Yun Xu
UNFPA Representative
Bangladesh
Papers presented during the plenary sessions
Planning and Implementation of SWAps: An Overview

by

Heather Baser, CIDA

I Introduction

The purpose of this paper is to provide an overview of issues relating to the planning and implementation of SWAps. While much has been written on this topic in recent years, this paper seeks to pull together some of the key lessons and issues from the literature and in the process to serve as a background document for the UNFPA/DFID/CIDA workshop on SWAps (October 12-13, 2000). Particular attention is given to implications for development agencies, such as UNFPA, of shifting towards greater reliance on SWAps as an aid modality.

II Background

The growing interest in SWAps reflects widely documented concerns with traditional approaches to development assistance, in particular the project modality. According to the critics, project aid has too often contributed to aid fragmentation, overwhelmed developing country management capacity, undermined local ownership and yielded limited and often unsustainable results.

Donors and developing country governments have sought to respond to these criticisms by developing and implementing SWAps which put greater emphasis on local ownership, policy coherence, complementarity, improved coordination among stakeholders, a longer-term strategic orientation, clearer links between domestic policies and public expenditures and capacity issues.

Various definitions of SWAps have been put forward in the literature reflecting a range of views as to what is actually meant by this term. For purpose of this paper, we put forward the following definition:

“The sector wide approach defines a method of working between Government and donors.... The defining characteristics are that all significant funding for the sector supports a single policy and expenditure program, under Government leadership, adopting common approaches across the sector, and progressing towards relying on Government procedures to disburse and account for all funds.”

As Foster et al have noted, this working definition “focuses on the intended direction of

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change rather than just the current attainment”. 3 This recognizes the reality that most SWAps are at a relatively early stage of development – thus the gap between the concept and realities ‘on the ground’.

As the definition above suggests, SWAps are a method of working or a way of ‘doing business’ rather than a blueprint for development. They also represent a conceptual shift from donor-led to developing country-led development. In practical terms, SWAps can be thought of as one type of aid modality, with many variations, which can be situated on a continuum of approaches to development assistance - from traditional stand alone projects to budgetary support (see Table 1 below).

### Table 1 – SWAps Programming and Financing Arrangements

<table>
<thead>
<tr>
<th>Sector Reform Program</th>
<th>Stand Alone Projects</th>
<th>Project Type Aid</th>
<th>Earmarked Funds</th>
<th>Sector Budgetary Support (Pooled Funds)</th>
<th>Budgetary Support</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Donor-funded activities are outside of the government’s sector reform program. Donor funds are fed into project accounts accessed only by an intermediary agency which is accountable to the donor.</td>
<td>Donor-funded activities support the government’s sector policy framework but are managed as projects (e.g. relying on donor management systems, reporting, contracting etc.)</td>
<td>Donor funding supports the government’s sector policy framework. Financing is through dedicated accounts with conditionalities or performance agreements linked to their release.</td>
<td>Donors provide sector budgetary support pooled with other donors. Some pre-conditions may apply to the release of donor funds. Increased reliance on common procedures, e.g. appraisal, reporting, monitoring and evaluation, and joint review processes.</td>
<td>Donors provide budgetary support to the government not linked to a specific sector program. In return, donors engage in policy dialogue with the government on the total budget, not just for a specific sector.</td>
</tr>
</tbody>
</table>

As one moves across the table (from left to right), there is a gradual but significant shift from donor-led and controlled processes to approaches which are led by developing countries, based on domestically developed policies and rooted in national systems and procedures. Choices made by donors as to which approach they will rely on will depend on an assessment of the development country’s policies, programming frameworks, budgetary processes, financial management and planning capacity and a number of other factors, including the quality of partnership arrangements. For example, where developing country policies are sound, linked clearly to a medium-term expenditure framework and government capacities in planning and management (esp. financial) are strong, support by donors is more likely to be based on pooling of funds and harmonized procedures. Donor involvement in SWAps at this end of the spectrum focuses more on policy issues and ongoing dialogue with government, including active engagement in sector planning and review meetings. 4 Non-sectoral budgetary support, which is increasingly being embraced by donors such as DFID and the World Bank, is almost a ‘post-SWAps’ phenomenon which reflects a belief in the need to

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3 Ibid
4 The table is based on one developed by John Davies (CIDA) in an internal discussion paper entitled ‘Participation in Sector Reform Programs’
think beyond individual sectors and to support governments’ efforts to address development concerns on a more comprehensive, multi-sectoral basis, e.g. health issues which cross over to education, or vice versa. This perspective is consistent with recent thinking on poverty reduction.

The rest of this paper will explore key issues relating to the planning and implementation of SWAps, with a particular emphasis on their implications for donors. The format is based on a series of questions followed by preliminary responses based on evidence to date with SWAps. The intent is to prompt thinking on selected questions which will be addressed in greater detail in the workshop.

III SWAps – Planning Stage Issues

As suggested above, SWAps represent a different way of doing business which is reflected in all stages of program development, implementation and evaluation. At the program development stage, the ‘ideal’ SWAp involves joint assessment of relevant issues in the sector, leading to the development or refinement of national policies, agreement on financial, managerial and procedural issues, as well as joint strategies for implementation. However, as Therkildsen et al suggest “sectoral programs rarely - if ever - evolve in orderly sequential stages”. In most circumstances there is an evolution in approach as donors and governments start out with loose agreements on policies and programming priorities, then move over time to more formalized agreements and commitments and more structured ways of working together.

The questions and narrative below seek to draw out some of the key issues relating to the planning and implementation of SWAps.

What processes are used to assess the program context in the lead up to the SWAp?
Who is involved in the process?

Processes for assessing the program context vary. However, the SWAps literature underlines the importance of relying to the greatest extent possible on developing country-led processes. Among other things, this eases the burden on developing countries (i.e. not having to deal with multiple assessment processes), solidifies ownership of the reform process, ensures the assessment reflects local perspectives, and contributes to the strengthening, or effective utilization, of domestic capacity, while enhancing prospects for sustainability.

Experiences also suggest a need for broad participation (governments, donors, civil society) in the assessment processes leading to the development of sector or sub-sector plans to ensure that beneficiary priorities are being heard. Limited participation of key stakeholders also raises the prospect of particular issues or interests (e.g. cross-cutting and sub-sectoral

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6 An often cited criticism of SWAps is that they tend to be top-down in orientation with limited involvement, in particular, of civil society actors.
issues, such as poverty reduction, gender or reproductive health) getting lost in the broader reform process.

**What issues should be addressed in the assessment phase?**

During the assessment process, it is important to consider the **critical success factors** relating to the implementation of a SWAp, e.g. political commitment and stability, macro-economic conditions, the quality of sector policies and their relation to the government’s expenditure framework, sector level financing arrangements, links with other reform processes, planning, management and budgeting capacities. Consideration of these issues can trigger decisions by donors as to the nature of their participation in the SWAp, or whether a SWAp is the appropriate modality. Donors also need be sensitive to the time frames required to affect change as well as other issues specific to the program context which could affect implementation.

**How are other development frameworks and reform processes factored into the SWAp planning process?**

As noted above, it is important in the planning stage that regard is given to links with other development frameworks and reform processes, e.g. Comprehensive Development Framework (CDF), UN Common Country Assessment (CCA), United Nations Development Assistance Framework (UNDAF), Poverty Reduction Strategy Papers (PRSPs) to ensure synergies are maximized and differences are minimized. For example, while UNDAF aims to improve coordination among UN agencies, individual agencies such as UNFPA need to be clear on how its technical programs would integrate with the SWAp, and to what extent UN systems will support practices such as pooling of funds. SWAps also need to be planned with a view to meshing with domestic reform processes, e.g. **public sector reform, decentralization, poverty eradication**.

**How are cross-cutting, vertical and thematic issues addressed in SWAps?**

Given the ‘sectoral’ orientation of SWAPs, it is imperative that cross-cutting, vertical or thematic issues are factored into the planning and design process. **Early participation** of **relevant stakeholders** can help to ensure that such considerations are part of the dialogue.

**What processes are used to develop SWAps? Who is involved?**

Various approaches have been used in the planning and design of SWAps, e.g. relying on **parallel systems** or **integrating planning**, and eventually implementation, **into the governments own systems**. As with assessments, there is a clear preference to integrate planning processes into existing organizational structures. A collaborative approach under the **leadership of national stakeholders**, provides an opportunity to affirm priorities, agree on strategies, resource requirements, roles etc. and to affirm national ownership of the process. However, there is a need to ensure meaningful participation of national stakeholders.

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7 Ratcliffe and Macrae, August 1999, p. 50-51.
stakeholders. Engaging civil society stakeholders and other governmental actors (e.g. other sectoral or central ministries, decentralized authorities) is particularly important from several points of view – effectiveness, ensuring specialized knowledge is brought into the process and credibility.

**What is the role of donors and other participating agencies in the planning process?**

For *donors and other participating agencies*, it is beneficial to be involved from the early stages of the planning process before decisions on policies, strategies and management arrangements have been firmed up. At the same time, it is important that developing country stakeholders continue to assume the lead in the planning process, a scenario which is more likely if the developing country has sufficient capacity in policy analysis, development and planning. Donors also need to think about sector planning as an iterative process rather than distinguishing sharply between planning and implementation, particularly in light of the learning involved in a SWAp process. This can be a challenge for donors driven by set planning and budgeting cycles. As donors increase their involvement in SWAps, greater attention will have to be given to issues such as field presence, the authority of field staff and the personal qualities and skills of individuals assigned to field positions. In SWAps, there is generally less need for technical specialists and a greater requirement for people with strong policy, analytical and negotiating skills. Continuity of staff can be an issue given the longer-time frames of SWAps. Donors also need to have a clear sense of their value-added to the process and be able to back it up with appropriate resources.

**How are differences in processes and priorities resolved among SWAp partners?**

Dealing with the different processes and priorities of various partners is part of the challenge in SWAps. For example, tensions are sometimes evident between government and donor agency planning processes, particularly given donor pressures to get to the approval stage quickly and to demonstrate results within a specified time frame. Developing country partners, on the other hand, may need a longer period of time to establish consensus on substantive priorities and approaches. Donor pressures to “expand the agenda” to cover their priority issues can also lead to overly-ambitious plans with implications for the success of the sector program. Earmarking or project support outside the sector program framework can similarly distort priorities, place additional administrative and managerial burdens on developing country governments and undermine sustainability. Differences among SWAp stakeholders can best be addressed through joint planning exercises, led by developing countries and including donor representatives who are well informed about the local context and empowered to make decisions on behalf of their agencies.

**IV Implementation Issues Related to SWAps**

Since most SWAps are at a relatively early stage of development, there is limited hard evidence on factors affecting implementation. Nevertheless, the emerging experiences point to the following questions as being particularly central to the success of the implementation

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8 The literature on SWAps reflects a tendency for programs to be developed by officials supported by consultants and donors “without being subject to a process of national dialogue”.
process.

**How effective are SWAp coordination mechanisms?**

**Successful implementation** of SWAps **depends** in large measure on the **effectiveness of the management and coordinating mechanisms** (e.g. committees, working groups etc.) that oversee the implementation process. The Education Sector reforms in Uganda, for example, are overseen by an Education Sector Consultative Committee, a series of working groups and various technical groups – all of which have representation from government and participating donor agencies. Education funding agencies in Uganda also meet on a monthly basis to monitor developments in the sector, address critical issues and prepare for senior level meetings with government officials. Donor agencies take turns leading the various groups as well as taking the lead in dealings with the government. This simplifies communications and reduces transaction costs for all parties. The annual review process is central to coordination in sector programs as it provides an opportunity to assess progress against expected results and to agree on undertakings for the period to follow. The review process depends on effective monitoring, information collection and reporting systems to ensure informed decision-making. Unfortunately, this is an area of weakness in many developing countries which can affect the quality of the review process and diminish the effectiveness of the government’s leadership role. Similar approaches to the one in Uganda’s education sector are used in other SWAps, including those dealing with health issues, with varying degrees of effectiveness.

**To what extent have SWAp partners relied on common approaches for implementation?**

**Progress on harmonization** has been **mixed** as it has proven to be easier for partners to agree on some issues (e.g. disbursements, reporting, audits, technical assistance) than others (e.g. contracts/arrangements, indicators, sanctions, procurement, salaries/topping up, training, communications). There are various reasons for this, some relating to capacity constraints in developing countries and others relating to donor recalcitrance or policies which limit their options. For example, despite the push towards common financial arrangements, more than 80% of disbursements to SWAp-type operations are still through project procedures. It also has to be recognized that common basket arrangements are not always viable if, for example, the financial management capacity of the partner country is weak or if corruption is endemic. Data collection and monitoring systems in developing countries also tend to be weak, given limited capacity, which can lead to increased reliance on donor systems.

**How have SWAps addressed the issue of accountability?**

The shift from projects to SWAps has significant implications for accountability relationships involving donors, donors’ governments and publics, developing country

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10 Ibid

11 Foster, Brown, Conway June 2000, p. 24
governments and developing country citizens. Under traditional projects, the focal point for accountability has been the relationship between the donor and the project entity. In SWAps, the main locus of accountability shifts to the government ministry or agency responsible for implementing the sector program. The developing country government, in turn is accountable to its own citizens, as well as funding agencies, for performance in the sector.\textsuperscript{12}

There has been movement towards greater \textit{shared accountability} in SWAps but not all partners have bought into these changes in full. The reasons include lack of confidence in some developing country accountability mechanisms, and the continuing need of some development agencies to be able to demonstrate a link between their investments and specific, measurable results in the program. SWAps challenge donors to find creative ways to address demands for accountability while supporting the basic principles associated with this new ‘method of working’.

\textbf{Other issues affecting SWAps implementation?}

The issue of developing country capacity is central to the success of SWAps. If there is not sufficient capacity in the sector at various levels (e.g. policy, management, delivery) the success of the SWAp will be compromised leading to the prospect of donors filling the void with technical assistance which, in turn, can undermine local ownership. Secondly, corruption reduces willingness to move towards delegated authority. Thirdly, there are questions about the extent to which SWAps have focused on poverty and effectively addressed concerns relating to gender.

\textbf{V Implications for Donors}

Experience with SWAps suggest that there are a number of implications for donors in moving towards greater reliance on SWAps as an aid modality. These include:

- A need to review agency policies and procedures in various areas, e.g.
  - links between agency programming frameworks and developing country sector programs
  - options for funding arrangements
  - accountability requirements
  - procurement procedures

Donors also need to come to terms with the following issues:

- Criteria for participating in SWAps
- Field presence, including appropriate skills and authority
- A sense of their potential value-added in a SWAp
- Willingness or ability to participate in common approaches
- Ability to make a long-term commitment

\textsuperscript{12} See Schacter, p.3
VI The Way Forward for Development Agencies

For development agencies considering greater involvement in SWAps, the following are some options for consideration to move the agenda forward.

- Establish processes to review constraints and opportunities for advancing participation in SWAps
- Participate in ongoing groups (e.g. like-minded donors) reviewing emerging experiences with SWAps
- Take a pilot approach. Choose a few countries and ensure conditions are ripe from the donor and developing country perspectives
- Establish agreement on entry criteria for participation in SWAps (in part to be able to determine circumstance where a SWAp is not the appropriate choice)
- Develop guidelines to support agency participation in SWAps
- Establish mechanisms to ensure experience and learning is funneled back into the agency and shared with partners, e.g. lessons learned papers, reviews, networks
- Take an iterative approach – go gradually, don’t force reluctant staff; deal with skepticism through successful examples
- Ensure that appropriate staff are in place, and trained properly, to support participation in SWAps
- Provide targeted support to developing countries to support their participation in SWAps.

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**Sector Wide Approaches: ‘Entry Factors’**

Mick Foster  
Centre for Aid and Public Expenditure

**Definition**

All significant funding supports a single sector policy and expenditure programme under Government leadership adopting common approaches across the sector, and moving towards using Government procedures to disburse and account for all funds. SWAPs are part of a trend towards programme approaches.

**Why move to programme approaches**

- Aid works where policy is supportive
- Additionality requires broader than project agreement on spending priorities
- Broader objectives (IDTs) require broader dialogue
- Implies selectivity in where aid is given
- Need not imply change in aid form
- Where aid is a large part of public spending, project approaches become un-manageable
- Govt. Capacity and Ownership is undermined
- High costs of donor missions, reporting, etc
- Fixing this requires a change to Govt. led, Govt managed co-operation.

**Entry to What?**

- Common strategy, costed plan
- Broad local ownership
- Matched to resources
- Converted to workplan,
- With clear management responsibilities
- Formalised in agreements with funders
- Defined monitoring and review process
- Clear rules of the game

**Assessing Ownership**

*This paper was originally prepared in Power Point but converted to Word 97 for better flow and to save space.*
Consultation and Approval process used?
View of those with power to help or hinder?
Govt active or passive in dialogue?
Choices confronted?
Are priorities reflected in budget allocation?
How do people refer to the programme?
Is management and budget fully integrated in Govt?

Challenges in Policy Dialogue

- Inconsistent Goals
- Donors meddling in detail
- Too many voices
- Conditionality & risk to Govt.

Can SWAps tackle Poverty & Gender objectives?

- Donors decide whether to support Govt. agenda as agreed in dialogue: can not dictate agenda to Govt.
- Emphasis has been on access, coverage, resources
- But SWAp can support analysis, voice, transparency, with more direct channels to influence Govt. to adjust policies & programmes.
- Donors perceived unsympathetic to dilemmas on secondary, tertiary services

Using Government Channels

- Entry factor: attention to macro issues of budget reform, pay and employment.
- Build capacity don’t by-pass problems
- Link national and sector reform.
- Link civil service & budget reform.
- Strengthen the demand for better Governance.
- Taking risks now may be safer in long run.
Issues for UNFPA

♦ Role of Government
♦ Procurement
♦ Financial Sustainability
♦ Global programs & SWAps
♦ Performance management
Sector Wide Approaches: Accountability*

Mick Foster
Centre for Aid and Public Expenditure

Accountability in SWAps
♦ Govt to Parliament
♦ Service provider to service user
♦ Govt to donor
♦ Donor to taxpayer
♦ Donor to Govt of recipient country

Accountability for Results
♦ Comprehensive attribution of inputs-activities-outputs-outcomes is impossible
♦ Budget coding unhelpful, change takes time
♦ Triangulate sources to illuminate strategic issues of policy, access, quality of service
♦ M & E for management, not conditionality
♦ Hold Govt. accountable for how it manages performance, not short-term results

Managing for Performance
♦ Pay at reasonably competitive levels
♦ Staff react if Performance is recognised & rewarded in some way - and if not
♦ Not performance pay, which de-motivates
♦ Decentralise M & E information for peer comparison & emulation
♦ Where is performance better, & why?
♦ Stronger links to understanding needs

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Financial Accountability

- Decentralisation and control.
- Plans, budgets, execution linkages?
- Procurement
- Accounting and Audit
- Audit follow up
- Sanctions employed

Financial Accountability Approaches

- Joint Assessment
- Action plan
- Readiness criteria
- Earmark to ‘clean’ areas
- Reimburse with pre audit
- Community role (transparency)
- Start small
Sector Wide Approaches:
Opportunities and Challenges for Reproductive Health

Marilyn McDonagh.
DFID/JSIUK.

The International Development Targets (IDTs):
♦ Overall elimination of poverty.
♦ Attain universal access to reproductive health services before 2015.
♦ Reduce by three – quarters the rate of maternal mortality by 2015.

Overall Conclusion
♦ No clear evidence that HSR initiatives are having an impact on RH or MH, either positively or negatively.

Justification
♦ HSR relatively new – therefore insufficient lead time to demonstrate impact.
♦ Growing body of literature, theory rather than rigorous operational data - a selective bias in the literature; SWAp literature tending to look mainly at process and not outcomes.
♦ Confounding effects – concurrent changes eg economic decline, changed funding.
♦ Lack of a clear definition of HSR.
♦ Confusion in terminology particularly HSR and SWAps.
♦ Recommendation - operational research to monitor performance, outcomes and provide lessons and evidence.

Findings: Practice
♦ RH continues to be delivered as a vertical programme - A gap between comprehensive rhetoric and selective practice.
♦ Fragmentation and overlapping of policies, duplication of effort, missed opportunities.
♦ Decentralisation - evidence suggests that a central RH/ MH policy with a degree of flexibility may be needed to ensure that sensitive RH services and problems are not neglected.
♦ Many reforms are initiated when the health systems is in crisis, exacerbating rather than resolving the problems – need for better institutional analysis.
SWAps: Opportunities

♦ Fundamental shift in the way we do business – the development of genuine partnerships.
♦ Places donors in the wider context of development – finance and civil service reform.
♦ Focuses on the overall effectiveness of the health sector and systems, particularly important for reduction in MMR.
♦ Reduces fragmentation and duplication in policies and funding.

Opportunities: RH

♦ Thinking sectorally has highlighted issues that traditional project support allowed us to ignore.
♦ To highlight that RH and MH policies become a fundamental part of the policy agenda.
♦ Process approach – no blue prints therefore more context specific.
♦ Flexibility: Mechanisms exist to ensure RH and commodities are sufficiently covered: ring fencing funds, direct financing, higher reimbursement for agreed non salary activities.

Challenges: RH

♦ Limited resources - hard choices - different priorities.
♦ We need to become more outcome focused to be able to prove effectiveness.
♦ Short and long term indicators -use proxy RH and MH indicators, CPR, skilled attendance.
♦ Concerns that RH focus will be diluted and funding will be reduced.
♦ Important to participate early and positively during design phase to ensure the focus of policies and funding.
♦ But hard choices may mean RH not as much a priority as some donors would like – it is possible to give additional funding through budget if all else fails.

Challenges: RH - Pooled funding

♦ Not being part of the pooled funding should not mean A and B team.
♦ All partners are important particularly to ensure consistency of policy dialogue.
♦ Attribution – certainly difficult but to satisfy donor requirements it is possible to keep specific budget lines.

Challenges: RH - Procurement.

♦ Procurement systems – it is important to establish one system before closing the existing. Important role for UNFPA during transition period of system changes.
Some evidence suggests that maintaining a central system may be cost effective and efficient in many cases.

**What does this mean for UNFPA.**

- Exciting opportunity to take a central role in developing health sector policy and strategies.
- A process approach - no blue prints and no quick fixes allows flexibility and appropriate strategies.
- No substitute for a critical analysis of the health system developing appropriate and realistic plans. The final result is likely to be a mix of new reform initiatives and old tried and tested practices with a phased implementation dependent on the development of capacity and performance.
HEALTH SECTOR REFORM AND REPRODUCTIVE HEALTH:
THE CASE OF ETHIOPIA

Johannes Tadesse
Ministry of Health,
Addis Ababa, Ethiopia

Realizing the low health service coverage, recognizing the low rates of basic indicators, appreciating the wide gap in the 6–tier system, acknowledging to decentralize and to democratize the health system in line with the government’s political principles in order to advance to health development and self-reliance and to enhance community participation there was a need to restructure the health system. The Government of the Federal Democratic Republic of Ethiopia with support of the international community has championed sector-wide approach for health. Hand in hand the exercise for the education sector-wide approach was also done as a twin activity. The government has allotted reasonable amount of its resource (Health 7% of GDP and education 10% of GDP) for its advancement.

The present government took power out of the hands of the military junta in 1991. After maintaining peace and stability, government focussed on nation building development. To effect this, there was a need to develop leading policies for the socio-economic and cultural spheres. The health policy was issued in September 1993.

Strategies emanating from the policy document were developed as guide to the policy. A new human resource development scheme was also developed. It called for training of new cadres of health like public health nursing, clinical, nursing, and primary midwife and reinstated the training of the discontinued health officer training during the military regime, and gave due emphasis to continuous training of CHAs and TBAs adding another front line health cadre, primary health worker, into the system. The low-level health professional schools in the regions have been strengthened to increase their intake in a continuous flow. The medical science colleges have also been strengthened to also train mid-level health professionals.

The old system was a six-tiered viz, community health services, health stations, health centers, district hospitals, regional hospitals and central referral hospitals. Redundancy was seen in the system and there was a wide gap from the low echelon to the high echelon which makes referral difficult. So there was need to narrow the gap and strengthen each level. The levels of the new health system are – health centre with 5 satellite health posts, district hospitals, zonal/regional hospitals and referral hospitals. The training of primary health workers was started in the very early eighties. Numerous were trained, but most have not been effective as this was difficult to sustain. So the Government decided to put them on government payroll. It was also decided to initiate training of primary health workers (8th Grade completion, six months training period) who will be liaising between health centers...
and health posts. The catchment of each health post is 5,000 population and goes deep into the rural poor. It has been designed in the curricula to provide RH/FP services at this level as well.

The basis for the Ethiopian Health Sector Development Program are the studies conducted on the health sector with the support of the World Bank and the Japanese Government. The burden of diseases and other studies helped us to prioritize our health needs and address them accordingly.

In the previous project approach unpatterned activities were seen, duplication of activities and wastage of meagre resources were also evidenced. So it was imperative to avoid project approach and concentrate on program approach – plan accordingly and expend resources effectively from a common basket.

Our intention was revealed to our partners in development – the World Bank, ADB, Multilateral Agencies (UNFPA included) and Bilateral Agencies, in December of 1996. After this consultation meeting the planning process commenced with our partners on board.

Three stages of consultative meetings were conducted. The identification mission started with some presentation of current health situation and indicators. It was a needs assessment mission and drafting of plans to address our major health problems.

Refining of our plans were done with our partners, whose expertise has highly assisted us, in this tough process – pre – appraisal and appraisal missions. International consultants have labored day and night to produce commendable and marketable plans. Issues of Gender/including RH/FP and IEC have been dealt throughout the process as vital and cross cutting issues. The UNFPA – CST IEC consultant’s inputs in the endeavor has been of paramount important and the contributions of program officers of UNFPA country office were also significant.

The World Bank missions coming to and from – Addis and Washington – have been with us steering the process. Major donors funded the workshops and were instrumental in fulfilling the good intentions of the government.

Finally, after getting the blessing from high government officials implementation was started in 1997 at federal and regional levels.

At early stages of implementation donor mapping was done by MEDaC (Ministry of Economic Development and Cooperation) in consultation with Ministry of Finance and Ministry of Health. Channeling of resources were also made clear. 75% of resources for health activities in the plan come from government sources and 25% were expected from donor sources.

Program Action Plan (PA) and Program Implementation Manual (PIM) were prepared to effect smooth implementation.
HSDP Government was clearly set. CJS (Central Joint Steering Committee) and RJS (Regional Steering Committees) established.

Components of HSDP are eight and include:

- Service delivery and quality of care;
- Health facility rehabilitation and expansion;
- Human resource development;
- Strengthening pharmaceuticals services;
- Information, Education and Communication;
- Strengthening health sector management and MIS;
- Monitoring and evaluation;
- Health care financing

Major targets of the HSDP for the first five year period are:

- to increase coverage of health services from 45 per cent to 60 per cent, immunization rate from 67 per cent to 80 per cent, and contraceptive prevalence rate from 8 per cent to between 15 and 25 per cent; and

- to decrease infant mortality rate from 128 to 95 per 1,000 live-births, and maternal mortality ratio from 500 – 700 to 450 – 500 per 100,000 live births.

Provisions for monitoring and evaluation include:

- periodic meetings of the Central and Regional Joint Review Committees;
- annual joint (government/donor) review missions and meetings;
- final evaluation after the first five years.

Success recorded so far during the third year of implementation of the HSDP include:

- increase in number of health facilities and thus increased health service coverage;
- better organization of the health sector;
- better planning and implementation of health related interventions; and
- an increase in the number of trained service providers.

An important lesson learned during the planning stage of the HSDP is that the Government and donors can actually work together productively, iron out problems and agree on the use of common procedures and instruments, all under the leadership of the government. Problems however emerged during the implementation stage.
1.0 UNFPA's motivations/interests in supporting the Ethiopian Health Sector Development Programme (HSDP)

NOTE: By the time the Ethiopian HSDP was being planned and/or developed/ formulated, UNFPA as an organization did not have any clearly stated stand/position with respect to its involvement in SWAPs. Consequently no pertinent guidelines were issued to any of its field offices. This was the context when the UNFPA field office in Ethiopia decided to support the Ethiopian HSDP and to be part of its planning and implementation.

(i) The Fund's commitment to the goal of the programme as stated by the Government when the idea of its development was initially mooted, and how that goal was arrived at: The goal of the then planned HSDP was to more effectively operationalize the health policy adopted in 1993. The primary objective of this policy was to restructure and expand the health care system so as to make it responsive to the health needs of the less privileged population, especially those living in rural areas. The need for the operationalization of the policy was one of the recommendations/conclusions of the Government's 1995 critical and exhaustive study/assessment of the health sector (financed by the Japanese Government through the World Bank, known as the health Policy and Human Resources Development study).

(ii) Planning of the HSDP and of UNFPA's 4th Country Programme coincided/overlapped: The planning of the HSDP, including the undertaking of most of the relevant preparatory activities, took place between 1995 and 1997. Similarly, planning and preparatory activities for the development of UNFPA's Fourth Country Programme (1998 - 2001) took place between 1996 and 1997. In addition, past support by the Fund to the Government under the previous CPs was primarily in the area of MCH/FP. The recommendations from the PRSD undertaken in 1997, as well as of some other specialized studies [Assessment of Reproductive Health Needs in Ethiopia (1997); Contraceptive Needs Assessment (1997)] indicated that the bulk of the support during the then planned 4CP would be in the area of RH. It became simply pragmatic that UNFPA should involve itself in the planning of the HSDP.

(iii) Pragmatism, as UNFPA's RH interventions can only be effectively implemented within the framework of HSDP: Because of the comprehensive nature of the HSDP (covering the entire health sector at all levels of administration in the country), it was clear to UNFPA that no meaningful programme interventions can be undertaken in
the area of RH outside its framework. So it decided to be part of the design of the programme at the initial stages so as to ensure that:

[a] all the components of RH (as defined in the 1994 ICPD Programme of Action) were reflected in the final programme document; and

[b] the interventions it planned to support in the 4CP met nationally identified needs in the health sector as specified in the document.

(iv) **UNFPA's traditional role of supporting national development planning**: The traditional role of UNFPA to support/assist in the design (as well as implementation, monitoring and evaluation) of development plans and programmes in areas that fall under its mandate and where it has the technical capacity/comparative advantage to do so.

(v) **Attractions of the anticipated/vaunted advantages of the sector-wide approach to development planning and programming, and specifically the problems it was supposed to address in the country's health sector:**

- examples of identified problems: failure of the project based approach; duplications, overlaps, non-coherence of interventions; difficulties in coordinating donors and their projects; limited national ownership of projects; etc.

- examples of anticipated advantages: the 'programme versus project approach'; coherence of policy and institutional frameworks; participation by all donors/development partners; greater coordination; in-built complementarities/synergies; national ownership; harmonization and/or standardization of monitoring and evaluation procedures and/or instruments; use of common indicators; support for decentralized, participatory development planning and programming; accountability; transparency; etc).

2.0 **The criteria or considerations that guided UNFPA's decision to participate in the HSDP**

These are virtually the same as the motivations and interests for joining in the planning of the programme (as stated in section 1.0 above).

3.0 **UNFPA's main contributions to the HSDP at the planning stages; factors that influenced UNFPA's role**

(i) **Provision of technical expertise/assistance** through UNFPA/CST Advisors and field office staff by:

- participation in all the preliminary assessments undertaken as preparatory activities leading to the development of the programme. These included needs assessment, pre-appraisal and appraisal exercises;
(ii) **Conduct of studies/programming activities** that were fed (or supposed to be fed) into the HSDP development process (e.g. the 1997 Assessment of Reproductive Health Needs in Ethiopia; 1997 Contraceptive Needs Assessment; 1997 Programme Review and Strategy Development Report; etc).

(iii) **Factors that influenced UNFPA's role:**

- development of the HSDP was seen as a joint exercise between the Government and its development partners, but with the Government 'in the driving seat'; consequent encouragement by Government for input from/participation of donors/development partners
- **human resource limitations** within Government and related national institutions for the enormous tasks involved in the design of the programme; development partners/donors were invited to help fill the gap;
- **recognized role/competence/comparative advantages of UNFPA** in the area of Reproductive Health by Government and other development partners;
- recognized position of UNFPA as the major development partner of the Government in the area of Reproductive Health;

NOTE: As a result of UNFPA's extensive and intensive involvement in the design of the HSDP and/or because of the nature of its mandate:

- three of the programmes six core quantified objectives/targets for its first five years of implementation (1997/8 - 2002/3) are directly relevant to the RH sub-programme supported by the Fund. These are: decreasing infant mortality rate from 128 per 1,000 live births to 95 per 1,000; decreasing maternal mortality rate from 500-700 per 100,000 live births to 450-500; increasing contraceptive prevalence rate from 8 per cent to 15-20 per cent. The three others are also relevant: increasing primary health care coverage from 45 per cent to 60 per cent; increasing immunization coverage from 67 per cent to 80 per cent; and expanding quality community based health care.
- Most of the indicators for monitoring progress towards the achievement of the objectives of the programme are population and RH related.

4.0 **How UNFPA collaborated with other donors in the planning of the HSDP**

(i) **Networking** and participation in the activities/discussions of the Health, Population and Nutrition Donor Group (a grouping of all the donors supporting the HSDP and ESDP).
(ii) **Participation in the joint design and/or review of the various instruments**
developed for the effective implementation of the programme (indicator framework for monitoring progress; Programme Implementation Manual; Programme Action Plan).

(iii) **Joint discussions with/pressure on the Government** for the introduction of alternative channels for funding by donors/development partners (in addition to the preferred 'basket funding' channel initially introduced by Government)

**Links with other planning frameworks**

- Not much. CCA was then not developed (done in 1999). UNDAF is still being finalized (its preparation was started in 1999). No PRSP.

- Planning of the HSDP was, however, undertaken in conjunction or parallel with that of the Educational Sector Development Programme, ESDP; there were (and still are) several linkages between both.
HEALTH & POPULATION SECTOR STRATEGY (HPSS)

- A Health and Population Sector Strategy (HPSS) was formulated in 1997 in consultation with the development partners and the stakeholders to reform the health and population sector to provide a package of essential health care services for the people of Bangladesh and to slow down population growth.

- The HPSS was formulated taking into consideration the lessons learned from the implementation of the Fourth Population and Health Project (FPHP) during 1992 – 98.

- The vision for the sector outlined in HPSS is of a health and population sector in which:

  ♦ Priority is given in the allocation of public-sector expenditures to support services for the poor, and the vulnerable groups (women and children).
  ♦ The service delivery culture is gender-sensitive, pro-poor and client-focused.
  ♦ Stakeholders participate in the design and oversight of service delivery.
  ♦ The overall public-sector expenditure programme is managed on a sector-wide basis i.e, SWAP.

Translation of Sector Strategy to Programme

♦ With a view to translating the vision of the HPSS into reality the GOB abandoned the Projectised Approach and adopted the Sector Wide Approach (SWAP) for the Health & Population Sector in July, 1998.

♦ The Programme is called the Health & Population Sector Programme (HPSP).

♦ The Programme Implementation Plan (PIP) detailing the scope, the objectives and financial outlay of the HPSP was appraised by the DPs before it was finalised by the GOB.

♦ GOB approved the HPSP in June 1998.
Broad Objectives and Goals of the HPSP

♦ Improvement of the health and family welfare status of the population particularly of the most vulnerable women, the children and the poor of Bangladesh.

♦ Reduction of maternal mortality, infant mortality and morbidity and slowing down population growth.

Components of HPSP

• Essential Services Package
• Reorganization of service delivery
• Integrated support services
• Hospital level services
• Sector-wide programme management (or SWAp)
• Policy and regulatory framework
• Other public health services
• Other health and nutrition services

Financial Outlay of the HPSP

<table>
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<th>Implementation Period of PIP of HPSP</th>
<th>Total Financial Outlay (Rev. &amp; Dev.)</th>
<th>Revenue Expenditure</th>
<th>Development Expenditure</th>
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<td>3,373.00</td>
<td>1,209.00</td>
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</table>

In Million US$

Sector Wide Management (SWAP)

♦ The overall purpose of SWM is to improve the performance of the health and population sector, and hence improve the health of the people of Bangladesh.

♦ SWM would improve performance mainly through:
  ♦ improving Government’s capacity to set policy and strategies which are then translated into plans and implemented; and
  ♦ improving the efficiency of resource utilisation, enhancing service coverage and improving service quality.

♦ The major advantages for the GOB for adopting SWM:

.Toast It increases the efficiency and coverage of health services.

.Toast Instead of trying to convince funding agencies to fund particular activities and accommodate their requirements, the GOB is now able to take leading role in defining the health strategies and plans.
Facilitates management of resources in a more comprehensive and integrated way with better accountability.

Time slice financing.

**Implementation arrangement of the HPSP using Sector-wide Programme Approach (SWAP)**

- Preparation of Annual Operational Plans
- Annual Programme Reviews:
  - performance and
  - expenditure
- Use of measurable performance indicators for each programme area;
- Designation of organisational units for managerial accountability;
- Involvement of stakeholders in implementation and planning;
- Revise GOB-internal financial procedures for:
  - authorisation,
  - release and
  - disbursements of funds;
- Pooling of sectoral financial resources from both GOB and development partners (DFID, The Netherlands, SIDA, European Union and IDA); and
- Strengthen co-ordination of DP support.

**Highlights of Implementation Process of the HPSP**

- Projectised planning and revision processes have been changed.
- Plans through Annual Operational Planning for Programme Outputs and the Line Management are being formulated.
- Annual Operational Plans (26) are made realistic in terms of availability of resources as well as capacity.
- While in the earlier system the project directors were appointed from outside the main line management, the current system designates the individual Line Directors within the existing management.
- Planning, management and financial processes have been simplified with the abolition of
the 130 or more projects.

♦ The Change Management Development is integrated into a Management Development Programme

♦ In Bangladesh three reforms are incorporated in the HPSP. These are:
  • Structural Restructuring through unification of Health and Family Planning Directorates
  • Sector-wide Programme Approach (SWAP)
  • Reorganisation of Service Delivery by establishing one-stop service delivery points at the Community Clinics and introduction of Comprehensive Obstetric Care at the Upazilla Level.

Accountability arrangements

• Internal monthly monitoring for individual Operational Plans focusing on outputs improved the monitoring and review arrangements.

• Stakeholders have been involved through formation of Community Groups for supervision of services at community levels. Additional health watch groups and Advisory Groups have been formed for ESP and hospital services to ensure local level accountability.

• Previous periodic and frequent Monitoring and Review by individual donors have been replaced by a combined Annual Programme Review (APR) by the DPs focusing mainly on Policy Issues.

• APR provides an opportunity to both the GOB and the DPs to jointly monitor the performances of the programme and to identify and address priority problem areas that need immediate intervention.

• Financial accountability has been streamlined through a single fund disbursement and accounting process. This has been done through creating a Management Accounting Unit at the MOHFW with staffs seconded from the Finance Ministry thus abolishing individual accounts for each project.

• Arrangement for Performance Audit by International Independent firm has been introduced.

Lessons Learned

• Sector-wide Approach (SWAP) is a better planning and management tool for the Health and Population Sector. This is also a cost-effective approach.

• Only in the first two years of HPSP about US$ 10 million has been saved on administrative costs of projects.
• Pooling of resources is an advantage for the Government in terms of flexibility in managing the programme.

• Despite introducing SWAP and structural reforms, service delivery, particularly family planning, has not been disrupted.

• Latest DHS shows that indicated CPR over last three years has increased by 5 percentage points.

• Good experience evolved in terms of Integrated Basic Health Care (ESP) and still keeping focused management for key interventions like EPI, CDD, ARI, HIV/AIDS etc.

• The mix of SWAP and reform caused problem of ownership amongst the bureaucrats and other public providers despite full commitment of the political leadership.

• Different financing mechanisms of some individual DPs poses problem for effective monitoring, speedy implementation and disbursement of funds.

• Effective utilisation of available TA has been a problem as bilateral and multilateral DPs are still keeping TAs out of the overall TA co-ordination mechanism.

• Procurement using WB guidelines which are more suited for projects and for capital investments poses problem in terms of the flexibility required for the SWAP.

• SWAP demands an effective matrix management through co-ordination amongst line management which has been addressed by setting-up an Operational Management Committee with all Line Management meeting every month.

**Role of UNFPA and other Multilateral DPs**

• As financier, UNFPA and other UN agencies are providing support in the form of technical assistance, training and logistics support.

• These activities are incorporated in the Operational Plans and UNFPA is assisting in the capacity development of the GOB which is the ultimate goal of SWAP.

• UNFPA, particularly is focusing on activities related to Reproductive Health as per mandate of ICPD both in the Health as well as other related sectors.
• UNFPA and other UN agencies provided technical assistance during the preparation of HPSP. UNFPA fielded several Technical Experts during the Pre-appraisal as well as Appraisal of the HPSP.

• UNFPA is an active Partner in the Annual Review Process.

• In implementation, UNFPA is providing support in procuring contraceptives among other things.

**Way Forward**

♦ There is a need for having a Memorandum of Understanding or Code of Conduct in terms of the roles and responsibilities of all partners (Government, DPs, NGOs and Civil Society).

♦ Well orchestrated Communication programme (BCC) is required for ownership and acceptance of the reforms as well as SWAP.

♦ All DPs need to participate in the SWAP and also understand the rationale for GOB’s embarking on the reform process.

♦ Capacity building even within the DPs on SWAP is needed.

♦ Common arrangement for funding as well as monitoring and evaluation of the Sector Programme is necessary.
Bangladesh Case Study: Health & Population Sector Programme

Mr. Md. Shahjahan
Deputy Secretary (Programme Finance Cell)
Ministry of Health and Family Welfare
Government of the People’s Republic of Bangladesh

HEALTH SERVICES

Organisational Structure:

◆ Health and FP services in Bangladesh are provided mainly by the Government and in a limited way by the Non Government Organizations (NGOs) and the private sector.

◆ In the Government sector, the main responsibility for health and FP services lies with the Ministry of Health and Family Welfare (MOHFW).

◆ The MOHFW is responsible for developing policy and programs for health and FP services and promotion of good health.

◆ The MOHFW is headed by the Minister of Health and Family Welfare, supported by the Minister of State. The top civil servant is the Secretary. Within the Secretariat, there is one Additional Secretary, six Joint Secretaries and two Joint Chiefs with suitable number of other officers.

◆ There are four Directorates: the Directorate of Health Services, Directorate of Family Planning, Directorate of Drug and Directorate of Nursing.

Health Care Delivery System

◆ Health care, at the tertiary level is available at 13 Medical College Hospitals, 7 postgraduate level hospitals and few other specialist hospitals.

◆ There are five Directors for the Administrative Divisions. The chief of health services at the district level is the Civil Surgeon. The Civil Surgeon is responsible for overall management of health in the district.

◆ District level health care is delivered through hospitals, one in each district. There are 43 (50 bed), 14 (100 bed) and 2 (150 bed) hospitals. In addition, there are 2 more hospitals at regional level (a 200-bed and a 250-bed).
To provide Clinical Contraception and MCH Services there are 54 Maternal & Child Welfare Centers (MCWC) at District and Upazilla (sub-district) levels.

At Upazilla level there are Upazilla Health Complexes (UHC). The UHC scheme is to build up health system infrastructure based on PHC. Both indoor and outdoor facilities are available in the UHC. There are 397 UHCs functioning with 31 beds.

The lowest level of health facilities is located at union level. There are at present 3172 Union sub Centres/ Union Health and Family Welfare Centres where only outdoor service is available. Each Union has 3 wards and there are 2 health workers for each ward (Health Assistant (HA) male and Family Welfare Assistant (FWA) female worker).

Community Clinics are being set up for every 6000 people for health and family planning services at the grassroots level.

**FAMILY PLANNING PROGRAMME**

- Since the birth of Bangladesh in 1971 Government of Bangladesh has been pursuing a strong Population Policy.
- The First Five Year Plan (1973-78) gave a sound foundation to the Population and Family Planning Program in the country.
  - Creation of separate Directorate
  - Declaring population as number one problem of the country.
- A multi-sectoral, MCH-Based and goal oriented program was launched.

**REVIEW OF THE FOURTH FIVE YEAR PLAN (1990 through 1995)**

- GOB invested about 19 billion Taka (us$360 million) to implement various projects pertaining to service delivery, information, education and motivation (IEM), training, infra-structural and multi-sectoral programmes dealing with women’s development, skill training and poverty alleviation as well as research.
- Some of the diseases were targeted for eradication or elimination while some others were envisaged to be put under control.
### Some Basic Indicators on Health Care Delivery System

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Teaching &amp; Specialised Hospitals</td>
<td>40</td>
</tr>
<tr>
<td>Number of District Hospitals</td>
<td>59</td>
</tr>
<tr>
<td>Number of UHCs</td>
<td>402</td>
</tr>
<tr>
<td>Number of Hospital beds</td>
<td>26,280</td>
</tr>
<tr>
<td>Number of Population per Hospital bed</td>
<td>3,151</td>
</tr>
<tr>
<td>Number of Population per Doctor</td>
<td>4,572</td>
</tr>
<tr>
<td>Number of Population per Nurse</td>
<td>8,460</td>
</tr>
</tbody>
</table>

### Disease burden & Health Status

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant mortality rate per 1000 live births</td>
<td>77</td>
</tr>
<tr>
<td>Maternal mortality rate per 1000 live births</td>
<td>4.5</td>
</tr>
<tr>
<td>Proportion of children with some degree of malnutrition</td>
<td>90%</td>
</tr>
<tr>
<td>Proportion of children born underweight</td>
<td>50%</td>
</tr>
<tr>
<td>Proportion of women with Nutritional deficiency anaemia</td>
<td>70%</td>
</tr>
<tr>
<td>Proportion of women giving child birth without trained birth attendants</td>
<td>75%</td>
</tr>
<tr>
<td>Malaria cases per 100,000 people</td>
<td>357</td>
</tr>
<tr>
<td>Sputum positive TB cases per 100,000 people</td>
<td>96</td>
</tr>
</tbody>
</table>
Disease burden & Health Status

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of Leprosy Cases per 10,000 population</td>
<td>2</td>
</tr>
<tr>
<td>Episodes of diarrhoea per child (under five) per year</td>
<td>3.5</td>
</tr>
<tr>
<td>Episodes of ARI per child (under five) per year</td>
<td>2.2</td>
</tr>
<tr>
<td>Prevalence of Hypertension</td>
<td>12-15% of Population</td>
</tr>
<tr>
<td>Prevalence of Diabetes</td>
<td>2% of Population</td>
</tr>
<tr>
<td>Number of HIV/AIDS per 100,000 population</td>
<td>16</td>
</tr>
</tbody>
</table>

REVIEW OF THE FOURTH POPULATION AND HEALTH PROJECT (FPHP)

- Major issues raised by the 1995 Mid-term Review of the FPHP are:
  - overall poor utilisation of Government services,
  - related questions of cost-effectiveness, sustainability, and quality of services.
  - A preceding independent review expressed concern about the fragmented implementation structure of FPHP, particularly with regard to the disassociation of sectoral development projects from the MOHFW line managers under the GOB’s revenue budget.

- After a further year of FPHP implementation experience, recommendations for issues to be addressed during the remainder of FPHP were re-focussed as follows:
  - rationalising service delivery systems through a reorganisation of the MOHFW's implementing structures to eliminate duplicative systems and minimise inefficiencies;
  - improving management through (i) capacity development, (ii) human resource development, (iii) effective management information systems, and (iv) application of lessons from innovative and pilot projects; and
  - developing a comprehensive national reproductive health strategy, including family planning, maternal health care, STD/AIDS control and other reproductive services.
Meanwhile, broad agreement on the shape of Health and Population programmes was reached during a GOB-donor consultation held in Paris in September 1995. The Paris consultation suggested the following eleven key points for the formulation of a strategy for the sector:

♦ the need for GOB to establish and adhere to clear sectoral priorities, focused on basic services and limiting funding of lower-priority activities;
♦ adherence to a manageable number of programme components;
♦ importance of Government commitment to sectoral objectives, priorities and strategies;
♦ the need to focus on results—outputs, outcomes, and monitorable indicators; emphasis on community involvement in preparation and implementation of the programme;
♦ the critical link between success on reproductive health and women's access to comprehensive, integrated services and means of their empowerment;
♦ increased attention to institutional development;
♦ need for harmonisation of the parallel systems for "health" and "family welfare" services to promote efficiency;
♦ health should be linked to a poverty reduction strategy, including education;
♦ need for cost-effectiveness and efficiency in view of scarce resources; and
♦ lessons from innovative programmes implemented in Bangladesh should be captured.

Additional key results of the Paris meeting

♦ GOB's expression of interest in a sector-wide approach to HPSP;
♦ Agreement that programme efforts in health and family planning were most effective if placed in the context of broader poverty-reduction strategies;
♦ Agreement on the concept of an essential services package, and its decentralised delivery with increased involvement of NGOs and the private sector; and
♦ Agreement to address the long-term financial sustainability of the sectoral programme.

HEALTH AND POPULATION SECTOR STRATEGY (HPSS)

♦ In the context of the above mentioned scenario, the Health and Population Sector Strategy (HPSS) was formulated in 1997 in consultation with the development partners and the stakeholders to reform the health and population
sector to provide a package of essential health care services for the people of Bangladesh and to slow down the population growth.

**Health and Population Sector Strategy (HPSS)**

**Principles** on which the vision of HPSS is based include the following:

- Client centred services focusing on the needs of women, children and poor.
- At all levels of services, increase:
  - Quality of Service;
  - Equity of access;
  - Efficiency of service.
- Focus on Essential Services Package with priorities in:
  - Interventions that have public-good character, and
  - Interventions related to maternal and child health.

The vision for the sector outlined in HPSS is of a health and population sector in which:

- Priority is given in the allocation of public-sector expenditures to support services for the poor, and the vulnerable groups (women and children).
- The service delivery culture is gender-sensitive, pro-poor and client-focused.
- Stakeholders participate in the design and oversight of service delivery.
- The overall public-sector expenditure programme is managed on a sector-wide basis i.e., SWAP.
- There is an appropriate balancing of the public and private sectors in financing and provision of services.
- Overall decentralisation of management of essential health and hospital services through devolution of authority.
- Provision of health and family planning services through involvement of NGOs and private facilities.
- Restructuring of the existing bifurcated health and family planning service provisions through a unified organisational structure.


**PROCESS FOR HPSP FORMULATION**

After formulation of HPSS the Ministry of Health & Family Welfare initiated formulation of the Program Implementation Plan (PIP) of the Health & Population Sector Program (HPSP).

Drafting of PIP of HPSP

- The works and plans prepared by the Task Forces were Consolidated, Coordinated and Compiled.
- A PIP after inter-ministerial discussions for Pre-appraisal Mission was drafted.
- The Pre-appraisal Mission after detailed discussion with the Task Forces submitted an Aide-Memoire to the Government.
- The Task Forces revised/modified their concerned topics in the light of the Aide-Memoire.
- MOHFW sent it to Planning Commission, Ministry of Finance, Economic Relations Division (ERD), National Board of Revenue, Directorate of Audit and Other related agencies for their comments.
- Following approval of the recommendations of the High Level Committee (HLCOM) Report on 26.01.98 by the Cabinet the Appraisal Missions in two phases in February and March reviewed in details the PIP and provided their comments on the First Year’s Operational Plan and the Budget and submitted an Aide-Memoire.
- In the light of the Aide-Memoire the draft PIP was then revised/modified and again sent to the Planning Commission, Ministry of Finance, Economic Relations Division (ERD), National Board of Revenue, Directorate of Audit and Other related agencies for their comments on 20.04.98.

**Negotiation**

An Inter-ministerial meeting under the Chairmanship of Secretary ERD and members from the Planning Commission, Ministry of Finance, National Board of Revenue, Directorate of Accounts & Audit, MOHFW and Other related agencies discussed in length the draft PIP on 28.04.98. As per recommendations of the meeting the Honourable Prime Minister consented for using the PIP of the HPSP as a document for negotiation with the World Bank and other Development Partners.

- Negotiations were held in Washington, USA with the World Bank and Other Development Partners from 18 to 22nd May 1998.

- The Program Implementation Plan (PIP) of Health & Population Sector Program (HPSP) was approved by the Executive Committee of the National Economic Council (ECNEC) on 28.06.98 for a duration from July 1998 to June 2003.
**Broad Objectives and Goals of the HPSP**

◆ Improvement of the health and family welfare status of the population particularly of the most vulnerable women, the children and the poor of Bangladesh.

◆ To reduce maternal mortality, infant mortality and morbidity and to slow population growth.

**HIGHLIGHTS OF THE HEALTH AND POPULATION SECTOR PROGRAMME (HPSP)**

**Components of the HPSP**

A. **Essential Services Package**

ESP are grouped into the following five major areas:

◆ Reproductive Health Care
  • Safe Motherhood  • Maternal Nutrition
  • Family Planning  • Adolescent Care
  • Infertility  • Neo-natal Care
  • Prevention and control of RTI/STD/AIDS

◆ Child Health Care - Prevention and management of:
  • Diarrhoeal diseases
  • Nutritional deficiency
  • Acute Respiratory Infection
  • Vaccine preventable diseases

◆ Communicable Disease Control - Prevention and Management of existing and emerging diseases with severe impact:
  ✷ Malaria
  ✷ Filaria
  ✷ Kala-azar
  ✷ TB
  ✷ Leprosy
  ✷ Intestinal Parasite
  ✷ STD/HIV/AIDS
- Limited Curative Care including care for common conditions and injuries:
  - First aid for accident, limited curative care for fever, pain, eye diseases, skin diseases including primary care for vit-A deficiency, iodine deficiency, intestinal worms, ARI, Simple injuries, Snake bite, Dog bite, drowning, Poisoning.

- Behaviour Change Communication about various diseases, malnutrition, etc

B. Integrated Support Services

* Human Resources Development:
  - Improve staffing condition;
  - Improve basic education and in-service training; and
  - Modern personnel administration/performance management.

* Facilities:
  - Establish and functionally improve the infrastructure and major equipment, with particular emphasis on mother-baby- and the disabled friendly environment.

* Procurement and Logistics:
  - Emphasis on annual procurement plan;
  - Logistics support for ESP; and
  - Minimise system loss.

* Quality Assurance:
  - Develop norms and standards and
  - Address the QA in all service delivery points and Institutions (public, NGO, private);

* Behaviour Change Communication (BCC)
  - Institutionalise new approach to BCC,
  - Reorientation of the system toward a client-centred approach
  - Improve provider-client relations,
  - Ensure a BCC programme that can effectively foster healthier behavioural patterns in the population, and
  - Greater community involvement.
Research and Development:

- Focus on priority issues;
- Institutional strengthening; and
- Regular flow of information for decision making.

Management Information System addressing the sub-systems:

- Personnel;
- Logistics;
- Financial;
- Services statistics; and
- Epidemiological surveillance.

C. Hospital Level Services

- Improving the performance through greater administrative and financial authority;
- Improvement of infrastructure & equipment;
- Women and Baby Friendly Hospital;
- Local level accountability;
- Improve quality of services and QA;
- Cost-recovery keeping safety net for the poor;
- Self-sustaining autonomous blood-bank; and
- Improving the existing waste management system.
- 70% beds to be earmarked for women and children in all new hospitals

D. REFORMS IN THE HPSP:

Reorganisation of Service Delivery

The Essential Services Package will be:
♦ Client-centred with special attention to the needs of women and children;
♦ One-stop service through a **community clinic** for every 6000 population or within half-an-hour walking distance;
♦ Integrated Service Delivery;
♦ Decentralised;
♦ Shift in attitude from serving the system to serving the people.
♦ unified health and family planning service structures
♦ Complete merger of health and family planning services at thana and below level under a single management structure
♦ Restructuring of other levels of management during second phase

Decentralization at lower levels; and

**Sector Wide Management (SWAP)**

♦ The overall purpose of SWM is:
♦ to improve the performance of the health and population sector, and hence improve the health of the people of Bangladesh.
♦ **SWM would improve performance mainly through:**
  ♦ improving Government’s capacity to set policy and strategies which are then translated into plans and implemented; and
  ♦ improving the efficiency with which limited resources are used. Through these mechanisms, SWM should contribute to the strategic objectives of enhancing service effectiveness and improving service coverage.
♦ The major advantages for the GOB for adopting SWM:

  • It increases the efficiency and coverage of health services.
  • Instead of trying to convince funding agencies to fund particular activities and accommodate their requirements, the GOB is now able to take leading role in defining the health strategies and plans.
  • Facilitates management of resources in a more comprehensive and integrated way with better accountability.
  • Time slice financing.

**Implementation arrangement of HPSP using Sector-wide Programme Management Approach (SWAP)**
• Preparation of Annual Operational Plans
• Annual Programme Reviews:
  • performance and
  • expenditure
• Use of measurable performance indicators for each programme area;
• Designation of organisational units for managerial accountability;
• Involvement of stakeholders in implementation and planning;
• **Revise GOB-internal financial procedures for:**
  • authorisation,
  • release and
  • disbursements of funds;
♦ Pooling of sectoral financial resources from both GOB and development partners (DFID, The Netherlands, SIDA, European Union and IDA); and
♦ Strengthen co-ordination of DP support.

**Implementation Status**
♦ HPSP approved on 28.6.98
♦ GOB has maintained services and initiated the key reorganization activities of the HPSP despite the disruption caused by the management and organizational changes.

**Financial Outlay of the HPSP**

<table>
<thead>
<tr>
<th>Implementation Period of PIP of HPSP</th>
<th>Total Financial Outlay (Rev. &amp; Dev.)</th>
<th>Revenue Expenditure</th>
<th>Development Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998-2003 (5 Years)</td>
<td>3,373.00</td>
<td>1,209.00</td>
<td>2,164.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,108.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,056.00</td>
</tr>
</tbody>
</table>

**Sector-wide Management (SWAP)**
♦ All projects abolished from July ’98.
♦ HPSP reflected in annual development plan as a single project.
♦ 28 line directors appointed,
♦ One/more program managers and deputy program managers appointed under each line director.
♦ Orientation of LDs/PMs/DPMs completed.
♦ 28 line directors implementing HPSP thorough 24 annual operational plans.
♦ Detailed operational plans formulated
♦ National steering committee approves operational plans
♦ Most of the donors signed bilateral agreements.
♦ Programme coordination cell established for coordination and assistance in implementation of the HPSP activities.

Reorganisation of Service Delivery

♦ Management change unit established and made functional to assist in implementing reforms.
♦ Orders for unified organizational structure and its broad functions, specific job description for the unified organizational structure and other related matters issued.
♦ Policy research unit established.
♦ Improved hospital management initiated through delegation of more administrative and financial authority.

Financial Reform

♦ Management accounting unit made operational
♦ Fund release, disbursement and utilization mechanism formulated.
♦ Financial authority (Dev. Head) of the MOHFW has been further delegated to the Directorate level.

Integrated Support Service

Training:

♦ Comprehensive training plan formulated and training initiated to train almost 0.1 million field staff.
♦ Training institute identified and TOT for Thana Trainers Team (TTT), both for clinical service providers nearing completion.

Construction:

♦ Construction of union HFWCs ongoing.
♦ Construction of 10,000 community clinics in progress.

MIS & BCC:

♦ Structural unification of MIS and BCC notified. Issuance of legal orders is in progress.
♦ New format for MIS printed and distributed at field level. Training of field staff initiated.
Procurement & Logistics

- Preparation of procurement plan and specific packaging are in process.
- UNFPA, WHO and UNICEF are providing technical services in procurement.

Constraints / Limitations

- Coordination mechanism between MOHFW and other key ministries not yet effective
- Unification process
- Logistics
- BCC
- MIS
- Service delivery
- Long procurement process
- World Bank procurement procedure
- Use of technical assistance
- Need based versus imposed by development partners

Role of UNFPA in HPSP

- Contraceptive supply
- Skill development
- Assistance as procurement agent
- NGO support
- BCC activities

Future Expectations

- Assistance in logistics management
- Initiative in clinical contraception
- Effective technical support
UNFPA Bangladesh & SWAPs*

by

Mr. Shu-Yun Xu
UNFPA Representative in Bangladesh

- UNFPA CP is integrated into HPSP Operational Plans
- Health Consortium (every 2 months)
- Take part in the APR/MTR process
- Participate in joint DP/GOB field reviews
- Participate in DP/GOB Policy Dialogues
- Assist in finalisation of Aide Memoire/GOB action plan
- Donor Consortium: discusses and exchanges on the progress of HPSP and identifies critical issues of common concern and common dialogue with GOB irrespective of type of funding
- Steering committee oversees administration of pooled funding (chaired on rotation)
- Scope for UN agencies to develop common positions, where needed (within UNDAF)

Lessons from BGD implementation

- Multi-bi offer better continuity/flexibility in flow of funds which allows programme to move forward.
- Need for a strong transition plan to enable govt. to be ready to take a SWAP.
- Reform needs a longer time cycle than a SWAP allows (e.g. for unification, phasing out posts etc).
- NGOs to have larger role in stakeholder participation and SWAP planning.
- SWAP progress would be greater if there was less delay in use of pool funds (Procurement of services, goods, construction)

* This paper was originally prepared in Power Point but converted to Word 97 for better flow and to save space. Being part of pooled funding

Co-ordination mechanisms: DPs
• Donor Consortium: discusses and exchanges on the progress of HPSP and identifies critical issues of common concern and common dialogue with GOB irrespective of type of funding

• Steering committee oversees administration of pooled funding (chaired on rotation)

• Scope for UN agencies to develop common positions, where needed (within UNDAF)

Management concerns to UNFPA BGD

• Separate out financial administration of pooled funds from technical monitoring of SWAP/HPSP

• Agency monitoring pooled funds on behalf of DPs should not be the same as that supposed to be assisting and advising MOHFW in managing HPSP

• A separate Intl agency should provide technical guidance and advice to MoHFW in HPSP management

• Agency overseeing the administration of pooled funds should be independent of any donor to prevent conflict of interest and should be located in its own premises

Lessons from BGD implementation

• Multi-bi offer better continuity/flexibility in flow of funds which allows programme to move forward.

• Need for a strong transition plan to enable govt. to be ready to take a SWAP.

• Reform needs a longer time cycle than a SWAP allows (e.g unification/phasing out of posts etc).

• NGOs to have larger role in stakeholder participation and SWAP planning.

SWAP progress would be greater if there was less delay in use of pool funds (Procurement of services, goods, construction). Being part of pooled funding, there should be no conflict with UNFPA accountability and pooled funding because:

• We agree a level of funding for specified outputs and results (RBM)

• Financial and programme accountability is assured through both internal and external review/auditing processes

RH improvement is integral to almost every aspect of the essential services package which is the cornerstone of HPSP.
Zambian SWAPs*

by
Margaret O’Callaghan
UNFPA Representative in Zambia

UNFPA COMMENTS ON SWAPs

1. The FO is somewhat involved in the process here, limited only by lack of staff time, no CTA and non-contribution to the “Basket” ie we are only a minor player, with the UK, Danes, Swedish, US and Dutch playing the major roles.

2. Currently, 5 donors are contributing to the “Basket”, with funds totalling $6.5m in 2000 (UNICEF, Denmark, Sweden, USAID, Irish) DFID has pledged while EU, Netherlands and JICA are still considering.

3. Netherlands, Japan, UK, Canada and US are continuing with project aid, through contributions of equipment/supplies, including contraceptives, or, as with the US, through a large district based project. All “Basket” funds are directed to District level activities.

4. We have signed the MOU, along with other donors, in Nov. 1999, to lend solidarity with our sister agencies (see attached).

5. Government appreciates that we are still “projecticised” and has allowed this to continue for the present but is encouraging us to cease the practice.

6. We have not yet contributed to the “Basket” because of our financial constraints but are considering making a “token” contribution early in 2001 instead of putting funds into our RH project, which could not commence because of the lack of CP funds.

7. We participate in the quarterly “Basket Steering Committee” meetings.

8. We participate in policy and strategy developed related to RH and also are assisting the revival of the RH Sub-Committee.

9. We have not yet been involved in development of indicators which is currently at its early stage but there is potential for us to do so re RH.

* This paper was not presented at the workshop but had been sent in from Zambia; the UNFPA Representative who was invited to attend could not do so.
10. As part of the cooperative process there was a major joint donor identification and formulation mission in late 1999/early 2000 to provide the basis for a Sector Wide health programme approach. The resulting document is currently forming the basis of the Strategy which is currently in the process of being formulated. UNFPA (including CST) was unable to participate fully in the exercise but did make comments at various stages.

11. In terms of Good Practices: there have been some improvements in the quarterly financial reporting from the District Health Management teams and CBOH has quite actively followed up on those teams with major reporting problems by sending in auditors or suspending the relevant officers. See attached segment from latest report.

12. Issues:

- Because Government is very keen for donors (CPs) to contribute through the “Basket” donors have been able to exert some pressure on Govt. to address some politically sensitive issues. Some have even withheld funds for considerable periods of time because of the lack of responsiveness.

- The costs to CBOH/DHMTs associated with government staff participating in projects has been an issue.

- We do not have the staff resources to participate as much as we would like.

- Capacity to manage funds at the District level is still weak with much capacity building required. However, the current restructuring of personnel is causing uncertainties and gaps and the extent of loss of staff due to sickness and death from HIV/AIDS is also influencing effectiveness at the district level. These factors will limit the effectiveness of capacity building.

- Despite the donor inputs, there are still shortages of funds and what funds there are tend to arrive late and are often inadequate to meet the planned needs being experienced in the districts. Often, emergencies such as cholera outbreaks mean that funds have to be diverted to dealing with the situation, leaving basic expenses unable to be met by the quarterly allocation from CBOH.

- There are insufficient central based staff in place to undertake adequate support and M and E of the districts.

**Conclusion:** It could be said that the concept is well appreciated, the basic steps are being put into place and there is a high level of partnership on the subject but the objective of improving the health service is still a long way off, because of its very poor state and the funding gap.