

## IDA AT WORK

# Health: Supporting Country Health Systems in a New Global Context

**H**ope for continued improvements in the lives of the world's poorest people has been dashed in 2009 as the global financial crisis and the food and fuel price shocks of last year have combined to push as many as 100 million more people into poverty. This deterioration starkly illustrates the risks facing the world's most vulnerable citizens and the importance for the development community in maintaining and bolstering their efforts to help the poor to better livelihoods.

Drawing upon the extra resources made available to the International Development Association (IDA), the World Bank has doubled its commitment to health programs from US\$500 million in 2008 to US\$1.2 billion in 2009/2010.

Development assistance for health has changed dramatically in the last 10 years. New global health initiatives, organizations and private financing sources have significantly increased the total volume of aid, creating an enormous opportunity for the Bank and global partners to improve health conditions in low-income countries. Despite increased availability of funding for priority disease areas, boosting funds for the strengthening of health systems remains a critical challenge to delivering improved outcomes, especially for the poorest and most vulnerable.

### At a Glance

- Child mortality in IDA countries has declined from 134 deaths/per 1,000 children under the age of five in 1995 to 105 deaths in 2007. But 85 percent of IDA countries will not reach their child mortality targets by 2015.
- Between Fiscal Years 2004-06, IDA projects have trained 78,000 health professionals, de-wormed 67,000 children and helped produce 10 million insecticide-treated bed-nets.
- IDA lending for health has averaged US\$780 million over the last 10 years.
- Overall development assistance for health more than doubled in five years and reached US\$17 billion in 2006, mostly from global health partnerships, bilateral funds and private foundations.

Weak health systems undermine the ability of countries to achieve and sustain health results. For example, progress toward maternal and child health and nutrition outcomes is particularly slow because these “neglected” Millennium Development Goals are dependent on well-functioning health systems. As a result, focused efforts to build stronger national health systems in the poorest countries are desperately needed.

In this context, IDA, in partnership with developing countries and other development partners, has a strategically crucial role to play in health systems strengthening. IDA is equipped to supply the sustained, long-term financing—combined with technical assistance—that is urgently needed. Expanding the implementation capacity of health sectors and improving the quality, efficiency and reach of health services is critical for programs to achieve sustainable results on the necessary scale.



Despite steady improvements in child mortality in IDA countries (collective rates dropped from 134 deaths per 1,000 children under the age of five in 1995 to 105 deaths in 2007), more than 85 percent of IDA countries are off-track on the child mortality Millennium Development Goals and a high share are also unlikely to meet targets for malnutrition and maternal health, particularly in Africa.

A handful of major communicable diseases (AIDS, tuberculosis, malaria, acute respiratory infections, and diarrhea) continue to impede progress towards improved health for the world’s poorest people and the achievement of the MDGs. Recent studies estimate that some 25 million people have died from AIDS-related causes since the beginning of the epidemic,<sup>1</sup> that about 1.3 million people who are HIV-negative die every year from tuberculosis,<sup>2</sup> and that an estimated 9.2 million children under five years of age died in 2007, mostly from preventable causes.<sup>3</sup> Malaria continues to exert a major health and economic toll on vast populations in

Africa and South Asia, but recent declines in deaths from malaria in countries such as Zambia show that rapid progress is achievable. UNAIDS reports that the annual number of new infections of HIV has peaked globally, but there remains an enormous burden of disease, especially in Africa, and significant challenges for increasing access to prevention, care and treatment.

## IDA CONTRIBUTIONS

The 2007 World Bank strategy for Health, Nutrition and Population is designed for the new global environment. It calls for IDA to support country-driven programs that will demonstrate results on the ground, and to concentrate financing on IDA’s areas of comparative advantage. These include health system strengthening and governance, health finance reform, and targeted assistance and insurance mechanisms to protect the poor from health risks and financial shocks including the 2009 financial crisis.

Taking into account the results from the evaluation of the sector by the World Bank’s Independent Evaluation Group, the 2009

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1. UNAIDS 2008 Report on the Global AIDS Epidemic.  
2. WHO 2009 Report on Global Tuberculosis Control.  
3. UNICEF Progress for Children 2007.

Progress Report on the Strategy for Health, Nutrition and Population shows progress in key areas over the first 20 months of the planned five years of the strategy.

### **Renewing the Bank's Focus on Health, Nutrition and Population Results**

A results-based financing program, started in 2008, expanded the use of output- or performance-based financing in health, nutrition and populations initiatives with a focus on Millennium Development Goals four and five, addressing child and maternal health. With support from a US\$100 million trust fund contributed by the Government of Norway, the program is increasing the learning and evidence base related to the design, implementation, and effectiveness of results-based financing. Eight countries with IDA health programs are receiving incremental grant funding to develop and implement results-based financing mechanisms targeting the poorest segments of the population. They also target reproductive and child health by increasing the attention on efforts such as assisted deliveries and family planning services.

In Zambia, the results-based program provides incentives at district health management, facility, and community levels to stimulate increased supply and demand of maternal and child health services. The Zambia pilot project targets the poor by focusing on rural districts where over 95 percent of the population lives below the poverty line. The first phase of the program will introduce performance bonuses for facility teams to increase outreach to under-served areas, to improve technical quality, and to use the skills of health workers more efficiently, as well as to encourage the retention of health workers in rural facilities.

The program focuses on critical reproductive, maternal, and child health services including family planning, assisted deliveries, and iron supplementation for pregnant women.

In Benin, results-based financing provides incentives to health facilities and health workers to boost rates of assisted deliveries among the poor. In the Democratic Republic of Congo, the project targets some of the poorest and most isolated districts in the country and introduces results-based financing to providers as part of a strategy to reduce user fees, which is a prominent barrier to access for the poorest. In Kyrgyz Republic, the program targets the quality and quantity of primary health care services which are mostly utilized by the poor and will also provide incentives to community level groups to enhance awareness and increase demand for services.

In Rwanda, the results-based financing program is funding the continuation of an initiative to improve service delivery and governance through a broadening of health insurance and support for health services. After four years of policy reforms and implementation, health insurance enrollment increased to more than 70 percent from seven percent. Utilization of health services increased by more than 50 percent, with the use of insecticide-treated nets jumping to 67 percent from four percent, the use of family planning more than doubling to 27 percent, and assisted child deliveries climbing to 52 percent from 39 percent. The health impact has been significant, with the incidence of malaria decreasing by 62 percent and child mortality declining by 30 percent. A rigorous impact evaluation shows that the results are attributable to the government's results-based financing program supported by the Bank together with other donors. In the areas where results-based financing was

implemented, the use of assisted deliveries was 30 percent higher and use of child services 50 percent higher. Quality of care also improved significantly.

### **A Changing Context**

In the last decade, development assistance for health rose from US\$5.6 billion in 1990 to US\$21.8 billion in 2007. Most of the increase stems from the emergence of large global health partnerships, most notably the Global Fund for AIDS, Tuberculosis and Malaria (the Global Fund) and the Global Alliance for Vaccines and Immunization. These initiatives have been augmented by bilateral funding through the United States President's Emergency Plan for AIDS Relief (PEPFAR), the UK's Department for International Development, and private foundations, notably the Bill and Melinda Gates Foundation. In 2007, the Global Fund and the Global Alliance for Vaccines and Immunization donated nearly US\$2.2 billion and PEPFAR donated US\$5.4 billion funding for specific health initiatives.

More recent years have seen a growing emphasis on collective action for strengthening health systems as a means of meeting disease-specific targets as well as achieving the Millennium Development Goals.

The past two years also saw an increase in the number of World Bank projects with a primary focus on health systems. An additional 13 health systems-focused projects are in the pipeline for next fiscal year. In line with the Bank's strategy for health, nutrition and population, 67 percent of Bank programs approved since fiscal year 2007 that focus on priority disease areas also include strong components on health systems strengthening.

One example is a newly approved US\$16 million Health Services Development Project in the Congo that will support the strengthening of health systems to effectively combat some of the major communicable diseases and improve access to quality services for women, children, and other vulnerable groups.

In financial terms, IDA has become a relatively small player in the global aid-for-health architecture, but its strategic interventions provide an indispensable foundation for effective aid and lasting progress. Over the last 10 years, the total IDA commitment to health projects is US\$7.7 billion, including the US\$1.2 billion set aside for the current fiscal year.

### **Comparative Advantage**

#### **1. Sustained, long-term support and capacity-building.**

Developing country health systems in an efficient, sustainable and equitable way requires strong links with the country's macroeconomic framework, particularly because of the importance of recurrent costs in the sector.

IDA has a broad understanding of how to address major public sector management constraints and how to build partnerships with the private sector. It also has the ability to provide support targeting the main systemic constraints, from investments in infrastructure to addressing human resources issues or pharmaceutical shortages.

Few other development partners are able to address systemic constraints related to the large private markets in health, or to civil service reform in the public sector.

Both are critical to the delivery, regulation, and financing of health services. In all these areas, IDA is in a very strong position because of its permanent and comprehensive dialogue with governments, particularly the ministries of finance.

In recent years, the Bank has supported several innovative financing mechanisms. For example, the Advanced Market Commitments program is designed to create market incentives for the rapid production, distribution, and introduction of priority vaccines. In June 2009, IDA helped launch a pilot program of this kind to accelerate introduction of vaccines against pneumococcal diseases in developing countries. The pilot project for pneumococcal vaccine is designed to provide assurance to vaccine manufacturers that funds will be available for poor countries to buy vaccines at a predictable, long-term price. Advanced Market Commitment programs address a longstanding market deficiency that has seen persistent failures to develop and produce products needed in poor countries.

The Bank was also one of the early supporters of the Affordable Medicines Facility for malaria, which will accelerate the rapid global introduction of artemisinins, drugs used to treat multi-drug resistance strains of malaria. The Bank's health unit led a team of experts and partners to design a practical and implementable global co-payment mechanism that would subsidize the purchase of artemisinins in both the public and private sectors.

## **2. Integrated assistance across sectors.**

In health more than other sectors, progress on key goals—such as lower child and maternal mortality, and the control of malaria, AIDS and

other communicable diseases—also depends on changes in education, water, sanitation and other sectors in addition to health.

The Ethiopian Protection of Basic Services program is a Specific Investment Loan focusing on the delivery of basic services, including education and health. The project transfers funds directly to local governments based on needs and performance criteria. A federal fund—the MDG Performance Fund—was also established to ensure the financing of public goods such as vaccines. As part of this project, more than 20 million insecticide-treated nets were distributed and more than 24,000 health extension workers—female 10<sup>th</sup> graders trained in one year to provide services in their village—were deployed. After two years, there is evidence that malaria incidence in Ethiopia decreased by more than 40 percent.

The Madagascar Second Community Nutrition Project is a Specific Investment Loan that sets out to improve nutrition, especially for children and mothers, and ensure long-term sustainability of nutrition outcomes by improving the quality and quantity of food in children's homes. The project has four components: (a) overall nutrition, by providing food and vitamins; (b) iron supplements and de-worming for children in schools; (c) cooperation between health and agriculture departments to disseminate guidelines for agricultural diversification and product storage; and (d) project management. The project has been ongoing for several years, but recent additional financing for its core activities has resulted in significant achievements. An impact evaluation conducted in 2006 showed that after two years of being enrolled in the National Community Based Nutrition Program, there was a 10 percent reduction in underweight in malnourished

children under three. Madagascar is now one of few countries on target to attain the nutrition Millennium Development Goal.

IDA assistance for health has been particularly successful when lending operations are grounded in good analytical work, include policy discussions that with in-depth knowledge of the barriers across all relevant sectors, and the mechanisms of health financing system.

Successful outcomes in health, nutrition and population initiatives depend on inputs across many sectors and the strengthening of health systems requires a strong cross-sector focus. Work currently underway will help to better understand the breadth and depth of the constraints to delivering improved health outcomes, including the development, piloting, and implementation of a tool for assessing these constraints.

### 3. High-quality policy advice, grounded in global experience.

Health is a complex sector, where understanding incentives, behavior, and demand for services is key, and where blueprints from one country cannot be simply transplanted to another country. It is crucial to ensure there is local customizing, coupled with monitoring, evaluation and knowledge-sharing systems.

In line with the Bank's 2007 Strategy for Health, Nutrition and Population results, many operations have been successfully designed and implemented with a particular emphasis on reaching the health Millennium Development Goals. Following are some examples of results from recent IDA operations:

- *The Ethiopia Protection of Basic Services Project (1998-2005)*, co-financed by the Bank and other donors, aims to ensure the delivery of health, education and other basic services to the poorest communities. The project transfers funds directly to local governments based on needs and performance criteria. In addition, a federal "MDG performance fund" has been established to provide financing for essential public goods such as vaccines and insecticide-treated bed nets. Through this project, more than 20 million nets were distributed, and more than 24,000 health extension workers were trained in one year, resulting in a decrease of malaria incidence by more than 40 percent. Around 74 million people are covered by the project, representing 94 percent of the population.
- *In Rwanda*, the Bank has bolstered budgetary support to improve health service delivery and governance, including expansion of health insurance coverage among the poorest populations. The Bank-backed AIDS project has also expanded health insurance coverage and used performance-based financing to encourage and enable improvements in HIV and other health services. Over four years to 2008, this effort has resulted in some dramatic improvements in health service utilization and outcomes, including an increase in health insurance enrollment from to over 70 percent of the population (or 6.5 million people covered) from seven percent. Additionally, there was a more than 50 percent increase in utilization of health services by poor children and the use of insecticide-treated nets soared to 67 percent from four percent. The use of family planning services more than doubled to 27 percent from 10 percent, the fastest

growth observed worldwide. The incidence of malaria decreased by 62 percent, while child mortality decreased by 30 percent.

- ***The Senegal Nutrition Enhancement Project*** supports an innovative national results-based health and nutrition program, which operates at community level in collaboration with local governments, district health authorities and civil society organizations. Results from the first phase show: antenatal care increased by about one-third to 67 percent; exclusive breastfeeding rates nearly doubled to 58 percent; and the use of bed nets more than doubled to 59 percent coverage in the targeted communities. In the intervention areas, malnutrition dropped by half to just ten percent. The first phase reached 200,000 children under three, or 20 percent of the total population in that age group. Now in its second phase, the program is expanding to cover half of the country's children and to implement a child-focused cash transfer program. After a decade of stagnation ending in 2000, national malnutrition rates have eased to 17 percent from 22 percent as a result of this program, bringing Senegal within reach of achieving the Millennium Development Goal to halve the rate of malnutrition.
- ***Eritrea's HIV/AIDS, Malaria, STD and Tuberculosis Control Project*** aimed to reduce the mortality and morbidity due to HIV/AIDS, malaria, sexually transmitted diseases and tuberculosis. The approach entailed increasing the utilization of effective and efficient health services for prevention, diagnosis and treatment. The project achieved significant results, including decline of malaria mortality by as much as 60 percent between 2000 and 2005. Malaria morbidity dropped from 55 per 1,000 people to 10 per 1,000 in 2002. At the same time, malaria mortality among children under 5 decreased from 10.6 per 1,000 in 2001 to 0.84 per 1000 in 2004. Hospital data also showed a decline in HIV/AIDS mortality rates to under 10 percent in 2002 from almost 13 percent in 1997. Universal blood screening for HIV and other common blood-borne diseases was achieved, and TB treatment and cure rates reached 80 percent.
- ***The World Bank Malaria Booster Program*** aims to achieve a 75 percent reduction in malaria deaths by 2015, compared with levels in 2000. Since the program was launched in 2005, the Booster Program has made significant contributions to the fight against malaria on the continent, including the following examples:
  - In **Benin**, the Booster Program supported a national child health campaign in October 2007 that resulted in the distribution of about 1.4 million bed nets, the largest net distribution in history.
  - In **Zambia**, 62 percent of households, representing eight million people, now have at least one insecticide-treated net (up from less than five percent in 2004), while 317,941 or 66 percent of pregnant women receive preventative treatment, tripling coverage since 2004.
- ***The Vietnam HIV/AIDS Prevention Project*** aims to halt transmission of HIV/AIDS in 18 provinces and two cities, totaling 39 million people or about 45 percent of the population. The project has successfully set up and maintained a network of 2,000 peer educators and 1,300 collaborators who are participating in preventative activities across the country, along with establishing effective monitoring and evaluation systems in all the project provinces. The

project also supports a national communications campaign on HIV/AIDS prevention, using the mass media to reduce stigma and discrimination and to influence behavior change. According to recent data, 93 percent of vulnerable groups in project provinces report safer injection practices, and condom use in sexual intercourse has exceeded the project completion target of 80 percent. The project is set to expand to another 12 provinces with an additional 18 million people.

- ***The Afghanistan Health Sector Emergency Reconstruction and Development Project (2003-2009)*** was launched in 2003 to help rebuild the primary health care system after decades of conflict. The Bank has worked closely with other donors, and local and international Civil Society Organizations to contract out the delivery of a basic package of health services to CSOs and local institutions that are able to reach populations across the country, even in insecure areas. These efforts have led to a 26 percent reduction in the mortality rate for children under five by 2008. The project also increased the percentage of health facilities with female health workers from 25 percent to 74 percent, and antenatal coverage from four percent to 32 percent. The TB case detection rate has nearly doubled to 64 percent today from 35 percent in 2002, and the treatment success rate has reached the global target of 85 percent. Annual assessments show high levels of patient satisfaction, marked improvements in the availability of essential drugs and family planning supplies, and in functioning equipment and laboratory services. This innovative project has become a model for primary health care delivery in other fragile states.

## Strategic Engagement

The World Bank is forging closer alliances with development agencies that make the best use of its comparative advantages, particularly in its operational and analytical work. Together with the World Health Organization, the Bank is coordinating the work of the International Health Partnership and related initiatives. Launched in September 2007, this program responds to the Paris Declaration on Aid Effectiveness and, more recently, to the Accra Agenda for Action. It seeks to strengthen national health systems and to achieve better health results by mobilizing donor countries and other development partners around a single country-led national health strategy. The Bank also is co-chairing the High Level Taskforce on Innovative International Financing for Health Systems launched in September 2008 to identify and promote innovative financing mechanisms to bridge financing gaps identified through the International Health Partnership process.

The Bank is a part of the informal partnership of the heads of eight health related agencies. Formed in July 2007, this group meets bi-annually to strengthen linkages and work jointly to address challenges to expanding health services, particularly for low-income countries.

The Bank is also an active member of several other health partnerships such as the Global Alliance for Vaccines and Immunization (GAVI), the Global Fund, Roll Back Malaria, and the Partnership for Maternal and Newborn Child Health.

Together with GAVI, the Global Fund and others, the Bank is preparing to establish a health systems platform to coordinate,

mobilize, streamline and channel the flow of existing and new international resources to support national health strategies.

Strengthening population and reproductive health using a health systems approach is critical to maternal and child survival. Sub-Saharan Africa and South Asia continue to face high maternal mortality ratios and most IDA lending on population and reproductive health is directed at these two high priority regions. In the past fiscal year, the Bank approved eight projects with population and reproductive health components. The total commitment for these initiatives is US\$58 million. In the current fiscal year, eleven such projects totaling US\$125 million are in the pipeline.

IDA's recent efforts towards achieving better maternal health in client countries have included both technical and financial innovation. For example, the Population and Family Planning Project in Malawi is designed to evaluate the success of a community-based distribution program for the delivery of population and family planning services. The survey showed 95 percent of the adult population in control districts held a positive view of family planning. Contraceptive use doubled in all villages covered in the pilot districts and contraceptive prevalence rate rose from about 20 percent to 30 percent.

Additional resources for 2009 to 2012 aim to address the needs aims at responding to the needs of countries with high-malnutrition rates, principally in Africa and South Asia. The Bank's new nutrition initiative, laid out in 2006, also aims to achieve a global action plan for expanding nutrition efforts, particularly by strengthening partnerships with UNICEF, the World Food Program, WHO and the private sector.

The Senegal Nutrition Enhancement Project is an example of what can be achieved. The project enabled the government to design and implement innovative national results-based health and nutrition programs that act at the community level through a collaboration between local governments, health districts, and CSOs. Results from the initial phase of the project, concluding in 2006, show that antenatal care increased by almost a third to 67 percent, exclusive breastfeeding rates nearly doubled to 58 percent, and the correct use of bed nets more than doubled to reach 59 percent. In the intervention areas, malnutrition dropped by half to ten percent. An independent impact evaluation showed that the results are attributable to the program. The second phase, which will run to 2011, aims to expand coverage to half the child population in Senegal.

### **A Strategic Shift**

The 2007 Strategy for Health, Nutrition and Population Results squarely identifies and focuses on IDA's comparative advantages in a changing global environment, concentrating on areas of health policy, particularly in health systems financing and organization. Where these principles have been followed, IDA has had an impact on health system performance and health outcomes.

As of July 1, 2009, the Bank adopted standardized Core Sector Indicators to be used in IDA-supported programs in four sectors, including health. These indicators will be used to monitor the use of IDA funds in Bank projects by tracking the outputs and coverage of key health interventions, including the number of children immunized, the number of malaria bed nets provided, the number of additional people with access to a package

of key health services, the number of women receiving antenatal care, and the number of trained health workers. Additional country-level indicators will track progress towards the Millennium Development Goals.

Improving monitoring and evaluation is a key component of the Bank's Health, Nutrition and Population strategy. A toolkit to measure health system governance to better monitor accountability in the sector is being piloted in five countries. The Bank is also working with partners to develop better ways to monitor the health MDGs, including the estimation of trends in child and maternal mortality.

In January 2009, a new report, "Attacking Inequalities in the Health Sector—A Synthesis of Evidence and Tools", laid out a policy menu emphasizing pro-poor policy reform along six dimensions, and a list of the analytical tools to better understand the constraints on health investments to benefit the poor. Specific lessons were drawn from Brazil, Cambodia, Chile, Colombia, India, Indonesia, Kenya, Kyrgyz Republic, Mexico, Nepal, Rwanda and Tanzania.

The overarching goal of the 2007 strategy is to ensure that IDA clients are able to achieve health, nutrition and population results, particularly for the poor. Under the strategy, lending will focus more on creating incentives for key results—clear and measurable objectives for health service delivery and for important health outcomes.

To underpin this shift, IDA is increasingly encouraging countries to carry out rigorous impact evaluations of health innovations and programs, in addition to building up effective monitoring and evaluation systems.

IDA support continues to be critical in implementing the program of strengthening country systems to achieve better health outcomes. The global financial crisis of 2009, and potentially the spread of the H1N1 influenza virus, will affect the poorest hardest. Millions of poor people are being forced into extreme poverty and hard won gains in health systems are under threat. The challenge from this economic crisis is to prevent it from also becoming a health crisis.

The target year of 2015 to achieve the MDGs is fast approaching and yet numerous countries are still lagging behind in reaching these targets. Worldwide, a child dies every three seconds, a mother dies in pregnancy or childbirth every minute and 7,000 people are infected with HIV every day. More than half a million women die from preventable complications in pregnancy or childbirth every year. Over 300 million suffer from preventable illness and disability.

Expanded IDA capacity for health, nutrition and population projects is a critical complement in the new global health environment if global resources for health are to achieve maximum impact and sustained results.

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<http://www.worldbank.org/ida>