

**The US\$500 Million Multi-Country HIV/AIDS Program (MAP)
for Africa
Progress Review Mission – FY01**

EXECUTIVE SUMMARY

In September 2000, the World Bank approved the US\$500 million Multi-Country HIV/AIDS Program (MAP I) to support national HIV/AIDS programs in Sub-Saharan Africa to accelerate and expand existing programs in prevention, care, treatment, and mitigation and to build capacity. The MAP approach was flexible and innovative in design – multisectoral, using multiple implementation channels, channeling money directly to communities, empowering stakeholders to make their own decisions, and emphasizing speed and responsiveness. From September 2000 through July 2001, the Bank committed US\$399 million for nine country programs, more than in the previous decade. In preparation for requesting the Bank's Board to approve a second MAP operation, a joint UNAIDS/World Bank Progress Review was carried out in June/July 2001 on the preparation and implementation of MAP I to learn lessons so Borrowers and the Bank could improve their performance in the war against HIV/AIDS. The main findings and recommendations of the Review are:

- MAP country projects were prepared rapidly with great commitment by stakeholders and the Bank but after Board approval momentum has slowed.
Recommendation: Project preparation should include: (i) the completion of operational manuals with stakeholders and first year implementation programs for both the public sector and civil society; (ii) piloting of HIV/AIDS expansion activities financed retroactively or through the Project Preparation Facility; (iii) quarterly first year program performance targets; (iv) establishing mechanisms so that advocacy champions throughout society remain involved in MAP implementation; (v) reasserting the key role of health ministries in health/medical procurement and relevant policy areas.

- The eligibility criteria for countries accessing MAP funds were appropriate and emphasized the establishment of strategic plans, a multi-sectoral approach, high level advocacy and “appropriate” implementation arrangements.
Recommendation: the criteria should be modified to emphasize firm agreement by governments to allow “exceptional” implementation procedures including contracting out on a large scale. An additional criterion should be high level implementation monitoring, including by a separate Civil Society Review Board.

- MAP program implementation is more successful in countries where the National HIV/AIDS Council Secretariat (NAC Sec) has defined its role as “facilitation” and “coordination” rather than as “control” and “implementation”.
Recommendation. NAC Secs should (i) retain only coordination and

facilitation tasks; (ii) recruit personnel from civil society and the private sector as well as from the civil service; (iii) have clear service standards and annual work programs; (iv) have regular oversight from key stakeholders; and (v) support contracting out as a matter of first choice.

- The MAP approach gives priority to establishing a fiduciary architecture of financial management, procurement and monitoring and evaluation with considerable flexibility about which activities in prevention, care, treatment, and mitigation will be funded. The Review found that there was progress on financial management and procurement but insufficient progress on monitoring and evaluation. **Recommendation: The NAC should contract out M&E and financial management. The Bank should “contract in” M&E expertise so it can, in collaboration with other partners, assist MAP country projects to establish appropriate M&E systems rapidly.**
- Successful HIV/AIDS programs around the world have emphasized social mobilization to influence behavior change and to establish an infrastructure of support for those infected and affected with HIV/AIDS. . **Recommendation: put greater priority on “software” than on “hardware”, on funding people directly involved in HIV/AIDS activities at market salaries rather than equipment and civil works.**
- Successful HIV/AIDS programs have benefited from extensive collaboration and cooperation about “best practices”. **Recommendation: Knowledge management needs to be enhanced by the establishment and external funding of a system of national Technical Resource Groups and specialized organizations, animated by NAC Secs and by the UN Theme Groups. Within the Bank, there are no funds for knowledge management associated with MAP lending; this should be corrected through the funding of: (i) a MAP operational manual of best practices in-country; (ii) the creation and initial operations of a network of MAP in country and partner organization practitioners; and (iii) the establishment of a MAP SWAT team which can provide “best practice” operational assistance to MAP projects “on demand”.**
- The MAP approach is new not only for African countries but also for the Bank. The Review found that the Bank has underestimated the demands of partnership as well as the complexity and resource needs of supervising MAP projects. **Recommendation: The Bank should enhance its performance by (i) preparing supervision strategies as part of project preparation that provide the same level of support during supervision as in project preparation; (ii) making the senior Bank official in country responsible for partnership; (iii) continuing to emphasize formal supervision missions jointly with partners, in addition to day-to-day review; and (iv) maintaining a high quality of Bank task team leaders by making their appointment a “corporate” decision.**

INTRODUCTION

1. The approval of the US\$500 million Multi-Country HIV/AIDS Program for Africa (MAP I) by the Bank's Board of Directors in September 2000 was an attempt by the World Bank to participate in the war against HIV/AIDS in Africa more effectively, to operate in a new way in recognition that our involvement in the past had been both too small and ineffective. The purpose of this report is to review the status of approved MAP I country projects and the Bank's implementation assistance to learn lessons to improve the performance of Borrowers and the Bank in the future.

2. In reflecting together with our partners in the late 1990s on efforts by Sub-Saharan African countries to deal with the HIV/AIDS epidemic, there was a consensus that national HIV/AIDS programs have fallen short of expectations for five principal reasons: they have been *inadequately financed*; there has been insufficient government *commitment and leadership*; support from governments and the international community has been *too slow*, especially for scaling up programs that have proven effective; not enough resources have reached *communities*; and programs have been too *narrowly focused* on the health sector.

3. The MAP represents the first phase¹ of a 12-15 year program by the World Bank to support the national mobilization of those Sub-Saharan Africa countries against HIV/AIDS that have internalized the lessons of experience through:

- (i) satisfactory evidence of a strategic approach to HIV/AIDS as manifested by a coherent national, multi-sectoral strategy and action plan for HIV/AIDS developed through a participatory approach;
- (ii) the creation of a high level HIV/AIDS coordinating body with broad membership to oversee implementation of the strategy and action plan;
- (iii) Government agreement to use appropriate arrangements to accelerate project implementation, such as: (a) channeling funds directly to communities, civil society and the private sector; and (b) contracting out to established expertise project administration and coordination activities such as financial management, procurement and monitoring and evaluation; and
- (iv) Government agreement to use and fund multiple implementation agencies, especially community-based and non-governmental organizations. MAP I was designed as a "horizontal" Adaptable Program Loan (APL) with countries eligible for funding which had satisfied the eligibility criteria in (i) – (iv) above.

¹ Because mitigating the epidemic is a medium- to long-term challenge, the MAP will be phased over 12 to 15 years. Phase 1, over the first three to four years, would scale up existing programs in HIV/AIDS prevention, care, treatment, and mitigation and build capacity. Phase 2, following a rigorous stocktaking, would, over the next five years, mainstream those programs that have proved effective, attain nationwide coverage, and expand care, support and treatment interventions. Phase 3, by which time new infections are expected to decline, would permit a sharper focus of prevention on areas or groups where the spread of the epidemic continues. The number of AIDS cases will probably peak during Phase 3, requiring a maximum effort in care, support and treatment.

4. In its design, ambition and scope, the MAP I was virtually without precedent. Country programs were designed to build quickly towards nationwide coverage and involve actors at all levels, from individuals and villages to central ministries, in the public and private sectors and in civil society, through a multi-sectoral approach. The emphasis in the first phase was on “learning by doing”, placing a high priority on monitoring and evaluation and on project rework, and on counterparts and Bank staff and managers operating in new ways. As one African HIV/AIDS activist put it, “In the war against HIV/AIDS, the bureaucrats will have to act like warriors”.

5. The purpose of this Progress Review (Review) is to gather early evidence on the design and implementation of MAP I country projects and suggest lessons on how the design of MAP II can be improved so that Bank funding for HIV/AIDS is more effective. The Review is the result of a joint UNAIDS/World Bank process² that included: (i) a review of documentation concerning the first three groups of projects approved by the Bank for nine countries; (ii) interviews and discussions with Bank TTLs, managers and other experienced persons; and (iii) field visits to Ethiopia, Kenya and Uganda by UNAIDS and World Bank staff that included interviews with UN Theme Group members, donors, government officials and representatives of civil society. It is expected that this Progress Review will be followed by a second phase later in 2001 and regularly thereafter so that counterparts and the Bank can continually learn and improve their performance especially with regard to project preparation, implementation, and partnership.

OVERALL STATUS OF MAP I IMPLEMENTATION

- US\$ 399 million of MAP I's US\$500 million has been committed to nine countries – Ethiopia and Kenya in September 2000; Cameroon, Eritrea, Gambia, Ghana and Uganda in January 2001; and Burkina Faso and Nigeria in July 2001.
- All of the first two groups of projects are now effective or about to be and cumulative disbursements total US\$ 14 million³.

² The progress review was conducted by Jonathan Brown, Operations Adviser, co-task manager, AFTQK/ACT*africa*, World Bank; Sheila Dutta, co-task manager, Health Specialist, ACT*africa*, World Bank; Abdoulaye Coulibaly, Financial Management Specialist, Mali Country Office, World Bank; Eva Jarawan, Senior Health Specialist, MNA Region, World Bank; Dr. Thierry Mertens, Director, World Health Organization Mediterranean Centre; Philip Morgan, Dean, Monterey Institute; Iraj Talai, Lead Financial Management Specialist, AFTQK, World Bank; and Prof. David Wilson, University of Zimbabwe/Project Support Group. The review was conducted under the supervision of Dr. Meskerem Grunitzky-Bekele, Manager, International Partnership against AIDS in Africa, UNAIDS; John Roome, Director, Operational Quality and Knowledge Services, World Bank; and Debrework Zewdie, Manager ACT*africa*, World Bank. The peer reviewers were Dr. Micheline Diepart, HIV/AIDS Focal Point, International Organization for Migration; and Dr. Michel Jancloes, Representative for Ethiopia, World Health Organization.

³Cumulative disbursement figure as of August 5, 2001.

- In addition to continual supervision from country offices, project launches have been held for the first two groups of projects. Formal supervision missions have been conducted only for Ethiopia which resulted in a satisfactory rating for development objectives and an unsatisfactory rating for project implementation.
- Feedback from stakeholders shows that the MAP is much appreciated for its new approach, particularly the use of IDA funds for civil society organizations, the emphasis on reaching communities, its flexibility in funding activities across the spectrum of HIV/AIDS activities, and the speed with which the Bank approved projects. On the other hand, there is considerable frustration that funding is slow to reach implementing agencies in the public sector and civil society and with the central “coordinating and facilitating” agency – the NAC Secretariats⁴ – which have often become bureaucratic and insufficiently responsive to implementing agency needs. In addition, momentum, both in terms of speed and support, evident during project preparation, has slowed during the first months of implementation.

LESSONS LEARNED: PROJECT DESIGN, PREPARATION AND IMPLEMENTATION

Adherence to MAP Criteria

6. As previously mentioned, in order to be eligible for MAP support countries were required to demonstrate the following:

7. **Satisfactory evidence of a strategic, multisectoral approach to HIV/AIDS developed in a participatory manner.** Although each MAP has satisfied this criterion, it is clear that the mere presence of an agreed strategy by no means ensures its effective implementation. A major challenge is the common lack of careful phasing of program components. For example, a number of countries have launched VCT campaigns without first ensuring that the infrastructure, staff, and procurements requests are in place. The mission recommends national strategies be implemented through annual implementation programs. This approach would enable NACs and other partner agencies to better understand the immediate (and longer-term) needs and challenges.

8. **A high-level HIV/AIDS coordinating body with broad stakeholder participation.** NACs have been established with support from the MAP. However, their effectiveness is widely perceived to rest more in advocacy than in actual program coordination and performance review. Partner agencies in both the public sector and civil society remain unclear as to the actual responsibility of these NACs in supporting the implementation process. NACs should shift their primary focus from advocacy and

⁴ In this report, the acronym NAC or NACs will be used to refer to National HIV/AIDS Councils(s) and NAC Secs will be used to refer to National HIV/AIDS Secretariats(s).

mobilization to focusing on monitoring and review of the program. However, it is also clear that NACs will require substantial support and training to transform their roles.

9. Government agreement to use “appropriate” implementation arrangements to accelerate project implementation, such as channeling grant funds for HIV/AIDS activities directly to communities, civil society and the private sector, and contracting out functions such as financial management and monitoring and evaluation. Ideally, these responsibilities could be given to the same contractor⁵. “Contracting out” has not always been accepted, and implementation has been uneven across MAP projects. Even at this early stage, a review of the MAPs clearly reveals that some measures considered to be “appropriate” by NACs are not sufficient to contribute to the MAPs goal of rapid expansion of programs. In most instances, instead of being “appropriate”, the implementation arrangements being used are less efficient than what would be considered “normal” implementation measures. **The Review concluded that this criterion should be changed to “exceptional” implementation arrangements.** Both these “exceptional” and other normal implementation measures need to be carefully detailed in operational manuals and agreed at negotiations in order to ensure accountability and rapid response. “Contracting out” should be normal.

10. Government has agreed to use and fund multiple implementation agencies, especially community-based and non-governmental organizations. There have been substantial delays in the release of funds to community accounts and also delays in the establishment of appropriate financial management and procurement systems. The application and review process for the community grants components has not yet been pilot tested in a number of countries. In other countries the process is not transparent because evaluation criteria, where they exist, are not made public. The Review mission believes that these issues should be resolved during project preparation and not await implementation.

Preparation Effort

11. The MAP program illustrated by the Kenya and Ethiopia projects, has been characterized by an intense preparation process of relatively short duration followed by a significant drop in activity by both the Bank and government teams after Board approval. The impact of this decreased level of post-Board support has been most noticeable in terms of the extended length of time needed between project approval and effectiveness. This issue could perhaps be addressed by developing a minimum list of conditionalities thought to enhance the likelihood of rapid and effective implementation. This list would be largely derived from the observed bottlenecks facing the first group of MAP projects.

12. A means of addressing the post-Board decline in focus would be to ensure the active involvement of the preparation counterpart team in the implementation phase, on at least a consultancy basis. This continuity has been absent in many MAP projects.

⁵ The Progress Review Team recognizes that a single firm is unlikely to possess the needed capacity for both financial management and monitoring and evaluation. However, the requisite expertise in these areas could be “contracted-in.”

Critical advisers and partners from the project preparation period have often not been involved in implementation at all. The amount of time and budget invested in partnerships has also tended to decline at the end of the project preparation process.

13. Another area of concern in early implementation involves a perceived decline in government commitment as the program moves from advocacy to action. It is imperative that “champions” during design/preparation phase continue to be active during implementation. It is also important that such champions be actively sought in the public sector, private sector, as well as civil society. This approach would not only create a sense of ownership among all stakeholders but also empower key stakeholders to serve as the project’s Civil Society Review Board. As a result of changing political structures, this level of continuity has not always been possible in the MAP.

14. The emphasis on advocacy during the MAP preparation process has also raised high expectations among stakeholders. It is important that future MAP projects attempt to balance expectations with reality both in terms of the speed of response to financing proposals and with respect to the resources available. For example, during discussions with civil society organizations regarding the community grants component, it should be emphasized that despite the expedited project preparation process, the period between project approval and effectiveness could range up to several months. As was stated by one NGO representative, *“When you say to a community, ‘I’m coming,’ they expect you to arrive the next day.”* More broadly, the mission also highlighted the need for the early formulation of an overall communications strategy addressing both project-specific information dissemination to various audiences (i.e. public sector, civil society, donor community) and also consistency in messages promoted through behavior change campaigns.

15. In terms of steps to expedite the expansion of key interventions, it is strongly recommended that PPF financing be sought to support the piloting of projects’ fiduciary architecture. Retroactive financing should be used for public sector and civil society organizations to begin scaling up quickly. The PPF or perhaps PHRD financing could also support the collection of current baseline data with respect to current HIV/AIDS activities and partnerships nationwide. This assessment could also examine existing monitoring and evaluation resources, enabling detailed discussion on project M&E early in the project preparation process.

16. A delineation of the costs and benefits of contracting out projects components, such as monitoring and evaluation, could also potentially be conducted using this financing. MAP links to other HIV/AIDS-related activities Bank-financed activities should also be identified during the project preparation phase to ensure a consistent and coordinated institutional response.

MAP Phase I Objectives

17. The objectives of phase one of MAP country programs are to scale up existing HIV/AIDS activities and to build capacity in areas where this is needed. The

country programs in general include support for capacity building for government agencies and civil society and the financing of prevention, care, treatment and mitigation activities to expand the multisectoral response as well as the participation of civil society and communities in the fight against HIV/AIDS. In many countries, the MAP funding is sometimes the first, or usually the most substantial, use of IDA funds for civil society organizations.

Scaling Up Existing Programs in the Public Sector and Civil Society

18. Scaling up existing HIV/AIDS programs has proven more challenging than originally envisaged even for: (i) public agencies already engaged in HIV/AIDS activities, particularly ministries of health and education; and (ii) NGOs and AIDS Service Organizations (ASOs) with existing HIV/AIDS programs. However, scaling up can be done in the first year of MAP implementation for these agencies if as part of project preparation:

- Assessments of existing HIV/AIDS programs are carried out.
- Selection criteria for proposals are defined and agreed upon through a consultative process early in project preparation. These selection criteria should also be made publicly available.
- The NAC Sec coordination mechanism is empowered to approve programs that are ready quickly and transparently.
- First year scaling up programs for key ministries and active NGOs/ASOs are available by negotiations;

19. Even more rapid progress can be made if: (i) pilot scaling up programs are funded through the Bank's Project Preparation Facility (PPF); (ii) the Bank agrees to fund existing programs retroactively⁶; (iii) "Technical Support Agents" are contracted to facilitate program preparation for small and medium sized NGOs and for community based organizations; (iv) rapid and participatory assessments of on-going sectoral and partnership activities are conducted early in project preparation to identify assets, responsibilities, and bottlenecks to be overcome. However, scaling up requires in many cases more capacity building than originally thought and a willingness of NAC Secs to move rapidly with those agencies which can scale up first. In several countries ministries of health have taken the lead in the procurement of medical items both for themselves and for other public agencies and civil society organizations which are implementing health-related activities.

Building Capacity for HIV/AIDS Activities in MAP Countries

20. With the emphasis on building the NAC Sec, getting projects effective, scaling up existing programs, and establishing channels for getting money to communities, most MAP projects have not yet started systematic programs of building capacity either in civil society or the public sector. In addition, what capacity building

⁶ This is particularly important for the cash flow of NGOs.

there is seems to be concentrated on training of trainers in the public sector and sensitization seminars generally. To turn around this situation the Review suggests:

- Identify and contract technical resource organizations or groups with clear capacity building experience and performance targets. In many countries, this can be done through local organizations or in partnership with Technical Resource Groups (Box 1).
- There is considerable experience in MAP countries with building up civil society organizations that simply has to be tapped into by NAC Secs. In addition, NAC Secs should contract technical resource agencies to deliver to civil society organizations training on and exposure to national and international best practice on key HIV/AIDS activities.
- For the public sector, the highest priority seems to be the establishment and resourcing of **full-time** AIDS coordination units (ACUs) or focal points with appropriate administrative standing. In addition, the NAC Secs should identify and contract organizations with expertise in work place AIDS programs to train and support the ACUs/focal points.
- Capacity building should not duplicate or try to supplement the traditional role of Ministries of Health at the national, regional, district or local levels. In addition, horizontal networking among sectors at all levels should be encouraged.
- Capacity building should aim at establishing bridges among key stakeholders and across sectors.

BOX 1: Using Technical Resource Groups to Enhance MAP Programs

There exists nationally and internationally a wealth of technical expertise and practical experience that needs to be brought to bear on national HIV/AIDS programs, and made available to all levels of countries. Experts need to be selected for their outstanding knowledge and practical expertise in a range of technical fields and form flexible Technical Resource Groups (TRG) in such areas as: social mobilisation; Information, Education and Communication (IEC); Voluntary Counselling and Testing (VCT); home-based and community care; biological and behavioural surveillance; prevention and treatment of sexually transmitted infections (STI); social marketing; tuberculosis (TB) control; and process skills such as rapid participatory assessment methods, management information systems, conflict resolution and management skills, and monitoring and evaluation.

The establishment of TRGs, promoted, inter alia, by the UN Theme Group as well as by NAC, is an integral part of using knowledge management and partnership as essential tools in social and intellectual mobilization against HIV/AIDS. Experience suggests that line agencies using staff technical services is not without its difficulties. Potential users of technical expertise need to know such services are in fact available. They must become critical and effective demanders of specialized technical services. On the supply side, the NAC Sec and selected TRGs themselves will need to be proactive in promoting the availability of such services, especially until implementing agencies develop the habit of integrating external services.

For such a dynamic to get established, two things need to occur: (a) A core minimum of TRGs will need to be established early. Although this will require thought, local resource persons can identify international groups and individuals. They can tap into the MAP partners for ideas. [For example, DFID contracts the identification and mobilization of such expert resources on a competitive basis.] (b) Implementing agencies will need orientation in how to access such services. This is not merely a procurement exercise. Assuming the talent is available or on retainer, the user orientation will be mainly concerned with when and how to incorporate such services.

Typical Project Components

A. Building Capacity for NAC

21. NACs, NAC Secs and line ministries need urgent training in: (i) facilitation, co-ordination, advocacy and communication skills; (ii) updated technical knowledge on HIV/AIDS prevention; care and impact mitigation; (iii) management skills, including developing realistic work plans, financial management and computer skills; and (iv) monitoring and evaluation. NAC Secs and the UN Theme Group should take the lead in establishing Technical Resource Groups (TRG). The review mission found that there was little capacity building at the level of the NAC and their secretariats.

B. Public Sector Support Fund

22. The coordination and implementation of a multisectoral program in the public sector has faced numerous challenges in practice including: (i) the lack of formal appointment of staff in HIV/AIDS units; (ii) limited technical capacity and support in the development of innovative and realistic work plans; (iii) lack of clarity surrounding the role of NAC Secs in supporting line ministries; (iv) limited resource allocations from ministry budgets; (v) the challenge of meeting high expectations raised by the program; and (vi) the special sensitivity of dealing with the Ministry of Health.

- **Structure and staffing of public sector HIV/AIDS units:** Staff given the responsibility of serving as HIV/AIDS focal points within line ministries require both resources and administrative standing in order to meet their task. Currently, in many countries, no formal appointments have been made and, as a result, staff are often serving on a “volunteer” basis. In addition to formal appointments which should clearly indicate the proportion of time staff will be able to devote to addressing HIV/AIDS, other key issues such as the necessary skills mix of staff, capacity-building measures, and reporting hierarchy of the unit still need to be addressed.
- **Development of ministry workplans:** Most ministries have developed HIV/AIDS workplans and submitted these programs to NACs for review. The plans seem to lack innovation and knowledge of best practices and largely appear to be based on a single template. They are also very ambitious in their scope, given the very limited capacity of these units. For example, wide-scale sensitization training is planned for ministry staff at all levels although the anticipated outcome of this training is still unclear. Some of the planned training involves prevention, counseling, monitoring and evaluation, among others, in a single course. The provision of technical support to these HIV/AIDS units from Technical Resource Groups or perhaps through secondments from other units would assist in the development of more appropriate annual work programs.
- **Coordination with National HIV/AIDS Councils (NACs):** It is clear that NACs need to greatly improve their coordination and communication strategies. HIV/AIDS units are largely uncertain of the support they could expect from NAC Secs, in terms of both technical issues and questions on financial management. A number of units independently obtained copies of the MAP PAD in order to better understand what they were expected to accomplish. HIV/AIDS training has recently been held on issues such as work plan development and financial management, but in the words of a participant, “these were held several months too late.” In terms of coordination, NACs and NAC Secs do not always appear to recognize substantial work on HIV/AIDS done prior to the MAP. This has resulted in some re-inventing of the wheel and consequent alienation of some partners, particularly in Ministries of Health. NACs’ review process of ministry workplans and budget approval levels also appears to be an area requiring further clarity. Although NACs have developed criteria by which to appraise workplans, these criteria are not always shared with the ministerial HIV/AIDS focal points. The NAC Secs role in coordinating procurement, particularly with respect to drugs, condoms, and test kits, needs review since this has often been done in the past, and should continue to be done in the future, by Health Ministries. In a few cases, ministry activities have stalled due to extensive delays in procurement of these commodities.
- **Budget line support:** Since the advent of the MAP, a number of line ministries now include a line item for HIV/AIDS in their annual budgets. Although these

allocated amounts are relatively small (the MAP remains the major financier of these multisectoral efforts), this is a significant step in the sectoral mainstreaming of HIV/AIDS. The presence of this budget line support would also serve to reduce sustainability concerns that these HIV/AIDS efforts may be more project-than program-specific.

- **Ministry of Health.** In many MAP countries, the establishment of a multi-sectoral HIV/AIDS program and the placing of the NAC Secs outside the Ministry of Health has caused resentment and confusion among health officials. This has not been helped by the tendency of NAC Sec officials to consider MOHs as just one among many ministries that should be supported with MAP funding. There is a clear need for NACs and NAC Secs to recognize the central role that MOHs and their decentralized units have in the response to the HIV/AIDS epidemic.

BOX 2: Cross-fertilising: Public Sector Subcontracts NGO

The Ethiopian Roads Authority (ERA) is a public sector institution with a staff of 15,000 and an additional 5,000 sub-contractors across the country. Road workers are often separated from their families for several months and are therefore particularly vulnerable to HIV. In addition, appropriately designed prevention programs targeted to ERA workers can have a spill-over effect on contact populations.

In January 2001, ERA submitted a proposal to the National HIV/AIDS Prevention and Control Secretariat (NAC Sec) for the development and implementation of an awareness and prevention strategy for their workers and sub-contractors. This strategy included three major components : Information Education and Communication (IEC), free provision of condoms, and access to voluntary counseling and testing services.

Given ERA's relative lack of capacity and technical expertise in HIV prevention, its senior management decided to develop the proposal jointly with a large local NGO and requested funds to sub-contract implementation of the proposal to the NGO. The proposal, for which ERA will maintain general oversight, has been approved.

C. Civil Society Support Fund

23. The civil society fund in Ethiopia began to disburse funds in mid 2001 while the fund in Kenya awaits the appointment of a financial management agent. In both countries, there has been considerable "marketing" of the MAP approach, building up expectations of the imminent arrival of funds. More recent project preparation in other MAP countries is trying to accelerate the access of civil society organizations to funding and to learn a number of important lessons:

- Large, or otherwise experienced and relatively well-endowed, NGOs can serve as mentors and facilitators to small NGOs and to CBOs in both organizational formation and planning for scaling up. At district level in Ethiopia both OSSA and ACCORD, two large NGOs, have provided training in organization and

management, along with templates, guidance and oversight in financial management, to CBOs, e.g., the anti-HIV/AIDS Clubs. The latter organizations can receive EMSAP civil society funds for their AIDS awareness campaigns, support for orphans, caring for those living with AIDS, etc. Accordingly, their larger mentors too can apply for funds under EMSAP to underwrite training programs and scaling up exercises for those, and other, NGOs/CBOs. Mentoring and oversight by the larger to the smaller provides a multiplier effect.

BOX 3: The Role of Facilitating Agencies in Building Civil Society Capacity

ACCORD is an international NGO that has worked in Ethiopia since 1986. It currently works in four areas of Ethiopia: Addis, Dire Darwa, Gambella and Shashemene, primarily in urban and rural livelihoods and community capacity building. ACCORD has an intensive CBO capacity building program in Addis, elements of which are infused into ACCORD's work in other regions. ACCORD's CBO program aims to promote the role of traditional CBOs (*Edirs*) as grassroots partners through three components: advocacy, direct financial support and training. The program has served to increase CBO networking and confidence to access resources and take up diverse development activities. The Review team visited ACCORD and CBO partners in Shashemene and observed that simple project management and financial administration systems shared by ACCORD had genuinely taken root in CBOs. CBOs visited had membership records, simple numbered receipts and informal cash books provided by ACCORD. They used training and planning systems shared by ACCORD. Their records were simple, clear and up-to-date. The Review team concluded that ACCORD has significantly increased the capacity of community organizations to apply for, receive, manage, program and account for EMSAP resources. The team also concluded that there is a major role for established NGOs such as ACCORD, to facilitate, catalyze and train CBO partners.

- Small civil society organizations have very different needs as compared to larger organizations for both capacity building and scaling up. Organizations operating in multiple locations already may need mostly material resources to increase their substantive activities (e.g., paper, media production and time, communications improvements). For small organizations that are either opening branches for the same activities in new communities, or taking on new activities, capacity building might mean office equipment, vehicles or resources to hire more staff. There should be no blanket prohibition on how resources should be used given the variation in what is required for capacity building or scaling up for different missions in different organizational settings.
- Civil society organizations greatly extend the reach of the formal health service. By serving as networkers NGOs/CBOs can either provide support services themselves or find referral support for the those affected or infected with AIDS. Over-stretched regional or district public health providers looking for home care support for those living with AIDS, or support for those orphaned by the disease, can plug into extensive networks of CBOs. Quality control can be assured by the vetting and licensing of such civil society groups by the public sector health authorities in return for letters of attestation for the NGO to use in applying for

grants from a variety of private, non profit sources. This is working well at the sub-district level in certain parts of Ethiopia. In the absence of strong decentralized institutions, faith-based networks may serve as an effective mechanism to implement key interventions, particularly related to care and support of those infected and affected by HIV/AIDS.

D. Project Coordination and Facilitation

24. The intent of the MAP approach is to have a “light” unit in the NAC Secs to “coordinate” and “facilitate” the implementation of the overall national NAC program, including activities funded by IDA funds. The vision was that the unit would contract out much of its specialized activities, such as financial management, procurement, monitoring and evaluation, program review etc. so that it would not become a public sector bureaucracy that might impede implementation of urgently needed HIV/AIDS activities.

25. The Review concluded that the greatest danger to rapid and sustainable action is the tendency for NAC Secs to act like bureaucracies, to build up in-house capacity rather than to contract out, and to “empower” themselves instead of empowering implementing agencies in the ministries, civil society and communities. This tendency can be avoided by a number of measures including:

- Contracting out functions on the basis of efficiency and effectiveness rather than assuming the NAC Sec is “entitled” to become a large bureaucracy.
- Close oversight, the establishment of annual work programs, service standards and performance reviews by the NAC, and close supervision by those involved in MAP project preparation, including the Government “champion”.
- The recruitment of NAC Sec staff not only from the public sector but also from civil society and the private sector.
- Seconding NGO and private sector staff into the NAC Sec for high priority activities.
- Separating the two key functional areas of the NAC and the NAC Sec. **Program preparation**, approval and coordination, the substance of the MAP program - advocacy, program preparation and review, and monitoring and evaluation - could remain with the NAC Sec. **Program administration** – the actual disbursement of funds, financial management, and that procurement not handled by Ministries of Health or directly by implementing agencies – could be performed in a central place even if contracted out.

26. An important task for the NAC Sec is to assure the coordination among donors and with the NAC programs. Two mechanisms are suggested; (i) a **Joint Financing Committee (JFC)** composed of the NAC and the external and internal sources of financing. The JFC would approve annual work programs, follow up on funding pledges, and review overall performance through (ii) **Joint Annual Reviews**, the first before the budget cycle on the next year’s work program, the second after the budget cycle on the preceding year’s program and its accomplishments.

E. Financial Management and Procurement (*Annex 1*)

27. In general, financial management design is satisfactory, especially for those countries that have contracted out to a private firm the functions of project financial management, accounting and, in some cases, disbursement of funds. For those countries that have declined to contract out financial management, early evidence suggests that the “in-house approach” is slowing down overall implementation. There also appears to be some degree of confusion among donors regarding whether or not the “Project Implementation Manual (PIM)” outlines implementing procedures for only Bank financed activities, or for all funding disbursed under the NAC. A brief explanation of Bank guidelines regarding joint and parallel financing during perhaps a stakeholders’ workshop during project preparation should resolve this issue.

F. Monitoring and Evaluation

28. Since a prime objective of the MAP is to scale up existing programs without the Bank’s traditional *a priori* technical assessment of program effectiveness and efficiency, early and comprehensive results from M&E are critical to determine which programs are successful and should be expanded further and which are less successful and should be stopped or provided with capacity building.

29. The Review found that most MAP projects correctly de-emphasize “impact” indicators given that it is unrealistic to expect long-term impact given the nature of the epidemic and the relatively short project period of MAP projects. Instead, the emphasis is on “output”, “process” and “outcome” indicators which can be used more appropriately as indicators of project performance.

30. However, the MAP country projects in FY01 usually did not have appropriately designed M&E at the time of Board presentation although this is beginning to change for projects currently under preparation as it has been accepted that M&E systems must be in place as soon as possible. The centerpiece of M&E systems must be an agreed, field-tested M&E manual that has been prepared in consultation with key stakeholders as an integral part of project design funded either through PHRD or PPF. The manual should be simple, structured and standardized, containing a single M&E tool which specifies targets, tracks performance, and rates performance variations. In the absence of standardized tools, it is not possible to ensure that meaningful, aggregated data summarizes flows from level to level. For projects under implementation that do not have adequate M&E, this should be a focus of supervision.

31. The NAC structure has a key coordinating role in M&E, ensuring consistency and performance. However, since building up M&E capacity is a long-term process and since M&E capacity exists in most MAP countries, NAC Secs should outsource all M&E to specialized agencies:

- The contracting out of **surveillance and research** is well-established and can be overseen by the Ministry of Health;
- The rationale for contracting out **financial management** has already been explained;
- Contracting out M&E for HIV/AIDS **programs** and combining this with **financial management** M&E is based on the following considerations: (i) This would provide economies of scale and a basis for cross verification; (ii) given the sensitivities concerning HIV/AIDS data verification, it is preferable to delegate this to a financial firm accustomed to handling confidential information; (iii) program M&E will entail complex data gathering management capacity which is easier and faster to contract out than to build afresh, and speed is critical to the MAP approach; (iv) linking program reporting to financial management and further disbursements will improve program reporting; and (v) outsourcing data verification and management enables NAC Sec M&E staff to focus on the strategic program implications of the results of the monitoring and evaluation data.
- Experience has shown that a technically sound M&E system will fail without an intensive participatory process to build stakeholder ownership and involvement. This can be accomplished through participatory planning meetings early in project design/preparation to clarify and refine an integrated project management plan encompassing institutional arrangements, program implementation, financial management and M&E.

THEMATIC LESSONS LEARNED

Partnership

32. Partnership is essential to the MAP approach. MAP funding is insufficient to cover more than a small percent of overall resource needs for the response to HIV/AIDS. The complexity of the MAP approach – multi-sector, multiple implementation channels, activities that span prevention, care, treatment, and mitigation – require coordination and collaboration. And the Bank has insufficient resources and technical capacity to supervise well and provide support for all the components of MAP programs.

33. However, the Review found that there is insufficient partnership or evidence of coordinated collective action among key multilateral and bilateral donors, and the UN Theme Group in the three countries visited. The principal multi-laterals whose work programs in HIV/AIDS fit right into the spirit of the MAP, e.g., UNICEF, WHO, etc. are aware of the promise of MAP funds through their participation in both the UN Theme Group as well as their activities with the respective NACs. However, the inertia at the respective NAC Secs, the preoccupation of donors with their own core activities, and the less than inclusive supervision by the World Bank suggest the partnership is defined

more as exchanging information rather than as sharing responsibilities and using each institution to its maximum advantage.

34. Each of the major bilaterals is actively involved in supporting HIV/AIDS efforts. Some have provided resources directly to NAC Secs, e.g., USAID and the Danish Government in Ethiopia. However, NACs are not the pole around which integrated donor activities rally. All donors recognize that the scale of MAP resources, combined with an effective NAC and NAC Sec, can serve everyone's interest. The reality from the bilateral point of view is that there cannot be genuine partnership without a greater commitment from the World Bank, a more effective NAC Sec and a proactive UN Theme Group. More active involvement from the Bank is necessitated to promote partnerships and identify areas where greater collective effort is needed. Also, Bank staff and managers must give higher priority to promoting partnership, including Technical Resource Groups. Memoranda of Understanding among the major stakeholders would be very useful, especially for those who agree to participate in World Bank supervision efforts.

Governance and Leadership

35. Governance consists of the institutional arrangements by which authority is exercised and held accountable. Leadership is the set of qualities needed to move people to achieve goals collectively that they would otherwise not achieve. Both are essential to the success of the MAP approach. Housing the program at the highest levels of political authority is necessary, if not always sufficient, to project the priority of HIV/AIDS policy. This also establishes, in principle, that the national political leadership is a "champion" of the effort against HIV/AIDS. In Kenya, the NAC Sec is located in the Office of the President. The President speaks frequently in public about the AIDS crisis. In Ethiopia the NAC Sec is in the Office of the Prime Minister, while the President of Ethiopia chairs the Council.

BOX 4: Who is a Champion?

Champions are people who energetically represent the goals of a policy or program. They can be found anywhere: a 10 year old boy in South Africa, a popular singer in Uganda, a AIDS widow who starts a NGO, a senior civil servant in Kenya, the Prime Minister of Mozambique, the head of state of Botswana, the President of the World Bank. Each speaks out in his/her own way and in different fora. However, they are common in their passion that HIV/AIDS is a war in which we must be all involved.

36. While locating the MAP in the office of the chief executive garners authority and public attention, early experience has shown that it is **not** a guarantee against inertia and bureaucratization.

37. The NAC in Kenya meets only once every 3-4 months. The same body in Ethiopia meets rarely, partly **because** the chair is a busy head of state. Moreover, the early operations of the NAC Secs reveal a tendency to control, rather than facilitate, and

to focus on staffing and resources for the secretariat instead of assuring that resources are pushed out to the line ministries, regions and districts in a timely fashion.

38. These problems require both a leadership response and a governance response.

39. The person selected to head the MAP effort must be a genuine champion, and must possess personal leadership qualities that ensure (a) continuous access to the highest levels of political authority, thus encouraging the head of state/government to become a vocal champion; (b) commitment to the multisectoral goals of MAP, and (c) an ability to mobilize, energize and institutionalize the sustained effort the epidemic requires.

40. The NAC secretariat director needs to have credibility through past performance either as an effective leader or an experienced manager, or both. The appointee needs to champion the gravity and urgency of the program in any and all arenas that can affect the success of the campaign. Though it is not vital that the director have medical/public health credentials, s/he has to be able to secure the confidence of leaders in the health sector. For the secretariat itself this will provide good judgment about the functions and staffing of the secretariat, what caliber of person is needed in the ACUs of the line ministries and how to secure the services of such people. As one person interviewed observed: "My major fear is not the ministers and the politicians interfering, but the middle managers." The review found that where the NAC Sec director possessed these qualities, the MAP program was advancing. One country has decided to recruit the NAC Sec director through a competitive process handled by a professional recruitment firm.

41. Similarly, the NACs must not only represent the various stakeholders but members who will also proactively "champion" the effort. In addition, the composition of the National Advisory Board [or the executive committee of the Council which meets frequently with the director] must include champions. The same principles should inform the selection of representatives to AIDS councils at region/province, district and sub-district levels. The "authority" of the MAP, through champions, has to reach the grass roots.

42. A governance response for solving these early problems can be found in accountability mechanisms.

43. Governments have tried a variety of accountability mechanisms: (i) the NAC Sec itself; (ii) traditional civil service audit bodies; (iii) parliamentary committees. Each of these has positive aspects, often depending on the specific country context. However, the Review proposes that in order to promote accountability as well as to maintain a sense of urgency, MAP countries consider creating a "Civil Society Review Board" (CSRB), made up of acknowledged HIV/AIDS advocates that should represent such important constituencies as PLWHA, trade unions, religious organizations, human rights and women's organizations, the media and the private sector. The CSRB should be mandated to review the rate and amount of fund disbursements against targets, the

impartiality, objectivity, and quality of grant making and overall MAP performance. The CSRB should meet quarterly with NAC and the donors and prepare a public annual review. The CSRB should have a full time coordinator with an operating budget to develop effective linkages with all stakeholders.

Hardware vs. Software

44. Funding for HIV/AIDS prevention, care and mitigation is often directed towards “hardware”: the purchase of material, equipment, testing kits, drugs and buildings. Software is often seen as a “luxury” or not “necessary”. This is perhaps because of the traditional preference for hardware in many traditional projects. However, because the success of HIV/AIDS prevention and care activities essentially depends on behavioral change at individual and community levels, a lasting impact on the epidemic can happen only if major investments are made in human capital, i.e. software.

45. Strategies that have proven to make an impact on the course of the epidemic in Uganda, Thailand and industrialized countries devote a major part of resources to software: effective communication networks for social mobilization; empowering young people and communities at large to become active agents of social change; and outreach activities such as home-based care, peer education, social marketing of condoms and voluntary counseling and testing. These strategies all rely on providing an infrastructure of support for people’s lasting involvement in which “software” plays a major part. Such involvement is also only possible if decent salaries are offered in order to attract the best and most experienced national and international experts.

BOX 5: People Power

The following examples illustrate the importance of people as the main pillars of success in the war against HIV/AIDS.

- Champions are needed at national and regional levels to instill enthusiasm and conviction that AIDS is not an irremediable curse, but, rather, that it can be prevented. The role of culturally competent local media cannot be overemphasized in this endeavor.
- Young people are particularly susceptible to HIV infection, but difficult to reach through national programs, especially for those out of school. There is therefore a need for identifying appropriate resources, such as Non Governmental Organizations (NGOs) already reaching young people and anti-AIDS clubs where youth act as peer educators.
- Orphans need more than food, clothes and school fees; they need a social support network. Organizing such support requires fully dedicated people, not part-time workers.
- Purchasing testing kits, condoms and drugs is of course crucial to the success of prevention and care undertakings but the challenge lies more in making them accessible to the population. Accessibility encompasses geographical, cultural, affordability and adequacy dimensions of services which in turn rely on peoples’ competence and commitment.
- Strengthening information systems is critical for successful implementation of the HIV/AIDS programs. Good data connectivity and effective information networks are needed to improve communication among NACs, regional and district AIDS Committees. Information systems managed by experienced professionals are required in the areas of program management support, information exchange, surveillance, monitoring and evaluation, and collaboration among sectors.

46. Too often, a false sense of economy is made by hiring personnel at low salaries. The issue is compounded by the reluctance of governments to use development assistance for salaries or to pay market salaries. However, in the face of the HIV emergency, *extraordinary* measures have to be envisaged and this includes giving a higher priority to “software” which has proven so effective in the struggle against the HIV/AIDS epidemic.

Knowledge Management

47. The early MAP1 project reviews indicate that there is limited sharing of lessons and experience among both Bank staff and counterpart teams alike. In some instances, this has resulted in delays in project preparation and implementation during which teams unnecessarily have re-invented wheels. Given that all MAP projects share key characteristics in project design and also that the premise of “learning by doing” underlies this entire approach, the development by the World Bank of a more effective means of sharing of MAP experiences is critical, particularly in the following areas:

- **The development of a MAP practitioner’s manual of procedures on best practice** would be an important first step in sharing key documentation and experiences stemming from the project preparation and implementation processes. This manual would include operational manuals, project implementation plans, monitoring and evaluation frameworks, legal documents, PPF and PHRD applications, training programs, supervision schedules, financial management manuals, and public sector workplans, among others. The first generation of MAP projects has already produced a number of excellent references for each of the above areas. In order to ensure that these documents are more accessible to project teams, they should to be made available electronically and organized to ensure rapid access to areas of interest. This practitioner’s manual would also be updated on a frequent basis in order to integrate new lessons and experiences and to ensure that policy and procurement guidelines remain current.

BOX 6: The Financial Benefits of Knowledge Management

Since MAP design is similar in different countries, once quality material is developed for one of the HIV/AIDS projects, it can be re-used in other HIV/AIDS projects which have similar structures and characteristics. Examples of such material are operations manual, forms and formats for reports and applications, financial management systems and procedures.

An example for immediate use is the accounting system designed, manuals produced, and the specifications of software and hardware selected by NACC in Kenya. Other countries with similar structures and organization can use (with minor modifications) the same system and manuals, as well as the specifications for software and hardware in use in NACC in Kenya.

By doing so, each project will save about three months time to produce similar manuals, design accounting system, and produce specifications for equipment and software. The cost saving is estimated at about US\$ 60,000 to 80,000 for each project choosing to re-use the above.

48. The similarity of MAP design means that once high quality material is developed in one country it can be used, suitably modified, in other countries. Examples include operations manuals, forms and format for reports and applications, financial management systems and procedures, monitoring and evaluation, etc.

49. An example is the accounting system, manuals and specifications for software and hardware selected by the NAC Secretariat in Kenya. With minor modifications, this can be used in other countries saving about three months in time and \$60,000 - \$80,000 in direct costs.

- **The creation of a network of practitioners and partners to expand knowledge sharing capacity** is also proposed in support of efforts to involve external partners at the national and regional levels in an on-going manner. It is suggested that this would include the establishment of an electronic network, the recruitment of a moderator to develop the content and structure of the network, the development of a website and electronic newsletter, the initiation of a series of regional seminars, and also the organization of periodic region-wide meetings of MAP practitioners and partners. This network would have close relations with international and national Technical Resource Groups. Practitioners and partners would include key representatives from NACs, NAC Secs, Civil Society Review Boards, national NGOs, line ministries, TRGs, UN and bilateral partners, financing institutions, international NGOs, and international research institutions. This network would be organized around management, programmatic, and thematic areas.
- The **creation of a regional MAP implementation support SWAT team** has been identified as a means of ensuring that TTLs are able to rapidly access needed multi-disciplinary skills throughout the project cycle. As described in the original program documentation, the MAP is an inherently high-risk endeavor which will require a significantly increased level of expertise to achieve its objectives. It is envisioned that this team would primarily support the areas of mainstreaming local responses, strengthening partnerships, improving institutional performance, strengthening the fiduciary areas of financial management and procurement, in addition to monitoring and evaluation.
- Within the Bank, an informal **MAP TTL working group** has been established as a means of stimulating discussion and interaction among project teams. This needs to be intensified and expanded to include videoconference links with counterpart teams to more fully explore key issues.

50. Progress on the above knowledge management efforts, to date, has been hampered by budget, staff limitations and the lack of appreciation that project implementation and the role of the World Bank could be considerably improved, as it has been in other sectors of Bank activities around the world. As more MAPs enter both the project pipeline and the implementation phase, the need to respond to this issue in a comprehensive manner gains greater urgency. Pipeline MAP projects are increasingly in

countries with relatively new NAC structures and less organized public sector and civil society responses and, consequently, will require even greater support in knowledge management. The Bank should seek external financial support to establish the same quality of knowledge management that it has in other sectors.

BANK SUPERVISION PERFORMANCE DURING IMPLEMENTATION⁷

51. The MAP approach represents a new type of multi-sector, multi-implementation channel, programmatic lending that poses special challenges for the Bank in performing its traditional supervision both with regard to its fiduciary responsibilities and its ability to provide Borrowers with examples of best practices from around the world. In particular there are a number of innovative approaches and emphases that require a new kind of supervision:

- **Monitoring and Evaluation.** An effective M&E system is part of the fiduciary architecture of MAP country projects and needs to provide relevant information on program impact in the first year of project implementation.
- **New Institutions.** In many cases, HIV/AIDS Council Secretariats, responsible for facilitation and coordination of overall national HIV/AIDS programs, are being established concurrent with MAP funding. Supervision will be dealing with new implementation agencies unfamiliar with: (a) putting their mandates into operation; and (b) dealing with multiple sources of financing, including from donors. Building up these institutions with their large stakeholder clientele is a major challenge. Ensuring that these institutions “coordinate and facilitate” rather than becoming bureaucratic obstacles is a necessity.
- **Financial Management, Procurement and Implementation Assistance.** The use of multiple implementation channels across sectors and from the village to the national level places a greater emphasis on supervision of these fiduciary aspects than in normal projects which encourage simplicity of design.
- **Comprehensive Approach to HIV/AIDS.** MAP funding for a comprehensive set of quality activities in HIV/AIDS prevention, care, treatment, and mitigation requires supervision across a broad variety of activities, many of which are new for the Bank, even within traditional health projects.⁸

⁷ Supervision will be generically used for both supervision of the Bank’s fiduciary aspects, which is mandatory, and assistance with implementation, through provision of international experience and best practices, which many TTLs consider part of their professional responsibility and development commitment

⁸ Examples of this are country-wide IEC and VCT, social marketing, provision of care, including drugs to AIDS patients, etc.

- **Ownership and Stakeholders.** Even though broad and deep ownership of the HIV/AIDS program is one of the criteria for access to MAP funding, this has to be strengthened during project implementation with a broad and deep range of stakeholders that is more ambitious than in traditional World Bank projects.
- **Partnership.** While gaining a consensus among a variety of partners – from the UN Theme Group for HIV/AIDS and donors to key actors in the public and private sector and in civil society – is important during project preparation, it is critical during project implementation. For example, the specialized agencies of the United Nations fully expect to be consulted in their areas of technical expertise. And, in fact, consideration should be given to their taking on the supervision and capacity building of important aspects of national HIV/AIDS programs, including those funded by the World Bank. In addition, since MAP projects scale up existing programs, partnership with those who have initiated and supported these programs becomes an important part of the disbursement of World Bank funds.

52. In general, the Review⁹ found that the Bank would be doing an adequate job in supervision if these were traditional World Bank projects - effectiveness conditions are being fulfilled in a timely fashion, project management units are being established, small core supervision teams are being established for semi-annual field visits – but this is insufficient to supervise MAP country projects which require the Bank to operate differently. While it is very early in implementation to assess the Bank's supervision effort, there is already evidence that about half of the supervision efforts need to be substantially enhanced, especially in the following areas:

- **Supervision Strategy.** The Review found that many Task Team Leaders (TTLs) and managers in the Bank substantially underestimate the complexity and scope of the supervision effort needed, especially when TTLs change¹⁰ after a MAP project is approved by the Board of Directors. Supervision strategy, which is complex given the innovative MAP approach and the multitude of stakeholders and partners, needs to be addressed systematically as an annex in the Project Appraisal Document and annually in the Work Plan Agreement. A clear distinction should be made between supervision and operational assistance.
Recommendation: Supervision strategy should be an annex in the Project Appraisal Document (PAD) and updated formally as part of the annual Work Plan Agreement.

⁹ The Progress Review updated the joint UNAIDS/World Bank Review in February/March 2001 of the Bank's performance in supervision of MAP country projects which was carried out by Jonathan Brown, Operations Adviser, AFTQK/ACTAfrica, World Bank; Nicole Massoud, Monitoring and Evaluation Specialist, UNAIDS; Dan Odallo, Communication and Community Mobilization Adviser, UNAIDS; and Robert Saum, Senior Financial Management Specialist, SARFM, World Bank.

¹⁰ TTLs changed after Board presentation in three of the nine MAP country projects.

- **Supervision Priorities.** Partnership, ensuring that central HIV/AIDS institutions “facilitate” rather than become “bureaucratic,” and monitoring and evaluation are three key themes of supervision which need to be enhanced on an emergency basis. Partnership requires substantial time, resources and humility. With regard to M&E, the Africa Region should make arrangements now for TTLs to have timely access to direct and dedicated operational support. **Recommendations:** **Partnership should be a key focus of project preparation that is the responsibility of the senior Bank official in the country with specific supervision arrangements among partners defined through Memoranda of Understanding at the country level and detailed in the supervision strategy. ACTAfrica should complete arrangements for operational M&E support to be made available to TTLs.**

BOX 7: Partnership in Supervision

The first formal supervision mission for the Ethiopia MAP country project was an example of partnership among donors and UN agencies. Dividing the supervision mission in five areas of focus, the partners shared the supervision effort as follows:

<u>Supervision Focus</u>	<u>Institutional Responsibility</u>
1. Capacity Building	CRDA, Netherlands, UNAIDS, UNICEF, USAID, World Bank
2. Public Sector Response	ILO, UNDP, WHO, World Bank
3. Civil Society Response	World Bank
4. Project Coordination	UNAIDS, World Bank
5. Financial Management & Procurement	World Bank

- **Managing Expectations.** Managing and fulfilling expectations of fast delivery of funds can be done through beefed up supervision of the fiduciary aspects of implementation and involving beneficiaries in implementation preparation arrangements. The first sub projects approved must be carefully reviewed as they set the tone for the MAP approach in each country. In addition, this review needs to be coordinated and consistent across MAP country projects. **Recommendation: Operational manuals for MAP country projects should have clear criteria and guidelines agreed among stakeholders before credit effectiveness.**
- **Supervision Teams.** Although most MAP preparation efforts have large, multi-sectoral teams, when it comes to supervision, which is a normal Bank fiduciary responsibility, there seem to be two models: (i) a small core team, often the TTL, a country office implementation officer, and fiduciary specialists; and (ii) an attempt using the Bank BB, funding from bilaterals, and involving partner organizations to maintain from project preparation key elements to establish a

large, multi-sectoral supervision effort. Based on the Bank's limited experience with MAP supervision, the second model seems to be proving effective, and is more attuned to the MAP design, while the first tends to drop key supervision components such as partnership, monitoring and evaluation, a permanent process of stakeholder consultation, experience with implementing a national HIV/AIDS program and review of important technical thematic areas. The multi-sectoral supervision model needs to be implemented through the budget process, as shown for the Cameroon MAP project supervision plan in Box 8. In addition, having a full-time implementation specialist in the Country Office seems to be highly desirable regardless of the placement of the TTL. In countries without a country office, consideration should be given to placing this person in the appropriate UN country office. **Recommendation. The multi-sectoral composition of the preparation effort should be continued during supervision including sharing of task management to get more senior Bank staff involved, especially from outside the HD sector. To maintain high caliber task teams leaders for MAP projects, their selection in the Bank should be a "corporate" decision. In view of the multi-sector nature of MAP country projects, the Country Office Manager should be the first line quality supervisor.**

- **Supervision Mission Frequency.** Of the two projects approved by the Bank in September 2000, one has been supervised formally once, the other not at all. None of the projects approved in January 2001 has been supervised formally although several have had project launches. There has been a tendency to concentrate on "continual" supervision by task teams aided by country offices. While "continual" supervision is necessary, formal supervision at least twice a year is a better mechanism for: (i) having a strategic and "stock-taking" look at the project; (ii) involving senior counterpart officials and other partners; (iii) bringing in implementation and programmatic specialists with multi-country experience in HIV/AIDS programs; and (iv) fulfilling the Bank's fiduciary responsibilities.
- **Resources for Supervision.** The Africa Regional Leadership Team (RLT) recognized that MAP country projects would need more budget resources for supervision from within the Bank than for an average project and instructed that up to \$200,000 should be allocated from the Bank administrative budget¹¹ for supervision in the first year of implementation and up to \$150,000 annually thereafter. The following table illustrates the supervision budget allocated by Bank Country Directors for supervision of MAP Projects in FY02.

¹¹ TTLs would benefit from having full authority to choose between using Bank staff and consultants with regard to use of the BB budget.

BOX 8: The Multi-Unit Supervision Task Team

According to a number of task team leaders, establishing a supervision team with substantial membership from a variety of units and sectors depends on two things: (i) the TTLs support for the concept that MAP country projects should be supervised by a fairly large, multi-sectoral team; and (ii) the provision of a budget to support the concept of large, multi-sectoral supervision teams.

The Cameroon MAP country supervision budget illustrates how provision is made for a large, multi-sectoral supervisory team, encompassing several sectors and actors.

<i>Sector</i>	<i>Budget</i>
TL and Rural	35,500
Health	22,000
Transport	16,000
Education	16,000
Financial Management	16,000
Environment	5,500
Procurement	9,000
Financial Sector	9,000
M&E	16,000
ACTafrica	15,000
<i>Total</i>	<i>\$160,000</i>

There are other ways to increase the breadth and diversity of supervision teams. Examples include:

- *Cameroon* – A bilateral donor (DFID) is financing a full-time Implementation Specialist in the Bank's Cameroon country office
- *Uganda* – Trust Funds are being used to include international experts on specific technical areas (e.g., IEC, VCT, support of orphans) to the supervision team
- *Ethiopia* – A bilateral donor (USAID) financed part-time temporary implementation assistance for the project coordination unit

MAP Country Project

FY02 Supervision Budget

Burkina Faso	\$140,000
Cameroon	\$200,000
Eritrea	\$120,000
Ethiopia	\$160,000
Gambia	\$ 75,000
Ghana	\$120,000
Kenya	\$200,000
Nigeria	\$220,000
Uganda	\$100,000

53. Nothing the Review team discovered suggests advising the RLT to change its instruction on resource levels. Five of the allocations above, in the view of the Review team, will not allow the Bank to fulfill its fiduciary role in supervision even if, as in some instances, resources for supervision are shared with non-MAP projects or other agencies contribute to the supervision effort. **Recommendations: (i) The RLT should confirm its instruction to Country Directors on the level of supervision resources for MAP country projects; and (ii) ACTafrica should investigate external sources of assistance to lessen the burden on the Bank budget.**

Key Steps Suggested over the Next 3-6 Months

- Develop a MAP practitioner’s manual of best practice
- Finalize the MAP M&E manual and support the joint contracting of M&E and financial management to an appropriate agent
- Review current progress of projects and determine where the use of “exceptional” implementation arrangements are needed (e.g. the expedited selection of the FMA in Kenya)
- Develop mechanisms to strengthen capacity and effectiveness of NAC Secs (initiating secondments in key programmatic and thematic areas, etc)
- Establish quarterly performance targets
- Emphasize the lead role of the senior in-country Bank staff in establishing and strengthening partnerships at all levels
- Identify program champions in all MAP countries
- Support the creation of a Civil Society Review Board in each MAP country
- Develop PPF templates to expedite requests for project preparation financing
- Support the completion of TORs and the resourcing of full-time HIV/AIDS focal points/units in line ministries
- Develop means of identifying potential candidates and subsequently providing retroactive financing for public sector and civil society organizations
- Identify and support a core minimum of TRGs to support implementing agencies
- More actively engage Ministries of Health in the MAP process

Annex 1
Financial Management and Procurement

54. Financial management and procurement are critical areas in the review of MAP1 projects because they relate to (i) the flow of funds and provision of goods and services for civil society and public sector activities against HIV/AIDS; (ii) the provision of goods and services for capacity building towards implementation of those activities, and; (iii) the timely availability of reliable financial information for monitoring of financial progress of the program and accountability under the program.

Financial Management

55. The review found that the design of the financial management systems for MAP has been adequate. When fully implemented, they would provide smooth flow of funds and return of adequate and reliable information under acceptable internal and external controls. In particular, the integrated and inclusive concept of MAP and the fund flow design, albeit its complexity, would allow the availability of funds at all levels of public sector and civil society in relatively short period of time after the approval of work programs and proposals (the issue remains the time spent in preparing and approving of the work programs).

56. **The capacity building (staffing, system design and production of manuals, procurement of the Financial Management Agency, etc.) and operationalization of the concepts and FM action plans have however taken a considerable time.** This should be prevented in the future through knowledge management and re-use of systems and documents. In future, the FMS should remain involved and allocate more time after the appraisal to ensure quick operationalization and start-up. Similarly, the on-going projects could also benefit from the same pro-active involvement until such time that the flow of funds and information is taking place smoothly. This is not only a technical assistance to the borrower, but also a learning and monitoring process for the Bank (in terms of early detection and mitigation of fiduciary risk).

57. **There is an inherent risk of delay in returns and accountability for advances made to implementing agencies.** The medium-term success in smooth flow of funds is conditioned by the timely return of adequate accountability and reporting and by scrupulous tracking of advances made to the implementing agencies by the central agency (NACS, PCUs, or FMAs). In order to facilitate the accountability and reporting and to reduce the risk of delays, the reporting requirements and formats have been simplified as much as possible and simple formats and forms have been designed and provided to the implementing agencies. However, a strong finance team is necessary to ensure the timely and complete accountability. **Again a partnership between the Bank FMS and the borrower FM team is necessary** (in which case a formal supervision by a different FMS is advisable).

58. The review found that, in the countries under review, implementation of the FM system has been substantially completed at the central levels (NACs), while it needs more attention at the sector ministries and lower levels in the public sector. Rightfully, wherever possible, reliance has been on the existing systems and, as necessary, capacity is being enhanced.

59. The complexity of MAP and inherent risks explained above necessitate a strong team of financial management staff headed by a highly qualified and experienced person with good working knowledge of computerized accounting systems. Unfortunately, in several cases, the qualification of the chief financial officer (CFO) is not as agreed with the Bank. In one case the CFO, who is computer illiterate, has put in place a parallel manual system. This is more costly than hiring of a qualified person and, under the pressure from the volume of work, the system will break down in the long run .

60. On the other hand, the review team found that the civil society (NGOs and CBOs) seem to have good capacity and facility to maintain simple accounting records and produce reports. There is support from larger NGOs for smaller ones and for CBOs. Nonetheless, **the NAC should provide clear information about MAP and provide guidelines and information on the operations, flow of funds and reporting to both civil society and actors in the public sector.**

61. Implementation of the FM systems in two countries has so far resulted in a first series of disbursements for the public sector, at different levels (central, regional/district). Release of funds for some NGOs and CBOs is expected soon and other countries which have fully complied with the conditions for effectiveness will soon start disbursements. **However, there is a risk of slowness and stoppage, if the FMS does not closely monitor the situation and be ready for trouble shooting and early detection of problems .**

62. The governments' own system of expenditure control and provisions under the MAP are in theory adequate for internal and external controls over expenditures. However, in practice the government control systems are uneven and not always effective. In some instances, the provisions made for MAP are not up to par with modern internal controls for expenditures. For example, in one case (at least), **the concept of internal audit is not well understood and the design and capacity for internal audit function is less than adequate.**

63. Given the emergency nature of the program, a shift from ex-ante to ex-post controls is justifiable. Furthermore, given the type of expenditures, multi-sectoral nature and geographical spread of the program, the accountability and discharge of fiduciary responsibility dictates different means for ex-post control. The accountability would be complemented by the M&E. It is therefore important that FM and M&E are integrated and are in place from the outset. Future projects should take this into account from the outset and the existing projects should try to move towards such integration. **As a complement to the FM action plan, a similar action plan (time bound) to design and put in place the M&E system should be agreed upon from the outset.**

64. Furthermore, the type of audits has to be adequate. Both random technical and financial audits should become standard features of MAP. The quality of audits and capacity of auditors should also be adequate. In one of the reviewed cases, the external auditor selected for MAP does not have enough capacity. This will eventually become another roadblock to disbursement.

65. There are lessons from the good work that has been carried out. An example is the collaboration and pro-activity of institutions in ensuring the adequacy of systems and accountability. In Ethiopia, the Auditor General is reviewing and providing assistance in the set-up of financial management system at the regional level. This useful collaboration is commendable and should be generalized.

66. Re-use of developed material, designed systems, and defined HW/SW specifications can save time and money (see Box 6). It would be critical to pull together all the work already done and produce one or two good models of manuals, user guides, etc., for future use.

67. The review identified some difficulties in the following areas:

- In some cases the proposed outsourcing of financial management functions to an agency has not been retained by the government. This has created a greater need to build substantial capacity; a time consuming and difficult process (given the condition of service and salary levels). This change has also diluted the intended full separation of decision making from execution (flow of fund and reporting) under clear responsibility and performance scrutiny;
- Although good work has been done in the area of identification of hardware and accounting packages, due to insufficient knowledge of the financial staff, either the computerization of the accounting and reporting system has not materialized, or when in place, it has not been fully used;
- Adequate accounting manual and other procedures guidelines have been produced—mostly for the use by NACs. Now these need to be tailored to satisfy the needs of implementing agencies (both public sector and civil society) and be distributed. More training needs to be provided to the users. (Two manuals can be pulled together to produce a comprehensive one which will include financial policies and procedures and become at the same time a users guide).

68. Although there is not enough experience and the assessment is only impressionistic, it seems that the funds will flow to all levels and implementing agencies. But , unless urgent measures are taken to improve the communications, monitoring, and reporting, the returns and accountability will not be smooth and timely, in particular where the FMA is not recruited. This, in turn, will have impact on subsequent disbursements.

69. We recommend that a team of FM and procurement specialists visit all ministries and regional entities to review and discuss financial management and procurement arrangements and issues. **Workshops in capital cities address generalities and will not detect and address crucial details which hinder the day-to-day operations.**

70. **No exceptional measures or streamlined procedures were noticed in the areas of administration and financial management arrangements.** Operations still face the normal administrative procedures and delays. It would be useful if the government formally informed all administration of the emergency nature and exceptional measures applicable to MAP. NAC could identify specific bottlenecks and produce a list for emergency measures (i.e. customs, central banks, treasury, MOH).

71. Given the nature and spread of expenditures and multiple implementers under MAP, the FM design can be further improved by integrating the Financial Management and Monitoring and Evaluation systems. The M&E system's readiness should be simultaneous with FMS and an action plan should be agreed during negotiations to ensure the timely readiness of the FMS and M&E.

72. In addition to the above, flow of funds may be improved in future projects in the following ways:

73. The Bank should consider the conditions under which tranche release rather than traditional disbursements (under what circumstances/triggers?) could be possible. This will also facilitate the integration of the HIV/AIDS programs in the government overall policy.

74. **Scaling-up of activities of those NGOs with good track record can be facilitated by retroactive financing.** The Civil Society component and scaling-up is a very valid feature. There is capacity and structure at the CBO/NGO. The present arrangement is that funds will be released to the NGOs/CBOs only after a proposal is submitted and approved for future activities. At present, funds will be advanced based on future plans (and therefore need for future accountability) as opposed to payments based on proof of actual past execution of HIV/AIDS activities.

75. **MAP should consider re-imburement of eligible expenditures (to be redefined) by ex-post examination and reimbursement (including retroactively for expenditures dating back to the date of completion of negotiations) as a measure to provide working capital to NGOs which can scale-up quickly.** This would also help satisfy the expectations that are raised during project preparation. To some extent, it will also alleviate one of the concerns of the governments about advancing funds to fictitious CBOs.

Procurement

76. By design, simpler procurement methods have been envisaged under MAP and should be followed. This needs to be widely advertised at the implementing agencies who would be involved in procurement.

77. Procurement capacities at the National AIDS Councils are different from country to country. While by and large adequate at the central units (NACS/PCU) in some countries, the capacity is inadequate in others. **Generally speaking, the shortcoming is in qualification of staff in ICB and in planning.**

78. Guidelines, procedure manuals, and other material are available at the central levels. They need to be complemented with a section on respective roles and responsibilities of the NACS (or equivalent) and implementing agencies.

79. Procurement of goods and vehicles for emergency institutional strengthening have been launched by NACS/PCUs in countries under review. However, with respect to other procurement (under Public sector and civil society plans and proposals) **there is lack of clarity as to who is responsible for the procurement of goods and services.** Manuals should clarify roles and responsibilities, modalities and applicable rules. Role of procurement staff at the national secretariat should be spelled out. There is much room for clarification and for planning and support to the implementing agencies.

80. As part of their job, the NACS and its procurement staff should play an active role, anticipate, and help other implementing agencies in procurement matters. **There is indication that the staff at the center does not have a clear idea as to its responsibilities beyond the emergency procurement of goods which are to be procured at the beginning of the project** (for institutional strengthening).

81. Exceptional measures, one of the principles of MAP are generally unnoticeable. In fact, in one case, procurement of drugs, kits, and other medical supplies have been delayed. This is due to sensitivities and sometimes difficult relation between NAC and MOH, which is not limited to a single instance/country. **More cooperation and clarification as to the important role that the MOH has to play in the procurement of drugs and supplies is crucial.**