

TECHNICAL SUPPORT TO THE HEALTH REFORM UNIT OF THE MINISTRY OF HEALTH

(TC-95-03-36)

EXECUTIVE SUMMARY

REQUESTER: Government of Jamaica (GOJ)

EXECUTING AGENCY: Ministry of Health (MOH)

BENEFICIARIES: Ministry of Health (MOH)

FINANCING: IDB: US\$1,650,000 (SF)
Local counterpart funding: US\$ 250,000
Total: US\$1,900,000

TERMS: Execution period: 18 months
Disbursement period: 24 months

ENVIRONMENTAL CLASSIFICATION: The Environmental Management Committee, at its meeting of June 16, 1995, classified this as a Category II operation.

OBJECTIVES: The objective of this operation is to strengthen the ability of the Ministry of Health to define, implement, and evaluate health reform efforts. It will produce strategies and policies in a blueprint for a Health Sector Reform Program, to be undertaken subsequently with assistance from the IDB, that would improve the efficiency, equity, and quality of health care services.

DESCRIPTION: The operation includes two components: (i) Technical assistance to the Ministry of Health's Reform Unit which will focus on five major areas, i.e. (a) reform/restructuring of the MOH into a policy-making and regulatory unit; (b) decentralization of service delivery and management, and integration of primary and secondary levels of care; (c) development of a human resources strategy, including training requirements for the health sector; (d) assessment of financing alternatives for the sector; and (e) improvement of resource management and utilization; and (ii) Training which will focus on developing the capabilities of the MOH in strategic planning and analytical decision-making. Areas of formal training will be defined as the operation is carried out, but will likely include health economics and financing, financial management, quality assurance, regulatory policy and health insurance.

BENEFITS:

It is expected that on completion of this operation, the Reform Unit within the MOH would have become fully operational and that the MOH would have increased its capability to carry out strategic planning and policy analysis. The direct result will be a more efficiently managed health system that will have clearly defined roles and a strategic plan for long-term sustainability. In addition, health sector personnel will benefit from training opportunities and improved management, and businesses and entrepreneurs could benefit through increased opportunities to expand private sector involvement in the health sector, whether through public sector contracting for services or through regulatory changes to promote private initiatives. The ultimate beneficiaries will be health care consumers who will have greater access to better quality services.

RISKS:

The most significant risk is that substantial effort will be devoted to the design of reforms, but that subsequent implementation will not occur due to a lack of technical and execution capacity and/or the absence of political agreement and social support for new policies. However, the design of the program contains a number of features which would minimize this risk. Firstly, opportunities would be provided for gathering sufficient political and popular support through communications efforts, policy workshops and public forums. Secondly, by developing the capabilities of the Reform Unit and by identifying and training appropriate counterpart staff, the constraint on execution capacity would be significantly eased. Finally, the implementation plans for policy reforms will emphasize a phased-in approach in order to try out alternatives on a limited or pilot scale and learn from experience before moving into nation-wide policies.

**THE BANK'S
COUNTRY STRATEGY:**

The proposed operation is consistent with the Bank's country and sector strategy which supports efforts to enhance the sustainability and quality of social services and, in the health sector, envisages technical assistance to the MOH in the development of a comprehensive health reform program and in the strengthening of the regulatory and policy-making capabilities required to implement it successfully.

**SPECIAL
CONTRACTUAL
CONDITIONS:**

Special contractual conditions: (1) the Project Coordinator should be contracted within 30 days of signature of the agreement between the beneficiary and the Bank, whereas other counterpart staff of the Health Reform Unit including the health specialist, health planner, and legal specialist, should be

contracted within 60 days of the agreement between the Beneficiary and the Bank; (2) the advisors in health planning, health economics, and legal issues should be contracted within 90 days of signature of the agreement between the Beneficiary and the Bank; and (3) the MOH will present a mid-term assessment of the technical cooperation within nine months of signature of the agreement.

I. BACKGROUND

A. Health status and indicators

- 1.1 Jamaica has seen a progressive improvement in the health status of its population over the last quarter century. Its indicators reflect low infant mortality, long life expectancy, and a reasonable complement of physicians and nurses of international standards. Jamaica is well into the demographic and epidemiological transition, and now faces an aging population, increases in non-communicable diseases such as cancer and heart disease, as well as growing problems with the prevalence of injuries (the definition of which includes vehicle accidents and homicides) and chronic illnesses.

B. Health sector infrastructure

- 1.2 The health sector in Jamaica includes a centralized public system as well as a broad representation by private sector doctors and facilities. In the public sector, the Ministry of Health is at the head of the centralized system, and is responsible for policy-making as well as day-to-day operations, including the management of all health personnel.
- 1.3 The MOH manages both hospitals and health centers which are integrated in principle, but in practice organized and run through parallel delivery structures. There are approximately 330 health centers and a handful of rural polyclinics, divided among four regions. The public hospital system, which includes 27 facilities providing primary, secondary, and tertiary care, is organized into 10 regions. The two systems are thus distinct both in terms of their structure and the lines of responsibility.
- 1.4 The private sector includes approximately 800 doctors, although it is often difficult to distinguish them clearly from the approximately 400 doctors in government services, most of whom also have private practices. Private providers account for the majority (75 percent) of all outpatient visits, but only a fraction of inpatient admissions (5 percent). The latter take place at the seven private hospitals providing secondary care, five of which are located in Kingston.
- 1.5 The financing of health care services in Jamaica has traditionally been primarily the responsibility of the government, but in recent years an increasing proportion has been shouldered by private sources. Recent estimates show that private financing (both out-of-pocket expenditures and insurance payments) accounts for 68 percent of medical expenditures for pharmaceuticals and ambulatory and inpatient services. Total per capita expenditures on health for 1993/94 were J\$3,583 (US\$105), including J\$1,249 of public expenditures (35 percent).

C. Health policy issues and constraints

- 1.6 The challenges currently facing the Jamaican health sector include maintaining the gains made over the past decades, and seeking ways to shift the emphasis toward emerging disease patterns. In order to do so, the Government of Jamaica must address a number of critical policy and structural questions related to the respective roles of the government and the private sector within the health system, its strategy for financing health services, and how to address problems in the equity of access to and quality of services.
- 1.7 The Ministry of Health recently announced its intention to undertake a broad program of policy reforms for the sector, beginning with the creation of a Health Reform Unit within the MOH. This unit will be responsible for overseeing the design and implementation of a number of policy reforms in the coming years, and thereafter will be charged with overall policy-making responsibility for the sector.
- 1.8 The Reform Unit has been charged with overseeing the process of policy reform on a number of issues, by identifying problem areas, researching options available to address problems and analyzing their implications, and implementing new policies whenever and wherever feasible. The following areas of reform have been identified as priorities for the MOH: establishing the MOH as a policy-making, monitoring and evaluation unit; decentralizing management of services, and integrating primary and secondary care; evaluating alternative health financing schemes; and improving assets management.

D. Bank strategy

- 1.9 One of the objectives of the Bank's strategy for the 1995-97 period is to improve the sustainability and quality of social services. In the health sector, the strategy envisages the development of a comprehensive reform effort which would include: (i) a clearer definition of the role of public sector institutions and financing, which should accord greater attention to public health measures and more cost-effective health interventions; (ii) establishment of an effective regulatory and incentive framework for more autonomous public and private sector provision of health services; (iii) establishment of a sustainable financing system for health care that ensures universal access to basic health services; and (iv) greater flexibility in human resources procedures in order to address the continued shortage of health personnel. This focus is fully consistent with the MOH's plans as indicated in the preceding section and with the activities contemplated in this technical cooperation.

E. Experience of the bank in the sector

- 1.10 The Bank became involved in the sector in December 1989, when it approved a loan (579/OC-JA) in the amount of US\$70.5 million and a parallel non-reimbursable technical assistance (ATN/SF-3406-JA) in the amount of US\$3.0 million to finance a Health Services Rationalization Program (HSRP). The objectives of the program, which had an estimated cost of US\$97.9 million, were to strengthen health sector policies and programs, health system planning, management and maintenance, and service capabilities with emphasis on the improvement of the quality and availability of secondary and tertiary care services in support of the primary health care network.
- 1.11 The loan program envisaged the rehabilitation, expansion and re-equipping of four regional hospitals, the reconstruction of another, and the construction and re-equipping of diagnostic and training facilities at the University Hospital of the West Indies, along with in-country training for 16 different categories of health personnel. The physical works component of the program has been beset by problems which derive from the ineffectiveness of the project executing unit and which have produced a three-year delay in execution. The training component, on the other hand, has not produced the benefits expected due to a high rate of attrition of trained personnel. To date, only 30% (US\$20.9 million) of the loan resources has been disbursed.
- 1.12 The objectives of the technical cooperation were to assist the GOJ/MOH in the design and implementation of policies and strategies addressing institutional constraints, and strengthen institutional capabilities for planning and management of the public health system. To achieve those objectives, the TC provided resources for technical assistance and training. While some of those objectives were achieved, progress was constrained by a variety of factors, including slow progress on the civil works component and in other donor projects, changes in priorities, delays in decision-making, and lack of technical counterparts within the MOH.
- 1.13 Improvements, however, are underway. In the last quarter of 1994, the Ministry of Health signed a performance contract with the Urban Development Corporation, by virtue of which the execution of all remaining works was turned over to an agency with a proven track record in executing a number of Bank-financed projects. In terms of the technical cooperation, agreement was reached on the reprogramming of the remaining balance of US\$2.3 million which will now be applied to the following areas: (i) hospital management information systems; (ii) health facilities and equipment maintenance; (iii) emergency medical services; (iv) quality assurance, and (v) project management/coordination. In both areas, i.e., physical works and technical cooperation, early indications are that the changes have had a positive impact on implementation of the HSRP.

- 1.14 The improvements in the implementation of the HSRP are taking place at a time when a new administration has assumed control of the sector and has taken key decisions with regard to the future of health reform. The satisfactory execution of activities under the HSRP, in the areas of management improvements and institutional strengthening at the individual facility level, will complement the sector reform initiatives which the new administration intends to carry out with Bank support as described in this Plan of Operations, as well as in any subsequent follow-on program. In a sense, this new TC will serve as a bridge between the HSRP and a future health sector reform program.

F. Coordination with other donors in the sector

- 1.15 This technical cooperation will complement programs of other donors in the health sector. The World Bank's project on public sector reform will emphasize broad issues spanning across different sectors, whereas this TC will focus on substantive policy reforms and detailed issues within the health sector. The U.S. Agency for International Development's Health Sector Initiatives Project includes a number of pilot tests and field activities, which will provide input for policy analysis and decision-making in key reform areas to be supported through this TC.

II. OBJECTIVES

- 2.1 The primary objective of this operation is to strengthen the ability of the Ministry of Health, as well as other health sector institutions, to define, implement, and evaluate health policy reform efforts. It will produce strategies and policies in a blueprint for a Health Sector Reform Program, to be undertaken subsequently with assistance from the IDB, that would improve the efficiency, equity, and quality of health care services.

III. PROJECT DESCRIPTION

A. The project

- 3.1 This operation includes two components: technical assistance to the Reform Unit of the Ministry of Health and training for Ministry of Health personnel.
 1. Technical assistance to the reform unit
- 3.2 This component will focus on identifying the areas requiring reform, researching those areas and assessing legal, economic, and technical implications of policy options, selecting among

alternatives, and drawing up implementation plans. The health policy reform program will concentrate on five major issue areas:

- a. Reform/restructuring of the MOH into a policy-making and regulatory unit.
 - b. Decentralization of service delivery and management, and integration of primary and secondary levels of care.
 - c. Development of a human resources strategy, including training requirements for the health sector.
 - d. Assessment of financing alternatives for the sector.
 - e. Improvement of resource management and utilization.
- 3.3 Advisors contracted through this TC, in collaboration with MOH counterparts, will evaluate options for policy reforms, present proposals to senior decision-makers, and assist with the selection of specific options and definition of workplans for implementation. The policy design and evaluation process will emphasize hands-on training and experience for MOH staff.

2. Training

- 3.4 This component will provide both formal and informal training opportunities. It will involve classroom training, in Jamaica and abroad, as well as on-the-job training, which will focus on developing Ministry of Health capabilities in strategic planning and analytical decision-making for the health sector. Areas of formal training will be defined as the technical cooperation is carried out, but are likely to include health economics and financing, financial management, quality assurance and regulatory policy, and health insurance.

B. Activities

1. Technical assistance to the reform unit

- 3.5 Technical support will be provided by long-term advisors and short-term consultants to the MOH's Reform Unit, and more generally to the Ministry of Health, in each of the five priority areas identified above. Illustrative examples of activities are as follows:
- 3.6 **Reform/Restructuring of the Ministry of Health:** The Ministry of Health currently carries out both operational and leadership functions for the health sector, serving as provider, financier, and regulator in a centralized manner. In order to improve the effectiveness of its actions, the MOH will devolve the provider function to regional authorities. A reorganized and strengthened Ministry will thus be able to assume a greater leadership role, focusing on policy-making, planning, monitoring, evaluation, and regulation. The establishment of these new functions within the MOH will require definition of a new organizational structure,

review (and possible revision) of legislation defining the ministry's structure and responsibilities, identification of the required skills for personnel, training, and recruitment.

- 3.7 As the MOH exercises its new functions, one specific area to be addressed will be defining the roles of the public and private sectors within the health system. This will include, for example, assessing whether public and private providers should provide competing or complementary services, evaluating whether there will be constraints on which services can or should be provided, and analyzing how quality, efficiency, and equity can be maintained throughout the system. Another specific area to be undertaken by the MOH will be the determination of a basic affordable package of health care services, including the assessment of what services are to be included, who can or should provide those services, and how that package will be financed.
- 3.8 **Decentralization of service delivery and management:** Centralized responsibility for the operation of public health care services will be turned over to new authorities at regional and parish levels. These authorities will enjoy greater autonomy in management of their services and in deployment of their budgets, which is expected to resolve some of the problems created by centralized decision-making. This reform area will require definition of a new overall structure for the health sector, including assessment of legislative implications, definition of resource allocation procedures, and establishment of reporting structures and means of integration. In addition, a management information system which links the regions to the MOH, and which provides the necessary information to decision-makers at the regional and facility levels, will be required.
- 3.9 **Development of a human resources strategy:** Technical assistance will be provided to the MOH in defining a broad strategy for the utilization of human resources within the health sector. This will include addressing the problems of chronic shortages of certain types of personnel (e.g., nurses) and seeking appropriate incentives to attract and retain qualified professionals, as well as assessing training requirements for the sector. The latter will result in a training strategy for the sector, taking into account new directions for the sector, including changes effected by the reform of the Ministry of Health, and will evaluate the potential for carrying out training of health care professionals through alternative mechanisms, including the University of the West Indies, College of Arts Science and Technology, and/or the private sector.
- 3.10 **Assessment of financing alternatives:** Technical assistance will be provided to the MOH's Reform Unit to evaluate the potential for new mechanisms of financing health care services. These will include prepayment schemes and a national health insurance plan. Financing alternatives will be considered within the framework of other

reforms being undertaken, e.g., the definition of a basic package of health care services, and the decentralization and increased autonomy of public facilities.

- 3.11 **Improvement of resource management and utilization:** The Ministry of Health is seeking ways to improve the cost-effective utilization of its resources, including land, physical plant, equipment, and materials. Such improvements can be expected to have an impact on both costs and quality of services. Technical assistance will be provided to identify where and when improvements can be made, to develop and implement programs emphasizing maintenance and inventory control, and to monitor and evaluate costs and efficiency levels. Work in this area will be closely linked to the definition of public and private sector roles, and will examine the potential for privatizing selected services or activities currently carried out by the MOH.
- 3.12 The products of the technical assistance component will include: definition of specific policy reforms to be undertaken in the short-, medium-, and long-term; detailed plans for implementing and evaluating specific reforms; strengthened analytical and planning capacity within the MOH; and an established Health Reform Unit. Taken as a whole, these products will enable the GOJ/MOH to embark upon a subsequent program of health sector reform.
- 3.13 The technical assistance component of this TC requires 83 person-months of consultant services, including long- and short-term technical assistance, and project coordination services, and 108 person-months of counterpart staff within the MOH's Reform Unit.

2. Training

- 3.14 Within the first two months of initiation of their activities, the consultants and their MOH counterparts will develop an overall training plan for the duration of the TC, assessing needs and priority areas, identifying criteria for selection of candidates, establishing a selection process, and determining appropriate sites for training. The training plan will be reviewed and approved by the MOH and the IDB prior to commencement of training activities. Selection of individual candidates will be done by the Project Coordinator, the long-term advisors, and the Director of the Health Reform Unit. Individuals participating in training programs through this TC will commit themselves to fulfill a post-training service requirement, in order to ensure that the results of the TC benefit the targeted institutions.
- 3.15 Formal training will include overseas training for approximately 10 people in health planning, health management and administration, health economics and financing, quality assurance, or other priority areas as determined by the consultants, Project Coordinator, and Director of the Reform Unit.

- 3.16 In-country training will consist of approximately 10 workshops or seminars. This will include policy workshops, which will provide a forum for discussion of the technical, administrative, and political aspects of policy options among senior decision-makers, and conclude with selection of a specific policy option. Such workshops would be attended by personnel from the MOH and other relevant ministries (e.g., Finance, PIOJ, etc.), as well as from other public and private sector entities involved in the policy reform process.
- 3.17 Local training efforts may also include seminars on specific technical areas, such as budgeting, health insurance, inventory management, etc., or implementation workshops to provide hands-on training in high priority areas for personnel who will be involved in new procedures or systems. Such seminars and implementation workshops are expected to involve approximately 15-20 MOH staff for one week; these personnel will in turn be able to train other MOH staff.
- 3.18 The technical cooperation will emphasize on-the-job training provided by the consultant team to counterparts in the Reform Unit and throughout the MOH. Each person-month of consultant effort will be matched by one person-month of counterpart effort, and the consultants' contracts will explicitly stipulate that their activities involve training of counterparts. This practical and hands-on experience, with direct applicability to the Jamaican health sector, will be the most effective contribution to institutional strengthening and training.
- 3.19 The general products of the training component will include: trained personnel in key areas, including policy analysis, strategic planning, and management. Specific results will include: 12 persons trained in short- and medium-term training programs overseas; approximately 20 persons trained through policy workshops; 80 persons trained through implementation workshops and seminars; and 65 person-months of on-the-job training to counterparts.
- 3.20 The training component will require a total of 12 person-months of consultant services, which will cover both in-country technical workshops and administration of overseas fellowships. It will also involve 52 person-months of MOH staff participating in the formal training process (workshops, seminars, and overseas training) and 65 person-months of MOH staff receiving on-the-job training.

C. Project execution

- 3.21 The Ministry of Health, through the Health Reform Unit will be responsible for project execution. To this end, the Unit will be strengthened with the addition of the following personnel, whose cost will be borne by the project: (a) a Project Coordinator for 18 months; (b) a health planner for 18 months; (c) a health economist for 18 months; (d) a legal specialist for 18 months; (e) a MIS

specialist for 18 months; and (f) a communications specialist for 18 months. The Terms of Reference for these positions are presented in Annex I. The Project Coordinator should be contracted within 30 days of signature of the agreement between the Beneficiary and the Bank, whereas the health specialist, the health planner, the MIS specialist, the communications specialist, and the legal specialist should be contracted within 60 days of signature of the agreement. 1/

- 3.22 It is expected that individuals recruited for the Reform Unit staff positions will be residents of Jamaica; preliminary efforts have already identified a number of available and qualified people. In addition, it is anticipated that these individuals will remain with the Ministry of Health upon completion of this TC. The latter is particularly critical given the expectation that this TC will lead to a follow-on project to implement the policy reforms and sectoral strategies designed during the next 18 months. Resources for hiring these individuals will be provided through the grant. Upon completion of this TC, funding for these positions will become the responsibility of the Ministry of Health. The Director of the Reform Unit, who is already in place under direct contract with the Ministry of Health, will be paid with counterpart funding, as will clerical staff for the Unit.
- 3.23 In the exercise of its functions, the Executing Agency will be supported by a team of consultants comprising: (a) an advisor in health planning for 15 months; (b) an advisor in health economics for 15 months; (c) a legal advisor for 15 months; (d) short-term technical specialists for 10 months; and (e) training specialists for 2 months. These experts will work with their counterparts on the staff of the Reform Unit in accordance with the Terms of Reference presented in Annex I. The advisors in health planning, legal issues and health economics should be contracted within 90 days of signature of the agreement between the Beneficiary and the Bank. 2/ It should be noted that an important part of the tasks of the consultants will be to provide on-the-job training and technical guidance to the staff of the Reform Unit who will remain in place after conclusion of this project and will gradually assume the technical responsibilities for reform activities.
- 3.24 The long-term advisors in health planning and economics, as well as the international short-term technical and training specialists, may be hired on an individual basis or through a firm, using procedures acceptable to the Bank. It is anticipated that the legal advisor, local technical and training specialists, as well as all Health Reform Unit staff, will be hired on individual contracts. In all cases, the corresponding Terms of Reference and draft contracts should be submitted to the Bank for approval.

1/ See contractual conditions
2/ See contractual conditions.

IV. REPORTING AND MONITORING

- 4.1 Monitoring of this project will take place through both regularly scheduled progress reports and technical reports as they are completed.
- 4.2 An inter-institutional Steering Committee will be created to monitor progress and technical outputs. Membership on the Steering Committee will include the Minister of Health, the Permanent Secretary, the Principal Medical Officer, the Director of the Reform Unit, the Project Coordinator, a representative of the Planning Institute of Jamaica, and a representative of the IDB. The Steering Committee's responsibilities will be to monitor progress of TC activities on an ongoing basis, as well as to review specific technical products (reports, policy recommendations) as they are completed.
- 4.3 The Project Coordinator will submit quarterly progress reports, documenting technical assistance and training activities during the preceding three months, issues, planned next steps, and any variations from the project workplan. These reports will be submitted to the IDB and to the Steering Committee within 30 days of completion of a three month period.
- 4.4 A formal mid-term assessment of the technical cooperation will take place nine months after the signing of the agreement. ^{3/} This assessment will evaluate progress made to date, and determine if any adjustments are required. More importantly, the mid-term assessment will provide an opportunity to establish a framework for continued progress on policy reforms to be undertaken by the Ministry of Health, with assistance from the Bank. The Project Coordinator will produce a draft final report summarizing the results of the technical cooperation, which will be submitted to the IDB for approval within 30 days of completion of TC activities. IDB comments will be incorporated into a final version no later than two weeks after receipt of comments.
- 4.5 The consultants, their counterparts, and the Project Coordinator will provide the Bank, the MOH, and the Steering Committee with draft technical reports detailing policy options. The MOH and Steering Committee will review consultant reports and recommendations, and will present their opinions or alternative recommendations in writing.
- 4.6 The executing agency will present annual financial statements and one final statement on the uses of the contribution of the Bank and local counterpart funds. The statements will be certified by

^{3/} See contractual conditions.

independent auditors selected by mutual agreement between the Beneficiary and the Bank in accordance with procedures acceptable to the latter. The annual financial statements shall be presented within 90 days of the close of each fiscal year and the final statement within 90 days of the date of final disbursement of the Bank's contribution.

V. COST AND FINANCING

- 5.1 The cost of this technical cooperation is estimated at \$1,900,000 of which \$1,650,000 would be provided by the Bank, on a non-reimbursable basis from the net income of the Fund for Special Operations (FSO) and the equivalent of US\$250,000 by the Government of Jamaica. These funds will cover the cost of 203 person-months of consultants and 117 person-months of training support as part of the design and implementation of policy reforms. The consolidated budget is presented in the following table and the details are shown in Annex II.

Consolidated Budget
(in US\$ equivalent)

ITEM	IDB	GOJ	TOTAL
Advisory Services	798,000	-	798,000
Health Reform Unit Personnel	477,600	43,200	520,800
Training	84,000	60,000	144,000
General Support	106,600	126,000	232,600
Contingencies	183,800	20,800	204,600
TOTAL	1,650,000	250,000	1,900,000
PERCENTAGES	87	13	100

- 5.2 The Bank contribution will finance honoraria, transport, per diem, fellowships, and basic equipment. The national counterpart funding will include the Reform Unit's Director, as well as costs of office space and utilities, vehicle operations, secretarial and logistic support, office supplies, and other local costs. To ensure that the project remain a product of Jamaican effort and that on-the-job training takes place, the agreement with the GOJ will contain a specific contractual clause requiring the GOJ/MOH to ensure the availability of local counterpart staff (estimated at 146 person-months over the 18 month period) to work with the long-term advisors and consultants.

- 5.3 Approximately \$80,000 of equipment (vehicles, computers, and office equipment) will be acquired for use by the Reform Unit. Specific equipment needs will be defined by the Project Coordinator and the Director of the Reform Unit, and subject to IDB approval, but are likely to include computers, printers, software (word processing, spreadsheets, database, and graphics packages), photocopier, facsimile machine, overhead projectors, and other audiovisual equipment. Upon conclusion of the technical cooperation, all equipment will become the property of the MOH.

VI. DISBURSEMENTS

- 6.1 Disbursements of the Bank's contribution will be effected within a period of twenty-four months from the date of the agreement between the Beneficiary and the Bank, in accordance with the requirements of the project and with standard Bank procedures. The Beneficiary shall present the final request for disbursement at least 30 days prior to the expiration of the disbursement period. At the request of the Beneficiary, the Bank would establish an advance of funds up to the equivalent of 10% of the contribution and would replenish the advance, totally or partially, at the request of the Beneficiary, on the basis of the presentation of documentation about expenses charged to the contribution.
- 6.2 Prior to the request for first disbursement of Bank resources, the GOJ/MOH should present, to the satisfaction of the Bank, the following: a) a written communication indicating the person(s) who will represent the GOJ in all communications with the Bank related to implementation of the project; b) a written request for disbursement of the revolving fund; c) the terms of reference and draft contracts for the Project Coordinator, long-term advisors, and Reform Unit counterpart staff; and d) evidence that independent auditors have been agreed upon by the Beneficiary and the Bank. 4/

VII. BENEFITS AND RISKS

- 7.1 The expected results from this technical cooperation are increased MOH capability to carry out strategic planning, management, and policy analysis, and the full development of a Reform Unit (Policy Unit) within the Ministry of Health. The TC is also expected to result in implementation plans and timetables for MOH policy reforms efforts. These developments will lead to improved and sustainable policies resulting in increased efficiency, equity, and quality of services.

4/ See contractual conditions.

- 7.2 The beneficiaries of this technical cooperation include the GOJ and the MOH, who will benefit from a more efficiently managed health system that will have clearly defined roles and a strategic plan for long-term sustainability. Health sector personnel will benefit from training opportunities and improved management. Businesses and entrepreneurs may benefit through increased opportunities to expand private sector involvement in the health sector, one of the areas targeted for analysis as part of this TC, whether through public sector contracting for services or through regulatory changes to promote private initiatives. The ultimate beneficiaries will be health care consumers who will have greater access to better quality services.
- 7.3 The primary risks of the project are that substantial effort will be devoted to the design of reforms, but that subsequent implementation will not occur, whether due to lack of technical and execution capacity or to lack of political agreements and social support for new policies. However, these risks can be minimized directly by this technical cooperation. First, the design process envisioned by this TC builds into the policy analysis process opportunities for accumulating sufficient political and popular support, through communications efforts, policy workshops, and public forums. Second, the TC specifically seeks to ease the constraint of limited execution capacity by developing the capabilities of the Reform Unit and by identifying and training appropriate counterpart staff. While the question of how to attract and retain qualified people is a broad issue which extends beyond the Reform Unit itself, this TC seeks to address human resource issues as an integral part of the health sector reform process and to identify long-term solutions. Third, the implementation plans for policy reforms will emphasize a phased-in approach, so as to try out alternatives on a smaller scale and to learn from experience before moving into nation-wide policies.

PROPOSED RESOLUTION

JAMAICA. NONREIMBURSABLE TECHNICAL COOPERATION FOR
THE GOVERNMENT OF JAMAICA

(Program for the Technical Support to
the Health Reform Unit of the Ministry of Health)

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary and to adopt such other measures as may be pertinent for the execution of the plan of operations referred to in Document AT-_____ with respect to a technical cooperation with the Government of Jamaica for a program for technical support to the health reform unit of the Ministry of Health.
2. That up to the sum of US\$1,650,000, or its equivalent, is authorized for the purposes of this resolution, chargeable to the net income of the Fund for Special Operations.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.