

**THE JOSE-LUIS BOBADILLA INTER-AMERICAN NETWORK FOR HEALTH POLICY**

**(TC-97-04-34-8-RG)**

**EXECUTIVE SUMMARY**

**REQUESTER:** Initiative of the Bank

**EXECUTING AGENCY:** Fundación Mexicana para la Salud (FUNSALUD)

**BENEFICIARIES:** Borrowing member countries of the Bank

**FINANCING:** IDB (FSO, local currency): US\$1,500,000  
Total: US\$1,500,000

**TERMS:** Execution period: 36 months  
(for Award component): 60 months  
Disbursement period: 39 months

**ENVIRONMENTAL CLASSIFICATION:** The Committee on Environment and Social Impact (CESI) approved this operation on June 9, 1997 (TRG18/97). The recommendations of the CESI are included in paragraphs 3.4 (a) and 3.14 (b).

**OBJECTIVES:** To improve the application of analytical tools and instruments in the design and implementation of health system reforms in Latin America and the Caribbean.

**DESCRIPTION:** The Network will include five components: (i) a training program regarding the application of policy and managerial tools (Policy Toolbox, US\$735,100); (ii) training seminars on a regional and subregional level for health sector decision makers (Inter-American Leadership Forum on Health, US\$294,700); (iii) the creation of a virtual space for the exchange and dissemination of information in support of the training (the Inter-American Clearinghouse of Health System Reform Initiatives, US\$159,000); (iv) a scholarship program for post-graduate studies in health policy (US\$181,200); and (v) support for an award program in the realm of research and innovation (US\$100,000).

**BENEFITS:** The project will support the countries of the region in their efforts to improve the formulation of policy and the implementation of reforms in the health sector. The combination of highly specialized training for health experts involved in the reform process, and the access to and exchange of

information, comparative data and policy experiences are expected to contribute to narrowing the personnel and information gaps which have hampered the region's ability to identify, develop and successfully carry out viable strategies for health sector reform.

Moreover, this operation is expected to provide new insights to complement Bank policies and projects in the area of health reform.

**RISKS:**

First, the impact of the training offered under the Network may be limited due to the generally high rotation rate of senior officials in the region. Second, the sustainability of the Network's activities beyond initial Bank financing hinges, to a considerable extent, on the success of the project's outcome.

With respect to the first risk, it should be emphasized that the training will not only be offered to high-level political appointees, but also to public sector technical personnel and leaders from both the non-profit and for-profit private sector. The risk of financial sustainability is mitigated by FUNSALUD's excellent reputation, its fund-raising experience and distinguished publications.

**THE BANK'S  
STRATEGY IN THE  
REGION:**

The project complies with a central mandate of the Eighth Replenishment, namely the support for reforms which are directly aimed at improving the efficiency and equity of government action in the social sector.

**SPECIAL  
CONTRACTUAL  
CONDITIONS:**

- A. Condition for first disbursement: agreement on the rules for participation in the Network and the operating regulations for the Network's Steering Committee (par. 4.4).
- B. Disbursements: initial disbursement of US\$100,000 in support of the "José-Luis Bobadilla Memorial Fund for the Promotion of Public Health Policy" (see par. 4.25).
- C. Reports: the preparation of annual investment plans to ensure the contribution of complementary funds (see par. 4.27 and 4.28).

**EXCEPTION TO BANK  
POLICIES:**

Procurement: FUNSALUD would be authorized to hire the HSPH without competitive bidding for a maximum amount of US\$40,000 (see par. 4.11). The HSPH will organize the regional forum under the ILFH component.

**RESPONSIBILITY IN** Technical: SDS/SOC, basic: INT/RTC. The operation  
**THE BANK:** will be monitored and administered by the Country  
Office in Mexico.

## I. BACKGROUND

- 1.1 On October 2, 1996, Dr. José Luis Bobadilla, a renowned Mexican health policy analyst and IDB staff member, died in an airplane accident while on mission for the Bank. The death of this well distinguished Latin American leader in health policy represents an irreparable loss to the public health community in general and the Bank in particular.
- 1.2 In April 1997, the Bank, in cooperation with the World Bank, the Pan American Health Organization (PAHO) and the Mexican Health Foundation (*Fundación Mexicana para la Salud - FUNSALUD*), established the "José Luis Bobadilla Fund for Public Health Policy Development". This Fund grants two awards for research and innovation in health services delivery.
- 1.3 The present operation proposes to expand and integrate the José Luis Bobadilla Fund into a broader program whose main objective is to facilitate and promote the use of methods and managerial tools in health policy analysis and reform.
- 1.4 "Health reform" is an expression that has become popular in recent years, usually referring to structural changes in the health service systems of developed nations. Since health care costs have not rendered commensurate output, most of the changes in these countries have been aimed at increasing efficiency.
- 1.5 The health sector in Latin America and the Caribbean suffers from a pervasive lack of efficiency, with respect to the type of services provided, and the way they are produced and delivered. In addition, reform initiatives must address the more fundamental problem of unevenness in quality and inequity in access to services.
- 1.6 The health systems among the countries of the region vary widely with respect to their basic characteristics, such as epidemiological profiles, levels of expenditure in health services and the structure of health service systems. Due to different traditions, a single "model" of health system which the countries should follow, does not exist. As a result, changes which are proposed under the umbrella of "health reform" differ considerably from country to country.
- 1.7 At present, reform initiatives in the region are often based on anecdotal information, reproduction of policy changes in other countries under different circumstances or ideological preferences of decision makers. Information resulting from methodologically rigorous studies and analysis of health care problems is not available or has not been fully explored. Thus, there is a need to enrich policy formulation with relevant information about the health status of the population and the performance of health service systems.

- 1.8 The analytical tools and instruments for a more coherent approach to the formulation of health policy are generally well developed. The problem, rather, is that these methods and instruments are often not applied in the policy making process in the region. To promote their application, the operation proposes measures in two crucial areas: (i) a critical mass of professionals on the technical level must be trained in the use of analytical instruments, (ii) and decision and opinion makers must gain a better understanding of their scope and potential.
- 1.9 The region suffers from a lack of skilled professionals to master the application of critical analytical tools, such as the ability to link the epidemiological profile to the benefit package or to develop and apply clinical guidelines.
- 1.10 Initiatives in the second area are aimed at creating an environment in which stakeholders understand and participate in identifying policy options. Opinion leaders, journalists, and executives of private and public health delivery organizations should become familiar with issues such as scarcity of resources, alternative uses for these resources, differences in health determinants of individuals versus populations and the contribution of personal health services to the health of populations. Furthermore, they should become knowledgeable about policy tools to address these larger issues.
- 1.11 In 1994, FUNSALUD took an important first step in addressing the aforementioned problems and prepared a comprehensive study entitled "Health and the Economy". The study applied a number of tools for improved policy making, including: burden of disease measurement, cost-effectiveness analysis of interventions, design of packages of health services, national and subnational health accounts, performance analysis of health institutions, satisfaction surveys of consumers, and political mapping of the health reform.
- 1.12 Two years later, FUNSALUD and the National Institute of Public Health of Mexico (*Instituto Nacional de Salud Pública* - INSP), in coordination with the World Health Organization (WHO), established the International Clearinghouse of Health System Reform Initiatives with start-up financing from the Rockefeller Foundation and the Carnegie Corporation of New York.
- 1.13 The Clearinghouse promotes and sponsors comparative analysis of issues related to health reforms, and to collect, analyze and disseminate information about health reform processes. As of today, it has financed approximately 30 research projects and published two issues of its newsletter.
- 1.14 Building upon these initiatives, the José Luis Bobadilla Inter-American Network for Health Policy will be aimed at supporting health reform initiatives in the region through training, policy-oriented research and the collection and dissemination of information.

## II. OBJECTIVES

- 2.1 The objective of the project is to improve the application of analytical tools and instruments in the design and implementation of health system reforms in Latin America and the Caribbean.
- 2.2 The specific objectives are:
  - a. To adapt and, to the extent necessary, develop analytical tools and instruments which are crucial to support the reform process in the region; to identify policy options for health sector reform at the regional and/or country levels, and to train technical personnel in both the application of these instruments and the identification of policy options;
  - b. To strengthen the ability of political, professional, union, social and health leaders of the LAC region to analyze policy options in the realm of health reform.
  - c. Complementing the two previous components: to develop a documentation facility and a virtual space for the collection, dissemination and exchange of information, knowledge, experiences and opinions about health reform initiatives in the LAC region.
  - d. To establish a "training-of-trainers" program on the application of analytical tools and instruments in health policy.
  - e. To contribute to the sustainability of the "José Luis Bobadilla Fund for Public Health Policy Development".

## III. DESCRIPTION

- 3.1 The José Luis Bobadilla Inter-American Network for Health Policy will include five components: (i) a training program regarding the application of policy and managerial tools (Policy Toolbox); (ii) training seminars for health sector decision makers (Inter-American Leadership Forum on Health); (iii) a virtual space for the exchange and dissemination of information in support of the training (the Inter-American Clearinghouse of Health System Reform Initiatives); (iv) a scholarship program for post-graduate studies in health policy, and (v) support for an award program in the realm of research and innovation.
  - A. **Policy Toolbox** (US\$735,100)
- 3.2 The number of useful analytical and managerial instruments for the improvement of health policy formulation and implementation has

grown dramatically in recent years. However, decision makers are often separated from centers of information, scientific knowledge and technology. While it is clear that policies are made and implemented on the basis of many factors unrelated to information and scientific knowledge, it is also true that strong evidence can empower policy makers to make better informed decisions.

- 3.3 Within this context, the Network will: (i) contribute to the adaptation of existing analytical tools and instruments and, to the extent necessary, further their development; (ii) prepare teaching materials in form of manuals, CD ROMs, tapes, etc., and (iii) hold a total of 6 workshops to test the teaching material. Twenty technical leaders of the region will be trained in each workshop.
- 3.4 The following list includes examples of the topics which the project will address:
- a. Definition of the epidemiological profile using, among others, the measure of the burden of disease, with emphasis on women's health.
  - b. Organizational analysis of the health service delivery systems, including the political mapping methodology.
  - c. Cost-effective analysis of selected interventions (with very high cost to effectiveness ratios) and technology assessment.
  - d. Comparative analysis of previous health policy experiences according to criteria to be specified by FUNSALUD.
  - e. Health expenditure and resource allocation following the methodology of National Health Accounts (NHA) and the development and evaluation of alternative payment mechanisms.
  - f. Quality assurance, including application of methodologies like ISO 9000, and the adaptation and application of clinical guidelines.
- B. Inter-American Leadership Forum on Health (ILFH) (US\$294,700)**
- 3.5 Under the Inter-American Leadership Forum on Health (ILFH) and with technical support from the Bank's Inter-American Institute for Social Development (INDES), regional and subregional fora will be organized to strengthen leadership in the health field. It will offer participants the opportunity to discuss problems and policies in the health system with experts and peers. The fora will create an atmosphere amenable to the exchange of new perspectives and innovative strategies on issues which health officials are commonly confronted with.

- 3.6 The ILFH will have two subcomponents: regional and subregional meetings. A total of two regional meetings will be held at the highest decision-making level (Ministers of Finance, Planning, Health, Directors of Social Security Institutes, or similar) to discuss the technical constraints and political issues of health reform, and the interface between the two.
- 3.7 On August 15, 1997, the Bank approved financing for the first of these fora (ATN/SF-5672-RG). It will be devoted to "Strategies and Instruments for the Implementation of Health Systems Reform" and will take place at the INSP facilities in Cuernavaca, Mexico. The second regional forum will be organized and financed under this operation.
- 3.8 The specific topic of each forum will be analyzed under the following aspects: (i) concepts and instruments for the implementation of health system reforms; (ii) recent reform experiences in the region; and (iii) analysis of emerging problems in Latin America and the Caribbean, such as AIDS and injuries, including those caused by domestic violence. The fora will be coordinated by FUNSALUD and taught by teachers and experts of the region as well as faculty members of the Harvard School of Public Health who participated in the development of the Harvard International Health Leadership Forum.
- 3.9 The second product of the ILFH will be the organization of four subregional fora, aimed at analyzing the issues of resource allocation in health service systems. The participants of the subregional fora will include: officials responsible for public services provided by sub-national territorial entities, senior technical staff from the ministries of health and finance and social security institutes, executive officers of private health organizations, non-governmental key actors, and journalists specialized in health.
- 3.10 These fora will be offered for each of the following subregions <sup>1/</sup>: (i) countries with contract intensive health systems (Chile, Argentina and Uruguay); (ii) countries with integrated public health systems (Costa Rica and the English speaking Caribbean); (iii) countries with public subcontracting health systems (Brazil); and (iv) countries with segmented health systems (all other Bank borrowing member countries).
- 3.11 During the three year execution period of this project, the two ILFH products will allow the training of 150 decision makers of the public and private health sector in Latin America and the Caribbean.

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<sup>1/</sup> The subregions have been identified in accordance with the classification of health systems which the Bank developed in its 1996 report on "Economic and Social Progress in Latin America".



C. **Inter-American Clearinghouse on Health System Reform Initiatives (ICHSRI)** (US\$159,000)

- 3.12 The Inter-American Clearinghouse of Health System Reform Initiatives (ICHSRI) will include two basic activities:
- a. the collection, abstracting, comparative analysis and dissemination of documents, particularly unpublished ones, related to health reform efforts in the LAC region; and
  - b. the creation of a virtual space to enable the dissemination, exchange and analysis of information, opinions, experiences, and ideas related to health reform initiatives.
- 3.13 Within the Network, ICHSRI will complement the training provided under the Policy Toolbox and the Fora. Specifically, it will gather and disseminate information in support of the development, adjustment and application of methodologies and managerial instruments. Internet fora will be organized to involve Network trainees as well as country correspondents (see par. 4.13 - 4.14) to assess the requirements and viability of instruments. Comparative analyses will be commissioned to follow and assess health reform trends and to establish the benefits of instrument application in the context of structural and other variables.
- 3.14 The ICHSRI information base on the Internet will be developed using the following sections as an outline :
- a. Introduction, general information and special features. This section will contain the introduction to the web site, its purpose and structure, the organization of ICHSRI and the Network directory.
  - b. A section documenting health reforms in the region through reform narratives, policy document abstracts and scientific publication abstracts. Health reform narratives will be written by country correspondents especially for the Clearinghouse, following a minimum data-set and standard format, diagrams and tables to facilitate comparative analysis. Special attention will be given to the health needs of women and at-risk groups.
  - c. Interactive resources to support policy analysis , follow-up discussions of Network events and training workshops, and the creation of a health reform café for general interaction.
  - d. Support services for correspondents and the Network in general, including a comparative framework for the analysis of health reform.
- 3.15 In addition, a quarterly newsletter will be published in English and Spanish.

D. **Scholarship Program** (US\$181,200)

- 3.16 To expand training opportunities in the area of policy tools in the region, the Network, in collaboration with the INSP and with the technical support of INDES, will establish a "training-of-trainers" program in health policy.
- 3.17 Each year, the program will support two to four qualified professors and researchers from the region - preferably from C and D countries - to study a one or two-year graduate program at the INSP. Candidates must meet the following requirements: (i) be a citizen of one of the Bank's borrowing member countries; (ii) be 40 years of age or under (in exceptional cases, less than 45 years of age); (iii) hold a bachelors degree with outstanding academic performance; (iv) have a minimum of two years professional experience in a public university-level training institution; (v) be nominated by a public university-level training institution related to the area of health policy, and (vi) pass the selection exam required by the INSP.
- 3.18 In addition to the INSP's track record as an outstanding training institution, it played a central role in Dr. Bobadilla's career: he was one of its founders and a considerable part of his professional career was devoted to the development of the research and education programs that have earned the INSP international recognition.

E. **Award Program** (US\$100,000)

- 3.19 The Network will devote part of its resources to complement the "José Luis Bobadilla Fund for Public Health Policy Development". At present, the Fund's capital totals US\$60,000.
- 3.20 It is the Fund's principal objective to award prizes in Latin America and the Caribbean in the fields of public health research and health services innovations.
- 3.21 Specifically, one prize will be for scientific research that is relevant for public health policies, particularly public health and development, in areas such as demographic transition, epidemiology and health, setting of health care priorities, the organization of health services, reproductive health, and violence. The other prize will be for innovations in public health services, in recognition of new policies which have a substantial impact on public health. The award will be granted alternately each year in the two aforementioned fields.
- 3.22 In both cases, a competition will be held, open to universities and research centers in Latin America and the Caribbean and consortia of these and nonregional countries, and regional institutions dealing with health issues. Individuals may also compete for the prize.

- 3.23 The amount of the prize will be US\$20,000. The first is planned to be awarded in June of 1998.

#### IV. ORGANIZATION AND EXECUTION

##### A. Organizational Structure

- 4.1 The José Luis Bobadilla Inter-American Network for Health Policy will include supporting and "in kind" partners. The supporting partners will be international and regional foundations and other institutions concerned with health issues, whereas the "in kind" partners will on the whole be Latin American and Caribbean institutions involved in health policy analysis and research. The latter are expected to contribute to the ICHSRI data and information base in exchange for access to its services.
- 4.2 The general Network oversight will be the responsibility of a Steering Committee which will be composed of representatives of supporting and "in kind" partners. The Committee will be responsible for all major decisions regarding the development of the Network.
- 4.3 FUNSALUD will serve as the Network's secretariat and will be responsible for the coordination and implementation of all activities. The Secretariat will be headed by the Executive Vice President of FUNSALUD who will be supported by two senior researchers and a small technical and administrative team.
- 4.4 Prior to the first disbursement, FUNSALUD will submit for approval to the Bank the rules for participation in the Network, as well as the operating regulations for the Steering Committee.
- 4.5 The mid-term evaluation will review the institutional framework of the Network, in order to determine whether it should be formalized. Amongst other criteria, this decision will be based on the prospects for the Network's sustainability.

##### B. Executing Agency

- 4.6 The project will be executed by the Mexican Health Foundation (Fundación Mexicana para la Salud - FUNSALUD) which is headquartered in Mexico City. FUNSALUD has an excellent track record in the area of health policy and is considered the leading institution in the region in terms of international publications on health issues.
- 4.7 FUNSALUD has also been an important vehicle for channeling resources from international donors to the benefit of health care in Mexico and Latin America. From 1985 to date, the Foundation has

managed 291 funds for a total of US\$39 million. Finally, many of Dr. Bobadilla's professional achievements are linked to FUNSALUD.

- 4.8 To encourage a fruitful cooperation between FUNSALUD and the IDB, the former will regularly inform SDS/SOC about the Network's activities and invite Bank personnel to participate in the fora and workshops. Moreover, FUNSALUD will consult with INDES on the ILFH work program and the curriculum development for the fora.

### C. Execution of Project Components

#### 1. Policy Toolbox

- 4.9 A Network team which will be headed by a senior researcher at the Secretariat, will develop a catalogue of the analytical tools and instruments now in existence and make this information available to the public health community. This team will also coordinate the adaptation of the existing instruments and design new ones. Several consulting agencies will be hired to develop the instruments with the specific requirement to generate practical and user-friendly training material (best-practice manuals, software, CDs).

#### 2. Inter-American Leadership Forum on Health (ILFH)

- 4.10 The regional forum will be coordinated by FUNSALUD.
- 4.11 FUNSALUD has submitted a request to the Bank which would authorize the Foundation to hire the Harvard School of Public Health (HSPH) without competitive bidding to assist with the academic coordination of the regional forum. HSPH's ample experience with the concept and methodology of the fora, and the School's successful working relationship with FUNSALUD justify the request. Specifically, the HSPH would be responsible for preparing the course material and providing teaching support.
- 4.12 The subregional fora will be hosted by local institutions, coordinated by FUNSALUD, and taught by teachers and experts from the region.

#### 3. Inter-American Clearinghouse on Health System Reform Initiatives (ICHSRI)

- 4.13 Ten country correspondents from the region will be recruited from both academic and health providers/regulators. In conjunction with Network members, they will produce and update health reform initiative narratives covering specific aspects of strategic importance for the region. Moreover, they will supply health policy documents and "gray" literature that will be abstracted and shared. Correspondents will also participate in specific analytical and follow-up activities.

- 4.14 The correspondents will be individuals in key positions in Network partner agencies or other centers for health policy analysis. The correspondents will be trained through a workshop and via the Internet in comparative methods and the analysis of health system reforms. FUNSALUD will develop guidelines and a comparative framework for policy analysis.

4. Scholarship Program

- 4.15 Scholarships will be awarded by a Selection Committee composed of five specialists in health policy, two of which will represent major contributing partners of the Network. The Committee will consult with INDES staff on the selection of scholarship recipients.

5. Award Program

- 4.16 The Award will be bestowed by a Technical Committee which will be composed of one representative from: the IDB, the World Bank, the PAHO and FUNSALUD, and three prominent members of the public health academic community in the Americas, to be appointed by consensus by the participating organizations.

- 4.17 The Committee's terms of reference are to:

- . Establish mechanisms and define criteria and methods for attaining the Fund's objectives. FUNSALUD will provide the Technical Committee with guidelines for the use and application of funds.
- . Establish mechanisms for control and supervision of the Fund's activities and identify corrective measures needed to attain its objectives.
- . Report annually to the participating organizations on achievement of the Fund's objectives and use of its resources.
- . Avert or settle, as necessary, any conflicts between the participating organizations, other donors, and the Fund's activities, and resolve any matter or problem that affects operation of the Fund or its capital.

- 4.18 The Technical Committee will meet at least once a year and keep records of its decisions, to be signed by all the members.

D. Duration

- 4.19 The project will be executed over a three year period, with the exception of the Award component for which the execution period will be five years.

E. Cost and Financing

4.20 The cost of the project is estimated to total US\$1,500,000, according to the following budget:

Cat.	Component Concept	Toolbox	ILFH	ICHSRI	Scholarships	Award	Total
1.	Consulting services	495,000	120,000	75,000			690,000
2.	Travel and per diem	125,400	103,000		106,200		334,600
3.	Tuition and other scholarship costs				41,400		41,400
4.	Publications	30,000		18,000			48,000
5.	Support Personnel	43,200	43,200	43,200	21,600		151,200
6.	Communication	4,500	9,000	9,000	3,000		25,500
7.	Supplies	3,000	5,000	6,000	1,500		15,500
8.	Evaluations						30,000
9.	Sp. Programs					100,000	100,000
10.	Contingencies	34,000	14,500	7,800	7,500		63,800
	<b>Total</b>	<b>735,100</b>	<b>294,700</b>	<b>159,000</b>	<b>181,200</b>	<b>100,000</b>	<b>1,500,000</b>

4.21 The contribution of the Bank would be non-reimbursable and drawn from the net income of the Fund for Special Operations (FSO), to be disbursed in local currency (Mexican Peso).

4.22 FUNSALUD will contribute to the project in kind with personnel time equivalent to US\$300,000. Of this amount, US\$120,000 corresponds to the head of the Network's Secretariat and US\$180,000 to two senior researchers.

4.23 To ensure the financial sustainability of the Network, the supporting partners (par. 4.1) will complement the Bank's contribution. The executing agency commits itself to the following fund-raising scheme as a percentage of the Bank's total contribution: first year: 10%; second year: 15%, and third year: 25%.

4.24 In addition to the funds provided by the Bank and the supporting partners, the Network will generate income by selling the Toolbox products and ICHSRI information services. Furthermore, FUNSALUD plans to charge tuition for training activities once they are established and operating, and is exploring the possibility of charging a Network membership fee.

**F. Disbursements**

- 4.25 The amount allocated to support for "José Luis Bobadilla Fund for Public Health Policy Development" (US\$100,000 equivalent) will be disbursed as soon as the conditions for the first disbursement have been met and a corresponding request has been presented to the Bank. FUNSALUD will deposit the resources in the special account of the Fund and manage them in accordance with the stipulations outlined in the Fund's Operating Regulations.
- 4.26 The remainder of the Bank's contribution (US\$1,400,000 equivalent) will be disbursed according to Bank policies. Specifically, a revolving fund will be established, equivalent to 10% of the aforementioned amount.
- 4.27 In order to ensure the contribution of complementary funds as outlined in par. 4.26, FUNSALUD will present to the Bank at the beginning of each year of execution an investment plan which will specify the source of financing for the activities (IDB, supporting partners).

**G. Reports**

- 4.28 The executing agency will present the following to the Bank:
- a. Investment plans: to be presented within 90 days after the signing of the Agreement and, thereafter, within 60 days after the end of each calendar year.
  - a. Progress reports: to be presented within 90 days after the end of each calendar year. They will contain a detailed account and an evaluation of the activities carried out, a work plan for the current year and recommendations for overall program development.
  - b. Financial reports: (1) annual, to be presented within 90 days after the end of each calendar year; and (2) final report, within 90 days after the end of the three year execution period.
  - c. A final report: to be presented within 90 days after the end of the three year execution period, providing a quantitative and qualitative evaluation of the results.

## V. BENEFITS AND RISKS

### A. Benefits

- 5.1 The project will support the countries of the region in their efforts to improve the formulation of policy and the implementation of reforms in the health sector.
- 5.2 Specifically, the project will tackle two basic problems which have hampered the region's ability to identify, develop and successfully carry out viable strategies for health sector reform; these are the personnel and information gaps. The combination of highly specialized training for health experts involved in the reform process, and the access to and exchange of information, comparative data and policy experiences are expected to contribute to narrowing these gaps. In sum, the project will facilitate the formulation of policy decisions which are based on relevant information and analysis.
- 5.3 Moreover, the Bank will benefit from the knowledge, experience and materials generated by this project. Particularly, the Policy Toolbox and the leadership fora are expected to provide new insights to complement Bank policies and projects in the area of health reform.

### B. Risks

- 5.4 Two risks demand special attention. First, the impact of the training offered under the project may be limited due to the generally high rotation rate of senior officials in Latin American and Caribbean. Second, the sustainability of the Network's activities beyond initial Bank financing hinges, to a considerable extent, on the success of the project's outcome.
- 5.5 With respect to the first risk, it should be emphasized that the training will not only be offered to high-level political appointees, but also to public sector technical personnel and leaders from both the non-profit and for-profit private sector. The risk of financial sustainability is mitigated by FUNSALUD's excellent reputation, its fund-raising experience and distinguished publications. In fact, FUNSALUD publications presently constitute a significant source of income for the Foundation.

## VI. EVALUATION

- 6.1 The Bank will hire independent experts to carry out a mid-term and final evaluation of the Network activities. The first evaluation will be submitted to the Bank within 60 days following the first



18 months of project execution, and the second within 90 days after the conclusion of the execution period.

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE TECHNICAL COOPERATION FOR  
THE EXECUTION OF THE JOSE LUIS BOBADILLA INTER-AMERICAM  
NETWORK FOR HEALTH POLICY PROJECT

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 additional measures as may be pertinent for the execution of the plan of operations referred to in Document AT-\_\_\_\_\_, with respect to a non reimbursable regional technical cooperation with the Fundación Mexicana para la Salud, for the execution of The José Luis Bobadilla Inter-American Network for Health Policy Project.

2. That up to the equivalent of US\$1,500,000, in pesos mexicanos, 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 non reimbursable basis.