

**Aide Memoire  
Central Asia AIDS Project (CAAP)  
Supervision Mission  
June 15-July 2, 2008**

**I. Introduction**

1. A World Bank<sup>1</sup> team visited Almaty, Kazakhstan; Bishkek, Kyrgyz Republic; and Tashkent, Uzbekistan from June 15-July 2, 2008 to supervise implementation of the Central Asia AIDS Project. The supervision visit focused on selected Component 1 subcomponents, Component 2 progress and the Project's Results Framework.
2. The mission worked with the team of the Regional Project Management Unit (RPMU) led by Prof. Tilek Meimanaliev, and met with a number of Project beneficiaries and national and international implementation partners. The team would like to express its gratitude to Prof. Meimanaliev and the RPMU team for their support of the Bank team, their extensive cooperation during the visit and commitment to the Project. The mission also wishes to thank the teams in the World Bank offices in Almaty, Tashkent and Bishkek for the support provided during the visits.
3. The findings and recommendations of this Aide Memoire are subject to approval by World Bank Management.

**II. Summary of Progress Review Findings**

4. **Overall implementation progress.** Overall implementation progress is moderate, with substantial performance variations in individual subcomponents. Progress has been made with regional policy work and coordination, particularly the establishment of regional technical working groups and the implementation of surveillance activities. Targeting of 60% of funds to high-risk groups in the second grant round has also been accomplished for large grants. The Project, however, requires further efforts and a strong focus on its key activities to accelerate implementation progress and meet its objectives in all areas.
5. The following critical issues, which were already agreed in December 2007, have not been implemented as foreseen and will need to be addressed urgently to ensure successful Project implementation: (i) a structural review of the Regional Project Management Unit and provision of adequate human resources support for Component 2 activities and implementation of the sub-grant program at the country level, including a detailed roadmap for institutionalizing the Regional AIDS Fund under EurAsEc, (ii) addressing the delays in operationalizing the Project's Management Information System (MIS) to ensure adequate and timely monitoring of Project

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<sup>1</sup> The World Bank team included Dorothee Eckertz, Task Team Leader and Operations Officer (ECSHD), June 26-July 2, 2008; Bibigul Alimbekova, ET Consultant (ECSHD), June 26-27, 2008; Alberto Gonima, Surveillance and MIS Consultant (ECSHD), June 15-28, 2008; Robert Patterson, Consultant M&E (OPCS), June 16-29, 2008. Kanybek Konokhbaev, Gulnora Kamilova, Karthika Radhakrishnan-Nair and Anara Tokusheva provided administrative support from Bishkek, Tashkent, Washington DC and Almaty.

progress and support management decisions, and (iii) the provision of a full baseline to measure Project results in a timely manner and endorsement of the revised results by the Recipient.

**6. Progress towards the Project Development Objective (PDO).** Progress towards the PDO is limited, mainly due to implementation delays in key subcomponents, particularly the sub-grant program. Assessing Project progress is furthermore hampered by the absence of a full baseline and comprehensive Results Framework as well as appropriate monitoring tools for the Regional Project Management Unit to establish a clear link between Project activities, outputs and outcomes.

**7. Disbursements and Commitments** under the Project. As of July 2, 2008, a total amount of US\$5.83million (21.7%) of the grant has been disbursed, and US\$7.69million (28.6%) have been committed under signed contracts. Disbursement has not accelerated significantly since the last review visit.

**8. Next visit / Mid-Term Review:** The next Bank supervision mission, which will be the Project's Mid-term Review, is planned to take place from October 20-October 30, 2008. The Bank's Financial Management and Procurement Specialist will conduct financial management and procurement reviews before October 2008 as per the availability of the RPMU team.

### **III. Key findings and agreements reached during the mission**

#### **Component 1. Regional coordination, policy development and capacity building**

**9. Sentinel Surveillance(SS) and Electronic Surveillance (ES):** Results achieved so far have been accomplished with considerable savings as compared to the original budget in the CDC-RPMU Memorandum of Agreement (MoA). However, delays in the procurement of test kits have negatively affected the programmed SS rounds at the country level, and ES work should also be accelerated to make up for earlier delays. It was agreed that reallocated funds should be applied to: (i) complementing ongoing activities to strengthen SS analytical capacity in the selected pilot sites; (ii) increasing the number of sites with the addition of 3 new pilot SS sites in Kyrgyz Republic and 2 SS sites in Tajikistan; and (iii) accelerating the HIV-ES activities to achieve expected results by 2010. Procurement of test kits will be in two phases to ensure availability of test for key high-risk groups as planned. Bidding documents for the next SS round will be prepared by no later than **July 31, 2008**. For subsequent SS rounds, a larger tender will be prepared to cover the overall supply needs of the Project until 2010. Supply requirements and bid preparation will be finalized by **September 1, 2008**. The RPMU and CDC will review the MoA and provide the revised documents to the Bank by **October 1, 2008**. The RPMU is actively working on solving the issue with licensing of test kits with the RPSC and expected completion date is **December 31, 2008**.

**10. Strengthening the M&E systems and regional database:** All countries have endorsed the Project's request to publish SS reports in the future CARISA Regional

web site<sup>2</sup>, thereby improving transparency and provide evidence-based analysis of the course of the epidemic. The Uzbek Government intends to maintain a separate web site from the proposed CARISA site, which will be linked to the country web site. Additional work will be required to maintain the taxonomy standard and common presentation, and work on the CARISA web site will be completed by **July 31, 2008** and subsequently be published under a new domain (CARISAdata.info).

11. *Partnerships*: The Asian Development Bank (ADB) is interested to strengthen its cooperation with the Regional AIDS Project on HIV & Transport/Workplace activities which are planned as part of the “Joint Partners on HIV/Transport Initiative” under CAREC, and has signalled its interest to participate in the 3<sup>rd</sup> Inter-Parliamentarian Meeting in Dushanbe in September 2008, possibly followed by a regional event on HIV and transport. ADB also confirmed availability of funds to support work in this area. The EU Delegation in Almaty is scaling up its activities under the ‘Central Asia Drug Action Program’, and interested to actively work with the CAAP and its partners. RPMU will to contact the EC Delegation to explore potential areas of cooperation.

## **Component 2. Regional AIDS Fund**

12. *First grant round*. Implementation of small grants from the first round has been finalized successfully. Implementation progress of large grants is mixed and RPMU team is actively working with grant recipients to increase implementation speed. It was agreed that the RPMU would review each Round 1 large grant to identify opportunities for scaling up of successful activities two months prior to sub-grant closure between **July and October 2008**.

13. *Second grant round*. Implementation of small grants awarded in the second grant round is progressing satisfactorily. The RPMU team has also advanced with reviewing general grant processes and documentation. Progress with concluding large grant agreements, however, has been very slow, and only one large grant agreements has been signed. Main reasons for the delays are incomplete documentation, lack of due diligence, and insufficient staff numbers in the RPMU. It is expected that the remaining sub-grant agreements will be signed by **July 31, 2008**.

14. *Third grant round*. The third grant round has started on June 2, 2008 and contracting is expected to be completed by **September 15, 2008** for small grants, and **September 28, 2008** for large grants. The RPMU will focus on actively supporting organizations with proposal development, and to this end will cooperate closely with the recipient of the Central Asia IDF grant for capacity building and training of grant recipients. The RPMU and IDF Grant recipient will provide the Bank with an updated implementation schedule for additional events **by July 18, 2008**. The RPMU, together with partners, will review the coverage with key HIV/AIDS services and identify potential gaps in the region by **October 1, 2008**.

15. *Inadequate staff capacities for Component 2 management*: Component 2 is severely understaffed and has not been assigned adequate human resource capacity to

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<sup>2</sup> Source/ Project Files: KZ Letter № 07-11-1889 dated 27.03.2008; KG Letter № 01-1/5-1010 dated 07.03.2008; TJ Letter № 1-6/527-643 dated 29.03.2008; and UZ Letter № 012-8/839 dated 24/03/2008).

manage a growing sub-grant portfolio as was agreed during the December 2007 visit. As a result, the third grant round was delayed by three months. Grant implementation monitoring on site also needs to be scaled-up. The Bank and RPMU team agreed that the organizational review will be conducted by no later than **July 31, 2008** to subsequently ensure that additional human resources, including consultants as needed, are provided for Component 2 in time for the third grant round. The DFID-financed Project Management Consultant will support the RPMU management with this task.

16. *Need to accelerate and improve sub-grant recipients' capacity reviews:* It was agreed that the RPMU and Bank team will increase their efforts on both sides to achieve timely signature of grant agreements. The World Bank would review and provide its no objection before grant evaluation reports and award recommendations are submitted to the RPSC for final approval.

17. *Updated and timely management information:* Further efforts need to be made to publish grant awards, implementation progress and monitoring results on the Project's website. The Grant Management System (GMS) is still not fully functional and reporting continues to be cumbersome and time-consuming. The RPMU team will give this task priority attention and finalize the GMS to enable full use of its functions and timely reporting by **July 15, 2008**.

18. *Institutionalization of the Regional AIDS Fund.* The RPMU has started to develop a concept for institutionalization of the RAF under EurAsEc. The concept, however, requires further work and it was agreed that the initial RAF concept will be elaborated in more detail, with a clear description of the future institution's objectives, functions, financing and organizational structure at the regional and national levels. EurAsEc should be closely involved in this task. The RAF concept would be finalized by **August 15, 2008**, to allow for timely submission to EurAsEc on **September 1, 2008** to ensure discussion at the next EurAsEc Health Ministers' Council Meeting on **November 2-4, 2008**.

### **Component 3. Project Management, Monitoring and Evaluation**

19. *Project management.* The agreed review of RPMU organizational and functional structures has not yet been accomplished. The Bank team urged the RPMU management to give this task its immediate attention as otherwise the lack of implementation progress may endanger achieving the Project Development Objectives within the remaining lifetime of the Project. The RPMU will share the proposed organizational structure and RAF concept with the Bank by **August 15, 2008**.

20. *Project Results Framework.* A Bank consultant worked with the RPMU team to closely re-examine and finalize the revised Project Results Framework. The RPMU will follow up with EurAsEc to send the necessary documentation to the Bank by **July 15, 2008** so that an amendment of the Grant Legal Agreement can be processed by the Bank's Board.

21. *Project Management Development Consultant:* The Bank team, DFID and RPMU management met on July 1, 2008 to introduce the DFID-financed Management Development Consultant to the RPMU. It was agreed that the consultant will start to

support the RPMU with the following key tasks: (i) Further Development of Project Management, organizational and RAF structure to achieve institutionalization under EurAsEc in 2009; (ii) Development of a Regional Strategic Framework (iii) Overall Project Management Support in priority areas, particularly the review of Project Operational Manual and structures (including Regional AIDS Fund Handbook and Grant Recipient Handbook), and RPMU workflows.

22. *Preparation of Mid-Term Review*: The RPMU and Bank team agreed on the steps for preparation of the Project's mid-term review, which is planned to take place from October 20 to 30, 2008. The RPMU in cooperation with EurAsEc will prepare the Grant Recipient's Mid-Term Review report, and share this report with the Bank team by ***October 1, 2008***.

## **Annex 1: Detailed Supervision Report and Recommendations**

### **Component 1. Regional coordination, policy development and capacity building**

23. *Status of Electronic and Sentinel Surveillance:* The Regional Sentinel Surveillance (SS) and Electronic Surveillance (ES) Conference, and the National SS Conferences were carried out as planned in 2008, including presentation of the SS results of all pilot sites except for Uzbekistan. The conference in Uzbekistan was postponed until August 2008 because of delays with test kit procurement for ten sites financed by the Global Fund and the pending government revision and approval of the SS Country Report. As of April 2008, all pilot sites had completed two rounds of high-risk groups' second generation sentinel surveys programmed for 2007. The delay was caused by an unexpectedly lengthy procurement process and other logistical problems resulting from delays in licensing test kits in three countries (Kyrgyz Republic, Uzbekistan, Tajikistan). The RPMU is actively working on solving this issue and expected completion date is **December 31, 2008**. A dated time table for the licensing of test kits in all countries will be provided by **August 15, 2008**. Laboratory equipment to be procured under the CAAP-CDC MoA is also in the process of contracting and delivery is expected in the **third quarter of 2008**.

24. The HIV-ES had a slow start during 2006, and no expenditures were reported in 2007 because of delays in preparatory work. The pilot testing of the HIV-ES, which was developed by international and regional consultants in early 2008, has started in 3 selected sites with the training of participating staff and procurement and installation of hard- and software. IT infrastructure and server platforms are being installed in the Kazakhstan Republican AIDS Center, and existing IT staff and the IT support unit will assure the rapid deployment of the HIV-ES pilot. To this end, the next two years will be critical in completing the delayed activities and it is therefore required to re-program the uncommitted funds under the CAAP-CDC MoA. The RPMU and CDC will review the agreement and provide the revised documents to the Bank by **October 1, 2008**.

25. *Second Generation Sentinel Surveillance:* The results achieved so far in sub-component 1.2 under the CAAP-CDC MoA have been accomplished with considerable savings as compared to the original budget, and the RPMU and CDC teams are to be congratulated for this achievement. With almost ninety percent of the planned activities implemented, only thirty-four percent of the planned budget for the SS, and forty-five percent of the total MOA budget have been disbursed or committed for relevant activities.

26. However, delays in procurement accountable in part to clarifications and justifications in the technical specifications of equipment, and test kit selection stemming from limited suppliers in the region have negatively affected the programmed SS rounds at the country level. Delays in the SS and postponement of activities in the development and implementation of the HIV-ES will require the reallocation of around twenty-seven percent of the MOA budget. It was therefore agreed with the RPMU and CDC/CAR that those funds should be applied to: (i) complementing ongoing activities to strengthen SS analytical capacity in the selected pilot sites; (ii) increasing the number of sites with the addition of 3 new pilot SS sites in Kyrgyz Republic and 2 SS sites in Tajikistan; and (iii) accelerating the HIV-ES

activities to achieve expected results by 2010. These changes will also be reflected in the revised MoA.

27. With 5 new SS sites supported by the Global Fund in Uzbekistan, the total number of sites from 2006 to 2008 increased from 25 to 40 in the Central Asia Region. This includes 13 existing SS sites in Kazakhstan which are currently operating with country resources. This 1.7-fold increase in the sampling size and the significant enlargement of the Sentinel Surveillance footprint in 38 Oblasts allows the Central Asia Region to develop epidemiological mapping of most high HIV prevalence population groups by country and by oblast.

28. *Strengthening the M&E systems and regional database:* All four participating countries have endorsed the Project's request to publish SS reports in the future CARISA Regional web site<sup>3</sup>. The official agreements issued by all countries in March 2008 will improve transparency and provide evidence-based analysis of the course of the epidemic, thereby reducing *ad hoc* interpretations of available epidemiological data. At the specific request of Uzbekistan, the Project supported the development of the National AIDS Country Committee ([www.CCMPARC.uz](http://www.CCMPARC.uz)) web site. The Government intends to maintain a separate web site from the proposed CARISA site. This alternative, although not the most convenient arrangement for regional data exchange and information retrieval and analysis, could be accommodated by providing links to the country web site. Additional work will be required to maintain the taxonomy standard and common presentation with same functionality to facilitate user access and navigation for this solution, even though the consultants were asked by the Project to maintain a similar structure to the platform developed by CAPACITY Project which is the basis of CARISA. Work on the CARISA web site will be completed by **July 31, 2008** and subsequently be published under a new domain (CARISAdata.info).

29. *Strengthen laboratory infrastructure and rapid tests:* Procurement of test kits for sentinel surveillance continues to be problematic, mainly due to registration problems in the four countries. This issue was repeatedly brought to the attention of the RPSC, and the RPMU team will continue to work with the four governments to ease registration time and speed up delivery of test kits. In view of this it was agreed in a meeting with CDC that procurement of test kits will be phased in two stages to ensure availability of test for surveillance of key high-risk groups as planned. CDC will also provide an expanded list of registered test systems for HIV, HCV and Syphilis in each country. Bidding documents for test kit procurement for the next SS round will be prepared by no later than **July 31, 2008**.

30. For subsequent SS rounds, a larger tender will be prepared to cover the overall supply needs of the Project until 2010. This tender aims to increase competitiveness in the selection and procurement of ELISA test kits for Dry Blood Spot (DBS) method, and a three-pronged approach will be followed: (i) CDC/CAR will explore the availability of registered and quality tested DBS test kits worldwide with WHO and CDC Atlanta, so that eligible test kits can be included in the list of adapted and registered test kits in the CAR; (ii) CAAP and CDC/CAR, in cooperation with the

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<sup>3</sup> Source/ Project Files: KZ Letter № 07-11-1889 dated 27.03.2008; KG Letter № 01-1/5-1010 dated 07.03.2008; TJ Letter № 1-6/527-643 dated 29.03.2008; and UZ Letter № 012-8/839 dated 24/03/2008).

countries, the Global Fund PIUs and other partners, will determine supply needs for a two year period with phased delivery according to the SS schedule and storage requirements, to encourage international bids; and (iii) CAAP/RPMU will continue to work with the CAAP Steering Committee and government officials to facilitate test kit registration for existing and new suppliers in all participating countries. Supply requirements and bid preparation will be finalized by **September 1, 2008**.

*31. Regional Technical Working Groups.* Ten Regional Technical Working Groups are now operational and meet regularly to advance strategy and policy work in the four countries and with international partners. The Bank team will fully review this area during Mid-Term Review.

*32. Partnerships:* The Asian Development Bank (ADB) is interested to strengthen its cooperation with the Regional AIDS Project on HIV & Transport/Workplace activities which are planned as part of the “Joint Partners on HIV/Transport Initiative” (with ADB, World Bank, DFID, JICA, KfW support) under CAREC. The Bank and RPMU teams had a phone meeting with Mr Jacques Jeugmans from ADB Manila and his team on July 1, and agreed to extend cooperation as follows: As a first step, ADB, RPMU and WB will compile documents and information on the current situation regarding HIV/AIDS and transport for a situational analysis. ADB is interested to participate in the 3<sup>rd</sup> Inter-Parliamentarian Meeting in Dushanbe in September 2008 and report on the results of its recent country studies. The further organization of a regional event on HIV and transport will also be envisaged, and ADB has confirmed the availability of financial resources to support work in this area.

*33.* The EU Delegation in Almaty is also scaling up its activities under the ‘Central Asia Drug Action Program’, which will focus on improving information systems on drug trade and trafficking, treatment of drug abuse in prison and hospital settings, and advocacy / awareness rising on drug abuse. There is interest to actively work with the CAAP and its partners, and the Bank team recommended the RPMU to contact the EC Delegation to explore potential areas of cooperation.

## **Component 2. Regional AIDS Fund**

*34. First round of sub-grant proposals.* Implementation of small grants from the first round has been finalized successfully with 99% of grant funds disbursed. Large grants are closing between August and December 2008. Implementation progress is mixed, with implementation of grant activities in Tajikistan, Kyrgyz Republic and Kazakhstan progressing faster than in Uzbekistan. The RPMU team is actively working with grant recipients to increase implementation speed in Uzbekistan. The Bank and RPMU teams agreed that the RPMU would review each Round 1 large grant to identify opportunities for scaling up of successful activities. This review will be done two months prior to sub-grant closure between now and **October 15, 2008**.

*35. Second grant round.* Implementation of small grants awarded in the second grant round is progressing satisfactorily and 54% of committed funds have been disbursed as of June 30, 2008. The RPMU team has also advanced with reviewing grant processes and documentation following the recommendations of the International Consultant who was hired to assess the grant programme in April 2008. Progress with concluding large grant agreements, however, has been very slow, and so far only

one large grant agreement has been signed with AIDS Foundation East West. Main reasons for the delays are incomplete documentation of sub-grant fiduciary and programmatic documents, incomplete RPMU due diligence of grant recipient implementation capacities, and insufficient staff numbers in the RPMU to manage an expanding grant portfolio. The Bank team discussed a number of steps that should be taken by the RPMU to accelerate signature of the grant agreements and it is expected that the remaining sub-grant agreements be signed by **July 31, 2008**.

*36. Third grant round.* The third grant round has started on June 2, 2008 and is expected to be completed by **September 15, 2008** for small grants, and **September 30, 2008** for large grants. A large number of Letters of Interest have been received from national and international organizations. It was agreed that the RPMU will focus on actively supporting organizations with proposal development as per the needs of grant recipients, and to this end will cooperate closely with the recipient of the Central Asia IDF grant for capacity building and training of grant recipients. In view of the Project's closing date, which would only allow for one or two additional grant rounds before Project closure, the RPMU should review the option to conduct targeted calls for large grant proposals in high-need areas over the next three to six months in addition to the currently scheduled rounds. To this end, the RPMU together with partners shall review the coverage with key HIV/AIDS services and identify potential gaps in the region by **October 1, 2008** prior to Mid-Term Review.

*37. Training for grant applicants and recipients:* The mission met with the IDF grant team and RPMU and it was agreed that the RPMU and IDF grant will continue their cooperation on training of trainers and grant recipients on project management. To this end, the IDF grant team agreed to contribute its savings of US\$50,000 for additional training rounds, and RPMU and IDF Grant recipient will provide the Bank with an updated implementation schedule for additional events **by July 18, 2008**.

*38. Inadequate staff capacities for Component 2 management:* Most importantly, Component 2 is severely understaffed and has not been assigned adequate human resource capacity to manage a continuously growing sub-grant portfolio as was agreed during the December 2007 visit. As a result, the start of the third grant round was delayed by three months, and grant implementation monitoring on site is inadequate and needs to be scaled-up. The Bank and RPMU team agreed that the organizational review will be conducted by no later than **July 30, 2008** to subsequently ensure that additional human resources are provided for Component 2 in time for the third grant round proposal evaluation and grant negotiations. If required, the RPMU should contract consultants to help with grant evaluation and management to avoid delays in proposal evaluation and grant preparation. The DFID-financed Project Management Consultant will support the RPMU management with this task.

*39. Need to accelerate and improve sub-grant recipients capacity reviews:* Fiduciary and institutional capacity reviews of grant applicants, including grant documentation required for the signature of large grants from Round 2, were found to be incomplete in a number of cases which resulted in a delay for providing no objections to grant signatures. It was agreed that the RPMU and Bank team will increase their efforts on both sides – RPMU to provide complete and comprehensive documentation of grant proposal in line with the RAF procedures, and Bank review and no objection within 5 working days for completed grant agreements - to achieve timely signature of grant

agreements. It was also agreed that the World Bank would review and provide its no objection before grant evaluation reports and award recommendations are submitted to the RPSC.

*40. Updated and timely management information:* Further efforts need to be made to publish grant awards, implementation progress and monitoring results on the Project's website. The Grant Management System, which was acquired in April 2007 from the DFID-financed CARHAP Project, is still not fully functional and reporting continues to be cumbersome and time-consuming, with only limited information for timely and focused management decisions. The RPMU team will give this task priority attention and finalize the GMS to enable full use of its functions and timely reporting by **July 15, 2008**.

*41. Institutionalization of the Regional AIDS Fund.* The RPMU has started to develop a concept for institutionalization of the RAF under EurAsEc. The concept, however, requires further work to clarify the objectives, organizational structure and financing of the Fund. During a meeting with the EurAsEc Health Ministers' Council in Bishkek in June 2008, member countries confirmed their strong interest and support to establishing the RAF. Belarus has indicated its interest to explore options for participation in the Project. The Russian Federation has indicated that it considers pledging additional resources to the RAF. The RPMU will follow up on this to raise funds for the RAF. It was also agreed that the initial RAF concept provided by the RPMU will be elaborated further, with a clear description of the future institution's objectives, functions and organizational structure at the regional and national levels. The Bank team recommended that EurAsEc be closely involved in this task. The RAF concept would be finalized by **August 15, 2008**, to allow for timely submission to EurAsEc on **September 1, 2008** to ensure discussion at the next EurAsEc Health Ministers' Council Meeting on **November 2-4, 2008**.

*42. Site visits to grant recipients:* The Bank team visited two project sites of sub-grant recipients in Almaty. Both sites showed a considerable level of activities and are well-received by the target groups. The Bank team recommended that further steps be taken to evaluate the impact of sub-grant activities by following up on beneficiaries' behavior.

### **Component 3. Project Management, Monitoring and Evaluation**

*43. Project management.* The review of RPMU organizational and functional structures, which was a key agreement during the previous mission in December 2007, has not yet been accomplished. The Bank team urged the RPMU management to give this task its immediate attention as otherwise the lack of implementation progress may endanger achieving the project development objectives within the remaining lifetime of the Project. The Project Management Development Consultant will support RPMU management with this task to establish a sustainable management structure paving the way to institutionalization of the project as the RAF under EurAsEc. The RPMU will share the proposed organizational structure and RAF concept with the Bank by **August 15, 2008**.

44. *Project Results Framework.* A Bank consultant worked with the RPMU team to closely re-examine and finalize the revised Project Results Framework, and presented the agreements in a videoconference with the RPMU team on June 27, 2008. The RPMU will follow up with EurAsEc to send the necessary documentation to the Bank by **July 15, 2008** so that an amendment of the Grant Legal Agreement can be processed by the Bank's Board.

45. *Agreed changes:* Compared to the revised Results Framework dated January 2008, the most recent framework modifications include deletion and/or combination of certain indicators to better reflect the CAAP's programmatic activities, what outputs and outcomes can and should be measured, and what results and impacts can be realistically attributed to the CAAP. Keeping in mind the Project's limited capacity to impact national-level changes in HIV/AIDS-related indicators, the number of UNGASS indicators was reduced. It was also decided to remove the outcome indicator for prisoners since while sentinel surveillance is conducted in Kazakhstan, Tajikistan, and the Kyrgyz Republic, it is not conducted in Uzbekistan, and the CAAP reaches prisoners through only two small projects in the Kyrgyz Republic and Kazakhstan. This low level of outreach to the target population will be inadequate to affect very broad, attributable changes in the behavior and knowledge of the overall prisoner population in the region. Additional modifications in wording and target values were also observed in the framework, which is attached in Annex 3.

46. *Sub-grant monitoring:* Additional work was conducted to measure results at the sub-grant level. Many different types of sub-grants are currently funded by CAAP, each with different goals, activities, operational norms, and projected outcomes. Moreover, the nature of individual projects to be funded by CAAP in future grant cycles will remain diverse and dependent upon the mix of funding proposals received. An Excel-based spreadsheet was therefore developed with which to track subproject performance; the RPMU's Component 2 Coordinator, Regional M&E Specialist, and all of the National Coordinators agreed to start using this tool by reporting second quarter subproject results by **July 10, 2008**. The tool comprises performance indicators common to all subprojects currently and subsequently funded by CAAP, specifically tracking report submission timeliness to the national level, budget disbursement frequency and amount, and the realization of intended programmatic results regardless of a subproject's unique goals and activities. Providing timely information on subprojects' status, this table fills a key gap between data available from review of the Subproject Quarterly Report submitted by each subproject to the National Coordinator and/or M&E Specialist and the National Coordinator's Quarterly Report submitted to the RPMU providing mainly aggregate and descriptive data on sub-grants' outputs.

47. *Project Management Development Consultant:* The Bank team, DFID and RPMU management met on July 1, 2008 to introduce the DFID-financed Management Development Consultant to the RPMU. The RPMU Director informed the Bank that the RPSC has endorsed the consultant's secondment and financing regional travel and communication costs from the Project in the RPSC meeting on June 12, 2008. The consultant's ToR were shared with the RPSC as per the RPSC's request and comments, if any, will be received in the next RPSC meeting on July 11, 2008. It was also agreed that the consultant will start to support the RPMU with the following key tasks: (i) Further Development of Project Management, organizational and RAF

structure to achieve institutionalization under EurAsEc in 2009; (ii) Development of a Regional Strategic Framework (iii) Overall Project Management Support in priority areas, particularly the review of Project Operational Manual and structures (including Regional AIDS Fund Handbook and Grant Recipient Handbook), and RPMU workflows.

48. *Preparation of Mid-Term Review*: The RPMU and Bank team agreed on the steps for preparation of the Project's mid-term review, which is planned to take place from October 20 to October 30, 2008. The RPMU in cooperation with EurAsEc will prepare the Grant Recipient's Mid-Term Review report, and share this report with the Bank team by **October 1, 2008**. The review will summarize Project achievements at mid-term as compared to planned activities, implementation progress, assessment of service coverage with relevant HIV/AIDS services in the region, and the Recipient's outlook and proposed strategy to achieve the Project objectives until the end of the Project in 2010.

### Summary of Agreed Next Steps and Time Lines

50. Issues pending from last supervision visit (for components reviewed during this visit)

Initial Date	Target	Item	Responsible Entity	Status
January 15, 2008		Publication and quarterly updates on subgrants statistics and monitoring on website	RPMU	Not accomplished. New target date for comprehensive M&E information July 15, 2008
January 15, 2008		Detailed concept paper on RAF structure under EurAsEc	RPMU	Partially achieved. Initial draft paper prepared. Detailed paper to be presented by August 15, 2008
January 31, 2008		Review of staffing RPMU structure and human resources requirements to ensure comprehensive project management and adequate monitoring, particularly for Component 2	RPMU	Not accomplished. New target date July 30, 2008
February 11, 2008		Signature of Large Sub Grant Agreements from Round 2	RPMU	Not accomplished. Signature was delayed due to incomplete capacity assessment and review processes. New target date July 31, 2008
March 31, 2008		Dated plan for licensing of test kits in all CA countries	RPMU	Partially achieved. RPMU raised issue with RPSC on repeated occasions. Plan to license test kits in all countries to be provided to Bank by August 15, 2008

51. Agreed next steps and timelines:

<b>Target Date</b>	<b>Item</b>	<b>Responsible Entity</b>	<b>AM para</b>
July 15, 2008	Fully functional electronic Grant Management System including regular grant implementation status updates on website	RPMU	17
July 15, 2008	Letter from EurAsEc to request changes to Results Framework and full baseline data	RPMU	20
July 18, 2008	Training plan for IDF grant / RPMU support to grant applicants and recipients	RPMU / IDF grant team	14
July 31, 2008	Bidding documents for SS test kits procurement prepared	RPMU / CDC	9
July 31, 2008	Finalize CARISA website	RPMU	10
July 31, 2008	Signature of grant agreements for Round 2 large grants	RPMU	13
July 31, 2008	RPMU organization and staffing review to provide HR capacity for Component 2 management	RPMU	15
August 15, 2008	Final draft Regional AIDS Fund institutionalization concept paper including RPMU organizational structure	RPMU / EurAsEc	18
August 15, 2008	Dated plan to licence SS test kits in all four countries	RPMU / country partners	23, 30
September 1, 2008	Finalize supply requirements for SS test kits procurement until end of Project	RPMU / CDC	30
September 15, 2008	Signature of small grant agreements Round 3	RPMU	14, 36
September 30, 2008	Signature of large grant agreements Round 3	RPMU	14, 36
October 1, 2008	EurAsEc / RPMU's Mid-Term Review report shared with Bank	RPMU	22
October 1, 2008	Revised MoA between RPMU and CDC on surveillance	RPMU / CDC	9
October 15, 2008	Identify scaling-up opportunities for Round 1 Large Grants	RPMU	12
October 20-30, 2008	Mid-Term Review	RPMU / Bank team	8, 48
December 31, 2008	Licensing of SS test kits in all countries	RPMU / country partners	9

## Annex 2: Regional AIDS Fund Third Grant Round Timetable

Step	Description of activities	Responsibility	Duration	
			Small grants	Large Grants
1-Information campaign	✓ Announcement	✓ RPMU (PR+NC+RAF+IT) coordinator)	02/06/2008	22/06/2008
2-Application	✓ Letter of Interest	✓ SP applicant	06/23/2008	06/29/2008
	✓ Potential applicant selection	✓ RAF coordinator/NC	06/30/2008	07/02/2008
	✓ LOI screening results available for applicants on the website	✓ RAF coordinator/NC/IT	06/03/2008	07/04/2008
3-Proposal preparation	Training on project proposal writing	✓ RAF coordinator/NC	07/03/2008	07/31/2008
	✓ Assessment of needs* ✓ Preparation of sub-project	✓ SP applicant		
4-Submission of the SP proposal	<b>Small Grant:</b>	✓ SP applicant	07/03/2008	07/31/2008
	✓ Submission to the NC ✓ Acknowledgement letter	✓ NC		
	<b>Large Grant:</b>	✓ SP applicant		
	✓ Submission to RAF Coordinator ✓ Acknowledgement letter ✓ Training for RTEC and NTEC members	✓ RAF coordinator ✓ RAF coordinator		
5-Technical Assessment	✓ Pre-screening	✓ RAF and NC	08/04/2008	08/10/2008
	Evaluation of large SPP by independent TA	✓ RAF and TA	08/11/2008	08/25/2008
	✓ Evaluation and capacity assessment	✓ NTEC ✓ RTEC	08/11/2008	08/31/2008
6-SP approval	✓ Send small grant appraisal summary & minutes to NCC for approval	✓ NTEC	01/09/08	09/07/2008
	✓ Small grant approval ✓ Send large grant summary to RSC for approval ✓ Large grant approval	✓ NC ✓ RPMU ✓ RSC	09/08/2008	09/14/2008
7-Contracting	Round tables and training on project management and RAF procedures	✓ RPMU	09/15/2008	09/28/2008
	✓ Sign contracts for both small and large grants	RPMU/UNDP/IA	09/15/2008	09/28/2008
8-Implementation	✓ Implementation of sub-project activities	✓ SP IA	09/29/2008	03/29/2010
	✓ Monitoring	✓ SP IA	09/29/2008	05/29/2010
9-Evaluation	✓ Self-evaluation		09/29/2008	05/29/2010

### Annex 3: Revised Project Results Framework

Revised Results Framework		
Revised PDO	Outcome Indicators	Data Collection Instruments
<ul style="list-style-type: none"> <li>Contribute to controlling the spread of HIV in the Central Asia Region in the period 2005-2010</li> </ul>	<p>Improved HIV prevention knowledge and behaviors that reduce transmission of HIV for most at risk populations<sup>4</sup> reached by the Project:</p> <p><i>1)Sex workers: Percentage of SWs who received an HIV test in the last 12 months and who know their results</i></p> <p><i>2)IDUs: Percentage of injecting drug users reporting the use of sterile injecting equipment the last time they injected</i></p>	<p>National level sentinel surveillance of most-at-risk populations (annually)</p> <p>Qualitative &amp; quantitative surveys among sub-project beneficiaries (annually)</p> <p>* UNGASS indicators</p>
<ul style="list-style-type: none"> <li>Establish the Regional AIDS Fund as a sustainable mechanism for financing during and after Project implementation</li> </ul>	<p>Regional AIDS Fund is established and financed beyond the life of the Project</p> <p>5 grant cycles of regional and national grants financed from RAF successfully implemented</p>	<p>Existing national statistics</p> <p>Regional M&amp;E statistics</p> <p>Project statistics (MIS)</p>
<ul style="list-style-type: none"> <li>Strengthen the capacity and cooperation between the Public, Nongovernmental (NGOs) and the Private sectors on the Regional and National levels</li> </ul>	<p>Share of Joint Multisectoral Proposals received and funded by the Regional AIDS Fund is increased</p> <p>Regional Partners' Forum held every year.</p>	<p>Project statistics (MIS)</p>

<sup>4</sup> Sex workers, IDUs, prisoners, PLWHA, MSM, Migrants

Intermediate Results	Results Indicators by Component	Data Collection Instruments
<p><b>Component One:</b></p> <p>Development of an enabling environment which facilitates the implementation of the HIV regional strategy, focusing on prevention activities among highly vulnerable populations</p> <p>Capacity is built throughout the region and sectors involved in HIV/AIDS prevention and control</p> <p>Surveillance system is expanded to improve quality and access to HIV/AIDS information</p>	<p><b>Component One:</b></p> <p>Regional Partners' Forum held every year</p> <p>Regional capacity building plans in priority areas established and agreed with stakeholders by mid-term</p> <p>Sentinel and second-generation surveillance established in pilot oblasts by mid-term</p>	<p><b>Component One:</b></p> <p>Project statistics (MIS)</p> <p>Project statistics (MIS)</p> <p>Sentinel Surveillance Reports</p>
<p><b>Component Two:</b></p> <p>Regional AIDS Fund finances initiatives which assist in containing the HIV epidemic in Central Asia Countries</p>	<p><b>Component Two:</b></p> <p>At least 60% of RAF funds are allocated for service provision to most at risk populations<sup>5</sup> in each grant round</p>	<p><b>Component Two:</b></p> <p>Regional M&amp;E statistics</p> <p>Project statistics (MIS)</p>
<p><b>Component Three:</b></p> <p>Funds disbursed</p>	<p><b>Component Three:</b></p> <p>Percentage of approved annual project budgets disbursed</p>	<p><b>Component Three:</b></p> <p>Project statistics (MIS)</p>

<sup>5</sup> Sex workers, IDUs, prisoners, PLWHA, MSM, Migrants

PROJECT OUTCOME INDICATORS	SURVEY DATA 2006	TARGET 2007	TARGET 2008	TARGET 2009	TARGET 2010	CUMULATIVE END OF PROJECT TARGET	DATA SOURCE	COLLECTION FREQUENCY	RESPONSIBILITY
<b>National Sentinel Surveillance Indicator:</b>	** Kz - 68%	Kz -66%	Kz -	Kz -	Kz -	Kz -	Project records; Sentinel Surveillance	Quarterly Annual	RPMU CDC
<b>1) SWs UNGASS Indicator:</b> Percentage of most-at-risk populations (SWs) who received an HIV test in the last 12 months and who know their results	Kg - 49,8%	Kg -52%	Kg - 50,%	Kg -55%	Kg - 60%	Kg – 60%			
	Tj - 26,7%	Tj -30%	Tj -50%	Tj -60%	Tj - 70%	Tj -70%			
	Uz -0	Uz-20%	Uz-20%	Uz-50%	Uz - 60%	Uz -60%			
<b>2) IDUs UNGASS Indicator:</b> Percentage of injecting drug users reporting the use of sterile injecting equipment the last time they injected	***Kz – 50% Kg -67% Tj - 45% Uz -23%	Kz - 53% Kg -39% Tj - 54% Uz -40%	Kz - Kg -67% Tj - 45% Uz - 60%	Kz - Kg -68% Tj -45% Uz - 80%	Kz - 50% Kg -70% Tj - 50% Uz - 90%	Kz -50% Kg – 70% Tj -50% Uz -90%	Project records; Sentinel Surveillance	Quarterly Annual	RPMU CDC
OUTPUT AND INTERMEDIATE OUTCOME INDICATORS	BASELINE SURVEY DATA 2006	TARGET 2007	TARGET 2008	TARGET 2009	TARGET 2010	CUMULATIVE END OF PROJECT TARGET	DATA SOURCE	COLLECTION FREQUENCY	RESPONSIBILITY
<b>Component 1.1</b> Support the development of an enabling environment which facilitates the implementation of the HIV regional strategy, which facilitates the implementation of the HIV regional strategy, which focuses on prevention activities among highly vulnerable populations									
Annual Regional Forum of partners	1	1	1	1	0	4	Project monitoring data	Annually	RPMU
Number of journalists participating in project activities, including trainings	119	153	210	148	128	758	Project monitoring data	Quarterly	RPMU
Number of religious leaders participating in project activities, including trainings	20	25	50	50	20	165	Project monitoring data	Quarterly	RPMU

Number of parliamentarians participating in project activities	10	15	60	15	15	115	Project monitoring data	Quarterly	RPMU
Number of amendments made to the country legislation acts	0	0	1	2	3	6	Records of Parliamentary Working Groups	Quarterly	RPMU
<b>Component 1.2</b> Expand Sentinel Surveillance and establish electronic surveillance (ES) in an effort to improve quality and access to HIV/AIDS information									
Number of sentinel surveillance sites supported	13	13	13	13	13	13	Reports of sentinel surveillance studies	Annually	RPMU/CDC
Number of national sentinel surveillance reports published and disseminated	0	4	4	4	4	16	Project monitoring data	Annually	RPMU
Number of countries with approved and functioning HIV electronic surveillance	0	0	1	3	4	4	Project monitoring data	Quarterly	RPMU
Number of people trained in HIV electronic surveillance system	40	0	30	40	100	210	Project monitoring data	Quarterly	RPMU
Number of health specialists attending trainings in HIV surveillance techniques (epidemiologists, lab technicians, IT specialists)	120	827	800	600	300	2647	Project monitoring data	Quarterly	RPMU
Number of PLWHA monitored by HIV electronic surveillance system	0	0	0	100	300	400	Project monitoring data	Quarterly	RPMU/CDC
Number of countries providing data to CARISA for inclusion into CARISA database	0	0	3	4	4	4	CARISA reports	Annually	RPMU/UNAIDS
<b>Component 1.3</b> Build capacity throughout the region and sectors involved in HIV prevention and control									
Regional capacity building plans in priority areas established and agreed with stakeholders by mid-term	0	0	4	-	-	4	Project reports	Annually	RPMU

Number of specialists trained by regional training centers (trainers and target groups)		10	320	320	160	810	Training reports	Quarterly	RPMU
Number of trainings organized in Regional Training Centers (regional and national)	0	1	16	16	8	41	Project reports	Quarterly	RPMU
<b>Component 2:</b> Mobilize resources in the Regional AIDS Fund to finance initiatives which assist in containing the HIV epidemic in Central Asia countries									
Establishment of Regional AIDS Fund as an inter-governmental organization under EurAsEC	0	0	0	1	0	1	EuRASEc endorsement	Annually	RPMU
Share of Multisectoral Proposals received and funded by the RAF	0	35%	50,0%	50,0%	60,%	60%	Project records	Quarterly Annual	RPMU
Number of ASO (AIDS Service Organizations) trained in project design, management and administration	80	85	120	120	120	120	Project records	Quarterly	RPMU
Number of successfully implemented grant cycles of regional and national grants financed by RAF	1	1	1	1	1	5	Project records	Annual	RPMU
At least 60% of RAF funds are allocated for service provision to high-risk groups	0	37%	60%	60%	60%	60%	Project reports	Quarterly	RPMU
Number of sex workers reached through HIV prevention services	0	3500	12000	12000	4000	****31500	Project reports	Quarterly	RPMU
Number of IDUs reached through HIV prevention services including drug treatment services	0	10000	42000	40000	10000	****102000	Project reports	Quarterly	RPMU
Number of prisoners reached through HIV prevention services	0	380	4500	4000	3000	11880	Project reports	Quarterly	RPMU
Number of needles and syringes distributed among IDUs in harm reduction services	0	0	489000	480000	30000	999000	Project reports	Quarterly	RPMU
Number of condoms distributed to end users	0	0	100000	105000	80000	285000	Project reports	Quarterly	RPMU
Number of young people trained	0	5000	6500	7000	6000	24500	Project	Quarterly	RPMU

as peer educators							reports		
Number of PLWHA reached through care and support services (including palliative care)	0	200	5000	6000	5000	16200	Project reports	Quarterly	RPMU
Number of sub-projects implemented by joint efforts of 2 or more countries	0	4	4	4	4	16	Project reports	Quarterly	RPMU
<b>Component 3: Project Management Unit supports the implementation, monitoring and evaluation of the project</b>									
Percentage of total project funds disbursed	5%	20%	50%	80%	100%		Project and Financial records	Quarterly	RPMU
Submission of yearly work plans at the beginning of each year of implementation	-	100%	100%	100%	100%		Project reports	Annually	RPMU
Submission of timely project progress reports twice a year	-	100%	100%	100%	100%		Project reports	Biannually	RPMU
Submission of timely financial management reports acceptable to the Bank	-	100%	100%	100%	100%		Project reports	Quarterly	RPMU
Development and dissemination of annual report of CAAP project results	-	100%	100%	100%	100%		Annual CAAP Program Report, Project reports	Annually	RPMU

\* UNGASS indicators are used in this framework as proxy indicators of HIV/AIDS prevention-related change partially attributable to CAAP activities. Other HIV/AIDS prevention initiatives active within the region will also impact UNGASS indicator-level changes.

\*\* In the Program on AIDS counteraction in the Republic of Kazakhstan on 2006-2010 the expected results of the program are shown as the following indicator: “To achieve that 10% of the age population from 15 to 49 is covered by voluntary consulting and testing on HIV”. Expected results of “Percentage of SWs who received an HIV test in the last 12 months and who know their results” indicator is not put in separate line. However, all these data are collected by the results of SS at national level annually and are available for all interested organizations.

\*\*\* Among the expected results from the Program on AIDS counteraction implementation in the Republic of Kazakhstan there is the indicator: “50% of the representatives of vulnerable groups of population will adopt preventive behavior” which includes the use of individual injecting equipment for drugs and use of condoms. The Program does not envisage the only expected result on the use of sterile injecting equipment the last time they injected.

\*\*\*\* The number of individuals exposed to HIV prevention services will likely be lower than these total values since CSWs and IDUs may receive individual services, as well as be exposed to broader target population events, thereby being erroneously counted as two or more distinct service recipients.