

**GUIDELINES FOR UTILIZATION OF THE PRIMARY HEALTH CARE INNOVATION FUND
OF THE
ADB FINANCED HEALTH SYSTEM ENHANCEMENT PROJECT, SRI LANKA**

A. General Instructions

1. The Primary Health Care (PHC) Innovation Fund (PIF) is made available for provincial and regional health offices in Uva, Sabaragamuwa, North Central and Central Provinces to use their own insights to improve PHC in terms of access, range, quality or efficiency of services.
2. The PIF will be managed by each of the Uva, Sabaragamuwa, North Central and Central Province Project Implementation Units (PIU/s) under the guidance of the Project Management Unit (PMU) of the ADB financed Health System Enhancement Project.
3. The focus of the PIF will be on PHC development and 5 groups of interventions have been identified as eligible areas for project funding. The grant is provided to **prepare, implement and monitor** a grant-financed project within the approved scope and conditions as provided. The grant applicant may want to be informed about, take advantage of, and build on **ongoing initiatives** and experiences in and outside the 4 provinces.
 - (i) **Improving PHC management**, including cluster management, a supervisory system, performance monitoring, gender promotion, and environmental and social safeguards;
 - (ii) **Human resources development** including training doctors in family medicine, training midwives in field health stations in preventive care, nutrition counselling.
 - (iii) **Information technology** for better patient management and disease control, including e-Health cards, linking preventive and curative care, referral systems, medical supplies, geographic information systems, distance learning services, and disease surveillance.
 - (iv) **Scaling up services** including health and nutrition promotion, diagnostic services, emergency services, family medicine, NCD services, and infection prevention and control;
 - (v) **Rehabilitation of facilities** including roofs, electricity, sanitation, water supply, and waste management (no new constructions).
4. The Provincial Directors of Health Services of the four provinces will invite eligible government health officials to submit grant proposals, on a rolling basis, of up to US\$100,000 to explore innovative strategies for PHC improvement.
5. The PIU will issue approved guidelines and application forms (version September 2019) to potential grant applicants and assist these applicants with the preparation of proposals. The PIF guidelines and application forms are available for prospective applicants via the project website: www.hsep.lk.
6. Any eligible office / officer can submit one proposal for grant financing a time, up to US\$100,000. The Applicant applying for the grant will be accountable for its proper use. The applicant may seek information and assistance from the PIU for completing the application (email addresses and contact information is given below).

7. The approved Project Application Form (version September 2019) is in Attachment 1. The proposal will basically state the problem(s) statement/s, proposed project description, key activities and key results to be achieved, and how much it would cost. The following are eligible expenditures:
- (i) Salaries of the proposed project staff¹
 - (ii) Workshops/meetings
 - (iii) Travel costs and per diem
 - (iv) IT and other system design
 - (v) Facility repairs and waste disposal
 - (vi) Facility equipment and furniture
 - (vii) Community based program costs
 - (viii) Research and Survey
8. The projects should preferably take less than 3 months to prepare and be implemented within one year. Progress is reported by the Applicant on a quarterly basis to the PIU using the Project Progress Form (in Attachment 4). The Final Project Completion Form (in Attachment 5) should be submitted within 3 months of completion of the project.
9. The applicant will assess if there are any major feasibility issues or implementation risks and, if so, propose how these shall be mitigated, in the project description section of the application. The following project risks may be considered:
- (i) Requires regulation or other legal requirement
 - (ii) Completion depends on other funding
 - (iii) Requires skilled persons which may not be available
 - (iv) Requires behavioral change
 - (v) Requires physical facilities that may not be available
 - (vi) Project is technically complex
 - (vii) Project may face strong objections from certain stakeholders
 - (viii) Project may negatively affect certain populations
 - (ix) Obtaining Ethical Clearance
10. The Project Administration Manual (PAM) accessible from www.hsep.lk, provides details on gender action plan and safeguards requirements² which are also applicable for the use of the PIF.
11. The PIU will (i) inform potential grant applicants regarding ADB's gender action plan and social and environmental safeguards; (ii) assist in compliance with the gender action plan and environmental and social safeguards; (iii) ensure that ADB gender dimensions and safeguards are adequately addressed in the proposals; and (iv) monitor and report compliance. Rehabilitation works to be funded by the PIF will be subject to ADB's Safeguards Policy Statement (SPS) 2009 even if they may be exempted from national environmental regulations.

¹ Project staff are persons not already paid for services by MOHNIM either as regular or contractual staff. MOHNIM pensioners are eligible as project staff.

² ADB. 2009. Safeguard Policy Statement. Manila.

B. Grant Application and Review Process

12. All completed applications (as 3 hard copies and a soft copy), should be recommended and forwarded via the respective RDHS or RDHSs and the PDHS of the respective province.
13. The recommended Application will be officially submitted by the Applicant to the Deputy Project Director of the Project Implementation Unit (PIU) with three hard copies and one electronic copy.
14. Applications will be accepted by the PIU on a rolling basis by the Project Secretary (PIU) and it is his/her duty to follow the procedure to get the approval from the PCC within two weeks from the date of submission.
15. Acknowledgement of the receipt of the application has to be informed in writing to the applicant and to relevant authorities with a copy to PMU. Secretary (PIU) should maintain a separate file for each and every proposal.
16. Deputy Project Director will appoint a 3 or 4-member permanent Technical Review Committee for the PIF proposals submitted within the Province. The Committee will be chaired by a Regional Director of Health Services of his/her province. The permanent members of the committee could include:
 - A Regional Director of Health Services
 - A Consultant Community Physician from the Province / District
 - A Provincial Medical Officer Planning
 - A Medical Superintendent from a Base Hospital or above in the Province.
17. The Technical Review Committee will also invite any of the following officials, as invitees to the committee, based on the technical area of the proposals that are to be reviewed.
 - a. Regional Epidemiologist or the Medical Officer Malaria, Tuberculosis,
 - b. Regional Dental Surgeon,
 - c. Medical Officer Maternal and Child Health,
 - d. Medical officer Mental Health,
 - e. Medical Officer Non-Communicable Diseases
 - f. Medical Officer Public Health
 - g. Medical Officer Quality
 - h. Medical Officers, Bio informatics
 - i. Other relevant regional Medical Officer
 - j. Specialist Medical Officer from the Province
 - k. Other relevant technical staff member such as a Matron, Nursing Staff, Public Health Inspector, Public Health Nursing Officer, Public Health Nursing Sister
 - l. Other relevant technical experts from Universities, Ministry of Health, Nutrition and Indigenous Medicine.
 - m. Any other Government Department representative
 - n. Community Based Organization (CBO)
18. The PIF Review Committee will meet monthly or as required (facilitated by the PIU) to review all proposals received by the PIU within the preceding month. The PIF Review Committee, in addition to reviewing the application, may decide to invite the applicant to present the proposal.

19. The Proposal Review Committee members will complete a Proposal Review Form (in Attachment 2) for each reviewed proposal with its recommendations for funding.
20. The PIU will submit all reviewed proposals (including proposals approved, proposals which require resubmissions, and the rejected proposals) by the Proposal Review Committee to the Provincial Coordination Committee (PCC) chaired by the Chief Secretary every quarter or as required. The PIU ensures that all PCCs will have an Agenda item for PIF proposal Discussion / Approval.
21. The decision of the PCC shall be in the PCC minutes. The PCC approved proposals signed by the Chief Secretary (Attachment 3) is considered as final.
22. After PCC approval, the project is eligible to receive money from the fund. The PIU will submit a copy of the approved PIF proposal to the Project Director of the Health System Enhancement Project for release of funds to the PIU.
23. The applicant will submit, every quarter, a completed Project Progress Reporting Form (Attachment 4) to the PIU.
24. PIU should submit a summarized quarterly report of all approved or ongoing projects to the PMU. The PMU will table the ongoing projects to the National Steering Committee. The focal point for facilitating the implementation of the PIF from the Project Management Unit is the Project Coordinator.
25. At completion of the project, the Applicant will submit a Project Completion Form (Attachment 5) to the PIU within 3 months of project completion.
26. The PIU will table all progress reports and project completion reports at the PCC and keep all documents at the PIU for review by the PMU and / or by the auditors.
27. The PCC can at any time decide to terminate the project on the basis of redundancy, poor performance, or with evidence of fraud or malpractices. Even if the project is terminated, the Applicant must comply with the final technical, administrative and financial project completion reporting obligations.
28. The Overall responsibility of successful use of funds and project implementation is with the Deputy Project Director of the relevant Project Implementation Unit.

C. Implementation Arrangements

29. Implementation arrangements for the PIF will use the overall project management structure, and in the case of civil works may also use the Ministry of Local Government and Provincial Council. The grant applicant and supervising office are responsible for project implementation, monitoring and reporting. The grant Applicant will request all procurements in the approved proposal to be carried out by the PIU and will only seek cash advances for programs.
30. For training, authorized advances for training will be provided to the Applicant who would be required to submit the expenditure details to the PIU. Additional training advances will be provided only following the submission of expenditures to the earlier advance by the Applicant.

31. The project accountant of the PIU in each of the provinces will provide oversight of all PIF related activities and will manage the reconciliation and replenishment with the PMU based on each approved activity in the proposal (on a quarterly basis so that cashflow for project implementation is ensured) based on approved ADB guidelines.
32. PMU and PIUs will use statement of expenditures (SOE) for liquidation of expenditures of \$100,000 equivalent per individual proposal. Supporting documents and records for the expenditures claimed under the SOE should be maintained at the PIU level and made readily available for ADB review, upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit.
33. The PIU is responsible for supervision of the grant project to ensure proper use of grant funds. All procurement related activities will be managed by the PIU at the request of the Applicant of the approved project. All procurement of works, goods and services under the PIF will follow ADB procurement guidelines (like the rest of the project). Procurement under PIF will be for minor civil works, equipment and furniture, and/ or services including for training and IT system design. These items will be small in value and may follow nationally advertised bidding or shopping procedures. Any consulting services required for PIF will be engaged by PIU in accordance with ADB's Guidelines on the Use of Consultants (March 2013) and ADB's procurement regulations and policy.
34. The quarterly progress report submitted by the Applicant to the PIU shall describe the progress of work according to the time frame submitted before applying for the next instalment.
35. A project is considered as successful based on completion of project activities, substantive and demonstrable results, meeting administrative and safeguard requirements, and timely reconciliation of expenditures.

Attachment 1

1. Grant Application Form for the PHC Innovation Fund under the ADB Health System Enhancement Project

Section A: General Information

1	Title of the Proposed Grant Project	
2	Estimated Budget (LKR an in USD)	
3	Date of Application	
4	Province	
5	District	
6	Please indicate the project area.	
	Cluster (if the proposed project is within a Cluster hospital or hospitals or it's catchment population/s)	
	Hospital/s (if proposed project is for a single or a few hospital/s or their catchment population/s)	
	MOH area/s or GN areas (if proposed project is not a cluster activity or not a hospital based or related catchment population activity)	
7	Proposed project duration	

A.2 Applicant's Information

Full Name of the Project Applicant	Designation	National ID No
Office Address		
Office Phone Number		
Office Fax Number		
Mobile Phone Number		
Email Address		

Section B

B.1 Problem Statement (Please provide a short description of the problem that is proposed to be addressed via the PIF)

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	Activity Description	Estimated Budget	
		LKR	USD
1			
2			
3			
4			
5			
6			
7			
	TOTAL		

Cost Items		Quantity	Rate		Amount	
			LKR	USD	LKR	USD
1.	Personnel					
	Salary					
	Travel allowance					
	Other					
2.	Civil Works					
	Repair facility					
	Water supply					
	Waste management					
	Other					

(Please insert rows as required, budget to be included in LKR and USD (please insert the conversion rate used for LKR/USD))

Total project cost (From B.4)				
Total Amount Requested for ADB PHC innovation fund financing including taxes (From B.4 and B.5)				
Total Government contribution excluding in kind				
Total Amount from other sources of financing*				
Period of funding from other sources	From	Year	Month	Day
	To	Year	Month	Day

.....
Signature of the Applicant

C.2 Observations and Recommendations of the District/s Regional Director/s of Health Services where the project is implemented

Observations and Recommendations of the District/s Regional Director/s of Health Services where the project is proposed to be implemented

I hereby recommend and forward the above Application for funding under the PHC Innovation Fund of the ADB Health System Enhancement Project.

Date:

.....
Signature, Stamp, and Designation of the
all relevant District or Districts Regional
Director/s of Health Services

C.3 Observations and Recommendations of the Provincial Director of Health Services where the project is implemented

Observations and Recommendations of the Provincial Director of Health Services

I hereby recommend the above Application for funding under the PHC Innovation Fund of the ADB financed Health System Enhancement Project.

Date:

.....
Signature, Stamp, and Designation of the
relevant Provincial Director of Health
Services

Attachment 2

2. Form for PHC Innovation Fund Proposal Review (To be used by the Proposal Review Committee of the relevant Province)

Section A: Proposed Project Thematic Area/s

Please insert 'x' to the applicable thematic areas based on the submitted project proposal

PIF Project Areas		Please mark 'x' for applicable areas
A. PHC management and monitoring		
1.1	Cluster management	
1.2	Services promotion and performance sharing	
1.3	Cluster facilities supervision	
1.4	Work force planning	
1.5	Participatory planning and team work	
1.6	Performance Monitoring	
1.7	Gender training	
1.8	Environmental examination and monitoring	
1.9	Engagement of vulnerable populations	
1.10	Patient satisfaction monitoring	
1.11	Other	
B. Information technology		
2.1	IT connectivity among health facilities	
2.2	Health management information system	
2.3	Patient e-Health card system	
2.4	Referral system	
2.5	Diagnostic services	
2.6	Medical supplies	
2.7	Geographical information system	
2.8	Distant learning services	
2.9	Disease surveillance	
2.10	Quarantine services	
2.11	Disability and rehabilitation services	
2.12	Other	
C. Scaling up services		
3.1	Community Nutrition promotion	
3.2	Child nutrition clinics	
3.3	Nutrition interventions	
3.4	School reproductive health promotion	
3.5	Community vector and infection control	
3.6	Family medicine	
3.7	Community MCH / NCD prevention	
3.8	NCD services (specify)	
3.9	Emergency services	
3.10	Hospital infection prevention and control	
3.11	Laboratory services	
3.12	Ultrasound and other imaging and radiology services	
3.14	Other	
D. Rehabilitation of facilities		
4.1	Roof repair or replacement	
4.2	Electricity repair or replacement	
4.3	Sanitary facilities repairs	
4.4	Water supply repair	
4.5	Waste management repair	
4.6	Waste management transport	
4.7	Equipping field health stations	
4.8	Replacement of essential equipment	
4.9	Replacement of motorcycle / three-wheeler for outreach	
4.10	Other	

	E. HRH Development and training	
5.1	PHC training	
5.2	Training needs assessment	
5.3	HRH Review for PHC	
5.4	Addressing HRH vacancies	
5.5	Advocacy	
5.6	Training on Emergency care	
5.7	Training on Health communications	
5.8	Other	

Section B: Relevance and Feasibility of the Proposed Project to the District/s team

Section C: Recommendation of the PHC Innovation Fund, Proposal Review Committee

We have reviewed the project proposal submitted by the Applicant
 (please insert Applicant's name) on..... (please insert date of the application) for
 consideration under the PHC Innovation Fund.

We approve / request to resubmit / reject (please circle as appropriate) the proposed project for funding under
 the PHC Innovation Fund of the ADB financed HSEP.

PIF Proposal Review Committee of the North Central / Uva / Sabaragamuwa / Central Province (please circle
 as appropriate)

Name and Designation..... Signature:.....

Name and Designation..... Signature:.....

Name and Designation..... Signature:.....

Name and Designation..... Signature:.....

Date:.....

Attachment 3

**3. Form for Approval of the Proposal by the Project Coordinating Committee
(PCC) of the ADB HSEP
(To be managed by the PIU of the HSEP of the Respective Province)**

Observations and Recommendations of the Provincial Coordinating Committee

I hereby recommend the above Application for funding under the PHC Innovation Fund (PIF) of the ADB financed Health System Enhancement Project based on the comments / reviews received from the Project Proposal Review Committee.

Date:

.....
Signature, Stamp, and Designation of the
relevant Chief Secretary or Health
Secretary

4. PIF Project Progress Reporting Form
(To be submitted by the Applicant to the Project Implementation Unit of the Relevant Province on a quarterly basis)

4.1 Project Name:
4.2 Project Applicants Name:
4.3 Project Budget:

Section 4A: Summary of project achievements, challenges and issues faced at end of Quarter 1/2/3/4/.... (circle as appropriate) of project implementation

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Section 4C.1: Summary of Project Fund utilization by activity at end of Quarter 1/2/3/4/.... (circle as appropriate) of project implementation

	Activity Description	Estimated Budget		Actual Budget utilized	
		LKR	USD	LKR	USD
1					
2					
3					
4					
5					
6					
7					
	TOTAL				

Date.....

Signature:.....

Attachment 5

5. Project Completion Form
(To be submitted by the Applicant to the Project Implementation Unit of the Relevant Province within 3 months of project)

5.1 Project Name:
5.2 Project Applicants Name:
5.3 Project Budget:.....

Section 5A: Summary of project achievements, challenges and issues faced during project implementation

Section 5B: Results Achieved (please insert an update on the key results identified at project design)

Section 5C.1: Summary of Project Fund utilization by activity

	Activity Description	Estimated Budget		Actual Budget utilized	
		LKR	USD	LKR	USD
1					
2					
3					
4					
5					
6					
7					
	TOTAL				

Section 5C.2: Summary of Project Fund utilization by Cost categories

Cost Items		Quantity		Rate				Amount			
		Planned No	Actual No	Estimated		Actual		Estimated		Actual	
				LKR	USD	LKR	USD	LKR	USD	LKR	USD
1.	Personnel										
	Salary										
	Travel allowance										
	Other										
2.	Civil Works										
	Repair facility										
	Water supply										
	Waste management										
	Other										
3.	Transport										
	Fuel										
	Motorcycle										
	Vehicle hiring charges										
4.	Equipment										
	Medical										
	Laboratory										
	Other equipment										
5.	Furniture										
6.	Workshops / Programs										
7.	Training										
8.	Services										
9.	Information Technology										
10.	System development										
11.	Recurrent expenses										
12.	Other (specify)										
	TOTAL										

(Please insert rows as required, budget to be included in LKR and USD (please insert the rate for USD/LKR))

Section 5C.3: Description of using Project Funds (please provide a summary of your experience of using PHC Innovation funds)

Section 5D: Your (Applicant) Recommendations and Suggestions

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Date.....

Signature:.....