

**WHO COUNTRY COOPERATION STRATEGY
NICARAGUA**

Table of Contents

1. Introduction	2
2. Government and People: health and development challenges.....	3
3. Development assistance and partnerships: aid flows, instruments and coordination.....	9
4. PAHO/WHO current country programme	12
5. WHO corporate policy framework: global and regional directions	14
6. The PAHO/WHO strategic agenda for Nicaragua	16
7. Conclusions	24

1. INTRODUCTION_

The PAHO/WHO Country Cooperation Strategy (CCS) sets out the strategic directions for the period 2000-2002 (about 2 years) and the agenda of work in and with Nicaragua for the entire WHO secretariat (Geneva headquarters, regional and country offices).

A clear aim of the CCS is to ensure greater responsiveness to country needs. It is thus based on an analysis of Nicaragua's development challenges and health needs, policies and expectations. It reconsiders the role and functions of PAHO/WHO in light of these challenges, taking account of the approaches and activities of other development agencies. The CCS is guided by WHO policy and mandates, the WHO Corporate Strategy and the PAHO Strategic and Programmatic Orientations.

In October 1998, Nicaragua endured a major natural disaster in the form of Hurricane Mitch. This highlighted vividly the need for major changes in the country's pattern of development, and its ability to anticipate and respond to emergencies. The national development policies, as well as the design and delivery of external aid, have been under critical review during three consecutive Consultative Group meetings in April 1998 (Geneva), December 1998 (Washington D.C.) and May 1999 (Stockholm). Other important developments include the inclusion of Nicaragua in the Highly Indebted Poor Countries Initiative (HIPC) and the adoption of a new national strategy for poverty reduction.

To respond to these developments, the Ministry of Health has taken the first steps in strengthening its own capacity to manage the health sector and coordinate international aid, concluding a comprehensive health sector analysis and presenting a medium term institutional investment plan.

These events and initiatives make it particularly important and timely for PAHO/WHO to re-examine its role in Nicaragua and reassess its technical cooperation with the country for the rest of the period covered by the National Health Policy (1997-2002).

2. GOVERNMENT AND PEOPLE: HEALTH AND DEVELOPMENT CHALLENGES

Governance: a critical issue

Issues on governance and transparency dominate the political agenda in Nicaragua. An authoritarian political regime ruled the country for several decades from the 40s, culminating in a lengthy civil war during the 70s. In 1979, a popular insurrection led by the Sandinistas (FSLN), brought a decade of revolutionary changes in all spheres. However, an international embargo and a devastating war against the Sandinista Government caused further deterioration of an already precarious situation. An election called in 1990 was won decisively by Violeta de Chamorro. Following the Chamorro Government (1990-1996), the conservative PLC under President Arnoldo Alemán is running the country for the 1997-2002 period.

In 1999, after a number of unsuccessful attempts, PLC and FSLN agreed on constitutional reforms related to elections and the share of the decisions in the key directorates of the State (Contraloría General de la República - CGR, Corte Suprema Electoral - CSE, Corte Suprema de Justicia - CSJ, Superintendencia de Bancos - SIB). These key changes in the political environment, adopted by the Assembly through a pact between the two major political parties, have substantially reduced the power of independent monitoring and control by State and civil society. In the wake of these decisions, the Auditor General was jailed for one month in December 1999, and various candidates and political movements have been barred from running in the next municipal and presidential elections. This has caused an outcry in the population and in the international community.

The relationship between the Government and NGOs, both national and international, continues to be strained, despite the fact that a more intensive dialogue has been recently established with the advent of Hurricane Mitch. Disagreements centre primarily on issues of transparency, civil society participation and poverty reduction.

In general, the widespread Nicaraguan public's perception of continuing high levels of corruption, nepotism and lack of transparency has produced a loss of credibility in both Government and opposition. This situation, severely criticised by international observers, has reached a point where governance has become the major conditionality for new external aid.

After Hurricane Mitch: an urgent need for vulnerability reduction

Nicaragua is highly prone to natural disasters on account of its geographical location, topography and climate, and the high level of poverty of the population. The country is under constant threat from natural hazards, including volcanic eruptions, hurricanes, floods and landslides, earthquakes, tidal waves and drought.

Growing demographic pressure on limited available land, without proper management of soils, forests and watersheds, is increasing exposure of the poorest and most vulnerable populations to danger of landslides, washouts and floods, among others. Managua, with nearly a third of the population, presents a specific risk due to the numerous faults running through its land area.

The disaster induced by Hurricane Mitch revealed in stark relief the degree of vulnerability of the poorest sections of the population and pointed to the need to develop more effective strategies to protect the poor in the disaster and emergency-prone environment of Nicaragua. The approach advocated by civil society seeks to address reduction of extreme poverty and environmental degradation simultaneously rather than relying simply on housing and public infrastructure reconstruction.

Macro-economic results of the Enhanced Structural Adjustment Facility (ESAF)

In 1996, GDP was estimated at \$448 per capita. For 1999 and 2000, increases are estimated at 4% and 5.5% respectively, with forecasts of subsequent increases of at least 7% per annum. Inflation – at 8% in 1999 – is expected to decrease. However, even if GDP growth were to be consistently maintained at 5% per annum, it would only reach its 1977 level by the year 2020.

Nicaragua's foreign debt is the largest in Central America and one of the largest in Latin America. Official figures put the national debt stock as at December 1998 at \$6,287 millions, of which \$837 millions constituted accrued interest. While 25% of the budget went towards debt repayment in 1998, only 14% were assigned to education and 11% to health.

Structural adjustment policies were first implemented in 1988 under the Sandinista Government, and continued under the presidency of Violeta de Chamorro. As the goals of the first three-year structural adjustment programme (1994 ESAF) could not be reached, it has been converted into a "shadow programme" that maintained the reform measures, but with no disbursements. In 1998, the ESAF II was signed, covering the period up to 2000.

Key elements of the structural adjustment are the reduction in the size of the public sector, privatisation and/or capitalisation of public sector companies, and outsourcing the services of the non-capitalised public companies. The objectives of the State modernisation efforts, as part of ESAF, are:

- to coordinate social and macroeconomic policies,
- to strengthen the role of the State in regulation, evaluation and control,
- to target social expenditures and increase their efficiency,
- to decentralise and strengthen the management capacity of local governments,
- to create opportunities for effective participation of civil society.

While Nicaragua has been fulfilling most of its commitments under the ESAF, the benefits of the programme have so far been mainly macroeconomic, with reductions in social expenditure for education, health and housing. The macroeconomic successes of ESAF will enable Nicaragua to qualify for HIPC (Highly Indebted Poor Countries Initiative) and thereby begin to benefit from debt reduction; it is assumed that this would allow the country to increase its allocation to the social sectors and to poverty reduction. The IMF and the World Bank declared Nicaragua eligible for HIPC on September 16, 1999. Provided the attached conditionalities are fulfilled and Nicaragua satisfactorily progresses to the decision point, it will start benefiting from up to 90% debt relief with the Paris Club (\$1.2 million) and some multilaterals over the next few years. The critical issue in qualifying for debt relief under HIPC will be governance rather than economic reform.

Striving for poverty reduction: social funds and HIPC

According to the UNDP 1999 Human Development Report, Nicaragua is the poorest country in Latin America and has a Human Development Index ranking of 121. A recent survey of living conditions found that nearly two-thirds of households live in poverty (including 17% in extreme poverty) and that only a quarter of the total population is able to meet its basic needs. The poverty situation was recently aggravated by Hurricane Mitch, which affected 19% of the population, with nearly 370,000 people injured and 4,000 killed.

SETEC (Secretaría Técnica de la Presidencia) and SAS (Secretaría de Acción Social) are responsible for designing poverty reduction policies and mechanisms. Within the ESAF framework, various strategies to alleviate poverty have been promoted by the Bretton Woods Institutions through successive creation of several funds: FISE (Fondo de Inversión Social de

Emergencia), FSS (Fondo Social Suplementario) and, more recently, RPS (Red de Protección Social). Although the scope of each fund is different, their multiplicity has nevertheless produced a complex situation for both donors and beneficiaries alike, with regard to social policy coherence, identification of beneficiary groups, clarity of the decision-making process, transparency and impact assessment.

The FISE has been created mainly for financing construction and equipping of schools, health centres and small water and sanitation units. The FSS has been designed to raise social spending to a more adequate level while Nicaragua gets approval for its inclusion into the HIPC initiative. It includes the provisions of \$56 education grant for each child in primary school and of \$19 per capita for the health budget over a three-year period (1999-2001). The RPS has been designed to benefit poor rural families living in selected areas that have primary school-age children. Conditions for receiving the benefits include regular attendance of at least 90% of class days at school, up-to-date vaccination status of under-fives, and attendance of training courses on subjects such as food, nutrition and self-care. The RPS provides support for training centres and health facilities of both the Ministry of Health and private service providers.

A young population in an environment of massive unemployment

65% of the total population of around 5.1 million live in urban areas. The mortality rate is 3.5% and life expectancy at birth is estimated at more than 65 years (1995-2000). Nicaragua is undergoing a moderate demographic transition, with a high fertility rate estimated at 4.2% for 1999 (the highest in Latin America), a growing cohort of women of childbearing age, and a very young age distribution pattern (45% under age 15).

The literacy rate is 71%, but only 60% in the poorest population groups, with an average level of education of 4.5 years. While there is massive and chronic underfunding of primary and technical education, 6% of the total national budget goes to universities, in accordance with the Constitution.

The official unemployment rate is 15%. However, with 68% of the population employed in the informal sector, estimates of actual unemployment and under-employment are significantly higher.

Migration has become the common recourse to a better life, with high outflows to Costa Rica and USA. The number of Nicaraguans permanently living abroad is currently estimated at 1 million. At the same time, temporary internal migration takes place each year as additional labour is required by the coffee and sugar cane plantations for harvesting.

Nicaragua's health profile: a contrasting picture

Nicaragua's health profile shows a classical epidemiological transition. The health problems associated with communicable diseases, malnutrition and inadequate basic sanitation are present simultaneously with chronic and degenerative diseases, violence and accidents. Poverty, illiteracy, and malnutrition configure a complex environment, which is aggravated by a weak legal framework and dependence on external financing.

The leading causes of mortality are diseases of the circulatory system, followed by suicide, homicide and traffic accidents. Together, these represent 41% of the total; communicable diseases, tumours, and perinatal disorders account for another 31% of mortality.

Infant mortality has been declining since 1985, down to 40 per 1,000 live births, with most of the deaths occurring during the neonatal period. Maternal mortality remains a serious national problem. It is estimated that the ratio is about 120 per 100,000 live births. The group of mothers under 19 years accounts for 20% of such deaths.

The leading causes of morbidity are acute diarrhoeal diseases and acute respiratory infections, particularly in children; other communicable diseases, notably cholera, leptospirosis (outbreaks in 1995 and post-Mitch in 1998-1999), tuberculosis, malaria, dengue, sexually transmitted diseases; and non-communicable diseases, such as diabetes and hypertension. While acute diarrhoea, cholera and malaria are on the decline, acute respiratory infections are increasing and dengue is now clearly epidemic since 1998.

Protein-energy malnutrition is significant (25% for chronic malnutrition), affecting mainly the poor and children.

In 1998, approximately 56% of the population had access to safe drinking water (only 29% in rural areas) and 60% to adequate sewerage facilities. Solid waste collection is provided in only 69 of the 149 municipalities, and covering only 35% of the urban population.

Nicaragua is also one of the countries with the highest rates of intoxication due to the irrational use of pesticides, with high levels of pesticide residues reported in human food all over the country.

The 1995 household survey shows that less than a third of those who feel sick actually call upon a health service. Lack of resources to pay for consultation and treatment, as well as the low response capacity of health services are, among a variety of other factors, the two main causes of such a situation.

The government health system has three levels: from the health post (primary) to the general hospital (tertiary). It also relies on the community network of "casa base". However, the geographical distribution of health units is very uneven; they concentrate mostly in urban areas and the Pacific region.

Health services function poorly as a network. Neither has the country succeeded in putting in place – except for women and child health - a model of care that integrates the various programmes and specialized units.

Quality of care and access are low, due to a number of problems: difficulties in the supply and distribution of essential drugs; old and poorly maintained medical equipment; queues in health centers; few laboratory exams; the requirement to pay for drugs and health care.

The difficulties of the MoH health services network have been illustrated by a 4 months long doctors' strike in the first semester of 1998; their demand for a significant salary increase has been partially met by the government and all categories of health workers have benefited.

Who is who in the health sector?

The Ministry of Health (MINSa) is the major stakeholder in the health sector in Nicaragua by far. Besides its stewardship and regulatory functions, it provides health care services covering two thirds of the population through an extensive network of primary health care units (970), an array of health workers, regional hospitals in nearly each department and also tertiary hospitals in Managua. The Ministry of Health is also in charge of public health programmes, including those for the prevention and control of the main diseases.

The National Institute for Social Security (INSS) used to have its own health services. However, since 1992, it procures services through "Empresas Médicas Previsionales" (EMPs), HMO-like providers, for the benefit of formally employed people in the public and private sectors. It caters for approximately 6% of the population.

The private sector is only incipiently developed, and the for-profit subsector is being strengthened with the rise of the EMPs. It is estimated that the country has more than 500 non-profit

organisations registered as such, with 11 networks of NGOs at national level. In the health sector, these NGOs mainly operate health services and public health programmes at local level, undertake activities related to emergencies, and implement programmes for women and children.

SETEC, the technical secretariat of the Presidency, and SAS, the secretariat for social affairs, have a growing influence on the health sector due to their role in defining the poverty reduction strategies. The former already wields the dominant influence on matters related to implementation of the FSS, and much of the RPS; it is also the secretariat of the “Consejo Nacional de Planificación Económica y Social” (CONPES) and of most of the consultative organs and processes involving international agencies.

Health reforms: a sector-wide challenge

Within the framework of the government’s modernisation programme and ESAF, the Ministry of Health has been conducting regular performance reviews and assessments.

Starting in 1991, efforts were made to strengthen the regulatory and steering role of the central Ministry of Health, whilst beginning formally to decentralise technical, administrative and service delivery functions to the SILAIS (Sistema Local de Atención Integral en Salud), and abolishing the former regional structure. Hospitals were to be given great autonomy. In practice, however, delegation of real authority has been slow and personnel and financial resources have yet to be transferred. The creation of the “Consejo Nacional de Salud” (CNS) and “Comité Interinstitucional en Salud” (CIS) represented a significant step toward bringing together all key stakeholders in the health sector under the chairmanship of the Ministry of Health, with the aim of facilitating and structuring joint action with civil society, universities and other public institutions and sectors impacting on health. Nevertheless, these bodies are largely dysfunctional and no meetings have been called since mid-1998.

In 1997, the Ministry of Health completed the formulation of a new National Health Policy for the period 1997-2002, based on a rather limited internal evaluation of key issues and constraints, within the Ministry of Health. The objectives of the policy were to:

- modernise the health sector in order to attain higher physical, mental and social well being of individuals, families, and communities, through an accessible, equitable, and efficient system;
- restructure the Ministry of Health for more effective implementation of public health programmes and management control; plan, regulate, and set standards for health investment policy;
- strengthen hospital care by providing autonomy; strengthen business management in order to organise the public-private mix of services with emphasis on ambulatory care;
- develop new strategies to address health problems arising from the epidemiological transition and guarantee equity of access to health care for vulnerable groups;
- increase the coverage, efficiency, and effectiveness of reform programmes of the social security system and extend the coverage of social security to the informal sector of the economy.

However, implementation of the proposed reforms was slow and its impact negligible, and Hurricane Mitch made even more evident the need for revised health policies. This led to renewed efforts to review priorities and to developing a master plan for health investment that would cover not only the Ministry of Health but also all institutions within the health sector. The plan is based on an updated analysis of the sector and an extensive participatory process to ensure greater coherence and consensus with regard to structures and strategies.

Health sector financing poses the typical dilemma of developing countries – with the vision and desire to provide free essential health care as a basic human right on one hand, and the reality of severe financial constraints that make such intentions impracticable on the other. The main sources of funding for the sector are the Government (estimates are around 42%), the private sector and households (about 35%) and international cooperation (about 22%). The contribution of households is highly inequitable, with poor households investing a higher proportion of their income to obtain just the most essential basic health care. Almost 80% of expenditure are on curative care, with 42% for outpatient care and 37% for hospital care.

The National Institute for Social Security finances a basic package of health benefits for the insured, who purchase health plans through the EMPs. There are however no accreditation or quality control systems for those services. There is implicit public subsidy of private insurance since everybody - including the insured - has access to care in facilities of the Ministry of Health, which includes benefits not incorporated in the INSS package.

3. DEVELOPMENT ASSISTANCE AND PARTNERSHIPS: AID FLOWS, INSTRUMENTS AND COORDINATION

Overall trends in aid

Over the last two decades, Nicaragua has been highly dependent on foreign aid, the pattern of which has been strongly influenced by changes in the country administration and political orientation. Two distinct periods can be defined:

- a) the 80s, during which international cooperation was dominated by Sandinistas friendly governments and their related aid agencies. The value of development assistance over this period was approximately \$1.2 billion.
- b) the 90s, which saw the return of the international financial institutions and the free market oriented governments. Although it has varied from one year to the other, external assistance jumped to about \$5.4 billion over the period, representing nearly a third of the GNP, with annual aid per capita amounting to \$145, one of the highest in the world. For the near future, aid flow is expected to stabilise at that level.

Since the beginning of the 90s, the major part of the aid was used for debt payment, to stabilise the economy and to reconstruct the country, including re-integration of those affected by the internal conflicts of the past. Around 20% of the entire aid flow went to the social sector: education, health, social programs, municipal development, culture, etc.

After Hurricane Mitch, Nicaragua presented a five year national plan amounting to \$2.5 billion, of which \$1.3 billion was projected for the period 2000-2002, covering reconstruction of infrastructure and implementation of social programmes, environmental protection, vulnerability reduction, and governance. Health was estimated to absorb 10% of this amount (\$117 million). There is some concern regarding financing recurrent expenditures by the Government and the public sector through external funds, the lack of transparency and poor governance. Current work on national health accounts provides the basis for greater transparency but has yet to produce a coherent and comprehensive medium term expenditure framework for the sector as a whole.

International cooperation for the health sector

The majority of aid to the health sector in 1998 came from bilateral agencies (67%, \$19 million), the rest coming from the multilateral institutions (33%, \$ 9.2 million). Grants constitute the greatest part of the aid package, with only 12% coming in as loans; however, the proportion of the latter is beginning to show a rising trend.

The top ten donors of net public aid in the years 1997/1998 were IDB (\$79 million), WB/IDA (76), USA (53), Germany and Japan (39 each), European Union (30), Denmark (27), The Netherlands (25), Sweden (21) and Spain (19). There are also important and influential contributions from the UN agencies (PAHO/WHO, UNICEF, UNFPA and WFP), the Scandinavian and other like-minded group of countries.

Traditionally, a great number of NGOs, more than half of European origin, work at all levels of the system in Nicaragua. Grown out of ideological and humanitarian concerns, these NGOs today represent a serious force to contend with as partners in the entire development process in the country. Together, they mobilise around \$300 million annually and employ approximately 10,000 professional and technical staff. Recently, with Hurricane Mitch and the establishment of a sub-regional office of the European Union, international NGOs have strengthened their presence in the country, e.g. Red Cross, Médicos sin Fronteras, Médicos del Mundo, etc.

In 1998, of the approximately \$115 million received to support social sector development, about one quarter was assigned to the health sector, targeting programmes to rehabilitate basic

infrastructure, health sector reform and modernisation, decentralisation and integrated development of local health systems (SILAIS), improvement of the pharmaceutical sub-sector, communicable disease prevention and control (including immunisation), maternal and child health, and institutional development in general.

During the period 1990-1998, the absorption rate of the aid package (about 38% of the public budget available for the entire health sector) was estimated at about 87%.

Coordination and aid instruments

As one of the poorest countries in the Americas, and because of the political situation of the past years, Nicaragua has been receiving important flows of aid from multiple international agencies, bilateral and multilateral. Therefore, effective coordination of this level of financial and technical cooperation has become a major preoccupation of the international community.

During the administration of President Violeta de Chamorro, donor coordination was the responsibility of the Ministry of External Cooperation (downgraded in the present administration, first as a secretariat of the Presidency, then as a division of the Ministry of Foreign Affairs). Up to the end of 1996, annual meetings with the international agencies were regularly organised in Managua. The Government of President Arnoldo Alemán, in search of effective ways to develop more direct relationships with the donors, organised a first consultative meeting in Geneva in April 1998, under the leadership of the IDB. With a renewal of its commitments, the aid community strongly requested Nicaragua to make progress on governance, transparency, decentralisation, civil society participation and poverty reduction.

Beyond the need for reconstruction, the tragedy caused by Hurricane Mitch throughout Central America has been seen as a confirmation of the urgent need for transformation in the region. Various inter-agency and regional meetings (Washington D.C., December 1998; Stockholm, May 1999) have been organised to streamline thinking on development of Central America and to mobilise the necessary resources.

The United Nations system in Nicaragua has put forward an interagency position to the regional advisory group in Stockholm based on the need to:

- orient efforts to guarantee social equity and poverty reduction, and to create opportunities for the entire population, improving the condition and social status of women as transformation agents,
- prioritise activities oriented toward good governance and decentralisation,
- strengthen community participation in the management of local Government, decentralisation and social auditing,
- develop preventive strategies and early warning systems that minimise the consequences of disasters,
- and articulate their cooperation, based on the added value of the various agencies of the United Nations system.

This initial effort of the UN agencies at internal coordination, a first step toward a CCA and an UNDAF, should also be linked to the various development frameworks and mechanisms of the Government and other international actors: national poverty reduction strategy, PRSP, World Bank's CDF, HIPC, and proposed social funds.

It is urgent to clarify and strengthen the role of the UN in supporting and monitoring the development policies of Nicaragua. The G6-Stockholm group - composed of Canada, Germany,

Japan, Spain, Sweden and USA -, the international financial institutions (IMF, World Bank and IDB), the European Union and the like-minded countries constitute a kind of permanent consultative group that is defining and monitoring the set of conditionalities on macroeconomics, governance and transparency being imposed on Nicaragua for any new international aid, and especially for reaching the decision point for the HIPC.

In the health sector, aid is still mainly project-oriented, with no real change in the new programmes elaborated in response to the reconstruction needs of the country. Traditionally, the Ministry of Health has had a strong culture of prioritising bilateral negotiations and agreements. Only recently after Hurricane Mitch, some coordination mechanisms have been strengthened: the "Comisión Interagencial de Apoyo a la Modernización" (CIAM), established and chaired by the MoH, initially an organ of coordination for the World Bank/IDB projects, is now looking at cooperation for the health sector at large. The sector analysis conducted by the Ministry of Health, with PAHO/WHO support, has involved wide consultations with a very broad range of stakeholders. In addition to this, some preliminary steps toward a possible sector-wide approach (SWAp) have been discussed, and a first formal meeting is to be organised in June 2000 by the MoH, with the support of PAHO/WHO and the major donors for health in the country (Sweden, Norway and the Netherlands, among others).

Horizontal cooperation between Central American countries is of particular relevance. Since the inception of the "Health as a Bridge for Peace" initiative, health has become a priority, and the health sector a key stakeholder within the overall national integration process. PAHO/WHO, with the support of the Scandinavian countries and in coordination with the general secretariat of the Central American Integration System (SG-SICA), has been promoting and supporting a wide range of subregional projects and initiatives in health. PAHO/WHO is also the secretariat of the annual health sector meeting for Central America and Dominican Republic (RESSCAD), which offers a unique opportunity for bringing together ministries of health, social security institutions, and water and sanitation public entities.

4. PAHO/WHO CURRENT COUNTRY PROGRAMME

As with the other countries of the Americas, the entire programme of work of PAHO/WHO in Nicaragua is organised around a number of projects. Their design is based on a logical framework, and each project is placed under the responsibility of an international member of staff.

Five projects reflect the major thematic thrusts of the cooperation:

- disease prevention and control: immunisation, integrated prevention and control of major communicable diseases in priority departments, epidemiological surveillance;
- health and the environment: water, sanitation and environmental risks, intoxication due to the use of pesticides;
- health in development: health for all, gender, indigenous populations, intersectoral work, health promotion, food and nutrition, maternal mortality in priority departments;
- health systems and services: health sector reforms, models for health care delivery, management information system, human resources planning, decentralisation, essential drugs, disabilities;
- emergency and disasters preparedness and response.

Two projects cut across these major themes:

- PROSILAIS - a Sweden-funded project - which translates these areas of work into integrated support to local health systems in six departments of the country (Chinandega, Estelí, León, Madriz, Nueva Segovia and the RAAS), jointly executed with UNICEF. In that sense, it has been a unique and successful example of interagency cooperation;
- technical cooperation among countries (CTP), which consists mainly of projects with other Central American countries.

Developing and managing the overall programme of cooperation constitutes the last “project”, under the direct responsibility of the PAHO/WHO Representative.

In December 1999, the country office had 16 professional staff – 6 international, 10 national - and close to 30 general service staff, half of whom were on secondment from the Ministry of Health. One regional staff member (working on disabilities) and 2 sub-regional ones (on epidemiology and communicable diseases) are based in the Nicaragua office. More than 200 short-term consultants – most of them from Latin America – have come to Nicaragua on behalf of PAHO/WHO in 1999. Financial resources amount to over \$5 million per year, more than half of which is extra-budgetary.

An important step in PAHO/WHO work has been the response to Hurricane Mitch, which has strengthened the credibility of the Organisation in the country and promoted its active involvement in key policy processes that have since followed: MoH investment plan for immediate action (PIMINSA), health sector analysis, the third phase of PROSILAIS, coordination with other agencies (including the projects of the development banks), and the work on health issues related to the HIPC and the poverty reduction programmes.

The PAHO/WHO office is an active member of the CIAM, the interagency committee for modernisation of the health sector; it is also the initiator and secretariat of an informal group of the major international agencies that are active in health.

Most of the PAHO/WHO work programme is in direct support to the Ministry of Health and its health services, especially at local level through the PROSILAIS project. Other important partners include ENACAL and INAA, two national institutions, on water and sanitation, the University of Leon on training, research and public health interventions in the north-west of the country, NGOs on women and child health, and local organisations in the six departments of PROSILAIS. The partnership around emergency preparedness and response to disasters involves multiple stakeholders in the public and non-governmental sectors, national and international.

PAHO/WHO is engaged in a number of sub-regional health initiatives and networks that are identified and promoted by the annual health sector meeting for Central America and Dominican Republic (RESSCAD). Examples include communicable diseases, health and environment, health sector reform, disaster reduction, health information and communication system (INFOCOM), etc.

Over the last few years there has been a significant drive on the part of the PAHO/WHO Office to overcome fragmentation of the programme of technical cooperation with Nicaragua, the PROSILAIS project playing a key role in that respect. It is now opportune for the PAHO/WHO Office to consider alternative strategies for its technical cooperation programme, as full responsibility for this major project is progressively devolved to the Ministry of Health and the six participating SILAIS.

5. WHO CORPORATE POLICY FRAMEWORK: GLOBAL AND REGIONAL DIRECTIONS

WHO General Programme of Work for 2002-2005 acknowledges that, given the magnitude of the global health agenda, WHO cannot do everything and that defining WHO's particular role in world health is therefore fundamental. It has required, among other efforts, greater concentration on areas in which WHO can demonstrate a clear advantage in comparison to other actors at international and national levels.

For WHO to respond effectively to a changing international context, several new ways of working are called for, including:

- adopting a broader approach to health within the context of human development, humanitarian action, equity between men and women, and human rights, with a particular focus on the links between health and poverty reduction;
- assuming a greater role in establishing wider national and international consensus on health policy, strategies and standards – through managing the generation and application of research, knowledge and expertise;
- triggering more effective action to promote and improve health and to decrease inequities in health outcomes, through carefully negotiated partnerships and by making use of the catalytic action of others;
- creating an organisational culture that encourages strategic thinking, prompt action, creative networking, innovation and accountability, and strengthens global influence.

These ways of working encompass the functions of WHO as set out in its Constitution, and build on the principles and values articulated in the Global Strategy for Health for All.

WHO strategic directions

WHO's goals are to build healthy populations and communities, and to combat ill-health. The Organisation has adopted four strategic directions towards the achievement of those goals:

- Strategic direction 1: reducing excess mortality, morbidity and disability, especially in poor and marginalised populations,
- Strategic direction 2: promoting healthy lifestyles and reducing risk factors to human health that arise from environmental, economic, social and behaviour causes,
- Strategic direction 3: developing health systems that equitably improve health outcomes, respond to people's legitimate demands, and are financially fair,
- Strategic direction 4: framing an enabling policy and creating an institutional environment for the health sector, and promoting an effective health dimension to social, economic, environmental and development policy.

PAHO Strategic and Programmatic Orientations (1999-2002)

PAHO, the regional office for the Americas (AMRO), has agreed to renew its commitment toward the achievement of the world goal of Health for All. The greatest efforts will be directed primarily toward that goal until the highest degree of physical, mental, and social well-being is attained for all the inhabitants of the Region, reducing and eventually eliminating the inequities presently existing in health.

The Strategic and Programmatic Orientations (SPOs) constitute the policy guidelines for the PAHO Secretariat in each quadrennial period. They represent an analysis of conditions and needs in the countries of the Region of the Americas. Moreover, they represent the response of PAHO to the new global policy of Health for All in the Twenty-first Century and the General Program of Work of the World Health Organisation.

Within the framework of the global priorities, PAHO has adopted five Strategic and Programmatic Orientations (SPOs) for its technical cooperation, which are congruent with WHO Strategic Directions. These are:

- **Health in Human Development:** National and regional capabilities must be developed and strengthened in order to analyse and monitor the health situation and the reciprocal relations among health, economic growth and equity within the context of globalisation. Dialogue among social sector, health sector, and economic sector authorities will make it possible to establish a link between economic growth, health and human development and thus diminish the negative impact of macroeconomic policies on the population's living conditions and on the health situation.
- **Health Promotion and Protection:** Inasmuch as health is the main component of human development, its promotion must, perforce, involve a much broader scope of action than that customarily handled by health systems and services. Most considerations related to the health of populations are based on their living conditions, the fulfilment of their basic needs, the quality of their environment, the culture to which they belong, and their knowledge, attitudes, and practices with regard to health. Given the conditions that still persist in the Region, health promotion and protection is considered a powerful strategy in the concept and practice of public health, as well as the fulcrum of a new paradigm aimed at affecting the determinants of health in general.
- **Environmental Protection and Development:** In order to advance toward meeting the objectives and goals adopted in Agenda 21 and the Plans of Action of the Summits of Heads of States of the Hemisphere, as well as to adhere to the orientations contained in the Plan of Action of the Pan American Conference on Health and Environment in Sustainable Human Development, PAHO/WHO will give priority to technical cooperation aimed at: promoting and supporting the capacities of the ministries of health to exercise leadership and an advisory role in the treatment of environmental health issues in development plans and projects, and developing local capabilities for the operation and maintenance of health systems and services.
- **Health Systems and Services Development:** The Secretariat's technical cooperation will continue to support health sector reforms in the Region's countries. To this end, it will provide cooperation for strengthening the sector's steering role, organising health systems and services, and financing sectional activities. The basic strategies to attain these goals will involve the systematic and periodic sharing of information on national experiences, the development and dissemination of methodologies and tools to help strengthen institutional capabilities for analysis, policy-making, and the implementation and evaluation of sectional reform programs; and the establishment of a regional system to monitor the dynamics, contents, and impact of the reforms undertaken.
- **Disease Prevention and Control:** In order to confront regional challenges and reduce and control disease, health service programmes must include disease prevention and health promotion components. Success will require the community's participation and changes in the behaviour of individuals. Sound policies and practices, supported by scientific evidence, must guide such changes.

6. THE PAHO/WHO STRATEGIC AGENDA FOR NICARAGUA (2000-2002)

In the aftermath of Hurricane Mitch, and because of the conditionalities of the HIPC initiative, Nicaragua is developing new policies and plans for reconstruction and transformation. The definition of a new national development agenda is thus taking place, in consultation with the major international organisations (Bretton Woods institutions, United Nations, G6-Stockholm group, etc.).

PAHO/WHO will play a key role in those processes, through specific and general policy advice to national institutions and ministries in charge of the economic and social issues: Central Bank, Ministry of Finance, SETEC, SAS and CONPES (National Development Council). This represents a major broadening of the PAHO/WHO cooperation agenda, involving both the provision of high-level policy advice and collaboration with major development agencies and banks.

A second important feature of the proposed agenda is to achieve greater synergy by integrating PAHO/WHO activities further and overcoming the fragmentation linked to the traditional definition of programmes. At the same time, first steps will be taken to disengage from the role of executing agency in the PROSILAIS project, as full responsibility is progressively handed over to MoH and local health systems. The project – which consisted mainly in providing direct support to the local level - has until now played a key role in integrating the work of the Organisation.

Finally, including emergencies and natural disasters as a full-fledged part of the PAHO/WHO cooperation agenda with Nicaragua, has now become a clear imperative.

Three other elements are worth mentioning before giving a more detailed description of the principal component of the cooperation agenda:

- although PAHO/WHO will play a key role in health promotion - identified as one of the important areas by the recent health sector analysis - this will not constitute, in itself, a separate component of the agenda, but rather will be part of the various components;
- PAHO/WHO, being the technical secretariat of the RESSCAD, will continue strengthening the role of the Nicaragua Ministry of Health in that forum and other subregional bodies and events, such as the Ministries of Health Council (COMISCA), in support to the integration process and technical cooperation among countries (CTP);
- the PAHO Centre in Nutrition for Central America and Panama (INCAP), of which Nicaragua is a member state, will promote programmes of feeding and nutrition safety as part of a human development program focused mainly on the most vulnerable population.

It is proposed to organise PAHO/WHO's cooperation in Nicaragua around four main components:

1. partnerships for development and health,
2. improvement of health management,
3. health care delivery and key interventions on health determinants,
4. disaster reduction in the health sector.

6.1 *Partnerships for development and health*

In order to improve the contribution of the health sector to the overall development agenda and the reduction of poverty, the National Health Policy points to the necessity of both modernising the sector and strengthening the capacity of the Ministry of Health in performing its new roles.

PAHO/WHO will support these developments through interventions at different levels.

The macro picture

Within the framework of the macroeconomic policies based on ESAF and HIPC, PAHO/WHO will contribute to:

- the definition of indicators for the role and responsibilities of the health sector in the development agenda, that will also help monitor the performance of the sector,
- the design of new instruments that will help analyse the contribution of the sector, such as national health accounts,
- the identification of previous or new inequities in health,
- the assessment of the impact of those macro economic policies on the health system and the health status of the population.

PAHO/WHO will support the Ministry of Health and the National Institute for Social Security in their dialogue with other national and international stakeholders, for the definition of the health components and priorities of the development agenda, as well as the contributions of the health sector to this agenda.

PAHO/WHO will play an advisory role on health policies within inter-institutional and intersectoral working groups put in place under SETEC and CONPES, and participate, with the Ministry of Health, in the follow-up and evaluation of social policies. It will, in particular, help the ministry to intervene directly with national and international institutions in the definition of health indicators used to measure the impact of social and economic policies. The Organisation will support the work of the group on national health accounts by providing technical advice, ensuring the secretariat of the group and promoting information exchange with other countries, especially across Central America.

Based on the assumption that the reduction of poverty will be the main priority of the Government and the international community, PAHO/WHO will help review the objectives of the health sector, its priorities and its contribution to the PRSP and the various operational programmes that have been created for (or related to) poverty reduction or should benefit from the HIPC initiative (FISE, FSS, RPS, etc.).

The health sector

PAHO/WHO will play both a catalytic and an advisory role in the necessary dialogue between institutions about health policies. A first step will be to foster complementarities between the MoH and the INSS as essential actors in the health sector (through the setting up of a joint committee for instance), while strengthening their capacity to influence other key national and international institutions, as outlined above.

The Organisation will provide high level technical expertise in order to strengthen the stewardship role of the Ministry of Health and its capacity to fulfill its responsibilities, as national health authority, with regards to the essential public health functions.

A key element is to put in place, as a priority, a real civil service - including career development - that will enable the ministry to have the right cadre of civil servants, especially at the highest level, who can define, promote and ensure the implementation of sectoral policies.

New instruments are needed in order to give the health sector, as a whole, a modern legal frame of reference: PAHO/WHO will provide specialised advice and promote intercountry collaborations and exchanges in relation to key aspects of legislation and regulation.

An updated national health policy framework is also a key requirement. The support to the MOH in that respect will focus particularly on the Directorate of Planning for the organisation of a policy process, and the design of the related national health plan and investment master plan. This involves facilitating both the dialogue between institutions – especially through reviving existing committees – and the participation of local actors and NGOs. It also involves putting in place independent validation mechanisms.

PAHO/WHO will provide specific technical advice on defining priority interventions and programmes to address the needs of the poorest and marginalised populations, and participate in setting up effective coordination mechanisms for health interventions of different Government programmes.

There is also a need to develop and establish new mechanisms for financing health services and programmes, in order to reach a universal essential health care coverage based on the solidarity between different groups of population. PAHO/WHO will have to provide high level expertise in developing proposals for equitable and sustainable health care financing for the poor. The Organisation will also ensure that Nicaragua benefits from experiences of other countries, and will facilitate both the organisation of public debates prior to decision making and the setting up of assessment mechanisms leading to the necessary re-orientations.

National coordination mechanisms

The Ministry of Health needs to strengthen programmatic and operational coordination with other public and private institutions that play a major role in policies that have a great impact on the health conditions affecting the population: environment, water and sanitation, agriculture, education, trade, transportation, among others. Coordination with a wide range of international agencies and organisations is also a challenge.

PAHO/WHO has been a major partner in the health sector for many years, and is in a good position to support the Ministry of Health in leading the introduction of a sector-wide approach (SWAp). The aim is to get away from the current project culture and coordinate the contributions of all international agencies and national institutions; this approach should improve the impact of international aid directed at the poor. Whenever necessary, PAHO/WHO can play a key role as secretariat of, and adviser to, specific coordination mechanisms, including the National Health Council and Interinstitutional Committee (CIS). In both cases, the composition and functions should be reviewed in order to allow a greater and real participation of all stakeholders of the whole health sector.

The Central American scene

In response to regional and subregional mandates and policies (RESSCAD, COMISCA and SG-SICA), the Ministry of Health, the Social Security and the Water/Sanitation Institute have requested PAHO/WHO to play an active role in coordinating specific initiatives contributing to the integration process in health. This includes designing and financing appropriate projects of technical cooperation among countries.

PAHO/WHO will promote the leadership of the Nicaragua Ministry of Health as an important member of the health integration process in Central America. It will also play a catalytic role in order to improve the technical cooperation of Nicaragua with other countries.

6.2 Improvement of health management

This component relates to all five objectives of the National Health Policy.

PAHO/WHO cooperation will aim at improving the performance of the national health system, and its capacity to respond to demand in a more effective way, particularly for the poor.

Institutional development and resource institutions

Planning and evaluation processes need to be strengthened at all levels. It has also been identified that the MoH customarily has great difficulties in disbursing and utilising the funds that are made available for investments in health facilities. These are critical issues requiring specific advice and support.

PAHO/WHO will provide technical expertise for a rapid revision and improvement of the PIMINSA (investment plan of the MoH) in order to ensure it can serve as a reference by the country and its development partners in the future.

At the central level, support will focus on the Directorate of Planning and the Directorate of External Cooperation, both of which have key responsibilities in those areas. PAHO/WHO will help develop their leadership, their capacity to foster intra and intersectoral coordination and catalyse monitoring and evaluation at both national and local levels. It will also support their function as technical advisers for the SILAIS, the training of their staff as well as the redefinition of their posts.

At local level, the decentralisation of the health system requires further work on financial and human resources issues: diagnosis of existing budgetary and personnel management mechanisms, as well as in depth studies before delegating power to the SILAIS in those two areas, looking also at the possibilities of direct mobilisation of resources at local level, in order to complement the resources coming from the national budget; management training for administrative staff and improvement of conditions for service of all local staff. Expertise from PAHO/WHO will also be needed for improving control, monitoring and audit tools and processes for management at SILAIS level.

At local level, the Organisation will also strengthen the functions of the Directing Councils of SILAIS and regional hospitals, with increased participation by municipalities, community-based organisations and civil society.

In relation to the network of health services, a key modality of PAHO/WHO support will be the exchange of experiences with other countries and, within the country, between on-going projects at local level. The Organisation will also bring specific technical expertise for putting in place a referral system within local health systems (SILAIS). This includes fostering horizontal cooperation between SILAIS and/or communes, through formalising ad hoc reciprocal arrangements.

A productive dialogue and agreements for public health research and training of human resources are needed between the Ministry of Health and the major public universities (UNAN León and Managua). Similar approaches should also be developed with technical schools and other research institutions. PAHO/WHO will support the revision of public health curricula, in particular through providing exposure to international experiences. The Organisation can also facilitate the involvement of universities in health policy analysis, in the definition of priorities for research and training, as well as in the implementation of public and community health programmes in liaison with the MoH and other actors of the sector.

Information systems

PAHO/WHO will bring specialised expertise to help put in place a comprehensive and accurate information system in the Ministry of Health. The systems for collection, processing and analysis of data (with focus on health inequities) within the context of national and regional initiatives in progress, will be strengthened in order to allow a more evidence-based decision-making. Although multiple databases do currently exist, within different information systems, the capacity to actually analyse and interpret data are limited. PAHO/WHO will first support a diagnosis of existing systems and then provide expertise in order to reorganise them into a coherent set. Another issue is the currently limited access to existing information. A culture of research and analysis has to be developed within the PWR office and fostered within the MoH. The creation of an inter-institutional Health Observatory could contribute to such an endeavour.

As a complement to the work related to macroeconomics data, monitoring the allocation of financial resources to the health care system, by all stakeholders, is required in order to insure that the poorest and more vulnerable groups of population are prioritised. This involves developing new modalities for tracking and analysing information on cost and funding, which is essential if the MoH is to improve the use of its current resources and mobilise new ones. It involves collaborations with institutions like the Central Bank, the Ministry of Finance, and the special funds of the social sector as well as the main development and financial agencies.

6.3 Health care delivery and health determinants

This component relates mainly to the fourth objective of the National Health Policy - the development of new public health strategies.

It is where the efforts of the Organisation to put health at the heart of the poverty reduction agenda should have the greatest visibility.

Health services development and drugs management

The Ministry of Health will assume progressively the whole responsibility of the PROSILAIS project, designed to improve health care delivery and public health programmes at local level in 6 districts. During the transition period, PAHO/WHO will continue to provide direct specialised and general technical cooperation at national and local level, to help mobilise stakeholders – including the community - at local level, and to foster coordination with relevant projects. However, the support of the Organisation – in partnership with UNICEF - will progressively shift to monitoring the impact of such a project, documenting this 7 year long experience, promoting the sharing and exchanges with other experiences at local level, and to the assessment and promotion of best practices on key issues at local level.

In particular, in view of the real necessity to improve the quality of health care delivery in all health services (both MINSA and INSS/EMPs) and to promote more articulated health care schemes for primary health care for the different population groups, with a special focus on poor and marginalised groups, PAHO/WHO will contribute to the evaluation of the various existing health care models/schemes. Analysis and case studies of good practices will be done to determine the real benefits of the programs directed at priority population groups. As a result of those evaluations, the Organisation will help mobilise international and national expertise in order to redefine more comprehensive, accessible, affordable and equitable health care delivery schemes.

Access to essential drugs is still a critical issue at most health facilities. PAHO/WHO will provide technical advice for improving coordination in the provision of generic and essential drugs needed for reducing the main health problems; and for re-designing the drugs management system. This

involves modernising the drug registration system and improving its transparency, revising the essential drugs lists by levels of services and categories of health personnel, redesigning the supply and distribution systems with the clear objective of providing a real service to the rural areas, and prioritising the poor. Additionally, studies will be run aiming at incorporating essential drugs for the most prevalent chronic diseases, both at primary care centres and hospitals.

Specific health care interventions

Accelerating the reduction of infant and maternal mortality is a highly political health priority. PAHO/WHO will promote, and take part in, an effort involving national and international institutions. There is still need to go deeper in terms of analysis of key factors and design of key interventions. There continues to be a gap between knowledge, policy and practice. Closing this gap will involve targeting specific high risk groups with integrated programmes of prevention and health care delivery, prioritising cost-effective measures.

The main communicable diseases are common to most of the Central American countries. PAHO/WHO has traditionally been a strong partner in this area, helping strengthen epidemiological surveillance, fight outbreaks, train personnel and improve public information. The Organisation will pursue these efforts while trying to help design new – and better targeted – strategies for vector control and facilitating linkages with regional and sub-regional activities.

In relation to immunisation, building on what has been a very successful programme since the 80s, PAHO/WHO will particularly focus its technical advice on two main issues: helping the country to fulfill its commitments to the global, regional and subregional eradication mandates on polio and measles, as major thrusts; introducing more effective vaccines - new or combined.

Health determinants

PAHO/WHO will promote and support an analysis of the water/sanitation sector and help strengthen the role of the MoH and the relevant institutions (ENACAL/INAA) in making sure that safe water will progressively be delivered to most of the population. At local level, through piloting appropriate technologies, the Organisation will support municipalities, other public institutions and communities in extending the coverage of safe water and basic sanitation, monitoring the quality of drinking water, and improving the waste recollection and disposal, mainly in rural and peri-urban areas where the poor live.

Based on successful experiences of INCAP in 2 municipalities in the south border territory, the cooperation for improving the availability of better food and the nutrition of the poor and extremely poor population groups, will go to scale. INCAP will implement this intervention in the 6 districts of the PROSILAIS project, jointly with the municipalities and community-based organisations.

In relation to pesticides, PAHO/WHO will strengthen the toxicological centre and the epidemiological surveillance system of the MoH, in order to monitor the impact of their use on food and human health. It will also give institutional support to the Ministries of Health and Agriculture for the formulation of policies, based on international evidence, for reducing or forbidding the use of the most dangerous pesticides, as part of a subregional initiative in Central America (PLAGSALUD).

Anticipating emerging health issues is a key feature of PAHO/WHO's work. The Organisation will conduct surveys and studies on health aspects of social and economic changes like hypertension, diabetes, cancer, tobacco and drug abuse, violence and suicides, traffic accidents, in order to help key stakeholders (across sectors) design and implement policies and action plans. PAHO/WHO will also help mobilise additional expertise from other parts of the world and from organisations specialised on those issues.

6.4 Disaster reduction in the health sector

The 1997 National Health Policy does not feature disaster reduction as a strategy. It has been introduced as a new - high-level priority - area of work, after Hurricane Mitch, in the recently published Health Sector Analysis, and should now represent a core element of national health policy.

As stated before, Nicaragua is a high-risk, disaster-prone country: historically, it has been hit by natural as well as man-made disasters. Disaster reduction involves a group of political, technical and administrative measures directed at improving and strengthening activities aimed at preventing the occurrence of disasters, mitigating the damages, preparing both the Government and the population to respond better in case of disaster, and improving as well as speeding the process of rehabilitation and reconstruction, based on professional damage evaluation and needs analysis.

PAHO/WHO will continue to provide broad technical cooperation to the health sector including direct advice, training courses and seminars, information production and distribution, mobilisation of technical resources and international humanitarian assistance. The Organisation plays a key role in terms of preparedness and response, for example, in reinforcing the epidemiological surveillance system in order to avoid outbreaks and other health problems in the aftermath of sudden disasters, or in improving the provision of safe water and the sanitary conditions.

Disaster preparedness and mitigation

After the last emergencies in the country, and notably after Hurricane Mitch, it has been noted that the level of preparedness is not sufficient and that more needs to be done to prevent and mitigate damage, training the community in order to diminish the high vulnerability of the population to disasters, as well as improving the response of the health infrastructure to earthquakes and hurricanes.

The PAHO/WHO Disaster Preparedness and Disaster Relief Unit will continue to provide technical cooperation to strengthen the institutional capacity of the MoH, and train personnel in fields like vulnerability analysis, mitigation of damage in the health infrastructure, preparedness and response.

Strong emphasis will be placed on improving the health disaster plan, focusing on specific issues of prevention, mitigation, preparedness and response for disasters in the health sector, establishing technical and policy guidelines, and training the health personnel in charge of public health programmes, health services, drinking water, food safety and other areas as required. PAHO/WHO will also support coordination with the National Civil Defence, Red Cross and other national and international institutions that are active in emergencies.

The involvement of the community in prevention, mitigation and preparedness, before a disaster, will be a priority. Simple but technically sound guidelines for the community will be developed, emphasis will be given to the use of the methodology of "Community Risk and Resources Mapping" as a tool for monitoring the risks, improving the knowledge of community in public health problems due to natural and man-made disasters, and improving the immediate response in case of sudden disasters. The focus will be on the poorer communities who are usually the most vulnerable to disasters.

Emergency response and rehabilitation

In the phase of emergency response, PAHO/WHO will help evaluate the health damage and assess the first needs. If required, it will also coordinate international health humanitarian assistance and will help put in place SUMA, a management system for donated supplies and materials.

During the rehabilitation and reconstruction phase, PAHO/WHO will provide technical expertise in improving the retrofitting and reconstruction of the health facilities as well as the water and sanitary systems, making sure that national health authorities utilise the best cost-effective technology available for reinforcing the structure to resist future disasters.

7. CONCLUSIONS

This CCS has been formulated following the first country mission by a joint PAHO/WHO team in December 1999. It is based on the situation prevailing during the period January-March 2000 and covers a two-year period. As such, it is a “transition” CCS, introducing an initial shift in the PAHO/WHO cooperation agenda in response to the situation in the country following Hurricane Mitch, and to the HIPC initiative, with a view to positioning health centrally within Nicaragua’s strategy for development and poverty reduction.

The main changes in PAHO/WHO’s strategic agenda for cooperation are the following:

- progressive reduction of PAHO/WHO’s role as an executing agency of PROSILAIS, the largest project funded from extra-budgetary resources, and handing over to the national and local levels of the Ministry of Health. The emphasis will move increasingly toward policy advice and analysis for the development of local health systems in the country;
- strengthening of the PAHO technical cooperation for disaster reduction in the health sector, which has been well recognised for over 20 years. This field of expertise is unique within WHO’s scope of work and makes a significant contribution in the Americas. The magnitude of the disasters in the past has surpassed national capacity, and the components of prevention, preparedness, mitigation and response will all be of high priority;
- development of a very proactive cooperation on development and poverty reduction policies in order to give a high priority to health in the national agenda. This entails developing leadership in relation to these policies, within the context of broader partnerships with national and international institutions.

Toward this end, PAHO/WHO will need to establish new alliances for intra and intersectoral work, bring in new expertise on health sector reform, focus more on the poor and on equity of health outcomes and highlight disaster reduction as part of health sector development.

The PAHO/WHO strategic agenda continues to include some of the traditional areas of work, in response to country needs; for most of them extra-budgetary funds have already been committed. Periodic assessments – through the joint annual evaluation of PAHO/WHO cooperation with the country – will be undertaken to determine the nature of the technical cooperation required, particularly in areas where national expertise is currently not in place to ensure reliable hand-over and continuity.

It will be a priority for the Organisation to strengthen the capacity of the Ministry of Health and others stakeholders for taking on broader and more direct responsibilities in the financing and execution of operational activities, especially at local level. In time, it is hoped that through adopting a sector-wide approach to health development, all national and international stakeholders will finance and execute health development activities within a coherent framework. As the international authority in public health, PAHO/WHO expects to play a key role in the international community, serving as coordinator and broker that seeks to influence policy and spending of both government and donors.

In November 2001, elections will be held and a new government will be put in place in January 2002. Thereafter, an in-depth review and revision of the CCS will be undertaken based on, as well as shaping, new political directions, priorities and approaches.

Acronyms

AMRO	WHO Regional Office for the Americas
CCA	Common Country Assessment
CCS	Country Cooperation Strategy
CDF	Country Development Framework
CGR	Contraloría General de la República (National Audit Office)
CIAM	Comisión Interagencial de Apoyo a la Modernización (Interagency Committee for Modernisation of the Health Sector)
CIS	Comité Interinstitucional de Salud (Interministerial Committee for Health)
CNS	Consejo Nacional de Salud (National Health Council)
COMISCA	Consejo de Ministros de Salud de Centroamérica (Health Ministers Council for Central America)
CONPES	Consejo Nacional de Planificación Económica y Social (National Economic and Social Planning Council)
CSE	Consejo Supremo Electoral (Tribunal of Elections)
CSJ	Corte Suprema de Justicia (Supreme Court of Justice)
CTP	Cooperación Técnica entre Países (Technical Cooperation between Countries)
EMP	Empresa Médica Previsional (“Health Management Organisation-like “)
ENACAL	Empresa Nacional de Agua y Alcantarillado (National Water and Sanitation Corporation)
ESAF	Enhanced Structural Adjustment Facility
FISE	Fondo de Inversión Social de Emergencia (Emergency Social Investment Fund)
FSLN	Frente Sandinista de Liberación Nacional (Sandinista National Liberation Front)
GNP	Gross National Product
HIPC	Highly Indebted Poor Countries Initiative
IDB	Interamerican Development Bank
IMF	International Monetary Fund
INAA	Instituto Nacional de Agua y Alcantarillado (National Water and Sanitation Institute)
INCAP	Instituto de Nutrición para Centroamérica y Panamá (Nutrition Centre for Central America and Panama)
INFOCOM	Proyecto de Información y Comunicación en Salud para Centroamérica (Health Information and Communication Project for Central America)
INSS	Instituto Nacional de Seguridad Social (National Institute for Social Security)
MINSAL	Ministerio de Salud (Ministry of Health)
MoH	Ministry of Health

NGO	Non-governmental Organisation
PAHO	Pan American Health Organisation
PIMINSA	Plan de Inversión del MINSA (MoH Investment Plan)
PLAGSALUD	Proyecto Salud y Plaguicidas en Centroamérica (Central American Pesticides and Health Project)
PLC	Partido Liberal Constitucionalista (Constitutional Liberal Party)
PROSILAIS	Proyecto de Desarrollo de los SILAIS (SILAIS Development Project)
PRSP	Poverty Reduction Strategy Paper
RAAS	Región Autónoma Atlántica del Sur (South Atlantic Autonomous Region)
RESSCAD	Reunión del Sector Salud de Centroamérica y República Dominicana (Health Sector Meeting for Central America y Dominican Republic)
RPS	Red de Protección Social (Social Protection Network)
SAS	Secretaría de Acción Social (Secretariat for Social Affairs)
SETEC	Secretaría Técnica de la Presidencia (Technical Secretariat of the Presidency)
SG-SICA	Secretaría General del Sistema de Integración Centroamericano (Secretariat General of the Central American Integration System)
SIB	Superintendencia de Bancos (Superintendence of Banking)
SILAIS	Sistema Local de Atención Integral en Salud (District Health Systems)
SPOs	Strategic and Programmatic Orientations
SUMA	Supply Management System
SWAp	Sector-wide Approach
UN	United Nations
UNAN	Universidad Nacional Autónoma de Nicaragua (Nicaragua National Autonomous University)
UNDAF	United Nations Development Assistance Framework
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
WB	World Bank
WFP	World Food Program
WHO	World Health Organisation