

Project Administration Manual

Project Number: 54171-002
Loan Number: LXXXX
August 2020

Republic of the Philippines: Health System
Enhancement to Address and Limit COVID-19

ABBREVIATIONS

ADB	–	Asian Development Bank
BSL	–	biosafety level
COCP	–	Code of Construction Practice
COVID-19	–	coronavirus disease
DENR	–	Department of Environment and Natural Resources
DMF	–	design and monitoring framework
DOH	–	Department of Health
EHS	–	environment, health, and safety
EMB	–	Environmental Management Bureau
FMA	–	financial management assessment
GAP	–	gender action plan
HEAL	–	Health System Enhancement to Address and Limit COVID-19
HFEP	–	Health Facility Enhancement Program
PAM	–	project administration manual
PCR	–	polymerase chain reaction
PMT	–	project management team
PPE	–	personal protective equipment
SOE	–	statement of expenditures
SPS	–	Safeguard Policy Statement
TSU	–	technical support unit
UNOPS	–	United Nations Office for Project Services
WHO	–	World Health Organization

CONTENTS

	Page
I. PROJECT DESCRIPTION	1
II. IMPLEMENTATION PLANS	2
A. Project Readiness Activities	2
B. Overall Project Implementation Plan	2
III. PROJECT MANAGEMENT ARRANGEMENTS	5
A. Project Implementation Organizations: Roles and Responsibilities	5
B. Key Persons Involved in Implementation	7
C. Project Organization Structure	8
IV. COSTS AND FINANCING	10
A. Cost Estimates Preparation and Revisions	11
B. Key Assumptions	11
C. Detailed Cost Estimates by Expenditure Category	12
D. Allocation and Withdrawal of Loan Proceeds	13
E. Detailed Cost Estimates by Financier	14
F. Detailed Cost Estimates by Outputs	15
G. Detailed Cost Estimates by Year	16
H. Contract and Disbursement S-Curve	18
I. Fund Flow Diagram	19
V. FINANCIAL MANAGEMENT	20
A. Financial Management Assessment	20
B. Disbursement	23
C. Accounting	24
D. Auditing and Public Disclosure	24
VI. PROCUREMENT AND CONSULTING SERVICES	25
A. Advance Contracting and Retroactive Financing	25
B. Procurement of Goods, Works, and Consulting Services	26
C. Procurement Plan	27
VII. SAFEGUARDS	33
VIII. GENDER AND SOCIAL DIMENSIONS	37
IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION	39
A. Project Design and Monitoring Framework	39
B. Monitoring	39
C. Evaluation	40
D. Reporting	40
E. Stakeholder Communication Strategy	40
X. ANTICORRUPTION POLICY	41
XI. ACCOUNTABILITY MECHANISM	41
XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL	42

APPENDIXES:

1.	Project Design and Monitoring Framework	43
2.	Procurement Implementation Plan	46
3.	Procurement Plan	50
4.	Code of Construction Practice	53
5.	Gender Action Plan	77
6.	Outline of Quarterly Progress Report	79
7.	Social Due Diligence Report	80

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with the policies and procedures of the government and Asian Development Bank (ADB). The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Department of Health (DOH), the executing agency, is wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the policies and procedures of the government and ADB. ADB staff is responsible for supporting implementation including compliance by DOH of their obligations and responsibilities for implementation of this project in accordance with ADB's policies and procedures.

At loan negotiations, the borrower and ADB shall agree to the PAM and ensure consistency with the loan agreement. Such agreement shall be reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the PAM and the loan agreement, the provisions of the loan agreement shall prevail.

After ADB Board approval of the report and recommendation of the President (RRP) for the project, changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval, they will be subsequently incorporated in the PAM.

I. PROJECT DESCRIPTION

1. The health system of the Republic of the Philippines has been strained due to the increasing number of coronavirus disease (COVID-19)¹ cases in the country. As of 25 July 2020, 40 private polymerase chain reaction (PCR) laboratories have been certified to supplement the government PCR laboratories, bringing the combined total of government and private PCR laboratories to 70. An additional 23 GeneXpert laboratories have also been certified. All these have increased daily testing to an average of around 26,000 in the week of 19–25 July 2020. The country has a limited number of critical care beds, ventilators, and isolation facilities to treat severe and critical COVID-19 cases. The shortage of personal protective equipment (PPE) for health workers is increasing the risk of COVID-19 infection among them.

2. The Health System Enhancement to Address and Limit COVID-10 (HEAL) will assist the Philippines to scale up its COVID-19 response by providing medical equipment and supplies to health facilities which treat COVID-19 cases. The project is part of the Asian Development Bank's (ADB) comprehensive support to the government in responding to COVID-19. It will establish pandemic subnational reference laboratories and isolation wards to strengthen testing capacity, surveillance, infection prevention and control, and treatment for COVID-19. It will also improve preparedness and resilience of the health system for future public health threats. HEAL is aligned with the following impacts: (i) access to enhanced COVID-19-related diagnostic and treatment services for all Filipinos improved;² and (ii) health system performance in addressing public health outbreaks improved.³ The outcome of the project is capacity of the Department of Health (DOH) to detect, contain, and treat COVID-19 cases strengthened.⁴

3. **Output 1: Disease surveillance and diagnostic capacity upgraded.** HEAL will (i) increase the testing capacity of at least 10 government molecular laboratories by providing testing kits, chemicals, reagents, PPE, and consumables for COVID-19 testing, and patient transport vehicles to deliver specimens to molecular laboratories; (ii) build and equip two biosafety level (BSL)-2 laboratories, and upgrade equipment of one BSL-3 laboratory and nine other BSL-2 laboratories; (iii) install computed tomography scan machines in 33 hospitals to improve the clinical diagnosis of COVID-19 cases; and (iv) train laboratory technicians in the use of medical equipment and the management of test result data (disaggregated by sex, age, and pre-existing medical conditions) at supported laboratories.

4. **Output 2: Infection prevention and control measures expanded.** HEAL will provide PPE for frontline health workers and laboratory technicians to selected DOH hospitals, local government unit (LGU) hospitals, and national and local government isolation facilities. It will support the renovation and/or construction of negative pressure isolation wards in 12 DOH hospitals (including 7 hospitals supported under output 1). These isolation wards will have equipment to monitor heart rate, blood pressure, respiratory rate, temperature, oxygen saturation level, and other vital signs, as well as hazardous waste treatment facilities. HEAL will also strengthen the infection prevention capacity of healthcare workers in obstetrics, pediatric, and

¹ COVID-19 is an infectious disease caused by the most recently discovered coronavirus from the same family that caused the Severe Acute Respiratory Syndrome outbreak in 2003 and the Middle East Respiratory Syndrome outbreak in 2012.

² Government of the Philippines, Department of Finance. 2020. [The Duterte Administration's 4-pillars Socioeconomic Strategy Against COVID-19](#). Manila (as of 9 April 2020, and regularly updated).

³ Government of the Philippines, DOH. 2020. [National Objectives for Health Philippines 2017–2022](#). Manila.

⁴ The design and monitoring framework (DMF) is in Appendix 1.

emergency departments through training and communication activities, with the aim of controlling vector transmission in maternal and child health service delivery during public health outbreaks.⁵

5. **Output 3: Treatment capacity for COVID-19 scaled up.** HEAL will provide 90 ventilators—and training for respiratory technicians and staff to operate them—to 70 DOH hospitals and 20 island LGU hospitals (including the hospitals under outputs 1 and 2). It will also provide the hospitals under outputs 1 and 2 with associated critical care equipment, including electrocardiography machines, defibrillators, and a critical care monitoring system. The HEAL will train technicians and other staff on operation and maintenance to ensure the sustainability of the ventilators and other critical care equipment. Through training, HEAL will also increase the capacity of health workers for detecting and preventing domestic gender-based violence at home and for providing psycho-social support to patients and families, including pregnant and vulnerable women affected by COVID-19.

II. IMPLEMENTATION PLANS

A. Project Readiness Activities

Table 1: Project Readiness Activities

Indicative Activities	Months							Responsible Agency
	Mar	Apr	May	Jun	Jul	Aug	Sep	
Advance contracting actions				X	X	X		DOH, ADB
Preparation of loan documents		X	X					ADB
Submission of proposal to NEDA ICC			X					DOH
Special Presidential Authority issued	X							DOF, OP
Technical discussions and loan negotiations					X			NEDA, DBM, DOF, DOH, ADB
ADB Board approval						X		ADB
Loan signing						X		DOF, ADB
Loan effectiveness							X	DOF, ADB

ADB = Asian Development Bank, DBM = Department of Budget and Management, DOF = Department of Finance, DOH = Department of Health, ICC = Investment Coordination Committee, OP = Office of the President, NEDA = National Economic and Development Authority.

Source: ADB.

B. Overall Project Implementation Plan

6. A gantt chart recording outputs with key implementation activities on a quarterly basis will be updated annually and submitted to ADB with contract awards and disbursement projections for the following year. The procurement plan is in Appendix 2.

Table 2: Overall Project Implementation Plan

Activities	2020		2021				2022				2023		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1. Disease surveillance and diagnostic capacity upgraded													
1.1. Procure COVID-19 testing kits,	x												

⁵ The activities will be financed by the proposed HEAL as well as on-going technical assistance. ADB. 2019. *Regional Technical Assistance for the Support of Human and Social Development in Southeast Asia*. Manila; and ADB. 2018. *Technical Assistance to the Philippines for Strengthening Social Protection Reforms*. Manila.

Activities	2020		2021				2022				2023		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
3.3 Distribute ventilators and conduct regular equipment maintenance	x	x	x	x	x	x	x	x	x	x	x	x	x
3.4 Develop and conduct training on psycho-social support	x	x	x	x	x	x	x	x					
Project Management Activities													
Engage (through direct contracting) a procurement agent and recruit consultants, including e.g., health specialist, financial management specialist, procurement specialist, engineers, architect, gender specialist, and safeguards specialists	x												
Prepare and submit quarterly and annual progress reports		x	x	x	x	x	x	x	x	x	x	x	x
Conduct inception and semi-annual review missions	x		x		x		x		x		x		x
Submit annual Audited Project Financial Statements				x				x				x	x
Prepare project completion report												x	x

COVID-19 = coronavirus disease, CT = computed tomography, DOH = Department of Health, PPE = personnel protective equipment, Q = quarter.

^a Recognizing that 75% of health care workers are women, a one-size fits-all approach to PPE would be inappropriate and place some healthcare workers at greater risk of transmission and/or infection.

^b In this instance, gender-responsive health and safety protocols will include the different needs and experiences of male and female health workers and laboratory technicians regarding personal hygiene, psycho-social wellbeing in times of extreme stress, non-violent coping strategies, and services available for mental health support and to victims of domestic and gender-based violence.

Source: Asian Development Bank.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations: Roles and Responsibilities

Project Implementation Organizations	Management Roles and Responsibilities
Department of Health (DOH)	<ul style="list-style-type: none"> • Serve as executing agency and implementing agency • Establish Project Management Team • Ensure the day-to-day management and implementation • Ensure adequate counterpart in-kind contribution • Liaise directly with ADB on all concerns related to this project

Project Implementation Organizations	Management Roles and Responsibilities
<p>Project Management Team (to be established in coordination with the Health Facility Enhancement Program-Management Office, Disease Prevention and Control Bureau, Finance Service, Procurement Service, Health Policy Development and Planning Bureau with the Bureau of International Health as the overall project coordinator).</p>	<ul style="list-style-type: none"> • Manage, coordinate, and monitor activities • Oversee day-to-day administration and implementation of the project • Ensure that suppliers and contractors are compliant with DOH standards • Manage budgeting and financial planning/reporting, and disbursement • Ensure auditing of loan proceeds and maintenance of all bank accounts under the project • Prepare withdrawal application, complete with all required disbursement-related documentation • Submit quarterly project progress reports (and consolidated annual report) to ADB in agreed format • Prepare other reports specified in the loan agreement • Establish, maintain, and update the project performance monitoring system • Prepare project completion report, with support from consultants <p>Procurement</p> <ul style="list-style-type: none"> • Prepare bidding/contract documents for further approval • Closely work with ADB and the procurement agent with the procurement of all medical equipment and materials, and works for construction/renovation of health facilities, in accordance with ADB's Procurement Policy and Regulations and government's procurement procedures • Prepare procurement plan in consultation with ADB • Submit annual contract award and disbursement projections <p>Safeguards and Gender Compliance</p> <ul style="list-style-type: none"> • Monitor and ensure compliance with ADB's Safeguard Policy Statement, the safeguards documents, the Code of Construction Practice (COCP) and government requirements • Obtain all required statutory clearances • Submit semi-annual safeguards monitoring report to ADB (as part of consolidated annual project progress report) • Submit Gender Action Plan monitoring report to ADB
<p>DOH Provincial Offices/Hospitals ^a</p>	<ul style="list-style-type: none"> • Ensure that suppliers and contractors are compliant with DOH standards • Supervise upgrading/construction of laboratory and isolation wards/rooms and compliance with Code of Construction Practice
<p>Procurement Agent (to be directly contracted by DOH)</p>	<ul style="list-style-type: none"> • Undertake procurement and supply of all medical equipment required for the project • Work closely with DOH to finalize specifications of the medical equipment and design for health facilities based on local and international standards • Provide capacity building support to strengthen capacity of national and hospital personnel involved in the project
<p>Asian Development Bank (ADB)</p>	<ul style="list-style-type: none"> • Undertake procurement reviews, including providing technical guidance and support on procurement matters and support public financial management, environment, and social safeguards

Project Implementation Organizations	Management Roles and Responsibilities
	monitoring and supervision, in accordance with appropriate ADB and government guidelines and procedures

^a The proposed DOH hospitals are: (i) Baguio General Hospital (Baguio City), (ii) Bataan General Hospital (Balanga City, Bataan), (iii) Caraga Regional Hospital (Surigao City, Surigao del Norte), (iv) Davao Regional Medical Center (Tagum City, Davao del Norte), (v) Dr. Paulino J. Garcia Memorial Research and Medical Center (Cabanatuan City), (vi) Governor Celestino Gallares Medical Center (Bohol), (vii) Ilocos Training & Regional Medical Center (La Union), (viii) Jose B. Lingad Memorial Regional Hospital (San Fernando City, Pampanga), (ix) Luis Hora Memorial Regional Hospital (Mountain Province), (x) Lung Center of the Philippines (Quezon City), (xi) Mariveles Mental Hospital (Mariveles City, Bataan), (xii) Northern Mindanao Medical Center (Misamis Oriental), (xiii) Research Institute for Tropical Medicine (Muntinlupa City), (xiv) San Lazaro Hospital (Manila), (xv) Southern Philippines Medical Center (Davao City), (xvi) Vicente Sotto Memorial Medical Center (Cebu City), and (xvii) Western Visayas Medical Center (Iloilo).

Source: Asian Development Bank.

B. Key Persons Involved in Implementation

Executing/Implementing Agency

Department of Health

Dr. Mario C. Villaverde
Undersecretary of Health
Health Policy and Systems Development Team
Telephone No.: +63 2 8651 7800 loc 1141, 1139, 1143
Email address: mcvillaverde@doh.gov.ph;
officeofusecmcv@gmail.com
Office Address: San Lazaro Compound, Tayuman, Sta. Cruz, Manila, Philippines

Dr. Lilibeth C. David
Undersecretary of Health
Health Facilities and Infrastructure Development Team
Telephone No.: +63 2 8651 7800 loc 1234-1236, 1334-1336
Email address: lcdavid@doh.gov.ph
Office Address: San Lazaro Compound, Tayuman, Sta. Cruz, Manila, Philippines

Asian Development Bank

Human and Social Development
Division (SEHS), Southeast Asia
Regional Department, (SERD)

Ms. Ayako Inagaki
Director
Telephone No.: +63 2 8632 4530
Email address: ainagaki@adb.org

Co-Mission Leaders

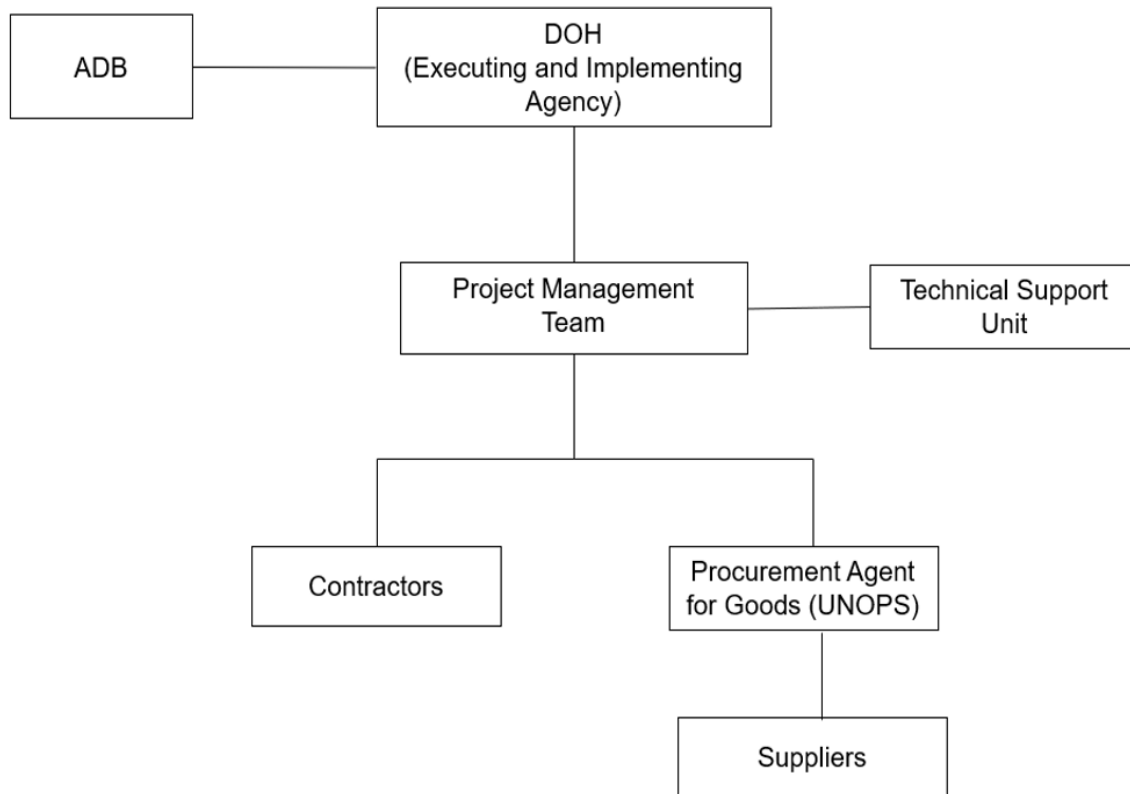
Sakiko Tanaka
Principal Social Sector Specialist
Telephone No.: +63 2 8632 6676
Email address: sakikotanaka@adb.org

Rikard Elfving
Senior Social Sector Specialist
Telephone No.: +63 2 8632 5019
Email address: relfving@adb.org

C. Project Organization Structure

7. DOH will be the executing and implementing agency. DOH will set up a Project Management Team (PMT) with a Project Director (Undersecretary level) and a Project Manager (Director Level). The Project Manager and Project Director will coordinate with DOH technical offices, including the Research Institute for Tropical Medicine, regional offices, LGUs, and other pertinent offices. The selected 17 DOH hospitals will provide adequate space and qualified health human resources to operate the medical equipment in the constructed laboratories and isolation wards and rooms. A technical support unit (TSU) comprising individual consultants (health experts, an architect, engineers, a gender specialist, environmental safeguards specialists, a financial management specialist, a procurement specialist, and administration staff) will be engaged to support the PMT in all stages of implementation. The project will be implemented from August 2020 to July 2023 and expected to close in January 2024.

8. Given the urgency to receive the required goods, the current volatility of the global supply for COVID-19 medical equipment and consumables, and DOH's constrained human resources, DOH will engage a procurement agent to support the procurement of all medical equipment and goods in accordance with ADB's procurement regulations. The contracting of a procurement agent will allow for cost savings through order consolidation by the procurement agent, leading to economies of scale, and reduces the risks related to product quality, availability, and logistics. Furthermore, leveraging the capacity and expertise of the United Nations Office for Project Services (UNOPS) ensures value for money. DOH requested that the recruitment of UNOPS be delegated to ADB, while DOH will be responsible for contract negotiation, signing, and management (para 41).

Figure 1: Implementation Arrangements

ADB = Asian Development Bank, DOH = Department of Health, UNOPS = United Nations Office for Project Services.
Source: Asian Development Bank.

IV. COSTS AND FINANCING

9. The project is estimated to cost \$131 million including taxes and duties, administrative costs, physical and price contingencies, and interest charges during implementation.

**Table 3: Project Investment Plan
(in \$ million)**

Item	Description	Amount (\$million) ^a	Cost Share (%)
A.	Base Cost^b		
1.	Disease surveillance and diagnostic capacity rapidly upgraded.	41.05	31.34
2.	Infection prevention and control measures expanded.	46.03	35.14
3.	Treatment capacity for COVID-19 scaled up.	32.21	24.58
	Subtotal (A)	119.29	91.06
B.	Contingencies^c	6.21	4.74
	Total without Financing Charges (A+B)	125.50	95.80
C.	Financing Charges During Implementation^d	5.50	4.20
	Total Cost (A+B+C)	131.00	100.00

COVID-19 = coronavirus disease.

^a Includes taxes and duties of (\$12.74 million) to be financed through the Asian Development Bank loan. Such amount does not represent an excessive share of project costs. Sub-total without financing charges is \$125.5 million including taxes and duties, physical and price contingencies, and in-kind contribution of \$500,000 as administrative costs.

^b In April 2020 prices.

^c Includes physical and price contingencies, and a provision for exchange rate fluctuation.

^d Includes interest, commitment, and other charges on all sources of financing.

Source: Asian Development Bank.

10. ADB will finance \$125 million from its ordinary capital resources. The balance of \$6 million will be provided through government financing (Table 4). The loan will have a 29-year term, including a grace period of 8.5 years; an annual interest rate determined in accordance with ADB's London interbank offered rate-based lending facility; a commitment charge of 0.15% per year and such other terms and conditions set forth in the draft loan agreement. Based on the straight-line method, the average maturity is 19 years and the maturity premium payable to ADB is 0.20% per year.

Table 4: Project Financing Plan

Source	Amount (\$million)	Share of Total (%)
Asian Development Bank		
Ordinary capital resources (Loan)	125.00	95.42
Government	6.00	4.58
Total	131.00	100.00

Source: Asian Development Bank.

11. ADB will finance 95.42% of the total cost of the project, which includes goods, civil works, consulting services, taxes and duties, physical and price contingencies, maintenance of facilities, vehicles, and equipment, and other recurrent costs.

12. The government will fund \$6 million or 4.58% of the total project cost, to cover loan interest and charges of \$5.50 million and in-kind contributions of approximately \$500,000 in the form of office space, counterpart staff time, and administration cost.

13. The proceeds of the loan shall be used to finance eligible expenditures. All goods, works, and services to be financed out of the loan proceeds shall be procured in accordance with the loan agreement and shall be used exclusively in the carrying out of the project. ADB may refuse to finance a contract where goods or services have not been procured under procedures in accordance with those agreed between the government and ADB, or where the terms and conditions of the contract are not satisfactory to ADB.

A. Cost Estimates Preparation and Revisions

14. The cost estimates were prepared in April 2020. Base costs for civil works, medical equipment, PPE, and vehicle costs were provided by DOH and compared against local and international market rates for similar items. The cost estimates for consulting services are based on market rates for individual consultants. The level of consulting input is based on the assessment of technical specialists during the design stage. Capacity building and training estimates are based on similar activities performed in the region and adjusted for local market rates.

15. Taxation rates applied include Value Added Tax of 12% on all medical equipment and PPE. The cost estimates also include local taxes on the COVID-19 isolation facilities and molecular laboratories to be constructed in response to the pandemic. ADB funds will cover all taxes and duties.

16. The cost estimates are fluid and may change as the scope of the project is refined to accommodate specific facility and equipment needs at selected sites.

B. Key Assumptions

17. The following key assumptions underpin the cost estimates and financing plan:
- (i) exchange rate: ₱ 50.83 = \$1.00 (as of 4 April 2020);
 - (ii) physical contingencies are computed at 3% for civil works, medical equipment, vehicles, and services;
 - (iii) price contingencies based on expected cumulative inflation over the implementation period are as follows:

Table 5: Escalation Rates for Price Contingency Calculation

Item	2021	2022	2023	2024	2025	Average
Foreign rate of price inflation (USD)	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
Domestic rate of price inflation (PHP)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

PHP = Philippine peso, USD = United States dollar.

Source: Asian Development Bank International and Domestic Cost Escalation Factors.

- (iv) in-kind contributions were calculated using the estimated salary grade of government staff, office space and utility costs based on the estimated size and cost per square meter, and other estimates discussed with the government during project design.

C. Detailed Cost Estimates by Expenditure Category

Table 6: Detailed Cost Estimates by Expenditure Category

		(in \$ million)			
		Foreign Exchange	Local Currency	Total	% of Total Base Cost
A.	Investment Costs				
1.	Goods and Civil Works				
a.	Medical Equipment	55.49	1.98	57.48	48.18
b.	Personal Protective Equipment	29.97	0.00	29.97	25.12
c.	Patient Transport Vehicles	2.07	0.00	2.07	1.73
d.	Civil Works (COVID-19 Isolation Facilities and Testing Labs)	5.62	16.86	22.47	18.84
e.	Consulting Services	6.38	0.16	6.54	5.48
	Sub-total (A)	99.53	19.00	118.53	99.36
B.	Recurrent Costs				
1.	Operations and maintenance costs for the new facilities, patient transport vehicles and medical equipment	0.00	0.26	0.26	0.22
2.	Administrative Costs	0.00	0.50	0.50	0.42
	Sub-total (B)	0.00	0.76	0.26	0.64
	Total Base Cost	99.53	19.75	119.29	100.00
C.	Contingencies				
1.	Physical Contingencies	2.93	0.61	3.54	2.97
2.	Price Contingencies	2.21	0.46	2.67	2.24
	Sub-total (C)	5.15	1.07	6.21	5.21
	Total without Financing Charges (A+B+C)	104.68	20.82	125.50	105.21
D.	Financing Charges				
1.	Interest During Implementation	0.00	5.50	5.50	4.61
	Sub-total (D)	0.00	5.50	5.50	4.61
	Total Project Cost (A+B+C+D)	104.68	26.32	131.00	109.82

COVID-19 = coronavirus disease.

Notes:

- Numbers may not sum precisely because of rounding.
- Percentages may not total 100% because of rounding.
- The project costs are inclusive of taxes and duties of \$12.74 million to be financed from the ADB Loan.
- Government contributions amounting to \$6 million in cash and in-kind will cover loan interest and financing charges, office space, counterpart staff time, and administration cost.

Source: Asian Development Bank estimates.

D. Allocation and Withdrawal of Loan Proceeds

18. Except as ADB may otherwise agree, each item of expenditure shall be financed from the proceeds on the basis of the percentages set forth in the table below.

Table 7. Allocation and Withdrawal of Loan Proceeds

No.	Item	Total Amount Allocated for ADB Financing (\$)	Percentage and basis for withdrawal from loan account
1	Project Cost	125,000,000	100% of total expenditure claimed
	Total	125,000,000	

ADB = Asian Development Bank.

Source: Asian Development Bank estimates.

E. Detailed Cost Estimates by Financier

Table 8: Detailed Cost Estimates by Financier
(\$ million)

	Amount	ADB % of Cost Category	Amount	Government % of Cost Category	Total Cost
A. Investment Costs					
1. Goods and Civil Works					
a. Medical Equipment	57.48	100.0	0.00	0.00	57.48
b. Personal Protective Equipment	29.97	100.0	0.00	0.00	29.97
c. Patient Transport Vehicles	2.07	100.0	0.00	0.00	2.07
d. Civil Works (COVID-19 Isolation Facilities and Testing Labs)	22.47	100.0	0.00	0.00	22.47
e. Consulting Services	6.54	100.0	0.00	0.00	6.54
Sub-total (A)	118.53	100.0	0.00	0.00	118.53
B. Recurrent Costs					
1. Operations and maintenance costs for the new facilities, patient transport vehicles and medical equipment	0.26	100.0	0.00	0.00	0.26
2. Administrative cost	0.00	0.00	0.50	100.0	0.50
Sub-total (B)	0.26	34.15	0.50	65.85	0.76
C. Contingencies					
1. Physical Contingencies	3.54	100.00	0.00	0.00	3.54
2. Price Contingencies	2.67	100.00	0.00	0.00	2.67
Sub-total (C)	6.21	100.00	0.00	0.00	6.21
Total without Financing Charges (A+B+C)	125.00	99.60	0.50	0.40	125.50
D. Financing Charges					
1. Interest During Implementation	0.00	0.00	5.50	100.00	5.50
Sub-total (D)	0.00	0.00	5.50	100.00	5.50
Total Project Cost (A+B+C+D)	125.00	95.42	6.00	4.58	131.00

ADB = Asian Development Bank, COVID-19 = coronavirus disease.

Notes:

1. Numbers may not sum precisely because of rounding.
2. Percentages may not total 100% because of rounding.
3. The project costs are inclusive of taxes and duties of \$12.74 million to be financed from the ADB loan.

Source: Asian Development Bank estimates.

F. Detailed Cost Estimates by Outputs

Table 9: Detailed Cost Estimates by Outputs
(\$ million)

Item	Total Cost	Output 1		Output 2		Output 3	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Costs							
1. Goods and Civil Works							
a. Medical Equipment	57.48	19.10	33.24	7.94	13.82	30.43	52.94
b. Personal Protective Equipment	29.97	14.98	50.00	14.98	50.00	0.00	0.00
c. Patient Transport Vehicles	2.07	2.07	100.00	0.00	0.00	0.00	0.00
d. Civil Works (COVID-19 Isolation Facilities and Testing Labs)	22.47	2.20	9.80	20.27	90.20	0.00	0.00
e. Consulting Services	6.54	2.35	35.94	2.58	39.35	1.61	24.68
Sub-total (A)	118.53	40.71	34.35	45.77	38.62	32.04	27.04
B. Recurrent Costs							
1. Operation and maintenance costs for the new facilities, patient transport vehicles and medical equipment	0.26	0.17	66.67	0.09	33.33	0.00	0.00
2. Administrative Costs	0.50	0.17	34.00	0.17	34.00	0.16	32.00
Sub-total (B)	0.76	0.34	45.16	0.26	33.77	0.16	21.07
C. Contingencies							
1. Physical Contingencies	3.54	1.27	36.00	1.20	34.00	1.06	30.00
2. Price Contingencies	2.67	0.96	36.00	0.91	34.00	0.80	30.00
Sub-total (C)	6.21	2.24	36.00	2.11	34.00	1.86	30.00
Total without Financing Charges (A+B+C)	125.50	43.29	34.49	48.14	38.36	34.07	27.15
D. Financing Charges							
1. Interest During Implementation	5.50	1.98	36.00	1.87	34.00	1.65	30.00
Sub-total (D)	5.50	1.98	36.00	1.87	34.00	1.65	30.00
Total Project Cost (A+B+C+D)	131.00	45.27	34.56	50.01	38.18	35.72	27.27

COVID-19 = coronavirus disease.

Notes:

- Numbers may not sum precisely because of rounding.
 - Percentages may not total 100% because of rounding.
 - In April 2020 prices.
 - Physical contingencies computed at 3% for civil works, equipment, and services. Price contingencies based on cost escalation factors for Philippines at 3% per annum with a devaluation offset included in the price contingency based on the US\$ inflation rate of 1.6%.
 - Interest during implementation computed at 1.622% of the ordinary capital resources London interbank offered rate (LIBOR)-based Loan.
- Source: Asian Development Bank estimates.

G. Detailed Cost Estimates by Year

Table 10: Detailed Cost Estimates by Year
(\$ million)

	Total Cost	2020	2021	2022	2023
A. Investment Costs					
1. Goods and Civil Works					
a. Medical Equipment	57.48	7.50	38.09	11.89	0.00
b. Personal Protective Equipment	29.97	8.99	20.98	0.00	0.00
c. Patient Transport Vehicles	2.07	2.07	0.00	0.00	0.00
d. Civil Works (COVID-19 Isolation Facilities and Testing Labs)	22.47	0.00	17.92	4.55	0.00
e. Consulting Services	6.55	3.16	3.19	0.19	0.00
Sub-total (A)	118.53	21.72	80.19	16.62	0.00
B. Recurrent Costs					
1. Operation and maintenance costs for the new facilities, patient transport vehicles and medical equipment	0.26	0.00	0.03	0.10	0.13
2. Administrative Costs	0.50	0.06	0.18	0.18	0.09
Sub-total (B)	0.76	0.06	0.21	0.27	0.22
C. Contingencies					
1. Physical Contingencies	3.54	0.65	2.39	0.50	0.01
2. Price Contingencies	2.67	0.30	1.65	0.70	0.01
Sub-total (C)	6.21	0.95	4.04	1.20	0.02
Total without Financing Charges (A+B+C)	125.50	22.73	84.43	18.10	0.24
D. Financing Charges					
1. Interest During Implementation	5.50	0.19	1.76	2.03	1.52
Sub-total (D)	5.50	0.19	1.76	2.03	1.52
Total Project Cost (A+B+C+D)	131.00	22.92	86.20	20.13	1.76
% of Expenditure per year	100.00	17.49	65.80	15.36	1.34

COVID-19 = coronavirus disease.

Notes:

1. Numbers may not sum precisely because of rounding.
2. Percentages may not total 100% because of rounding.

Source: Asian Development Bank estimates.

Table 11: Detailed Cost Estimates by Year by Output
(\$ million)

	Total Cost	2020			2021			2022			2023		
		O1	O2	O3	O1	O2	O3	O1	O2	O3	O1	O2	O3
A. Investment Costs													
1. Goods and Civil Works													
a. Medical Equipment	57.48	0.52	0.00	6.98	18.59	0.00	19.51	0.00	7.94	3.94	0.00	0.00	0.00
b. Personal Protective Equipment	29.97	4.50	4.50	0.00	10.49	10.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Patient Transport Vehicles	2.07	2.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Civil Works (COVID-19 Isolation Facilities and Testing Labs)	22.47	0.00	0.00	0.00	2.20	15.72	0.00	0.00	4.55	0.00	0.00	0.00	0.00
e. Consulting Services	6.55	1.05	1.53	0.59	1.23	0.95	1.01	0.08	0.10	0.01	0.00	0.00	0.00
Sub-total (A)	118.53	8.12	6.02	7.57	32.51	27.16	20.52	0.08	12.59	3.95	0.00	0.00	0.00
B. Recurrent Costs													
1. Operation and maintenance costs for the new facilities, patient transport vehicles and medical equipment	0.26	0.00	0.00	0.00	0.01	0.01	0.00	0.07	0.03	0.00	0.08	0.05	0.00
2. Administrative Costs	0.50	0.02	0.02	0.02	0.06	0.06	0.06	0.06	0.06	0.06	0.03	0.03	0.03
Sub-total (B)	0.76	0.02	0.02	0.02	0.07	0.07	0.06	0.13	0.06	0.06	0.11	0.08	0.03
C. Contingencies													
1. Physical Contingencies	3.54	0.24	0.18	0.22	0.97	0.81	0.61	0.01	0.38	0.12	0.00	0.00	0.00
2. Price Contingencies	2.67	0.11	0.08	0.11	0.67	0.56	0.42	0.01	0.53	0.17	0.01	0.01	0.00
Sub-total (C)	6.21	0.35	0.26	0.33	1.64	1.37	1.03	0.01		0.29	0.01	0.01	0.00
Total without Financing Charges (A+B+C)	125.50	8.50	6.31	7.92	34.21	28.60	21.61	0.23	13.58	4.29	0.12	0.09	0.03
D. Financing Charges													
1. Interest During Implementation	5.50	0.07	0.05	0.07	0.71	0.60	0.45	0.03	1.52	0.48	0.77	0.55	0.20
Sub-total (D)	5.50	0.07	0.05	0.07	0.71	0.60	0.45	0.03	1.52	0.48	0.77	0.55	0.20
Total Project Cost (A+B+C+D)	131.00	8.57	6.36	7.99	34.93	29.19	22.06	0.25	15.10	4.77	0.90	0.63	0.23
% of Expenditure per year	100.00	6.54	4.86	6.10	26.66	22.29	16.84	0.19	11.53	3.64	0.68	0.48	0.18

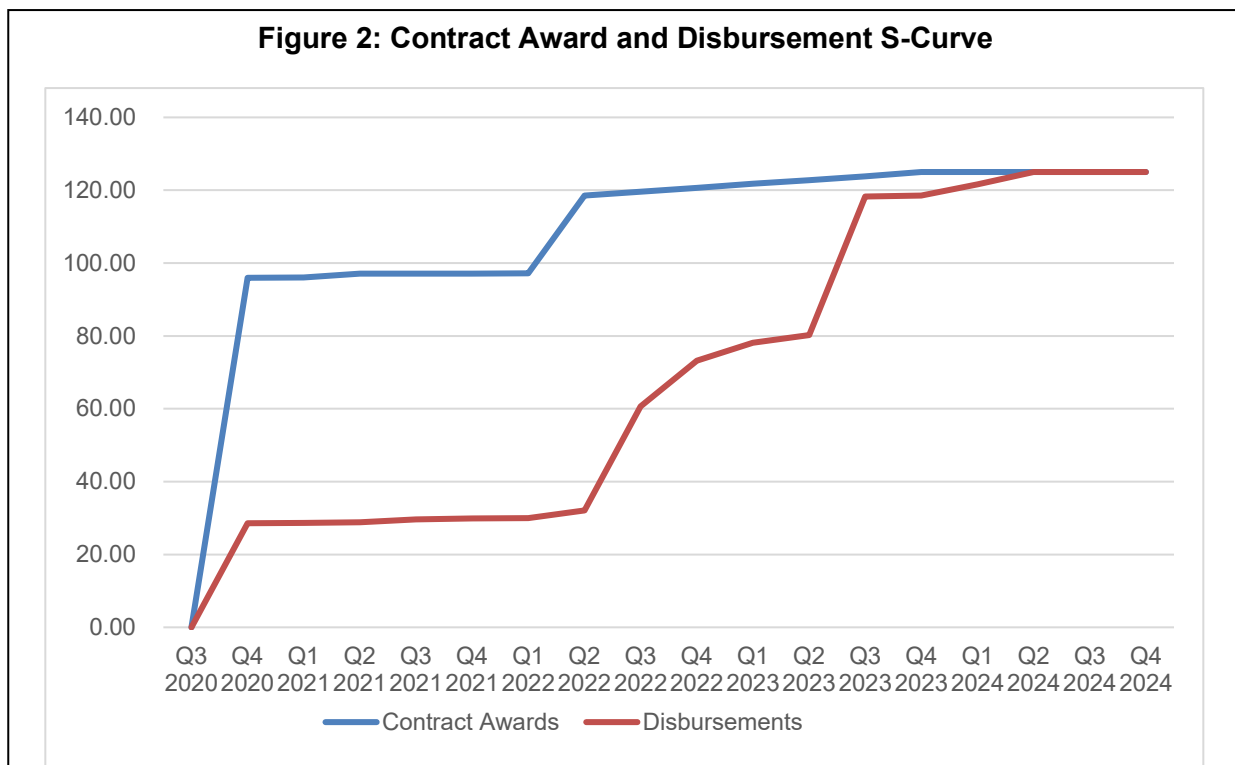
COVID-19 = coronavirus disease, O = output.

Notes:

1. Numbers may not sum precisely because of rounding.
2. Percentages may not total 100% because of rounding.

Source: Asian Development Bank estimates.

H. Contract and Disbursement S-Curve

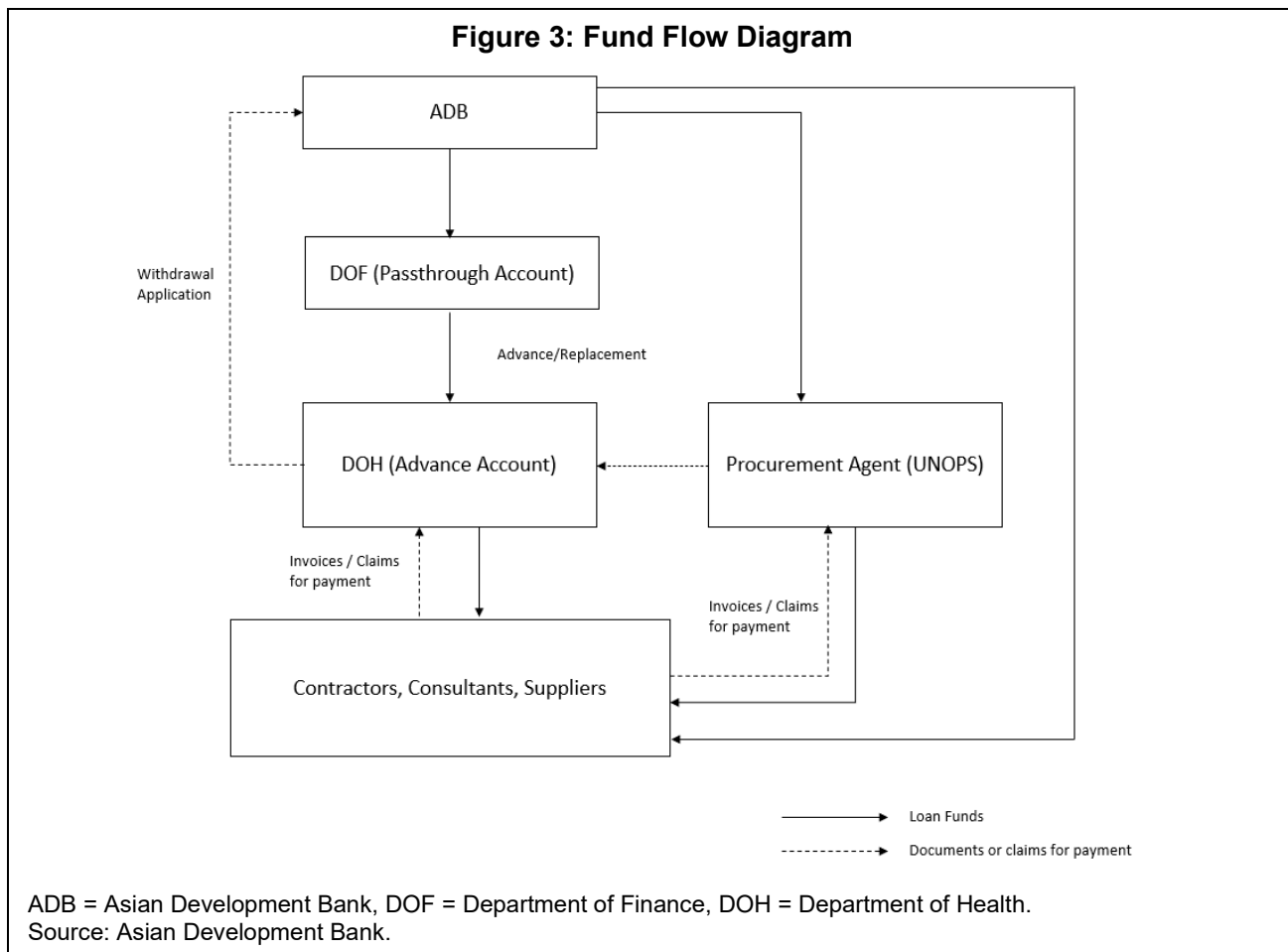


Year	Contract Awards (in \$ million)					Disbursements (in \$ million)				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
2020			0.00	96.00	96.00			0.00	28.54	28.54
2021	0.09	1.00	0.00	0.00	1.09	0.09	0.20	0.80	0.25	1.34
2022	0.09	21.40	1.04	1.04	23.56	0.09	2.14	28.54	12.57	43.34
2023	1.12	1.04	1.04	1.17	4.36	4.89	2.14	38.05	0.25	45.33
2024					0.00	3.10	3.36			6.46
	Total Contract Awards				125.00	Total Disbursements				125.00

Q = quarter.

Source: Asian Development Bank.

I. Fund Flow Diagram



V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

19. The financial management assessment (FMA) of the implementing agency is conducted in accordance with ADB's Guidelines for the Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note. An FMA of DOH, which is the implementing agency, was undertaken in April 2020. The FMA preparatory activities included reviewing documents, interviewing finance staff of DOH and other stakeholders, and completed with inputs from other references. The preparation activities included: (i) interviews with DOH staff; (ii) submission of an FMA Questionnaire to DOH; (iii) interviews with Project Management Office staff of ADB's on-going Emergency Assistance for the Reconstruction and Recovery of Marawi;⁶ (iv) a review of other related documentation; and (v) a review of ADB's on-going Emergency Assistance for Reconstruction and Recovery of Marawi, which includes a health component.

20. The FMA considered the capacity of DOH, including funds-flow arrangements, staffing, accounting and financial reporting systems, financial information systems, and internal and external auditing arrangements. DOH has adequate financial management systems in place, including internal audit and a fully automated financial information system. Financial reporting is done on a regular basis. Accounting and auditing standards are in accordance with the Government Accounting Manual, Philippine Public Sector Accounting Standards and International Standards of Supreme Audit Institutions respectively. Notwithstanding, ADB noted some significant weaknesses: (i) DOH's frontline role in addressing the health crisis poses a risk that DOH may not be able to manage large-scale procurement of goods and works and mobilize adequate staff to implement HEAL; (ii) of the total authorized staff positions in DOH, 24% has not been filled; (iii) DOH has weak financial management capacity as evidenced by the auditor's qualified opinion rendered in prior year wherein some sort of "except", as such as the financial statement present fairly, in all material aspect, its financial reports; and (iv) internal control is weak due to the lack of an orderly supply storage and inventory system with adequate controls to safekeep procured materials. The financial management risk of HEAL was therefore considered to be *substantial*.

21. To mitigate this, the following measures will be adopted: (i) engagement of a procurement agent and implementation consultants, including a national financial management specialist to support DOH under the TSU; (ii) identification of full-time focal persons in DOH and the selected 17 subnational hospitals who will oversee implementation; (iii) quarterly monitoring; and (iv) establishment and rollout of financial management arrangements through briefings and trainings. With the adoption of these mitigating measures to address the risks, the arrangements are considered adequate. The FMA concluded that DOH has the capacity to administer advance account and the statement of expenditure procedures in accordance with ADB's requirements.

22. The financial management action plan is provided in Table 13.

Table 12: Financial Management Risk Assessment and Mitigation Measures and Summary Risk Assessment and Risk Management Plan

Risk Description	Risk Assessment	Mitigation Measures
Country specific		

⁶ ADB. 2018. [Philippines: Emergency Assistance for Reconstruction and Recovery of Marawi](#). Manila.

Risk Description	Risk Assessment	Mitigation Measures
Weak PFM pillars of budget reliability, accounting and reporting, and external scrutiny. Inconsistent compliance, and various challenges in coping with existing and transitions or changes in country PFM policies and procedures; and unfavorable corruption perception.	Substantial	<p>The Borrower should ensure close coordination among oversight agencies on the implementation of continuous PFM reforms and related initiatives, such as the PFM Reform Roadmap, and the Good Governance and Anticorruption Cluster Plan.</p> <p>DOH participates in various trainings/meeting updates/workshops related to continuous PFM reforms.</p>
Entity specific		
DOH is at the forefront of addressing the COVID-19 pandemic. As such, its capacity is stretched and it may not be able to properly manage the implementation of the project.	High	<p>Prior to implementation, DOH should identify and assign the appropriate offices and personnel to the project, and clearly set management and coordination functions.</p> <p>At present, the BIHC is the PMO of DOH. In each Foreign-Assisted project, there is a focal person which is being assigned internally.</p> <p>Implementation consultants will be engaged to support the PMO on financial management and reporting.</p>
Project Risks		
Implementing entity—DOH's weak and overstretched capacity may affect its ability to effectively manage the project, monitor financial management arrangements, ensure fiduciary controls and render accurate and timely financial reporting.	High	<p>FM consultants will be engaged to support DOH compliance with ADB's financial management guidelines, fiduciary controls and reporting requirements. Training on ADB's disbursement will be provided to DOH. FM arrangements for the project will be established and rolled out through briefings and trainings.</p>
2. Funds flow—low absorptive capacity and disbursement performance of DOH which could result to reduction of agency budget and slow/delay in the implementation of the project.	Substantial	<p>DOH to ensure close supervision, monitoring and timely reporting in terms of implementation of capital investments, including COVID-19-related facilities. This will be included in quarterly progress report of the project.</p> <p>Upon loan effectiveness or during implementation, DOH should ensure to obtain the required budget authorization from government.</p>
3. Staffing—as per the current DBM staffing summary report, only 54,987 out of the 71,887 authorized positions are currently filled up. The unfilled administrative and technical	Substantial	<p>Upon loan effectiveness, DOH should ensure adequate complement of staff assigned to the project to manage its operations. In addition, implementation consultants will be</p>

Risk Description	Risk Assessment	Mitigation Measures
positions could lead to inadequate manpower to be assigned for the project.		engaged to support DOH staff.
4. Accounting policies and procedures—weak capacity of DOH led to “except for” material misstatements and deficiencies in DOH financial statements. For this reason, qualified opinions were rendered in DOH audited consolidated financial statements for the previous years.	Substantial	Financial management arrangements for the project will be established including project accounting and financial reporting. DOH should ensure compliance to prescribed accounting rules and procedures and shall disburse funds in accordance with ADB’s Loan Disbursement Handbook 2017, as amended from time to time.
5. Internal Control—DOH management failed to adopt an orderly storage system and adequate controls to safeguard procured medicines and equipment.	Substantial	Project financial management arrangement to be established shall include safeguarding of assets procured under the project.
6. External audit—the COA conducts annual audit of DOH consolidated accounts. Since DOH is a relatively new EA of ADB-funded projects, the assigned audit staff may not aware of ADB’s financial reporting and auditing requirements.	Moderate	During implementation, DOH should closely coordinate with the COA regarding annual audit arrangements to ensure timely submission of acceptable audit reports in accordance with ADB standards.
7. Reporting and monitoring—because of DOH’s stretched capacity, it might not be able to provide timely and relevant information on the status of implementation under the project.	Substantial	During implementation, DOH, with support from implementation consultants, will submit quarterly reports on the status of all outputs and ensure accurate reporting of actual physical accomplishments in project reports.
7. Information systems—DOH has a fully operational eNGAS.	Moderate	During implementation, DOH should ensure that implementation of COVID-19 loan funds will be covered in the existing information system.
Overall Project Risk	Substantial	

ADB = Asian Development Bank, BIHC = Bureau of International Health and Cooperation, COA = Commission on Audit, COVID-19 = coronavirus disease, DBM = Department of Budget and Management, DOH = Department of Health, EA = executing agency, eNGAS = electronic National Government Accounting System, FM = financial management, PFM = public financial management, PMO = project management office.

Source: Asian Development Bank.

Table 13: Financial Management Action Plan

Mitigating Action	Responsible Party	Timeframe
1. Identify DOH focal persons to be assigned to the project	DOH	Before loan effectiveness
2. Establish financial management arrangement and roll out orientations, trainings, or workshops on disbursements and financial management	DOH, ADB	Within 6 months from loan effectiveness

Mitigating Action	Responsible Party	Timeframe
3. Conduct quarterly monitoring of the project including physical and financial progress	DOH	Within one month from the close of each quarter
4. Engage financial management implementation consultants and a procurement agent to support implementation	DOH, ADB	Within 3 months from loan effectiveness
5. Coordinate with and orient the assigned staff of the COA regarding annual audit arrangements for the project	DOH	Within 6 months from loan effectiveness

ADB = Asian Development Bank, COA = Commission on Audit, DOH = Department of Health.

Source: Asian Development Bank.

B. Disbursement

1. Disbursement Arrangements for ADB Funds

23. The loan proceeds will be disbursed in accordance with ADB's Loan Disbursement Handbook (2017, as amended from time to time),⁷ and detailed arrangements agreed upon between the government and ADB. Online training for project staff on disbursement policies and procedures is available.⁸ Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

24. Direct payment will generally be used for paying suppliers of medical equipment, personal protective equipment, patient transport vehicles, and civil works.

25. **Advance fund procedure.** A pass-through account for the project will be opened at the Bangko Sentral ng Pilipinas under the name of the Treasurer of the Philippines. DOH will establish a US dollar advance account which will be managed by the PMT. The account shall be managed in line with advance account procedures as outlined in ADB's Loan Disbursement Handbook (2017, as amended from time to time). The account is to be used exclusively for ADB's share of eligible expenditures. DOH who administers the advance account is accountable and responsible for proper use of advances to the advance account. The account shall be audited on an annual basis in line with the audit requirements outlined in the loan agreement.

26. The total outstanding advance to the advance account should not exceed the estimate of ADB's share of expenditures to be paid through the advance account for the forthcoming 6 months. DOH may request for initial and additional advances to the advance account based on an Estimate of Expenditure Sheet setting out the estimated expenditures to be financed through the account for the forthcoming 6 months.⁹ Supporting documents should be submitted to ADB or retained by DOH in accordance with ADB's Loan Disbursement Handbook (2017, as amended from time to time) when liquidating or replenishing the advance account. Any foreign exchange losses in the operation of the account are to be borne by the government.

27. **Statement of expenditure procedure.**¹⁰ The statement of expenditure (SOE) procedure may be used for the reimbursement of eligible expenditures or liquidation of advances to the

⁷ ADB. 2017. [Loan Disbursement Handbook](#). Manila.

⁸ ADB. [Disbursement eLearning](#).

⁹ The Estimate of Expenditure sheet is available in Appendix 8A of the Loan Disbursement Handbook (footnote 7).

¹⁰ SOE forms are available in Appendix 7B of the Loan Disbursement Handbook (footnote 7).

advance account. The ceiling of the SOE procedure is the equivalent of \$100,000 per individual payment. Supporting documents and records for the expenditures claimed under the SOE should be maintained and made readily available for review by ADB's disbursement and review missions, upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. Reimbursement and liquidation of individual payments in excess of the SOE ceiling should be supported by full documentation when submitting the withdrawal application to ADB.

28. The PMT will prepare the withdrawal application and submit to DOH for its for approval. DOH will submit the withdrawal application to ADB.

29. Before the submission of the first withdrawal application, the Borrower should submit to ADB sufficient evidence of the authority of the person(s) in DOH who will sign the withdrawal application on behalf of the government, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is stipulated in the Loan Disbursement Handbook (2017, as amended from time to time). Individual payments below such amount should be paid (i) by DOH and subsequently claimed to ADB through reimbursement, or (ii) through the advance fund procedure, unless otherwise accepted by ADB. The Borrower should ensure sufficient category and contract balances before requesting disbursements. The use of ADB's Client Portal for Disbursements¹¹ system is encouraged for submission of withdrawal applications to ADB.

C. Accounting

30. DOH will maintain, or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project following accrual-based principles of accounting in accordance with the Philippine Public Sector Accounting Standards. DOH will prepare project financial statements in accordance with the government's accounting laws and regulations as prescribed by the Commission on Audit, which may issue updates and guidelines from time to time.

31. DOH shall prepare the following financial statements: (i) Statement of Financial Position; (ii) Statement of Financial Performance; (iii) Statement of Cashflows; (iv) Notes to Financial Statements; (v) Statement of Budget vs Actual; (vi) Statement of Withdrawals; and (vii) Advance Account Reconciliation Statement. A report of the government's in-kind contribution should be included in the financial statements.

D. Auditing and Public Disclosure

32. DOH will cause the detailed consolidated project financial statements to be audited in accordance with International Standards for Supreme Audit Institutions by an independent auditor acceptable to ADB. The audited project financial statements together with the auditor's opinion will be presented in the English language to ADB within 6 months from the end of the fiscal year by DOH.

33. The audit report for the project financial statements will include a management letter and auditor's opinions, which cover whether (i) the project financial statements present a true and fair view or are presented fairly, in all material respects, in accordance with the applicable financial

¹¹ The Client Portal for Disbursements facilitates online submission of withdrawal applications to ADB, resulting in faster disbursement. The forms to be completed by the Borrower are available online. ADB. 2016. [Guide to the Client Portal Online](#). Manila.

reporting standards; or (ii) the proceeds of the loan were used only for the purpose(s) of the project.

34. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

35. DOH has been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.¹² ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures. Project activities adhere to standard ADB performance evaluation requirements.

36. Public disclosure of the audited project financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Access to Information Policy 2018.¹³ After the review, ADB will disclose the audited project financial statements and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.¹⁴

VI. PROCUREMENT AND CONSULTING SERVICES

A. Advance Contracting and Retroactive Financing

37. All advance contracting activities will be undertaken in accordance with the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers: Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time).¹⁵ The borrower and DOH have been advised that the approval of advance contracting does not commit ADB to finance the project.

38. ADB will assist DOH in engaging individual consultants as well as in the advance contracting of the procurement agent. ADB and the government do not anticipate any requirement for retroactive financing.

¹² ADB's approach and procedures regarding delayed submission of audited project financial statements:

- (i) When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- (ii) When audited project financial statements are not received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement, processing of new reimbursement, and issuance of new commitment letters. ADB will (a) inform the executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.
- (iii) When audited project financial statements are not received within 12 months after the due date, ADB may suspend the loan.

¹³ ADB. 2018. [Access to Information Policy](#). Manila.

¹⁴ This type of information would generally fall under public communications policy exceptions to disclosure (footnote 13).

¹⁵ ADB. 2017. [Procurement Regulations for ADB Borrowers. Goods, Works, Nonconsulting and Consulting Services](#). Manila.

B. Procurement of Goods, Works, and Consulting Services

39. All procurement of goods, works and consulting services will be undertaken in accordance with ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers: Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time).

40. DOH's procurement capacity requires strengthening. It has limited experience in undertaking procurement in accordance with ADB's policies and regulations. In addition, DOH has limited experience in managing large civil works contracts. Compounding these constraints, many DOH staffing positions remain unfilled (circa 24%) with existing staff resources extremely stretched by DOH's frontline role in the COVID-19 response. Given these capacity constraints, the importance of acting quickly and decisively, and the very complex global supply market for goods required to support the COVID-19 response, it is important that the procurement strategy for the project supports DOH in the most comprehensive manner possible.

41. DOH and ADB discussed potential options with regards to hiring a procurement agent. It was agreed that UNOPS will be engaged to support DOH in the procurement of all medical equipment and goods that HEAL requires (para. 8). UNOPS is best suited for HEAL due to their capacity and efficiency under this COVID-19 market supply situation. Specifically, UNOPS has solid expertise in undertaking procurement in the health sector, especially in undertaking global procurement and overseeing the construction of hospitals and health centers, with extensive experience in Asia. UNOPS as the procurement agent will be hired, through direct contracting, to undertake these services. If the service of UNOPS is not satisfactory to DOH, DOH may consider an alternative agent, through competitive procurement, and has the right to terminate the contract in accordance with the procurement agent contract between DOH and UNOPS, in coordination with ADB. The recruitment of the UNOPS as procurement agent will be delegated from DOH to ADB while DOH will be responsible for contract negotiation, signing and management.

42. In the Philippines, UNOPS is currently constructing a hospital for the Government of the Philippines in the province of Leyte (Eastern Visayas region). Their experience provides them with the necessary knowledge and understanding of the procurement required in such facilities in the Philippines. Coupled with their expertise, UNOPS has long-term agreements in place for medical equipment and vehicles as well as pre-existing relationships with other quality medical goods suppliers. Its database of prequalified manufacturers and suppliers as well as pricing references for pharmaceutical and medical equipment purchased in the region, ensure cost-effectiveness and provide UNOPS with a global procurement reach and up-to-date market knowledge of COVID-19 procurement constraints.

43. UNOPS will undertake procurement in accordance with its internal procurement rules and regulations. UNOPS procurement rules have been reviewed to ensure consistency with ADB's core procurement principles.

44. For the construction activities proposed at 12 hospitals, DOH's internal capacity DOH will be strengthened through the establishment of the central TSU, staffed by external consultants with the qualifications and experience needed to manage the full construction lifecycle. The contracts will be packaged based on geographic location with each package divided into lots to allow the possible aggregation of contracts for individual hospitals, thereby promoting increased competition.

45. As procurement under this project supports COVID-19 response, there shall be no member eligibility restrictions for the procurement of goods, works, nonconsulting, and consulting services. On this basis, universal procurement shall apply.¹⁶

46. Individual consultants will be mobilized to support DOH on loan administration, including third party construction oversight, safeguards compliance, and financial management. The outline terms of reference of the following consultants, which will be hired through individual consultants' selection, are detailed in Section D:

- (i) international public health specialist;
- (ii) national public health specialist;
- (iii) national financial management specialist;
- (iv) national procurement specialist;
- (v) national civil engineer (2 experts);
- (vi) national architect;
- (vii) national gender Specialist;
- (viii) national environment, health and safety specialists (2 experts); and
- (ix) national project coordinator.

C. Procurement Plan

47. The Procurement Plan for the first 18 months of the project is provided in Appendix 3.

D. Consultant's Terms of Reference¹⁷

48. **Public health specialist (international, 12 person-months).** The public health specialist will support the PMT and 12 hospitals to implement the project. The specialist will provide technical guidance, daily monitoring, coordination with hospitals and other stakeholders, conduct quarterly monitoring and evaluation of the project. The specialist will have a university degree in Public Health or related field (preferably post graduate degree) with over 10 years of professional experience, and at least 5 years of experience in health project management. The key responsibilities of the specialist include, but are not limited to the following:

- (i) together with DOH, identify required medical equipment and supplies in DOH hospitals;
- (ii) conduct a survey of the selected hospitals on equipment installation space, human resources, required supplies;
- (iii) prepare the detailed list of equipment and supply in consultation with DOH and procurement agents;
- (iv) coordinate with DOH, hospitals, procurement agents, and suppliers on specifications, and delivery timing, ensuring maintenance and aftercare;
- (v) coordinate with selected 12 hospitals on the construction of the laboratory and isolation buildings;
- (vi) identify necessary equipment for new laboratory and isolation buildings for each hospital together with procurement agents;
- (vii) monitor the implementation of HEAL;
- (viii) prepare quarterly progress reports together with DOH PMT to inform progress based on the DMF and DOH's monitoring frameworks (if necessary);

¹⁶ ADB 2020. *Comprehensive Response to the COVID-19 Pandemic*. Manila

¹⁷ The terms of reference of the Detailed Design Consulting Firm and Project Coordinator will be prepared at the engagement of the procurement agent.

- (ix) coordinate with other consultants and relevant stakeholders to ensure smooth implementation of HEAL;
- (x) review the progress together with the ADB review missions; and
- (xi) monitor and prepare an evaluation report of HEAL together with DOH, hospitals and other consultants.

49. **Public health specialist (full-time, national, 24 person-months).** The public health specialist will support the PMT and 12 hospitals to implement the project. The specialist will support the international public health specialist in the daily monitoring, coordination with hospitals and other stakeholders, and conduct of quarterly monitoring and evaluation of the project. The specialist will have a university degree in Public Health or a related field with over 10 years of professional experience, and at least 5 years of experience in health project management. The key responsibilities of the specialist include, but are not limited to the following:

- (i) together with DOH, identify required medical equipment and supplies in DOH hospitals;
- (ii) conduct a survey of the selected hospitals on equipment installation space, human resources, and required supplies;
- (iii) prepare the detailed list of equipment and supply in consultation with DOH and procurement agents;
- (iv) coordinate with DOH, hospitals, procurement agents, and suppliers on specifications, and delivery timing, ensuring maintenance and aftercare;
- (v) coordinate with selected 12 hospitals on the construction of the laboratory and isolation buildings;
- (vi) identify necessary equipment for the new laboratory and isolation buildings for each hospital together with procurement agents;
- (vii) monitor the implementation of the project;
- (viii) prepare quarterly progress reports together with DOH PMT to inform progress based on the DMF and DOH's monitoring frameworks (if necessary);
- (ix) coordinate with other consultants and relevant stakeholders to ensure smooth implementation of HEAL;
- (x) review the progress together with the ADB review missions; and
- (xi) monitor and prepare an evaluation report of HEAL together with DOH, hospitals, and other consultants.

50. **Environment, health and safety (EHS) specialists (2 positions, national, total of 8 person-months).** The EHS specialists will coordinate, on behalf of DOH, all EHS aspects of HEAL in compliance with the ADB Safeguard Policy Statement (SPS) (2009),¹⁸ the Philippines Environmental Impact Statement System and the Code of Construction Practice (COCP) prepared for the project.¹⁹ The specialists will have a university degree in Environmental Engineering, Environmental Science or related field (preferably post graduate degree) with over 7 years of general professional experience, and at least 2 years of experience in healthcare facility expansion projects with similar scales and characteristics. The specialists will support DOH, the PMT, and participating DOH hospitals in securing permits and licenses required under the Philippines regulatory framework and supervise and report on the compliance of contractors with the COCP. The specialists shall also monitor gender aspects of HEAL. The key responsibilities of the specialists include, but are not limited to the following:

¹⁸ ADB. [Safeguard Policy Statement](#).

¹⁹ The COCP is in Appendix 4 (see also para. 60).

- (i) brief the staff of DOH hospitals and civil works contractors on the government regulations and requirements on environmental management, permits, reporting, and monitoring, as outlined in Table 13 of the project administration manual (PAM);
- (ii) liaise with the Department of Environment and Natural Resources (DENR)-Environmental Management Bureau (EMB) Central and DENR-EMB regional offices to facilitate the review and approval of the environment compliance certificates;
- (iii) ensure compliance with loan covenants, ADB SPS (2009) (footnote 18), activities, and processes laid out in the PAM;
- (iv) coordinate with DOH hospitals and the Health Facilities and Services Regulatory Bureau of DOH in the review and approval of facility design;
- (v) ensure that the design conforms with the standards for hospitals as embodied in Republic Act 4226 and other related DOH administrative orders, circulars, and guidelines;
- (vi) ensure that the COCP is included in all contract documents with the civil works contractor;
- (vii) monitor the implementation of the COCP by the civil works contractor. Direct civil works contractor to implement corrective actions, as needed;
- (viii) support participating DOH hospitals in reviewing their healthcare waste management systems, in identifying gaps and necessary improvements, including on-site waste treatment facilities to be procured under the project;
- (ix) prepare sections on the COCP implementation progress in quarterly and consolidated annual progress reports; and
- (x) monitor the implementation of gender aspects, including gender disaggregated data in the DMF and report quarterly to DOH PMT.

51. **Procurement specialist (national, 12 person-months).** The procurement specialist shall have the following qualifications: (i) a master's degree in Procurement, Law, Civil Engineering, or related field; (ii) at least 10 years of experience in public procurement of works and goods with experience in the procurement of health sector goods; (iii) sound knowledge of the Government of the Philippines's procurement procedures; knowledge and experience of ADB procedures and policies a distinct advantage; and (iv) proficiency in spoken and written English sufficient to prepare bidding documents and reports in English is essential. The key responsibilities of the specialist include, but are not limited to the following:

- (i) support DOH in the preparation of a detailed list of goods to be procured and civil works to be undertaken;
- (ii) prepare technical specifications for goods, terms of reference for consultants, and scopes of work for civil works components;
- (iii) review, provide comments, and subsequently endorse, following inputs from DOH, all documentation, specifications and other procurement-related information received from the procurement agent and management contractor;
- (iv) prepare with the management contractor, a contract management plan for all construction activities, in accordance with the ADB procurement Policy;
- (v) assist in facilitating contract awards;
- (vi) support DOH in overall contracts management;
- (vii) coordinate with relevant DOH staff the receipt and acceptance of goods and works procured under the project, including all related documentation;
- (viii) support DOH in managing the contracts of the procurement agent and management contractor;
- (ix) disseminate the procurement procedures to all stakeholders;

- (x) advise DOH on procurement matters to ensure the timely completion of the project and timely delivery of high-quality outputs;
- (xi) support DOH in preparing progress reports;
- (xii) review the procurement plan, recommend changes (if required); monitor and analyze the overall procurement progress, make necessary recommendations/actions to ensure the timely mobilization of contractors and timely delivery of goods; prepare reports on results of the monitoring/analysis and include summaries of the reports in the progress reports; and
- (xiii) develop a separate record on complaints related to procurement, formulate draft responses, and record the whole process.

52. **Financial management specialist (national, 12 person-months).** The specialist is (i) expected to have at least a bachelor's degree in Finance, Accounting, Business Management or other relevant discipline; (ii) 5 years of experience of financial management and accounting of projects financed by multilateral development funding agencies; (iii) proficiency in spoken and written English language sufficient to prepare documents and reports in English is essential; and (iv) certified public accountant, experience in government accounting and ADB projects, and familiarity with ADB procurement systems is preferred. The key responsibilities of the specialist include, but are not limited to the following:

- (i) prepare a financial management manual for the project that will include financial reporting and controls;
- (ii) formulate mechanism and procedures for a financial management reporting system at central, regional and hospital levels;
- (iii) create and maintain a disbursement monitoring system for HEAL;
- (iv) develop and ensure that procedures are in place to assist DOH in regular collection of transaction documents from all implementing locations;
- (v) support DOH to prepare the annual work plan and budget for HEAL to be included in the annual government budget and expenditures, including contract award and disbursement projections;
- (vi) prepare project financial statements on a quarterly basis for DOH;
- (vii) assist DOH in consolidating the annual financial statements for the project for audit purposes;
- (viii) assist DOH in preparing and submitting withdrawal applications or other claims for payment;
- (ix) support DOH in the preparation of progress reports particularly on the financial progress; provide advice to improve project performance and ensure the achievements of contract award and disbursement projections;
- (x) coordinate with contractors and other relevant parties to ensure smooth and timely delivery of financial progress reports;
- (xi) review and ensure that (a) the classification, recording and reporting of all financial transactions are compliant with the Philippine Public Sector Accounting Standards; (b) all expenditures are eligible for financing and are in accordance with financial agreements, and then identify and separately report all ineligible expenditures; and (c) project financial statements, progress reports and other reports are reviewed for accuracy and appropriateness;
- (xii) ensure that the financial statements prepared are in accordance with ADB requirements, and that the sources and uses of funds are appropriately recorded and reconciled with ADB's records;
- (xiii) ensure that all goods and services have been procured in accordance with the loan/grant agreements, all transactions are duly supported by required

- documentation, and that fully transparent records are maintained and are available for examination by the Independent/External Auditors and ADB supervisory staff;
- (xiv) maintain regular and proactive communications with external auditors to ensure effective annual audits in accordance with the ADB and the Government of the Philippines's requirements;
 - (xv) assess the adequacy of policies and procedures under the project for internal control, accounting and financial management and recommend any needed improvements; assess the integrity, security and effectiveness of the operation of the computerized financial record keeping systems; and assess achievements against targets as indicated in the PAM, report and recommendation of the President and DMF;
 - (xvi) check and reconcile funds withdrawals and balances in the advance account with the bank's statements of disbursement to the advance account, and with the disbursement statement from the central bank (if advance account system is applied);
 - (xvii) prepare periodic reports for DOH and ADB on the results of internal audit work, including recommendations for improvements of the system or its operations, to take early actions in order to rectify problems encountered during the internal audits, prior to the external annual audit and thus minimize the number of findings/irregularities in the annual audit reports;
 - (xviii) support DOH during the routine monitoring, supervision, and evaluation, including ADB review missions; and
 - (xix) coordinate with the implementation contractor (e.g., the UNOPS) to ensure that the financial management requirements of the project are complied with.

53. **Civil Engineers (2 positions, national, total 16 person-months).** The experts will provide technical/engineering support related to design and construction supervision of laboratories and isolation wards. They are expected to have at least a bachelor's degree in Civil Engineering, with at least 8 years of professional experience in the construction of field. Experience in the construction of hospitals, laboratories or other health-related buildings will be an advantage. The key responsibilities of the engineers include, but are not limited to the following:

- (i) support DOH in reviewing detailed engineering designs prepared by contractors, including carrying out an analysis to ensure structural integrity of the proposed buildings;
- (ii) review draft bidding documents in particular on the technical specifications of the buildings, bill of quantities, drawings and other technical related matters;
- (iii) ensure that the proposed designs are in accordance with the design standards issued by DOH;
- (iv) assist DOH to ensure that the civil works implemented by the contractors meet the appropriate technical standards/approved detailed engineering designs;
- (v) prepare necessary instructions to contractors and maintain records of all aspects of the design and construction works;
- (vi) maintain schedules of work to ensure works are completed/implemented as scheduled;
- (vii) provide advice to DOH and contractors on all engineering matters;
- (viii) review progress reports submitted by contractors (for payment claims) and provide recommendations as necessary to DOH; and
- (ix) support DOH in other issues related to engineering field of HEAL.

54. **Architect (national, 9 person-months).** The consultant will coordinate, assist and monitor the preparation of the Schematic Plan and Detailed Architectural and Engineering Design for this

project in coordination with the Health Facility Enhancement Program (HFEP), and Design Consultant engaged under the project, in accordance with DOH Standards, Regulation and Procedure. The consultant must have a at least a bachelor's degree in Architecture, with at least 8 years of professional experience in the construction of field. Experience in the construction of hospitals, laboratories or other health-related buildings will be an advantage. The key responsibilities of the architect include, but are not limited to the following:

- (i) review all work plans and other documentation developed by the design consultants for accuracy, completeness and compliance with established standards and procedures, in coordination with the HFEP and other stakeholders;
- (ii) check the completeness and enforcement of all technical requirements for the bidding documents of the construction phase for all works under HEAL;
- (iii) conduct periodic visits, meeting together with DOH technical inspectorate team and construction supervision team to the sites to be familiar with the general progress and quality of the work and determine whether the work is proceeding in accordance with the contract;
- (iv) update the HFEP and Bureau of International Health and Cooperation Directors on the resolution of issues delaying completion of works per recipient site;
- (v) handle the overall management of civil works activities with particular attention to construction supervision and identification/prevention of implementation problems to ensure that the project is completed to the best interest of the end users within agreed time-frames;
- (vi) review and provide early warnings to the technical counterpart at the HFEP and Bureau of International Health and Cooperation of potential problems and critical issues that may require immediate intervention of DOH; and
- (vii) perform other related functions as may be assigned.

55. **Gender specialist (national, 8 person-months).** The specialist is expected to have the following qualifications: (i) a university degree in Sociology, Applied Social Science, Gender Studies, Public Health or other related fields; (ii) at least 5 years' work experience in social, poverty and gender impact assessment, participatory planning and social safeguards; (iii) experience working in the Philippines in health field/health projects will be preferred; and (iv) sound knowledge of ADB procedures and policies on gender and development policy. The key responsibilities of the specialist include, but are not limited to the following:

- (i) undertake regular gender action plan (GAP)²⁰ compliance monitoring, develop the GAP-related corrective action plans and agree on the implementation timeline with contractors/service providers as needed;
- (ii) support DOH and other TSU team members in the development and updating of the project management information system, particularly related to GAP data, including support to the generation and collection of sex-disaggregated data;
- (iii) support DOH to develop gender-responsive (i) hospital guidelines or protocols to prevent intra-hospital transmission of infection to pregnant women and to children as part of COVID-19 safety measures; (ii) hospitals guidelines or protocols on how to detect and assist victims of gender based violence; and (iii) support DOH to develop an outreach survey to collect feedback from healthcare workers and laboratory technicians, acknowledging receipt of PPE and feminine hygiene products and satisfaction levels with said products;
- (iv) support DOH in consulting a representative sample focus group of female healthcare workers and laboratory technicians to inform the development of actions under (iii);

²⁰ The GAP is in Appendix 5.

- (v) support DOH in developing at least three training modules on gender-responsive Interpersonal Communication and Counselling with Emotional Quotient;
- (vi) support DOH in developing and delivering the COVID-19 prevention and control refresher training;
- (vii) support DOH in developing, implementing, and enforcing a zero tolerance and anti-discrimination campaign on verbal, emotional, physical, or sexual abuse of frontline healthcare workers and laboratory technicians in all project sites;
- (viii) support DOH in developing a guidance note for patients belonging to non-traditional family set-ups to ensure respect and dignity, including how to access timely and complete information on legal requirements to be recognized as next of kin for purposes of medical decisions. This will be distributed in project sites;
- (ix) support DOH in developing protocols for addressing pregnant women who are confirmed positive with COVID-19;
- (x) support DOH/TSU in the implementation, monitoring and evaluation of the GAP; and
- (xi) support DOH/TSU in the preparation of progress or other reports (provide inputs on social safeguards and GAP).

56. **Project coordinator (national, 35 person-months).** Under the supervision of the Project Director, the consultant will provide administrative support to the Project Management Team, TSU, and establish timely and effective communications with the various department in DOH, regional offices, hospitals and health facilities involved in the project. The project coordinator would preferably have at least 3 years' experience implementing projects funded by development partners, good oral and written English communication skills, familiar with DOH and ADB processes, organized, responsible, willing to work under pressure and deliver timely results following an agreed schedule. The key responsibilities are the following:

- (i) ensures that all correspondences and documents are correctly prepared and submitted on time;
- (ii) ensures that all the incoming mails/documents are logged, properly distributed and brought to the attention of concerned parties, and the outgoing mails are delivered on time;
- (iii) facilitates signing/endorsement of all documents required by HEAL;
- (iv) provides efficient reception services during technical coordination meeting, taking accurate messages, dealing with queries from internal/external clients to ensure that they are referred in a timely manner to the concerned parties;
- (v) ensures the effective coordination of HEAL by maintaining schedules, appointments, meetings, travel and accommodation;
- (vi) ensures that the project filing system and records are properly maintained and updated in accordance with the existing DOH-International Organization for Standardization framework;
- (vii) provides administrative and logistics support to meetings, site visits and other project activities;
- (viii) prepares presentations and consolidates information from meetings;
- (ix) takes accurate minutes of meetings; and
- (x) other tasks as assigned by the PMT and the TSU.

VII. SAFEGUARDS

57. **Prohibited investment activities.** Pursuant to ADB's SPS (2009), ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 6 of the SPS (2009) (footnote 18).

58. In compliance with ADB's SPS (2009) (footnote 18), the safeguard categories for the project are as follows.²¹

59. **Environment.** HEAL is classified as environment category C. It will primarily support the procurement of healthcare and laboratory equipment to strengthen COVID-19 response capacities of participating hospitals. The establishment of two molecular laboratories (under output 1) and the construction of new isolation facilities in 12 DOH hospitals (under output 2) will require minor civil works on existing hospital compounds that may cause adverse environmental impacts, but these impacts will be highly localized and limited to a short construction period. All participating hospitals have the necessary DOH License to Operate in accordance with the 2019 Universal Health Care Act (2019), and adhere to DOH administrative orders on healthcare facility design and operation, healthcare waste management and international laboratory biosafety guidelines.²²

60. **Code of Construction Practice.** A COCP has been prepared to guide environment and safety risk management during minor civil works. It sets out the standards and procedures which the civil works contractors must adhere to in order to manage the potential environmental impacts of construction works (Appendix 4).

61. **Procedural requirements and responsibilities.** The environmental management of the project is governed by the ADB SPS 2009 (footnote 18) and relevant laws, regulations, and administrative orders of the government. The legal and regulatory framework for hospital expansion, design, construction, and operation is described in the COCP. In accordance with the DENR-EMB Memorandum Circular 2014-004,²³ the expansion of existing hospitals requires securing or amending the environment compliance certificate through the submission of an Environmental Performance Report and Management Plan to the concerned DENR-EMB regional office. In terms of hospital design, Republic Act 4226 (also known as the Hospital Licensure Act) requires the licensure of all hospitals in the Philippines and also mandates DOH to provide guidelines and technical standards as to personnel, equipment and physical facilities for hospitals, clinics, lying-ins and similar establishments. DOH issued Administrative Order Nos. 2012-0012 and 2016-0042 (amending provisions of DOH Administrative Order 70-A) which provides for the registration, licensure, and proper operation of hospitals and other healthcare facilities. A Building Permit must be secured from the LGU where the facility will be constructed in compliance with Presidential Decree No. 1096 (National Building Code of the Philippines) before any type of building construction or repair work can start.

62. Table 14 clarifies the procedural requirements governing healthcare facility expansion, and clarifies responsibilities of DOH, PMT, participating DOH hospitals, and civil works contractors.

Table 14: Key Domestic Requirements in terms of Environmental Compliance, Construction Permission and Operation Licensing

Item	Procedural requirement	Responsible entity	Approval entity
Pre-construction			

²¹ ADB. [Safeguard Categories](#).

²² Most importantly, the DOH Administrative Order Nos. 2012-0012 and 2016-0042 which provide for the registration, licensure, and proper operation of hospitals and other healthcare facilities; the DENR-DOH Joint Administrative Order 02-2005 on healthcare waste management; and the WHO. 2004. *Laboratory Biosafety Guidelines*. Manila.

²³ DENR-EMB. 2014. *Guidelines for Coverage Screening and Standardized Requirements under the PEISS*. Manila.

Item	Procedural requirement	Responsible entity	Approval entity
Facility design, permit to construct	Design the new isolation facilities in accordance with the standards of RA 4226 and other related DOH administrative orders, circulars, and guidelines. Prepare the architectural plans (signed and sealed by an architect and/or engineer) and other requirements to secure the Permit to Construct from the HFSRB of DOH.	Design Consultancy Firm	HFSRB of DOH.
ECC Amendment	Secure the ECC amendment from DENR-EMB regional offices of the nine hospitals to include the construction of new facilities for the isolation and treatment of patients in existing hospital compounds.	DOH hospitals, PMT, civil works contractors	DENR-EMB regional offices
CNC	For laboratories, as needed, secure CNC through the DENR-EMB online system.	DOH hospitals	DENR-EMB regional offices
Local permits	Secure the Building Permit, Sanitary Permit, Electrical Permit, and other permits from the local government prior to construction.	Civil works contractors, DOH hospitals, PMT	LGU
Fire Safety Evaluation Clearance	Submit the Fire and Life Safety Assessment Report and plans to the city/municipal Fire Marshal to secure the Fire Safety Evaluation Clearance prior to construction.	Design consultancy Firm, DOH hospitals, PMT	Municipal fire marshal
Construction			
COCP monitoring	Monitor the implementation of the COCP by the DB contractor	DOH hospitals, PMT	DOH, ADB
Progress reporting	Submit quarterly progress reports on the status of construction and COCP implementation to the HFSRB and PMT.	Civil works contractor	DOH-HFSRB
Post-construction			
Fire Safety Inspection Certificate	Secure a Fire Safety Inspection Certificate from the city/municipal Fire Marshal.	Civil works contractor, DOH hospitals	Municipal fire marshal
Occupancy Permit	Secure an Occupancy Permit from the local government	Civil works contractor	LGU
Completion Report	Submit a completion report with as-built drawings to DOH hospital during turn-over.	Civil works contractor	DOH hospitals, DOH-HFSRB

ADB = Asian Development Bank, CNC = Certificate of Non-Coverage, COCP = Code of Construction Practice, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ECC = environment compliance

certificate, EMB = Environmental Management Bureau, HFSRB= Health Facilities and Services Regulatory Bureau, LGU = local government unit, PMT = Project Management Team, RA = Republic Act.

Source: Asian Development Bank.

63. **Institutional arrangements.** DOH, as the implementing agency, will be responsible to ensure that HEAL complies with the COCP and the Philippines' legal and regulatory framework. The PMT, established under DOH, will include engineers, an architect, and environment specialists to coordinate the licensing and permitting process and to ensure that contractors abide to and report on the COCP. The terms of reference of the PMT engineers, architect and EHS specialists are provided in Section VI.D of this PAM.

64. Each contractor will be required to hold a valid Philippine Contractors Accreditation Board license and will appoint a qualified EHS specialist to supervise construction works in compliance with the COCP and the Philippines regulatory and policy framework for EHS. Each contractor will also be required to establish a simple system to receive, register, and address community concerns and complaints. Contact number of the contractor including name, position and telephone number will be shared with the relevant LGU and DOH. Contractor obligations are defined in the COCP, section IV.

65. Key responsibilities of DOH, the PMT, the participating DOH hospitals and the contractors are presented in Table 15.

Table 15: Key responsibilities for Code of Construction Practice Implementation

Entity	Key Responsibilities
DOH	<ul style="list-style-type: none"> • Ensure that the staff of DOH hospitals are aware of and comply with the government regulations and requirements on environmental management, permits, reporting, and monitoring. • Liaise with DENR to facilitate the review and approval of the ECCs.
PMT	<ul style="list-style-type: none"> • Ensure compliance with loan covenants, ADB SPS (2009), activities and processes laid out in the PAM. • Coordinate with DOH hospitals in the review and approval of the design and contract awards. • Ensure that the design conforms with the standards for hospitals as embodied in RA 4226 and other related DOH administrative orders, circulars, and guidelines. • Ensure that the COCP is included in the bid and contract documents with the DB contractor. • Monitor the implementation of the COCP by the DB contractor. • Submit quarterly and consolidated annual progress reports, including a section on COCP implementation to the ADB.
DOH hospitals	<ul style="list-style-type: none"> • Provide relevant information on the operation and environmental performance of the existing hospital that includes DENR permits (ECC, Permit to Operate, Discharge Permit, and hazardous waste transport and disposal), waste management plans, monitoring reports, and facility layout. • Assign an EHS officer or PCO who will work closely with the DB Contractor in completing the EPRMP as required in securing the ECC amendment from the DENR-EMB regional office. • Assist the PMT in monitoring compliance of the DB Contractor with the COCP.
Contractors	<ul style="list-style-type: none"> • Ensure compliance with relevant design standards for hospitals based on the requirements of RA 4226 and other related DOH administrative orders, circulars, and guidelines. • Secure the ECC (or ECC Addendum) from the concerned DENR-EMB regional office in coordination with DOH hospitals.

	<ul style="list-style-type: none"> • Secure the PTC from DOH-HFSRB on behalf of DOH hospitals. • Secure the Building Permit, Sanitary Permit, Electrical Permit, and other clearances from the local government prior to start of construction works. • Secure the Fire Safety Evaluation Clearance from the city/municipal Fire Marshal prior to start of construction. • Prepare the requirements for the requisite permits in close coordination with DOH hospitals. • Establish and disseminate the GRM to DOH and local government, including contact details of authorized person to receive complaints. • Assign qualified EHS staff at each construction site to supervise and monitor the COCP and submit quarterly reports including COCP implementation status to DOH-HFSRB and the PMT. • Secure a Fire Safety Inspection Certificate from the city/municipal Fire Marshal. • Secure an Occupancy Permit from the local government. • Submit a completion report with as-built drawings to DOH hospital during turn-over.
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ADB = Asian Development Bank, COCP = Code of Construction Practice, DB = design build, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ECC = environment compliance certificate, EHS = environment, health and safety, EMB = Environmental Management Bureau, EPRMP = Environmental Performance Report and Management Plan, GRM = grievance redress mechanism, HFSRB = Health Facilities and Services Regulatory Bureau, PCO = Pollution Control Officer, PMT = Project Management Team, RA = Republic Act, SPS = Safeguard Policy Statement.

Source: ADB.

66. **Involuntary Resettlement.** HEAL is classified as category C for involuntary resettlement impacts. It will primarily support the procurement of healthcare and laboratory equipment to strengthen COVID-19 response capacities of participating hospitals and installation of new isolation facilities in 12 DOH hospitals with minor civil works on existing hospital compounds that will not require any land acquisition. A preliminary assessment suggests that all hospitals have sufficient space available within the existing boundaries and compounds to accommodate minor civil works. DOH, as the executing agency, will be responsible to ensure that all the minor civil works are carried out within the existing hospital premises. The PMT will submit periodic progress reports to ADB.

67. **Indigenous Peoples.** HEAL is classified as category C for indigenous peoples impacts. It will not require any land acquisition or lead to any resettlement impacts, therefore, no impacts on indigenous communities is envisaged. The indigenous peoples communities will not be specifically targeted, therefore, no direct or indirect impacts are envisaged.

VIII. GENDER AND SOCIAL DIMENSIONS

68. **Poverty and social.** Nearly 17.6 million people living under the poverty line and 14.2 million who are just above the poverty line are the most vulnerable to sliding back into poverty. About one-third (32.5%) or 13.9 million out of 42.7 million employed persons are in the informal sector or vulnerable employment.²⁴ The COVID-19-related shocks and enhanced community quarantine measures to contain the spread of the virus have weakened the labor market, reduced household income, and resulted in critical food shortages, increasing the risk of absolute poverty in the short-term. Over the medium-term, a slow economic recovery will result in high unemployment and suppressed earnings in the informal sector, as new labor market entrants outnumber new jobs created. The country's structural poverty would continue to persist and deepen due to poor families' reduced access to critical social services.

²⁴ Philippine Statistics Authority. 2020. *Labor Force Survey January 2020*. Manila.

69. ADB estimates that 37% of the population will fall below the poverty line with COVID-19 as compared to 26% without. Near poor, defined as individuals in households whose annual per capita income fall between 1 and 1.20 times the poverty line, will increase to 10.3%, compared to 9.9% before COVID-19. Poverty in rural areas is estimated to increase to 47% as opposed to 35% without COVID-19, while 22% of the urban population is expected to fall below the poverty line, compared to 14% without.²⁵ Community quarantining was aimed at slowing the spread of the virus as the government institutes critical public health security response, health systems strengthening, and protecting the most vulnerable people, including young children, persons with pre-existing conditions, and the elderly. Consequently, enhanced community quarantines in Luzon and other parts of the country disrupted economic activities, logistics, and livelihoods heavily affecting the informal sector and the daily wage earners (e.g., construction, retailer, food services, and transportation jobs). Other anticipated consequences are negative coping behaviors that lead to domestic and gender-based violence.

70. **Gender.** HEAL is classified as effective gender mainstreaming at entry. Women account for 75% of healthcare workers in the Philippines.²⁶ Key gender issues with COVID-19 include: (i) lack of gender analysis of data, which precludes a design of gender-responsive measures to prevent, contain, and mitigate threat of infection; (ii) healthcare workers (75% women) are disproportionately at risk of getting infected (with infected healthcare workers comprising 13%²⁷ of all confirmed cases, the Philippines is already considered by the WHO as an outlier in terms of infection of healthcare workers) and this is due, among others, to lack of sufficient or appropriate PPE, especially for female healthcare workers who have to wear ill-fitting PPE designed for the male body; (iii) mental health issues arising especially among frontline workers who have to juggle roles as parents/caregivers and frontline workers; (iv) maternal and child healthcare services taking a back seat in the urgency of the COVID-19 response, where peak-time critical COVID-19 cases alone require the attention of approximately 21% of healthcare workers,²⁸ which is over and above the regular workload of healthcare workers.

71. This leads to limited capacity to absorb the surge of patients, and contributes to case fatality rates currently at 6.6%, slightly higher than the global case fatality rate of 6.4%.²⁹ This also exacerbates the rates of disease and death among mothers and babies due to birth complications, with national figures reaching 21,000 estimated monthly risk incidence on women that may increase due to COVID-19.³⁰ Other gender issues are (i) lack of gender-sensitive and inclusive health care provision due to the lack of appropriate facilities and protocols for COVID-19 patients, especially for women, children, persons of diverse sexual orientation, gender identity and expression, and other vulnerable groups; and (ii) the increasing number of gender-based violence cases where one in four women have experienced spousal violence in the country even before COVID-19. HEAL will address the abovementioned concerns of healthcare workers by (i) providing PPE suited for both men and women, and menstrual hygiene management products for female healthcare workers and laboratory technicians; (ii) increasing the capacity of healthcare workers to (a) prevent and control intra-hospital infection transmission to pregnant women and

²⁵ ADB. Forthcoming. *Poverty Impact of COVID in the Philippines*. Manila.

²⁶ DOH. 2019. *Human Resources for Health*. Manila. The average percentage of female health workers around the world is 70% according to WHO. 2019. *Gender equity in the health workforce: Analysis of 104 countries*. Geneva.

²⁷ CNN Philippines. 2020. [WHO works with PH on 'worrisome' COVID-19 infection rate of frontliners](#). 22 April.

²⁸ University of the Philippines – COVID-19 Response Team. 2020. [Estimating Local Healthcare Capacity to Deal with COVID-19 Case Surge: Analysis and Recommendations](#). Manila.

²⁹ E. Santos. 2020. [PH has 6.6% COVID-19 fatality rate, slightly above global average](#). CNN Philippines. 16 April.

³⁰ United Nations Population Fund. 2020. [Policy Brief: Bayanihan To Heal As One Act \(COVID-19 Response\). Addressing the unique vulnerabilities of women and girls amid COVID-19](#). Manila.

children, (b) detect and support victims of gender-based violence, and (c) provide gender-responsive and social-inclusive healthcare through the development of protocols/guidelines and training; (iii) ensuring that the new and retrofitted infrastructure contains gender-responsive design features, such as breastfeeding rooms, family spaces, separate toilet and shower facilities; and (iv) ensuring that national health and safety protocols are gender-sensitive.³¹ A gender specialist will also be hired for monitoring para. 73).

72. The United Nations Population Fund predicts that lockdowns may result in seven million unwanted pregnancies worldwide. This may pose as another gender issue on sexual and reproductive health. The promotion of family planning and ensuring continuous access to birth control services and commodities, particularly the poor, should also be considered and prioritized.

73. HEAL will be supported by a gender specialist as part of the TSU for implementation, and an external gender and public health communication resource. For monitoring and report requirements, see para. 78.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A. Project Design and Monitoring Framework

74. The DMF is in Appendix 1.

B. Monitoring

75. **Project performance monitoring.** DOH, through the PMT, will be responsible for all aspects of monitoring and evaluation, including: (i) performance evaluation against milestones; (ii) safeguards, GAP, and COCP implementation monitoring; (iii) financial commitments; and (iv) implementation of risk management and mitigating action plans. Progress reports and achievements will be prepared quarterly and summarized annually. The outline of quarterly progress report is in Appendix 5 of this manual. Quarterly reports will include updates on contract awards and disbursement achievements compared to the projections based on Project Performance Review requirements presented. In addition, the PMT with support from consultants, will establish a project performance monitoring system. The PMT will conduct regular monitoring and submit the quarterly and annual reports to ADB.

76. **Compliance monitoring.** The status of compliance with loan covenants (financial, safeguards, and others) will be monitored and reported in the progress report and during ADB review missions. Any non-compliance issues will be specified in the quarterly progress reports together with remedial actions.

77. **Safeguards monitoring.** Each contractor will be required to monitor and submit quarterly progress reports on the status of construction to DOH-Health Facilities and Services Regulatory Bureau and the PMT on behalf of the concerned hospitals. Such reports will include progress reports on COCP implementation, using the format defined in Appendix 1 of the COCP, to be verified by relevant staff of the concerned hospital. The PMT will report on COCP implementation through the quarterly progress reports to ADB.

³¹ In parallel, a technical assistance from the COVID-19 TASF Special Pool Resources is being prepared to respond to the gendered impacts of COVID-19, including the support for domestic and/or gender-based violence.

78. **Gender and social dimensions monitoring.** As HEAL is classified as effective gender mainstreaming at entry, a GAP is required and will be monitored during implementation. All actions taken under HEAL will disaggregate data by sex and age where possible, and seek to collate feedback from recipients through online surveys of (i) healthcare/frontline workers on appropriateness of PPE supplies and hygiene products; and (ii) laboratory technicians on laboratory design features. A gender specialist will be engaged to, among other things, monitor gender design features of HEAL. Quarterly gender analysis of COVID-19 will also be undertaken.

C. Evaluation

79. An inception mission will be scheduled shortly after loan effectiveness.³² Implementation review missions will be held every 3 to 6 months. A midterm review is tentatively scheduled for early 2021. Within 6 months of physical completion of HEAL, DOH will submit a project completion report to ADB.

D. Reporting

80. DOH will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) updated procurement plan, (d) COCP implementation progress and issues, and (e) updated implementation plan for the next 12 months; and (iii) a project completion report within 6 months of physical completion of HEAL. To ensure that projects will continue to be both viable and sustainable, project accounts and DOH's audited financial statement together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

81. HEAL will comply with the policy of transparency and accountability of the Access to Information Policy (footnote 13). To do so, it will establish a communications strategy that will ensure an efficient and continuous two-way communication about ADB projects with stakeholders with a focus on managing stakeholders' expectation during all phases of implementation. The strategy will follow the following approaches:

- (i) **Stakeholders.** Critical stakeholders for HEAL include people affected by COVID-19, and women and vulnerable groups. Other key stakeholders include, but are not limited to, DOH as executing and implementing agency, government officials at national and sub-national levels, interested community-based organizations, interested civil society organizations, interested private sector entities, and interested development partners.
- (ii) **Disclosure.** DOH will disclose on their website all information relevant to this project, including the scope, cost, financial and institutional arrangements, the consolidated annual progress reports, progress on procurement and contract awards, and the audited project financial statements. HEAL will also provide contact details of the PMT counterpart staff.
- (iii) **Communication focal point.** DOH PMT will be responsible for implementation and monitoring of information dissemination and disclosure of project components. DOH will also designate a focal person for information dissemination and disclosure, who will also serve as the custodian of all information relevant to HEAL.

³² Online meetings will be considered if quarantines due to COVID-19 persist.

- (iv) **Awareness-raising materials.** HEAL will at the minimum prepare: (a) a fact sheet or information booklet containing objectives, components, activities, timelines, relevant contact information, and grievance redress mechanism; and (b) a project brief summarizing details of HEAL in a simple language and utilizing stories and infographics targeting a wider group of audience, including the poor and women. Both documents will be made in the English language and will be made available to the public in print at DOH headquarters, and in participating DOH hospitals, distributed during all stakeholders' consultations and outreach activities, and posted in the ADB website. Other information materials may be developed for distinct stakeholder groups.
- (v) **Channels.** For effective dissemination and efficient use of resources, collaboration with other readily available channels should be highly prioritized, including but not limited to government websites both at national and subnational levels; government social media accounts; and ADB website and its other online platforms. All online platforms will be optimally utilized to ensure unrestricted public access to information and documents repository. Meanwhile, conventional methods will remain to be used, as appropriate, to ensure that all interested stakeholders have access to information, including through DOH PMT and participating DOH hospitals.
- (vi) **Coordination.** HEAL, through the focal point, will coordinate with relevant government agencies and development partners, particularly those working on COVID-19 response efforts, to ensure effective communication, avoid overlaps, and identify potential collaboration, where possible.

X. ANTICORRUPTION POLICY

82. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to HEAL.³³ All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all contractors, suppliers, consultants, and other service providers. Individuals and/or entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under HEAL.³⁴

83. To support these efforts, relevant provisions are included in the loan agreement and the bidding documents for HEAL.

XI. ACCOUNTABILITY MECHANISM

84. People who are, or may in the future be, adversely affected by HEAL may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make an effort in good faith to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.³⁵

³³ ADB. 1998. [Anticorruption Policy](#). Manila.

³⁴ ADB. [Anticorruption and Integrity](#).

³⁵ ADB. [Accountability Mechanism](#).

XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

85. All revisions and/or updates during the course of implementation should be retained in this section to provide a chronological history of changes to implemented arrangements recorded in the PAM, including revision to contract awards and disbursement S-curves.

PROJECT DESIGN AND MONITORING FRAMEWORK

Impacts the Project is Aligned with			
(i) Access to enhanced COVID-19-related diagnostic and treatment services for all Filipinos improved (Bayan Bayanihan to Heal as One Act); ^a (ii) Health system performance in addressing public health outbreaks improved. (DOH National Objectives for Health) ^b			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
Outcome Capacity of DOH to detect, contain, and treat COVID-19 cases strengthened	a. Average turnaround time from sample collection to test results reduced to not more than 48 hours by December 2020 (baseline as of 30 June 2020: 48–72 hours) b. The overall test positivity rate of COVID-19 confirmed cases reduced to 7% by December 2020 and to 5% by December 2023, disaggregated by sex and age group (baseline as of 23 July 2020: 8.7%) ^c c. Mortality rate from COVID-19 lowered to at least 2% by December 2020 and to 1% by December 2023, disaggregated by sex and age group (baseline as of 20 July 2020: 2.5%) ^c	a. Laboratory records b. DOH records c. Hospital records	COVID-19 pandemic delays deployment of medical equipment and construction at hospitals.
Outputs 1. Disease surveillance and diagnostic capacity upgraded 2. Infection prevention and control measures expanded	1a. Number of government molecular laboratories conducting COVID-19 PCR testing increased to 40 by December 2021 (baseline as of 20 July 2020: 30) 1b. More than 50,000 COVID-19 tests conducted per day by the end of December 2020 (baseline as of 23 July 2020: 22,500) ^c 1c. At least 75% of staff (50% or more female) in each project-supported laboratory meet the National Laboratory Biosafety Competency Requirements, disaggregated by sex, by 2022 (July 2020 baseline: TBD) 2a. Health care workers in the project-supported hospitals record at least 90% utilization rate of PPE, and at least 75% of female staff reported receipt of appropriately sized PPE, ^{d, e} disaggregated by sex of health care worker, by May 2021 (baseline as of July 2020: TBD) 2b. Capacity of isolation wards increased to accommodate at least 100 patients, with gender-responsive design features, ^f disaggregated by sex and age, by May 2022 (July 2020 baseline: TBD) 2c. The percentage of health workers infected with COVID-19 reduced to less than 5%, disaggregated by sex, age, access to PPE, and pre-existing or higher-risk health conditions, by December 2020 (baseline as of 20 July 2020: 8.9%)	1a. DOH and hospital records 1b. Laboratory records and results 1c. Laboratory biosafety training and assessment reports 2a. Hospital records of PPE inventory and use by employees 2b. Hospital records of bed use (regular wards and ICUs), community records 2c. Hospital records	Lack of local government support in mobilizing resources

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
3. Treatment capacity for COVID-19 scaled up	2d. At least 75% of health care workers in obstetrics, pediatrics, and emergency departments of supported hospitals have increased awareness and knowledge on maternal and child health guidelines during public health outbreaks by June 2023 (2020 baseline: TBD)	2d. Project training records, production, and distribution of communication leaflets	
	3a. Total number of fully functional ventilators nationwide increased to 2,500 by December 2020 (baseline as of 20 July 2020: about 2,000) ^{c, g}	3a. Hospital records of ventilator use	
	3b. At least 75% of emergency, admission, and ICU health care workers have increased capacity to deliver psycho-social support to patients and their families during public health outbreaks, including pregnant women and disadvantaged people, by June 2023 ^h (2020 baseline: 0%)	3b-c. Hospital records and project progress reports	
	3c. At least 75% of health care workers in the emergency departments of project hospitals report increased knowledge and awareness of how to detect and support victims of gender-based violence by June 2023 (2020 baseline: TBD)		

Key Activities with Milestones

1. Disease surveillance and diagnostic capacity upgraded

- 1.1 Procure COVID-19 testing kits, chemicals and reagents, PPE, CT scanners, and consumables (Q3 2020)
- 1.2 Procure patient transport vehicles (Q3 2020)
- 1.3 Distribute medical supplies to hospitals based on DOH's list of hospitals and needs assessments (Q3–Q4 2020)
- 1.4 Procure equipment for 12 DOH hospital laboratories (Q3 2020)
- 1.5 Complete inclusive design and commence bidding process for 2 laboratories (Q3 2020)
- 1.6 Conduct minor construction or renovation of 2 laboratories (Q4 2020–Q2 2021)
- 1.7 Deliver laboratory equipment to 12 DOH hospital laboratories (Q3–Q4 2021)
- 1.8 Train technicians on National Laboratory Biosafety Competency Requirements (Q2–Q3 2021)

2. Infection prevention and control measures expanded

- 2.1 Procure gender-responsive PPE supplies (Q3 2020)
- 2.2 Distribute PPE and supplies to hospitals (Q3 2020)
- 2.3 Commence bidding for gender-responsive construction of isolation wards and waste treatment facilities in 12 hospitalsⁱ (Q3–Q4 2020)
- 2.4 Award contract and commence design of planned facilities (Q4 2020)
- 2.5 Construct or retrofit isolation wards at 12 DOH hospitals (Q4 2020–Q4 2021)
- 2.6 Procure equipment and supply at the isolation wards and equipment for waste treatment (Q3 2021)
- 2.7 Deliver equipment for isolation wards and waste treatment to the 12 DOH hospitals (Q4 2021–Q1 2022)
- 2.8 Develop and conduct satisfaction survey for tracking appropriateness of PPE, training, and communication messages (Q4 2020–Q1 2021)
- 2.9 Conduct training on maternal and child health guidelines for public health outbreaks (Q3 2020–Q2 2022)
- 2.10 Conduct training on how to detect victims of gender-based violence (Q3 2020–Q2 2022)
- 2.11 Develop and implement survey to measure increased knowledge and awareness of issues cited in items 2.09 and 2.10 (start, mid-point, and end of project)

3. Treatment capacity for COVID-19 scaled up

- 3.1 Procure ventilators (Q3 2020)
- 3.2 Conduct training of respiratory technicians and staff to operate the ventilators and other equipment (Q3 2020–Q2 2021)
- 3.3 Distribute ventilators and conduct regular equipment maintenance (Q3–Q4 2020)
- 3.4 Develop and conduct training on psycho-social support (Q3 2020–Q2 2022)^j

Project Management Activities

Engage (through direct contracting) a procurement agent and recruit consultants (e.g., health specialist, financial management specialist, procurement specialist, engineers, architect, gender specialist, and safeguard specialists) Prepare and submit quarterly and annual progress reports Conduct inception and semiannual review missions Submit annual Audited Project Financial Statements Prepare the project completion report
Inputs Asian Development Bank: \$125 million (loan) Government: \$6 million
Assumptions for Partner Financing Not applicable

COVID-19 = coronavirus disease, CT = computed tomography, DOH = Department of Health, ICU = intensive care unit, PCR = polymerase chain reaction, PPE = personal protective equipment, Q = quarter, TBD = to be determined.

- ^a Official Gazette. 2020. *Republic Act No. 11469. An Act Declaring the Existence of a National Emergency Arising from the Coronavirus Disease 2019 (COVID-19) Situation and a National Policy In Connection Therewith, and Authorizing the President of the Republic of the Philippines for a Limited Period and Subject to Restrictions, to Exercise Powers Necessary and Proper to Carry Out the Declared National Policy and for Other Purposes*. Manila. The Bayanihan Law provides policies to speed up the response actions laid out in the National Action Plan for COVID-19. Government of the Philippines. 2020. *National Action Plan for COVID-19 in the Philippines*. Manila.
- ^b Restated from Government of the Philippines, DOH. 2020. [National Objectives for Health Philippines 2017–2022](#). Manila, which advocates the attainment of better health outcomes, a more responsive health system, and equitable health care financing.
- ^c **Contribution to the ADB Results Framework:** The indicator will assess, with data disaggregated by sex and age (i) OP1: Results framework indicator: people benefiting from improved health services or social protection by measuring health services established or improved; and (ii) OP 4: RFI: people benefiting from improved services in urban areas by measuring service providers with improved performance.
- ^d PPE utilization rate refers to the percentage of health workers properly wearing PPE at each facility. PPE will be available in styles appropriate for male and female staff of all sizes, including pregnant women.
- ^e A.J. Li. 2020. [How China's coronavirus healthcare workers exposed the taboo on menstruation](#). *South China Morning Post*. 28 February.
- ^f In this instance, gender-responsive design features would include breastfeeding rooms, family spaces, separate toilet, and shower facilities, among other features.
- ^g In addition to the Asian Development Bank, DOH and other organizations, such as the World Bank and United States Agency for International Development, are procuring ventilators.
- ^h In this instance, "disadvantaged" refers to "vulnerable persons or groups who are mostly living in poverty and have little or no access to land and other resources, basic social and economic services such as health care, education, water and sanitation, employment and livelihood opportunities, housing, social security, physical infrastructure, and the justice system" (RA 9710, also known as "The Magna Carta of Women", Section 4d).
- ⁱ Recognizing the need for inclusive quarantine facilities that support privacy between men and women, wherever possible.
- ^j Training will include gender-responsive health and safety protocols will address the different needs and experiences of male and female health workers and laboratory technicians regarding personal hygiene, psycho-social well-being in times of extreme stress, nonviolent coping strategies, and services available for mental health support and to victims of domestic and gender-based violence.

Source: Asian Development Bank.

PROCUREMENT IMPLEMENTATION PLAN

	2020		2021				2022				2023	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1. Equipping of DOH COVID-19 referral hospitals												
1.1. Procure ventilators and other medical supplies for treatment	x	x										
1.2. Distribute ventilators and conduct regular equipment maintenance					x							
1.3. Procurement of CT Scan equipment			x									
1.3.1 Site assessment of recipient hospitals to determine readiness to receive CT Scan equipment.	x	x										
1.3.2 Delivery and installation of CT Scan equipment to recipient sites		x	x									
1.3.3 Testing and commissioning			x	x								
1.4. Procurement of Portable X-ray	x											
1.4.1 Delivery and installation of portable x-ray		x										
2. Upgrading of equipment of RITM BSL-3 laboratory of NRL Complex Phase 1												
2.1. Assessment of site	x											
2.2. Procurement of equipment				x	x							
2.3. Delivery and installation of equipment.						x	x					
2.4. Testing and commissioning								x				
3. Equipping of three existing subnational laboratories												
3.1. Site assessment – Biosafety and Biosecurity site assessment	x											
3.2. Site preparation		x										
3.3. Procurement of equipment			x	x								
3.4. Delivery and installation					x	x						
3.5. Testing and commissioning							x					

	2020		2021				2022				2023	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
9.4. Prepare and submit quarterly and annual progress reports		x	x	x	x	x	x	x	x	x	x	x
9.5. Conduct inception and semi-annual review missions	x		x		x		x		x		x	
9.6. Submission of annual Audited Project Financial Statements				x				x				x
9.7. Preparing the Project Completion Report										x	x	x
10. Project Closure											x	x

BSL = biosafety level, COVID-19 = coronavirus disease, CT = computed tomography, DOH = Department of Health, NRL = National Reference Laboratory, PPE = personal protective equipment, Q = quarter, RITM = Research Institute of Tropical Medicine.

Source: Asian Development Bank.

PROCUREMENT PLAN

Basic Data		
Project Name: Health System Enhancement to Address and Limit COVID-19		
Project Number: 54171-001	Approval Number:	
Country: Republic of the Philippines	Executing Agency: Department of Health	
Procurement Risk: Medium	Implementing Agency: Department of Health	
Project Financing Amount: \$131.0 million ADB Financing: \$125.0 million Cofinancing (ADB Administered): \$0 Non-ADB Financing: \$0	Project Closing Date: 31 December 2023	
Date of First Procurement Plan: xx July 2020	Date of this Procurement Plan: xx July 2020	
Procurement Plan Duration: 18 months	Advance contracting: Yes	eGP: No

A. Methods, Review and Procurement Plan

1. Except as the Asian Development Bank (ADB) may otherwise agree, the following methods shall apply to procurement of goods, works, non-consulting services, and consulting services

Procurement of Goods, Works and Nonconsulting Services	
Method	Comments
Open Competitive Bidding (OCB) with national advertising.	To be used for the procurement of civil works contracts at the 12 hospitals
Direct Contracting (DC)	Under ADB rules, direct contracting is permitted. This does not preclude the procuring entity from utilizing more competitive procurement methods, if doing so is feasible.

Consulting Services	
Method	Comments
Consultant Qualifications Selection	
Individual Consultant Selection	

B. List of Active Procurement Packages (Contracts)

2. The following table lists goods, works, non-consulting, and consulting services contracts for which the procurement activity is either ongoing or expected to commence within the procurement plan's duration.

Table A3.1: Goods, Works, and Non-consulting Services

Package Number	General Description	Estimated Value (\$ million)	Procurement Method	Review	Bidding Procedure	Advertisement Date	Comments
HEAL-NCS-01	Procurement Agent for Goods	95.0	DC	Prior	1S1E	Q3 2020	AC: Yes eGP: No Other: UNOPS
HEAL-W-01	Isolation Wards and Laboratories: Area 1: Luzon Lot 1: NCR - Lung Center of the	15.4	OCB	Prior	1S1E	Q2 2021	Advertising: National PQ: No AC: No DPA: No

Package Number	General Description	Estimated Value (\$ million)	Procurement Method	Review	Bidding Procedure	Advertisement Date	Comments
	Philippines & San Lazaro Hospital Lot 2: La Union & Mt Province: (i) Ilocos Training & Regional Medical Center and (ii) Luis Hora Memorial Regional Hospital Lot 3: Bataan, Nueva Ecija, and Pampanga: (i) Mariveles Mental Hospital; (ii) Bataan General Hospital; (iii) Dr. Paulino J. Garcia Memorial Research and Medical Center; and (iv) Jose B. Lingad Memorial Regional Hospital						eGP: No SBD: Small Works
HEAL-W-02	Isolation Wards: Area 2 – Iloilo – Western Visayas Medical Center	1.2	OCB	Prior	1S1E	Q2 2021	Advertising: National PQ: No AC: No DPA: No eGP: No SBD: Small Works
HEAL-W-03	Isolation Wards: Area 3: Davao del Norte, Davao del Sur, and Misamis Oriental: (i) Davao Regional Medical Center; (ii) Southern Philippines Medical Center; and (iii) Northern Mindanao Medical Center	4.8	OCB	Prior	1S1E	Q2 2021	Advertising: National PQ: No AC: No DPA: No eGP: No SBD: Small Works

AC = advanced contracting, DC = direct contracting, DPA = domestic preference applied; eGP = Use of eGovernment Procurement System, OCB = open competitive bidding, NCR = National Capital Region, PQ = pre-qualification, Q = quarter, SBD = standard bidding documents, UNOPS = United Nations Office for Project Services.

Source: Asian Development Bank.

Table A3.2: Consulting Services

Package Number	General Description	Estimated Value (\$ million)	Selection Method	Review	Type of Proposal	Advertisement Date	Comments
HEAL-S-01	Detailed Design Consulting Firm	1.0	CQS	Prior	STP	Q3 2020	Type: Firm Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-02	Public Health Expert	0.24	ICS	Prior	-	Q3 2020	Type: Individual Assignment: International AC: Yes eGP: TBC
HEAL-S-03	Financial Management Expert	0.08	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-04	Safeguards Specialist (EHS) (2 positions)	0.06	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-05	Procurement Expert	0.08	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-06	Civil Engineer (2 positions)	0.13	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-07	Public Health Expert	0.22	ICS	Prior	-	Q3 2020	Type: Individual Assignment: National AC: Yes eGP: TBC
HEAL-S-08	Architect	0.07	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-09	Gender Expert	0.03	ICS	Prior	-	Q3 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC
HEAL-S-10	Project Coordinator	0.09	ICS	Prior	-	Q2 2020	Type: Individual Assignment: Nat'l AC: Yes eGP: TBC

AC = Advance Contracting, BTP = Biodata Technical Proposal, CQS = Consultants Qualifications Selection, DC = Direct Contracting, eGP = Use of eGovernment Procurement System, EHS=environment, health, and safety; ICS = individual consultant system, PQ = pre-qualification, Q = quarter, SBD = standard bidding documents, TBC = to be confirmed.

Source: Asian Development Bank.

CODE OF CONSTRUCTION PRACTICE

I. INTRODUCTION

1. The Health System Enhancement to Address and Limit COVID-19 (HEAL) will support the Philippines' Department of Health (DOH)—the implementing agency of the project—to strengthen the country's capacity to respond to the coronavirus disease (COVID-19) pandemic. HEAL will support procurement of medical equipment and commodities, expansion of healthcare facilities such as hospital isolation facilities and completion of subnational reference laboratories. HEAL includes 3 outputs, as follows:

2. **Output 1: Disease surveillance and diagnostic capacity upgraded.** HEAL will (i) increase the testing capacity of at least 10 government molecular laboratories¹ by providing testing kits, chemicals, reagents, personal protective equipment (PPE), and consumables for COVID-19 testing, and patient transport vehicles to deliver specimens to molecular laboratories; (ii) build and equip two biosafety level (BSL)-2 laboratories, and upgrade equipment of one BSL-3 laboratory and nine other BSL-2 laboratories; (iii) install computed tomography scan machines in 33 hospitals to improve the clinical diagnosis of COVID-19 cases; and (iv) train laboratory technicians on the use of medical equipment and the management of test result data (disaggregated by sex, age, and pre-existing medical conditions) at supported laboratories.

3. **Output 2: Infection prevention and control measures expanded.** HEAL will provide PPE for frontline health workers and laboratory technicians to selected DOH hospitals, local government unit (LGU) hospitals, and national and local government isolation facilities. It will support the renovation and/or construction of negative pressure isolation wards in 12 DOH hospitals (including 7 hospitals which are under Output 1).² These isolation wards will have equipment to monitor heart rate, blood pressure, respiratory rate, temperature, oxygen saturation level, and other vital signs, as well as hazardous waste treatment facilities. HEAL will also strengthen the infection prevention capacity of health workers in obstetrics, pediatric, and emergency departments through training and communication activities, with the aim of controlling vector transmission in maternal and child health service delivery during public health outbreaks.³

4. **Output 3: Treatment capacity of COVID-19 scaled up.** This output will provide 90 ventilators—and training for respiratory technicians and staff to operate them—to 70 DOH hospitals and 20 island LGU hospitals (including the hospitals under outputs 1 and 2). It will also provide the hospitals under outputs 1 and 2 with associated critical care equipment, including electrocardiography machines, defibrillators, and a critical care monitoring system. The HEAL will train technicians and other staff on operation and maintenance to ensure the sustainability of the ventilators and other critical care equipment. Through training, HEAL will also increase the capacity of healthcare workers in detecting and preventing domestic gender-based violence and

¹ The proposed DOH laboratories are Baguio General Hospital, Caraga Regional Hospital, Governor Celestino Gallares Medical Center, Ilocos Training & Regional Medical Center, Jose B. Lingad Memorial Regional Hospital, Lung Center of the Philippines, Northern Mindanao Medical Center, Research Institute for Tropical Medicine, San Lazaro Hospital, Southern Philippines Medical Center, Vicente Sotto Memorial Medical Center, and West Visayas Medical Center.

² The proposed hospitals are: Bataan General Hospital, Davao Regional Medical Center, Dr. Paulino J. Garcia Memorial Research and Medical Center, Ilocos Training & Regional Medical Center, Jose B. Lingad Memorial Regional Hospital, Luis Hora Memorial Regional Hospital, Lung Center of the Philippines, Mariveles Mental Hospital, Northern Mindanao Medical Center, San Lazaro Hospital, Southern Philippines Medical Center, and Western Visayas Medical Center.

³ The activities will be financed by HEAL and ongoing technical assistance. ADB. 2018. *Technical Assistance to the Philippines for Strengthening Social Protection Reforms*. Manila.

for providing psycho-social support to patients and families, including pregnant and vulnerable women affected by COVID-19.

5. HEAL supports the Bayanihan to Heal as One Act (Republic Act 11469) which identifies the need to increase capacities of health facilities as one of the strategies to manage the growing number of COVID-19 cases. A Manual of Operations v2.0 for the development of Mega Ligtas COVID-19 Centers was issued by DOH on April 21, 2020 that provides guidance in the design of treatment/monitoring facilities, space and infrastructure areas, supplies and equipment needed, among others. The DOH manual referred to the Severe Acute Respiratory Infections (SARI) Treatment Centre that was issued by the WHO in March 2020 which provides guidance on the design and basic layout of COVID-19 screening areas and SARI treatment center for health care facilities.

6. HEAL has been screened and categorized as C for environment per the Asian Development Bank (ADB) Safeguard Policy Statement (SPS) (2009) as the proposed civil works are minor and will all take place within existing hospital compounds. Only minimal impacts are anticipated in relation to temporary disturbances, construction safety, and waste management.⁴

7. Under the Philippines Environmental Impact Statement System (PEISS), primary, secondary, tertiary hospitals, or medical facilities are classified as category B and require an environmental compliance certificate from the Department of Environment and Natural Resources (DENR)-Environmental Management Bureau (EMB). The design and operation of these facilities are also required to comply with other pertinent regulations and standards (see Section II).

8. All buildings will be located on land that is construction-ready, with connections to basic utilities. No site clearance, land acquisition, or resettlement is required. The construction of new building expansions is expected in 9 sites. Rehabilitation or refurbishment of existing facilities to accommodate the new isolation facilities is required in 3 sites. Table 1 provides an overview of participating DOH hospitals and the scope of works required under HEAL. Adverse impacts will be minimal, highly site-specific, limited to the construction period, and can be addressed through sound construction practices.

⁴ The environment category C was confirmed by ADB's Chief Compliance Officer on 11 April 2020.

Table A4.1: Participating DOH Hospitals, Works Proposed Under the Project

Hospital	Contacts	Project Components	Hospital Requests	Land		Environment			
				Where to build? Construction issues?	Land Ownership	With ECC?	HW treatment	Wastewater Treatment	With PCO?
Cordillera Administrative Region (CAR)									
Luis Hora Memorial Regional Hospital Mountain Province	Dr. Eduardo Calpito – 084-227-3347, 217-3671; 0939-903-8048	Construction of new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	New isolation building (200 sqm) Renovation of 4 rooms and 4 ICU rooms into negative pressure rooms at the new bldgs. extension ward Renovation of old dormitory (with 24 rooms) as COVID ward BSL2 laboratory Construction of deep-well (including pipe lines) Equipment such as mechanical ventilators, video laryngoscope, autoclave, set of cardiac monitoring with central monitor and 8–10 monitors	57,942 sqm compound Which includes 1.0 ha for rehabilitation facility is in the process of being transferred to the DENR to the hospital. There is still 19,585 sqm available land for future development, within the 57,942 sqm compound.	The land is owned by the Department of Environment and Natural Resources (DENR). Land ownership is being transferred (57,942 sqm) from the DENR to the hospital. Both are government agencies. There is no private land involved.	Yes	MRF; shredder, autoclave; incinerator	With STP	Yes
Central Luzon (Region III)									
Bataan General Hospital (only tertiary hospital in Bataan)	Dr. Baltazar – 0920-9116833	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with	5-storey isolation building (with negative pressure rooms) for 80-100 rooms Laboratory BSL2 compliant—no	Within existing compound (1.2 ha) 726 sqm area available for the isolation building.	DOH	Yes (proposed building is not included; need to	Existing autoclave cannot handle volume of wastes; Outsource offsite HW	STP is under capacity and needs improvement. Request for improvement of STP.	Yes

Hospital	Contacts	Project Components	Hospital Requests	Land		Environment			
				Where to build? Construction issues?	Land Ownership	With ECC?	HW treatment	Wastewater Treatment	With PCO?
Bataan		support facilities and equipment HW treatment equipment	need (already funded by province)			amend ECC)	transport and treatment. Request for improvement of autoclave.		
Dr. Paulino J. Garcia Memorial Research and Medical Center Cabanatuan City	Dr. Lapuz – 0917-8601957	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment. HW treatment equipment.	2-storey infectious disease and tropical medicine building (12-bed capacity) with: 4 units negative pressure room 8 units ordinary isolation rooms with provision of emergency rabies room	Outside of existing compound (parking lot of hospital with area of 415 sqm)	Parking lot is owned by hospital	Yes (proposed building is not included; need to amend ECC)	Disposed through DENR-EMB accredited TSD facility	With STP (activated sludge 300 m ³ /day capacity)	Yes
Jose B Lingad Memorial Regional Hospital San Fernando, Pampanga	Dr. Chichoco – 09209081509	Construction of BSL2 laboratory facilities with equipment. Construction of new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment. HW treatment equipment	BSL2 laboratory. Hospital has retrofitted one floor of the OPD building with 115 beds as isolation wards (negative pressure).	Within existing compound. Minor (construction /renovation confined within existing building).	Provincial Government	With ECC covering all existing and proposed buildings in the compound (as per masterplan)	Autoclave; employs Cleanway Co. Ltd to treat HW offsite	With STP designed for 250 bed cap.	Yes
Mariveles Mental Hospital Bataan	Dr. Evangelista – 0920-928-1859	Construction of a new isolation building with at least two negative pressure rooms and three non-negative	New 2-storey isolation building with 20–40 bed capacity.	Within existing compound (3.4 ha). 200–400 sqm area available on the	Mariveles Mental Hospital	Need ECC amendment	Small autoclave for disinfecting utensils; employs Cleanway to	Need STP (existing system is inadequate)	Yes

Hospital	Contacts	Project Components	Hospital Requests	Land		Environment				
				Where to build? Construction issues?	Land Ownership	With ECC?	HW treatment	Wastewater Treatment	With PCO?	
		isolation rooms, with support facilities and equipment. HW treatment equipment.	Renovation of room within existing facility BSL2 Laboratory.	southern part of the compound for the isolation building. Dr. Evangelista said that they can either convert the general wards to isolation rooms or build new isolation building.			treat HW offsite (₱35/kg)			
Southern Mindanao (Region XI)										
Davao Regional Medical Center Davao del Norte	Dr. Bryan Dalid – 084-216-9127; 084-216-9131	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment. HW treatment equipment.	3-storey Isolation building with negative pressure rooms (20 bed capacity)	Within hospital compound with total land area of 67,954 sqm; available land to be occupied by new building is 759 sqm	Davao Regional Medical Center	With CNC; ECC application to cover existing and new facilities in process at EMB Region XI	Autoclave/steam sterilization; Vials are crushed and stored at MRF; final disposal of color-coded wastes is through city collection system	With STP with capacity of 111.75 cum per day; Discharge Permit has expired (for sampling and renewal)	Yes	
Southern Philippines Medical Center Davao City	Dr. Leopoldo Vega – 082-227-2731; 0917-701-2881	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment BSL2 laboratory equipment	4-5 storey infectious institute building with 80-100 bed capacity (negative pressure rooms and ICU rooms); CT scan and other equipment	Within hospital compound with total land area of 113,512 sqm; available land to be occupied by new building is 4,445 sqm	Southern Philippines Medical Center	ECC amendment application in process at EMB-Region XI; latest EMB request for clarification sent on April 21, 2020	Microwave sterilization and shredder (onsite); offsite disposal through the city collection system	With STP; Discharge Permit on process	Yes	

Hospital	Contacts	Project Components	Hospital Requests	Land		Environment			
				Where to build? Construction issues?	Land Ownership	With ECC?	HW treatment	Wastewater Treatment	With PCO?
		HW treatment equipment.							
National Capital Region (NCR)									
Lung Center of the Philippines Quezon City	Dr Vincent Balanag – 8924-6010	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment. BSL2 laboratory equipment HW treatment equipment.	Isolation rooms (3-storey building under completion) Laboratory	Within existing compound	DOH	Yes	Has autoclave operated by IWMI within existing hospital compound	Has WWTP with Discharge Permit from LLDA	Yes
San Lazaro Hospital Manila	Edmundo Lopez – 308-9542; 732-3776 local 103	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment. HW treatment equipment.	5-storey Isolation building with 32 rooms . BSL2 laboratory (5-storey ERID Building Extension is part of the hospital's 5-year Development Plan).	Within existing compound (300 sqm available but require demolition of a 1-storey linen building)	DOH	Yes (will secure ECC amendment)	Has autoclave; employs licensed third-party treater (IWMI) to transport and treat HW offsite at IWMI facility in Cavite	With STP (centralized with Jose Reyes Med. Center and DOH offices)	Yes
Ilocos Region (Region I)									
Ilocos Training and Regional Medical Center La Union	Dr. Eduardo Badua III - (072) 607-6418; 607-6422	Construction of BSL2 laboratory facilities with equipment; construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with	Construction of isolation wards/building BSL2 laboratory and equipment	Within hospital compound	Ilocos Training and Regional Medical Center	Yes for existing facilities; need ECC amendment for additional facilities	Autoclave	With STP	Yes

Hospital	Contacts	Project Components	Hospital Requests	Land		Environment				
				Where to build? Construction issues?	Land Ownership	With ECC?	HW treatment	Wastewater Treatment	With PCO?	
		support facilities and equipment HW treatment equipment								
Northern Mindanao (Region X)										
Northern Mindanao Medical Center Cagayan de Oro City	Dr. Surdilla – 0917-706-7787; Dr. Jose Chan – 0908-881-1160	Construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Renovation of 3 rd , 4 th , 5 th , and 6 th levels of new hospital building originally designed as orthopedic building as COVID19 isolation rooms BSL2 laboratory and equipment	Within hospital compound	Northern Mindanao Medical Center	Yes; need ECC amendment for new building	Autoclave and shredder	With STP	Yes	
Western Visayas Region (VI)										
Western Visayas Medical Center Iloilo City	Dr. Joseph Dean Nicolo – (033) 321-2841	Construction of BSL2 laboratory facilities with equipment Construction of new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Renovation of two-storey Geriatric building as isolation building	Within hospital compound with total land area of 35,576 sqm	Western Visayas Medical Center	Yes	Uses chemical disinfection and then disposed at Iloilo City hospital waste treatment facility (autoclave) at Calajunan sanitary landfill	With STP	Yes	

BSL = biosafety level, COCP = Code of Construction Practice, cum = cubic meter, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ECC= environment compliance certificate, HW = hospital waste , ha = hectare, ICU = intensive care unit, IWMI = Integrated Waste Management Inc., kg

= kilogram, LLDA = Laguna Lake Development Authority, MRF = materials recovery facility, m³ = cubic meter, OPD = outpatient department, PCO = Pollution Control Officer, STP = sewage treatment plant, WWTP = wastewater treatment plant, sqm = square meter.
Source: Asian Development Bank.

9. This Code of Construction Practice (COCP) sets out the standards and procedures to which the design firm and construction contractors must adhere in order to manage the potential environmental impacts of construction works. The COCP identifies necessary procedural requirements during facility design and mitigation measures in respect of anticipated impacts during construction. It also sets out rules, responsibilities, and good environmental management practices. It sets out requirements in relation to noise and dust control; ecology and land protection; temporary traffic management; waste management; construction safety; core labor standards; and consultation/communication and grievance redress. The COCP will be referred to in the bidding documents of all works packages.

II. LEGAL AND REGULATORY FRAMEWORK

10. The environmental management of the proposed HEAL is governed by the ADB SPS 2009 and relevant laws, regulations, and administrative orders of the Government of the Philippines. SPS 2009 mandates that for category C projects, environmental implications are reviewed.

11. Presidential Decree 1586 established the PEISS in 1978. Its implementing rules and regulations is embodied in DENR Administrative Order No. 30, series of 2003. A Revised Procedural Manual was approved in 2007 and several administrative orders and memorandum circulars have been issued by the EMB to strengthen its implementation. EMB Memorandum Circular No. 2014-005 provides the “Guidelines for Coverage Screening and Standardized Requirements under the PEISS.”

12. Section 1 of EMB Memorandum Circular 2014-005 states that *“Every proposed project or undertaking which is projected to have significant adverse impact to the quality of the environment is covered by the PEISS. This includes proposed major expansion, rehabilitation, and/or modification of existing projects as well as resumption of projects that have stopped operations for a prolonged period.”* Projects are screened based on their nature or type, identifying environmentally critical projects, and environmentally critical areas for the location. Projects are classified as categories A, B, C or D, with category A being the most environmentally critical and category D, the least.

13. Based on the screening guideline, the new treatment isolation facilities to be constructed in eleven existing DOH hospitals are environment B under EMB Memorandum Circular 2014-005. Additional facilities in existing hospitals or buildings are required to secure or amend its environmental compliance certificate through the submission of an Environmental Performance Report and Management Plan and to comply with other environmental laws and government permitting requirements.

14. A Building Permit must be secured from the LGU where the facility will be constructed in compliance with Presidential Decree No. 1096 or the National Building Code of the Philippines before any type of building construction or repair work can start.

15. The design of the isolation facilities will refer to relevant guidelines from the World Health Organization (WHO), DOH, and the Department of Interior and Local Government such as the general requirements outlined in DOH Memorandum 2020-0123 on the space and infrastructure requirements of the operational areas to be used for COVID-19 treatment and monitoring, the WHO manual on SARI treatment center, Guidelines on Local Isolation and General Treatment Areas for COVID-19 cases and the Community-based Management of Mild COVID-19 cases,

DOH Interim Guidelines on Surge Capacity Management of All Health Facilities during the COVID-19 pandemic (April 16, 2020).

16. The implementation of the HEAL will also refer to Republic Act 4226 (also known as the Hospital Licensure Act) requires the licensure of all hospitals in the Philippines and also mandates DOH to provide guidelines and technical standards as to personnel, equipment and physical facilities for hospitals, clinics, lying-ins and similar establishments. DOH issued Administrative Order Nos. 2012-0012 and 2016-0042 (amending provisions of DOH Administrative Order 70-A) which provides for the registration, licensure, and proper operation of hospitals and other healthcare facilities. Prior to application or renewal of a license, DOH verifies the submission of plans and other design requirements of the following codes, laws, and references:

- (i) Presidential Decree 856—Sanitation Code of the Philippines (1975)
- (ii) Republic Act 1378—National Plumbing Code (1955)
- (iii) Republic Act 9514—Revised Fire Code of the Philippines (2008)
- (iv) Presidential Decree 1096—National Building Code of the Philippines (1977)
- (v) Batas Pambansa 344—Accessibility Law (1982)
- (vi) Republic Act 184—Philippine Electrical Code (2017)
- (vii) Manual on Technical Guidelines for Hospitals and Health Facilities Planning and Design (DOH), 1994
- (viii) Signage Systems Manual for Hospitals and Offices (DOH), 1994
- (ix) Health Facilities Maintenance Manual (DOH), 1995
- (x) Healthcare Waste Management Manual (DOH), 2012
- (xi) Safe Hospitals in Emergencies and Disasters (DOH), 2011
- (xii) District Hospitals: Guidelines for Development (WHO Regional Publications, Western Pacific Series), 1992
- (xiii) Guidelines for Construction and Equipment of Hospital and Medical Facilities of the American Institute of Architects, Committee on Architecture for Health, 1992
- (xiv) Guidelines in the Planning and Design of a Hospital and other Health Facilities (DOH Administrative Order 2016-0042)
- (xv) WHO Severe Acute Respiratory Infections Treatment Centre (March 2020)
- (xvi) DOH Interim Guidelines on Surge Capacity Management of all Health Facilities during the COVID-19 Pandemic (April 16, 2020)
- (xvii) DOH- Department of Interior and Local Government Guidelines on Local Isolation and General Treatment Areas for COVID-19 cases (LIGTAS COVID) and the Community-based Management of Mild COVID-19 Cases (April 15, 2020)
- (xviii) MEGA LIGTAS COVID-19 Centers Manual of Operations v2.0
- (xix) DOH Interim Guidelines for 2019 Novel Coronavirus Acute Respiratory Disease Response in Hospitals and other Health Facilities (DOH Memorandum 2020-0072)
- (xx) Guidelines for Management of Patients with Possible and Confirmed COVID-19 (DOH Memorandum 2020-0108)
- (xxi) National Standards in Infection Control for Healthcare Facilities (2009)
- (xxii) WHO Laboratory biosafety guidance related to coronavirus disease (COVID-19) (March 19, 2020).

17. The planning and design directives of DOH for hospital and healthcare facilities considers several criteria such as location and the environment, occupancy, safety, security, patient movement, lighting and ventilation, water supply, waste disposal, sanitation, fire protection, signages, and zoning of different areas of the hospital. The requirements for isolation facilities include provision of well-ventilated facilities, with entrance and exits that would allow for

unidirectional flow of traffic with directional signages, individual rooms with suitable toilets and baths (if feasible), beds placed two meters apart with a partition for privacy and to minimize droplet spread, male and female changing rooms, emergency services area, and ancillary services area for specimen collection. The triage area is to be divided into zones to manage cases and isolate patients with mild to moderate symptoms.

18. The issuance of License to Operate (LTO) to primary care facilities, including those providing ambulatory and other modes of health services, is further strengthened in the implementing rules and regulations of the 2019 Universal Health Care Act (Republic Act 11223). The LTO is a prerequisite to the accreditation of a health facility by an accrediting body of DOH and is renewed on an annual basis.

19. A Permit to Construct (PTC) is required for all levels of hospitals including those with substantial alteration, expansion, renovation, increase in number of beds or additional services beyond the approved service capacity. The PTC is processed by the Health Facilities and Services Regulatory Bureau of DOH. The PTC is a prerequisite for the LTO. A PTC application is evaluated in terms of compliance of the architectural floor plans and with the prescribed planning and design guidelines for hospitals. The submission of progress report/status of construction to Health Facilities and Services Regulatory Bureau is required every six months until project completion.

20. The PTC and LTO are independent of permits, registrations, and accreditation by other government offices. Construction of buildings will require the requisite Building Permit, Sanitary Permit, Electrical Permit, among others, from the local government. Fire Safety Evaluation Clearance is required by the city/municipal Fire Marshal prior to construction and a Fire Safety Inspection Certificate is required after completion of construction in accordance with the Fire Code of the Philippines.

21. DOH Memorandum 2020-0072 provided interim guidelines for all health facilities on the necessary precautions, preparations of health facilities and management of suspect, probable and confirmed cases of COVID-19. All hospitals and health facilities are required to maintain an Infection Prevention and Control Committee in the health facility and to follow the National Standards in Infection Control for Healthcare Facilities (2009 edition). The memorandum includes the requirements on provision of appropriate PPE, implementation of universal precautionary measures, patient screening, isolation of patients with COVID-19 systems, notification, and clinical management.

22. In order to reduce potential risks to people's health and the environment due to the operation of health care facilities, DOH has Administrative Orders and guidelines on waste management that are consistent with the requirements of environmental laws under the mandate of the DENR that includes the: (i) Toxic Substances, Hazardous and Nuclear Waste Control Act (Republic Act 6969), (ii) Philippine Clean Air Act (Republic Act 8749), (iii) Ecological Solid Waste Management Act (Republic Act 9003), and the (iv) Philippine Clean Water Act (Republic Act 9275). DOH Administrative Orders also consider the international environmental agreements and obligations of the country relevant to waste management.

23. In 2004, DOH issued the Healthcare Waste Management Manual⁵ to ensure that sound management of wastes is an integral feature of healthcare services. A DENR-DOH Joint Administrative Order No. 02, series of 2005, was issued to clarify the mandates of both agencies

⁵ The Healthcare Waste Management Manual was under revision as of 1 April 2020.

and provide the policies and guidelines on the handling, collection, transport, treatment, storage and disposal of health care wastes. The Joint Administrative Order also reinforces the implementation of the Healthcare Waste Management Manual.

24. Healthcare wastes such as pathological wastes, infectious wastes, sharps, and expired drugs are classified as hazardous wastes and are regulated by Republic Act 6969. These wastes are to be segregated, properly labelled, and stored in designated areas within the premises of the medical facility until they are transported for off-site treatment through a DENR-licensed hazardous waste transporter and treater. Permits for storage, transport and disposal are required based on DENR Administrative Order No. 29, series of 1992, Procedural Manual Title III, or the implementing rules and regulations of Republic Act 6969.

25. Treatment options for infectious wastes, however, is limited to non-burn technologies as provided by Section 20 of Republic Act 8749 which disallows incineration. The allowed non-burn technologies in the destruction of healthcare wastes must comply with the criteria and emission standards on non-burn technologies as provided in Rule 28 of DENR Administrative Order 2000-81. Non-burn technologies include pyrolysis, autoclave, microwave, and sterilization.

26. Philippine laws and regulations applicable to HEAL are listed in Table 2:

Table A4.2: Relevant Laws and Regulations of the Philippines

Law	Title/Outline
A. Establishment and Operation of Hospitals and Medical Facilities	
PD 1586 PEISS	Newly established hospitals or existing hospitals that will have expansion are required to secure an ECC from the DENR-EMB as part of the EIA. Hospitals and related medical facilities are classified as non-environmentally critical projects and fall under Category B.
RA 4226 ("Hospital Licensure Act")	This requires all hospitals and other healthcare facilities in the Philippines to register and secure a License to Operate from DOH.
DOH Memorandum No. 2020-0171	The "Interim Guidelines on Surge Capacity Management of all Health Facilities during the COVID-19 Pandemic" was issued in April 16, 2020 to guide all health facilities in ensuring continuous/uninterrupted operations of hospitals and other health care facilities to address the challenges of COVID-19 pandemic. The memorandum provides instructions in the identification of triage area and system and conversion of extra spaces into treatment areas or isolation units as dedicated rooms for COVID-19 cases.
DOH Administrative Order 2020-0016	The "Minimum Health System Capacity Standards for COVID-19 Preparedness and Response Strategies" was issued on May 4, 2020. Under the order the minimum regional health system capacity for COVID-19 in terms of infrastructure and equipment includes at least one biosafety laboratory 2 (BSL 2) with real time polymerase chain reaction (RT-PCR) testing capacity per region, at least one dedicated referral hospital/facility/floor/wing staffed by dedicated medical support team with the purpose of serving as the region's primary referral center for severe or critical COVID-19 cases, at least one dedicated intensive care unit (ICU) bed and mechanical ventilator for every 25,000 population, and that at least 30% of all current public and private hospital beds have the capacity to accommodate and service COVID-19 patients or corresponding to the peak day critical care capacity.

Law	Title/Outline
DOH-DILG Joint Administrative Order 2020-0001	DOH-DILG administrative order (Guidelines on Local Isolation and General Treatment Areas for COVID-19 Cases and the Community-based Management of Mild COVID-19 Cases) issued on April 15, 2020, includes guidance on preventing transmission and managing suspect, probable and/or confirmed cases of COVID-19. The order presents the requirements for LIGTAS COVID centers which the local government units can set up as permanent or temporary structures equipped with utilities and basic amenities set by DOH.
MEGA LIGTAS COVID-19 Centers Manual of Operations v.2.0	The Operations Manual for Mega Ligtas COVID-19 centers was issued by DOH to serve as a guide for the health facility management team for maintaining and operating facilities to contain and mitigate the COVID-19 pandemic. The manual was based on the WHO strategy to “find, test, isolate and treat every case and trace every contact”. It refers to the WHO SARI Treatment Centre manual issued in March 2020 which outlines the standards for building a SARI treatment center to manage epidemics or pandemics caused by respiratory disease events.
DOH Memorandum 2020-0072	The DOH Interim Guidelines for 2010 Novel Coronavirus Acute Respiratory Disease Response in Hospital and other Health Facility provides the guidelines for infection prevention and control, case identification, screening, and isolation, and clinical management of COVID-19 cases.
DOH Administrative Order 2020-0014	The administrative order sets the standards in licensing of COVID-19 testing laboratories, whether hospital-based or non-hospital based. The order prescribes that COVID-19 testing shall only be done in a DOH licensed COVID-19 testing laboratory and that the License to Operate for the COVID-19 testing laboratory shall be subsumed in the LTO of the hospital. The COVID-19 laboratory shall follow the standards, criteria and requirements prescribed in the DOH Assessment Tool for Licensing a COVID-19 testing laboratory, RITM's Biosafety and Laboratory Assessment Room, and the WHO risk assessment guidelines.
National Standards in Infection Control for Healthcare Facilities (2009)	DOH issued the standards that requires each healthcare facility to have a coordinated institutional infection control program that includes infection control guidelines, policies and procedures on hand hygiene, isolation, decontamination, disinfection, sterilization, environmental care and healthcare waste management, protection of healthcare workers, housekeeping of specific patient care areas, outbreak investigation, testing, surveillance, and purchase of equipment, medicines and supplies.
RA 11223 (“Universal Health Care Act of 2019”)	The Universal Health Care Act of 2019 guarantees equitable access to quality and affordable healthcare services through human health resources, health facilities, and health financing.
RA 3720, as amended by Executive Order 175 and RA 9711	The FDA law strengthens the law enforcement capability of the FDA which regulates the drugs, medical devices, food, cosmetics and toilets and household/urban hazardous substances.
RA 7875 (1995) and RA 9241 (2004) (“Philippine Health Insurance Corporation Law”)	The National Insurance Program was created in 1994 to ensure affordable, acceptable, and accessible healthcare services for all citizens of the Philippines. Environmental and occupational health concerns are integrated under the PhilHealth's Benchbook such as safe practice and environment, operating manuals for medical equipment, and proof of implementation of policies, procedures and safety programs on electrical safety, medical device safety, chemical safety, radiation safety, mechanical safety, combustible material, waste management, fire, emergency and disaster preparedness.

Law	Title/Outline
DOH Circular 2018-0131 ("Revised Licensing Assessment Tools for Hospitals")	The changes in the assessment tools for the licensing of a hospital include the standards for medical and nursing services, HFSRB-approved floor plan, compliance to electronic medical records, antimicrobial stewardship and other recent laws such as the Anti-Hospital Deposit Law (RA 10932), allocation of charity beds in private hospitals (AO 2007-0041), and RA 9439 which prohibits detention of patients in hospitals and medical clinics on ground of nonpayment of hospital bills or medical expenses.
DOH AO 2012-0012	This includes rules and regulations governing the new classification of hospitals and other health facilities. The order rescinds DOH AO 70A (2002) in line with the health regulatory reforms to ensure access to safe, quality, and affordable health facilities and services.
DOH AO 2016-0042	This includes guidelines in the application for DOH PTC for all levels of hospitals
DOH AO 2005-0029 (December 2005); Amendment to DOH AO 147 and 70-A	Under Section 10 (Requirements and procedures for application of Permit and License), a hospital is required to present an ECC issued by the DENR-EMB, Waste Management Plan, Building and Fire Permits and other requisites.
DOH MC No. 2006-0008 (January 2006)	Relative to the Philhealth Circular No 12, series of 2005, entitled "Adoption of Benchbook on Performance Improvement of Health Services," standards are presented to ensure provision of quality care. Important areas/aspects to be inspected by DOH are building and sanitation and safety standard such as water supply and water analysis report, electric power (including standby generator, sewage disposal, fire escape, fire extinguisher, and toilet facilities).
DOH AO 2008-0023 (July 2008)	The order prescribes the policy on patient safety in all levels of the healthcare delivery system. The key priority areas in patient safety include but not limited to: proper patient identification, assurance of blood safety, safe clinical and surgical procedures, provision and maintenance of safe quality drugs and technology, infection control, and environment, energy and waste management standards.
EO 674 (1981)	This established the RITM to undertake research activities in the diagnosis, control, and prevention of tropical diseases that are major causes of mortality and morbidity in the Philippines.
DOH Order 393-E	This designated the RITM as the NRL for dengue and other viruses and emerging bacterial diseases. In-house guidelines and training programs were developed on biosafety and biosecurity that refers to the WHO laboratory biosafety manual of 2004.
DOH AO 2007-0027	"Revised Rules and Regulations Governing the Licensure of Clinical Laboratories in the Philippines" The clinical laboratory is required to have policy guidelines on laboratory biosafety and biosecurity.
B. Management of Wastes	
RA 6969 ("Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990")	The law restricts or prohibits the importation, manufacture, processing, sale, distribution, use and disposal of chemical substances and wastes that present unreasonable risk and/or injury to health and the environment. The procedural manual Title III of DENR AO 1992-29 (Hazardous Waste Management) of the implementing rules and regulations of RA 6969 outlines the legal and technical requirements of hazardous waste management.
RA 8749 ("Philippine Clean Air Act of 1999")	The law and its implementing rules and regulations (DENR AO 2000-81) allows non-burn technologies for the destruction, treatment and disposal

Law	Title/Outline
	of biomedical (healthcare) and hazardous wastes and that these technologies must comply with the criteria and emission standards as provided in Rule 28 of DENR AO 2000-81. A Permit to Operate is required by the DENR for the operation of the air pollution source installations.
RA 9003 ("Ecological Solid Waste Management Act")	<p>The Act establishes the mechanisms for waste minimization, resource recovery, appropriate collection, transport services, environmentally sound treatment, and disposal of garbage. It also provides mandatory segregation of waste at households, commercial establishments, industries, institutions, hospitals, etc. However, solid waste excludes infectious wastes from hospitals such as equipment, utensils, laboratory wastes, pathological specimens, disposable fomites, and similar materials in accordance with Section 3(2), Article 2, and Section I of DENR AO 2001-34.</p> <p>The collection and transport of segregated general wastes or non-infectious wastes are covered by RA 9003 and may be brought to a landfill for disposal. The collection and transport of infectious biomedical wastes or hazardous wastes are governed by RA 6969 and cannot be disposed in open dumps or landfill. The infectious wastes, once disinfected, may be treated similar to a general waste.</p>
RA 9275 ("Philippine Clean Water Act of 2004")	The Act provides for a comprehensive management program for water pollution focusing on pollution prevention. Households and establishments (including hospitals) are required to connect to available sewerage systems. If there is no available sewerage system, the establishment is required to provide a wastewater treatment system that complies with the Effluent Standards. A Discharge Permit is issued to the establishment if the effluent complies with the standards.
PD 856 ("Sanitation Code of the Philippines")	The Code mandates DOH to promote and preserve public health and upgrade the standard of medical practice. In line with this DOH mandate, a Manual on Hospital Management was published in 1997 and the implementing rules and regulations of Chapter XVIII, Refuse Disposal was promulgated. The implementing rules and regulations provides the detailed requirements for the segregation, storage, collection, transportation and disposal of refuse.
Joint DENR-DOH Administrative Order 02-2005	The JAO clarifies the mandates for DENR and DOH and outlines the policies and guidelines on effective and proper handling, collection, transport, treatment, storage, and disposal of health care wastes.
DENR-EMB Technical Guidelines 2015	The guidelines outline the specific categories of TSD facilities.
DENR AO 36 Series of 2004	This is the procedural manual of DAO 92-29, a comprehensive documentation on the legal and technical requirements of hazardous waste management
DOH Healthcare Waste Manual (2004)	The manual provides information and guidance regarding safe, efficiency and environment-friendly waste management options and safety procedures attendant to the collection, handling, storage, transport, treatment and disposal of healthcare waste.
DOH AO 29, series of 2003	The order was issued to prescribe the guidelines on the use of crematoria and other alternative non-burn technology for hospital waste treatment and disposal of healthcare wastes consistent with the provisions of the Philippine Clean Air Act.
DOH AO 2007-0014	This includes guidelines on the issuance of certificate of product registration for equipment or devices used for treating sharps, pathological and infectious wastes.

Law	Title/Outline
	DOH's Bureau of Health Devices and Technology is mandated to implement guidelines in the issuance of Certificate of Product Registration for equipment and devices used to treat sharps, pathological and infectious wastes in accordance with existing laws. The approved technologies or processes that may be used in the treatment of sharps, pathological and infectious wastes are autoclave, hydroclave, pyrolysis, microwave, and chemical disinfection.
DOH Circular No. 156-C, series 1993	This includes guidelines for the segregation, treatment, collection and disposal of hospital waste. The circular has specific instructions that all infectious and hazardous waste shall be treated before storage, collection and disposal and that their staff and personnel shall be informed about the proper treatment, segregation (color coding) and storage, collection, and disposal.
DOH Memorandum No. 0145 (2011)	The memorandum prescribes the guidelines for the temporary storage of mercury wastes in healthcare facilities in accordance with DENR AO 21 (2008) on the gradual phase-out of mercury in all healthcare facilities and institutions in the Philippines.
C. Occupational and Community Health and Safety	
PD 442 ("Labor Code of the Philippines")	Article 162 of the Code governs the OSH Standards that applies for healthcare workers. Under the OSH standards, employers, workers and other persons shall furnish his workers a place of employment free from hazardous conditions that can cause or likely to cause death, illness, or physical harm; give complete job safety instructions to all workers, including familiarization with work environment, hazards, and steps to be taken in case of emergency.
RA 11058	An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations
BP 344 (Disability Act)	The law requires certain buildings, institutions, establishments and public utilities to install facilities and other devices to enhance mobility of disabled persons.
Contractors License Law (RA 4566), amended by PD 1746	The law provides that no contractor (including sub-contractor and specialty contractor) shall engage in the business of contracting without first having secured a license from the PCAB.

AO = Administrative Order, BP = Batas Pambansa, DAO = DENR Administrative Order, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ECC = environment compliance certificate, EIA = environmental impact assessment, EMB = Environmental Management Bureau, EO = Executive Order, FDA = Food and Drug Administration, HFSRB = Health Facilities and Services Regulatory Bureau, JAO = Joint Administrative Order, MC = Memorandum Circular, NRL = National Reference Laboratory, OSH = Occupational Safety and Health, PCAB = Philippine Contractors Accreditation Board, PEISS = Philippine Environmental Impact Statement System, PTC = Permit to Construct, RA = Republic Act, RITM = Research Institute for Tropical Medicine, TSD = Treatment, Storage, and Disposal, WHO = World Health Organization.

Source: Asian Development Bank.

III. ANTICIPATED ENVIRONMENTAL IMPACTS AND RISKS

27. The anticipated impacts of proposed civil works include:
- (i) air pollution from dust emissions from on-site excavation and emission from equipment and construction vehicles used for construction;
 - (ii) water pollution from run-off or soil erosion from stockpiled construction materials, wastewater from domestic sewage of construction workers, and accidental spillage of oil and other lubricants from washing of construction equipment;
 - (iii) noise pollution from construction activities that may disturb nearby communities,
 - (iv) generation of solid wastes from construction workers and construction and

- demolition wastes;
- (v) occupational health and safety risks to construction workers; and
- (vi) community health and safety impacts, primarily as a result of exposure to noise, smell of paints and solvents and dangerous excavated work areas.

IV. CONTRACTOR OBLIGATIONS

28. To address potential impacts and risks to environment, health and safety of workers and communities, each civil works contractor must:

- (i) hold a valid Philippine Contractors Accreditation Board license;
- (ii) appoint a qualified environment, health, and safety specialist to supervise construction works in compliance with the COCP and the Philippine regulatory and policy framework for environment, health and sanitation;
- (iii) execute works and all associated operations on the work sites or off-site in conformity with statutory and regulatory environmental requirements of the Government of the Philippines and the ADB SPS 2009. This includes the provisions embodied in the documents listed under Section II of the COCP;
- (iv) take all measures and precautions to avoid any nuisance or disturbance arising from the execution of construction works and their related activities. This will, wherever possible, be achieved by suppression of the nuisance (or unwanted effects to the physical environment and people) at source rather than abatement of the nuisance once generated;
- (v) compensate for any damage, loss, spoilage, or disturbance of the properties and health of affected people during execution of the construction works as specified in the bidding documents;
- (vi) Keep the construction site clear of stagnant water, food residuals, or any other waste or material that can attract pests and disease-carrying vectors like mosquitoes and rodents;
- (vii) recruit local skilled and unskilled labor to increase the direct benefits in the subproject area(s) and to minimize potential environmental issues related to construction camps, disease transmission and socio-cultural disputes;
- (viii) ensure that the International Labor Organization Core Labor Standards and the applicable laws and regulations of the Philippines are applied to the contractor's workers (including workers employed by sub-contractors), including laws related to their employment, health, safety, and welfare during the construction of the isolation facilities. More specifically, each contractor shall: (a) comply with the Borrower's applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; and (e) allow freedom of association and effectively recognize the right to collective bargaining;
- (ix) establish a simple system to receive, register, and address community concerns and complaints. Contact number of the contractor including name, position and telephone number will be shared with local authorities and DOH; and
- (x) demonstrate how the impacts associated with the construction works as defined in Table 3 below are complied with. For that purpose, conduct weekly monitoring of compliance with the COCP, and include section in the monthly report to the Project Management Team. The report format defined in Appendix 1 shall be used for monthly reporting to the Project Management Team.

29. The following activities are strictly prohibited on or near the project site:

- (i) cutting of trees for any reason outside the approved construction area;
- (ii) hunting, fishing, wildlife capture, or plant collection;
- (iii) use of unapproved toxic materials, including lead-based paints and asbestos-containing materials;
- (iv) discharge of chemicals, sanitary wastewater, spoil, waste oil, and concrete agitator washings or any liquid requiring treatment in water courses, drainage/runoff systems, or municipal wastewater collection facilities;
- (v) disturbance to anything with architectural or historical value;
- (vi) employment of workers under the age of 16; persons between age 16-18 can only work in non-hazardous environment; and
- (vii) discrimination regarding recruitment, wages and compensation.

Table A4.3: Contractors' Mitigation/Management Measures for Pre-Construction and Construction

Potential impacts and issues	Nature of impacts/Issues	Environmental Action /Prevention by Contractor
Design and pre-construction phase		
Facility design	Failure to comply with Philippine procedures, codes and administrative orders for hospital facility design	<ul style="list-style-type: none"> • Ensure compliance with relevant design standards for hospitals based on the requirements of RA 4226 and other related DOH administrative orders, circulars, and guidelines, including guidelines from the WHO.
Environmental compliance	Failure to comply with PEISS	<ul style="list-style-type: none"> • Secure the ECC from the concerned DENR-EMB regional office in coordination with the concerned DOH hospitals.
Permits	Failure to secure necessary permits and clearances prior to construction	<ul style="list-style-type: none"> • Secure the PTC from the HFSRB of DOH in behalf of the concerned hospitals. • Ensure that the hospitals and laboratory have valid License to Operate (LTO) issued by DOH. • Secure the Building Permit, Sanitary Permit, Electrical Permit, and other clearances from the local government prior to start of construction works • Secure the Fire Safety Evaluation Clearance from the city/municipal Fire Marshal
Construction phase		
Environmental and Social Issues	Complaints, Concerns	<ul style="list-style-type: none"> • Establish and disseminate effective GRM • Share contractor contact details with local authority leaders and DOH
EHS capacity	Inadequate EHS management capacity	<ul style="list-style-type: none"> • Assign qualified EHS staff at each construction site to supervise and monitor COCP implementation and report to PMT
Monitoring and Reporting	Failure to comply with DOH requirements; Failure to adequately implement the COCP	<ul style="list-style-type: none"> • Submit progress reports/status of construction and COCP implementation every three months to HFSRB and the PMT on behalf of the concerned hospitals
Water and soil pollution	Leakage of spills of fuel and lubricants that may contaminate soil, surface water and groundwater	<ul style="list-style-type: none"> • Prevent pollution of soil, surface water/ groundwater by ensuring the following: <ul style="list-style-type: none"> ○ location of storage facilities for fuel/oil/cement/ chemicals are located 200m away from the river, stream and waterways; ○ soil surfaces where chemicals are stored shall be made impermeable and provided with bunds. Bunds should be sized to hold 110% of the maximum capacity of the largest tank or drum;

Potential impacts and issues	Nature of impacts/Issues	Environmental Action /Prevention by Contractor
		<ul style="list-style-type: none"> ○ vehicles/heavy equipment maintenance and re-fuelling area will prevent spillage of fuel, oil and hazardous materials to seep into soil; ○ oil traps shall be provided in the maintenance and service areas; and fuel refilling areas must be located > 50 m from water sources and protected by temporary bunds to contain spills. A spill clean-up kit must be present on site.
Air quality	Concentration of machinery working in one area plus haulage vehicle traffic may result in local areas of poor air quality	<ul style="list-style-type: none"> ● Maintain equipment to a high standard to ensure efficient running and fuel-burning; Provide high-horsepower equipment with tail gas purifiers ● Ensure that all vehicle emissions comply with relevant emission standards under the Philippine Clean Air Act
Dust	Caused by earthmoving and construction haulage traffic can cause poor air quality and nuisance to householders and farmers.	<ul style="list-style-type: none"> ● Equip material stockpiles and concrete mixing equipment with dust shrouds ● Conduct regular water spraying on construction sites, construction roads, and stockpiled material ● Maintain driving surfaces clean as a standard site management practice ● Cover with tarpaulin sheets vehicles carrying soil, sand, or other fine materials to and from the construction sites
Noise impacts on sensitive receptor	Noise caused by the concentration of machinery working in one area, plus haulage vehicles, can cause a range of impacts from nuisance to health problems. Noise could disrupt ongoing medical services.	<ul style="list-style-type: none"> ● Strictly prohibit construction after 10pm ● During construction, ensure installation of temporary anti-noise barriers to shield sensitive receptors
Water Quality	Pollution of local water courses through sediment	<ul style="list-style-type: none"> ● Construct site drainage to ensure that any rainfall will be diverted to a holding pond, or suitable land to prevent localised flooding and sedimentation of surface water ● Ensure that in stream works are avoided
Construction waste and spoil	Unauthorized or careless storage and disposal of waste can damage property, vegetation, agricultural land, and block natural drainage.	<ul style="list-style-type: none"> ● Ensure that temporary storage of spoil is located away from rivers, streams, and waterways ● Store construction waste securely in containers to prevent uncontrolled disposal ● Ensure that final disposal site of waste and spoil will be in a site approved by the district and provincial authorities
Waste from workers	The construction workforce will generate domestic wastewater & garbage (food wastes, paper, and other solid waste including food-laden wash water) which causes impacts if poorly disposed	<ul style="list-style-type: none"> ● Provide sufficient waste bins at strategic locations and ensure that they are: <ul style="list-style-type: none"> ○ protected from birds and vermin; ○ emptied regularly to prevent overflow; and ○ disposed of in local disposal site as approved by local authorities

Potential impacts and issues	Nature of impacts/issues	Environmental Action /Prevention by Contractor
Erosion impacts	Facility construction may require earthworks which will leave surfaces liable to erosion, especially in heavy rain periods.	<ul style="list-style-type: none"> • Ensure that erosion control includes: <ul style="list-style-type: none"> ○ limiting construction and material handling during periods of rains and high winds; ○ stabilizing all cut slopes, embankments and other erosion-prone working areas while works are going on; and ○ stabilizing all earthwork disturbance areas within 30 days after completion of earthworks.
Community health and safety	Construction work poses safety hazards and threats to nearby residents and passers-by, including staff, patients and guests of adjacent hospitals. Excavations, loss of access and movements of large machinery and vehicles all potentially impact on existing utilities, community safety and day-to-day operation of existing/adjacent hospitals.	<ul style="list-style-type: none"> • Ensure that community health and safety will be safeguarded by: <ul style="list-style-type: none"> ○ planning construction activities to minimize disturbances to residents, passers-by, and utilities; ○ planning temporary land occupation well ahead of construction to minimize its impact and after consultation with the affected community; ○ reinstating land to its original condition after construction; and ○ implementing safety measures around the construction sites to protect the public, including warning signs to alert the public to potential safety hazards, barriers to prevent public access to construction sites, and a watch person, where necessary. ○ Developing and implementing COVID-19 risk management protocol in accordance with Philippine national requirements and international good practice as may be updated from time to time. ^a
Road safety (through movement of vehicle and equipment for construction)	Increased motorised vehicle movement including heavy goods vehicles to and from the site during construction may increase road safety risks for residents and passers-by.	<ul style="list-style-type: none"> • Ensure that drivers of all vehicles strictly follow road rules and maintain good road safety standards • Properly supervise deliveries of construction materials to the site by heavy good vehicles using banksmen/traffic marshals
Occupational health and Safety	Workers are subject to safety hazards while operating and/or moving around machinery, as well as dust and noise impacts from extended exposures at the work site.	<p>Ensure that:</p> <ul style="list-style-type: none"> • All reasonable steps are taken to protect any person on the site from health and safety risks • Construction sites are safe and healthy workplaces • Only certified and tested machineries and equipment is used • Adequate training or instruction for occupational health and safety is provided • Adequate supervision of safe work systems is implemented • Means of access to and exit from the site are without risk to health and safety • A first aid kit will be available on each construction site • All staff members are responsible for first aid and aware of local health care facilities • COVID-19 risk management protocol is developed and implemented in accordance with Philippine national requirements and international good practice as may be updated from time to time. ^a
Human health and environmental pollution – Site Hand Over	Hazardous waste materials, unprotected latrines and organic waste remaining after construction will pose	<ul style="list-style-type: none"> • Remove all unused or discarded construction materials from the site before hand-over • Landscape surroundings to reinstate original site conditions • Remove all temporary dwellings, cook houses, and latrines upon completion of the construction; clean the site.

Potential impacts and issues	Nature of impacts/Issues	Environmental Action /Prevention by Contractor
	a risk to human health and safety.	
Construction completion	Facility does not conform to approved plans and specifications; Improper site clean-up and restoration	<ul style="list-style-type: none"> • Secure a Fire Safety Inspection Certificate from the city/municipal Fire Marshal • Secure an Occupancy Permit from the local government • Submit a completion report together with as-built drawings to DOH hospital during turn-over • Ensure proper restoration of disturbed areas and clean-up of site

COCP = Code of Construction Practice, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ECC = environment compliance certificate, EHS = environment, health and sanitation, EMB = Environmental Management Bureau, GRM = grievance redress mechanism, HFSRB = Health Facilities and Services Regulatory Bureau, PEISS = Philippine Environmental Impact Statement System, PMT = project management team, PTC = Permit to Construct, RA = Republic Act.

^a World Health Organization. 2020. [Considerations for public health and social measures in the workplace in the context of COVID-19](#). Geneva; Government of the United Kingdom. 2020. [Working safely during COVID-19 in construction and other outdoor work. Guidance for employers, employees and the self-employed](#). London; and Canadian Construction Association. 2020. [COVID 19 - Standardized Protocols for All Canadian Construction Sites. Version 4 April 16 2020](#). Ontario.

Source: Asian Development Bank.

ANNEX 1: CONTRACTOR'S ENVIRONMENT, HEALTH AND SANITATION PROGRESS MONITORING REPORT

Contract (Insert Contract ref/number)
Completed by (Insert name of Contractor's Environmental Health and Safety Officer)
Company name (Insert name of Company)

Reporting Frequency: Quarterly

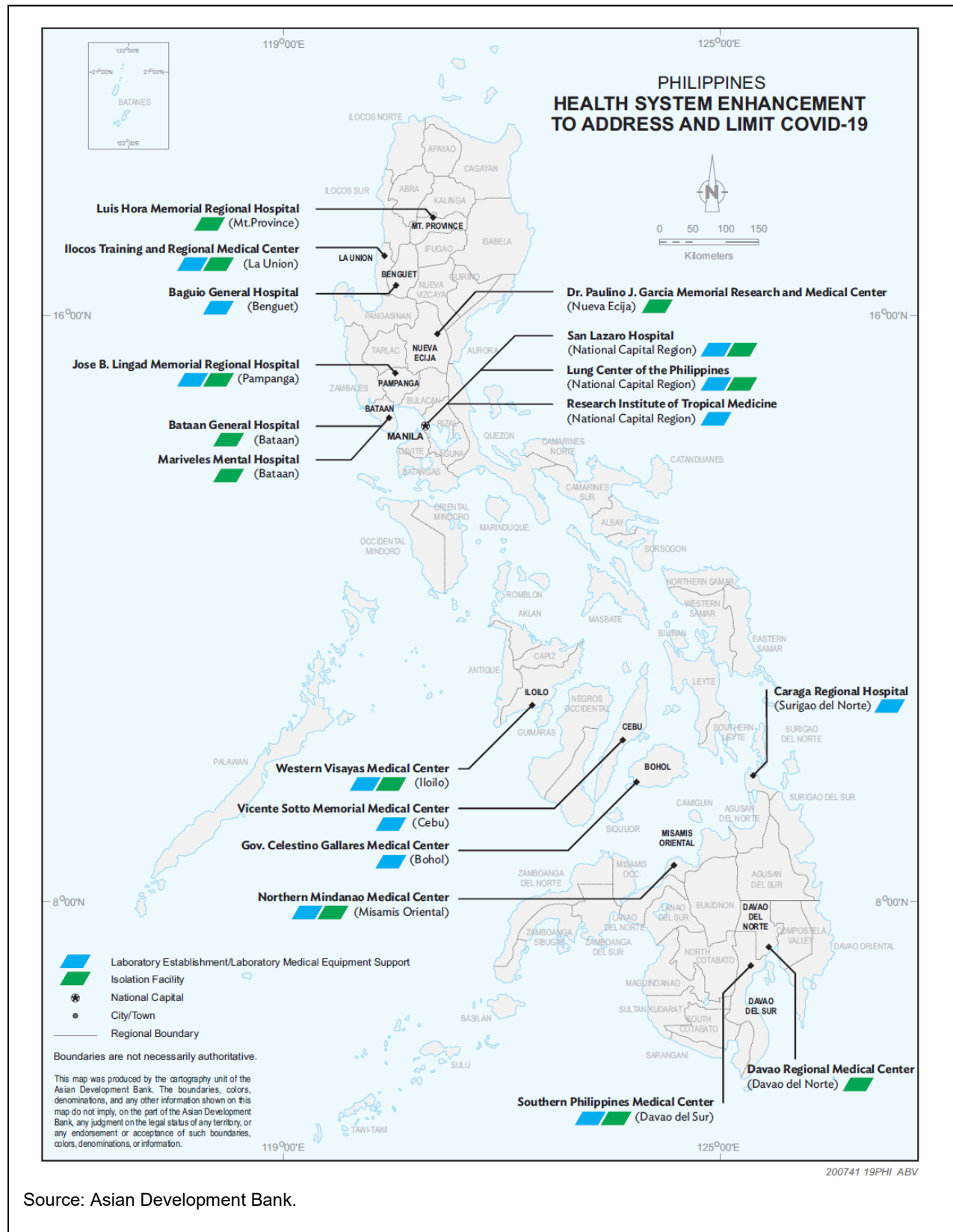
Date of this report	DD-MM-YY	Reporting Period	MM/YY – MM/YY
Permits and licenses secured (e.g. ECC, construction permits, licenses)	<ul style="list-style-type: none"> • Xxx • Xxx • Xxx • xxx 		
Key construction activities since last report			
Planned construction activities in next reporting period			

Progress with EHS Activities this month	
Recruitment of construction workers Compliance with labor laws and regulations	<ul style="list-style-type: none"> • Total number of construction workers as of DD-MM-YY: Xxx women, xxx men; xxx% unskilled labor • Number of new recruitments in reporting period: xxx women, xxx men • We confirm the following: <ul style="list-style-type: none"> <input type="checkbox"/> Adherence to the International Labor Organization (ILO) Co Labor Standards <input type="checkbox"/> Compliance with Labor Code of the Philippines (PD 442) <input type="checkbox"/> Compliance to Republic Act 6685
Trainings Undertaken – all training related to EHS	EHS Training Provided: (type, date) Nos. Participants: xxx women, xxx men Who provided the training:
Personal Protective Equipment	New construction PPEs issued this month: Number of incidents of workers not wearing adequate construction PPE:
Emergency Response	
Use of site accident Book	Accidents reported: Description and Actions taken: Outcome:
Spillages	Number of spills: Description and Actions taken: Impact of spill:
Other incidents	Number of incidents: Description and Actions taken: Impact of incident:
Concerns and Complaints	

	Number of complaints: Action taken for each complaint: Outstanding complaints:
Describe COCP Compliance Issues, Problems or Other issues PMT should be aware of	

Prepared by: _____ (Contractor)	Verified by: _____ (authorized DOH Hospital Staff)
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ANNEX 2: LOCATION OF SELECTED DEPARTMENT OF HEALTH HOSPITALS



Source: Asian Development Bank.

GENDER ACTION PLAN

Activities	Indicators / Targets	Responsibilities	Timeframe	
Output 1: Disease surveillance and diagnostic capacity upgraded				
1.1 Disease surveillance and diagnostic facilities incorporate the collection of sex disaggregated data into their routine activities and conduct the periodic gender analysis of data collected.	1.1.1	Of the 50,000 or more COVID-19 tests conducted per day by 31 December 2020, disaggregated data is collected by sex, age and pre-existing medical condition for cross-comparison with broader Department of Health data. (DMF 1b)	Department of Health, Philippine Health Insurance Corporation	Q3 2020–Q1 2023
	1.1.2	By 2022, at least 75% of staff (50% or more female) in each project-supported laboratory meet the National Laboratory Biosafety Competency Requirements, disaggregated by sex (Baseline as of July 2020: TBD). (DMF 1c)		
	1.1.3	Quarterly gender analysis of COVID-19 Department of Health response undertaken.		
Output 2: Infection prevention and control measures expanded				
2.1 Strengthened support to healthcare workers (75% of whom are women).	2.1.1	By May 2021, healthcare workers in the project-supported hospitals record at least a 90% utilization rate of PPE, where at least 75% of female staff reported receipt of appropriate sized PPE, ^a disaggregated by sex of healthcare worker (Baseline as of July 2020: TBD). (DMF 2a)	Department of Health	Q4 2020–Q2 2021
	2.1.2	By December 2020, the share of health workers infected with COVID-19 decreases to less than 5%, disaggregated by sex, age, access to PPE, pre-existing/higher-risk health conditions (Baseline as of 20 July 2020: 8.9%). (DMF 2c)		Q2–Q4 2020
2.2. Capacities of health-care workers to prevent and control intra-hospital infection transmission on women and children are strengthened.	2.2.1.	Develop hospital guidelines or protocols to prevent intra-hospital transmission of infection to pregnant women and to children as part of COVID-19 safety measures.	Department of Health	Q1 2021
	2.2.2	By June 2023, at least 75% of healthcare workers in obstetrics, pediatrics, and emergency departments of supported hospitals reported increased awareness and knowledge on maternal and child health guidelines during public health outbreaks. (Baseline 2020: TBD) (DMF 2d)		Q3 2021–Q2 2023
	2.2.3	Develop and deliver training for 2.2.1.		Q2–Q4 2021
2.3. Hospital facilities are retrofitted/ renovated to ensure responsiveness to gender needs.	2.3.1	By May 2022, increased capacity of isolation wards to accommodate at least 100 patients, with gender-responsive design features, ^b disaggregated by sex and age (Baseline July 2020: TBD). (DMF 2b)	Department of Health	Q4 2021–Q2 2022
Output 3: Treatment capacity for COVID-19 scaled-up				
3.1 Increased capacity of healthcare workers in supported hospitals to provide gender-responsive	3.1.1	Develop at least three training modules on gender-responsive Interpersonal Communication and Counselling with Emotional Quotient. ^c	Department of Health	Q1 2021
	3.1.2	Develop and conduct pilot training for 3.1.1 is via the project-supported hospitals with at least 80% staff participation, of which 50% are female.		Q2–Q3 2021

Activities	Indicators / Targets	Responsibilities	Timeframe
and social-inclusive healthcare through the development of protocols and training. ^d including detection of GBV victims	3.1.3 Develop two official orders and/or issuances that have clear and explicit gender dimensions, ^e including diversity, and social inclusion in the following identified priority areas: a. integration of Special Power of Attorney documents within hospital admission registration procedures, for transferring legal authority for care-related decision-making from the patient to whomever they identify (including consideration to non-traditional family structures, adults without immediate family present and/or adults who choose not to have their parents fulfill this role); and b. protocols for addressing pregnant women who are confirmed positive with COVID-19 including protocols for birthing facilities with confirmed COVID-19 cases where inadequate resources limit the access of both men and women to emergency services like ambulances.		Q1–Q3 2021
	3.1.4 Develop and deliver training and awareness raising program for 3.1.3 to the project-supported hospitals on the 2 official orders and/or issuances with at least 75% participation of frontline healthcare workers, of which 50% should be female.		Q2–Q4 2021
	3.1.5 By June 2023, at least 75% of emergency, admissions, and intensive care unit healthcare workers have increased capacity to deliver psycho-social support to patients and their families during public health outbreaks, including pregnant women and disadvantaged people. ^f (Baseline 2020: 0). (DMF 3b)	Department of Health, Department of Social Welfare and Development, POPCOM	Q3–Q2 2023
	3.1.6. Develop hospital guidelines or protocols on how to detect and assist victims of GBV.	Department of Health	Q1 2021
	3.1.7 By June 2023, develop and deliver training for 3.1.6, resulting to at least 75% of healthcare workers in the emergency departments of supported hospitals reporting increased knowledge and awareness on how to detect and support victims of GBV (Baseline 2020: TBD). (DMF 3c)		Q2–Q2 2023
4. Project Management and Gender-Specific Activities:			
4.1 A gender/gender and social specialist is engaged as part of the technical support unit for implementation at inception for a duration of 12 months to support GAP implementation.			
4.2 Project reports include details on progress against the GAP (including good practices, lessons learned, etc.)			
4.3 Collection of sex-disaggregated and gender-related information relevant to the DMF and GAP are integrated in the overall project performance monitoring system.			

COVID-19 = coronavirus disease, DMF = design and monitoring framework, GAP = gender action plan, GBV = gender-based violence, POPCOM = Commission on Population and Development, PPE = personal protective equipment, Q = quarter, TBD = to be determined.

^a Appropriate size of PPE and personal hygienic products for male and female health workers.

^b In this instance, gender-responsive design features would include breastfeeding rooms, family spaces, separate toilet and shower facilities, etc.

^c This responds to a Department of Health commitment as expressed in the Gender and Development Strategy Plan 2020-2025, number 7.

^d Training would respond to the current learning environment and focus on e-learning modules.

^e This responds to a Department of Health commitment as expressed in the National Gender and Development Strategic Plan for Health 2020-2025, number 10.

^f In this instance, "disadvantaged" refers to vulnerable persons or groups who are mostly living in poverty and have little or no access to land and other resources, basic social and economic services such as health care, education, water and sanitation, employment and livelihood opportunities, housing, social security, physical infrastructure, and the justice system. Government of the Philippines. 2009. *Republic Act 9710: An Act Providing for the Magna Carta of Women*. Manila. Section 4d.

Source: Asian Development Bank.

OUTLINE OF QUARTERLY PROGRESS REPORT

Section A: Implementation Progress

1. General data on progress in implementation
2. Problem/s encountered and resolved
3. Other pending issues
4. Other information or data relevant to the project
5. Code of Construction Practice (COCP) and Gender Action Plan implementation progress, Safeguards compliance
6. Risk mitigation action plan implementation progress
7. Updated project implementation progress against design monitoring framework targets

Section B: Procurement Information (this can be deleted if contract with a procurement agent is confirmed)

Section C: Financial Information

1. Disbursement Status
2. Advance account status (if applicable)
3. Contracts payments
4. Status of Audits
5. Status of Financial Management Action Plan implementation
6. Other financial management issues

Section D: Other Information

1. Major/minor change in scope:
 - (a) Cost escalation
 - (b) Revision in cost category
 - (c) Change in implementation arrangement/s
2. Major Activities planned for the quarter.

Attachment:

1. Project Performance Review (PPR): The quarterly progress will be completed with an updated PPR spreadsheet comprising (i) updated project implementation plan, (ii) contract awards and disbursement graphs and (iii) contract awards and disbursement plan.
2. Stakeholder communication strategy: at inception, the Government and ADB will agree on a strategy and action plan to disseminate information on the project's objectives, outcomes, and outputs. The quarterly progress reports will provide information on the project's progress towards the project's outcome and outputs.
3. COCP implementation checklists, using the format defined in Appendix 1 of the COCP.

SOCIAL DUE DILIGENCE REPORT

I. INTRODUCTION AND PROJECT BACKGROUND

1. This is a social due diligence report, prepared for the proposed project, Health System Enhancement to Address and Limit COVID-19 (HEAL). The proposed HEAL will assist the Philippines health sector to scale up the coronavirus disease (COVID-19) response. HEAL will support the provision of medical equipment and supplies to health facilities. It will also establish pandemic subnational reference laboratories and isolation wards for COVID-19 that will subsequently prepare the health system for the next public health threat. HEAL comprises three outputs: (i) disease surveillance and diagnostic capacity rapidly upgraded; (ii) infection prevention and control measures expeditiously expanded; and (iii) treatment capacity of COVID-19 speedily scaled up. The outcome of HEAL is capacity of the Department of Health (DOH) to detect, contain, and treat COVID-19 cases strengthened.¹

2. **Output 1: Disease surveillance and diagnostic capacity upgraded.** HEAL will (i) increase the testing capacity of at least 10 government molecular laboratories² by providing testing kits, chemicals, reagents, personal protective equipment, and consumables for COVID-19 testing, and patient transport vehicles to deliver specimens to molecular laboratories; (ii) build and equip two biosafety level (BSL)-2 laboratories, and upgrade equipment of one BSL-3 laboratory and nine other BSL-2 laboratories; (iii) install computed tomography scan machines in 33 hospitals to improve the clinical diagnosis of COVID-19 cases; and (iv) train laboratory technicians on the use of medical equipment and the management of test results data (disaggregated by sex, age, and pre-existing medical conditions) at supported laboratories.

3. **Output 2: Infection prevention and control measures expanded.** HEAL will provide personal protective equipment for frontline health workers and laboratory technicians to selected DOH hospitals, local government unit hospitals, and national and local government isolation facilities. It will support the renovation and/or construction of negative pressure isolation wards in 12 DOH hospitals (including 7 hospitals supported under Output 1).³ These isolation wards will have equipment to monitor heart rate, blood pressure, respiratory rate, temperature, oxygen saturation level, and other vital signs, as well as hazardous waste treatment facilities. HEAL will also strengthen the infection prevention capacity of health workers in obstetrics, pediatric, and emergency departments through training and communication activities, with the aim of controlling vector transmission for maternal and child health service delivery during public health outbreaks.⁴

4. **Output 3: Treatment capacity of COVID-19 scaled up.** HEAL will provide 90 ventilators—and training for respiratory technicians and staff to operate them—to 70 DOH hospitals and 20 island local government unit hospitals (including the hospitals under outputs 1 and 2). It will also provide hospitals under outputs 1 and 2 with associated critical care equipment,

¹ The design and monitoring framework is in Appendix 1.

² The proposed DOH laboratories are Baguio General Hospital, Caraga Regional Hospital, Governor Celestino Gallares Medical Center, Ilocos Training & Regional Medical Center, Jose B. Lingad Memorial Regional Hospital, Lung Center of the Philippines, Northern Mindanao Medical Center, Research Institute for Tropical Medicine, San Lazaro Hospital, Southern Philippines Medical Center, Vicente Sotto Memorial Medical Center, and West Visayas Medical Center.

³ The proposed hospitals are: Bataan General Hospital, Davao Regional Medical Center, Dr. Paulino J. Garcia Memorial Research and Medical Center, Ilocos Training & Regional Medical Center, Jose B. Lingad Memorial Regional Hospital, Luis Hora Memorial Regional Hospital, Lung Center of the Philippines, Mariveles Mental Hospital, Northern Mindanao Medical Center, San Lazaro Hospital, Southern Philippines Medical Center, and Western Visayas Medical Center.

⁴ The activities will be financed by the proposed HEAL as well as on-going technical assistance. ADB. 2018. *Technical Assistance to the Philippines for Strengthening Social Protection Reforms*. Manila.

including electrocardiography machines, defibrillators, and a critical care monitoring system. The HEAL will train technicians and other staff on operation and maintenance to ensure the sustainability of the ventilators and other critical care equipment. Through training, HEAL will also increase the capacity of healthcare workers in detecting and preventing domestic gender-based violence and for providing psycho-social support to patients and families, including pregnant and vulnerable women affected by COVID-19.

5. HEAL has been screened and categorized as C⁵ for both involuntary resettlement and indigenous peoples per the Asian Development (ADB) Safeguard Policy Statement (2009), as the proposed civil works are minor and will all take place within existing hospital compounds without requiring any land acquisition or without having any impact on IR and IP. This due diligence is prepared to ensure that there is no impact on IR and IP and to recommend that no subprojects having any involuntary resettlement or indigenous peoples impacts (category A and Category B) will be taken up in the future under the ADB funding.

II. SCOPE OF THE DUE DILIGENCE AND SUBPROJECTS/HOSPITALS

6. HEAL has various components having physical and non-physical items. The scope covered under the due diligence is only for the physical components which is for proposed 12 DOH hospitals covered under output-2 of the projects that involve civil work construction. The due diligence report has been prepared in due consultation with the executing agency and especially with the hospital authority and collecting necessary data. The subprojects/hospitals covered under the due diligence report are below, and the location map is provided in Annex 2 of the Code of Construction Practice:⁶

- (i) Luis Hora Memorial Regional Hospital, Mountain Province
- (ii) Bataan General Hospital (only tertiary hospital in Bataan), Bataan
- (iii) Dr. Paulino J. Garcia Memorial Research and Medical Center, Cabanatuan City
- (iv) Jose B Lingad Memorial Regional Hospital, San Fernando, Pampanga
- (v) Mariveles Mental Hospital, Bataan
- (vi) Davao Regional Medical Center, Davao del Norte
- (vii) Southern Philippines Medical Center, Davao City
- (viii) Lung Center of the Philippines, Quezon City
- (ix) San Lazaro Hospital, Manila
- (x) Ilocos Training and Regional Medical Center, La Union
- (xi) Northern Mindanao Medical Center, Cagayan de Oro City
- (xii) Western Visayas Medical Center, Iloilo City

III. FINDINGS OF THE DUE DILIGENCE

7. No site clearance, land acquisition, or resettlement is required for minor civil works. The construction of new building expansions is expected in 9 sites. The rehabilitation or refurbishment of existing facilities to accommodate the new isolation facilities is required in 3 sites.

8. HEAL is classified as category C for involuntary resettlement impacts. As it will primarily support the procurement of healthcare and laboratory equipment to strengthen COVID-19 response capacities of participating hospitals and installation of new isolation facilities in DOH hospitals with minor civil works on existing hospital compounds that will not require any land acquisition. All hospitals have sufficient space available within the existing boundaries and

⁵ A proposed project is classified as category C if it has no involuntary resettlement impacts. A proposed project is classified as category C if it is not expected to have impacts on Indigenous Peoples

⁶ The Code of Construction Practice is in Appendix 4 of this manual.

compounds to accommodate minor civil works. DOH, as the executing agency, will be responsible to ensure that all the minor civil works are carried out within the existing hospital premises. The construction will be done within the existing premises of existing facilities without requiring any additional land. It is existing and available and not used by any informal settlers. No impact on indigenous people is envisaged.

9. HEAL is classified as category C for indigenous peoples impacts. It will not require any land acquisition or lead to any resettlement impacts, therefore, no impacts on indigenous communities is envisaged. HEAL is not envisaged to have any direct or indirect impacts on the dignity, human rights, livelihood systems, or culture of indigenous peoples or the territories or natural or cultural resources that indigenous peoples own, use, occupy, or claim as an ancestral domain or asset. The indigenous people's communities will not be specifically targeted; therefore, no direct or indirect impacts are envisaged.

10. Impacts on land acquisition, involuntary resettlement and indigenous peoples of each subprojects/hospitals are detailed in the table below.

Summary Findings on Involuntary Resettlement and Indigenous Peoples Due Diligence on Each Subproject

#	Subproject/ Hospital	Project Components	Land Availability and Current Status	Land Ownership	Impact on IR	Impact on IP	Remarks
Cordillera Administrative Region							
1	Luis Hora Memorial Regional Hospital Mountain Province	The construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	57,942 sqm compound which includes 1.0 ha for rehabilitation facility is in the process of being transferred from the DENR to the hospital. There is still 19,585 sqm is open land for future development, within the 57,942 sqm compound.	The land is owned by the government, the Department of Environment and Natural Resources (DENR). The land ownership is being transferred (57,942 sqm) from the DENR to the hospital. Both are government agencies. There is no private land involved.	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available land is not used by any informal settlers. No impact on IP is envisaged.
Central Luzon (Region III)							
2	Bataan General Hospital (only tertiary hospital in Bataan) Bataan	The construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Within existing compound (1.2 ha) 726 sqm area available for the isolation building.	DOH	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
3	Dr. Paulino J. Garcia Memorial Research and Medical Center Cabanatuan City	The construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Outside of existing compound (parking lot of hospital with area of 415 sqm)	Parking lot is owned by hospital	Nil	Nil	The construction will be done within the parking lot outside of the compound. The land belongs to the hospital and is available. Parking lot is not used by any informal settlers. The land will be made available by the hospital for the project facilities. No impact on IP is envisaged.

#	Subproject/ Hospital	Project Components	Land Availability and Current Status	Land Ownership	Impact on IR	Impact on IP	Remarks
4	Jose B Lingad Memorial Regional Hospital San Fernando, Pampanga	The construction of BSL 2 laboratory facilities with equipment The construction of a new isolation building with at least two negative pressure rooms and three non- negative isolation rooms, with support facilities and equipment HW treatment equipment	Within existing compound Minor (construction /renovation confined within existing building)	Provincial Government	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
5	Mariveles Mental Hospital Bataan	The construction of a new isolation building with at least two negative pressure rooms and three non- negative isolation rooms, with support facilities and equipment HW treatment equipment	Within the existing compound (3.4 ha). 200–400 sqm area available on the southern part of the compound for the isolation building. Dr. Evangelista said that they can either convert the general wards to isolation rooms or build new isolation building.	Mariveles Mental Hospital	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
Southern Mindanao (Region XI)							
6	Davao Regional Medical Center Davao del Norte	The construction of a new isolation building with at least two negative pressure rooms and three non- negative isolation rooms, with support facilities and equipment HW treatment equipment	Within hospital compound with total land area of 67,954 sqm; available land to be occupied by new building is 759 sqm	Davao Regional Medical Center	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
7	Southern Philippines Medical Center Davao City	The construction of a new isolation building with at least two negative pressure	Within hospital compound with total land area of 113,512 sqm; available land to	Southern Philippines Medical Center	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land.

#	Subproject/ Hospital	Project Components	Land Availability and Current Status	Land Ownership	Impact on IR	Impact on IP	Remarks
		rooms and three non-negative isolation rooms, with support facilities and equipment BSL 2 laboratory equipment HW treatment equipment	be occupied by new building is 4,445 sqm				The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
National Capital Region							
8	Lung Center of the Philippines Quezon City	The construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment BSL 2 laboratory equipment HW treatment equipment	Within existing compound	DOH	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
9	San Lazaro Hospital Manila	The construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Within existing compound (300 sqm available but require demolition of a 1-storey linen building)	DOH	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
Ilocos Region (Region I)							
10	Ilocos Training and Regional Medical Center La Union	The construction of BSL 2 laboratory facilities with equipment; construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with	Within hospital compound	Ilocos Training and Regional Medical Center	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.

#	Subproject/ Hospital	Project Components	Land Availability and Current Status	Land Ownership	Impact on IR	Impact on IP	Remarks
		support facilities and equipment HW treatment equipment					
Northern Mindanao (Region X)							
11	Northern Mindanao Medical Center Cagayan de Oro City	The construction of a new isolation building with at least two negative pressure rooms and three non- negative isolation rooms, with support facilities and equipment HW treatment equipment	Within hospital compound	Northern Mindanao Medical Center	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.
Western Visayas Region (VI)							
12	Western Visayas Medical Center Iloilo City	The construction of BSL 2 laboratory facilities with equipment; the construction of a new isolation building with at least two negative pressure rooms and three non-negative isolation rooms, with support facilities and equipment HW treatment equipment	Within hospital compound with total land area of 35,576 sqm	Western Visayas Medical Center	Nil	Nil	The construction will be done within the existing premises of existing facilities without requiring any additional land. The existing and available and is not used by any informal settlers. No impact on IP is envisaged.

BSL = biosafety level, DENR = Department of Environment and Natural Resources, DOH = Department of Health, ha = hectare, HW = hospital waste, IP = indigenous peoples, IR = involuntary resettlement, sqm = square meter.

Source: Asian Development Bank.

IV. INSTITUTIONAL ARRANGEMENTS

11. DOH will be the executing and implementing agency. The 12 subnational hospitals will provide adequate space and qualified health human resources who will operate the medical equipment and utilize the newly constructed laboratories and isolation wards and rooms. DOH will set up a project management team (PMT) to oversee day-to-day operations, monitor implementation, and regularly report to DOH management and ADB. The PMT will also include a representative from the Philippine Health Insurance Corporation to ensure that policies and activities are well-coordinated between DOH and Philippine Health Insurance Corporation. Given the urgency of the required support and the government's constrained human resources, ADB and DOH are discussing the engagement of a procurement agent to take full responsibility for the sourcing and delivery of medical goods and related services, including signing related contracts. A central technical support unit comprising individual consultants (health specialist, architect, engineers, safeguards specialist, gender expert, financial management specialist, and procurement specialist), to be financed under the loan, will support DOH in managing all activities of HEAL including procurement, financial management, safeguards, contract administration and other monitoring activities. ADB will provide additional support through its staff resources to supplement the technical support unit's oversight.

V. CONCLUSIONS AND RECOMMENDATIONS

12. DOH, as the executing agency, will be responsible to ensure that no hospitals will be selected for purposes of civil works if it entails land acquisition or causes any involuntary resettlement impacts and indigenous peoples impacts. Therefore, no category 'A' or category 'B' (in accordance with ADB's Safeguard Policy Statement 2009) involuntary resettlement and indigenous peoples impacts components will be selected for ADB financing. DOH and PMT will hold continuous consultations with the concerned stakeholders during the project implementation. Each contractor will be required to monitor and submit quarterly progress reports on the status of construction to DOH and PMT on behalf of the concerned hospitals. DOH, as the executing agency, will be responsible to ensure, through the submission of monitoring report/progress report, that all the minor civil works are carried out within the existing hospital premises and no project activities lead to any impact on involuntary resettlement and indigenous peoples. DOH will submit periodic progress reports to ADB for approval and disclosure purposes.