Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 06-Apr-2022 | Report No: PIDA33523

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BASIC INFORMATION

A. Basic Project Data

| Country El Salvador | Project ID P178315 | Project Name Second AF El Salvador COVID-19 Emergency Response Project | Parent Project ID (if any) P173872 |
|---|---|--|--|
| Parent Project Name El Salvador COVID-19 Emergency Response Project | Region LATIN AMERICA AND CARIBBEAN | Estimated Appraisal Date 07-Apr-2022 | Estimated Board Date 28-Apr-2022 |
| Practice Area (Lead) Health, Nutrition & Population | Financing Instrument Investment Project Financing | Borrower(s) Republic of El Salvador | Implementing Agency Ministry of Health |

Proposed Development Objective(s) Parent

To respond to and mitigate the threat posed by COVID-19 and strengthen the national system for public health preparedness in El Salvador.

Components

Component 1: Emergency COVID-19 response to prevention, detection and treatment

Component 2. Project Management and Monitoring

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

| Total Project Cost | 100.00 |
|--------------------|--------|
| Total Financing | 100.00 |
| of which IBRD/IDA | 100.00 |
| Financing Gap | 0.00 |

DETAILS

World Bank Group Financing

| International Bank for Reconstruction and Development (IBRD) | 100.00 |
|--|--------|
|--|--------|

Environmental and Social Risk Classification

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Substantial

B. Introduction and Context

Country Context

1. The Coronavirus Disease 2019 (COVID-19) pandemic has further impacted the slow economic recovery and growth in El Salvador. El Salvador entered the COVID-19 crisis with a fragile fiscal situation due to structural fiscal problems that predated the pandemic. On March 11, 2020, El Salvador declared a national emergency and enacted a country-wide quarantine after the World Health Organization (WHO's) declaration of the COVID-19 pandemic. On March 18, 2020, after confirmation of the first case in the country, the Government of El Salvador (GoES) announced steps to limit the economic impact for both households and businesses that would be affected by the outbreak. The COVID-19 pandemic together with the GoES's response to contain the pandemic severely impacted fiscal sustainability, with fiscal deficit and public debt estimated to have reached near 10 and 90 percent of GDP by the end of 2020. GDP is estimated to have receded by 7.9 percent in 2020 and is expected to return to pre-pandemic levels in late 2022. The fiscal response to the COVID-19 crisis was the most generous in the region – spending near 15 percent of GDP, mostly financed by debt.

Sectoral and Institutional Context

- 2. Among the countries in Central America, El Salvador was the quickest in adopting containment measures against COVID-19. After the implementation of national social distancing measures, the Ministry of Health (MINSAL) activated a plan to respond to the epidemic. MINSAL started by strengthening epidemiological surveillance at all the country's entry points (land, air, and sea). The GoES took measures to protect the population and abide by internationally established security protocols in situations of risk. Controls at the airport were established and permanent surveillance was intensified at entry points into the country, including rapid response teams with trained personnel to conduct screenings, and establish prevention and control measures. Because of these stringent measures to contain the pandemic early, combined with the high rates of vaccination, El Salvador has weathered the pandemic better than other countries in the region. As of March 12, 2022, there were 0.024 cumulative cases per person in El Salvador, compared to the world average of 0.058 and South American average of 0.127. In terms of deaths, which is arguably a more reliable estimate, there were 0.63 deaths per thousand people in El Salvador compared to 0.77 globally and 2.92 in South America.²
- 3. **El Salvador has made significant progress in vaccinating its population against COVID-19, as of March 14, 2022, the Government had fully vaccinated 65.7 percent of the population free of charge.** The GoES had set an initial target of vaccinating 4.5 million people (69 percent of the population), starting with frontline health workers, and successively incorporating other priority groups. The targets were revised on September 22, 2021, to include children above 6 years of age and other eligible populations³ for a total of almost 5.9 million people (approximately 91 percent of the population). Following new medical guidelines, the third dose or the booster

¹ World Bank estimates based on GDP data from the Central Bank of El Salvador.

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² Data from Our World in Data. No information available for the aggregate of Latin or Central America. Available at: https://ourworldindata.org/coronavirus.

³ For example, pregnant women with more than 16 weeks of gestation were included following revised international medical guidelines.

shot was authorized on September 27, 2021. As of March 14, 2022, approximately 70.3 percent of the population has received at least one dose and almost 22.2 percent of the population has received a booster dose.⁴

4. Given the need to limit the spread of COVID-19 for both health and economic recovery, providing access to COVID-19 vaccines is critical to accelerate economic and social improvement. Estimates from the WBG's Global Economic Prospects as of June 2020 suggested that countries could lose approximately US\$43 billion per month in economic activity throughout 2021 under a downside scenario. While the global economy was expected to expand by 5.6 percent in 2021, continued COVID-19 flare-ups, supply-chain bottlenecks and high inflation has impeded growth. In addition to their immediate effects, income losses, disruptions in health services, and school closures are likely to generate long-term negative impacts resulting in loss of human capital. Recent simulations suggest, for example, that school closures caused by COVID-19 translated into a loss of five percent of the human capital of the current school-age children cohort. This loss is of the same order of magnitude as the average global improvement in human capital of the past decade. Although projections vary and entail significant uncertainty, the benefits of a vaccine that enables economic recovery would be high. Furthermore, vaccinations have significant health and economic externalities, and their full social value is usually not reflected in vaccine market prices.

C. Proposed Development Objective(s)

Original PDO

To respond to and mitigate the threat posed by COVID-19 and strengthen the national system for public health preparedness in El Salvador.

Current PDO

To respond to and mitigate the threat posed by COVID-19 and strengthen the national system for public health preparedness in El Salvador.

Key Results

- Suspected cases of COVID-19 reported and investigated based on national guidelines (Number).
- Intensive Care Units (ICU) beds in prioritized ICUs that are fully equipped and operational (Percentage).
- Priority populations vaccinated, based on the targets defined by El Salvador's National COVID-19
 Vaccination Plan (Percentage) (disaggregated by gender).

D. Project Description

5. The purpose of the proposed Second Additional Financing (AF2) is to help the GoES purchase and deploy COVID-19 vaccines and to strengthen relevant health systems that are necessary for a successful deployment and prepare for the future. The proposed AF2 will scale-up of project activities to finance the procurement and

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⁴ Available at: https://covid19.gob.sv/

⁵ WBG, Global Economic Prospects, June 2020; World Bank staff calculations with WDI data.

⁶ World Bank (2020). The Human Capital Index 2020 Update: Human Capital in the Time of COVID-19, Washington, D.C.

deployment of vaccines and strengthen the health sector's capacity to respond to the pandemic. World Bank financing for the COVID-19 vaccines and deployment will follow World Bank vaccine purchase standards. The GoES has confirmed that vaccination against COVID-19 will be provided at no cost to the entire population.

- 6. **Component 1: Emergency COVID-19 response to prevention, detection, and treatment** This component has two subcomponents as follows:
 - Subcomponent 1.1 Provision of Medicines, Medical Supplies and Equipment: The activities originally planned for this subcomponent will continue to be financed in order to strengthen the provision of care at the hospital level, as outlined in the COVID-19 Master Plan for health care facilities that comprise the COVID-19 health care network. The AF1 expanded the cost and scope of Subcomponent 1.1 to support activities related to the procurement of vaccines, consumables and strengthening the overall structure of the immunization process. The AF2 plans to retroactively finance the procurement of approximately 5 million doses of vaccines that are eligible for Bank financing under the Vaccine Approval Criteria (VAC).
 - Subcomponent 1.2. Preparedness, Capacity Building, Communication and Training Activities: The
 activities under this subcomponent seek to support preparedness and capacity building efforts aimed
 at implementing the GoES's COVID-19 Master Plan, as well as training and communication activities
 directly related to the needs of an effective and efficient vaccine deployment.
- 7. **Component 2. Project Management and Monitoring** This component will finance the required activities and administrative and human resources to manage the Project. These include staffing and training of the Project Management Unit (PMU) and technical consultants, and other operating costs.

| Legal Operational Policies | | |
|---|--------------------------|--|
| | Triggered? | |
| Projects on International Waterways OP 7.50 | | |
| Projects in Disputed Areas OP 7.60 | | |
| Summary of Assessment of Environmental and | Social Risks and Impacts | |
| | | |

8. The Environmental and Social Risk Classification (ESRC) is considered Substantial under the WB's Environmental and Social Framework. Key social and environmental risks remain the same as identified for the First Additional Financing (AF1) and include: (i) environmental and community health related risks from inadequate handling, storage, transportation, and disposal of infected medical waste and expired and used

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^{*} Please note that the Legal Operational Policies (Projects on International Waterways OP 7.50 and Projects in Disputed Areas OP 7.60) are NOT triggered by the AF2.

vaccine vials; (ii) occupational health and safety impacts related to the availability, supply, and appropriate use of PPE; (iii) community health and safety exposure risks in the immediate vicinity of health care facilities and vaccination centers; (iv) pollution and human health and safety risks stemming from cleaning and disinfection products, chlorine, and other hazardous byproducts; (v) exclusion of marginalized and vulnerable social groups from access of vaccines, facilities, and services designed to fight against the disease; (vi) social conflict and risks to human safety caused by a pandemic situation; (vii) Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) risks among patients and health care providers; (viii) inappropriate data protection measures and insufficient/not effective stakeholder communication on the vaccine roll-out strategy; and (ix) risks associated with Adverse Events Following Immunization (AEFI). No new environmental and social risks are expected in addition to those already identified and assessed in the project's Environmental and Social Management Framework (ESMF) which was updated and disclosed in September 2021.

9. The updated ESMF for the AF1 includes provisions for storing, transporting, and disposing of contaminated medical waste in line with international good practice and WHO standards on COVID-19 response on limiting viral contagion in health care facilities. The updated ESMF also considers the potential social risks for the parent project and the AF1, including situations where access to vaccines and their corresponding allocation to priority groups are not adequately communicated or not fairly distributed. The updated ESMF and Stakeholder Engagement Plan (SEP) describe how these risks will be mitigated, including measures to ensure: a (i) robust and coordinated national communication strategy promoting the Project's objectives, including the vaccination roll-out, tailored to various audiences to address issues of access, discrimination, and ethnicity; (ii) continuous education and awareness raising campaigns based on the information included in the National Vaccination Program; (iii) development of materials (radio, infographics, TV broadcasts) in an inclusive and culturally sensitive manner, particularly when discussing the benefits of vaccination; (iv) consult and inform the public of the content in the National Vaccination Program, including the strategies that will be adopted regarding information disclosure, informed consent and measures of transparency; and (v) a grievance redress mechanism that will provide real time feedback.

E. Implementation

Institutional and Implementation Arrangements

10. **The MINSAL** is the implementing agency for the project. The Project Management Unit (PMU), integrated in MINSAL, will be in charge of project-management, while MINSAL's technical directories and units will take ownership and responsibility for their respective activities. The PMU is the same as the one for the parent Project and has a proven track record of on-time execution. The PMU reports to the Minister of Health, and is composed of technical staff, and includes an environmental and a social specialist.

CONTACT POINT

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