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Report No: RES24186

RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
ESSENTIAL HEALTH SERVICES ACCESS PROJECT  
(IDA CREDIT NO. 5542-MM)

(Board Approval Date: October 14, 2014)

TO THE  
THE REPUBLIC OF THE UNION OF MYANMAR

June 14, 2016

Health Nutrition and Population Global Practice  
East Asia and Pacific Region

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## ABBREVIATIONS AND ACRONYMS

CERIP	Contingent Emergency Response Plan
GoM	Government of Myanmar
IDA	International Development Association
IRM	Immediate Response Mechanism
MOALI	Ministry of Agriculture, Livestock and Irrigation
MOPAF	Ministry of Planning and Finance
OAG	Office of the Auditor General of the Union
PDNA	Post-Disaster Needs Assessment
PDO	Project Development Objective
TOR	Terms of Reference
UNOPS	United Nations Office for Project Services

Regional Vice President:	Victoria Kwakwa
Country Director:	Ulrich Zachau
Senior Global Practice Director:	Timothy Grant Evans
Practice Manager/Manager:	Toomas Palu
Task Team Leader:	Hnin Hnin Pyne

**THE REPUBLIC OF THE UNION OF MYANMAR**  
**ESSENTIAL HEALTH SERVICES ACCESS PROJECT**

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**DATA SHEET**

*Myanmar*

*Essential Health Services Access Project (P149960)*

*EAST ASIA AND PACIFIC*

*Health, Nutrition & Population*

Report No: RES24186

<b>Basic Information</b>									
Project ID:	P149960	Lending Instrument:	Investment Project Financing						
Regional Vice President:	Victoria Kwakwa	Original EA Category:	Partial Assessment (B)						
Country Director:	Ulrich Zachau	Current EA Category:	Partial Assessment (B)						
Senior Global Practice Director:	Timothy Grant Evans	Original Approval Date:	14-Oct-2014						
Practice Manager/Manager:	Toomas Palu	Current Closing Date:	30-Jun-2019						
Team Leader(s):	Hnin Hnin Pyne								
Borrower:	Republic of the Union of Myanmar								
Responsible Agency:	Ministry of Health,								
<b>Restructuring Type</b>									
Form Type:	Full Restructuring Paper	Decision Authority:	CD Decision						
Restructuring Level:	Level 2	Explanation of Approval Authority:	Reference is made OP 10.00 Para 12 and 13 and OPCS Guidance note on IDA IRM, this is a Level 2 Restructuring.						
<b>Financing ( as of 10-Jul-2015 )</b>									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P149960	IDA-55420	Effective	14-Oct-2014	05-Feb-2015	08-Apr-2015	30-Jun-2019	30-Jun-2019		
Disbursements (in Millions)									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P149960	IDA-55420	Effective	XDR	65.40	65.40	0.00	16.58	48.82	25
<b>Policy Waivers</b>									
Does the project depart from the CAS/CPF in content or in other significant respects?							Yes [ ]	No [ X ]	

Does the project require any policy waiver(s)?	Yes [ ]	No [ X ]
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### A. Summary of Proposed Changes

The purpose of the restructuring is to permit the implementation of the IDA IRM, in line with operational policy. Per IDA IRM Guidance Note, PDO change would still be considered Level II restructuring based on the delegated approval authority for IDA IRM restructuring.

During July to September 2015, Myanmar experienced several disasters (cyclone, floods and landslide). These disasters had a major impact on about 5.2 million people exposing them to heavy floods, strong winds and landslides in the 40 most heavily affected townships. A Post-Disaster Needs Assessment (PDNA), led by the Government of Myanmar and supported by the World Bank Group and other development partners, estimated the total damages and losses of the floods and landslides to be US\$1.5 billion. Of this, US\$615.6 million was attributed to damages and US\$892.9 million to losses. The total effects are the equivalent of 3.1 percent of Myanmar's gross domestic product (GDP) in 2014/2015.

Given the scale of impact and urgent financial needs for post-disaster recovery and reconstruction, the Government of Myanmar (GoM) seeks the activation of the IDA Immediate Response Mechanism (IDA IRM) as part of its broader strategy to meet the recovery and reconstruction needs of its population. The IDA IRM is part of World Bank's support for Myanmar's reconstruction and recovery efforts. The IDA IRM allows countries to access up to 5 percent of the total undisbursed amount of investment lending portfolio in the country. The current undisbursed portfolio in Myanmar is US\$1.276 billion, making the request of US\$32 million part of the available volume. The Contingent Emergency Response Component (CERC) of four projects have been requested by the GoM to be activated with the amounts as shown in the table below. The restructuring is required for the activation of IDA IRM, and it is prepared in accordance to the Contingent Emergency Response Plan (CERIP) and Paragraph 12 and 13 of OP 10.00.

**Table: Overview of Projects with CERC activated for IDA IRM**

Project	Original Credit Amount (US\$)	Proposed reallocation to IDA IRM (US\$)
Essential Health Services Access Project	100,000,000	3,431,000
Ayeyarwady Integrated River Basin Management Project	100,000,000	4,610,000
Agricultural Development Support Project	100,000,000	4,991,000
National Community Driven Development Project	400,000,000	18,944,000
<b>Total</b>	<b>700,000,000</b>	<b>31,976,000</b>

Change in Implementing Agency	Yes [ ] No [ X ]
Change in Project's Development Objectives	Yes [ X ] No [ ]
Change in Results Framework	Yes [ X ] No [ ]
Change in Safeguard Policies Triggered	Yes [ ] No [ X ]
Change of EA category	Yes [ ] No [ X ]
Other Changes to Safeguards	Yes [ ] No [ X ]
Change in Legal Covenants	Yes [ ] No [ X ]

Change in Loan Closing Date(s)	Yes [ ] No [ X ]
Cancellations Proposed	Yes [ ] No [ X ]
Change to Financing Plan	Yes [ ] No [ X ]
Change in Disbursement Arrangements	Yes [ ] No [ X ]
Reallocation between Disbursement Categories	Yes [ X ] No [ ]
Change in Disbursement Estimates	Yes [ ] No [ X ]
Change to Components and Cost	Yes [ X ] No [ ]
Change in Institutional Arrangements	Yes [ ] No [ X ]
Change in Financial Management	Yes [ ] No [ X ]
Change in Procurement	Yes [ ] No [ X ]
Change in Implementation Schedule	Yes [ ] No [ X ]
Other Change(s)	Yes [ ] No [ X ]
Appraisal Summary Change in Economic and Financial Analysis	Yes [ ] No [ X ]
Appraisal Summary Change in Technical Analysis	Yes [ ] No [ X ]
Appraisal Summary Change in Social Analysis	Yes [ ] No [ X ]
Appraisal Summary Change in Environmental Analysis	Yes [ ] No [ X ]
Appraisal Summary Change in Risk Assessment	Yes [ ] No [ X ]

**B. Project Status**

Overall Implementation progress is advancing in the right direction, albeit with some delays.

Component 1: Implementation progress is well, but more could be done to facilitate to ensure efficient and effective use of the health facility grants, by improving communications at all levels and with community, strengthening planning at the facility level and township level, and addressing public financial management constraints.

Public financial management capacity building and mentoring and fund flow of facility grants are proceeding as planned, and utilization at the level below the township are taking place according to Financial Management SOP with the help of a directive/circular from Central to Lower levels. Funds have been channeled from Central level to States/Region and township health departments and then to the public sector’s health facilities at township and below. Basic health staff and managers of facilities at township and lower level appreciate the additional funds to cover their operation costs, in particular travel associated with outreach, household visits, supervision, and community engagement. All townships have received training in financial management and fund flow arrangements in Naypyitaw and have organized subsequent trainings at township level with basic health staff (BHS). The training on participatory township health planning and budgeting, and DLI monitoring and reporting was also carried out for the first batch of 65 townships for their 2016/17 micro-plans.

Department of Public Health (DPH) has channeled the funds to townships according to the formula in November 2015, accompanied by a clear spending instruction letter; Township Health Departments have then given the facility grants, as planned, to Rural Health Centers, Urban Health Centers, Maternal and Child Health Clinics, and School Health programs. Some Township Medical Officers (TMO) or Medical Superintendents (MS), and Financial Clerks, are being very proactive about how they disburse those grants, resulting in timely and flexible disbursement to service providers. Department of Medical Services

(DMS) has channeled the funds to township and station hospitals as part of the routine disbursement process for the national budget. However, there was not an instruction letter to inform the townships about the additional IDA funds and the disbursed amount of operational budget to these hospitals fell short of the agreed allocation formula. TMO/MS of the township hospitals and Station Medical Officers (SMOs) of station hospital mentioned no noticeable difference in the fund flow and operational budget.

Component 2: Implementation progress is uneven. Notable progress has been made in capacity building of basic health staff and township and state/region health departments in financial management, community engagement, and planning. Communications about UHC is also proceeding well, and the skills-building of midwives on basic emergency obstetric care is well on target. In addition, many teams across the Ministry has contributed to the definition and costing of the essential package of health services. The Bank is supporting this process with technical assistance financed by the 3MDG Fund. Furthermore, the mission is pleased to have received the implementation plans for 2016-2017.

Implementation lags are noted, however, in health care waste management activities and training of basic health staff in integrated management of childhood illnesses. In addition, there are some activities which were postponed to Year 2, which included awarding scholarships on health economics and health financing. MOH would need to soon make decision about the courses and establish a selection committee and clear criteria.

**C. Proposed Changes**

The purpose of the restructuring is to permit the implementation of the IDA IRM, in line with operational policy. Per IDA IRM Guidance Note, PDO change would still be considered Level II restructuring based on the delegated approval authority for IDA IRM restructuring. The restructuring proposes the following changes:

- 1. Change in PDO: PDO is revised to include reference to IDA IRM.
- 2. Change in Results Framework: An indicator is added to monitor the implementation of IDA IRM.
- 3. Reallocation between disbursement categories.
- 4. Change in Component and Cost: This is to reflect allocations to Contingent Emergency Response Component.

Details of all the changes are reflected in the following sections.

**Development Objectives/Results**

**Project Development Objectives**

Original PDO

The Project Development Objective (PDO) is to increase coverage of essential health services of adequate quality, with a focus on maternal, newborn and child health (MNCH).

**Change in Project's Development Objectives**

Explanation

The Project's Development Objective (PDO) is revised to reflect the provision of emergency financing under the Immediate Response Mechanism (IRM) per IPF's IDA IRM Guidance Note.

Proposed New PDO

The Project Development Objective (PDO) is to increase coverage of essential health services of adequate

quality, with a focus on maternal, newborn and child health (MNCH), and, in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

### Change in Results Framework

Explanation:

As stated in paragraph 21 of CERIP, an indicator, Goods procured and distributed as outlined in the CERIP, will be added to help monitor the implementation of IDA IRM.

### Financing

#### Reallocations

Explanation:

Reallocation of SDR 2,440,000 from Category (2) to Category (3), as set forth below.

Ln/Cr/TF	Currency	Cat.No.	Current Category of Expenditure	Allocation Current	Actual Disbursements	Pending Commitments	Allocation Proposed	Disbursement % (Type Total)	
								Current	Proposed
IDA-55420-001	XDR	1	EEPs under P1	54,880,000.00	0.00	0.00	54,880,000.00	100.00	100.00
		2	G,NCS,CS(incl audit),TR,WS, OC, P2	10,520,000.00	0.00	0.00	<b>8,080,000.00</b>	100.00	100.00
		3	Emergency Expenditure under P3	0.00	0.00	0.00	<b>2,440,000.00</b>	100.00	100.00
			<b>Total:</b>	<b>65,400,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>65,400,000.00</b>		

### Components

#### Change to Components and Cost

Explanation:

US\$ 3,431,000 is allocated to Component 3 from Component 2 for the purposes set forth in CERIP.

Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Component 1: Strengthening Service Delivery at the Primary Health Care Level		84.00	84.00	No Change
Component 2: Systems Strengthening, Capacity Building, and Project Management Support		16.00	<b>12.57</b>	Revised
Component 3: Contingent Emergency Response		0.00	<b>3.43</b>	Revised
	<b>Total:</b>	<b>100.00</b>	<b>100.00</b>	

## ANNEX 1: RESULTS FRAMEWORK AND MONITORING

Project Name:	Essential Health Services Access Project (P149960)	Project Stage:	Restructuring	Status:	FINAL
Team Leader(s):	Hnin Hnin Pyne	Requesting Unit:	EACTF	Created by:	Hnin Hnin Pyne on 13-Jun-2016
Product Line:	IBRD/IDA	Responsible Unit:	GHN02	Modified by:	Hnin Hnin Pyne on 13-Jun-2016
Country:	Myanmar	Approval FY:	2015		
Region:	EAST ASIA AND PACIFIC	Lending Instrument:	Investment Project Financing		

### Project Development Objectives

Original Project Development Objective:

The Project Development Objective (PDO) is to increase coverage of essential health services of adequate quality, with a focus on maternal, newborn and child health (MNCH).

Proposed Project Development Objective (from Restructuring Paper):

The Project Development Objective (PDO) is to increase coverage of essential health services of adequate quality, with a focus on maternal, newborn and child health (MNCH), and, in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

### Results

Core sector indicators are considered: Yes

Results reporting level: Project Level

### Project Development Objective Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
No Change	Townships in which the township hospital and at least 60% of other Health Facilities have met a minimum readiness level of 14 out of 20 to provide essential MNCH services	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			

No Change	Children under 6 months who are being exclusively breast-fed	<input type="checkbox"/>	Percentage	Value	24.00	24.00	40.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Deliveries which are followed by adequate postnatal care	<input type="checkbox"/>	Percentage	Value	78.00	78.00	85.00
				Date	01-Jun-2014	30-Sep-2015	30-Jun-2019
				Comment			
No Change	Deliveries with skilled birth attendant	<input type="checkbox"/>	Percentage	Value	71.00	76.00	82.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			

#### Intermediate Results Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
No Change	Townships where data quality assessments are carried out	<input type="checkbox"/>	Number	Value	0.00	34.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Townships in which the township hospital and atleast 80% of other health facilities have received Health Facility Grants in accordance with Project Operations Manual	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	30-Sep-2015	30-Jun-2019
				Comment			
No Change	Townships where atleast 60% of the health facilities had no stock-out of supplies in the past year.	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Townships in which atleast 80% of required number antenatal and postnatal visits and deliveries have been carried out by basic	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			

	health staff						
No Change	Townships in which the Township Health Departments have prepared an integrated and inclusive Township Health Plans	<input type="checkbox"/>	Number	Value	0.00	50.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Essential Package of Health Services including quality standards defined, costed, approved, and publicly communicated	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	30-Mar-2016	31-Mar-2016
				Comment			
No Change	Health Financing Strategy for UHC developed, approved, and communicated	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	31-Mar-2016	31-Mar-2017
				Comment			
No Change	Townships in which at least 60% of midwives have been trained to deliver BeMOC and IMCI	<input type="checkbox"/>	Number	Value	0.00	50.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Communications strategy developed and implemented	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Townships in which all rural health centers and atleast 50% of subcenters have been supervised atleast twice in a fiscal year by Township Health Department using checklist	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Health Care Waste Management guidelines and policy developed and implemented	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			

No Change	Township in which township health department have been supervised at least twice in a fiscal year by State/Region Health Department officials using checklist	<input type="checkbox"/>	Number	Value	0.00	0.00	300.00
				Date	01-Jun-2014	31-Mar-2016	30-Jun-2019
				Comment			
No Change	Improved supervision (supervision standards and checklists developed)	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	30-Sep-2015	31-Dec-2015
				Comment			
No Change	Service readiness scorecard implemented	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	30-Sep-2015	30-Dec-2015
				Comment			
No Change	Improved fund flows (recurrent) to front line health facilities-- Training on guidelines developed	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Jun-2014	01-Sep-2015	01-Apr-2015
				Comment			
New	Goods procured and distributed as outlined in the CERIP	<input type="checkbox"/>	Yes/No	Value	No		Yes
				Date	14-Jun-2016		14-Jun-2017
				Comment			Procurement and distribution of goods as described in the IDA IRM Contingent Emergency Response Implementation Plan (CERIP), developed for the response to the

							2015 floods and landslides.
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