



### Project Summary Information

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<b>Project Name</b>	Strengthening Public Health Systems for Universal Health Care
<b>Project Number</b>	P000782
<b>AIIB member</b>	Philippines
<b>Sector/Subsector</b>	Health Infrastructure
<b>Alignment with AIIB's thematic priorities</b>	Green Infrastructure; Technology-enabled Infrastructure
<b>Status of Financing</b>	Under Preparation
<b>Objective</b>	The proposed policy-based loan (PBL), co-financed with Asian Development Bank (ADB) under the COVID-19 Crisis Recovery Facility (Facility) will provide financing for the efforts of the Government of the Philippines to strengthen public health systems in the post-pandemic era and enhance the country's preparedness and response to the unanticipated health crises.
<b>Project Description</b>	The Program aims to support the Universal Health Care (UHC) Act implementation through a series of reforms that will broaden the coverage of healthcare services in population and increase financing for UHC to strengthen the preparation, prevention, and response to the next pandemic. It will also help expand primary healthcare facilities across the country and enhance the quantity and quality of second and third-tier health institutions and the capacity of healthcare workers. Furthermore, the Program will support the nationwide implementation of interoperability of health information systems, monitoring of UHC outputs and outcomes, and performance incentives for UHC-related activities of the local government units.
<b>Expected Results</b>	<p>The Program outcome will be equitable access to quality health services improved. Outcome indicators of the Program include three reform areas achieved by 2026 as follows:</p> <p>(i) Sustainable financing and strategic purchasing for universal health care.</p> <ul style="list-style-type: none"> <li>• Percentage of out-of-pocket expenditure decreased to 31.9 percent of current health expenditure (2019 baseline: 47.9 percent)</li> </ul>

	<ul style="list-style-type: none"> <li>• Local government health expenditure as a percentage of current health expenditure increased by at least 2.0 percentage points (2019 baseline: 8.4 percent)</li> <li>• Health expenditure of the Philippines Health Insurance Corporation (PHIC) as a percentage of current health expenditure increased by at least 1.5 percentage points (2019 baseline: 17.3 percent)</li> <li>• Ambulatory care spending as a percentage of current health expenditure increased by at least 1.5 percentage point (2019 baseline: 4.4 percent)</li> <li>• Maternal mortality ratio reduced to 78 deaths per 100,00 livebirths (2020 baseline: 144)</li> </ul> <p>(ii) Integrated delivery of quality health services.</p> <ul style="list-style-type: none"> <li>• Hospital beds per 1,000 population increased to 1.5 (2019 baseline: 1.2)</li> <li>• Proportion of births attended by skilled health personnel increased by 8 percentage points (2017 baseline: 84 percent)</li> <li>• Prevalence of current tobacco use among persons aged 15 years and older reduced to 20 percent (age-standardized rate) (2018 baseline: 24.3 percent)</li> <li>• Number of trained barangay health workers registered in the national barangay health workers registry increased to more than 250,000 (June 2021 baseline: 211,384)</li> <li>• Number of Green and Safe Hospitals recognized by the Department of Health (DoH) increased to at least 160 (May 2023 baseline: 33)</li> </ul> <p>(iii) Information management and performance accountability for universal health care.</p> <ul style="list-style-type: none"> <li>• Global Digital Health Index overall score increased to 5 (2020 baseline: 4)</li> <li>• Number of PHIC-accredited primary care health facilities submitting electronically increased to over 4,000 (May 2021 baseline: 84)</li> <li>• Client satisfaction with PHIC increased to 94.5 percent (2020 baseline: 87 percent)</li> <li>• Number of regions with midwife to population ratio at 1 midwife per 5000 or better increased to 15 (2018 baseline: 3 out of 17 regions)</li> <li>• Percentage of provinces with adequate primary care facilities increased to 40 percent (2021 baseline: 20.9)</li> </ul>
<p><b>Environmental and Social Category</b></p>	<p>ADB Category C for Environment, Involuntary Resettlement and Indigenous Peoples (similar to Category C if AIIB's Environmental and Social Policy / ESP were applicable)</p>

<b>Environmental and Social Information</b>	<p>The Program will be co-financed with ADB as the lead co-financier, and the Program's Environmental and Social (E&amp;S) risks and impacts have been assessed in accordance with ADB's Safeguard Policy Statement (SPS, 2009) applicable to PBL. AIIB's ESP was designed to apply to investment projects and has no provisions for its application to PBL operations. Therefore, as permitted by the decision of the Board of Directors set forth in the Decisions to Support the Facility, AIIB will apply the provisions of ADB's SPS to this PBL in lieu of the ESP. This will provide for a harmonized approach to addressing the E&amp;S risks and impacts of the Program.</p> <p>In accordance with the ADB SPS 2009, potential direct and indirect environmental and involuntary resettlement impacts or impacts on Indigenous Peoples associated with policy actions to be supported by the program have been evaluated. The assessment confirms that none of the policy actions supported under the Project involves or promotes activities that involve land acquisition or involuntary resettlement, that may adversely impact Indigenous Peoples, or that may have adverse environmental impacts or lead to dismantling of environmental regulations.</p> <p>The Program is currently classified as <i>effective gender mainstreaming</i> but is being considered as <i>gender equity theme</i>, as the Program outcome directly addresses gender equality and/or women's empowerment by narrowing gender disparities, particularly in enhancing gender equality in human development and strengthening women's resilience to external shocks.</p>			
<b>Cost and Financing Plan</b>	Total amount: USD900.00 million (AIIB: USD450.00 million and ADB: USD450.00 million)			
<b>Borrower/Investee Company/Counter party/Guaranteed entity</b>	Republic of the Philippines			
<b>Guarantor</b>	Not Applicable			
<b>Implementing Entity</b>	DoH, Philippines			
<b>Estimated date of loan closing (SBF)</b>	January 2025			
<b>Contact Points:</b>	<b>AIIB</b>	<b>ADB</b>	<b>Borrower</b>	<b>Implementation Organization/Sponsor</b>
<b>Name</b>	Masato Nakane	Eduardo Banzon	Mr. Mark D.Y.C. Joven	Dr. Mario C. Villaverde

<b>Title</b>	Senior Investment Operations Specialist - Social Infrastructure	Principal Health Specialist	Undersecretary, Department of Finance	Undersecretary, DoH
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<b>Date of Concept Decision</b>	May 25, 2023			
<b>Date of Appraisal Decision/Estimated Date of Appraisal Decision</b>	Not Applicable			
<b>Date of Financing Approval/Estimated Date of Financing Approval</b>	Not Applicable			

<b>Independent Accountability Mechanism</b>	AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to policy-based operations such as this one. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. ADB's independent accountability mechanism addresses issues raised by persons adversely affected by an ADB-assisted project and allows them to report alleged noncompliance with ADB's operational policies and procedures, including SPS.
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