Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 15-Apr-2020 | Report No: PIDA29182

Apr 15, 2020 Page 1 of 10

BASIC INFORMATION

A. Basic Project Data

Country Turkey	Project ID P173988	Project Name Turkey Emergency COVID- 19 Health Project	Parent Project ID (if any)
Region EUROPE AND CENTRAL ASIA	Estimated Appraisal Date 13-Apr-2020	Estimated Board Date 21-Apr-2020	Practice Area (Lead) Health, Nutrition & Population
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Treasury and Finance	Implementing Agency Ministry of Health	

Proposed Development Objective(s)

The Project development objective is to prevent, detect, and respond to the threat posed by COVID-19 in Turkey.

Components

Component 1: Emergency COVID-19 Response

Component 2: Project Management, Monitoring and Evaluation

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
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Environmental and Social Risk Classification

Substantial

Apr 15, 2020 Page 2 of 10

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Turkey has high growth potential, but recent shocks have affected the sustainability of its economic gains since the early 2000s. After the Global Financial Crisis in 2008-2009, growth has been increasingly fueled by credit booms and rapid accumulation of (mostly foreign exchange) private sector debt, together with a short-term stimulus policy. These led to declining productivity and growing macroeconomic imbalances in late 2017/early 2018. The situation was compounded by exogenous factors, including multiple election cycles, regional conflict, and difficult international relations. The ensuing volatility in growth has affected the sustainability of Turkey's economic gains.
- 2. The economic vulnerabilities that had accumulated over the past four years came to a head in mid-2018. Policy stimulus in the aftermath of the 2016 failed coup attempt led to economic overheating. Though growth accelerated to 7.4% in 2017, this came at a cost of double-digit inflation and a large current account deficit. A hardening of external economic conditions in mid-2018, together with tense international relations, led to a collapse in the Turkish Lira (TL). This profoundly affected the real and financial sectors. Corporations and banks both suffered due to high foreign exchange debt, annual inflation peaked at 25% in October 2018, the economy went into recession in 2018, and unemployment jumped from 10% in January 2018 to 14% in June 2019.¹
- 3. Over the past 12 months, the Turkish economy has experienced positive adjustments that have served to reduce vulnerability. Current account imbalances have declined, banks have reduced their external exposure, and portfolio flows have started to recover. These adjustments have lessened external vulnerabilities that had accumulated in the run up to the August 2018 currency shock. They have also contributed to a more stable Lira, notwithstanding bouts of currency volatility. In addition, there disinflation has been steady over this period. These developments were supported by selected policy responses and accommodative global monetary conditions. Even so, foreign exchange reserves have eroded over the past two years, exposing Turkey to external market pressure and unemployment remains a challenge.
- 4. Stagnating output, high costs of production, and high consumer prices have led to significant job losses and falling real wages. Unemployment among the youth is particularly high, having increased markedly from 19% in May 2018 to 25% in May 2019. Once more, average real wages declined by 2.6% between 2017 and 2018, though had picked up prior to the COVID-19 pandemic as a result of adjustments to the minimum wage. Poorer households were most impacted, as many low-income workers are employed in construction and agriculture, the sectors that saw the biggest decline in jobs. Moreover, the

¹ World Bank 2019a, 2019b.

Apr 15, 2020 Page 3 of 10

long-term impact of the real wage effects is typically greater for the poorest households, since they have limited coping mechanisms.

5. The high uncertainty associated with COVID-19 exacerbates Turkey's economic and demographic challenges, which are particularly evident since the downturn in economic growth experienced in 2018. The COVID-19 outbreak is straining health and public health systems, while measures to contain its spread are resulting in an economic slowdown and threaten the economic security of many of its citizens, particularly those with low-incomes. The more prolonged the crisis, the more significant the impact will be on overall population health, as well as the economy at large, with knock-on effects related to unemployment and overall poverty rates. This will, in turn, place additional strain on public services, including the public health system and requires preparation in terms of physical, human and financial capacity nationwide. While the toll the pandemic ultimately takes on the country will not be clear for some time, a strong, coordinated institutional response is critical to both containing the spread of COVID-19 and working to limit the social and economic effects.

Sectoral and Institutional Context

- **6.** Turkey has demonstrated significant progress in health outcomes and in reducing infant and maternal mortality. For example, between 1980 and 2017, life expectancy at birth increased from 58.7 to 77.1 (an increase of 31.3%). This is a better performance than global average (72.4 for 2017) and almost equal to the Europe and Central Asia (ECA) region performance (77.7 for 2017). Both the maternal mortality ratio (MMR) and the infant mortality rate (IMR) have also improved, with MMR declining from 42 per 100,000 live births in 2000 to 17 in 2017, and the IMR falling from 30.9 per 1000 live births in 2000 to 9.7 in 2017.
- 7. Improved health outcomes are resulting in demographic shifts, as Turkey faces a growing elderly population. As of 2019 (most recent data), the proportion of the older population (65 years and over) was 10.2 percent.² About 22.6 percent of the population is younger than 15 years (0-14 years), and 67.3 percent between 15-64 years. With an aging population, the proportion over 65 years is expected to rise to 16.3 percent in 2040 and 25.6 percent in 2080 according to population projections.
- **8.** Turkey's burden of disease is increasingly shifting from communicable to non-communicable diseases (NCDs). As of 2018, NCDs accounted for 89% of all deaths.³ Urbanization has been increasing rapidly, with approximately 68% of the population living in urban areas across 81 provinces.⁴ Urbanization has contributed to the shift towards NCDs due to changes in diets, employment types, and levels of physical activity. Underlying risk factors among adults for NCD-attributed mortality include relatively high rates of: tobacco use (28%; nearly twice as high among males than females), raised blood pressure (20%), diabetes (raised blood glucose (13%) and obesity (32%; nearly twice as high among females than males).
- 9. As part of its national Health Transformation Program, Turkey has made significant strides in expanding universal health care coverage for primary care and improving financial protection since

Apr 15, 2020 Page 4 of 10

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³ World Health Organization (2018). Turkey: World Health Organization Noncommunicable Diseases (NCD) Country Profiles, 2018. Geneva: World Health Organization. Most recent data.

⁴ World Bank (2018). Turkey Systematic Country Diagnostic. Washington DC: World Bank.

- **2003.** This transformation contributed to a drastic drop in infant and maternal mortality and supported efforts to expand tertiary care and research and development efforts. None the less, the number of physicians and nurses per capita is nearly 30-60% less than the average for the ECA region and that of the OECD as of 2015 (most recently available comparative data).⁵ More recent data (2018) show that there are 536 persons per physician, with a total of over 153 thousand physicians nationwide.⁷ The Ministry of Health (MoH) Strategic Plan emphasizes the importance of increasing the number of the primary health care (PHC) workforce and sets higher targets for 2030. With respect to inpatient capacity, 2018 data shows that Turkey has a total of 1,534 inpatient medical institutions (hospital and other inpatient facilities) and over 231 thousand hospital beds, for a ratio of 2.83 hospital beds per 1,000 population, which is below the EU (4.91) and OECD (4.65) levels.
- 10. Since its first COVID-19 case was detected on March 11, 2020, the Government of Turkey has gradually introduced a range of public health measures in line with WHO guidance.⁸ Measures have included moving from hygiene guidance to the closure of major events, social venues, schools and all major commercial outlets, and recommending physical distancing to curb transmission. Most residents appear to have followed Government guidance, with major metropolitan areas shut down. The Government has also announced an economic package totaling approximately TL 100 billion (US\$15 billion) to stem the impact on firms and targeted households, including deferral of social security and payroll tax on the part of firms, increasing the minimum pension, increased allocation for social assistance beneficiaries, and unspecified provisions for strengthening social services for older persons. Table 2 below gives a summary of Turkish Government measures for the COVID-19 outbreak.
- 11. The Government of Turkey (GoT) has mounted a comprehensive COVID-19 response strategy. The GoT's COVID-19 health strategy and Pandemic Action Plan includes prevention, detection, and response measures. The Minister of Health established a science committee which works as an advisory body providing scientific evidence and guidance to the policy makers. The President, Minister of Health, Minister of Interior, Minister of Treasury and Finance, Minister of Industry and Technology, and Minister of Trade are the main actors to develop and implement the strategy. However, the coordination among actors requires strengthening, as communication is not always fluid across Ministries.
- 12. Coordination with development partners for the country's COVID-19 response is led by the Minister of Treasury and Finance. The Government is coordinating with key stakeholders such as the EU, the WHO, United Nations agencies, French Development Agency (AFD), the Islamic Development Bank, the German Development Bank (KfW) and other international financial institutions (IFIs) to ensure development partner support is aligned with the Government's efforts. The MoH requested to use the European Union (EU) Facility for Refugees in Turkey (FRIT) contingency fund for COVID-19-related activities; the World Health Organization (WHO) is also exploring sources of funding from FRIT that can be used for COVID-19 response. However, the Government has not involved non-governmental organizations in the pandemic response in a systematic way.
- 13. The MoH is leading the Turkish Government's COVID-19 pandemic response for the health sector.

Apr 15, 2020 Page 5 of 10

⁵ World Bank (2019). Building an improved primary health care system in Turkey through care integration. Washington DC: World Bank.

⁶ World Bank WDI.

⁷ TurkStat, 2018.

⁸ World Bank unpublished preliminary note "Republic of Turkey's Health System Response to COVID-19", March 2020.

As part of its detection and response-related actions, on March 18, 2020 the MoH Emergency Health Services General Directorate (GD) put into practice the Hospital Calamity and Emergency Action Plan (HAP). This plan grants Emergency Health Services GD the responsibility of conducting any type of emergency plan on behalf of the MoH. Similarly, Provincial Health Directorates are also responsible for carrying out determined plans at the provincial level. If necessary, the Health Calamity Coordination Center (SAKOM) can be used for coordination purposes. Under this plan, all public, private, municipality and university hospitals are empowered to take the necessary precautions to ensure that such hospitals can be self-sufficient for 72 hours without the need for outside intervention.

- **14.** On March 20, 2020, all state and private health institutions meeting criteria set by the MoH were recategorized as 'Pandemic Hospitals.' In order to ramp up capacity to respond, any hospitals with departments related to infectious diseases and microbiology, pulmonary diseases, internal medicine related diseases, and which have at least two specialist physicians, were recategorized to respond to COVID-19 under the Pandemic Action Plan, with implementation support from the Pandemic General Coordination team.
- 15. With the reclassification of several facilities as 'Pandemic Hospitals', Turkey needs to increase Level 3 intensive care unit capacity⁹ for COVID-19 response in line with the international and national guidance.¹⁰ There are around 25,000 adult intensive care beds in Turkey, of which 11,171 belong to MoH. There are 28.6 ICU beds per 100,000 population in Turkey. Countries like Germany which has better ICU bed capacity (47.7 ICU beds per 100,000 population) continues to increase its existing supply of ventilators by increasing the number by 50 percent (from 20,000 to 30,000).¹¹ The mobilization of additional mechanical ventilators is extremely important to increase the number of Level 3 ICU beds in bigger cities like istanbul (which has almost 60 percent of the total cases in Turkey) where there are only 14 ICU beds for per 100,000 population.
- **16.** Testing coverage in Turkey is also limited, presenting challenges to mounting an effective pandemic response. Testing is important for an effective response to the COVID-19 outbreak as it provides policymakers with a better understanding of the spread of the disease to apply evidence-based measures to slow down the spread of COVID-19. According to MoH data as of April 13th, 2020, a total of 410,556 tests were performed, corresponding to a testing coverage figure of 4,870 tests per 1 million population. If good practices of Italy and South Korea are followed with testing coverage between 10,000 to 15,000 tests per 1 million population, ¹² Turkey would need to conduct between 850,000 to 1.3 million tests. As the pandemic response evolves over time, different types of testing may also be required to test antibodies and other factors.
- 17. Turkey faces several other challenges that may impact its ability to manage COVID-19, namely the large number of temporary residents/refugees. Turkey hosts nearly four million people under temporary residence and/or internationally protected individuals (refugees) across Turkey's 81 provinces.¹³ Health

Apr 15, 2020 Page 6 of 10

⁹ Level-3 Intensive Care Units require invasive hemodynamic monitors and ventilators for each ICU bed. https://www.saglik.gov.tr/TR,10979/yogun-bakim-unitelerinin-standartlari-genelgesi-200853.html

¹⁰ https://www.nice.org.uk/guidance/ng159/resources/covid19-rapid-guideline-critical-care-in-adults-pdf-66141848681413 http://www.istanbulsaglik.gov.tr/w/sb/ozeltedk/belge/8 ek madde.pdf

¹¹ https://www.ft.com/content/d979c0e9-4806-4852-a49a-bbffa9cecfe6

¹² https://ourworldindata.org/grapher/full-list-cumulative-total-tests-per-thousand

¹³ This population includes 3.6 million Syrian nationals and close to 330,000 registered people of other nationalities. UNHCR,

services have been provided to date through donor-financed health facilities to nearly the entirety of this population. In addition, the MoH oversees provision of services to registered Syrians through public hospitals, Migrant Health Centers (providing primary health services), Strengthened Migrant Health Centers (providing primary health care services and some specialties, namely gynecology, internal medicine physicians and pediatrics). The Turkish Red Crescent (Kizilay) is also supporting and facilitating access to health services for people under temporary or international protection to address COVID-19, as well as psychosocial support, livelihoods support and social cohesion activities.

- **18.** At the hospital level of care, refugees have the same rights to access health care as citizens. Therefore, the overall MoH COVID-19 hospital planning covers both Turkish citizens and refugees. Refugee- specific primary care structures such as migrant health centers and extended migrant health centers are expected to have an important role for public awareness and education for COVID-19 as well as testing. There is also a field hospital operating at the Turkey-Greece border serving refugees. In sum, health care for refugees has been included as part of the national COVID-19 response plan.
- **19.** In addition, Turkey is one of the world's most disaster-prone countries, causing additional risks to the COVID-19 response. Its population and economy, especially its cities due to the concentration of people and assets, are highly exposed and vulnerable to earthquakes, floods, landslides, and other hazards. It ranks 45th among the 191 "high risk group of countries" in the Global Risk Index for Risk Management. Reviewing and or updating existing protocols and contingency plans for pandemic hospital during the COVID-19 response will be important to integrate any preparedness measures and/or supplies required to mitigate the impacts of disasters that may occur during the pandemic outbreak.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The Project development objective is to prevent, detect, and respond to the threat posed by COVID-19 in Turkey.

Key Results

- **20. PDO level indicators.** The PDO will be monitored through the following PDO level outcome indicators:
- (i) Number of people tested for COVID-19 identification per approved protocol under the Project
- (ii) Number of diagnosed cases treated per approved protocol under the Project

D. Project Description

- 21. The Project consists of two components to support the government to curb the spread of COVID-19 pandemic and strengthen the overall health system to detect and treat cases. Components include: (i) Emergency COVID-19 Response (US\$98 million) and (ii) Project Management, Monitoring and Evaluation (US\$2 million).
- 22. Under Component 1 (Emergency COVID-19 Response, US\$98 million), there will be four sub-components to support COVID-19 response efforts. Sub-Component 1.1 (Strengthening testing and

Operational Update (February 2020) https://www.unhcr.org/tr/wp-content/uploads/sites/14/2020/03/UNHCR-Turkey-Operational-Update-February-2020.pdf

Apr 15, 2020 Page 7 of 10

surveillance systems and procurement of front-line equipment) will address the immediate health system needs for medical equipment, supplies and training to diagnose and triage cases affected by the COVID-19 emergency. Sub-Component 1.2 (Supporting disease management and treatment) will finance medical equipment and supplies required for diagnosis and treatment of COVID-19 patients in intensive care, as well as limited operating expenses. Sub-Component 1.3 (Enhancing Public Health Awareness and Behavioral Change) will expand and enhance community engagement and outreach activities (including information and communication activities) to increase the commitment of government, private sector, and civil society, to build knowledge, confidence and trust, to propagate behavior change, and to ensure that the vulnerable are able to access services and support. Finally, sub-Component 1.4 (Upgrading pandemic surveillance and response plans, US\$1 million) will finance knowledge-exchange and capacity-building for enhancing the national pandemic preparedness and response plan to address potential cyclical future phases associated with COVID-19 or other pandemics.

23. Component 2 (Project Management, Monitoring and Evaluation, US\$2 million) will support the administrative and human resources needed to implement the Project and monitor and evaluate progress. This component will finance staff and consultant costs associated with project management, procurement, financial management, environmental and social safeguards, monitoring and evaluation, reporting and stakeholder engagment; and operating and administrative costs.

Legal Operational Policies		
	Triggered?	
Projects on International Waterways OP 7.50	No	
Projects in Disputed Areas OP 7.60	No	
Summary of Assessment of Environmental and Social Risks and Impacts		

E. Implementation

Institutional and Implementation Arrangements

- **24.** Given the emergency nature of this project, institutional and implementation arrangements have been designed to be as practical, reliable and as quick to establish as possible. Accordingly, institutional and implementation arrangements build upon existing structures and systems in each entity as far as possible. The roles of these units, and accompanying institutional arrangements, is described below.
- 25. The Project will be implemented by the MOH through the existing Project Management Support Unit (PMSU) that implements the ongoing World Bank-financed Turkey Health System Strengthening Project. To address the need for complementary technical expertise to effectively implement the COVID-19 Emergency Response Project, the PMSU will be supported by technical specialists of the MoH and technical consultants. The Participating GDs (GD of Public Health and GD of Public Hospitals) will implement technical activities, including procurement of medical supplies and equipment for activities under Component 1. Selected activities, such as coordination, communication and training may be outsourced to third parties through contract agreements if needed. The PMSU will also oversee

Apr 15, 2020 Page 8 of 10

preparation of the consolidated annual workplan, procurement plan, and a consolidated activity and financial report for the Project components, as well as assist the MoH in monitoring compliance with Bank environmental and social standards (ESS) and fiduciary policies. The PMSU will report regularly to the Vice Minister of Health in charge of this operation and the ongoing Health Systems Strengthening and Support Project (P152799).

26. The existing PMSU is adequately staffed to support this Project. It is currently staffed with 26 personnel (12 civil servants, and 14 individual consultants). The PMSU is composed of a project director, a deputy director, seven M&E experts, four procurement specialists and assistants, three financial management specialists and assistants, three administrative personnel, four information technology specialists, and three translators. The internal processes established under the ongoing health operation will be replicated under the proposed Project to avoid delays in implementation and initial set-up. However, the COVID-19 procurement activities will add additional workload to procurement teams in MOH, and should the need arise, MoH will employ additional procurement and technical expertise.

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Apr 15, 2020 Page 9 of 10

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APPROVAL

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Apr 15, 2020 Page 10 of 10