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Report No: PAD3835

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF
US$ 1 BILLION

TO

INDIA

FOR A

INDIA COVID-19 EMERGENCY RESPONSE AND HEALTH SYSTEMS PREPAREDNESS PROJECT

AS PHASE I OF THE MULTI-PHASE PROGRAMMATIC APPROACH

UNDER THE
COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)
WITH A FINANCING ENVELOPE OF
US$2.7 BILLION IBRD AND $1.3 BILLION FROM IDA CRISIS RESPONSE WINDOW
APPROVED BY THE BOARD ON APRIL 2, 2020

Health, Nutrition, and Population Global Practice
South Asia Region

CURRENCY EQUIVALENTS

Exchange Rate Effective February 29, 2020

Currency Unit =	Indian rupee
US$1=	75 INR

FISCAL YEAR
April 1 - March 31

Regional Vice President:	Hartwig Schafer
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ABBREVIATIONS AND ACRONYMS

AIIB	Asian Infrastructure Investment Bank
CERC	Contingent Emergency Response Component
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
CPRP	Contingency Preparedness and Response Plan
DLI	Disbursement-Linked Indicators
DO	Development Objective
EID	Emerging Infectious Diseases
EOC	Emergency Operations Centre
ESCP	Environmental and Social Commitment Plan
ESF	Environment and Social Framework
ESMF	Environmental and Social Management Framework
ESRS	Environmental and Social Review Summary
EVD-WA	West Africa Ebola virus disease
EZID	Emerging Zoonotic Infectious Disease
FA	Framework Agreement
FAO	Food and Agriculture Organization
FM	Financial Management
FTF	Fast Track COVID-19 Facility
GDP	Gross Domestic Product
GOI	Government of India
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HDI	Human Development Index
HEOC	Health Emergency Operations Center
HIV	Human Immunodeficiency virus
HPA	Health Protection Agency
HRH	Human Resources for Health
IBRD	International Bank for Reconstruction and Development
ICMR	Indian Council for Medical Research
IDA	International Development Association
IDSP	Integrated Disease Surveillance Program
IDSR	Integrated Disease Surveillance and Response
IHR	International Health Regulations
IMF	International Monetary Fund
IPC	Infection prevention and control
IPF	Investment Project Financing
JEE	Joint External Evaluation
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MIC	Middle-income countries
MOHFW	Ministry of Health and Family Welfare

MPA	Multiphase Programmatic Approach
NCDC	National Centre for Disease Control
NCDs	Non-communicable diseases
NHA	National Health Authority
OIE	World Organization for Animal Health
OOP	out-of-pocket
PAD	Project Appraisal Document
PDO	Project Development Objective
PFM	Public Financial Management
PIU	Project Implementation Unit
PM-JAY	Pradhan Mantri Jan Arogya Yojana
PMU	Project Management Unit
PPE	Personal protective equipment
PPSD	Project Procurement Strategy for Development
RAHS	Regional and Atoll Health Service
RFQ	Request for Quotation
SARS	Severe Acute Respiratory Syndrome
SBCC	Social and behavior change communication
SDG	Sustainable Development Goals
SEP	Stakeholder Engagement Plan
SOP	Standard Operating Procedure
SPRP	Strategic Preparedness and Response Program
STC	Short-term Consultants
STEP	Systematic tracking of Exchanges in Procurement
STO	Standard Trading Organization
TB	Tuberculosis
UN	United Nations
WBG	World Bank Group
WHO	World Health Organization

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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name
India	India COVID-19 Emergency Response and Health Systems Preparedness Project

Project ID	Financing Instrument	Environmental and Social Risk Classification
P173836	Investment Project Financing	Substantial

Financing & Implementation Modalities

[✓] Multiphase Programmatic Approach (MPA)	[✓] Contingent Emergency Response Component (CERC)
[ ] Series of Projects (SOP)	[ ] Fragile State(s)
[ ] Disbursement-linked Indicators (DLIs)	[ ] Small State(s)
[ ] Financial Intermediaries (FI)	[ ] Fragile within a non-fragile Country
[ ] Project-Based Guarantee	[ ] Conflict
[ ] Deferred Drawdown	[✓] Responding to Natural or Man-made Disaster
[ ] Alternate Procurement Arrangements (APA)	

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
31-Mar-2020	31-Dec-2024	31-Dec-2025

Bank/IFC Collaboration

No

MPA Program Development Objective

The Program Development Objective (PDO) is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

MPA Financing Data (US$, Millions)

MPA Program Financing Envelope	4,000.00

Proposed Project Development Objective(s)

The proposed project development objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national health systems for preparedness in India.

Components

Component Name	Cost (US$, millions)
Component 1: Emergency COVID-19 Response	500.00
Component 2: Strengthening National and State health Systems to support Prevention and Preparedness	270.00
Component 3: Strengthening Pandemic Research and Multi-sector, National Institutions and Platforms for One Health	100.00
Component 4: Community Engagement and Risk Communication	70.00
Component 5: Implementation Management, Capacity Building, Monitoring and Evaluation	60.00
Component 6: Contingent Emergency Response Component (CERC)	0.00

Organizations

Borrower:	Republic of India, Ministry of Finance
Implementing Agency:	Ministry of Health and Family Welfare

MPA FINANCING DETAILS (US$, Millions)

Board Approved MPA Financing Envelope:	0.00
MPA Program Financing Envelope:	4,000.00
of which Bank Financing (IBRD):	2,700.00
of which Bank Financing (IDA):	1,300.00
of which other financing sources:	0.00

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	1,000.00
Total Financing	1,000.00
of which IBRD/IDA	1,000.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	1,000.00

Expected Disbursements (in US$, Millions)

WB Fiscal Year	2020	2021	2022	2023	2024	2025
Annual	400.00	130.00	130.00	120.00	110.00	110.00
Cumulative	400.00	530.00	660.00	780.00	890.00	1,000.00

INSTITUTIONAL DATA

Practice Area (Lead)

Health, Nutrition & Population

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has not been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	Moderate
2. Macroeconomic	Moderate

3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Moderate
6. Fiduciary	Substantial
7. Environment and Social	Substantial
8. Stakeholders	Moderate
9. Other	
10. Overall	Substantial
Overall MPA Program Risk	High

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No

Does the project require any waivers of Bank policies?

[ ] Yes [✓] No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

Institutional Arrangements: Without limitation upon the provisions of Section 3.01 of this Agreement, the Borrower shall: (a) establish no later than one month after the Effective Date, and thereafter maintain throughout the implementation of the Project, the Governing Committee with composition, resources and terms of reference acceptable to the Bank; and (b) vest responsibility for overall oversight of and policy guidance for the Project to said Governing Committee.

Sections and Description

Institutional Arrangements: Without limitation upon the provisions of Section 3.01 of this Agreement, the Borrower shall: (a) establish no later than one month after the Effective Date, and thereafter maintain throughout the implementation of the Project, the Project Steering Committee with composition, resources and terms of reference

acceptable to the Bank; and (b) vest responsibility for oversight of routine implementation of the Project to said Project Steering Committee.

Sections and Description

Institutional Arrangements: No later than three months after the Effective Date, the Borrower shall ensure that NHM will establish Technical Support Units at the central and state levels, with composition, resources, and qualified staff in numbers and with experience and terms of reference satisfactory to the Bank, to drive implementation of the Project.

Sections and Description

Institutional Arrangements: No later than three months after the Effective Date, the Borrower shall ensure that NCDC will establish: (i) a Technical Support Unit at the national level, with composition, resources, and qualified staff in numbers and with experience and terms of reference satisfactory to the Bank, to strengthen Project implementation and coordination capacity required for the rapid implementation of activities under an emergency; and (ii) Technical Support Units in select Participating States based on priority geographic areas with composition, resources, and qualified staff in numbers and with experience and terms of reference satisfactory to the Bank.

Sections and Description

Procurement Implementation Manual (PMC): No later than two (2) months after the Effective Date, the Borrower shall prepare and adopt the Project Implementation Manual, containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with applicable national law and good international practice, roles and responsibilities for Project implementation, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Bank, and thereafter maintain said PIM throughout the implementation of the Project.

Sections and Description

Institutional Arrangements: The Borrower, through MOHFW, shall prepare and furnish to the Bank for its review and approval by June 30 of each year of each year until Project completion, commencing on June 30, 2020, an annual work plan and budget for implementation of the Project for the following Fiscal Year and thereafter carry out such annual plan taking into account the Bank's comments thereon

Conditions

I. STRATEGIC CONTEXT

1. **This Project Appraisal Document (PAD) describes the emergency response to India under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA),** with an overall Program financing envelope of International Development Association (IDA) US$1.3 billion and of International Bank for Reconstruction and Development (IBRD) US$2.7 billion.

A. MPA Program Context

2. **An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China**. Since the beginning of March 2020, the number of cases outside China has increased thirteenfold and the number of affected countries has tripled. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spreads across the world. As of March 25, 2020, the outbreak has resulted in an estimated 414,179 cases and 18,440 deaths in 169 countries.

3. **COVID-19 is one of several emerging infectious diseases (EID) outbreaks in recent decades that have emerged from animals in contact with humans, resulting in major outbreaks with significant public health and economic impacts.** The last moderately severe influenza pandemics were in 1957 and 1968; each killed more than a million people around the world. Although countries are far more prepared now than in the past, this has not prevented the current outbreak. The world is also far more interconnected, and many more people today have behavior risk factors and pre- existing chronic health problems that make viral respiratory infections particularly dangerous.[1] Studies of hospitalized patients have found that about 83 percent to 98 percent of patients develop a fever, 76 percent to 82 percent develop a dry cough, and 11 percent to 44 percent develop fatigue or muscle aches.[2] Other symptoms, including headache, sore throat, abdominal pain, and diarrhea, have been reported, but are less common. While 3.7 percent of the people worldwide confirmed as having been infected have died, the WHO has been careful not to describe that as a mortality rate or death rate; amidst an unfolding epidemic, it can be misleading to look simply at the estimate of deaths divided by cases so far. Hence, given that the actual prevalence of COVID-19 infection remains unknown in most countries, it poses unparalleled challenges with respect to global containment and mitigation. These issues reinforce the need to strengthen the response to COVID-19 across all IDA/IBRD countries to minimize the global risk and impact posed by this disease.

4. This project is prepared under the World Bank's COVID-19 response global framework and financed for US$350 million under the Fast Track COVID-19 Facility (FTCF) and US$650 million from the International Bank for Reconstruction and Development (IBRD). Since India is an IBRD country, the FTCF is also on IBRD financing terms.

B. Updated MPA Program Framework

5. Table-1 provides an updated overall MPA Program framework, including the first two countries and the proposed project for India.

[1] Fauci, AS, Lane, C, and Redfield, RR. 2020. "Covid-19 — Navigating the Uncharted." New Eng J of Medicine, DOI: 10.1056/NEJMe2002387 [2] Del Rio, C. and Malani, PN. 2020. "COVID-19—New Insights on a Rapidly Changing Epidemic." JAMA, doi:10.1001/jama.2020.3072

Phase #	Project ID	Sequential or Simultaneous	Phase's Proposed DO*	IPF, DPF or PforR	Estimated IBRD Amount ($ million)	Estimated IDA Amount ($ million)	Estimated Other Amount ($ million)	Estimated Approval Date	Estimated Environmental & Social Risk Rating
1.	India	Simultaneous	Please see section below	IPF	US$350.00		US$650 million from IBRD	April 2, 2020	Substantial

6. The Program framework will be updated as more countries join the SPRP. All projects under the SPRP are assessed for ESF risk classification following the Bank procedures and the flexibility provided for COVID-19 operations.

C. Learning Agenda

7. The country project under the MPA Program will support adaptive learning throughout the implementation, as well as from international organizations including the WHO, the United States Centers for Diseases Prevention and Control (CDC), United Nations Children's Fund, the Food and Agricultural Organization, and others. India will work closely with South Asia regional peers through a recently established research network for pandemics to conduct and rapidly disseminate research on COVID-19. Within this context, India will generate evidence through the Indian Council for Medical Research (ICMR) on COVID-19 and other disease pathogens for the benefit of regional and global peers. Modeling the progression of the pandemic—both in terms of new cases and deaths, as well as the economic impact of disease outbreaks under different scenarios—is a key area of ICMR interest within the context of the MPA Program. The National Center for Disease Control will deploy suitable technologies including, machine learning to generate evidence to inform the disease surveillance program. Such analysis will include use of routinely collected surveillance data from the Integrated Disease Surveillance Program (IDSP) to generate heat maps on COVID-19 hot spots for different types of transmission. The routine IDSP surveillance data will also be analyzed to develop a mechanism for generating early warning signals for threats of new disease outbreaks or epidemics. The Bank will support the MOHFW to implement the learning agenda and to disseminate results at national and international platforms to inform the response to COVID-19 and wider health systems preparedness efforts, wherever possible.

8. In addition to the learning agenda on COVID-19, the World Bank funded Innovate in India For Inclusiveness (I3) Project (P156241) provides grants to public and private companies and research institutions for product development of vaccines, diagnostics, medical devices and biosimilar therapeutics that address public health priorities. The implementation agency, Department of Biotechnology, is preparing a special call for proposals to accelerate product development for COVID-19. This is being done in collaboration with the Coalition for Epidemic Preparedness Innovations (CEPI), a global alliance of which the Bank is member and serves as Financial Intermediary. The ICMR is member of the governance body of I3 so the interventions of this project will be closely coordinated with the interventions funded through I3.

II. CONTEXT AND RELEVANCE

A. Country Context

9. **While India remains one of the fastest growing major emerging market economies, Gross Domestic Product (GDP) growth has slowed markedly in the past three years.** The current slowdown is due to unresolved domestic issues (impaired balance sheet issues in the banking and corporate sectors, compounded by stress in the non-banking segment of the financial sector), and significant external headwinds. These have not only prevented a sustainable

revival in private investment, but also affected private consumption in FY19/20. The COVID-19 outbreak is an additional significant source of stress and uncertainty, affecting real outcomes as well as expectations. While the government is undertaking measures to contain the outbreak through various measures including social distancing, and the RBI has indicated readiness to provide calibrated support, a large fiscal stimulus may become necessary in the event of a full-fledged and or protracted domestic outbreak. In such a scenario, growth slow down and fiscal slippages can be expected.

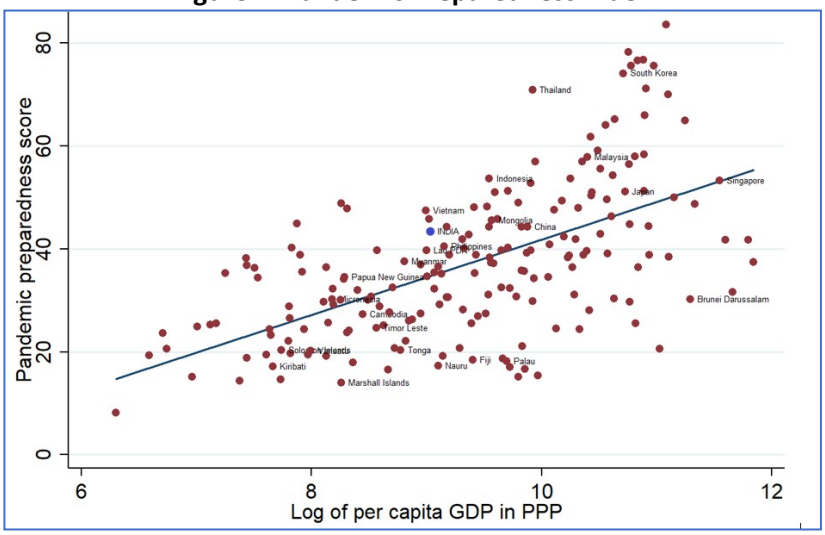
10. **Since the 2000s, India has made remarkable progress in reducing absolute poverty.** Between FY11/12 and 2015, poverty declined from 21.6 percent to an estimated 13.4 percent at the international poverty line (US$1.90 per person per day in 2011 Purchasing Power Parity [PPP]), continuing the earlier trend of rapid poverty reduction. Owing to robust economic growth, more than 90 million people escaped extreme poverty and improved their living standards during this period. Despite this success, poverty remains widespread. In 2015, 176 million Indians were living in extreme poverty, while 659 million—half the population—were below the higher poverty line commonly used for lower middle-income countries (US$3.20 per person per day in 2011 PPP). The recent growth slowdown may have moderated the pace of poverty reduction.

B. Sectoral and Institutional Context

11. **Despite substantial improvements in health outcomes since 1990, India still faces tremendous challenges in health care access, quality, and utilization.** Between 1990 and 2016, infant mortality rates fell by half, deliveries in health facilities tripled, and maternal mortality ratios fell by more than 60 percent. However, overall progress in health remains slower than in countries of comparable income, and variations persist within and among states. Quality of care is a significant and complex challenge. India's demographic and epidemiological transition calls for an aggressive response to persisting communicable diseases and a burgeoning burden of non-communicable diseases (NCDs). The private sector plays an important role in providing services in both rural and urban areas and can play a key role in responding to disease outbreaks and pandemics. The 2018 Nipah virus outbreak in the state of Kerala illustrates health risks at the human animal ecosystem interfaces.

12. **While India has been steadily strengthening public health systems, the country remains vulnerable to shocks and impacts from pandemics and outbreaks.** As evidenced by India's performance on the disease preparedness index, the overall preparedness of health systems requires further strengthening in order to be resilient and robust enough to respond disease outbreaks and pandemics (Figure 1). Within the preparedness index, capacity for early disease detection is a key area in which India ranks lower than its peers.

Figure 1: Pandemic Preparedness Index



Source: World Bank Development Economics Group 2020

13. **Coordination mechanisms have been established in India to respond to the One Health approach.** The One Health approach is collaborative, multisectoral, and transdisciplinary—working at the local, regional, national, and global levels—with the goal of achieving optimal health outcomes and recognizing the interconnection between people, animals, plants, and their shared environment. The National Centre for Disease Control (NCDC) has a center for arboviral and zoonotic diseases responsible for the Inter-Sectoral Coordination for Prevention and Control of Zoonotic Diseases. A functional network of 12 regional laboratories for routine surveillance of H5N1 and H1N1 influenza in humans was set up under the Integrated Disease Surveillance Project financed by the World Bank (closed 2012). The World Bank, FAO, OIE, and WHO have partnered to address impacts related to SARS, H1N1, and other diseases. These platforms are however challenged by inadequate data on wild and domestic animal populations and related outbreaks and need to be strengthened by improving on protocols, data management systems, and decentralized surveillance capacity and response mechanisms.

14. **Health Financing:** Government health spending in India is just over 1 percent of GDP, significantly less than the average among lower middle-income countries. About two-thirds is incurred by states, and one-third by the Government of India (GOI). Over 60 percent of total health spending is paid out-of-pocket (OOP) by households, and as a result an estimated 4 percent of households fall below the poverty line due to OOP. Over the past decade or more, major health financing reforms have been initiated with a focus on government-sponsored health insurance schemes for the poor, including the Pradhan Mantri Jan Arogya Yojana (PM-JAY) launched in September 2018. Considering that 70% of the out of pocket expenditure in India is on account of drugs and diagnostics, the Government under the NHM has been providing the states support for free drugs and diagnostics in the health facilities.

15. **National Health Insurance and Private Sector Engagement:** The PM-JAY insurance scheme provides more than 500 million people (i.e., the bottom 40 percent of the population) with free secondary and tertiary hospital care at over 20,000 empaneled hospitals nationwide, of which about half are in the private sector. Addition of an explicit package for COVID- 19 treatment is being considered for the list of services covered by the National Health Authority (NHA) under the PM-JAY scheme as part of the GOI's wider response to the COVID-19 emergency.

16. **The GOI's swift response to COVID-19 continues to be calibrated with the fast-evolving situation.** The first three cases of COVID-19 were confirmed in the state of Kerala between January 30 and February 3. All three had a recent travel history to Wuhan City in China and were hospitalized and discharged after recovery. No additional cases were

reported until the first week of March when 27 new cases were identified. Most of these cases had a recent travel history abroad, namely Italy (including 16 Italian tourists), Iran, and the United Arab Emirates. Transmission to several contacts was also identified. Since that time, the number of cases reported to the WHO has grown to 593 as of March 25, with expanding community transmission. The GOI has established national coordination and response task forces at the highest level. The MOHFW is playing a lead role in executing the health sector response. The GOI's current approach to COVID-19 is containment and control, since most reported cases are linked to foreign travel. The containment strategy has a dual focus to limit the transmission of imported cases and mitigate any progression from phase three to four of the COVID-19 transmission through public health measures and clinical management. The Prime Minister of India recently addressed the nation and announced the Janata Curfew ("people's curfew"), followed by a complete national lockdown for three weeks effective from March 25, 2020 as part of a wider GOI effort to respond to the COVID-19 emergency.

17. **Additional interventions being rolled-out include: testing through a network of 62 laboratories, contact tracing, community surveillance, quarantine and isolation, hospital-based clinical management of cases, risk communication, and infection prevention and control.** There are several strengths to the GOI's response, including how the GOI is leveraging central and state public health sector machinery and infrastructure. However, despite the GOI's significant investments in strengthening India's public health system, it remains fragile in the face of outbreaks. Low-capacity states face added vulnerability to their health systems. India is at risk of rapid COVID-19 spread given its dense population concentrations in urban and semi-rural environments. Insufficient infection prevention and control measures may lead to health facilities themselves amplifying transmission, as was seen in the Nipah virus outbreak of 2018. Furthermore, the mortality consequences of widespread infection will be exacerbated by inadequate supplies of oxygen and ventilation equipment to support a large number of patients.

C. Relevance to Higher Level Objectives

18. **The project is aligned with World Bank Group strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity.** The Program, focused on preparedness, is critical to achieving Universal Health Coverage. It is aligned with the World Bank's support for national plans and global commitments to strengthen pandemic preparedness through three key actions under preparedness: improving national preparedness plans, including organizational structure of the government; promoting adherence to the International Health Regulations (IHR); and utilizing international framework for monitoring and evaluation of IHR. The economic rationale for investing in the MPA interventions is strong, given that success can reduce the economic burden suffered both by individuals and countries. The project complements both WBG and development partner investments in health systems strengthening, disease control and surveillance, attention to changing individual and institutional behavior, and citizen engagement. The project contributes to the implementation of IHR (2005), Integrated Disease Surveillance and Response (IDSR), and the World Organization for Animal Health (OIE) international standards, the Global Health Security Agenda, the Paris Climate Agreement, the attainment of Universal Health Coverage and of the Sustainable Development Goals (SDG) and the promotion of a One Health approach.

19. **The WBG remains committed to providing a fast and flexible response to the COVID-19 epidemic, utilizing all WBG operational and policy instruments, and working in close partnership with government and other agencies.** The proposed WBG response to COVID-19 will include emergency financing, policy advice, and technical assistance, building on existing instruments to support IDA/IBRD-eligible countries in addressing the health sector and broader development impacts of COVID-19. The WBG COVID-19 response will be anchored in the WHO's COVID-19 global Strategic Preparedness and Response Plan outlining the public health measures for all countries to prepare for and respond to COVID-9 and sustain their efforts to prevent future outbreaks of emerging infectious diseases.

20. **The project is fully aligned with the India Country Partnership Framework (CPF) FY18-22.** One of the CPF's three pillars or "Whats" is "India's development of human capital with a relatively stronger focus on improving the quality of services while continuing to support efforts to ensure access to key services." The project directly supports Objective 3.4: "Improve the quality of health service delivery and financing as well as access to quality healthcare" as it will both expand capacity for detection, diagnosis, and treatment and improve infection prevention and control across healthcare providers, a key pillar of quality of health service delivery. The COVID-19 emergency has heightened the urgency of achieving this objective as it has brought to the fore the importance of a strong health system to a national response. The project is also well aligned with the "Hows" of the CPF as it will significantly strengthen the public institutions responsible for responding to health emergencies. It will also indirectly strengthen India's federal system. While health is a state subject in the constitution, the emergency is making clear that the central government has a crucial coordination role to play and an effective response and recovery will require central, state, district and local government cooperation. The project is channeling support to states through the center; this approach will allow knowledge transfer across states. Since the project links India to the global response, it will likewise facilitate knowledge transfer from India to other countries and vice versa, thus supporting Lighthouse India. The project will support India to advance research on pandemics, which will have significant global benefits.

III. PROJECT DESCRIPTION

21. **This project was selected for COVID-19 financing due to the urgent need for a nationwide emergency response to the outbreak, and longer-term system strengthening imperatives.** An economic hub with substantial global connectivity and movement of people and goods, India is inherently vulnerable to shocks and impacts from pandemics and is directly impacted by the COVID-19 pandemic. The scope and components of the project are fully aligned with the Fast Track COVID-19 Facility (FTCF), using standard components as described in Annex 2 of the COVID-19 Board Paper. The project complements two central and four state level active Bank projects and it triggers paragraph 12 of the Investment Project Financing Bank policy to enable processing and delivery on an emergency basis.

22. **A phased response through the FTCF is proposed.** While support will be needed to respond to the severe socio-economic impact of COVID-19 on households, businesses, and government budgets, the World Bank's approach is to lead with the health response. Therefore, this project focuses primarily on health sector operations to respond to urgent preparedness and response needs related to the COVID-19 outbreak. This includes challenges related to the availability and pricing of medical equipment and supplies. The global Pandemic Supply Chain Network (PSCN), of which the World Bank is a co-convener, has identified a list of medical products critical to the response and the Bank is working closely with the WHO to support the GOI to plan and procure medical supplies and equipment to effectively respond to the COVID-19 pandemic. In addition, the project focuses on activities to address disruptions created by the spread of the virus, such as closure of education facilities and containment and quarantine of affected populations.

23. **Coordination with Partners.** This operation supports a combination of emergency response and health system capacity building efforts consistent with the COVID-19 Containment Plan recently developed by the MOHFW with support from the WHO and partners. The World Bank is partnering with the WHO in addition to working with the MOHFW, including coordinating closely with WHO experts to prepare the operation. Discussions are underway between the GOI, the Asian Infrastructure Investment Bank (AIIB) and the World Bank whereby the (AIIB) may provide co-financing of US$250-300 million in support of this project. The co-financing will be processed through a restructuring of the project, in the event an agreement is reached between the three parties. The World Bank participates in development partner coordination platforms supporting the GOI to develop and implement the COVID-19 Containment Strategy. During implementation, the World Bank will closely collaborate with the WHO for Animal Health.

24. **Complementarity of WB financing.** The World Bank is supporting the GOI through ongoing health, education and social protection projects at central and state levels; these critical operations are providing complementary investments to reinforce the health, education, and social protection systems at a time when the country is experiencing shocks due to the COVID-19 pandemic. The GOI has requested to recommit US$500m in IDA cancelations to a Development Policy Credit (DPC) to support mitigation of social and economic impacts of the health emergency. The scope of the operation is still under discussion, but the policy dialogue with the government includes options for mitigating the impact on vulnerable households, workers in the unorganized sector, micro, small and medium enterprises, as well as the most affected sectors of the economy. The Prime Minister announced on March 19 the creation of a task force chaired by the Finance Minister to discuss interventions to address the economic impact. The decisions of the GOI, informed by the deliberations of the Task Force, will be reflected in the DPC.

A. Project Development Objective

25. The Project objectives are aligned to the results chain of the COVID-19 Strategic Preparedness and Response Program (SPRP).

26. **PDO Statement:** The proposed project development objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national health systems for preparedness in India.

27. **PDO Level Indicators:** The PDO will be monitored through the following PDO level outcome indicators:

- Percentage of district hospitals with isolation capacity (**Global MPA**)[3];
- Percentages of district health centers/district hospitals with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks;
- Proportion of specimens submitted for COVID-19 laboratory testing confirmed within WHO-stipulated standard time;
- Proportion of population able to identify three key symptoms of COVID-19 and/or seasonal influenza and three personal prevention measures (as assessed by a representative population survey); and
- The Government has activated their one health coordination mechanism for COVID-19 and other Emerging Infectious Diseases at Union level

B. Project Components

28. The proposed financing amount for the project is **US$1 billion (**US$350 million from the World Bank's COVID-19 Fast-Track Facility and US$650 million from IBRD). The project duration is expected to be four years.

[3] District hospitals are being used as the proxy to measure coverage of acute health care capacity in line with the Global MPA guidance.

29. The Bank's support will immediately enable the GOI scale-up efforts to limit human-to-human transmission, including reducing local transmission of cases and containing the epidemic from progressing from phase III (cluster of cases) to phase IV (community transmission) of the pandemic. In parallel to scaling up interventions to limit human- to-human transmission, health systems strengthening interventions will be rolled out to improve the country's capacity to respond to the COVID-19 epidemic and to be better prepared to respond to emerging disease outbreaks, including transmission between human and animals.

30. **Priority Areas.** The priority areas identified build on the GOI's response to date and are informed by: (i) international best practice and WHO's Guidance Note on COVID-19 emergency response; (ii) the GOI's draft COVID-19 Containment Plan; (iii) WHO COVID-19 Country Preparedness & Response Note (February 2020); (iv) the World Bank Fast Track COVID-19 Facility Board Paper; (v) best practices from China (policy notes on lessons learned from SARS and other outbreaks); and (vi) and summary of core lessons from Bank's health emergency operations.

31. All of the following components will support the acceleration and scale up of the GOI response to COVID-19, while serving the dual purpose of building systems to respond to future disease outbreaks.

32. **Component 1: Emergency COVID-19 Response (Indicative Amount: US$ 500million):** The aim of this component is to slow and limit as much as possible the spread of COVID-19 in India. This will be achieved through providing immediate support to enhance disease detection capacities through: increasing surveillance capacities, port health screening, provision of technical expertise, strengthening laboratory and diagnostic systems to ensure prompt case finding, and local containment. Enhanced detection capacities will be supported through updated training of existing surveillance workers, improving reporting by frontline health workers using existing surveillance information and, where possible, contact tracing of known cases. Laboratory capacity to diagnose both potential human and animal diseases at national and provincial level will be strengthened through: procuring and replenishing supplies of reagents and kits; upgrading virus repository and reference reagents; standardizing sample collection, channeling, and transportation; determining sites most in need of introduction of point-of-care diagnostics; and engaging private laboratories to expand capacity to test and manage COVID-19.

33. Component 1 will also support the GOI to improve capacity to manage COVID-19 cases by scaling up procurement of personal protective equipment (PPE), oxygen delivery systems, and medicines, and by retaining skilled health workers through extra payments (such as hazard pay and death benefits in line with GOI norms for compensation). Based on global lessons from previous health emergency responses, the GOI will expand service delivery capacity through deployment of healthcare and other workers to respond to COVID-19. This surge in service delivery will ensure that responding to COVID-19 does not weaken other areas of the health system. Evidence from previous health emergencies from across the world indicate the need to sustain and reinforce core health service delivery while surging capacity to respond to the specific epidemic. The project will finance service delivery costs to sustain the deployment of current and new health and other personnel required during the emergency phase to mount an effective response to mitigate COVID-19's impact on health and allied sectors. New isolation wards—including turning hospital beds into intensive care unit beds and implementing infection prevention and control activities—will be scaled up in public health facilities, including district hospitals, medical colleges, other civil/general hospitals, and designated infectious disease hospitals. Scaling up isolation wards will include establishing single occupancy negative-pressure isolation rooms in infectious disease hospitals and districts hospitals. Hospital infection prevention and control will be strengthened, wherever the need may arise as the epidemic progresses. The MOHFW will hire or deploy additional healthcare providers as needed to surge India's capacity for diagnostic and intensive care treatment services for COVID-19. Mobilizing all existing providers with installed isolation infrastructure and intensive care staff will be critical in the event of an escalation of the pandemic. This will include training healthcare workers to manage COVID- 19 and rolling out

protocols and guidelines on COVID-19 management, transportation, and referrals. Interventions proven effective in the containment of COVID-19 (such as social distancing) will be supported under state government leadership. The project will support the establishment of dedicated help lines and engage NGOs to strengthen community engagement, grievance redressal, and education on COVID-19.

34. The MOHFW will engage autonomous medical colleges to expand the COVID-19 emergency response. Grants will be transferred to such institutions for undertaking activities; based on the Utilization Certificates submitted by the institutions, actual expenditures will be reported through interim financial reports for the purpose of reimbursement. Detailed procedures will be documented in the Project Implementation Manual.

35. **Component 2: Strengthening National and State health Systems to support Prevention and Preparedness (Indicative Amount: US$ 270 million):** The component will support the GOI to build resilient health systems to provide core public health, prevention, and patient management functions to manage COVID-19 and future disease outbreaks. Key activities include: (i) Building a network of Biosafety Level 3, high containment laboratories with high biosafety standards in the country, including support for the ICMR to upgrade Viral Research and Diagnostic Laboratories in government institutions to meet the requirements of testing for pandemics and research; (ii) expanding point-of-care molecular testing for viral disease in sub-district and district laboratories and sample transport mechanisms; (iii) improving disease surveillance systems in humans and animals and health information systems across the country by strengthening the Integrated Disease Surveillance Program (IDSP) and integration of all health information; (iv) bolstering community-based disease surveillance capacity through increased personnel and the use of ICT systems to track and monitor infectious outbreaks; and developing human resources with core competencies in integrated disease surveillance across different states and at the central level to track and monitor current and new disease-outbreaks; (v) creating institutional mechanisms and capacities for epidemic response at district level by providing dedicated resources on the lines of existing mechanisms for disaster management; and (vi) strengthening referral transport systems and linkages.

36. Component 2 will also support the MOHFW to develop and update national guidelines to strengthen the emergency management of COVID-19 and early detection of diseases and response mechanisms. These include: (i) Guidelines on infection prevention and control in healthcare facilities; (ii) Guidelines on quarantine, including home quarantine; (iii) Guidelines for notifying COVID affected persons by private institutions; and (iv) Guidelines on dead body management. This sub-component will provide support to a review of National Emergency Contingency Plans.

37. Public health workforce development will be supported under this component to ensure that a complete spectrum of preparedness and emergency response expertise is developed in the government, including epidemiologists, data managers, laboratory technicians, emergency management and risk communications specialists, and public health managers. These interventions and investments will strengthen India's preparedness to effectively respond to the ongoing COVID-19 pandemic and to future infectious disease outbreaks. The capacity of Veterinary Services was assessed by OIE PVS mission in 2018; this will serve as a basis to strengthen contribution to public health and national capacity vis-à-vis the IHR.

38. **Component 3: Strengthening Pandemic Research and Multi-sector, National Institutions and Platforms for One Health (Indicative Amount: US$ 100 million):** India's infrastructure and technical capacity for research uniquely position the country to play a key role in research on viruses, other disease pathogens, and vaccines for India's own emergency response and for global public goods. India and South Asia Regional peers recently established a regional research network on infectious diseases. This component will support research on COVID-19 by Indian and other global institutions working in collaboration with the ICMR. The component will support biomedical research to generate evidence to inform the short- and medium-term response to the COVID-19 pandemic.

39. Component 3 seeks to develop core capacity to deliver the One Health approach to prevent, detect, and respond to infectious disease outbreaks in animals and humans. Within this context, the component will develop GOI capacity and systems to identify zoonotic disease threats at the animal-human interface. About 75 percent of new infectious diseases originate in animals, including HIV/AIDS, Ebola, and SARS. The component will finance key activities to be implemented by the NCDC, in collaboration with the GOI Department of Animal Husbandry and Dairying and state-level Departments of Animal Husbandry, to address policy and actions required to address Emerging Infectious Diseases (EID) of zoonotic potential. Building on the findings of OIE PVS and IHR JEE reports, the component will finance the following activities: (a) conducting a rapid needs assessment of national protocols for detection, surveillance, and response systems for animal and human health infections (including WHO-OIE National Bridging Workshop, NBW); (b) strengthening established mechanisms for detection of priority existing and emerging zoonoses; (c) strengthening surveillance systems for prioritized zoonotic diseases or pathogens of high national public health concern; (d) improving biosafety and biosecurity management, including staff training and proper specimen transportation; (e) strengthening national and state-level One-Health capacity of the animal health workforce (e.g., veterinarians, veterinary paraprofessionals, the public sector and community-based extension workers) to respond to EIDs; (f) establishment of a center of excellence in One-Health, as well other disease outbreak and control research centers; and (g) expansion of the NDDB-managed INAPH for EZID data collection and surveillance in the dairy sector, including data on small ruminants and other livestock species with significant zoonotic risk. A communication strategy will be developed to address community outreach and dissemination of information around risk to the human population of zoonotic diseases.

40. **Component 4: Community Engagement and Risk Communication (Indicative Amount: US$70 million):** This component will address significant negative externalities expected in the event of a widespread COVID-19 outbreak and include comprehensive communication strategies. The primary focus will be on addressing social distancing measures, such as avoiding large social gatherings, and should the need arise, school closings to mitigate against the possible negative impacts on children's learning and wellbeing. As part of the comprehensive communication and behavior change interventions, a community campaign for schools and parents will be supported to provide information about how to protect themselves and promote hygiene practices. Investments will be made to have plans in place to ensure the continuity of learning, including remote learning options such as radio broadcast and other means of distance delivery of academic content in the areas of literature and mathematics. Should tertiary education institutions also be closed, a pilot for teaching remotely and for maintaining operation continuity will be financed to facilitate engagement of students. Additional preventive actions would be supported to complement social distancing. These include personal hygiene promotion—such as promoting proper handwashing and cooking standards—and distribution and use of masks, along with increased awareness and promotion of community participation in slowing the spread of the pandemic. This component will also include provision of mental health and psychosocial services for vulnerable communities.

41. Component 4 will support systems for community-based disease surveillance and multi-stakeholder engagement, including addressing issues such as social inclusion and healthcare worker safety, among others. This component will support rebuilding community and citizen trust that can be eroded during crises.

42. This component will also include community-based animal disease surveillance and early warning networks. It will support the establishment of community-level early warning systems for robust emergency reporting and feedback against notifiable diseases. A critical objective of this sub-component will be to improve the commitment of all participants of the "epidemiological surveillance networks" and health security as a public good. In rural and peri-urban communities, the project will support training for animal health workers, and treatment of infected animals and reporting procedures. Farmers, herders, extension professionals, and paraprofessionals would receive hands-on training in detection of clinical signs. Participatory methodologies involving farmers, para-veterinarians, and community workers would be used extensively, given that the major control targets are the small-scale and semi-

commercial livestock production systems.

43. **Component 5: Implementation Management, Capacity Building, Monitoring and Evaluation (Indicative Amount US$60 million):** Support for the strengthening of public structures for the coordination and management of the project would be provided, including MOHFW and state (decentralized) arrangements for coordination of activities, financial management, procurement, and monitoring and evaluation. This component would also strengthen NCDC capacity for health emergency and disease outbreak management capacity; upgrade information systems for program management; and expand staffing with core competencies for disease surveillance, epidemiology, labs, and One Health service delivery. The project will leverage technology including artificial intelligence and big data analytics to improve the preparedness and response to the ongoing COVID-19 pandemic through the MOHFW's disease surveillance platform.

44. **Component 6: Contingent Emergency Response Component (CERC) (US$0 million):** Provision of immediate response to an Eligible Crisis or Health Emergency.

C. Project Beneficiaries

45. **Given the nature of COVID-19, the scope of the operation will be nationwide and project beneficiaries will be the population at large**. The primary project beneficiaries will be infected people, at-risk populations, medical and emergency personnel, service providers at medical and testing facilities (both public and private), and public and animal health agencies engaged in India's COVID-19 response. Staff of key technical departments and health departments will also benefit from the project as their capabilities increase through institutional capacity strengthening.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

46. **Project management will be coordinated within the MOHFW structures.** The project will be managed by three entities within the MOHFW namely: the National Health Mission (NHM), the National Center for Disease Control (NCDC) and the Indian Council of Medical Research (ICMR). The NHM is a centrally sponsored scheme of the GOI and is the flagship program of the MOHFW aimed at achieving universal access to equitable, affordable, and quality health care services to the citizens. It is headed by a Mission Director, who is an officer of the rank of Additional Secretary. The NCDC is an attached office of the MOHFW that plays a lead role in investigation of disease outbreaks all over the country and is headed by a technical officer of the rank of Director. Both the NHM and NCDC fall under the Department of Health and Family Welfare. The ICMR is an autonomous society under the Department of Health Research and is the apex body for formulation, coordination, and promotion of biomedical research and is headed by the Director General. Highest level project oversight will be ensured through a Governing Committee chaired by the Secretary – Health and Welfare, and co-chaired by the Secretary – Department of Health Research, who will oversee the project. This committee will meet three times in the first year in light of the coordination needs of the initial COVID-19 emergency response, and twice every subsequent year.

47. **Implementation will be at state and central levels through existing GOI structures.** In addition to this, private sector engagement will be done through states and central agencies to surge the capacity for laboratory and intensive care services for COVID-19, as maybe necessary during the response to the COVID-19 pandemic. In addition, for certain activities at the community level, the GOI may partner with NGOs and support Self Help Groups who have wider local presence to support implementation. Private and public research institutions under the ICMR will be engaged to implement research on COVID-19.

48. **The delivery of the project activities will be through the existing implementation arrangements of the NHM, NCDC and ICMR.** The components of the project coming under the NHM will be implemented by the State and District Health Societies and the Policy Division of the MOHFW. The NHM will set up Technical Support Units at the central and state levels to drive implementation within three months of effectiveness. The components of the project coming under NCDC will be implemented by the concerned technical wings and branch offices of NCDC and the Public Health Division of the MOHFW. To strengthen project implementation and coordination capacity required for the rapid implementation of activities under an emergency, NCDC will set up a Technical Support Unit at the national level within three months of project effectiveness. The NCDC will set up TSUs in select states based on priority geographic areas. NCDC will build on its ongoing collaboration with the Department of Livestock and Dairying to implement One Health interventions. The NCDC's Center for Arboviral and Zoonotic Diseases and the Program for Inter-Sector Coordination for Prevention and Control of Zoonotic Diseases will engage with the Department of Livestock and Dairying to carry out a rapid needs assessment. All project activities coming under ICMR will be implemented through the concerned divisions as well institutions that come under it. The ICMR will engage with both private and public research institutions to implement research on COVID-19. Also, private sector engagement will be done through states and central agencies to surge the capacity for laboratory and intensive care services for COVID-19. Technical support units will be set up at the national and state level for effective handholding. Project coordination will be the responsibility of a Project Steering Committee co-chaired by Department of Health and Family Welfare and Department of Health Research officials. It will have oversight over the routine implementation of the project and will meet once in a quarter. This committee will be assisted by a Secretariat.

49. **Coordination with Partners and NGOs:** This operation would support a combination of emergency response and health system capacity building efforts consistent with the COVID-19 Containment Plan of MOHFW with the support from WHO and partners. The World Bank is coordinating closely with WHO. The GOI may partner with NGOs and support Self Help Groups with wider local presence to support implementation.

B. Results Monitoring and Evaluation Arrangements

50. **The project will use existing M&E platforms of the MOHFW.** Existing information platforms of the NHM, ICMR and IDSP will be leveraged and strengthened to monitor progress of the project on different PDO and intermediate results indicators. The IDSP's existing information platform will be strengthened by integration of all health information verticals into it through a unified IT platform. Reference is also made to the learning agenda approaches laid out in paragraphs 7 and 8.

51. **Reporting:** The MOHFW will produce a quarterly report based on agreed targets and the progress made of implementation of critical project activities. This report will contain tables of performance against indicators for the proposed project. The project steering committee will review veracity and quality of data reported through the quarterly report.

52. **Supervision and implementation support:** An experienced in-country World Bank team of health, operational, and fiduciary specialists will provide day-to-day implementation support to the MOHFW with additional regular support from staff from other World Bank offices. Implementation support missions will be carried out on a regular basis and will include relevant partners in consultation with MOHFW. Existing MOHFW monitoring mechanisms, including the Common Review Mission, will also be leveraged.

C. Sustainability

53. The sustainability of the project would largely depend on the capacity of the implementing agency and the

specific activities, as well as the GOI's ability to provide sustained financial support towards mainstreaming One-Health beyond the COVID-19 emergency. Some project activities are not intended to be sustained if the response is adequate and timely (e.g. continued COVID-19 testing). However, laboratory capacities will be improved at the district, state, and national levels such that the system for testing and diagnostics is strengthened and sustained beyond the epidemic period. In addition, capacity for disease risk assessment and forecast, surveillance, prevention, and management of infectious diseases will be improved at state and national levels. The focus of some of the project activities on training and capacity building of health workers and agricultural workers and allied sector workers will further enhance the sustainability of the operation.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

54. **This project was selected for COVID-19 financing due to the urgent need for a nationwide emergency response to the outbreak, and longer-term system strengthening imperatives.** In the immediate term, the focus is appropriately placed on slowing down and limiting the spread of COVID-19 to the greatest extent possible through improved disease surveillance, laboratory capacities, and hospital readiness. These are core functions for a robust public health response drawing from global experience and evidence. The project also prioritizes investments for medium and longer-term disease responsiveness activities, including infrastructure readiness, 'One Health' priorities, and infectious disease research. A strong pandemic response capability is essential for India's population health now and in the future.

55. The project is expected to bring economic benefits in the short- and long-term. Project activities will help address the immediate and long-term impacts of COVID-19 on the Indian economy by:

- **Limiting the extent and duration of economic disruption.** While containment and prevention measures are expected to disrupt economic activity over the short-term, the medium/long-term impact is expected to be positive as these efforts will limit the need for more sustained (and economically damaging) containment and response interventions. Measures to control the spread of COVID-19 in India will also have positive spillover effects by mitigating the risks of a wider pandemic, including in neighboring countries and globally.
- **Preventing loss of human capital.** Loss of life and negative impacts on productivity will be mitigated by: (i) slowing the spread of COVID-19 through improved screening programs, laboratory capacity, and disease surveillance programs; (ii) providing proper equipment, training, and facilities for health care workers; (iii) improving access to life-saving health care through improved facilities for COVID treatment in both public and private hospitals.
- **Broader health system strengthening.** Many measures supported by the project will bring economic benefits through broader health system strengthening. Positive long-run returns are expected from activities related to: (i) training of health sector workers; (ii) provision of essential basic medical equipment; (iii) improvement in health facilities and infrastructure; and (iv) strengthening national capacity to improve surveillance, risk assessment, prevention and management of zoonotic disease outbreaks. International evidence has shown that such investments deliver positive economic returns even in the absence of a major pandemic.

56. **Analysis suggests that COVID-19 will have a negative economic impact on India's economy.** The main transmission channels through which the COVID-19 outbreak is affecting the Indian economy are as follows:

- **Trade and domestic production links.** China is India's third largest merchandise export destination accounting for 5.5 percent of total merchandise exports. More importantly, China accounts for about 15 percent of India's

imports and supplies key inputs in pharmaceuticals, auto, electronics and apparels sectors. Disruption in the supply of these intermediate inputs as well as certain consumer durable items can negatively affect domestic production and, to some extent, private consumption.

- **Services sector and financial channels.** The COVID-19 outbreak will cause disruptions to the sector due to restrictions on movements of goods and people. The freeze on travel and tourism will adversely impact the 'trade, hotel and transport' sub-segment while restricted movement of goods will hamper financial services activities. Additionally, a negative impact on financial markets via weakened investor sentiments (flowing from a situation of enhanced risk aversion) will negatively impact capital flows and equity markets.

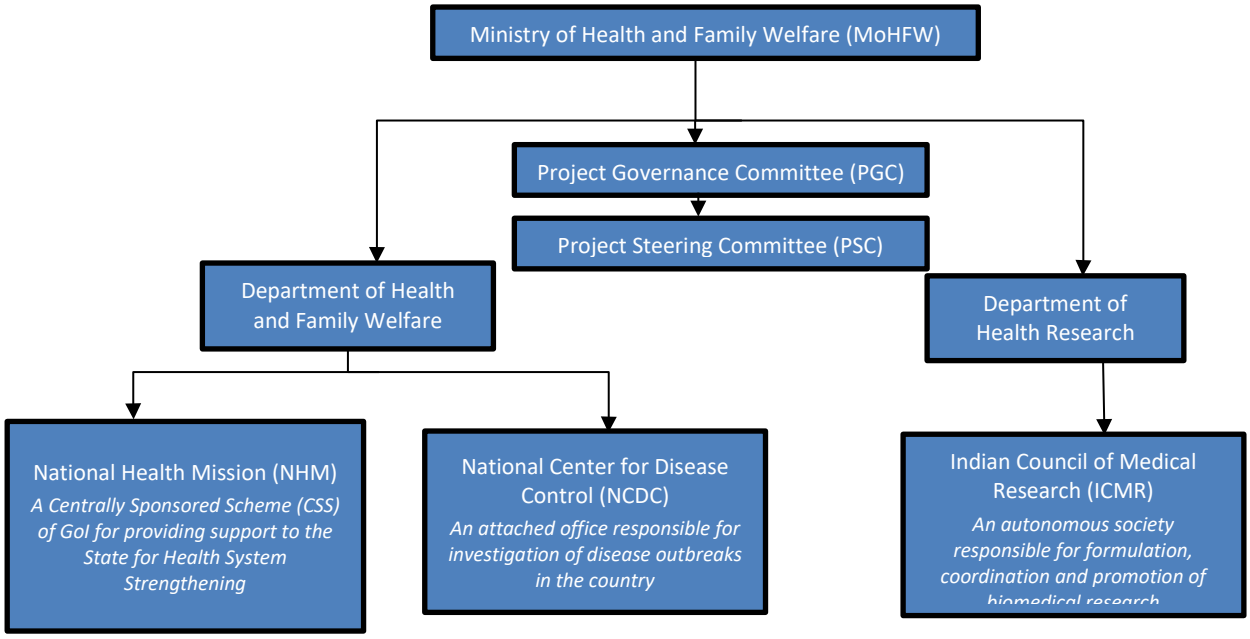
B. Fiduciary

(i) Financial Management

57. **Financial management (FM) arrangements for the project are fully reliant on 'use of country systems'**, i.e., predicated on GOI's own systems, including accounting and reporting arrangements, internal control procedures, planning and budgeting, external audits, funds flow, organization and staffing arrangements, all of which the Bank has assessed as Satisfactory. The project has acceptable financial management (FM) arrangements to account for and report on project expenditures. The rapid assessment for this emergency operation is based on the experience of ongoing and pervious health sector projects in India, discussions with key officials, and desk review.

58. **The project implementation arrangements rely upon existing MOHFW structures.** The project is being implemented through three MOHFW agencies: the NHM, the NCDC, and the ICMR, as indicated in the chart below (Figure 2). The three agencies are headquartered in New Delhi, with presence across the entire country—thus providing adequate arrangements for responding to this pan-India intervention. The NHM has presence in all 28 states and eight Union Territories of the country through State and District Health Societies; the NCDC has 30 branches; and the ICMR has 26 units across the country.

Figure 2: Implementation Arrangements



59. **Financial management function is the responsibility of the AS & FA, who has a mandate of financial oversight over all three implementing agencies (the NHM, the NCDC, and the ICMR).** The AS & FA is supported by the Chief Controller of Accounts at the MOHFW. Each implementing agency has dedicated financial management functions: (a) a Financial Management Group headed by the Director Finance at NHM; (b) a Division of Planning Budget & Administration at NCDC; and (c) a finance team headed by Senior Financial Advisor at ICMR. However, at both NCDC and ICMR, the quantum of work is expected to increase with the implementation of this emergency project. Thus, there is scope to strengthen the financial management capacity of the implementing agencies through the hiring of financial management consultants.

60. **The Financial Management Risk of the operation is being assessed as Substantial.** The operation's implementation arrangements are characterized by the proliferation of accounting units at multiple levels, with the added challenge of varying technical capacities across the country. The following envisaged risk mitigation measures will be monitored during project implementation and the risk will be reassessed based on the actions taken (Table 2).

Table 2: Financial Management Risks and Mitigation Measures

Risks	Mitigation Measures
Proliferation of accounting units across the country	The Public Financial Management System (PFMS) developed by the GOI is a fund tracking and expenditure filing system that can provide real time status of fund utilization and available funds. The roll-out and usage of PFMS across all accounting units will help mitigate the risk. The MOHFW will work directly with the PFMS office to respond to any implementation challenges with respect to the portal.
Lack of co-ordination between the three implementing agencies requiring submission of separate claims and audit reports	The project coordination committee cochaired by Department of Health and Family Welfare and Department of Health Research officials will facilitate coordination among the agencies. This committee will be assisted by a secretariat. Upon completion of the emergency response, mechanisms to simplify the reporting and auditing arrangements will be explored under the guidance of the AS & FA, MOHFW.
Need to enhance FM capacity to ensure proper record keeping and documentation.	1. Appointment of financial management consultants to enhance capacity at the implementing agency, if required. 2. Deputation of a Financial Advisor (regular Government official) to support the Division of Planning Budget and Administration in the fiduciary function at NCDC. Upon completion of emergency response: 1. Conduct regular trainings of financial management staff on PFMS implementation; 2. Conduct six-monthly review meetings (may be done virtually) for the financial management staff of the accounting units at each of the three implementing
Risk of proper safeguarding of inventory and assets at the health facilities	Compliance with the guidelines for inventory/stock and asset management guidelines issued by the implementing agencies. Efficient record keeping (preferably electronic) for asset management (Fixed Asset Register) at health facilities.

61. **The World Bank funds will be provided to the GOI and will remain within the existing financial management systems of the MOHFW.** All guidelines followed for financial management are as per the General Financial Rules (GFR), 2017. With respect to the NHM and NCDC, there are no separate bank accounts at the central ministry level and all payments are managed by the Pay and Accounts Office (PAO) of the MOHFW, which is a unit of the Controller General of Accounts (CGA). The NHM is a Centrally Sponsored Scheme for which the MOHFW transfers funds to the State Treasuries. State Health Societies established in each state under the administrative control of the Department of Health are entitled to withdraw funds (as per their budget provision) from the State Treasury and maintain the balances in a commercial bank account. The NCDC too expects to transfer some funds for certain operational activities through the PFMS directly to its branches, which maintain accounts in commercial bank accounts. Until recently, the ICMR, an autonomous society, was part of a GOI pilot for Treasury Single Account (TSA) consolidation – which allows transfer of allocations and not actual funds to the autonomous agencies. However, given the exigency of COVID-19 response, the GOI has temporarily suspended the pilot. The ICMR will receive quarterly fund requisitions (based on forecasting) from the DHR in a separate account maintained in a commercial bank. Once the emergency response is complete, transitioning to the TSA consolidation will be evaluated based on the response of the previous pilot and the GOI's decision in this regard. Separate bank accounts are maintained by the field offices of all three implementing agencies; but this process will be managed through the use of the PFMS to transfer funds and also monitor funds utilization and available balances.

62. **Emergency response to COVID-19 will be budgeted under existing GOI and State budget lines.** The three implementing agencies have sent orders to all units to use budget allocations under existing budget heads to initiate and finance activities for COVID-19 response. Instructions to address potential administrative delays have been issued, clarifying that creation of separate budget lines at GOI or state level are not necessary. Once the short-term emergency response is completed, the MOHFW will create a separate head of account, as appropriate, for this operation in the GOI budget as an 'Externally Aided Project' as part of Budget estimates. This agreed approach will facilitate easier tracking of the allocations, execution, and financial reporting under this operation.

63. **Internal controls for payroll and non-payroll transactions are robust for the project.** The internal control framework at the GOI is embodied in the Budget Manual, General Financial Rules (2017), and Treasury Code, read with the Store Purchase Manual and Works Manual, as well as other related employee rules. Further, with respect to the NHM, detailed operational guidelines for Financial Management were developed in 2012 and have been updated frequently. These are applicable to the funds transferred by the GOI to State and District Health Societies. The NHM internal control framework includes concurrent audit on a quarterly basis by private Chartered Accountants. During the course of implementation, if the need arises, additional controls may be included to strengthen the internal control framework of the three implementing agencies.

64. **All transactions pertaining to the project at the three implementing agencies will be recorded in the PFMS.** The PFMS is developed and managed by the office of Controller General of Accounts (CGA) under the MOHFW as a fund tracking and expenditure filing system, and is also being expanded as GOI's IFMIS solution. All three implementing agencies, where additionally required, will register their respective field units as 'agencies' or accounting units in PFMS, and funds will be transferred online to these agencies using PFMS. These accounting units will use the PFMS to make payments and record all transactions. The PFMS provides real time information of funds utilization and available balances across all accounting units, which can be consolidated at the headquarter level for each of the three implementing agencies. The funds will be released under the NHM to the states as Grant-in-Aid; the latter will then record the disaggregated component and/or object head expenditure details in PFMS. Although a delay is envisaged in creation of a separate budget line for this project, this will not create any obstacles in accounting and reporting for this project separately, as the disaggregated expenditure details will be maintained in the PFMS. The risk of any duplicate

claims submission to the Bank will be eliminated by reconciling the claims with the expenditure recorded under each of the disaggregated component and/or object head available in the PFMS for the COVID-19 interventions. Past experiences suggest that effective implementation and use of full functionality of PFMS across all states/districts have been mixed and will require some close monitoring in the initial project period.

65. **Financial reporting to the Bank will be done on a quarterly basis through Interim Unaudited Financial Reports (IUFRs)**. The PFMS expenditure reporting will serve as basis for preparation of the IUFRs by the three implementing agencies for claiming reimbursement of the expenditures incurred. The IUFRs will be submitted to the Bank within 45 days from the end of every quarter. Although the three implementing agencies are under the aegis of MOHFW, consolidation of financial reporting during the emergency response is difficult – thus it has been agreed that each agency will prepare and submit separate IUFRs during the emergency response; and subsequently mechanisms to transition to a single consolidated IUFR will be explored. In the event the Government exercises the option of procurement through UN agencies, the facility of direct payments by the World Bank to such agencies will be used. Arrangements will be put in place to receive periodic Fund Utilization Reports (reflecting funds received and related expenditures) from the UN to reconcile such amounts.

66. **Annual audit reports for project expenditure will be submitted to the Bank within 9 months from the close of the Financial Year.** With respect to the project expenditures incurred by NHM at the States, established audit procedures under NHM will be followed – external audit conducted by private Chartered Accountants on an annual basis. Separate audit reports for each of the states incurring expenditure towards the project will be submitted to the Bank. Further, the Comptroller and Auditor General (C&AG) will be external auditors for ICMR and NCDC, as per the ToRs agreed with the office of C&AG. During the emergency response, as each of the implementing agencies are reporting expenditures separately, the Bank will receive separate audit reports (issued by the C&AG) for each implementing agency. These Audit Reports will be submitted by the implementing agencies to the Bank within nine months from close of the financial year. Subsequent to the emergency response, the auditing arrangements will be reviewed and streamlined for issuance of a consolidated audit report.

Scope of Audit	Auditor	Due Date for submission to the Bank
NHM – separate reports for all States reporting project expenditures during the year	Private CA firms	Within nine months of close of each financial year
NCDC	CAG	
ICMR	CAG	

67. **Retroactive financing** up to US$400 million (i.e. 40 percent) of the total financing amount will be allowed for reimbursement of payments made by the Government from January 1, 2020 until project signing.

(ii) Procurement

68. **Procurement under "Component 1: Emergency COVID-19 Response"** can be undertaken using Borrowers' own procedures for the first two years of project implementation, provided these comply with Bank's Anti-Corruption Guidelines and subject to post review by the Bank. This arrangement may extend beyond the two years subject to an assessment of the need and agreement of the Bank. If there is no extension of this arrangement, procedures described in paragraph 70 -76 will also apply to this component after the first 2 years.

69. **Procurement for remaining components under the project will be carried out in accordance with the World**

Bank's Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated July 1, 2016 (revised in November 2017 and August 2018). Procurement under the Project will also be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. As this operation responds to a worldwide pandemic declared by World Health Organization (WHO) which has resulted in supply chain disruptions with restrictions on movement of people, goods and services coupled with limitations on export of critical supplies by many countries, this operational emergency has also been considered in the design of procurement arrangements. The Project will use the Systematic tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions.

70. **Major planned procurement includes**: goods (medical equipment, supplies and commodities, diagnostic reagents, including kits, PPE including masks, gloves, etc.); services (development and dissemination of communication messages and materials); some small civil works (strengthening of hospitals and laboratories, etc.); and a few consultancy procurements. Most of the goods are, however, available in India, barring certain medical equipment, which is currently being imported. Given the emergency nature of the requirements, the Borrower has agreed to develop a streamlined Project Procurement Strategy for Development during the implementation phase of the project and finalize the same early during the implementation.

71. **Implementing Agencies.** Implementing agencies will be coordinated within the MOHFW structures through its three entities namely the National Health Mission (NHM), the National Center for Disease Control (NCDC) and the Indian Council of Medical Research (ICMR). Both the NHM and NCDC fall under the Department of Health and Family Welfare. The ICMR is an autonomous society under the Department of Health Research. Procurements related to district level hospital's augmentations would be done at respective state level under NHM. ICMR and NCDC may need to be strengthened through hiring procurement agents or government procurement agencies. Also, a few states under NHM scheme may require capacity augmentation. Procurement under Component 1: Emergency COVID-19 Response will additionally be handled by states and district/other hospitals.

72. **The proposed procurement approach** prioritizes fast track emergency procurement for the emergency required goods, works and services. Key measures to fast track procurement include the following measures (Table 3):

Table 3: Procurement Methods

Procurement category	Procurement approaches proposed by the Government
Goods *[High end equipment such as Imaging gear etc.]*	International Competitive Procurement, National Competitive procurement, international shopping, Limited tendering, RFQ
Other Goods, IT and non-consulting services	National competitive procurement (NCP), limited tendering/RFQ
Works	National competitive procurement (NCP), RFQ
Consulting Firms	Fixed budget and least cost selection, extension of existing contracts, direct selection

73. **Flexible approaches for such operations** (e.g. procurement using UN Agencies, HEIS, Bank facilitating procurement etc.) were explained to the Government, which may use these during project the implementation stage, as needed.

74. **Government has prepared a procurement plan** for the next three months which has been agreed by the Bank. The Plan will be updated regularly as needs arise and uploaded in the STEP.

Bank Oversight on procurement process

75. Market approaches and prior review requirements will be as follows (Table 4):

Table 4: (Market Approaches)

Category of procurement	Market approach threshold	Prior review threshold (US$m)
Works	Above US$40 M for ICP Up to US$40 M for NCP Up to US$1 M for RFQ	None for emergency period. Standard review procedure will apply after this period.
Goods & Non-Consultancy services	Above US$25 M for ICP Up to US$25 M for NCP Up to US$1 m for RFQ	-do-
Consultancy Services	US$ 0.8 M for NPP (with option for direct RFP) Above US$0.8 M-Other methods	-do-
Note: Direct contracting/single source prior review will follow the requirements of the category of procurement (goods, works and services). Higher thresholds (US$ 25M for Goods NCP and US$ 1 M for RFQ) are applicable only for emergency response period, normal threshold (US$ 10M for Goods NCP and US$ 100,000 for RFQ will be used thereafter.		

76. **Fraud and Corruption (F&C) and Audit Rights**: Contracts that were procured in advance of the signing of the Financing Agreement [and are included in the Procurement Plan] will be eligible for the Bank's retroactive financing if the contractor has explicitly agreed to comply with the relevant provisions of the Bank's Anti-Corruption Guidelines, including the Bank's right to inspect and audit all accounts, records, and other documents relating to the Project that are required to be maintained pursuant to the Financing Agreement. However, there are practical limits to the application of the Anti-Corruption Guidelines in the case of unsuccessful bidders for these retroactively financed contracts. Because procurement has already been completed and contracts awarded, it is not practically possible to secure the agreement to such application from unsuccessful bidders for these contracts. Accordingly, the waiver of paragraph 6 (requiring that the Anti-Corruption Guidelines be applied to all procurement) and paragraphs 9(d) and 10 (requiring agreement by bidders and contractors to comply with the Anti-Corruption Guidelines) of the Anti-Corruption Guidelines, as requested by the Global MPA, will apply to the Project.

77. **Procurement risk is assessed as "Substantial".** Major risks to procurement and proposed mitigation measures are summarized below (Table 5):

Table 5: Procurement Risks and Mitigation Measures

Risks	Mitigation Measures
Limited capacity to conduct emergency procurement at NCDC and ICMR. Further, delay in decision making may also impact.	NCDC and ICMR will use either specialized government procurement agency or hire a procurement agent. Use of GeM will be encouraged (MOHFW may work with GeM SPV to list various items on its portal).
Limited delegation of approvals resulting in delays.	Delegate approval authority to operational level as appropriate and agree business standards for approvals.
Very limited time for initial purchase.	May adopt 'Direct Contracting' or use of 'Limited tenders' for select equipment and materials.
Capacity of the market and supply chain to meet the	Though many of the items are manufactured in India, this constraint may be faced for imported items.
Impact of emergency on supply chains and lead	Risks are high for imported items given the spread of the infection in other countries. Use of country sources for most of the items.
Managing fraud and corruption and	Post review of contracts will be scheduled for all contracts that would have been usually prior reviewed.
Limited Bank oversight.	Bank will guide and support implementing agency to the extent possible, despite no formal prior review.

C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

D. Environmental and Social

78. **Given the nature and potential of spread of the COVID-19 pathogen, the environmental risks are rated Substantial.** However, the project is expected to have mostly positive environmental and social impacts, insofar as it should improve COVID-19 surveillance, monitoring, case management and containment, thereby preventing a wider spread of the disease. The main environmental risks identified are:

(i) The occupational health and safety issues related to shortage of PPE for health care and other workers in the COVID-19-related logistical supply chains;
(ii) The possibility that PPE is not appropriately used by the laboratory technicians and medical staff; and
(iii) Environmental pollution and community health and safety issues related to the handling, transportation, and disposal of health care waste, including solid and liquid wastes from hospitals, public and private laboratories, COVID-19 screening posts and quarantine centers, and any construction waste generated during upgrading and/or building new healthcare facilities. The associated risks are unusually higher and require higher awareness, behavior modification, and special handling. This is critical to reduce accidental contact with liquid wastes (blood, other body fluids, reagents, and water used during testing) and solid wastes and consumables (bed sheets, utensils, etc. of infected patients and waste generated during testing and treatment).

79. **The social risks are also considered Substantial.** India has geographic, socio-cultural, and economic diversity and varied capacity of local governments for handling health service delivery, including quality of facilities for isolation and

quarantine across states. These variations carry Substantial risks to marginalized and vulnerable social groups (women, the elderly, the differently abled, scheduled tribes [ST], scheduled castes [SC], communities in remote and hilly locations, etc.) in accessing the benefits and services of the project. These risks are further accentuated by the large population working in the informal sector as daily wage earners whose livelihoods are at stake in the short term, and who therefore may flout state- or national-level recommendations. In fact, there is a potential risk of social tension and conflict within communities due to the adverse impacts of containment strategies on people's livelihoods, particularly when it comes to marginalized and vulnerable groups. Hence, handling medical isolation of individuals with quarantine interventions (including dignified treatment of patients; attention to specific, culturally determined concerns of vulnerable groups; prevention of sexual exploitation and abuse (SEA) and sexual harassment (SH); as well as minimum accommodation and servicing requirements) are issues that will require close attention while managing the project's social risks.

80. **To mitigate these risks, the MOHFW will address the concerns and needs of vulnerable and marginalized groups (including issues of access, prevention of social tensions and conflict, mental health and psychosocial support of health care workers and trauma survivors, etc.) through following interventions:** (a) updating guidelines and SOPs, as relevant for health care professionals; (b) by strengthening and devising exclusive awareness campaigns to educate and sensitize the poor and vulnerable on health seeking behavior; (c) prioritizing districts and vulnerable areas within those especially the poorer localities, remote and hilly areas with building awareness about the risk and services associated with Covid19; (d) providing medical and psychosocial support to the patient and the family members; (e) MOHFW to coordinate with other Ministries and Departments of Government of India to recommend additional support to informal sector workers or daily wage earners for interim livelihoods support who are affected by lockdowns and other containment strategies. Targeted training for health care professionals will be undertaken to sensitize them to a host of gender-based violence (GBV) and trauma issues, to enable them to connect survivors via India's existing referral mechanisms. Data related to the COVID-19 outbreak and the implementation of the emergency response will be disaggregated by sex, age, disability, and social group (SC and ST) to understand the differences in exposure and treatment and to develop differential preventive measures in response. A draft Stakeholder Engagement Plan (SEP) incorporating preliminary stakeholder mapping has been prepared to guide MOHFW in interactions with a wide range of stakeholders and citizens (including the most vulnerable and marginalized among them). The SEP will include strengthening the existing Grievance Redress Mechanism (GRM) to address concerns and grievances that may arise in the context of project implementation. In addition, a project-specific communications strategy will facilitate the access of vulnerable groups to tailored information on how to prevent and respond to COVID-19, and to engage in safer behaviors at an individual, household, and community level.

81. **The project is not expected to involve in any land acquisition nor in involuntary resettlement.** If any activities involving the establishment or rehabilitation of local isolation units or quarantine wings in hospitals, will be undertaken in existing facilities and within established footprints. The unlikely event of land acquisition in connection with any project activities will be managed through the use of available Government lands or direct purchase from the land owners.

82. **Overall environmental and social due diligence, impact, and risk management for this project will be carried out under the World Bank's new Environment and Social Framework (ESF).** The MOHFW and several state governments have good experience working with the Bank and adhering to its safeguard's frameworks. India's updated Biomedical Waste Management Rules (March 2018) have adequate provisions for handling, transport, and disposal of infectious waste. Recently, the World Bank conducted an Environment and Social Systems Assessment (ESSA) for two Health Program-for-Results operations, one at the central level (Tuberculosis project) and another at the state level (Tamil Nadu) and evaluated the general environmental assessment and enforcement issues. Both assessments confirmed

generally good capacity for Bio Medical Waste Management (BMWM). In March 2020, the Central Pollution Control Board brought forth specific guidelines for handling, transportation, and disposal of COVID-19-related biomedical waste. India's current response to the COVID-19 situation matches that of WHO advisories. However, the MOHFW has agreed to prepare an Environmental and Social Management Framework (ESMF) for the project that would include mitigation actions for boosting capacity and training on BMWM, upgrading of COVID-19 biosecurity and quarantine measures, use of PPE, improved laboratory management systems, and social and behavior awareness on newer concepts like social distancing, sneezing and coughing etiquette, etc. The ESMF will also include provisions to address the requirements of screening, isolation, and treatment of marginalized and vulnerable communities by ensuring services and supplies based on the urgency of the need, in line with the latest data related to the prevalence of the cases.

83. **An Environment and Social Commitment Plan (ESCP) and a Stakeholder Engagement Plan (SEP) will be disclosed.** The borrower will disclose the agreed ESCP and SEP and make it available on their website and other prominent locations. The ESCP conveys that the ESMF will be prepared within 60 days of project effectiveness and updated regularly as the COVID-19 situation evolves. Similarly, the SEP will be revised periodically based on need and on the changing context of the COVID-19 emergency. In addition, all ESF documents (ESMF, SEP, ESCP, etc.) will require updates in line with the activities to be defined under Component 6. Contingent Emergency Response Component (CERC) during implementation. Any activities, which will be screened to have significant impacts according to ESMF will not be initiated before an updated ESMF, and any additional environmental and social assessment documents (if required), are in place. Updated documents will be re-disclosed both in country and on WB's external website.

VI GRIEVANCE REDRESS SERVICES

84. Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the World Bank's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of World Bank non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VII. KEY RISKS

85. **The overall risk to achieving the PDO is substantial**. This reflects substantial residual risks of fiduciary, technical design, and environmental and social safeguards.

86. **The environmental and social risks are considered substantial** due to the nature and potential to spread in areas that are densely populated in India of the COVID-19 pathogen and the nature of interventions to be financed by the project. However, project interventions will mostly result in positive benefits to beneficiaries through surge in capacity of health services and interventions to educate the population about COVID-19.

87. **The technical design entails Substantial risk**. Technical design risks include: i) Intervention activities not being effective in containing the spread of COVID-19, as well of other infectious diseases of animal origin; ii) Lack of timely and predictable access to expert advice and technical support; iii) Lack of enough quantity of drugs and other medical inputs needed to address the health needs of the general population during a pandemic; iv) Lack of adequate national monitoring and evaluation to track progress and emerging issues. **These risks are mitigated by the following measures:** i) India has a strong domestic market for drugs and medical equipment and the MOHFW is working closely with private providers to procure medical supplies and equipment to respond to COVID-19; ii) the Bank is collaborating with WHO to support MOHFW to access international suppliers, as needed; iii) project activities focus on strengthening the response capacity of the key institutions in charge pandemic emergencies in the short and medium terms. This includes significantly strengthening the One Health strategy and approach; iv) The project interventions are evidence-based and supported by India's has high technical and scientific capability. The WHO's Chief Scientist is the former Director General of the ICMR, one of the three implementation agencies; v) the project is supporting interventions based on India's COVID19 containment plan, which was developed jointly with the WHO, other UN agencies, and development partners such as the CDC and the Bill and Melinda Gates Foundation; vi) the GOI is fully committed to coordinating project activities with efforts undertaken by WHO and other international organizations (see declarations of WHO Representative to the New York Times on March 17); vii) the project is supporting strengthening of the key M&E platform under the IDSP to increase capacity for early identification of emerging issues as the pandemic evolves rapidly, as well as to strengthen and learn from the crisis response. The residual technical risk is assessed as Substantial.

88. **The project's fiduciary risk is rated Substantial due to implementation arrangements that are characterized by the proliferation of accounting units at multiple levels, with the added challenge of varying financial management and procurement capacities across the country.** In addition, the three entities have limited experience in procurement and supply chain related to COVID-19. In order to mitigate the risks, the NHM and NCDC will set up Technical Support Units at central and state levels and this will mitigate some of the fiduciary risks. In addition, the Bank will provide intensified implementation support and review fiduciary performance through IURFs and post procurement reviews.

89. **While the overall macro-economic risk for the country may be substantial and evolving rapidly, the macro-economic risk to the achievement of the PDO for this operation is moderate.** The GOI has demonstrated clear commitment to ensure critical financing in support of the COVID-19 response.

90. Mitigation measures have been integrated into the design of the project and are described in the relevant sections above.

Table 6: Systematic Operations Risk Rating Tool (SORT)

Risk Categories	Rating
1. Political and Governance	Moderate
2. Macroeconomic	Moderate
3. Sector strategies and policies	Moderate
4. Technical design of project	Substantial
5. Institutional capacity for implementation and sustainability	Moderate
6. Fiduciary	Substantial
7. Environmental and social	Substantial
8. Stakeholders	Moderate
Overall	**Substantial**

VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: India

India COVID-19 Emergency Response and Health Systems Preparedness Project

Project Development Objective(s)

The proposed project development objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national health systems for preparedness in India.

Project Development Objective Indicators

Indicator Name	DLI	Baseline	End Target
Support GoI to prevent, detect and respond & strengthen national HS for pandemic preparedness			
Percentage of district hospitals with isolation capacity (Percentage)		0.00	70.00
Proportion of specimens submitted for COVID-19 laboratory testing confirmed within WHO-stipulated standard time (Percentage)		0.00	70.00
Proportion of population able to identify three key symptoms of COVID-19 and/or seasonal influenza and three personal prevention measures (as assessed by a representative population survey) (Percentage)		0.00	50.00
The Government has activated their one health coordination mechanism for COVID-19 (Text)		No	Yes
Percentages of district health centers/district hospitals with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks (Percentage)		0.00	70.00

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
1: Emergency COVID-19 Response			
Proportion of states with sufficient COVID-19 testing capacity within 4 weeks of project implementation (Percentage)		0.00	70.00
Proportion of states using a national health information reporting platform that unifies multiple pre-existing platforms. (Percentage)		0.00	70.00
Proportion of suspected cases who are tested within 2 days of being identified (Percentage)		0.00	70.00
Proportion of district hospitals who have submitted complete monthly data reports (Percentage)		0.00	70.00
2: Strengthening National and State health Systems to support Prevention and Preparedness			
Proportion of district hospital doctors and nurses who are trained on WHO standards of clinical treatment for COVID-19 within 6 weeks of project implementation (Percentage)		0.00	80.00
3. Strengthening Pandemic Research and Multi-sector, National Institutions & Platforms for One Health			
Proportion of states with Emerging Infectious Disease Contingency Plans in place with dedicated budget (Percentage)		0.00	70.00
Number of new BSL3 labs with biosafety certification (Number)		0.00	5.00
4: Community Engagement and Risk Communication			
Proportion of states issuing school closures with state-level distance learning strategies for primary and secondary school students. (Percentage)		0.00	70.00
5: Implementation Management, Capacity Building, Monitoring and Evaluation			
Number of peer-reviewed publications produced with support of the project funding (Number)		0.00	40.00

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
Percentage of district hospitals with isolation capacity	Denominator: Number of districts. Numerator: Number of districts having at least one hospital with isolation capacity, defined as a separate room with negative pressure.	18 months after project implement ation	Health Management Information System	Monthly reports via electronic data reporting system	District hospital staff
Proportion of specimens submitted for COVID-19 laboratory testing confirmed within WHO-stipulated standard time	Denominator: Number of specimens submitted for COVID-19 laboratory testing Numerator: Number of specimens submitted for COVID-19 laboratory testing confirmed within WHO stipulated standard time	Monthly	Health Management Information System	Monthly reports via electronic data reporting system	District hospital staff
Proportion of population able to identify three key symptoms of COVID-19 and/or seasonal influenza and three personal prevention measures (as assessed by a	Denominator: Number of respondents to representative population survey.	Once (by August 2020)	Represent-ative household survey	Random sampling of households. Adults within households randomly sampled for	Third Party Monitor

representative population survey)	Numerator: Number of respondents to representative population survey who can accurately identify three key symptoms of COVID-19 and three personal prevention measures.			interview.	

The Government has activated their one health coordination mechanism for COVID-19	One health coordination mechanism developed as defined per the PAD	Once at end of project period	Government Report	Government Report	Ministry of Health and Family Welfare

Percentages of district health centers/district hospitals with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks	Denominator: Number of designated district hospitals Numerator: Number of designated district hospitals with adequate key personal protective equipment[1] and IPC supplies without stock- outs in preceding two weeks.	Monthly	Health Management Information System	Monthly reports via electronic data reporting system	District Hospital Staff

[1] Key PPE will include the following:

1. Latex gloves
2. N95 respirator
3. surgical/medical mask
4. Disposable overall/gown
5. Goggles
6. Face shields
7. Nitrilite rubber gloves
8. Gowns with head cover
9. Shoe cover
10. Head cover
11. Rubber boots

Monitoring & Evaluation Plan: Intermediate Results Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
Proportion of states with sufficient COVID-19 testing capacity within 4 weeks of project implementation	Denominator: Number of states and union territories. Numerator: Number of states or union territories with sufficient COVID-19 testing capacity defined as: 1000 tests per day in states/UTs with a population ≥100 million, 500 tests per day in states/UTs with a population of 30-99 million, and 200 tests per day in all other states.	Once, four weeks following project impleme nt ation	Government Report	Government Report	Ministry of Health and Family Welfare
Proportion of states using a national health information reporting platform that unifies multiple pre-existing platforms.	Denominator: Number of states/UTs. Numerator: Number of states/UTs using a national health information reporting platform that unifies multiple pre- existing platforms.	Once, at the end of the project period	Government report	Government report	Ministry of Health and Family Welfare
Proportion of suspected cases who are tested within 2 days of being identified	Denominator: Number of suspected cases of COVID-	Monthly	Health Management	Monthly reports via electronic data reporting	District hospital staff

	19. Numerator: Number of suspected cases of COVID-19 whose sample is collected for testing within 2 days of being identified.		Information System	system	
Proportion of district hospitals who have submitted complete monthly data reports	Denominator: Number of district hospitals. Numerator: Number of district hospitals that have submitted monthly reports of on the number of suspected cases identified, number of cases tested, the number of tests returned within 2 days, number of doctors/nurses, number of doctors/nurses trained on WHO standards, the presence of adequate personal protective equipment, and the presence of an adequately equipped isolation room.	Monthly	Health Management Information System	Monthly reports via electronic data reporting system	District hospital staff
Proportion of district hospital doctors and nurses who are trained on WHO standards of clinical treatment for COVID-19 within 8 weeks of project implementation	Denominator: Number of doctors and nurses working at designated district hospitals. Numerator: Number of	Once, 8 weeks after project implement ation	Government Report	Government Report	Ministry of Health and Family Welfare

	at designated district hospitals who are trained on WHO standards of clinical treatment for COVID-19				
Proportion of states with Emerging Infectious Disease Contingency Plans in place with dedicated budget	Denominator: Number of states/UTs. Numerator: Number of states/UTs with Emerging Infectious Disease Contingency Plans in place with dedicated budget.	Once, at the end of the project period	Government Report	Government Report	Ministry of Health and Family Welfare
Number of new BSL3 labs with biosafety certification	Count of BSL3 labs with biosafety certification.	Once, at the end of the project period		Government Report	Ministry of Health and Family Welfare
Proportion of states issuing school closures with state-level distance learning strategies for primary and secondary school students.	Denominator: Number of states/UTs issuing school closures due to COVID-19 pandemic. Numerator: Number of states/UTs issuing school closures due to COVID-19 pandemic issuing school closures with state-level distance learning strategies for primary and secondary school students.	Once, 12 months after the start of the project period.	Government Report	Government Report	Ministry of Health and Family Welfare

Number of peer-reviewed publications produced with support of the project funding	Count of publications in peer-reviewed journals produced with support of the project funding	Once, at the end of the project period.	Government Report	Government Report	Ministry of Health and Family Welfare

ANNEX 1: Project Costs

COUNTRY: India
India COVID-19 Emergency Response and Health Systems Preparedness Project (P173836)

COSTS AND FINANCING OF THE COUNTRY PROJECT

Component	Project cost (US$ Million)	IBRD financing US$ Million)	Trust Funds (US$ Million)	Counterpart Funding (US$ Million)
1. Emergency COVID-19 Response	500	500.00	Nil	Nil
2. Strengthening National and State health Systems to support Prevention and Preparedness	270	270.00	Nil	Nil
3. Strengthening Pandemic Research and Multi-sector, National Institutions and Platforms for One Health	100	100.00	Nil	Nil
4. Community Engagement and Risk Communication	70	70.00		Nil
5. Implementation Management, Capacity Building, Monitoring and Evaluation	60	60.00		Nil
6. Contingent Emergency Response Component (CERC)		0.00		Nil
Total Costs	1,000.00	1, 000.00		
Including Front-end Fee		2.50		
Total Financing required		1, 000.00		

ANNEX 2: Implementation Arrangement Support Plan

The supervision arrangements are outlined in the Global MPA and will be followed in this project.