



# Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 27-Apr-2020 | Report No: PIDA29208



**BASIC INFORMATION**

**A. Basic Project Data**

Country Iran, Islamic Republic of	Project ID P173994	Project Name Iran COVID-19 Emergency Response Project	Parent Project ID (if any)
Region MIDDLE EAST AND NORTH AFRICA	Estimated Appraisal Date 22-Apr-2020	Estimated Board Date 08-May-2020	Practice Area (Lead) Health, Nutrition & Population
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Economic Affairs and Finance	Implementing Agency World Health Organization	

Proposed Development Objective(s)

To improve the availability of selected essential, life-saving medical equipment for COVID-19 response.

Components

Procurement and Distribution of Selected Essential, Life-saving Medical Equipment for COVID-19 Response

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	50.00
<b>Total Financing</b>	50.00
<b>of which IBRD/IDA</b>	50.00
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	50.00
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Environmental and Social Risk Classification

Substantial



Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

## B. Introduction and Context

### Country Context

1. **The World Bank Group has not had a lending program in Iran for several years.** The last Iran interim country assistance strategy was prepared in 2001, and the last IBRD-funded project in Iran was approved in 2005 and closed in 2012. IFC's previous investments, committed in 2004 and 2005, have closed. MIGA issued its last two guarantees to Iran in 2005.
2. **The World Bank is providing this support to Iran through the World Health Organization (WHO) on an exceptional basis** given the humanitarian needs, as well as the global public good of urgently stopping the spread of COVID-19. Bank funds will be provided to WHO (no funds will flow to the government of Iran) and the project will be closely supervised by the World Bank. Iran is the COVID-19 epicenter in the Middle East and North Africa (MENA) region. The first two cases in the country were reported on February 19, 2020 in Qom. Two months later (as of April 20), 83,505 confirmed cases and over 5,200 deaths have been reported in Iran, making it the 8<sup>th</sup> highest in the world in terms of confirmed cases and the 7<sup>th</sup> highest in terms of the number of deaths. Iran has been the source of confirmed cases in at least 22 countries, including neighboring countries such as Afghanistan, Bahrain, Iraq, Lebanon, Kuwait, Pakistan, Saudi Arabia, and UAE, as well as Australia, Canada, India, New Zealand, and the United States.
3. **In response to the COVID-19 pandemic, the World Bank is currently preparing operations in 87 countries** (of which support to 43 countries has been approved as of April 21, 2020) to respond to the COVID-19 crisis under the Fast Track COVID-19 Facility.

### Sectoral and Institutional Context

4. On March 5, 2020, the Ministry of Health and Medical Education launched the National Mobilization Plan Against COVID-19. The plan's priorities include: (i) intensified testing and follow-up; (ii) risk and behavior change communication; (iii) home-based quarantine for suspected cases and other interventions to reduce population mobility; and (iv) case management. Around 17,000 health centers and 9,000 medical and clinical centers have been mobilized for testing and case management.
5. A WHO COVID-19 mission to Iran in early March 2020 made the following findings. First, despite scaling up testing capacities, coordinated by the Pasteur Institute in Tehran, only 4,000 tests were being conducted per day, while at least 10,000 tests were needed daily. Second, like many other countries, Iran is short of medical equipment to treat the growing number of severe COVID-19 cases who require intensive care. Third, infection prevention and control training and monitoring is inadequate. At least 170 health care workers have been infected. Iran's health service delivery is overstretched and struggling to cope with the surge in COVID-19 cases. In summary, the pandemic represents a humanitarian crisis for the country and the MENA region.



6. **Iran sent an official request for World Bank support to the COVID-19 response on March 4, 2020.** Support is being provided by other bilateral agencies (although there remain sanctions) and international agencies to respond to the huge humanitarian needs. Overall, humanitarian needs in Iran to respond to COVID-19 are greater than any one donor or agency can provide.

## B. Proposed Development Objective

Development Objective:

To improve the availability of selected essential, life-saving medical equipment for COVID-19 response.

Key Results

### 7. **PDO Level Indicators:**

Percentage of selected health facilities with essential lifesaving medical equipment for COVID-19 response procured by the project

## C. Project Description

8. **The project will have a single component: “Procurement and distribution of selected essential, life-saving medical equipment for COVID-19 response” [US\$49.875 million].<sup>1</sup>** It will support the procurement and distribution of selected essential life-saving medical equipment for COVID-19 response. WHO will be responsible for implementing the project.

9. *Types of medical equipment to be procured:* A positive list of essential, life-saving medical equipment for COVID-19 response will be used to select items to be procured. The items to be procured from this list and their quantities can be adjusted as needed (subject to World Bank’s no objection).

10. WHO will provide technical assistance in:

- Identification of items to be procured and their specifications based on the positive list;
- Quantification and specifications of the items to be procured; and,
- On the basis of an agreed facility eligibility criteria, identification of the specific health facilities which will be equipped with such medical equipment.

11. *Procurement and distribution of medical equipment:* On the basis of the list of the medical equipment to be procured, WHO will procure and distribute the equipment to the selected health facilities. The World Bank financing will fund a modest share of the medical equipment needs for Iran’s COVID-19 response.

12. *Verification of results:* WHO will contract an independent verification agent to conduct quarterly post-delivery visits to all the beneficiary facilities to verify that the equipment is installed and used as intended. The World Bank will review and authorize this contract.

13. *Project duration* is expected to be 12 months, to ensure all the equipment is procured and distributed to health facilities.

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<sup>1</sup> The front-end fee of US\$125,000 is deducted from the component amount.



Legal Operational Policies

Triggered?

Projects on International Waterways OP 7.50

No

Projects in Disputed Areas OP 7.60

No

Summary of Assessment of Environmental and Social Risks and Impacts

**Environmental Risk Rating - Substantial**

14. The environmental risks are considered substantial. The project will be limited to procurement and distribution of a positive list of medical equipment for COVID-19 response. The main immediate anticipated environmental risk is occupational health and safety (OHS) issues related to installation, operation, and disposal of such equipment. To mitigate the immediate risk related to medical waste, the scope of works for WHO will include an assessment of the selected facilities to confirm that adequate OHS systems and waste management systems are in place in line with WHO standards, Good Industrial International Practice, and relevant standards, satisfactory to the World Bank. This assessment will be completed within two months after loan effectiveness.

**Social Risk Rating - Substantial**

15. The social risks are considered substantial. The main social challenge is to ensure that goods are distributed in a transparent manner ensuring equity and reaching the eligible health facilities. To mitigate this risk, the Environmental and Social Commitment Plan (ESCP) includes provisions to confirm that the distribution of equipment will be based on needs. WHO will be responsible for adhering to this principle as part of their work. WHO will also select the health facilities as per the agreed eligibility criteria. The Government of Iran (GOI) will undertake a program for stakeholder engagement, including the active engagement of women and women’s organizations, with public information disclosure and outreach as part of the National Mobilization Plan Against COVID-19, and consultation with selected health facilities throughout the entire project cycle. The GOI will establish a grievance redress mechanism by which people can raise concerns and provide feedbacks about the project, for instance, using the complaint boxes at health facilities. WHO will ensure the implementation of such a mechanism. The third-party monitoring agency will provide quarterly verification reports.

**E. Implementation**

Institutional and Implementation Arrangements

16. **WHO will implement the project.** The loan agreement will be signed between the World Bank and GOI. WHO will enter into an agreement with the GOI, using the Standard Form of Agreement with UN Agencies, which has been prior-reviewed by the World Bank to procure and distribute the agreed list of equipment. The signing of the agreement between the GOI and WHO will be a condition of effectiveness for the project. The World Bank will also enter into a Project Agreement with WHO. This Project Agreement reflects the special terms agreed upon in the Standard Form of Agreement. Project funds will be transferred from the World Bank to WHO exclusively. WHO will be responsible for all fiduciary and Monitoring and Evaluation (M&E) matters. WHO’s own financial management (FM) and procurement procedures will apply within the contract. WHO will



be expected to: (i) submit quarterly progress reports and quarterly interim financial reports, and (ii) commit to a quarterly independent verification (including environmental and social performance). Quarterly independent verification reports will be made available to the public on World Bank and WHO websites.

**CONTACT POINT**

**World Bank**

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**APPROVAL**

Task Team Leader(s):	Son Nam Nguyen
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**Approved By**

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