Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 18-Apr-2024 | Report No: PIDA37584

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
West Bank and Gaza	P181529	Additional Financing to Health System Efficiency and Resilience Project	P180263
Parent Project Name	**Region**	**Estimated Appraisal Date**	**Estimated Board Date**
Health System Efficiency and Resilience Project	MIDDLE EAST AND NORTH AFRICA	17-Apr-2024	02-May-2024
Practice Area (Lead)	**Financing Instrument**	**Borrower(s)**	**Implementing Agency**
Health, Nutrition & Population	Investment Project Financing	Ministry of Finance	Ministry of Health

Proposed Development Objective(s) Parent

To support the Palestinian Authority in improving the quality, efficiency, and resilience of public health service delivery.

Proposed Development Objective(s) Additional Financing

To support the Palestinian Authority (PA) in improving the resilience and efficiency of the health system, and to provide immediate and effective response to eligible crises or emergencies

Components

Component 1: Scaling Up Cost-Effective Primary Health Services
Component 2: Strengthening Hospital Service Delivery
Component 4: Project Implementation and Monitoring
Component 5: Contingent Emergency Response Component
Component 3: Strengthening key public health functions of pandemic prevention, preparedness, and response

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	45.00
Total Financing	23.80
of which IBRD/IDA	0.00
Financing Gap	21.20

DETAILS

Non-World Bank Group Financing

Trust Funds	23.80
Special Financing	23.80

Environmental and Social Risk Classification

Substantial

B. Introduction and Context

1. **Since its beginning in October 2023, the conflict has resulted in an unprecedented direct and indirect health and human impact in the totality of Gaza strip.** As of April 18, 2024, over 33,000 people have been killed and 76,000 have been injured.[1] The conflict has had a substantial direct impact on health, through injuries requiring rehabilitative and reconstructive surgery, through malnutrition-related health conditions given the fact that 95 percent of the population is suffering from food insecurity and a famine is projected to unfold anytime until May 2024[2], and through a massive outbreak of communicable diseases. Indirectly, the conflict has interrupted essential service delivery for maternal, newborn and child health services, as well as those suffering from non-communicable diseases and mental health conditions. Estimates suggest that even with an immediate ceasefire, there could be an additional death toll of 6,600-12,000 due to the impact of disrupted services.[3] There is an urgent need to scale up emergency and early recovery delivery of essential health services.

2. **The conflict has resulted in the dismantlement of the Gazan health system, with attacks disrupting delivery of essential health services, a need of US$500 million for humanitarian relief and recovery needs over the next year, and an estimate of over at least US$1 billion to rebuild the damaged infrastructure.[4]** Prior to the beginning of the conflict, Gaza's health system was already suffering from resource constraints, shortages of health workers and essential medicines, as well as the limited availability of key chronic disease management services; driven by decades of near-blockade in Gaza.[5] Since the beginning of the current conflict, ongoing destructions combined with lack of fuel and essential inputs have dismantled the Gazan health system: as of March 29, 2024, only 39 percent of hospitals and 30 percent of primary health facilities are partially or completely functioning.[6] According to work done by the World Bank, United Nations (UN), and European Union, as part of

[1] Health Cluster of the occupied Palestinian Territory, dashboard: https://app.powerbi.com/view?r=eyJrIjoiOGVmMDQ3NTctYzExZS00MGYyLTg0Y2UtOWNiMzg1MGUzMmFkIiwidCI6ImY2MTBjMGI3LWJkMjQtNGIzOS04MTBiLTNkYzI4MGFmYjU5MCIsImMiOjh9 Last accessed April 18, 2024
[2] Palestine Food Security Cluster, Acute Food Insecurity Situation, 15 February-15 March
[3] Zeina Jamaluddine, Zhixi Chen, Hanan Abukmail, Sarah Aly, Shatha Elnakib, Gregory Barnsley et al. (2024). Crisis in Gaza: Scenario-based health impact projections. Report One: 7 February to 6 August 2024. London, Baltimore: London School of Hygiene and Tropical Medicine, Johns Hopkins University. The higher end is based on assumptions of infectious disease epidemics.
[4] Gaza Interim Damage Assessment, 2024. thedocs.worldbank.org/en/doc/14e309cd34e04e40b90eb19afa7b5d15-0280012024/original/Gaza-Interim-Damage-Assessment-032924-Final.pdf
[5] World Bank, 2024 (forthcoming). Public Health Expenditure Review for West Bank and Gaza: Health Chapter.
[6] Health Cluster of Occupied Palestinian Territory

the Interim Damage Assessment (IDA) published on April 2, 2024[7], 29 of the 38 hospitals and 42 of the 52 public primary health centers have been partially damaged or completely destroyed, resulting in reconstruction needs of US$554 million of pure infrastructure. This figure is likely an underestimate given the continued conflict, as well as the uncertainty surrounding the extent of damage to medical equipment and specialized services in hospitals, which can further drive up the costs on infrastructure; it is important to note that the data excludes economic and social losses as well as the needs and costs associated with the restoration of service delivery—which are to be included in a full-fledged Rapid Damage and Needs Assessment that will be carried out when the situation permits. Despite the mobilization of resources and humanitarian response, the lack of fuel, limited specialty human resources, shortages of essential medicines, and limited access to clean water and sanitation services continue to remain as bottlenecks to facility-based health service delivery. The situation in West Bank has also been deteriorating, with routine attacks obstructing access to health services, and a reduction in medical referrals disrupting delivery of essential services. [8]

C. Proposed Development Objective(s)

Original PDO

To support the Palestinian Authority in improving the quality, efficiency, and resilience of public health service delivery.

Current PDO

To support the Palestinian Authority (PA) in improving the efficiency, and resilience of public health service delivery, and to provide immediate and effective response to eligible crises or emergencies

Key Results

3. Proposed PDO indicators are:

- Average growth rate (percentage) of total Outside Medical Referrals (OMR) expenditures in the preceding 3 years for conditions targeted by the project.
- Number of people receiving quality health, nutrition, population services.
- Percentage of population benefiting from strengthened capacity to prevent, detect, and respond to health emergencies.

D. Project Description

4. **The proposed Additional Financing (AF) responds to critical emergency and early recovery health needs in West Bank and Gaza, which have been further exacerbated by the ongoing conflict.** Since October 2023, the Palestinian health system has been grappling with the impact of the conflict, including the heavy casualties and injuries. 90 percent of the assets in the health system was damaged or destroyed since the conflict began. Only about a quarter of primary health facilities and less than a third of hospitals remain operational, leading to a halt in essential service delivery. A famine is imminent. Large-scale displacement, coupled with communicable disease outbreaks, are putting a further strain on the already weakened system. Obstructions to the entry of

[7] Health Cluster of the occupied Palestinian Territory, dashboard: https://app.powerbi.com/view?r=eyJrIjoiOGVmMDQ3NTctYzExZS00MGYyLTg0Y2UtOWNiMzg1MGUzMmFkIiwidCI6ImY2MTBjMGI3LWJkMjQtNGIzOS04MTBiLTNkYzI4MGFmYjU5MCIsImMiOjh9 Last accessed April 18, 2024

[8] Health Cluster of the occupied Palestinian Territory, dashboard: https://app.powerbi.com/view?r=eyJrIjoiOGVmMDQ3NTctYzExZS00MGYyLTg0Y2UtOWNiMzg1MGUzMmFkIiwidCI6ImY2MTBjMGI3LWJkMjQtNGIzOS04MTBiLTNkYzI4MGFmYjU5MCIsImMiOjh9 Last accessed April 18, 2024

humanitarian aid, especially for key inputs of fuel and water, are further complicating service delivery, and the health response faces a substantial financing gap. According to the Interim Damage Assessment, urgent additional financing is needed to enable emergency and early recovery efforts, with humanitarian emergency and early recovery needs for Gaza for the next 9 months at US$550 million, and infrastructure and reconstruction needs estimated at another additional US$554 million. Through three components, which mobilize US$23.8 million and can absorb up to US$21.2 million as a financing gap, this proposed AF supports the emergency and early recovery phase, but not the reconstruction phase, given the limited resources. In addition to providing direct financing, the proposed AF will enable the World Bank to lead a coordinated aid response, pooling donor resources to enable emergency and early recovery response to the conflict while scaling up pandemic preparedness and health system resiliency strengthening efforts.

5. The proposed restructuring of the project includes the following: i) revision of the Project Development Objective (PDO) to incorporate the activation of the Contingent Emergency Response Component (CERC); ii) changes to project components and costs; iii) reallocation between disbursement categories; iv) changes to disbursement arrangements; v) changes to the results framework; vi) update of the technical and economic analysis; and vii) update of the environmental and social analysis and risks. Table 1 summarizes the scope of the new components and the various changes.

Table 1: Summary of revised component costs and financing sources
*Items in italics are added with this AF; item in * are dropped*

Project Components	Original cost (US$, millions) (a)	Revised cost after CERC activation (US$, millions) (b)	AF (US$, millions), including source (c)	Financing gap (US$, millions) (d)	Total financing (US$, millions) (b)+(c)+(d)
Component 1: Scaling up cost-effective primary health care services	**4.00**	**1.00**	**6.90**	**10.00**	**17.90**
1.1 Delivery of essential primary health services at public primary health care (PHC)	2.20	1.00	2.00	5.00	8.00
1.2 Strengthening information systems and quality of PHC*	1.80	0.00	0.00	0.00	0.00
1.2 Strengthening family and mental health services	*0.00*	*0.00*	*4.90*	*5.00*	*9.90*
Component 2: Strengthening hospital service delivery	**5.30**	**0.00**	**2.00**	**11.20**	**13.20**
2.1 Delivery of essential services at public hospitals	4.80	0.00	1.00	3.70	4.70
2.2 Strengthening management and quality of care in hospitals	0.50	0.00	1.00	1.50	2.50
2.3 Delivering rehabilitation and reconstructive surgery services	*0.00*	*0.00*	*0.00*	*6.00*	*6.00*

Component 3: Strengthening key public health functions of pandemic prevention, preparedness, and response (PPR)	***0.00***	***0.00***	***14.65***	***0.00***	***14.65***
3.1 Strengthening of surveillance, early warning systems and multisectoral collaboration	*0.00*	*0.00*	*5.00*	*0.00*	*5.00*
3.2 Strengthening national laboratory systems	*0.00*	*0.00*	*5.75*	*0.00*	*5.75*
3.3 Improving response to health emergencies	*0.00*	*0.00*	*3.90*	*0.00*	*3.90*
Component 4: Project Implementation and Monitoring	**0.70**	**0.70**	**0.25**	**0.00**	**0.95**
Component 5: Contingent Emergency Response Component	**0.00**	**8.30**	**0.00**	**0.00**	**8.30**
Total Project Costs	**10.00**	**10.00**	**23.80**	**21.20**	**55.00**

6. **Component 1: Scaling up cost-effective primary health services (original cost US$4M; post-CERC cost US$1M; additional financing of US$16.9M with a US$10M financing gap).** Aligned with Parent Project design, this component will continue to finance catalytic investments to improve the availability and quality of cost-effective primary health services. To reach this objective, the Parent Project design included planned investments to procure medical equipment, such as digital mammography machines and hemoglobin A1c (HbA1C) analyzers (subcomponent 1.1, delivery of non-communicable diseases prevention and control services through public primary health centers), strengthening health information systems, as well as scaling up the family health model (subcomponent 1.2, strengthening information systems and quality of PHC). The procurement of digital mammography machines is already underway, and the procurement of HbA1c analyzers will not proceed as it was completed with other financing resources. While the exact scope of activities to strengthen health information systems at the primary care level is not yet determined due to changes in government strategy and investments by other partners, the project is expected to retain the scope on this domain. This component will support restoration of the PHC network to address essential healthcare needs of the population, with financing secured from the Palestinian Umbrella for Resilience Support to the Economy Multi-Donor Trust Fund (PURSE MDTF) and the State and Peacebuilding Fund (SPF).

7. **Component 2: Strengthening hospital service delivery (original cost US$5.3M; post-CERC cost US$0M; additional financing of US$13.2M with a US$11.2M financing gap).** In continued alignment with Parent Project design, investments under this component will continue to strengthen the delivery of lifesaving and cost-effective priority hospital services. Priority investment domains for hospitals will continue to be determined by the criteria outlined in the parent project, which are: geographic access, potential to reduce OMR costs, and availability of operating capacity within the hospitals (physical and human resources).[9] Based on this criteria, the Parent Project included investments to launch radiotherapy for cancer treatment in Gaza; for scaled up cancer diagnostic capacity, maternal and newborn care in West Bank; and for interventions to strengthen the management and quality of care in hospitals. None of these activities were launched prior to the beginning of

[9] These criteria are: (i) geographic access: given the movement restrictions and the political context, substantial infrastructure investments are needed to improve the resilience of the tertiary care system in the West Bank and Gaza; (ii) potential to reduce OMR costs: conditions which constitute the largest total and unit costs of OMR will be targeted for medical equipment and capacity strengthening investments; and (iii) availability of operating capacity

the current conflict in October 2023, and the available resources were reallocated to the procurement of emergency medical equipment for Gaza and the West Bank. The design of this component in the Parent Project will be largely maintained, with investments replenishing the financing which was allocated to the CERC; however, various changes will be made to expand the scope of activities in light of the current context. While investments based on the Parent Project criteria to increase access and reduce the reliance on OMR are still pertinent for Gaza (such as radiotherapy), the current funding envelope necessitates prioritizing emergency and priority investments to reconstruct the health system following its dismantlement. This component includes secured funding from the PURSE MDTF.

8. **Component 3: Strengthening key public health functions of pandemic prevention, preparedness, and response (PPR) (original cost US$0M; post-CERC cost US$0M; additional financing of US$14.65M with a US$0M financing gap).** This component is introduced under the proposed AF to strengthen prevention, preparedness and response to future health emergencies. Beyond the current crisis, these health shocks are expected to become more prevalent due to climate change. The totality of the component will be financed through Pandemic Fund grant, and it will contribute towards building resiliency by increasing the resources available for the Palestinian Ministry of Health (PMOH) to invest in PPR actions, leveraging future financing in PPR in the West Bank and Gaza, and supporting formulation of the policy commitments, data sharing, and communication in the areas of One Health and PPR.

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

9. **The overall environmental and social (E&S) risk for the AF is rated Substantial.** The environmental risk is assessed as Substantial and includes issues related to the parent project and the AF: (i) Occupational Health and Safety (OHS) due to testing and handling of supplies and equipment during treatment, as well as due to the minor works for installation of equipment in the existing hospitals and health care facilities, (ii) hazardous materials that must be managed in terms of their use, storage, and handling, (iii) production and management of medical healthcare waste resulting from the different components, and (iv) managing and handling of waste and end-of-life waste of equipment. In addition to risks related to minor rehabilitation, and reconstruction activities including (UXO removal, rubble removal and waste management, health and safety, community health and safety).

10. **The social risk is Substantial**. Risks pertain to i) social exclusion or inequitable access of comparatively marginalized or vulnerable groups (e.g. persons with disabilities, the elderly, women headed households, the poor, people in Area C, Bedouin communities, communities in relatively rural/remote locations etc.) to project benefits; ii) management of labor (also including potential incidents of sexual exploitation and abuse and sexual harassment (SEA/SH) and working conditions; iii) community health and safety issues; and iv) potential social

tension and increase in stigma of people seeking treatment for mental health concerns or incidents of GBV and violence against children (VAC). The engagement of local non-governmental organizations and community-based organizations for service delivery will also help mitigate this risk: primary, secondary, and tertiary level services will be designed and prioritized with community engagement and inputs.

11. **The SEA/SH rating is substantial** due to (but not limited to) the potential exposure of women and vulnerable groups (e.g. persons with disabilities, elderly, unaccompanied children or orphans) to SEA/SH during provision of project services; potential of sexual harassment among project actors working to manage and/or deliver goods and/or services; the limited capacity and lack of availability of trained health service providers in addressing or managing GBV prevention and response; scarce resources and facilities and weak referral systems; lack of support systems and absence of knowledge and training of aid staff in issues related to SEA/SH/GBV and VAC; lack of enforcement when it comes to protocols on how to respond to survivors of GBV and VAC seeking care; and lack of clarity in grievance mechanism, GBV referral systems and existing gender norms that serve as barriers for women/children to report and/or seek care for GBV and/or VAC. Health service providers themselves may also face stigma and backlash when addressing survivors of GBV.

12. **The E&S risks and impacts have been assessed and requisite mitigation measures have been included in the parent project's E&S instruments**, where an update of Environmental and Social Management Framework to address the AF E&S requirements will be prepared, consulted and disclosed within two months of effective date. An addendum to the project Stakeholders Engagement Plan has been prepared and will be disclosed prior to appraisal. A standalone 'SEA/SH Action Plan' (in line with the Environmental and Social Framework (ESF) Good Practice Note for Addressing SEA/SH in Human Development Operations, September 2022) will be prepared, disclosed and implemented to cover both the parent project and AF activities prior to the start of relevant activities. Commitments to implement the project in accordance with the requirements of the Bank's ESF, and to cover the Project AF E&S requirements have been included in the updated Environmental and Social Commitment Plan which has been prepared by the Project Management Unit (PMU), reviewed, and will be publicly disclosed by project appraisal.

E. Implementation

Institutional and Implementation Arrangements

13. **As under the Parent Project, the PMOH will continue to be the implementing agency for the AF.** The existing PMU has been established previously for other projects, including the ongoing COVID-19 Emergency Project (P173800), and the Health System Resilience and Strengthening Project (P150481) closed in 2023, and its technical and implementation capacity were assessed and deemed satisfactory. As part of the Parent Project, the PMU has been further capacitated with a designated Health Specialist, who provides technical support for the implementation of activities in both the West Bank and Gaza, as well as ensures effective monitoring and evaluation. The Project Operations Manual will be updated to reflect AF activities and specify their implementation arrangements. Third-party monitoring will be utilized where it is feasible and provides additional value. Due to the ongoing conflict, the PMOH will work in close collaboration with UN agencies to facilitate access, conduct procurement, and deliver services in areas affected by the conflict. Additional expertise will be recruited for the PMU as necessary to reflect the additional scope of the project, especially on PPR and mental health.

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