



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
MONGOLIA PEF SUPPORT FOR COVID-19
APPROVED ON AUGUST 25, 2020
TO
MONGOLIA

HEALTH, NUTRITION & POPULATION

EAST ASIA AND PACIFIC

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ABBREVIATIONS AND ACRONYMS

MOH	Ministry of Health
PEF	Pandemic Emergency Financing Facility
PDO	Project development objectives
PPE	Personal protective equipment



BASIC DATA

Product Information

Project ID P174571	Financing Instrument Investment Project Financing
Environmental and Social Risk Classification (ESRC) Substantial	
Approval Date 25-Aug-2020	Current Closing Date 29-Jan-2021

Organizations

Borrower Mongolia	Responsible Agency Mongolia Ministry of Health
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Financing (in USD Million)

SUMMARY

Total Project Cost	0
Total Financing	0
Financing Gap	0

DETAILS

Project Development Objective (PDO)

Original PDO

The proposed project development objective is to strengthen Mongolia's capacity to prevent and to respond to the COVID-19 outbreak.



Summary Status of Financing (US\$, Millions)

TF	Approval	Signing	Effectiveness	Closing	Commitment	Net Disbursed	Undisbursed
TF-B3794	07-Sep-2020	07-Sep-2020	07-Sep-2020	29-Jan-2021	.94	.03	.92

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Introduction

1. The Mongolia PEF Support for Mongolia grant (TF0B3794) in amount of US\$942,857, financed from the Pandemic Emergency Financing Facility (PEF), was approved, signed and became effective on September 7, 2020. The project development objective (PDO) of the grant is to strengthen Mongolia's capacity to prevent and to respond to the COVID-19 outbreak. The original closing date of the grant is January 29, 2021. This grant also contributes to the achievement of objectives of the Mongolia COVID-19 Emergency Response and Health System Preparedness Project (ERP project)¹, approved by the Board of Executive Directors on April 2, 2020.

2. The grant has only one component, **Emergency COVID-19 Prevention and Response**, aiming to prevent and respond to the COVID-19 outbreak. Maintaining strict personal and environmental hygiene, at all times, is key to personal protection against infection and prevention of the spread of the disease in the community. This component was designed to strengthen essential health care service delivery to be able to provide the best care possible in the event of a surge in demand as well as prevent and minimize risks. It also aims protect other key public personnel of key departments such as the customs and taxation agencies, who, by the needs of their profession, are exposed to the COVID-19 during screening and detection of coronavirus at the border areas and entry points into Mongolia. Strengthened prevention response will be achieved by provision of the personal protective equipment (PPE) supplies (such as N95 masks, goggles, medical masks, coveralls, gowns, gloves, and facial protection shields), disinfectants and remote thermometers. These supplies will equip over 50,000 health personnel, 6,500 officers of the Mongolian Customs General Administration and 2,000 officers of the General Department of Taxation operating in COVID-19 pandemic high-risk screening points.

B. Project Status

3. The progress towards achievement of PDO and overall implementation progress have been satisfactory as of date. The Ministry of Health (MOH) signed 2 contracts under the PEF grant agreement:

- 1) A contract for purchasing PPE, namely masks N95, goggles, protective face shields, gowns, and non-surgical gloves. The production and testing are on track for the N95s, level 3 gowns, goggles and face shields.
- 2) A contract for the purchasing of protective coveralls and disposable surgical masks for healthcare workers. The production is going well, and it is expected that production, all inspection and testing will be completed by mid-January, 2021. The shipment of both masks and coveralls is expected to start shortly after.

4. Overall risk rating of the project has been moderate, and environmental and social standards performance has been satisfactory. The Project Management Unit has hired an occupational health specialist and a community engagement specialist recently. They have updated the Labor Management Plan and Stakeholder Engagement Plan for the main ERP project, and prepared the Environmental and Social Management Framework, including for the additional financing for procurement and roll out of vaccinations that is currently being prepared. Since the engagement of the specialists, the environmental and social risk management work has taken off and the Bank is supporting their efforts where needed.

5. There are no outstanding financial audits for this project.

C. Rationale for Restructuring

6. According to the grant agreement, the PEF grant in amount of US\$942,857 must be disbursed against expenditures incurred before January 29, 2021. Based on status of the contracts above, the team expects that all products will be

¹ World Bank. 2020. *Mongolia - COVID-19 Emergency Response and Health System Preparedness Project*. Washington, D.C. : World Bank Group. <https://hubs.worldbank.org/docs/imagebank/Pages/docProfile.aspx?nodeid=31925029>



shipped after the current PEF closing date. In addition, the payment will be fully made after the shipment. To ensure that the grant is fully utilized, and all of the supplies are received by the country, on January 20, 2021 the Ministry of Finance requested the Bank to extend the closing date of the grant until March 31, 2021.

II. DESCRIPTION OF PROPOSED CHANGES

7. This level II restructuring seeks an approval to extend the closing date of the grant by two months until March 31, 2021. The project team discussed with the PEF team and received an approval for the extension of closing date until March 31, 2021. However, since the donor disbursement deadline for the PEF is April 30, 2021, the Bank won't be able to accept a disbursement deadline beyond March 31, 2021. The team informed the client that the final disbursement applications (including documentation of advance disbursed into the Designated Account) must be received by the Bank by March 31, 2021. Any undocumented advance in the Designated Account must be refunded to the Bank after March 31, 2021.

8. The full amount of US\$942,857 is expected to be disbursed by the proposed date of March 31, 2021, given that no additional extension of the closing date can be processed under the PEF facility.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Loan Closing Date(s)	✓	
Disbursement Estimates	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Cancellations Proposed		✓
Additional Financing Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Change in Overall Risk Rating		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓



Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

LOAN CLOSING DATE(S)

TF	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-B3794	Effective	29-Jan-2021		31-Mar-2021	31-Mar-2021

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates
Yes

Expected Disbursements (In US\$)

Fiscal Year	Annual	Cumulative
2021	942,857.00	942,857.00

Note to Task Teams: End of system generated content, document is editable from here.