



The World Bank

Uganda COVID-19 Response and Emergency Preparedness Project (P174041)

REPORT NO.: RES45281

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
UGANDA COVID-19 RESPONSE AND EMERGENCY PREPAREDNESS PROJECT
APPROVED ON JULY 15, 2020
TO
REPUBLIC OF UGANDA
JANUARY 29, 2021

Health, Nutrition and Population Global Practice
Eastern and Southern Africa Region

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ABBREVIATIONS AND ACRONYMS

COVID-19	Coronavirus Disease-2019
HDU	High Dependence Unit
IDA	International Development Association
FA	Financing Agreement
ICU	Intensive Care Unit
ISR	Implementation Status and Results Report
MOH	Ministry of Health
MPA	Multiphase Programmatic Approach
PDO	Project Development Objective
PEFF	Pandemic Emergency Financing Facility
PPE	Personal Protective Equipment
SPRP	Strategic Preparedness and Response Plan
UCREPP	Uganda COVID-19 Response and Emergency Preparedness Plan



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BASIC DATA

Product Information

Project ID P174041	Financing Instrument Investment Project Financing
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Environmental and Social Risk Classification (ESRC)

Substantial

Approval Date 15-Jul-2020	Current Closing Date 31-Dec-2022
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Organizations

Borrower Ministry of Finance, Planning and Economic Development	Responsible Agency Ministry of Health
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Multiphase Programmatic Approach (MPA) Program Development Objective

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

Multiphase Programmatic Approach (MPA) Status (Public Disclosure)

Status and Key Decisions (Public Disclosure)

The implementation of the MPA-funded projects is progressing well. As of January 18, 2021, 84 MPA-projects have been approved providing a total commitment of US\$ 4.15 billion. In addition, 14 PEFF grants have been approved to complement the COVID-19 response. Disbursements have continued to increase at a rapid pace. Thirty country projects or 36% of projects approved have reached 70-100% disbursements. The projects benefit around 3.7 billion people or 50% of the global population. Of the 84 approved projects: (i) 32 are in Africa – 11 in AFE and 21 in AFW; (ii) 12 in East Asia; (iii) 12 in Europe and Central Asia; (iv) 12 in Latin America and the Caribbean; (v) 7 in Middle East and North Africa; and (vi) 9 in South Asia. Seventy two projects are disbursing. Total disbursements as of January 18, 2021 under these projects amount to US\$ 1.887.6 million or 46% of overall commitments. In addition, US\$ 714 million has been committed under signed contracts with UNICEF (\$582 million) and BFP (\$132 million) representing 63% of the US\$ 4.15 billion committed. Streamlined procedures, delegated approval, coupled with flexible project design and intensified efforts across the Bank have contributed to the progress. The MPA-Program is on track to achieving its PDO – to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness. The significant level of disbursements in just over nine months



attest to the strong implementation of the Bank response thanks to the commitment of counterparts supported by country teams.

Project Development Objective (PDO)

Original PDO

The objective of the Project is to prevent, detect and respond to COVID-19 and strengthen national systems for public health emergency preparedness in Uganda.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-67620	15-Jul-2020			31-Dec-2022	12.50	0	13.00
TF-B2865	15-Jul-2020	22-Aug-2020	31-Aug-2020	31-Jan-2021	2.70	2.70	0

Policy Waiver(s)

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

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

PROJECT STATUS:

A. Background:

1. **The objective of this Project Paper is to seek Country Director approval for a Level 2 restructuring of the Uganda COVID-19 Response and Emergency Preparedness Project (UCREPP, P174041).** The proposed restructuring will extend the closing date of the Pandemic Emergency Financing Facility (PEFF) grant (TF0B2865), which is co-financing the Project, from January 31, 2021 (current closing date), to March 31, 2021. The extension will provide additional time for the completion of outstanding grant-financed activities as well as cover the cost of core technical staff in the Project Implementation Unit (PIU). The proposed extension has been approved by: World Bank Group Financing and Accounting (WFA); Development Finance (DFI), and; the Program Manager of the Trustee Account.

2. **UCREPP was approved by the World Bank's Board of Directors on July 15, 2020.** The Project is one of 84 countries under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank's Board of Directors on April 2, 2020 (PCBASIC0219761). The MPA has an overall Program financing envelope of up to US\$6.00 billion (parent), and up to US\$12 billion in Additional Financing approved on October 13, 2020. UCREPP's total cost is US\$15.2 million comprising of: (i) an International Development Association (IDA) credit of SDR 9.2 million (US\$ 12.5 million equivalent) and; (ii) PEFF grant of US\$2.7 million (US\$ 2,700,547). The Project Development Objective (PDO) is to prevent, detect and respond to COVID-19 and strengthen national systems for public health emergency preparedness in Uganda. The Project has three components focused on: (a) Case Detection, Confirmation, Contact Tracing, Recording, Reporting; (ii) Strengthening Case Management and Psychosocial Support; and (iii) Project Management, Monitoring and Evaluation.

3. **The PEFF grant became effective on August 31, 2020. The IDA portion of the grant, however, is pending Cabinet and Parliamentary approval, which has resulted in a six-month delay in the signing of the Financing Agreement.** The delay in Cabinet/Parliamentary approval has been caused by a combination of factors, including preparations for presidential and parliamentary elections, which has impeded official government sign-off on the IDA credit. In the interim, the PEFF grant is financing limited critical interventions for the COVID-19 response, notably: (i) the procurement of testing kits, reagents, and Personal Protective Equipment; and (ii) the payment of core technical staff of the Project PIU. To date, the Bank has transferred US\$2,700,000 of the US\$2,700,547 to the client. Of this amount, the Ministry of Health (MoH) has committed US\$ 1,726,757 (63.9%), out of which US\$ 350,721 has been spent, leaving an uncommitted balance of US\$ 973,790 (36.1%). The low rate of expenditure on the funds has been a result of both the government's slow procurement processes as well as general bottlenecks in the global supply chain for COVID-19 supplies and commodities.

B. Country Context and Status of the Project:

4. On March 21, 2020, Uganda confirmed its first case of COVID-19. As of January 15, 2021 the country had reported 37,808 cases with 301 deaths (case fatality rate of 0.8%). The increase in the number of cases is likely to continue an upward trend in view of the easing of restrictions, reduced adherence to prevention protocols (COVID-19 fatigue), as well as recent political campaigning and elections, which resulted in large crowds and constrained effective social distancing. The country is also experiencing higher rates of moderate to severe COVID-19 cases, straining its intensive care and high dependence unit (HDU) capacity and the ability of health care providers to adequately support critically-ill COVID-19 patients. Of the confirmed cases, a third (12,758) have recovered, while 316 of the current cases are on active facility admission, including 3 percent in intensive care and 43 percent in High Dependence Units.



5. **Implementation Progress:** As noted earlier, while the PEFF grant is effective, there has been a delay in Cabinet and Parliamentary approvals on the IDA credit of the Project. The World Bank has been closely following up this critical issue with the Government team; however, the Project has lost more than six months since the World Bank Board's approval of the emergency operation on July 15, 2020. This delay has impacted the Project's ability to move forward with the most substantive aspects of the Project (such as strengthening disease surveillance, enhancing laboratory capacity, and scaling up case management). In spite of the delay, the Project's implementation progress is rated as Moderately Satisfactory (last ISR dated October 15, 2020) in recognition of early successes such as: swiftness in meeting effectiveness conditions for the grant; 99 percent disbursement of the PEFF grant (i.e. advance to client); finalization of the Project work plan and procurement plan; and establishment of the Project Implementation Unit, which builds on existing Ministry of Health capacity. In addition, the client has adhered to the requirements under the Environmental and Social Commitment Plan and finalized the Environmental and Social Management Framework. Continued delays in effectiveness of the IDA credit would negatively impact implementation of the Project, and subsequent ratings.

6. **Progress towards PDO:** Progress towards achievement of the PDO is also rated Moderately Satisfactory, given the role that the grant has played in jumpstarting Project activities. However, the delays in effectiveness of the IDA portion of the grant, coupled with supply chain bottlenecks of COVID-19-related supplies at the global level, have considerably limited the Project's ability to respond effectively to the outbreak. These delays pose a risk to the achievement of the PDO within the Project timeframe (closing date: December 31, 2022), particularly around the immediate goals of prevention, detection and treatment. With the ongoing surge in cases in Uganda, and the emergence of new variants of the SARS-CoV-2 virus, there is need to explore ways to fast track the signing of the Financing Agreement. This will enable the Project to begin full implementation and create a stronger operational foundation for achieving the PDOs.

C. Rationale for Restructuring

7. As indicated earlier, the objective of this Level 2 restructuring is to process a one-time extension of the current closing date of the PEFF grant from January 31, 2021 to March 31, 2021, as requested by the Government of Uganda in a letter dated January 18, 2021. The rationale for the extension is to: (i) allow the completion of activities financed through the grant by the closing date; and; (ii) provide bridge financing to cover the costs of core technical staff in the PIU (through March 31, 2021), while the IDA credit awaits Cabinet/Parliamentary approval. The proposed extension is only for an additional two months because the Trust Account closes in April 2021. In discussions with the Ministry of Health, the task team has determined that the grant-financed activities are achievable within the additional timeframe, and has agreed with the client on a set of actions necessary to meet the revised closing date.

8. Beyond the PEFF activities, however, the success of the Project depends to a large extent on the ability to achieve effectiveness of the IDA portion of the Project. Parallel efforts to secure Cabinet/Parliamentary approvals by March 31, 2021, are therefore necessary to ensure a smooth transition from the PEFF grant to IDA, and minimize the disruptions to implementation.

II. DESCRIPTION OF PROPOSED CHANGES

9. **The restructuring will extend the closing date of the PEFF grant, through to March 31, 2021.** In accordance with World Bank Trust Fund guidelines, all grant-financed activities will need to be completed by this date. In order to achieve this goal, the Ministry of Health has committed to the following:

- (a) **Complete pending procurements:** Currently, the approved Procurement Plan includes goods and services amounting to US\$ 1,375,489. These goods and services are at advanced stages of the procurement process and are expected to be completed by March 31, 2021. They include procurements of testing kits, reagents,



thermal scanners, PPEs, and consultants. In order to ensure swift procurements, Single Source procurement methods will be used where applicable and where adequate justification is provided.

(b) Allocate and Utilize Uncommitted Funds: The MoH has allocated the current outstanding balance of US\$ 973,790 to procure additional PPEs (estimated at US\$703,000), through an existing framework contract with an approved vendor. The remaining US\$270,000 will be used to cover risk allowances to first responders and health care workers (surge teams), who have been under intense pressure to support the increasing numbers of patients in care (institutionalized, non-institutionalized including home based). The funds will also boost the clinical care and diagnostic capacity of surge teams by ramping-up the human resources for ICU and HDU capacity at sub-national level.

10. The Bank task team, on its part will provide strong due diligence and monitoring to ensure activities are on track, against a revised and approved work plan. The end disbursement date of the grant will remain as March 31, 2021, with no possibility of extension.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Loan Closing Date(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
MPA Program Development Objective		✓
MPA Expected Results and Indicators		✓
Results Framework		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
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)

MPA PROGRAM DEVELOPMENT OBJECTIVE

Current MPA Program Development Objective

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

EXPECTED MPA PROGRAM RESULTS

Current Expected MPA Results and their Indicators for the MPA Program

Progress towards the achievement of the PDO would be measured by outcome indicators. Individual country-specific projects (or phases) under the MPA Program will identify relevant indicators, including among others:

- Country has activated their public health Emergency Operations Centre or a coordination mechanism for COVID-19;
- Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents;
- Number of acute healthcare facilities with isolation capacity;
- Number of suspected cases of COVID-19 reported and investigated per approved protocol;
- Number of diagnosed cases treated per approved protocol;
- Personal and community non-pharmaceutical interventions adopted by the country (e.g., installation of handwashing facilities, provision of supplies and behavior change campaigns, continuity of water and sanitation service provision in public facilities and households, schools closures, telework and remote meetings, reduce/cancel mass gatherings);
- Policies, regulations, guidelines, or other relevant government strategic documents incorporating a multi-sectoral health approach developed/or revised and adopted;
- Multi-sectoral operational mechanism for coordinated response to outbreaks by human, animal and wildlife sectors in place;



- Coordinated surveillance systems in place in the animal health and public health sectors for zoonotic diseases/pathogens identified as joint priorities; and
- Mechanisms for responding to infectious and potential zoonotic diseases established and functional; and
- Outbreak/pandemic emergency risk communication plan and activities developed and tested

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-67620	Not Effective	31-Dec-2022			
TF-B2865	Effective	31-Jan-2021		31-Mar-2021	31-Mar-2021



The World Bank

Uganda COVID-19 Response and Emergency Preparedness Project (P174041)
