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Report No: PAD3880

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION GRANT

IN THE AMOUNT OF SDR 1.9 MILLION
(US$2.5 MILLION EQUIVALENT)

IN CRISIS RESPONSE WINDOW RESOURCES

TO

THE REPUBLIC OF THE MARSHALL ISLANDS (RMI)

FOR

RMI COVID-19 EMERGENCY RESPONSE PROJECT

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

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)
WITH A FINANCING ENVELOPE OF
UP TO US$6 BILLION
APPROVED BY THE BOARD ON APRIL 2, 2020

APRIL 16, 2020

Health, Nutrition & Population Global Practice
East Asia and Pacific Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective March 31, 2020)

Currency Unit =	United States Dollar (US$)
US$1.3648 =	SDR 1

FISCAL YEAR
January 1–December 31

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ABBREVIATIONS AND ACRONYMS

ADB	Asian Development Bank
BFP	Bank-facilitated Procurement
CDC	US Centers for Disease Control and Prevention
CIU	Central Implementation Unit
CSG	Compact Sector Grant
CTF	Compact Trust Fund
DA	Designated Account
DOD	US Department of Defense
E&S	Environmental and Social
EHS	Environmental Health and Safety
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
FM	Financial Management
FTCF	Fast Track COVID-19 Facility
GBV	Gender-based Violence
GIIP	Good International Industry Practice
GORMI	Government of the Republic of the Marshall Islands
GRS	Grievance Redress Service
HEIS	Hands-on Expanded Implementation Support
IPC&WMP	Infection Prevention and Control and Waste Management Plan
IHR	International Health Regulations
IPC	Infection Prevention and Control
M&E	Monitoring and Evaluation
MDP	Mandatory Direct Payment
MOF	Ministry of Finance
MOHHS	Ministry of Health and Human Services
MPA	Multiphase Programmatic Approach
NCD	Noncommunicable Disease
NDC	National Disaster Committee
NDMO	National Disaster Management Office
NEOC	National Emergency Operations Center
OHPPPE	Office of Health Planning, Policy, Preparedness and Epidemiology
PDO	Project Development Objective
PIC	Pacific Island Country
PIHOA	Pacific Island Health Officers’ Association
POM	Project Operations Manual
PPE	Personal Protective Equipment
PSC	Project Steering Committee
RMI	Republic of the Marshall Islands
RPF	Regional Partnership Framework
SEP	Stakeholder Engagement Plan

SOE	State of Emergency
SPC	Secretariat of the Pacific Community
SPRP	Strategic Preparedness and Response Program
STEP	Systematic Tracking of Exchanges in Procurement
UN	United Nations
UNICEF	United Nations Children’s Fund
WHO	World Health Organization

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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Marshall Islands	RMI COVID-19 Emergency Response Project	
Project ID	**Financing Instrument**	**Environmental and Social Risk Classification**
P173887	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
24-Apr-2020	31-Oct-2022	31-Mar-2025

Bank/IFC Collaboration
No

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

MPA Financing Data (US$, Millions)

MPA Program Financing Envelope	4,013.05
with an additional request to IDA	48.00

Proposed Project Development Objective(s)

To prevent and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of the Marshall Islands.

Components

Component Name	Cost (US$, millions)
Component 1. Emergency COVID-19 Response	2,100,000.00
Component 2. Implementation Management and Monitoring and Evaluation	400,000.00

Organizations

Borrower:	The Republic of the Marshall Islands
Implementing Agency:	Ministry of Health and Human Services

MPA FINANCING DETAILS (US$, Millions)

Board Approved MPA Financing Envelope:	3,965.05
MPA Program Financing Envelope:	4,013.05
of which Bank Financing (IBRD):	2,496.30
of which Bank Financing (IDA):	1,516.75
of which other financing sources:	0.00

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	2.50
Total Financing	2.50

of which IBRD/IDA	2.50
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	2.50
IDA Grant	2.50

IDA Resources (in US$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Marshall Islands	0.00	2.50	0.00	2.50
Crisis Response Window (CRW)	0.00	2.50	0.00	2.50
Total	**0.00**	**2.50**	**0.00**	**2.50**

Expected Disbursements (in US$, Millions)

WB Fiscal Year	2020	2021	2022	2023	2024
Annual	0.50	1.50	0.30	0.10	0.10
Cumulative	0.50	2.00	2.30	2.40	2.50

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	Substantial
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	High
7. Environment and Social	Substantial
8. Stakeholders	Moderate
9. Other	Moderate
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

Have these been approved by Bank management?

[✓] Yes [ ] No

Is approval for any policy waiver sought from the Board?

[ ] 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
The Recipient shall maintain, throughout the Project implementation period, a Project Steering Committee, with terms of reference, composition and resources satisfactory to the Association, which shall be composed of members of the National Disaster Committee andresponsible for, inter alia, providing oversight and guidance on Project implementation, facilitating Project coordination and reviewing Project's reports, all in accordance with the provisions of this Agreement and the Project Operations Manual. (Section I.A.1 of Schedule 2 to the Financing Agreement)

Sections and Description
The Recipient shall vest in MOHHS the overall implementation responsibility of the Project, and provide MOHHS at all times with adequate funds and other resources, mandate/functions, and with qualified and experienced personnel in adequate numbers, as shall be necessary to accomplish Project objective as further detailed in the

Project Operations Manual. (Sections I.A.2 and 3 of Schedule 2 to the Financing Agreement)

Sections and Description

The Recipient, through MOHHS, shall nominate and maintain, throughout the Project implementation period, a Project director, who shall be a deputy secretary or assistant secretary level personnel of the Recipient, to lead Project management and implementation, and such Project director shall at all times be supported by specialists in MOHHS and/or from the Ministry of Finance and consultants and specialists recruited or appointed under the Project, each with terms of reference, qualifications and experience satisfactory to the Association, including, at a minimum, the following positions: (i) a Project administrator, once recruited or appointed; (ii) a financial management specialist, a procurement specialist and an environmental specialist from the Ministry of Finance; and (iii) a social specialist from the Ministry of Finance, once recruited or appointed. (Section I.A.4(a) of Schedule 2 to the Financing Agreement)

Sections and Description

The Recipient shall prepare and furnish to the Association, by not later than ninety days after the Effective Date and February 1 of each subsequent year during the implementation of the Project, for the Association's review and no-objection, an Annual Work Plan and Budget for the Project. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plans and Budgets accepted by the Association for the respective calendar year. (Sections I.C of Schedule 2 to the Financing Agreement)

Sections and Description

The Recipient, through MOHHS, shall ensure that a Project administrator, with terms of reference, qualifications and experience satisfactory to the Association, shall be recruited or appointed, by not later than one month after the Effective Date, to assist with Project management and implementation; and a social specialist, with terms of reference, qualifications and experience satisfactory to the Association, shall be recruited or appointed within the Ministry of Finance, by not later than two months after the Effective Date, to assist with Project implementation. (Section I.A.4(b) and (c) of Schedule 2 to the Financing Agreement)

Sections and Description

The Recipient shall, by not later than three months after the Effective Date, prepare and adopt a Project Operations Manual, and thereafter ensure that the Project is carried out in accordance with the Project Operations Manual. (Sections I.B of Schedule 2 to the Financing Agreement)

Sections and Description

No withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed the amount specified in Section III.B.1 of Schedule 2 to the Financing Agreement may be made for payments made prior to the Signature Date but on or after April 5, 2020, for Eligible Expenditures under Category (1). (Section III.B.1 of Schedule 2 to the Financing Agreement)

Sections and Description
In the event that the Recipient intends to engage a military or security force to assist with the implementation of the Project, the conditions set forth in Section IV.1 of Schedule 2 to the Financing Agreement shall be met prior to any such engagement. (Section IV.1 of Schedule 2 to the Financing Agreement)

Sections and Description
The Recipient shall ensure that no Financing proceeds shall be used for any activities or expenditures related to law enforcement, security, or military purposes, and unless the Association agreed otherwise in writing, no Financing proceeds shall be used for any expenditures incurred by military or security forces. (Section IV.2 of Schedule 2 to the Financing Agreement)

Conditions

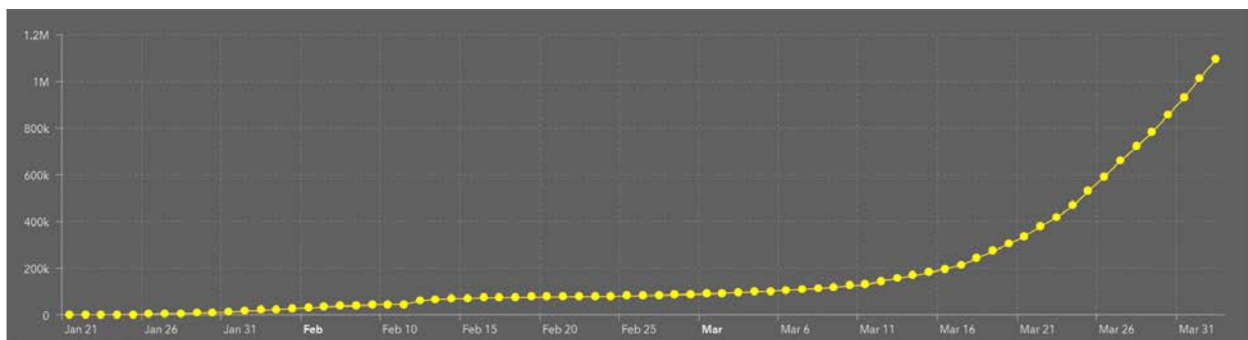
I. PROGRAM CONTEXT

1. **This Project Appraisal Document describes the emergency response to the Republic of the Marshall Islands (RMI) under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA),** by the World Bank's Board of Executive Directors on April 2, 2020 (PCBASIC0219761) with an overall Program financing envelope of up to US$6 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 spread across the world. Figure 1 provides details about the global spread of COVID-19. As of April 9, WHO data shows the outbreak has resulted in 1,439,516 confirmed cases, 85,711 confirmed deaths covering 212 countries. The epicenter of the outbreak shifted from China to Europe and USA in end March 2020.

Figure 1. Virus Surge - New Infections Are Accelerating across the World



Source: Johns Hopkins Center for Systems Science and Engineering.

3. **COVID-19 is one of several emerging infectious diseases 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 now far more prepared than in the past, the world is also far more interconnected, and many more people today have behavior risk factors such as tobacco use and pre-existing chronic health problems that make viral respiratory infections particularly dangerous.

4. **With COVID-19, scientists are still trying to understand the full picture of the disease symptoms and severity.** Reported symptoms in patients have varied from mild to severe, and can include fever, cough and shortness of breath. In general, 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. 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, WHO has been careful not to describe that as a mortality rate or death rate. This is because in 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.

5. **The project is prepared under the global framework of the World Bank COVID-19 Response financed under the Fast Track COVID-19 Facility (FTCF).** The proposed project will help ensure adequate resources to fund a rapid emergency response to COVID-19. The SPRP is aligned with World Bank Group strategic priorities, particularly the World Bank Group's mission to end extreme poverty and boost shared prosperity. The MPA with its focus on preparedness, grounded in a multi-sector public health approach, is also critical to achieving Universal Health Coverage. It is also aligned with the World Bank Group's support for national plans and global commitments to strengthen pandemic preparedness through three key actions: (a) improving national preparedness plans including organizational structure of the Government; (b) promoting adherence to the International Health Regulations (IHR); and (c) utilizing an international framework for monitoring and evaluation (M&E) of IHR.

B. Updated MPA Program Framework

6. **Table 1 provides an updated overall MPA Program framework, including the proposed project for the RMI.**

Table 1. MPA Program Framework

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 Environ-mental & Social (E&S) Risk Rating
24	P173887	Simultaneous	To prevent and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of the Marshall Islands	IPF	—	2.5	—	April 16, 2020	Substantial

C. Learning Agenda

7. **The RMI project under the MPA Program will contribute to and benefit from the MPA's learning agenda.** The technical assistance provided to the Ministry of Health and Human Services (MOHHS) will support the ministry in defining a learning agenda and disseminating evidence and lessons learned through national, regional, and global forums, as well as importing lessons learned and good practices. Priorities for the learning agenda in the RMI context are to: (a) understand the drivers of weak preparedness and identify areas for medium- and long-term improvements; (b) review coordination processes for health emergencies and strengthen the role of national coordinating bodies in health emergency response; (c) identify appropriate communication modalities to support behavior change and social distancing efforts which could support future emergencies or other communicable diseases such as tuberculosis (TB) or dengue; and (d) share lessons learned from the Pacific approach to containment and on options to expedite humanitarian assistance in future responses. The World Bank MPA learning agenda and other partners such as Pacific Island Health Officers' Association (PIHOA), WHO and United Nations Children's Fund (UNICEF) will provide continuous support to facilitate learning on good practices from other countries. It will be important to understand how the timing of different containment strategies (for example, travel restrictions, social distancing) may have impacted various waves of outbreak. Towards the end of the project time line, the MOHHS, with support from project consultants and from expertise within the Central Implementation Unit (CIU) will document and share key lessons learned and recommendations.

II. CONTEXT AND RELEVANCE

A. Country Context

8. **The RMI is one of the world's smallest, most isolated, and vulnerable nations.** The country consists of 29 atolls and five isolated islands (24 of which are inhabited) and has a total land mass of just 181 km² set in an area of over 1.9 million km² in the Pacific Ocean. The population of the RMI is estimated at 53,066.[1] The two largest urban centers, Majuro (the nation's capital) and Ebeye, have populations of 28,000 and 9,614, respectively. The RMI was consolidated into the Trust Territory of the Pacific Islands governed by the United States during the Second World War. It became self-governing in 1979 and achieved formal independence in 1986.

9. **The RMI faces many of the development challenges common to small, remote economies with dispersed populations.** Small size and remoteness increase the costs of economic activity and make it difficult to achieve economies of scale. Remoteness also imposes significant transport costs that increase the costs of trade and fundamentally constrain competitiveness of exports of goods and services in world markets. These same factors also increase the cost and complexity of providing public services. Moreover, geographical characteristics, including populations centered on small, low-lying atolls, make the country extremely vulnerable to natural disasters. The RMI is one of the most vulnerable countries to climate change and rising sea levels.

10. **Over the last fifteen years, GDP has grown by a modest 1.3 percent per year, on average.** However, given low population growth over the same period (0.6 percent annual growth), per capita GDP has grown by 3.0 percent on average, compared to 2.3 percent globally. The fishing sector remains the main source of revenue, representing 21 percent of GDP in 2018. Infrastructure development, public administration and fishing-related activities were the main drivers of GDP growth in 2018.

11. **The RMI is a sovereign nation in a "Compact of Free Association" agreement with the United States.** Following independence in 1986, the RMI entered into a Compact of Free Association with the United States, whereby the US provides yearly financial transfers to the RMI, access to a range of U.S. Federal Government services and programs, and open migration to the United States for the RMI citizens, in exchange for permission to retain permanent defense forces in, and exclusive access to, the RMI's sovereign territory (among other arrangements). Under an amendment to the Compact in 2004, a series of Compact Sector Grants (CSGs) were created to support economic development (particularly for investment in infrastructure and the education and health sectors) and the Compact Trust Fund (CTF) was established to replace the CSGs at their scheduled expiration in 2023.[2] However, due to lower-than-expected returns over the life of the CTF, current projections indicate that the corpus will not be sufficiently large to generate an annual income stream that can fully replace the expiring grants. Absent

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[1] RMI Government Statistics Office projections based on the 2011 RMI Census.

[2] While the CSGs and access to some U.S. Federal Government programs and services that are covered under the financial chapter of the amended Compact are scheduled to expire in FY2023, the amended Compact itself will not expire, meaning that open migration and other aspects of the agreement will continue. In addition, the RMI and U.S. Governments have recently begun tentative discussions about a potential extension to the Compact financial chapter, however, any decision in this regard likely remains years.

a sizeable fiscal adjustment over the coming years, the RMI has the potential to face a substantial 'fiscal cliff' in 2023, which will put at risk the capacity of the Government of the RMI (GORMI) to maintain and expand access to and quality of public services, especially those delivered to the poor. With no independent monetary and exchange rate policies (due to use of the U.S. dollar), fiscal policy provides the main macroeconomic policy lever. Economic management in the RMI is further complicated by the thin capacity typical of public sectors in very small states, with a small number of qualified public servants called upon to implement the many tasks of a central government.

B. Sectoral and Institutional Context

12. **While health outcomes have improved slowly over time, the RMI continues to face the double burden of communicable and noncommunicable diseases (NCDs), while significant ongoing challenges remain with maternal and newborn health and nutrition.** Cardiovascular disease and diabetes accounted for two-thirds of deaths in 2017[3] and over 20 percent of adults had diabetes in 2016.[4] Tuberculosis (TB) is also a leading cause of death, and the country has reported multi-drug resistant TB. In recent years, the RMI has also had to respond to infectious disease outbreaks and threats including Zika virus, dengue fever, and measles. These NCDs have been shown to increase vulnerability to severe COVID-19 (and other infections), therefore putting the population of the RMI at high risk should COVID-19 reach the country. This is exacerbated by crowded housing and densely populated urban settings, which further increase the risk for transmission of infectious diseases.[5]

13. **To date, the RMI remains one among the less than twenty countries without a confirmed COVID-19 case but the Government has determined that there is a "moderate to high risk" for COVID-19 to affect the RMI due to usually frequent travel between the RMI and affected areas such as the United States, Hong Kong, Singapore, Japan, and so on.** There are also quarantine compliance issues at entry points and seaports. The remoteness of the RMI has bought the country time in preventing a COVID-19 outbreak, but the prevention strategies deployed present logistical challenges to preparedness and response, raising questions of their sustainability. From March 8, 2020, the RMI prohibited all international arrivals by land and sea, including for Marshallese citizens abroad. As with the rest of the Pacific region, travel restrictions in the RMI have resulted in the suspension of nearly all commercial air transport. Currently, cargo is limited to the Asia Pacific Airways flights (arriving twice per week from Guam) and freighter ships (three carriers providing a total of about ten shipments per month). The Pacific Island Forum, multilateral, bilateral agencies and Pacific Governments are exploring the option to establish a Pacific Humanitarian Corridor/Pathway, but this remains to be established. The GORMI is also exploring options to engage the US Department of Defense (DOD) to support COVID-19 related humanitarian transport and logistics. The Government has expressed concerns regarding the increased financial and logistical costs impacting food security and the ability to deploy overseas medical referrals and COVID-19 related goods and services to the country.

[3] http://www.healthdata.org/marshall-islands.
[4] WHO. 2016. Diabetes country profiles. Available: *https://www.who.int/diabetes/country-profiles/mhl_en.pdf?ua=1*.
[5] Overcrowding and limited housing are serious problems on Ebeye – an atoll less than one mile long and home to nearly 10,000 residents. A typical Ebeye household consists of several families living together in one overcrowded, aging, single-story wooden structure. Some households have their family members sleep in shifts as there are no adequate floor space for all its members.

14. **A COVID-19 outbreak would place considerable constraints on an already under-resourced health care system.** There is very limited tertiary care capacity in the RMI, in part because of the size of the population, but also due to capacity challenges. Patients requiring advanced tertiary care are referred overseas, but current travel restrictions limit this as an option. Health services are delivered in two hospitals (in Majuro and Ebeye) and 56 public health centers/dispensaries[6] (primarily located on the outer islands). There are 108 hospital beds in Majuro, of which three are intensive care unit (ICU) beds. The MOHHS faces several health workforce challenges, including: (a) suboptimal availability and distribution of human resources (there are no respiratory technicians on Ebeye, and limited nursing staff in both Majuro and Ebeye); (b) limited communication across health facilities programs and providers; and (c) insufficient staff training, supervision, and performance management. The doctors-population ratio is (1:1452) and does not meet the WHO recommended minimum (1:1000); the nurse to population ratio (1:477) is deemed insufficient for the population. The RMI MOHHS Nursing Workforce Strategic Plan defines a strategy to close this gap over the medium term. Unreliable availability of essential commodities and equipment pose barriers to the effective delivery of routine preventive and curative health services and would be even more problematic in the event of a COVID-19 outbreak. The RMI currently does not have testing capacity for COVID-19 and has been sending samples to the US Centers for Disease Control and Prevention (CDC) reference laboratory in Guam for testing (two persons have been under investigation for COVID-19 and both have tested negative).[7]

15. **The GORMI has mobilized its National Disaster Committee (NDC) lead preparedness and response to a potential COVID-19 outbreak.** The National Disaster Management Office (NDMO) in the Office of the Chief Secretary has activated the National Emergency Operations Center (NEOC) and its technical clusters (water sanitation and hygiene, health, logistics, infrastructure and other relevant agencies) to provide coordination and implementation advice on COVID-19. Routine support from US Federal Grants to the Preparedness and Surveillance Departments in the MOHHS have enabled the country to sustain a minimal level of health preparedness and rapidly mobilize the NEOC, initiate multisectoral communication, and begin trainings. However, the MOHHS recently conducted a preparedness self-assessment in late March 2020 and scored at 57/100, largely due to the absence of human resources, personal protective equipment (PPE) and other infection prevention and control (IPC) supplies, and laboratory capacity.

16. **The GORMI has developed the RMI Coronavirus (COVID-19) Pandemic Preparedness and Response Plan to outline the priority actions across sectors to strengthen the preparedness of the country to rapidly detect and respond to the potential introduction of COVID-19.** The Plan focuses on seven key components of the Framework of Action in the WHO Novel Coronavirus Technical Guidance: (a) command and coordination; (b) surveillance, risk assessment and response; (c) laboratory; (d) clinical case management and IPC; (e) public health intervention including points of entry measures; (f) risk communication; and (g) logistics, procurement, and supply management.

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[6] Outer island dispensaries are staffed by a para-professional health assistant (high school graduates who receive an intensive 18-month core curriculum, covering English, basic anatomy and pathophysiology, and basic pharmacology). Dispensaries are often without electricity and have limited stocks of equipment and pharmaceuticals. They are often equipped only to provide emergency first aid.

[7] There remains uncertainty regarding the testing strategy for potential cases identified after the cessation of the flights to Guam and before the arrival of GeneXpert cartridges.

17. **The NDC and the Ministry of Finance (MOF) are seeking financial support for the Plan to prepare for a potential COVID-19 outbreak.** The estimated budget for an initial six-month period to cater for immediate preparatory needs and outbreak-related contingencies to implement the COVID-19 specific protocols has been estimated at US$7.1 million. The GORMI has allocated an initial contribution of US$2.2 million; the first tranche has been approved by Cabinet and is financing the construction of isolation wards on Majuro and Ebeye. With the initial contributions from the World Bank, WHO, the International Organization of Migration (IOM), U.S. CDC, the Asian Development Bank (ADB), and others, a financing gap of approximately US$0.4 million remains.[8]

C. Relevance to Higher Level Objectives

18. **Financing from the FTCF in the RMI complements both the World Bank Group and development partner investments in health systems strengthening, disease control and surveillance, attention to changing individual and institutional behavior, and citizen engagement.** Further, as part of the proposed IDA19 commitments, the World Bank is committed to "support at least 25 IDA countries to implement pandemic preparedness plans through interventions (including strengthening institutional capacity, technical assistance, lending and investment)." The proposed project will contribute to the implementation of IHR (2005), Integrated Disease Surveillance and Response, and the World Organization for Animal Health international standards, the Global Health Security Agenda, the Paris Climate Agreement, the attainment of Universal Health Coverage, and the Sustainable Development Goals, and the promotion of a One Health approach.

19. **The World Bank Group remains committed to providing a fast and flexible response to the COVID-19 epidemic, utilizing all World Bank Group operational and policy instruments and working in close partnership with government and other agencies.** Grounded in One-Health, which provides for an integrated approach across sectors and disciplines, the proposed World Bank Group 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 World Bank Group COVID-19 response will be anchored in the WHO's COVID-19 global SPRP 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 activities are aligned with the MOHHS 3-Year Rolling Strategic Plan (2018–23) priority outcome** to "provide cross-cutting policy perspectives that bridges the MOHHS bureaus, public and private sector activities, and the research community, in order to develop, analyze, coordinate and provide leadership on health policy issues for the MOHHS Senior Leadership Team and the associated preparedness activities and outputs."

[8] However, forthcoming allocations from the US Department of Interior to US-Affiliated Pacific Islands through the US CARES Act and additional in-kind contributions may close this gap.

21. **The proposed Project is not included in the Regional Partnership Framework (RPF) for fiscal years 2017–23 for nine Pacific Island Countries (PICs)[9],** including the RMI. However, the project is aligned to the RPF's Focus Area 3 – protecting incomes and livelihoods.

III. PROJECT DESCRIPTION

A. Development Objectives

22. The Project objectives are aligned to the results chain of the COVID-19 SPRP.

Project Development Objective statement:

23. To prevent and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of the Marshall Islands.

PDO Level Indicators

24. The achievement of the Project Development Objective (PDO) will be monitored through the following PDO-level outcome indicators:

- Number of community non-pharmaceutical COVID-19 containment strategies deployed
- Number of suspected cases of COVID-19 reported and investigated as per MOHHS protocol
- Number of staff trained in infection prevention and control per MOHHS protocol

B. Project Components

25. **The PDO will be achieved through two components:** (a) Emergency COVID-19 Response; and (b) Implementation Management and Monitoring and Evaluation.

26. **Due to limited capacity and the severe human resource constraints in the small island state, the GORMI have requested to directly contract PIHOA[10] to support the country in mounting their emergency response and strengthening the public health preparedness system**. PIHOA will provide direct technical support, mobilize international experts/service providers, and deliver training and capacity development for surge staff and the existing workforce. This assistance will be embedded within each of the two project components and will address: (a) immediate preparedness needs; (b) just-in-time assistance to respond to specific needs in the event of an outbreak; and (c) longer-term support for the

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[9] The RPF (Report 120479) was extended from 2021 to 2023 in the Performance and Learning Review of the Regional Partnership Framework (Report 145750-EAP) approved by the Board on March 5, 2020.

[10] PIHOA is an independent nonprofit organization, incorporated in both the Commonwealth of the Northern Mariana Islands and the State of Hawaii since 2012. The membership of PIHOA includes the principal health officials from the following jurisdictions: Commonwealth of the Northern Mariana Islands; Territory of Guam, Territory of American Samoa; Federated States of Micronesia; Republic of Palau; and the RMI.

preparedness and response systems. Specific activities will be adjusted based upon evolving needs, particularly whether a COVID-19 outbreak occurs in the RMI and its timing and trajectory.

Component 1. Emergency COVID-19 Response (US$2.10 million)

27. This component will provide immediate support to the RMI to prevent COVID-19 from arriving in country, and—in the event COVID-19 is introduced—to limit local transmission and equip the health system to simultaneously respond to the outbreak and sustain routine services. The component will include two subcomponents:

- Subcomponent 1.1. Prevention and Surveillance: Communication, Physical Distancing, Case Detection, Confirmation, and Contact Tracing
- Subcomponent 1.2. Strengthening health service delivery to respond to COVID-19

Subcomponent 1.1. Prevention and Surveillance: Communication, Physical Distancing, Case Detection, Confirmation, and Contact Tracing (US$0.465 million)

28. **This subcomponent will provide support to the RMI to enhance disease prevention measures and strengthen core epidemiological functions** with the aim to prevent, mitigate, and control the impact of COVID-19 on the Marshallese population and prepare the country for future public health emergencies.

29. **Prevention and communication:** This subcomponent will finance population-based prevention efforts focused on communication, behavior change, containment measures, and physical distancing (often referred to as 'social' distancing). Support for behavior change will include development, adaptation, and/or deployment of strategies such as communication through multiple channels (for example, digital and social, print, outreach) and environmental interventions (for example, handwashing, behavioral nudges). As there are other partners such as IOM involved in national efforts and UNICEF and WHO involved in regional efforts, the subcomponent will primarily provide gap-filling support based on the evolving situation (for instance, enhanced deployment of technology for the dissemination of existing content). The subcomponent will also finance the development, coordination, and deployment of contextually relevant containment and physical distancing strategies (for example, implementing international ports of entry control protocols, closings of schools, churches, and other community gatherings). As needed, the subcomponent can finance enhanced shielding for vulnerable populations. There is global evidence of increased risks of anxiety and gender-based violence (GBV) in the delivery of physical distancing strategies. Therefore, the project will focus on embedding messages on mental health and socio-emotional support (for public and health providers), healthy conflict resolution, healthy parenting, stress and anger management in community and other awareness campaigns. Communications will also include information on how to seek GBV-related services during periods of physical distancing.

30. **Epidemiological surveillance and control:** This subcomponent will finance strengthening of core epidemiological functions to respond to COVID-19 and future public health emergencies. It will not introduce new surveillance systems unless specifically requested by the MOHHS; instead, it will strengthen use, connectivity, and interoperability of existing systems and processes. Epidemiologist technical assistance will be deployed to support the MOHHS to prepare and operationalize disease investigation, case detection, and contact tracing protocols. Additional surveillance officers or IT specialists may be supported, as necessary. Financing will be provided to train the human resources across

sectors in these protocols and expand the workforce to implement case detection and contact tracing. The subcomponent will enable the RMI to build its on-island laboratory capacity and case confirmation capacity for COVID-19.[11] The project will finance consultant lab staff for Majuro and Ebeye laboratories, laboratory reagents and consumables, and relevant operational and logistics costs. The project may also support the costs of minor laboratory facility upgrading and emerging diagnostics (as approved by agencies such as WHO, US Food and Drug Administration, and so on. and deemed appropriate for the context) as agreed with the World Bank. Support for strengthening communications, interoperability, disease recording and reporting capacities in the short and medium term may include: technical assistance, training and capacity building; information management and reporting systems upgrades (for example, introduction of the laboratory information system module of the RMI's health information platform on Ebeye; and small ICT hardware as requested by the Government. The subcomponent may also finance community engagement in disease surveillance and early warning systems, as necessary. Any personal data collected under the project will be handled according to the details set forth in the project operations manual (POM).

Subcomponent 1.2. Strengthening health service delivery to respond to COVID-19 (US$1.635 million)

31. The subcomponent aims to strengthen the RMI's health care system to plan for and provide optimal service delivery and case management for COVID-19 patients, while maintaining essential health services and minimizing infection risks for health personnel and patients.

32. **Enhanced clinical care capacity**: The subcomponent will finance the costs of equipping health facilities on Majuro and Ebeye to manage COVID-19 cases and sustain routine health service delivery through: (a) clinical surge support to add provider capacity; (b) trainings, coaching, and backstopping (on-site or virtual) for existing and surge health professionals; and (c) procurement of medical equipment, commodities, and supplies for COVID-19 case management. Additionally, transport restrictions are increasing the costs of purchasing, transporting and distributing routine medical goods and services, and the subcomponent can finance the incremental transportation and logistics costs as agreed with the World Bank for pharmaceuticals, equipment, medical referrals,[12] and so on. to minimize the COVID-19 related disruptions to health service delivery.

33. **IPC:** The subcomponent will also finance activities aimed at minimizing the risk of infection in the communities and health facilities for frontline workers across sectors, health providers and patients. The subcomponent will finance: (a) IPC technical assistance; (b) appropriately targeted risk communication and IPC training and monitoring for frontline workers across sectors (including international ports of entry, rapid response team, school system) and health providers; (c) supplies and consumables (PPE, IPC consumables, hand sanitizer); (d) minor facility refurbishment or upgrading to enhance IPC in health facilities (handwashing, ventilation) and/or PPE storage facilities to ensure adherence to agreed minimum standards; and (e) minor health care waste management system upgrading (as necessary).

[11] A laboratory exists on Ebeye and the GORMI is constructing a public health laboratory in Majuro (expected completion by end April 2020) and equipment has been purchased by Taiwan, China. There are three GeneXpert machines on Majuro and one on Ebeye. The US Department of Interior has financed the procurement of COVID-19 GeneXpert cartridges to cover initial nationwide needs with expected delivery at end April 2020.
[12] The POM will describe the procedures and budget limitations for use of project funds for this purpose.

34. **PIHOA will provide technical assistance to the MOHHS to conduct a needs assessment and procure equipment and supply commodities aligned with needs, health system and service delivery capacity, and storage ability**; where possible, goods will be procured through a United Nations (UN) agency, with Bank Facilitated Procurement (details below), or with endorsement of specifications through CDC, U.S. Food and Drug Administration, or other normative body to support quality assurance. Technical assistance will be provided to assist with monitoring, recording, and reporting of inventories.

Component 2: Implementation Management and Monitoring and Evaluation (US$0.4 million)

35. This component will provide technical, operational and administrative assistance to the GORMI on all aspects of project management and implementation, including relevant M&E activities.

36. **Project Management:** The component will support the MOHHS and the NDMO in emergency response management, coordination and communication across sectors and stakeholders, including the RMI Ports Authority, Marshall Islands Marine Resource Association, Public Schools System and other stakeholders. It can also support operating costs (including fuel, transport, among others) of the MOHHS and the NDMO, and relevant clusters, as deemed necessary, for the COVID-19 emergency response activities. Furthermore, it will finance technical assistance to develop and revise policies, strategies, and guidelines for a multisectoral health response, strengthen management processes and as required provide secretariat support to the NDMO and its clusters (particularly the health cluster). The component will finance consultant support (administrative, fiduciary, environmental, social, and procurement as needed). It will finance the project's financial audit as well as a third-party audit of the anti-corruption mitigation measures and procedures. It will also support coordination and professional development activities in the form of meetings, trainings, workshops, and the RMI participation in Pacific regional and other international forums and platforms.

37. **M&E:** This component will support M&E of the RMI's prevention and preparedness activities, building capacity for data use, and joint-learning within the RMI and across PICs (as outlined in learning agenda earlier). This subcomponent will also support training in participatory M&E across the NDC stakeholders and administrative levels. In the medium-term, the component can finance the RMI participation (from the NDMO, the MOHHS, and other health security stakeholders) in the successful Secretariat of the Pacific Community (SPC)-PIHOA-Fiji National University-CDC "Data for Decision Making" short courses. These courses will help strengthen the capacity of key local stakeholders in data collection, use, and reporting and integrate key performance indicators on emergency preparedness into the country's routine annual reports.[13]

[13] The project will not support long-term or multiyear training.

Table 2. Summary of Project Components and Costs

Component	Value (US$)
Component 1. Emergency COVID-19 Response	**2,100,000.00**
Subcomponent 1.1. Prevention and Surveillance: Communication, Physical Distancing, Case Detection, Confirmation, and Contact Tracing	465,000.00
Subcomponent 1.2. Strengthening health service delivery to respond to COVID-19	1,635,000.00
Component 2. Implementation Management and Monitoring and Evaluation	**400,000.00**
Total	**2,500,000.00**

C. Project Beneficiaries

38. **The expected project beneficiaries will be:** the general population of the RMI, including at-risk populations, particularly the elderly and people with pre-existing conditions; medical, emergency and testing facility personnel; and immigration, public safety, quarantine enforcement/management personnel and the staff of all other agencies engaged in the response. Currently, the RMI reports zero confirmed cases however this has been achieved by very strict travel restrictions that cannot be sustained indefinitely. This project will benefit potential infected populations should the scenario change.

D. Rationale for Bank Involvement and Role of Partners

39. **The World Bank's dedicated umbrella FTCF builds on the experience and credibility of the institution in responding to global crisis.** It allows the institution to move nimbly to support countries as they respond to the health and economic impacts of the spread of COVID-19 and build in the experience and high standards that are needed so that the approaches work well in fast moving environments. The World Bank investment in the RMI's COVID-19 Response Plan will finance a significant share of the country's immediate response needs and enable access to human resources and goods that are urgently required for the emergency response. The World Bank-financed Multisectoral Early Childhood Development) project finances complementary health systems strengthening initiatives, as well as a cash transfer pilot for vulnerable families.[14]

40. **The World Bank financing is coordinated with that of other partners supporting the RMI.** The MOHHS team is working closely with the CDC to receive technical assistance from their emergency operations center in Atlanta, and through staff assigned in Honolulu. The CDC have supported the adaptation of the RMI's communicable disease response plan to COVID-19 and are providing help to facilitate coordination and resource mobilization (such as mobilizing financial support from US Department of Interior for the North Pacific's allocation of GeneXpert tests in WHO regional procurement). The US Department of Health and Human Services are also mobilizing diagnostic and medical equipment for the RMI. Similarly, the RMI and World Bank teams are coordinating with the WHO Western Regional Pacific Office incident management team (including key partners such as WHO, UNICEF, the World Food Program, SPC, ADB, CDC, Australian Department of Foreign Affairs and Trade and New Zealand Ministry of Foreign Affairs and Trade), PIHOA, and IOM) on the COVID-19 response. Support for

[14] At the time of preparation, the cash transfer is in the design stage and is expected to be ready for rollout around December 2020. If needed and requested by the GORMI, this system could be scaled up/out to provide additional household assistance.

core elements of the RMI's COVID-19 response plan not covered under the project, such as isolation and quarantine facilities, GeneXpert diagnostic testing, and community-based handwashing has been committed from government and other financiers. Local NGOs, such as the Women's Union Together Marshall Islands and Wellness Center may be engaged to support community outreach and prevention activities, as defined in the communication plans.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

41. **The MOHHS, as the lead of the NDC health cluster, will be the project's implementing agency and will have the overall implementation responsibility for the project,** including the responsibility for carrying out day-to-day management and implementation of the project and coordinating with other government ministries/agencies and stakeholders on all aspects of project implementation as required. Given the limited scope and short duration of the project, and the centrality of project activities in the GORMI COVID-19 response plan, a separate Project Implementation Unit will not be established. This will ensure that project implementation is expedited and government officials at the decision-making level are involved daily given the emergency needs. The MOHHS will nominate a Project Director at the Deputy Secretary / Assistant Secretary level to lead project implementation. The Project Director will be directly supported by a project administrator. The MOHHS will ensure the project administrator is contracted within one month after the effective date of the Financing Agreement. PIHOA will contract additional technical experts as may be required to support the MOHHS departments and units in project implementation.

42. **The Project Director and project administrator will be supported by the CIU, following the model in the RMI for implementation of World Bank-financed projects.** The CIU is a unit housed within the Division of International Development Association under the MOF. Day to day project management and implementation will be carried out by the MOHHS with strong support from the CIU. The CIU provides expertise for functions that cut across the World Bank portfolio implementation activities including E&S, financial management (FM) and procurement functions. At a minimum, an FM specialist, a procurement specialist and an environmental specialist from the CIU will be made available to support project management and implementation throughout the project implementation period. A social specialist will be recruited or appointed in the CIU by not later than 2 months after the effective date of the Financing Agreement to provide support on project implementation thereafter throughout the project implementation period.

43. **The NDC, chaired by the Chief Secretary (National Disaster Controller) will serve as the project steering committee (PSC).** The NDMO in the Office of the Chief Secretary plays a secretariat role for the NDC. The MOHHS will coordinate project activities through the NDMO. The PSC will provide the oversight and guidance for the project implementation. The key responsibilities of the NDC serving as the PSC are as follows: ensure the delivery of the project's outputs and the attainments of outcomes by facilitating coordination, as necessary, amongst the Line Ministries and Institutions participating in the NDC and by addressing coordination issues as they arise during the implementation of the project; review project progress reports as submitted by the Project Director and make decision thereon; and assess all policy-

related issues and provide guidance as needed. In the event the NDC is dissolved before the end of the Project implementation period, the GORMI will ensure that members of the NDC will continue to meet to carry out the responsibilities of the PSC. Further details of the arrangements of the PSC will be described in the POM.

44. **Funds flow and accountabilities for financial reporting.** The MOHHS will adopt the existing institutional structure in the CIU to carry out the project's FM and disbursement functions. Capacity in the CIU in managing World Bank projects has been already established. The Designated Account (DA) in U.S. dollars is maintained at the Bank of Guam to receive funds from the World Bank and to make payment for eligible expenditures. The CIU is responsible for submitting a six-month interim unaudited financial report, starting from the first semester following the project's first disbursement, to the World Bank no later than 60 days after semester-end.

45. **Procurement will be carried out by the MOHHS with assistance from the CIU.** Streamlined procedures for approval of emergency procurement have been agreed for implementation to expedite decision making and approvals by the Recipient. The MOHHS will be responsible for providing technical inputs, defining the scope of works and services to be procured under the project, and will review bids and expressions of interest, with the support of the CIU to draft necessary procurement documents. The MOHHS will work closely with the procurement specialists in the CIU who, with support from the World Bank, manage the Systematic Tracking of Exchanges in Procurement (STEP) for the project and lead the procurement process. Roles and responsibilities will be further clarified in the POM.

46. **The GORMI may request the DOD to provide limited support and assistance on project implementation, primarily for transporting goods and services financed under the project to the RMI's territory.** However, Bank financing proceeds will not be used to finance any costs incurred by the DOD. Prior to any such engagement, the RMI will have to ensure that the conditions described in the Financing Agreement for this purpose, including obtaining the Bank's written agreement, are fulfilled. The conditions are aimed to ensure that appropriate due diligence on the proposed engagement has been conducted, acceptable legal arrangements and risk mitigation measures have been put in place for the purposes of the project, and the Environmental and Social Commitment Plan (ESCP) and all E&S instruments as may be required for said engagement have been prepared and/or updated, approved, disclosed and implemented.

47. **Safeguards implementation will be led by the CIU with support of the MOHHS for implementation.** The CIU has two full time environmental specialists providing support across the World Bank-financed portfolio and an additional social specialist is under recruitment. The team has the capability and capacity to support the MOHHS with Environmental and Social Framework (ESF) compliance, including designing, updating and implementing the Project's Environmental and Social Management Framework (ESMF) and associated management plans, including the Infection Prevention Control and Waste Management Plan (IPC&WMP), the Labor Management Procedures and the Stakeholder Engagement Plan (SEP). The CIU E&S specialists will also provide continued guidance and monitoring of the project's E&S performance as required.

48. **A POM will be developed and adopted by the MOHHS by not later than three months after the effective date of the Financing Agreement**. The POM will describe detailed arrangements and procedures for the implementation of the project, such as operational systems and procedures, project institutional

arrangements, budgeting, arrangements and conditions for engagement with military or security force on project implementation, auditing, finance and accounting procedures (including funds flow and disbursement arrangements), procurement procedures, project monitoring, reporting, evaluation and communication arrangements, personal data collection and processing, and implementation arrangements for the ESCP as well as the preparation and/or implementation of instruments referred to in the ESCP as per World Bank ESF guidance. The POM will reflect mitigation measures proportionate to the risks of implementing an emergency operation in the RMI such as fiduciary controls and transparency.

B. Results Monitoring and Evaluation Arrangements

49. **The project's M&E activities will be the responsibility of the MOHHS Office of Health Planning, Policy, Preparedness and Epidemiology (OHPPPE) in coordination with the NDMO and the participation of relevant line ministries.** Data collection and reporting will be linked to existing data systems, to the extent possible, such as the electronic health information system, CDC surveillance system reports, routine updates of the NEOC clusters to the NDC, and so on. OHPPPE staff can conduct routine monitoring, evaluation, and reporting, although the limited human resource numbers in this office place staff under significant constraints. Due to the emergency situation and aforementioned limitations, the CIU M&E Specialist[15] and PIHOA-financed technical assistance will support the MOHHS staff in data compilation and reporting to the World Bank in accordance to the guidelines set out in the POM. By not later than sixty days after each calendar semester, the MOHHS will produce a semi-annual report based on agreed targets and the progress on implementation of project activities. This report will contain tables of performance against indicators for the project. The MOHHS will also submit an Annual Work Plan and Budget for the World Bank's no-objection by not later than ninety days after the effective date of the Financing Agreement and February 1 of each subsequent year during the implementation of the project (or such other interval or date as the World Bank may agree).

C. Sustainability

50. **With most of the project financing supporting the COVID-19 emergency response, the anticipated sustainability of project interventions is limited.** A large share of the project financing will support surge staff, medical supplies, and resources that would not be maintained in the absence of an epidemic. However, with support from PIHOA, the project will finance upgrading policies, plans and guidelines to guide the health security response in the future, including for the mobilization of human resources and health system financing. Similarly, the project will have a strong focus on capacity building and professional development related to preparedness and response (that is, laboratory operations, IPC) that will improve the ability of the NDMO, generally, and the health sector, specifically, to effectively respond to COVID-19 as well as future health emergencies.

[15] Currently under recruitment.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

51. **Although there are very significant gaps in knowledge of the scope and features of the COVID-19 pandemic, it is apparent that one main set of economic effects will derive from increased sickness and death among humans and the impact this will have on the potential output of the global economy.** In the Spanish Influenza pandemic (1918–19) 50 million people died - about 2.5 percent of the then global population of 1.8 billion. The most direct impact of the COVID-19 pandemic would be through increased health care costs, particularly hospital stay costs, and the risk of impoverishment for vulnerable population groups with limited access to health services or lack of financial health protection, who may have to incur high out-of-pocket payments to obtain needed medical care. In countries without universal health coverage, the financial impact of COVID-19 on the population, particularly low-income groups, could be significant or even catastrophic. In terms of indirect economic costs, the loss of productivity due to COVID-19 may be significant. In normal influenza episodes, for example, these indirect costs have been estimated to be ten times larger than all other costs combined.

52. **Another significant set of economic impact will result from the uncoordinated efforts of private individuals to avoid becoming infected or to survive the results of infection.** The SARS outbreak of 2003 provides a good example. The number of deaths due to SARS was estimated at "only" 800 deaths and it resulted in economic losses of about 0.5 percent of annual GDP for the entire East Asia region, concentrated in the second quarter. The measures that people took resulted in a severe demand shock for services sectors such as tourism, mass transportation, retail sales, and increased business costs due to workplace absenteeism, disruption of production processes and shifts to more costly procedures. Prompt and transparent public information policy can reduce economic losses.

53. **A last set of economic impacts are those associated with the Governments' policy efforts to prevent the epidemic, contain it, and mitigate its harmful effects on the population.** These policy actions can be oriented to the short, medium or long-term or, in spatial terms to the national, regional or global levels. Globally countries have closed borders and many countries are under lockdown with strict protocols for citizens to stay at home with only essential businesses remaining open to 'flatten' the curve of COVID-19 infection. Some countries, including the RMI, have also limited or suspended, domestic flights and international flights to reduce transmission of COVID-19. With the closing of the RMI borders the exact negative economic ramifications across industries is unknown yet but expected to be significant. The potential for unemployment may rise due to shrinking demand of activities involving face-to-face interaction which are being heavily affected. With the downturn in the economy, the impacts will be most significantly felt for the vulnerable and relief measures can be targeted to ensure basic needs like food and health services remain available. As a means of reducing the economic impacts from COVID-19 due to the 'lock down', many countries are introducing economic stimulus packages to support citizens through this economic hardship.

54. **In the RMI, the COVID-19 emergency follows in close succession the State of Emergency (SOE) ordered for the dengue outbreak in mid-2019**. The SOE has been extended due to COVID-19. Strict travel restrictions have been in place since March 8, 2020. Container vessels and fuel tankers are required to

remain at sea for a minimum of 14 days before docking in the RMI, raising concerns of shortages for food, health supplies and fuel. Even before COVID-19 emerged, the RMI's health sector had been at breaking point due to ongoing capacity issues exacerbated by the ongoing dengue outbreak. Substantial impacts on the tourism, hospitality, retail and construction sectors have already materialized (representing over a quarter of the economy). Lower economic activity will also reduce domestic revenues which—combined with additional spending to enhance health-sector preparedness and support to the private sector and households—could lead to an unanticipated fiscal gap. Scaling up the testing capacity within the RMI and ensuring the readiness of rapid response teams will enable the country to begin loosening its travel restrictions and ease the economic pressures.

55. **The spread of the epidemic in the US may further exacerbate the economic impacts for the RMI.** The RMI receives annual remittance inflows of around 14 percent of GDP. The global slowdown could depress these inflows, to the extent that the deteriorating economic outlook in the US leads to job losses in the Marshallese expatriate community. Lower remittances are likely to have flow-on effects to household welfare, pushing more households into poverty. Any provisions to support the Compact countries and their citizens in US stimulus packages may partially offset these negative impacts on remittances.

56. **To the extent that the COVID-19-induced global slowdown is more pronounced or protracted than currently projected, or if the virus were to gain a foothold in the RMI, the projected domestic economic contraction and fiscal needs could be more severe.** Additional development partner grant financing will be a crucial component of closing this unanticipated fiscal gap. In the absence of additional external support, the negative impact of COVID-19 is expected to persist in the long term as shifting domestic revenues to pandemic preparations and containment will continue to have negative impacts on other public sector services.

B. Fiduciary

Procurement

57. **Procurement for projects under the MPA will be carried out in accordance with the World Bank's Procurement Framework.** Procurement for 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). The Project will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. The Project will use STEP to plan, record and track procurement transactions.

58. **The major planned procurement includes:** (a) medical/laboratory equipment and consumables, (b) PPE, (c) medical supplies for response to COVID-19 outbreak; (d) consultancy services and support from PIHOA, and (e) minor facility upgrading to improve IPC (handwashing, ventilation) and to enhance health care waste management. The Recipient has prepared a streamlined project procurement strategy for development. The negotiated procurement plan will be submitted through STEP for the World Bank's approval.

59. **The proposed procurement approach prioritizes fast track emergency procurement for the critical goods, works and services needed.** Key measures available to fast track procurement include: (a) use of simple and fast procurement and selection methods fit for an emergency situation including direct contracting, as appropriate; (b) streamlined competitive procedures with shorter bidding time; (c) use of framework agreements; (d) procurement from UN agencies enabled and expedited by World Bank procedures and templates; (e) use of procurement agents, (f) force account, as needed, and (g) increased thresholds for Requests for Quotations and national procurement among others. The World Bank will also require minimal or no prior review for emergency procurements. As requested by the Recipient, the World Bank will provide procurement hands-on expanded implementation support (HEIS) to help expedite all stages of procurement – from help with supplier identification, to support for bidding/selection and/or negotiations to contract signing and monitoring of implementation.

60. **The project may be significantly constrained in purchasing critically needed supplies and materials due to significant disruption in the global supply chain, especially for PPE.** The supply problems that have initially impacted PPE are also beginning to emerge for other medical products (for example, reagents and possibly oxygen) and more complex equipment (for example, ventilators) where manufacturing capacity is being fully allocated by rapid orders from many countries. These procurement challenges are magnified in the small island state context, where small order quantities and significant logistical challenges limit the Recipient's competitiveness in the dysfunctional market. Efforts to aggregate procurement at PIC regional (through WHO or UNICEF) or global (see below) levels may provide the best opportunity for securing supply, though they entail additional coordination complexities.

61. **Upon the Recipient's request, the World Bank has agreed to provide Bank Facilitated Procurement (BFP) to proactively assist the implementing agency in identifying and accessing existing supply chains for the agreed list of critical medical consumables and equipment needed under the project.** Under BFP once the suppliers are identified, the World Bank will proactively support the Recipient with negotiating prices and other contract conditions. The Recipients will remain fully responsible for signing and entering into contracts and implementation, including assuring relevant logistics with suppliers such as arranging the necessary freight/shipment of the goods to their destination, receiving and inspecting the goods and paying the suppliers, with the direct payment by the Bank disbursement option available to them. In addition, and if needed the Bank may also provide hands-on support to the implementing agency to outsource logistics.

62. **To access available supplies the BFP approach may include the World Bank aggregating demand across participating countries, undertaking extensive market engagement to identify the suppliers from the private sector and/or UN agencies.** The World Bank is coordinating closely with WHO and other UN agencies (including UNICEF and United Nations Office for Project Services) during this process, these agencies have established systems for procuring medical supplies. In addition, the World Bank may help recipients access third-party governments' available stock.

63. **In providing BFP the World Bank will remain within its operational boundaries and mandate** which includes expanded hands-on implementation support to help recipients achieve the project's development objectives. The roles and responsibilities of the World Bank-accredited procurement specialist, the CIU procurement team, and the MOHHS will be outlined in the POM.

64. **Procurement for goods/works and services outside this agreed list will follow the Bank's standard procurement arrangements with the Recipient** responsible for all procurement steps (or with normal HEIS, as applicable).

65. **Failed or delayed procurement is a major procurement risk due to the lack of adequate global supply of essential medical consumables and equipment needed to address the health emergency (especially in the supply chain for PPE).** To help mitigate this risk, the World Bank will leverage its comparative advantage as convener. The World Bank will facilitate the Recipients' access to available supplies at competitive prices with the BFP described above. However, the BFP role undertaken by the World Bank specifically in identifying suppliers and facilitating the contracting between suppliers and the Recipients may bring a perception that the World Bank is acting beyond its role as a financier with greater reputational and potentially litigation risks – these would relate to questions of transparency, equity in terms of which recipients get access to what and when, issues with quality, timeliness of delivery, value for money, and any other issues of contractual nonperformance by the suppliers identified by the World Bank. To partially mitigate these risks, the Bank and the Recipient will clearly delineate the roles and responsibilities of the Bank and the Recipients for whom the World Bank facilitates access to available supplies.

66. **Another risk to the Project is the perceived conflict of interest in the contract between the RMI and PIHOA.** The RMI Minister of the MOHHS is one of the Executive Board members of PIHOA. To mitigate this risk, it is agreed with the Recipient that: (a) the Recipient will require the RMI member of PIHOA Executive Board recuse him/herself from all responsibilities/activities related to the approval or supervision of the PIHOA contract. This will be documented in the POM which shall specify details for the management of the contract, such as, the officials connected to the Executive Board will have no direct managerial responsibility for the preparation of TOR, negotiation of the contract with PIHOA, or supervising the implementation by PIHOA including approval of payments, reviews, and day to day management of the contract; (b) the Recipient will request PIHOA to refer to its Conflict of Interest Policy and ask them to provide an outline of the propose measures they will put in place to avoid the perception of the conflicting interest; and (c) the POM will also include a prohibition on direct involvement and referring to the full autonomy of the PIHOA Secretariat[16] to manage and control PIHOA's activities under the contract. The World Bank task team will review the PIHOA fee when the budget proposal from the Recipient is received. The contract duration should be clearly defined, and the contract should be closely managed to avoid surprises and minimize need for amendments.

67. **Other risks include limited scope of the local market in small state and the limited capacity of the MOHHS and lack of experience with implementing procurement following the World Bank Procurement Regulations**. This risk will be mitigated in the following ways: (a) the project will finance a project administrator to support the MOHHS; and (b) the CIU will provide procurement services for all activities under the Project.

[16] PIHOA maintains a Secretariat of full-time staff to fulfill PIHOA's Mission, mandate, and stated goals and objectives. The Secretariat comprises an Executive Director, a Primary Care Office Coordinator, a Finance Officer, an Accountant, an Administrative Officer, and a Communications Officer at its Headquarters in Honolulu; an Office and Program Support Officer at its Guam Office; a Human Resources for Health Coordinator at its Palau Office; a Laboratory Coordinator at the Guam Department of Public Health and Social Services Lab; and a Health Information Systems Coordinator co-located at the Honolulu and Guam Office.

Financial Management

68. **The existing institutional structure in the CIU at the MOF established to provide cross-cutting functions, including FM, to all World Bank-financed projects will be used to carry out the FM and disbursement functions for the project.** Currently, there are three FM staff within the CIU available to manage the Project's funds and disbursements, and additional resources are being added to support a growing portfolio in the RMI. The Project shall ensure enough FM staff for a full-functioning FM team to carry out the day-to-day FM and disbursement tasks and to ensure that controls and procedures in the FM are adhered to. To support the CIU in managing the project account, a focal person from the MOHHS Finance will be assigned to coordinate and carry out day-to-day FM tasks for the project. A provision for additional FM support will be assessed during the project implementation.

69. **Funds will flow in USD from the World Bank directly into the existing pooled DA maintained at the Bank of Guam and managed by the MOF.** Different sources of funds in this pooled DA will be separately tracked and accounted for by the CIU of the MOF. The DA ceiling will be set at US$100,000 to consider project expenditures expected to be financed out of the funds in the DA and to accommodate project requirements. The disbursement methods will be reimbursement, advances, special commitment (including UN commitments), and direct payments. Direct payments will be utilized for procurement of goods (medical supplies & equipment) and contracts with payments exceeding the minimum application size. Supporting documentation required for eligible expenditures paid from the DA is Statement of Expenditure and the frequency of reporting of expenditure paid by the DA is quarterly, or more often if needed. To facilitate and expedite payment processes, the minimum application size for reimbursements, special commitment (including UN commitments), and direct payments would be set at a lower-than-normal level or equivalent to US$10,000.

70. **Mandatory Direct Payment (MDP):** As paragraph 12 of Bank Policy on Investment Project Financing is triggered, MDP applies to this project, specifically, disbursements under contracts for Goods, Works, Non-consulting Services and Consulting Services procured or selected through international open or limited competition or Direct Selection as set out in the procurement plan, must be made only through the Direct Payment and/or the Special Commitment disbursement methods (including UN commitments).

71. **The engagement of a UN agency for the procurement of medical supplies and equipment (indirect financing) is being considered under the project, and in such case, the disbursement mechanism that will be applied is the United Nations Commitment (Disbursement Handbook Section 4.3.1).** Under this mechanism, a UN commitment is issued by the World Bank to a UN agency based on a request by the Recipient to reserve grant funds to be paid later directly to the UN agency. This process is based on a contract between the Recipient and the UN agency following a Standard Form Agreement applicable to the UN agency. Subsequently, the World Bank makes advance payments to the UN agency based on requests by the agency and the Recipient. These payments are referred to as UN advances and are usually preferred, though direct payment and other disbursement methods as per contract to be entered between the project and UN agency remain available.

72. **Due to the emergency nature of the Project, retroactive financing of up to 40 percent of the IDA grant of SDR 1.9 million (or SDR 760,000, US$1,000,000 equivalent) will be available for payments made by the project against eligible expenditures under the project prior to the signing date but on or after April 5, 2020**. This project takes advantage of a partial waiver from application of the Bank's Anti-

Corruption Guidelines for contracts funded by retroactive financing, which was applied at the MPA level. For contracts already signed but that did not include the application of the anti-corruption guidelines and the Bank's Sanction framework, it will be enough for each supplier/contractor/consultant to sign a "Letter of Acceptance of the World Bank's Anti-Corruption Guidelines and Sanctions Framework." Further details of financial reporting, audit and disbursement arrangements will be provided in the Disbursement and Financial Information Letter. The Project will have a disbursement deadline date of four (4) months after the closing date of the Project. The IDA grant proceeds will be disbursed against eligible expenditures as shown in table 3. The project will also finance Logistics Costs, which are the reasonable incremental costs incurred by the Recipient based on the Annual Work Plans and Budgets accepted ex ante by the Association in relation to logistics and transportation of patients and medical goods and services under the project, including, among others, storage, port fees and charges, rental of vehicles, insurance, taxes and duties, chartering of plane and fuel.

Table 3. Eligible Expenditure, Grant Proceeds Allocation, and Financing Percentage

Category	Amount of the IDA Financing Allocated (expressed in US$)	Amount of IDA Financing Allocated (expressed in SDR)	Percentage of Expenditures to Be Financed (inclusive of taxes)
(1) Goods, works, non-consulting services, consulting services, Training and Workshops, Logistics Costs, and Operating Costs for the Project	2,500,000	1,900,000	100
TOTAL AMOUNT	2,500,000	1,900,000	

73. **Financial Reporting and Audit.** The CIU is responsible for submitting a six-month interim unaudited financial report, starting from the first semester following the project's first disbursement, to the World Bank no later than 60 days after semester-end. The audit of project funds will be incorporated in the National Accounts and hence will be disclosed as a note to the accounts of the National Accounts, with submission due nine (9) months after the end of the fiscal year. Currently, the audit of the National Accounts is subcontracted by the Public Auditor to a private contractor. The MOF, the Public Auditor, and the World Bank will agree on the information required to be disclosed. The National Accounts will be published on the Office of the Auditor General's web site.

74. **The performance of FM is monitored by reviews of the semesterly interim unaudited financial reports, discussions with the CIU and project teams, and bi-annual FM missions to reassess FM risks and performance.** Time-bound action plans will be prepared for implementation to mitigate any identified control weaknesses and risks.

75. **The key FM risks** are associated with (a) already stretched capacity of the current CIU FM staff to handle more project-related FM; (b) limited capacity and involvement of the MOHHS FM in the project's operations; and (c) delays in downloading of funds due to manual processes and poor coordination between the MOHHS and the CIU. Risk mitigating measures include: (a) further enhancing capacity of the CIU FM staff; (b) engaging a project administrator to provide additional support to the MOHHS during the implementation period; and (c) maximizing use of direct payments to pay project expenses. Residual FM risk is substantial.

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 Standards

76. **The project is expected to result in positive environmental and social impacts as it seeks to improve planning, processes, and service delivery for prevention, surveillance and COVID-19 response, and response for future public health emergencies**. However, project activities also present substantial environmental, social, health and safety risks for the project workforce and communities (outlined below). To manage these risks, the CIU will prepare the following instruments:

- **ESMF.** The Recipient will prepare an ESMF to identify risks and potential E&S impacts and outline appropriate mitigation measures based largely on adopting WHO guidance, World Bank Environmental Health and Safety (EHS) Guidelines and other good international industry practices (GIIP). The ESMF will include a Code of Environmental Practice for minor lab and health facility upgrading and installation of equipment; IPC&WMP for all facilities including laboratories and health facilities; Labor Management Procedures for direct and contracted workers to ensure proper working conditions and management of worker-project relationships, occupational health and safety, and to prevent sexual exploitation and abuse and sexual harassment. In the event the GORMI engages the DOD to support project activities, the ESMF will include a risk assessment and protocols consistent with the ESF and Bank policies and procedures. The ESMF will be prepared to a standard acceptable to the World Bank and disclosed on the MOF website (www.rmi-mof.com) and on the World Bank website (www.worldbank.org) within 30 days after the effective date of the Financing Agreement.

- **An SEP**. The Recipient will prepare an SEP—which includes a Grievance Mechanism—to establish a structured approach for community outreach and two-way engagement in Marshallese and English with stakeholders, including vulnerable and disadvantaged groups including poor, disabled, elderly, isolated communities. The SEP will be based upon meaningful consultation, disclosure of appropriate information, considering the specific challenges associated with public meetings as a result of COVID-19. A preliminary SEP including GM has been prepared and disclosed and will be updated by the MOHHS, with support from the CIU, and re-disclosed within 30 days after the effective date of the Financing Agreement.

77. **The E&S risk of the proposed project is rated Substantial, as elaborated in Section VII below.** The approval process for the project will avail of the partial waiver granted through the global MPA that enables Management to approve individual SPRP projects of US$100 million or less that are rated Substantial or below for E&S risks.

VI. GRIEVANCE REDRESS SERVICES

78. **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 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 Bank's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of 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 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

79. **The overall project risk rating is Substantial.** Risks in one of the nine categories is rated 'High', namely, fiduciary risks. Risks related to sector strategies and policies, institutional capacity and implementation, technical design, and E&S safeguards are rated substantial. The project proposes a bold and swift response to the COVID-19 crisis in a country characterized by limited accessibility and connectivity and limited public sector capacity. While a considerable degree of risk is inherent in a project of this scope and ambition, important mitigation measures have been integrated into its design. Except for E&S, the risk ratings are residual risks that remain after implementing the mitigation measures.

80. **Fiduciary Risk is high.** The high risk is primarily related to procurement. The dysfunctional global market may limit the timely procurement of goods and equipment necessary for emergency COVID-19 response. There are significant risks related to the potential delay in funds flow arising from constraint public FM systems and competing government priorities. Specific mitigation measures, described in detail above, include: adherence to the World Bank Anticorruption Guidelines; use of simplified UN methods and HEIS to streamline procurement processes and provide hands on procurement support to the Government; bundling contracts; engaging PIHOA as the Project's technical service provider; utilizing direct payments to limit the number of transactions; and taking direct actions to enhance transparency and mitigate conflict of interest in the contracting of PIHOA including a review of compliance of these measures. Despite these mitigating measures, residual risks remain: PIHOA may face challenges in identifying and mobilizing project consultants that leave the country understaffed to mount a response. There may not be necessary goods in the market for timely purchase and deployment.

81. **The sector strategies and policies and technical design risks are substantial.** The GORMI has prepared a comprehensive COVID-19 preparedness and response strategy based on WHO guidance. However, given the emergency nature of its preparation and limited global evidence base on COVID-19 at the time of its writing, there remains uncertainty that the strategy is sufficiently designed or implemented to mitigate a COVID-19 outbreak.

The coordination with CDC, PIHOA, WHO and other technical partners and ongoing adaptation of the strategy should help to manage these risks. The technical design risks are substantial. In the event of an outbreak, project success depends upon a highly coordinated response, appropriate targeting of communication and social distancing strategies, the faithful deployment and uptake of training programs, the hiring of a large number of highly qualified staff, the full deployment of all goods and commodities, and the adherence to complex clinical practice protocols. The World Bank task team was unable to access the country during preparation and fully assess the technical capacities and gaps. Therefore, the risks remain substantial, though they will be revisited during implementation.

82. **Institutional Capacity for Implementation and Sustainability risks are substantial.** The RMI suffers from limited availability of qualified human resources across the public sector, and the national SOE places extremely high demands on a few individuals, exacerbating these challenges. Additionally, there is limited communication and data system interoperability between the Majuro and Ebeye hospital and public health systems. To mitigate these risks, the MOHHS have initiated the weekly meetings of clinical and public health teams including Majuro and Ebeye hospitals. The proposed direct contracting of PIHOA, coupled with the use of experienced CIU staff, will augment the human resource capacity and support project management, coordination, and reporting and help to strengthen implementation. PIHOA has a strong network of professionals and track record to mobilize just-in-time technical assistance, delays in mobilizing the consultant support could impact the strength of this mitigation measure. Implementation will be embedded within the MOHHS to streamline timeliness of decision-making. PIHOA will be responsible for supporting the implementation monitoring and reporting to ease the burden on the MOHHS staff in the short-term, and professional development of key government staff for the short and medium terms to help build system resilience.

83. **In the short term, the environmental risks are substantial.** The main environmental risks identified are: (a) the occupational health and safety issues related to testing and handling of supplies and the possibility that they are not safely used by laboratory technicians and medical crews; (b) the occupational health and safety issues for medical staff and employees related to the treatment of COVID-19 patients (if an outbreak were to occur); and (c) medical waste management and community health and safety issues related to the handling, transportation and disposal of hazardous and infectious healthcare waste. As no major civil works are required, only minor internal upgrading of laboratories and health facilities on government-leased sites, environmental risks associated with these works are expected to be minor and readily mitigated. The existing solid waste management and pollution control in the RMI exacerbate the environmental risks of waste management, however the COVID-19 emergency operation is not expected to generate large volumes of medical waste and it will upgrade waste management, if necessary, under Subcomponent 1.2. Waste management upgrades may include improving waste handling and storage procedures at the source of waste, waste transportation procedures and ensuring the incinerators are operational through the duration of the project. These activities could contribute to the proposed Hospital Waste Management Plan. Risks will be managed through readily implementable and effective mitigation measures in the form of WHO guidance, World Bank EHS Guidelines and other GIIP, described in an IPC&WMP.

84. **To mitigate the above-mentioned environmental risks**, the MOHHS (with support from the CIU) has committed to prepare, during project implementation and no later than 30 days after the effective date of the Financing Agreement, an ESMF that includes the IPC&WMP and covers the E&S mitigation measures to be implemented for the various proposed activities. Mitigation measures will largely be based on WHO technical guidance on COVID-19 response, World Bank EHS Guidelines and other GIIP, including an elaboration of roles and responsibilities within the MOHHS, training requirements, timing of implementation and budgets. Specific Codes of Environmental Practice will be prepared for minor upgrades. Procurement of goods (purchase of testing kits,

medical equipment, PPE, and so on) can be initiated as soon as the project is approved but deployment of medical supplies and equipment can only occur after the ESMF and IPC&WMP are in place and training provided.

85. **Social risks are rated as Substantial.** The social risks are considered substantial. While some social risks and impacts are substantial, they are considered temporary, predictable, and readily managed through project design features and mitigation measures. No land acquisition or involuntary resettlement impacts are expected. The project will include the upgrading of existing facilities in the urban centers of Ebeye and Majuro. No new land will be acquired or accessed. A key social risk is the potential for inequitable access to project supported facilities and services particularly for vulnerable and high-risk social groups (poor, disabled, elderly, isolated groups). GBV, including sexual exploitation, abuse and harassment may also increase as a result of physical distancing strategies. To mitigate these risks, the MOHHS, in the ESMF, will commit to the provision of services and supplies to all people, regardless of their social status, based on the urgency of the need, in line with the latest data related to the prevalence of the cases, and the implementation of WHO guidance tools for COVID-19 risk communication and engagement. The ESCP will also commit to assessing the risks of GBV, sexual exploitation, abuse, and harassment, and enforcing mitigation measures to protect and support the workforce and population at large.

86. **While protecting the health of communities from infection with COVID-19 is a central part of the project, without adequate controls and procedures, project activities ranging from medical facility operation through to on-ground public engagement exercises have the potential to contribute to virus transmission and other community health and safety issues.** Some project activities also present increased health and safety risks for project workers, particularly those working in medical and laboratory facilities. In the RMI, many adults suffer from diabetes, cardiovascular disease and cancer, the top three causes of mortality in the RMI in 2017, which increases their vulnerability to severe COVID-19 infection, increasing the contextual risk of this Project. Furthermore, there are reports of social stigma attached to people rumored to be infected on Ebeye, so if an outbreak were to occur, individuals that become infected (or suspected of infection) could experience physical or verbal attacks. Clear communication of risks and prevention measures will be included within training and stakeholder engagement activities under Component 1 and will take account of the existing social context. Social risks associated with the project will be addressed through the project's ESMF, SEP, including a Grievance Mechanism and Labor Management Procedures, in line with the applicable Environmental and Social Standards of the World Bank's ESF and the WHO COVID-19 guidance tools for COVID-19 preparedness and response.

87. **The GORMI is exploring the option of engaging the DOD to mitigate procurement risks related to limited options to transport goods and services financed under the project to the country; execution of this arrangement may create potential social risks.** These risks will be mitigated with the limited involvement of the DOD to primarily assisting with the logistical support for the deployment of goods/services to the country. The ESMF will include a risk assessment and protocols for ensuring adherence to good practice standards and develop mitigating measures. Conditions to be fulfilled prior to any such engagement have been embedded in the Financing Agreement and will be further elaborated in the POM to ensure that appropriate due diligence is carried out, acceptable legal arrangements and risk mitigation measures have been put in place for the purposes of the project, and the ESCP and all E&S instruments as may be required for said engagement have been prepared and/or updated, approved, disclosed and implemented.

88. **Other Risks: Personal data collection and processing risks are moderate.** Large volumes of personal data, personally identifiable information and sensitive data are likely to be collected and used in connection with the management of the COVID-19 outbreak under circumstances where measures to ensure the legitimate, appropriate and proportionate use and processing of that data may not feature in national law or data governance

regulations or be routinely collected and managed in health information systems. To the extent feasible, the project will incorporate good international practice for dealing with such data in such circumstances. Such measures may include, by way of example, data minimization (collecting only data that is necessary for the purpose); data accuracy (correct or erase data that are not necessary or are inaccurate), use limitations (data are only used for legitimate and related purposes), data retention (retain data only for as long as they are necessary), informing data subjects of use and processing of data, and allowing data subjects the opportunity to correct information about them, and so on.

VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework
COUNTRY: Marshall Islands
RMI COVID-19 Emergency Response Project

Project Development Objective(s)

To prevent and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of the Marshall Islands.

Project Development Objective Indicators

Indicator Name	DLI	Baseline	End Target
To prevent COVID-19 in the RMI			
Number of community non-pharmaceutical COVID-19 containment strategies deployed (Number)		2.00	8.00
To respond to the threat posed by COVID-19 in RMI			
Number of suspected cases of COVID-19 reported and investigated per MOHHS protocol (Number)		2.00	20.00
To strengthen national systems for public health preparedness in RMI			
Number of staff trained in infection prevention and control per MOHHS protocol (Number)		0.00	250.00

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
1. Emergency COVID-19 Response			
First COVID-19 case reported to WHO and CDC within 24 hours of confirmation per IHR requirements (Yes/No)		No	Yes
Number of designated laboratories with COVID-19 diagnostic capacity (Number)		0.00	2.00
2. Implementation Management and Monitoring and Evaluation			
At least one multisectoral simulation exercise conducted with results incorporated into national COVID-19 preparedness and response plans (Yes/No)		No	Yes
Number of policies, regulations, guidelines, or other relevant government strategic documents incorporating a multisectoral approach for health emergencies developed or revised, and adopted (Number)		0.00	4.00

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of community non-pharmaceutical COVID-19 containment strategies deployed	The indicator is a count of the physical, non-pharmaceutical containment strategies deployed. The indicator will only include community-based strategies. These	6 monthly	NDC	The indicator will be updated at weekly EOC meetings and reported on a monthly basis to the NDC.	MOHHS

	include provision of hand washing facilities, behavior change campaigns, school closures, reduction/cancellation of mass gatherings, etc. Nationwide strategies will be counted a single time, while the strategies deployed independently by local governments (e.g. MALGOV and KALGOV) will be counted separately for each jurisdiction.				
Number of suspected cases of COVID-19 reported and investigated per MOHHS protocol	The indicator will apply only to identified suspected cases.	6 monthly	MOHHS	Internal quality review of OPPHE reports to determine full adherence to investigation and reporting protocol.	MOHHS
Number of staff trained in infection prevention and control per MOHHS protocol	Staff include health staff (regular and surge staff physicians, nurses, midwives, paramedics, lab techs and community health outreach workers) and non-health (points of entry, PSS, first responders, etc.) trained in the MOHHS IPC protocols.	6 monthly	MOHHS	Aggregation of MOHHS training reports	MOHHS

Monitoring & Evaluation Plan: Intermediate Results Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
First COVID-19 case reported to WHO and CDC within 24 hours of confirmation per IHR requirements	Submission of required WHO and CDC reporting forms according to protocols upon the confirmation of at least one respiratory specimen that tested positive for the virus that causes COVID-19 within 24 hours.	6 monthly	MOHHS	Self-report	MOHHS
Number of designated laboratories with COVID-19 diagnostic capacity	The MOHHS will define and regularly update the appropriate testing protocol. MOHHS will define 'diagnostic capacity' according to the testing protocol and will include human resources and the specifications of the diagnostic equipment, test kits, and reagents required for COVID-19 testing.	6 monthly	MOHHS	Monthly reports from Majuro and Ebeye public health labs	MOHHS
At least one multisectoral simulation exercise conducted with results incorporated into national COVID-19 preparedness and response plans	A simulation exercise will involve one or more ministries and may be related to early warning surveillance, point of entry	6 monthly	NDMO	Report to NDC	MOHHS

	procedures, rapid response team deployment. A real time event may also be counted, as per MOHHS decision.				
Number of policies, regulations, guidelines, or other relevant government strategic documents incorporating a multisectoral approach for health emergencies developed or revised, and adopted	The count will include any of these document types across sectors that are endorsed by the GORMI. The documents may be multisectoral in nature or may define sectoral responsibilities for responding to a health emergency.	6 monthly	NDMO	Regular updates of EOC clusters	MOHHS

ANNEX 1: Implementation Support Plan

COUNTRY: The Marshall Islands
RMI COVID-19 Response Project

Implementation Support Plan

1. **The supervision arrangements are outlined in the global MPA and will be followed in this project. It is anticipated that considerable implementation support will be needed during the life of the project but particularly during the initial implementation phase.** Specifically, implementation support is envisioned for procurement (as there are new mechanisms which are being introduced under the COVID-19 support) and for the MOHHS (which has limited familiarity of with World Bank processes and procedures).

2. **The World Bank task team will provide intensive implementation support in the first 12 months either remotely or in country (as travel restrictions allow).** Implementation support will not be limited to formal missions, though these will be carried out quarterly in the first year of the project. The intensity of support will be reviewed after the first 12 months of implementation and may decrease in the last 18 months of the project. The World Bank Health team has initiated virtual missions in the existing portfolio in the RMI and is confident in the ability to continue to communicate with the Government virtually in lieu of in-country support. As needed, Component 2 can supplement the CIU budget to finance enhanced bandwidth for communications or small ICT hardware to further enable remote support. The CIU and the MOF has experienced staff in FM, procurement and safeguards who are all familiar with the World Bank processes and procedures. The task team will work closely with the MOHHS, the CIU, and the MOF during implementation.

3. **As appropriate, the task team will apply measures to ensure integrity and fit-for-purpose implementation support under this COVID-19 emergency operation.** These include the application of Streamlined Fiduciary Implementation Support Measures for Active Bank-financed Operations given Travel Limitations due to COVID-19 Pandemic, such as flexibilities in interim unaudited financial report, audit, and virtual and ICT-supported supervision. It may also include the support of third parties to conduct process audits and site checks, particularly in the event of sustained travel restrictions.

4. **The following table reflects the preliminary estimates of skill requirements, timing, and resource requirements over the life of the project.** Keeping in mind the need to maintain flexibility over project activities from year to year, the implementation support plan will be reviewed periodically to ensure that it continues to meet the implementation support needs of the project.

Table 1.1. Implementation Support Priorities and Skills

Time	Focus	Skills Needed
Months 1–12	• Finalizing the major procurements and getting them under implementation, that is, contracting PIHOA and purchasing medical equipment and supplies • Mobilizing identified technical experts and ensuring health facility readiness and communications/physical distancing plans • Preparing the epi and disease surveillance systems • Identifying specific lab and health care waste management upgrading needs and initiating minor works • Establishing project management system including M&E • Staff capacity building of the MOHHS	• Public health • Procurement • FM • Operations • Social and Environment
Months 12–36	• Sustaining implementation • Adjustment to project as relevant regarding COVID-19 status in country • Supporting the learning and systems strengthening agendas	• Public health • Operations • Social and environment sector • FM • Procurement

Table 1.2. Skills Mix Required (2.5 years)

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
Task Team Leader and Health Nutrition and Population Specialist	10	6	Assume approximately 8 staff weeks year 1 and 3 staff weeks year 2–3.
Co-Task Team Leader and Operations Support	4	2	Assume approximately 3 staff weeks year 1 and 1 staff week year 2–3
Procurement	2.5	4	Assume approximately 1.5 staff weeks year 1 and 0.5 staff weeks years 2–3
FM	2	4	Assume approximately 1 staff weeks year 1 and 0.5 staff weeks years 2–3
Social and Environment Safeguards	4	5	Assume approximately 3 staff weeks year 1 and 1 staff weeks years 2–3
Other as identified needs (for example, civil works engineer, ICT specialists, human resources)	8	3	Assume approximately 3 staff weeks per year