



Report No: PAD4310

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION GRANT
IN THE AMOUNT OF SDR70,600,000 (US\$100.00 MILLION EQUIVALENT}

AND A PROPOSED GRANT FROM THE GLOBAL FINANCING FACILITY
IN THE AMOUNT OF US\$15.00 MILLION

TO THE

REPUBLIC OF MOZAMBIQUE

FOR THE

COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROJECT

May 12, 2021

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 AND
UP TO US\$12 BILLION ADDITIONAL FINANCING APPROVED BY THE BOARD
ON OCTOBER 13, 2020

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

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CURRENCY EQUIVALENTS

(Exchange Rate Effective March 31, 2021)

Currency Unit = New Mozambique
Metical (MZN)

MZN 69.06 = US\$1

US\$1 = SDR 0.7056

FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

ACG	Anti-Corruption Guidelines
AEFI	Adverse Event Following Immunization
ANC	Antenatal Care
APE	Community Health Workers (<i>Agentes Polivalentes Elementares</i>)
AU AVATT	African Union’s COVID-19 African Vaccine Acquisition Task Team
BFP	Bank Facilitated Procurement
CEPI	Coalition for Epidemic Preparedness Innovations
CERC	Contingent Emergency Response Component
CMAM	Central Medical Stores (<i>Central de Medicamentos e Artigos Médicos</i>)
COVAX Facility	COVID-19 Vaccines Global Access Facility
COVAX AMC	COVID-19 Vaccines Advanced Market Commitment
COVID-19	Coronavirus Disease 2019
DO	Development Objective
EOC	Emergency Operations Center
EPI	Expanded Program for Immunization
EPRP	Emergency Preparedness and Response Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
EU	European Union
FM	Financial Management
FTCF	Fast Track COVID-19 Facility
Gavi	Global Alliance for Vaccines and Immunizations
GDP	Gross Domestic Product
GFF	Global Financing Facility
GRM	Grievance Redress Mechanism
HIV	Human Immunodeficiency Virus
HNP	Health, Nutrition, and Population
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IDP	Internally Displaced People
IFC	International Finance Corporation
INS	National Institute of Health (<i>Instituto Nacional de Saúde</i>)
IPC	Infection Prevention and Control
IPF	Investment Project Financing
LNG	Liquid Natural Gas
M&E	Monitoring and Evaluation
MISAU	Ministry of Health (<i>Ministério de Saúde</i>)
MPA	Multiphase Programmatic Approach
NCD	Non-communicable Disease
NDC	Nationally Determined Contribution
NDVP	National Deployment and Vaccination Plan
PAD	Project Appraisal Document



PDO	Project Development Objective
PHC	Primary Health Care
PHCSP	Primary Healthcare Strengthening Program
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PPE	Personal Protective Equipment
R&D	Research and Development
RMNCAH-N	Reproductive, Maternal, Newborn, Child, and Adolescent Health and Nutrition F
SAGE	Strategic Advisory Group of Experts on Immunization
SATBHSSP	Southern Africa TB Health System Strengthening Project
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SEP	Stakeholder Engagement Plan
SELV	Electronic Vaccination Logistics System (<i>Sistema Electrónico de Logística de Vacinas</i>)
SISMA	Health Management Information System (<i>Sistema de Informação de Saúde para Monitoria e Avaliação</i>)
SOPs	Standard Operating Procedures
SPRP	Strategic Preparedness and Response Program, also known as Global COVID-19 MPA
SRA	Stringent Regulatory Authorities
STEP	Systematic Tracking of Exchanges in Procurement
TB	Tuberculosis
UNFPA	UN Population Fund
UNICEF	United Nations Children’s Fund
USAID	United States Agency for International Development
VAC	World Bank Vaccine Approval Criteria
VIRAT	Vaccine Introduction Readiness Assessment
VRAF	Vaccine Readiness Assessment Framework
WB	World Bank
WBG	World Bank Group
WHO	World Health Organization



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Mozambique	COVID-19 Strategic Preparedness and Response Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P175884	Investment Project Financing	Substantial

Financing & Implementation Modalities

<input checked="" type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input checked="" type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
03-Jun-2021	30-Jun-2024	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	18,000.00
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Proposed Project Development Objective(s)

To support the Government of Mozambique to acquire, manage, and deploy Project COVID-19 vaccines, and to strengthen its pandemic preparedness, response, and health systems' capacity.

Components

Component Name	Cost (US\$, millions)
Vaccines, Medical Supplies, and Cold Chain Equipment	75.00
Vaccine Administration, Follow-up, and Community Engagement	20.00
Continuity of Essential Services	15.00
Project Implementation and Monitoring	5.00

Organizations

Borrower: Ministry of Economy and Finance

Implementing Agency: Ministry of Health

MPA FINANCING DETAILS (US\$, Millions)

Board Approved MPA Financing Envelope:	18,000.00
MPA Program Financing Envelope:	18,000.00
of which Bank Financing (IBRD):	9,900.00
of which Bank Financing (IDA):	8,100.00
of which other financing sources:	0.00

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	115.00
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Total Financing	115.00
of which IBRD/IDA	100.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	100.00
IDA Grant	100.00

Non-World Bank Group Financing

Trust Funds	15.00
Global Financing Facility	15.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Mozambique	0.00	100.00	0.00	100.00
National PBA	0.00	100.00	0.00	100.00
Total	0.00	100.00	0.00	100.00

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2021	2022	2023	2024
Annual	0.00	60.00	20.00	20.00
Cumulative	0.00	60.00	80.00	100.00

INSTITUTIONAL DATA

Practice Area (Lead)

Health, Nutrition & Population

Contributing Practice Areas



Climate Change and Disaster Screening

This operation has 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	● Substantial
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Substantial
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● High
6. Fiduciary	● Substantial
7. Environment and Social	● Substantial
8. Stakeholders	● Substantial
9. Other	● Substantial
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



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

Schedule 2, Section I.A.5. Third Party Monitoring: No later than ninety days (90) after the Effective Date, or such later date as agreed by the Association, the Recipient shall, through MISAU: (a) select and hire a Third Party Monitoring Consultant (“TPM Consultant”) with terms of reference, qualifications and experience satisfactory to the Association to monitor the implementation of the Project (including the delivery and distribution of the Project COVID-19 Vaccine); (b) require the TPM Consultant to prepare and submit monitoring reports, which shall be promptly made available and discussed with the Association; and (c) promptly take any actions, as may be requested by the Association upon its review of the TPM Consultant’s reports.

Sections and Description

Schedule 2, Section I.B. Project Implementing Manual: The Recipient, not later than 30 days after Effective Date, shall prepare and adopt, in accordance with terms of reference acceptable to the Association a Project



implementation manual (“PIM”) setting out detailed guidelines, methods and procedures for the implementation of the Project

Sections and Description

Schedule 2, Section I.E. Annual Plans and Budgets: The Recipient shall: (a) not later than thirty (30) days after the Effective Date, prepare and furnish to the Association, a work plan and budget (“Work Plan and Budget”), satisfactory to the Association, which shall include, inter alia, the activities to be carried out under the Project and a financing plan for expenditures required for such activities, setting forth the amounts and sources of financing; and (b) thereafter carry out said Work Plan and Budget in accordance with its terms and in a manner acceptable to the Association.

Conditions



I. PROGRAM CONTEXT

A. MPA Program Context

1. This Project Appraisal Document (PAD) describes the response of Mozambique under the coronavirus disease 2019 (COVID-19) Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank’s Board of Executive Directors on April 2, 2020 (PCBASIC0219761) with an overall Program financing envelope of up to US\$6.00 billion, and the Additional Financing (AF) to the SPRP approved on October 13, 2020 of US\$12.00 billion.¹ The purpose is to provide upfront financing to help the government purchase and deploy COVID-19 vaccines that meet the World Bank’s vaccine approval criteria (VAC), and to strengthen health systems necessary to successfully deploy them, and to prepare for the future. The proposed project will finance vaccine acquisition to immunize up to approximately 19.8 percent of the population. Additional project support for immunization systems will help reach over 50 percent of the population with COVID-19 vaccinations, complementing support from the COVID-19 Vaccines Global Access Facility (COVAX) and other partners. Project financing for COVID-19 vaccines will follow the World Bank’s updated VAC: (i) the vaccine has received regular or emergency licensure or authorization from at least one of the SRAs identified by the World Health Organization (WHO) for vaccines procured and/or supplied under the COVAX Facility, as may be amended from time to time by WHO; or (ii) the vaccine has received WHO Prequalification (PQ) or WHO Emergency Use Listing (EUL). Mozambique is providing vaccines free of cost.

2. The proposed project contributes directly to the development objective of the Global MPA to prevent, detect and respond to the threat posed by the COVID-19 and strengthen national systems for public health preparedness. It will focus on acquisition and deployment of COVID-19 vaccines, starting with vulnerable populations. This is occurring in a rapidly evolving context where COVID-19 variants have emerged, new vaccines are coming on the market, and there is growing vaccine and vaccine brand hesitancy among the general population and health providers. Reaching herd immunity will require strengthening overall immunization capacity and health systems. Importantly, the operation seeks to reduce COVID-19 vaccination defaulting and incomplete coverage, and leverage the demand for COVID-19 vaccination for adults. Supporting the Government’s efforts to implement its National Plan for Vaccination Against COVID-19, and the National Deployment and Vaccination Plan (NDVP) prepared for the COVAX application incorporated in the overarching national plan, the project aligns with the World Bank’s crisis response support to COVID-19 in Mozambique, and Mozambique’s adjusted Country Partnership Framework (CPF) of the World Bank Group for FY17-21 (Report Number 104733), as revised in the 2020 Performance and Learning Review (Report Number 144024).

B. Updated MPA Program Framework

3. Table 1 below highlights how this project fits into the total envelope of the MPA for IBRD and IDA.

Table 1. MPA Program Framework

Project ID	Sequential or Simultaneous	Phase’s Proposed DO	IPF, DPF	Estimated IBRD	Estimated IDA	Estimated Other	Estimated Approval	Estimated Environmental
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¹ Strategic Preparedness and Response Program (SPRP), also known as Global COVID-19 MPA. The WB approved a US\$12 billion WBG Fast Track COVID-19 Facility (FTCF or “the Facility”) to assist IBRD and IDA countries in addressing the global pandemic and its impacts. Of this amount, US\$6 billion came from IBRD/IDA and US\$6 billion from the International Finance Corporation (IFC). The IFC subsequently increased its contribution to US\$8 billion, bringing the FTCF total to US\$14 billion. The AF of US\$12 billion (IBRD/IDA) was approved on October 13, 2020 to support the purchase and deployment of vaccines as well as strengthening the related immunization and health care delivery system.



			or PforR	Amount (\$ million)	Amount (\$ million)	Amount (\$ million)*	Date	& Social Risk Rating
P175884	Simultaneous	To support the Government of Mozambique to acquire, manage, and deploy Project COVID-19 vaccines, and to strengthen its pandemic preparedness, response, and health systems' capacity.	IPF	0	100	15	5/19/21	Substantial
Total		Board Approved Financing Envelope		9,900	8,100	18,000		

***Other sources of financing:** The Global Financing Facility will provide US\$15 million in co-financing through the Essential Services Grant, to leverage increased COVID-19 vaccine uptake by supporting continuity of critical health services.

C. Learning Agenda

4. The proposed project under the MPA Program will support adaptive learning throughout implementation, and with partners including the Center for Disease Control (CDC), the Global Financing Facility (GFF), the International Monetary Fund (IMF), the UN Children’s Fund (UNICEF), the WHO and others. Key areas include:

- **Forecasting:** The project will support Mozambique’s capacity to model, monitor, and regionally collaborate to track and anticipate the progression of the pandemic, both in terms of new cases and deaths, as well as the economic impact of disease outbreaks under different scenarios. This project will also contribute to strengthening laboratory capacity, including possible support to enable genomic surveillance.
- **Technical:** Research can contribute to knowledge around the strengths and limitations of vaccine logistics and monitoring systems, as well as effectiveness of new vaccines delivered in different contexts and against new variants. This will also contribute to enhanced preparedness for future emergencies, including those driven by climate change, building on the lessons from COVID-19 vaccine procurement and distribution.
- **Supply chain approaches:** The project will assess a progressive transition from the use of the existing supply chain model, to outsourced last mile delivery, while integrating vaccines into the supply chain for medicines and medical supplies in terms of data and logistics systems.
- **Social behaviors:** The project can contribute to a better understanding of beneficiary perceptions and constraints for vaccine access and acceptability, particularly in the context of gender and other inequalities, and fragility, conflict, and violence (FCV).

II. CONTEXT AND RELEVANCE

A. Country Context

5. **Mozambique’s track record of sustained high growth has been disrupted by the hidden debt crisis in 2016, two tropical cyclones in 2019, and ongoing conflict affecting the northern and central regions.** Mozambique had been one of the fastest-growing economies in sub-Saharan Africa from the early 1990s. In 2016, the disclosure of US\$1.3 billion of previously undisclosed commercial debt contracted by the government² undermined investors’ confidence and debt sustainability, and more than halved the rate of growth from an average of 8 percent in 2001–2015 to 3 percent in 2016–2019. In March and April 2019, Mozambique was struck by two intense cyclones, Idai and

² Non-concessional debt equivalent to about 10 percent of GDP was accumulated between 2009 and 2014 through guarantees issued to state-controlled companies



Kenneth, that caused significant damage to infrastructure, livelihoods, and wellbeing of affected populations.³ These shocks exacerbated existing vulnerabilities stemming from overreliance on exports of primary commodities and capital-intensive mega-investments with limited local linkages. In the northern province of Cabo Delgado, historical, political, and socioeconomic grievances and widening inequalities have contributed to an escalating insurgency, and there have also been sporadic episodes of violence in the central region of the country.

6. **The COVID-19 pandemic hit Mozambique as it was attempting to recover from these shocks, taking a heavy toll on the economy.** Economic activity has been disrupted as global and domestic containment measures affected demand for goods and services, despite the support of a good agricultural harvest. The service sector (notably transport and hospitality) has been hit particularly hard. At the same time, lower demand for and prices of commodities are slowing the pace of investment in gas and coal, two key industries for Mozambique. In 2020, the country experienced its first economic contraction in nearly three decades. Real gross domestic product (GDP) is estimated to have declined by 1.3 percent in 2020, compared to a pre-COVID estimate of 4.3 percent growth, with significant downside risks. Mozambique is expected to continue to experience large external and fiscal financing gaps in 2021. This will further constrain already underfinanced social services for health, education, and social protection as demand for some of these services increases. Looking ahead, the country's macroeconomic policy framework is considered adequate but remains fragile, with concessional financing playing an important role to meet the immediate needs associated with the pandemic.

7. **The pandemic has jeopardized years of hard-won development gains, with a sizeable number of Mozambicans expected to fall back into poverty.** Livelihoods, food security, and nutrition have worsened with reduced incomes. The pandemic has had a particularly severe impact on the poor in urban and peri-urban areas, who are affected by containment measures and business closures. Mozambique's urban poverty rate is projected to have increased from 32 percent to at least 34.1 percent by the end of 2020, widening inequalities and pushing an additional 250,000-300,000 people in urban areas into poverty due to employment and income losses, price increases and a deterioration of public services. The pandemic is also likely to exacerbate pre-existing factors of fragility, aggravate existing gender inequalities, and increase risks of gender-based violence (GBV). Globally, the impact of the COVID-19 crisis is not gender neutral. While men do worse clinically once infected, women, particularly the poor and marginalized, face a higher-than-average risk of COVID-19 infection, death, loss of livelihood, and gender-based violence. There is empirical evidence of disruption of maternal and child health care services globally and in Mozambique, with an increased risk of preventable mortality and morbidity. Promotion of the restoration of essential services can be leveraged to increase vaccine uptake, by taking advantage of points of contact of patients with the health system, providing opportunities to reinforce public health messaging on COVID-19, and reducing defaulting on second doses. Similarly, demand promotion for vaccines and essential services can help address shared root causes of hesitancy (e.g. related to fears around COVID-19, distrust of health facilities), together with measures to increase convenience and availability to poor and hard-to-reach populations through mobile and community services.⁴

8. **The development and widespread deployment of COVID-19 vaccines will be at the core of a resilient recovery from the pandemic's dual impacts on the economy and human development in Mozambique.** The economy is expected to gradually pick up in the medium term, with the recovery of global demand for commodities and increased commodity prices, domestic demand for services, and investment momentum. This recovery is anticipated to begin in late 2021, albeit from a low base, with growth expected to reach four percent in 2022 and accelerate further in

³ Estimated losses and damages from Cyclone Idai totaled approximately US\$2.8 billion

⁴ Global Financing Facility. May 2020. "Preserve Essential Health Services during the COVID-19 Pandemic Mozambique". <https://www.globalfinancingfacility.org/country-briefs-preserve-essential-health-services-during-covid-19-pandemic>

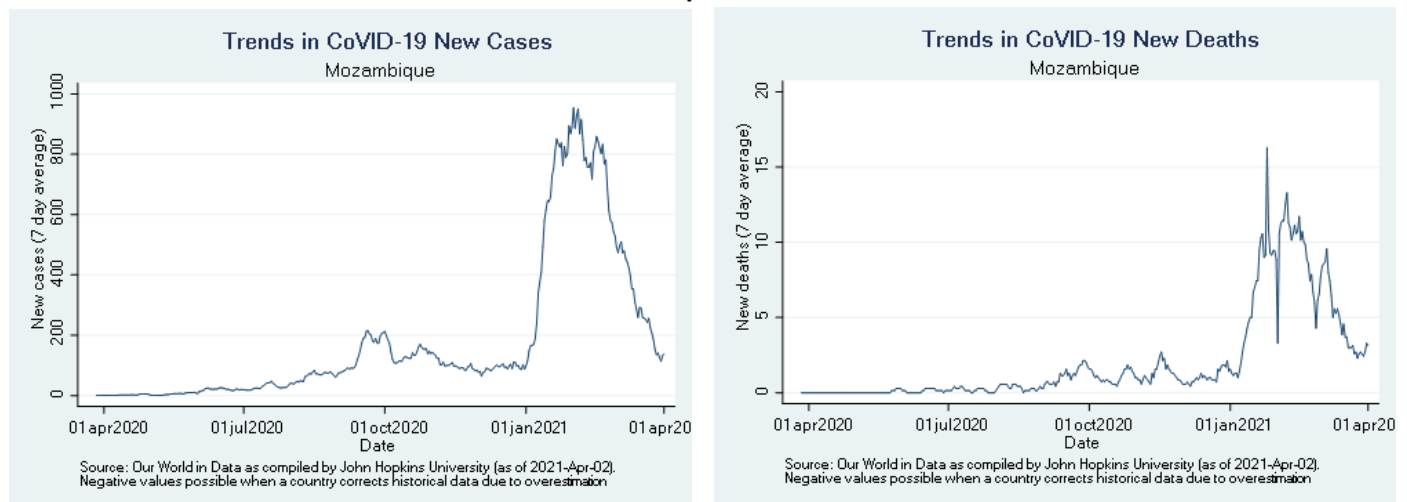


2023 as liquid natural gas (LNG) production begins. However, much depends on the trajectory of the pandemic, and Mozambique’s capacity to contain it. Beyond the immediate health impacts of reduced mortality and local transmission, scaling up vaccination can reduce the need for containment measures, allowing for a more rapid recovery of economic activity and restoration of critical human development services.

B. Sectoral and Institutional Context

9. **Mozambique, with a population of 30 million, reported its first case of COVID-19 on March 22, 2020, and as of April 15, 2021, a total of 69,002 cases and 794 deaths have been reported.** As of April 15, 2021, the number of active cases totaled 7,092, which is considerably higher than the average of 1,900 active cases throughout November and December 2020. Over 80 percent of active cases are concentrated in the Greater Maputo Area with the remaining number of active cases spread throughout the other nine provinces. Since the first COVID-19 case was reported, Mozambique saw a slow increase in the number of weekly cases recorded – reaching a first peak in notifications in mid-September 2020. A second and more severe wave hit Mozambique in mid-January 2021, which accounted for 73 percent of all cases reported since March 2020. The second wave also resulted in a much higher rate of hospitalization, averaging 200 per week. Epidemiological surveillance has revealed that an estimated 70 percent of the cases in Mozambique since November 2020 have been caused by the South African B.1.351 variant. While actual mortality from COVID-19 has been relatively low in Mozambique, with a case fatality rate of around one percent, the interruption in essential services, impact of deepening poverty, and threats of increasing fragility and conflict provide strong justification for investment in urgent vaccination deployment. Similar trends have been observed in neighboring countries (South Africa, Eswatini, Zambia, Zimbabwe, and Malawi).⁵ Curtailing of activities including partial market closures, curfew, and limitation of commerce have particularly affected urban poor and informal jobs. COVID-19 vaccinations can help gradually lift these measures, allowing for income generation resumption.

Figures 1 and 2. Mozambique, Daily New Confirmed COVID-19 Cases and deaths, rolling 7 -day average from April 2020-April 2021⁶



⁵ Tanzania does not report COVID-19 data. South Africa has reported over 90 million cases and 1.9 million deaths.

⁶ Data available on <https://ourworldindata.org/explorers/coronavirus-data-explorer?zoomToSelection=true&time=66.425&pickerSort=asc&pickerMetric=location&Metric=Confirmed+cases&Interval=7-day+rolling+average&Relative+to+Population=false&Align+outbreaks=false&country=~MOZ>



10. **Prior to the COVID-19 pandemic, Mozambique had achieved mixed progress in improving health outcomes and expenditure efficiency.** Advancements have resulted in improvements in access to health facilities and community-based interventions, as well as increased demand for care, and improvements in other health determinants. However, results have been uneven, particularly for those in rural areas and the poorest quintiles, and for women and children. Consequently, Mozambique's Human Capital Index in 2020 remained at 0.36, below the average for the sub-Saharan Africa region of 0.40.⁷ Moreover, the intersection of gender and poverty further reinforces health system inequalities. Sixty-two percent of deaths in 2015 were associated with communicable, maternal, neonatal and nutritional diseases. Mozambique's level of health expenditure, per capita and as a share of government spending (averaging at approximately nine percent over the last five years), lags behind regional averages. Country comparisons in the 2016 Health Public Expenditure Review highlight that Mozambique could achieve more with its current spending. In the context of tightening fiscal pressures, increasing efficiency and protecting pro-poor spending for human development are critical.

11. **The COVID-19 outbreak has had an adverse impact on health service delivery and utilization, particularly Reproductive, Maternal, Newborn, Child, and Adolescent Health and Nutrition services (RMNCAH-N).** As a result of disruptions in all essential services, child mortality in Mozambique could increase by 16 percent and maternal mortality by 15 percent over the next year.⁸ Average institutional deliveries during the earliest months of the pandemic (April-August 2020) were up to 10 percent lower in some provinces compared to the same period of 2019. Similarly, first ante-natal care visits to health facilities by pregnant women were 17 percent lower in certain provinces. The volume of family planning services provided nationally between April and June 2020 was 27.5 percent lower than during the same period in 2019. As a result, the estimated protection provided by family planning services, measured as Couple-Years of Protection, was 18 percent lower than during the same period of 2019. Furthermore, there was a drop between 7.7 percent and 2.2 percent over the period April – August in the numbers of children fully vaccinated compared to the same period in 2019. Models developed by the GFF indicate that large service disruptions in Mozambique due to the pandemic have the potential to leave 754,700 children without oral antibiotics for pneumonia, 1,068,600 children without diphtheria, tetanus and pertussis vaccinations, 182,600 women without access to facility-based deliveries, and 446,000 fewer women receiving family planning services.⁹

12. **Communicable diseases including malaria, tuberculosis (TB), and the human immunodeficiency virus (HIV) remain major public health problems, increasing vulnerability of affected populations to COVID-19.** There are 2.2 million people living with HIV in Mozambique and, at 12.6 percent, the prevalence amongst adults is amongst the highest in the world.¹⁰ TB is the leading cause of death amongst HIV positive people, and Mozambique has one of the highest burdens of TB, TB and HIV co-infection, and multidrug-resistant TB.¹¹ In 2019, 110,000 people fell ill with TB, of whom 37,000 were HIV positive. Mozambique also bears four percent of the global burden of malaria, which is endemic throughout the country and contributes to 35 percent of child mortality. Access to diagnostic and treatment services for the three diseases has been negatively impacted by COVID-19. Global research estimates that in settings with high burdens of HIV, TB or malaria, disruptions during the COVID-19 pandemic could cause an increase in deaths due to HIV of up to 10 percent, due to TB of up to 20 percent, and due to malaria of up to 36 percent over five years,

⁷ Mozambique Human Capital Index 2020

https://datbank.worldbank.org/data/download/hci/HCI_2pager_MOZ.pdf?cid=GGH_e_hcpexternal_en_ext

⁸Global Financing Facility, Preserve Essential Services During the COVID-19 Pandemic, Mozambique Brief, 2020.

⁹ Global Financing Facility, Preserve Essential Services During the COVID-19 Pandemic, Mozambique Brief, 2020.

¹⁰ Joint United Nations Programme on HIV/AIDS, Mozambique Country Profile 2018.

¹¹ Stop TB Partnership



compared to projections if the pandemic had not occurred.¹² The promotion of restored uptake of these services and COVID-19 vaccinations will be mutually reinforcing.

13. **Non-communicable diseases (NCDs) are estimated to account for about 28 percent of deaths in Mozambique, with the largest portion (12 percent) attributable to cardio-vascular diseases.**¹³ The prevalence of obesity is higher in urban areas (11.5 percent versus 2.6 percent in rural areas) and particularly among women (6.8 percent versus 2.3 percent among men). Despite limited availability of data, a 2012 study suggests that 33.1 percent of the population has hypertension,^{14,15} and less than half of the individuals aware of their condition are receiving treatment. High levels of undiagnosed or unmanaged hypertension increase the occurrence of stroke and resulting mortality and disability. Similarly, diabetes affects an estimated 2.9 percent of Mozambicans. There are more than twice as many urban men than rural men with diabetes. As with hypertension, it is estimated that less than one third of type-2 diabetes patients are receiving treatment in the health system. Globally, it is well established that NCDs increase susceptibility to both infection and severity of COVID-19. In neighboring countries such as South Africa, 61 percent of COVID-19 patients in hospitals had hypertension and 52 percent had diabetes.¹⁶ In Kenya and the Democratic Republic of Congo, between 50 and 85 percent of COVID-19 related deaths were of people with NCDs.¹⁷

Mozambique's Response to COVID-19 and World Bank Support

14. **The Government of Mozambique developed and approved a National Preparedness and Response Plan to COVID-19 in March 2020.** The Ministry of Health (MISAU) then approved its COVID-19 Operational Preparedness and Response Plan on June 6, 2020. The plan sought a multisectoral approach to curb new cases and reduce related morbidity and mortality, considering two possible infection rate scenarios. Main strategies prioritized included: (i) adequate training of personnel for screening at points of entry; (ii) provision of information to health professionals about the spread of COVID-19 and protective measures; (iii) intensification of epidemiological and laboratory surveillance; (iv) adequate preparedness for isolation of patients and case management; (v) appropriate provision of personal protective equipment (PPE); (vi) training of health facility personnel in infection prevention and control (IPC); (vii) testing the coordination and capacity of case management through simulation exercises; (viii) intensification of social mobilization for public health service preparation at the community level; and (ix) resource mobilization. The latest version of the plan was costed at US\$260 million. As of January 2021, the Government had received an estimated US\$111.41 million in external support, of which US\$71.93 million was financial, with the remainder provided in-kind. An updated version of the plan was presented on February 4, 2021 as a result of a review conducted in December 2020. The plan includes the provision of vaccines, drugs and laboratory supplies as one of the main pillars.

15. **The strategy emphasizes the need to support health systems public health preparedness, immunization, and service continuity.** Approaches to promoting continuity of essential services (highlighted in Ministerial Circular No. 09/GMS/2020) include support for effective IPC, public communications, contingency planning including better utilization of human resources and spaces for patient intake, and strengthened monitoring of the supply chain and

¹² Potential Impact of COVID-19 on HIV, tuberculosis and malaria on low and middle-income countries: a modelling study. Hogan et al. *The Lancet*, July 2020.

¹³ World Health Organization, Mozambique NCD profile, 2016.

¹⁴ Silva-Matos, C., Beran, D. Non-communicable diseases in Mozambique: risk factors, burden, response and outcomes to date. *Global Health* 8, 37 (2012). <https://doi.org/10.1186/1744-8603-8-37>

¹⁵ This is a larger segment of the population than that which would be included in the government's vaccination targeting, which is still being refined with the best available data and to consider comorbidities.

¹⁶ WHO, Non-communicable diseases increase risk of dying from COVID-19 in Africa, 2018.

¹⁷ Ibid



use of consumables. The Ministry of Health also approved the National Strategy for Community Response to COVID-19, which has a strong focus on continuity of essential community services for RMNCAH-N, as well as communicable and non-communicable diseases and mental health, as key complements to reinforcing prevention, detection, and treatment of COVID-19.

16. **The World Bank responded swiftly, providing US\$22.5 million of financial support to the health sector in the early stages of the pandemic.** This financing was channeled through two main sources: (i) the Contingent Emergency Response Component (CERC) of the Cyclone Idai and Kenneth Emergency Recovery and Resilience Project (P171040); and (ii) the Southern Africa TB Health System Strengthening Project (SATBHSSP – P155256). US\$14.7 million was replenished using the World Bank’s Crisis Response Window under the global MPA to the Cyclone Idai and Kenneth Emergency Recovery and Resilience Project (P171040). Complementary support has also been provided through the Primary Healthcare Strengthening Program (PHCSP - P163541), co-financed by Canada, the GFF, the Netherlands, the United Kingdom, and the United States. Other development partners have contributed to finance interventions under the Government of Mozambique’s Preparedness and Response Plan, including multilateral agencies (Islamic Development Fund, International Monetary Fund, Global Alliance for Vaccines and Immunizations (Gavi), Global Fund), UN agencies (the UN Population Fund (UNFPA), UNICEF, WHO), the health sector common fund (PROSAUDE), and other bilateral partners including the United States Agency for International Development (USAID) and the European Union (EU). Of the total US\$22.5 million in World Bank financing disbursed, 93 percent has been committed or executed by the MISAU. This represents over 30 percent of in-cash contributions that international donors have made to the COVID-19 response in Mozambique. World Bank contributions have supported: (i) the strengthening of laboratory diagnostic capacity through the provision of reagents; (ii) case management of hospitalized patients through medical equipment and health personnel in isolation and call centers; and (iii) infection prevention and control through personal protective equipment to lab and health facility personnel throughout the country. An additional US\$20 million in CERC financing through the Urban Sanitation Project (P161777) is also planned for disbursement to finance a prioritized plan for the next phase of the health sector’s COVID-19 response. The World Bank is providing a significant share of total funding for the COVID-19 response, requiring continued engagement to sustain and expand these efforts with the introduction of COVID-19 vaccines in Mozambique. Details on the adjustments made to the Country Program in Response to COVID-19 in Mozambique are provided in Annex 3.

17. **Initiation of deployment of COVID-19 vaccines will build on progress achieved through the Expanded Program of Immunization (EPI), as well as distribution systems through the Central Medical Stores (CMAM), which will need to be further strengthened and coordinated for COVID-19 vaccination to succeed.** Improvements since EPI’s inception in 1979 have included the introduction of strategic vaccines, an overall increase in national and provincial coverage, a decrease in the number of children that did not receive basic vaccines, and the establishment of a monitoring system to detect and respond appropriately to outbreaks. Although the routine infant immunization coverage in Mozambique is reasonably high (with 80 percent of children receiving three doses of the combined diphtheria, tetanus toxoid and pertussis vaccine in 2017, according to WHO and UNICEF estimates), it still falls short of the established targets for the country and is significantly lower than coverage in the surrounding countries. According to the 2015 Survey on Indicators of Immunization, Malaria and HIV/AIDS in Mozambique, only 66 percent of children aged 12 to 23 months were fully vaccinated, and only about half of those children had received all of the required vaccines by 12 months of age and there are provinces such as Zambezia, Nampula and Tete that have continuously reported low coverage.¹⁸ Moreover, the growth of the EPI diverged in many ways from normal

¹⁸ CASSOCERA, Marta; CHISSAQUE, Assucênio; MARTINS, Maria R. O. and DEUS, Nilsa de. 40 years of immunization in Mozambique: a narrative review of literature, accomplishments, and perspectives. *Cad. Saúde Pública* [online]. 2020, vol.36, suppl.2. Epub Oct 07, 2020. ISSN 1678-4464. <https://doi.org/10.1590/0102-311x00038320>.



procurement and distribution channels of medicines and medical supplies of CMAM, with efforts for greater integration in recent years to enhance sustainability. The World Bank has also supported CMAM through the Public Financial Management for Results Project (P124615, 2014-2019) to strengthen supply chain logistics, data management, and internal controls, and continued to support the sector through the PHCSP. Building on this work, the success of COVID-19 vaccine deployment will require strengthening the EPI coordination and the interoperability of related systems with CMAM, while addressing new challenges posed by targeting adult populations. The project’s support to immunization system strengthening will also contribute to better routine immunization.

National Capacity and COVID-19 Vaccination Plan

(i) Vaccine Readiness Assessment

18. Mozambique has conducted, and is in the process of updating, its vaccine readiness assessment to identify gaps and options to address them, as well as to estimate the cost of vaccine deployment, with the support of international organizations (including WHO, UNICEF, and Gavi) (see table 2 below). This assessment considers the government’s vaccine deployment strategy, described below. Considering the uncertainties related to the COVID-19 vaccine market, including testing, approval, availability and pricing, which require flexibility and close monitoring and strong World Bank support during implementation, the assessment will continue to be an evolving process and will be dynamically revised and updated as necessary to improve project implementation.

Table 2 - Summary of Vaccination Readiness Findings from the VIRAT/VRAF 2.0 assessment¹⁹ (February 5, 2021)

Readiness domain	Readiness of government	Key gaps to address before deployment
Planning and coordination	A national Coordinating Committee for COVID- 19 has been created, together with Technical Working Groups (TWGs), and regular meetings are being held and documented. The Ministry’s national technical consultative group for vaccination, stakeholders and partners are regularly informed about the introduction of the COVID-19 vaccine and their expected roles.	The National Plan for Vaccination Against COVID-19, the overarching plan encompassing NDVP, was developed and approved expanding the initial scope and reaching other priority populations, but operational microplanning and macro-procurement plan still ongoing.
Budgeting	Systems in place with the Ministry of Finance for appropriate receipt and management of donations.	Develop detailed budgeting related to vaccination in the state budget, including national allocations for immediate availability of funds
Regulatory	All regulatory frameworks are in place,	

¹⁹ A multi-partner effort led by WHO and UNICEF developed the Vaccine Introduction Readiness Assessment Tool (VIRAT) to support countries in developing a roadmap to prepare for vaccine introduction and identify gaps to inform areas for potential support. Building upon the VIRAT, the World Bank developed the Vaccine Readiness Assessment Framework (VRAF) to help countries obtain granular information on gaps and associated costs and program financial resources for deployment of vaccines. To minimize burden and duplication, in November 2020, the VIRAT and VRAF tools were consolidated into one comprehensive framework, called VIRAT-VRAF 2.0.



	<p>including:</p> <p>Approval of COVID-19 vaccines through special authorization issued at country level based on the WHO Emergency Use Listing (EUL)</p> <p>Regulatory procedures for import permit of COVID-19 vaccines and related supplies, identifying the requirements and documents needed to import COVID-19 vaccines and related supplies, including for taxes and tariffs.</p> <p>Expedited import approval from appropriate authorities confirmed by WHO.</p> <p>Requirements and documents needed for release of vaccines are clear and there is a system in place to ensure COVID-19 vaccines can be released (lot release) in less than two days by reviewing the summary lot protocol only (testing is not required).</p>	
Prioritization, targeting, surveillance	Ongoing monitoring of results from the national TWG in relation to COVID-19 and recommendations issued that may affect priority groups	<p>Finalize geographical identification and detailed targeting strategies to reach all target groups.</p> <p>Ongoing assessment of capacity for identification of individuals with comorbidities</p>
Service delivery	Protocols for infection prevention and control measures including adequate PPE to minimize exposure risk during immunization sessions updated.	<p>Finalize the details related to COVID-19 vaccine delivery strategies, using both new and traditional EPI approaches</p> <p>Quantify additional personnel and training needs for the different vaccination strategies implemented.</p>
Training and supervision	Training plan developed for all personnel participating from national to facility. Ensure availability of plans to safeguard the security of staff (e.g. during an emergency or major campaign) as well as security at the central and/or regional storage facilities and for transit of products.	<p>Adapt and translate training materials produced by WHO, in alignment with the developed training plan.</p> <p>Conduct training sessions in person/virtually according to the training plan by May 2021.</p>
Monitoring and evaluation	Adapted paper-based and/or electronic monitoring tools and appropriate	Detailed results and monitoring framework still being developed.



	<p>institutional arrangements to monitor progress and coverage among different at-risk categories.</p> <p>Measures are in place for data protection.</p> <p>Mechanism with multiple intake points has been designed and is operational and is being strengthened to process feedback and grievances in relation to the vaccine program.</p>	<p>Quality control mechanisms/strategies, including spot checks to ensure correct vaccine delivery to the target groups, under discussion, which may include extra support from UN agencies or third-party monitoring subcontracted by the Government.</p> <p>More detailed assessment on connectivity, digital and data infrastructure needed for tracking and delivery of vaccines, as well as hardware needs for data.</p>
<p>Vaccine, cold chain, logistics, infrastructure</p>	<p>All activities have been completed, including:</p> <p>National logistics working group has in place terms of reference and standard operating procedures to coordinate COVID-19 vaccines and ancillary products deployment established.</p> <p>Key roles and responsibilities needed for vaccine and ancillary products deployment; collect and confirm contact information for key personnel and facilities were mapped.</p> <p>Potential port(s) of entry, points of storage (stores), and fallback facilities in the country with their respective cold chain storage (2-8C, -20C, -60/70C) and transportation capacity for vaccines and ancillary products have been mapped and solutions for storage at each step in the distribution found.</p> <p>Plan for infrastructure needs, including for energy (primary and back-up power, especially in cold chain), IT/communications (including internet connectivity) and water partially developed.</p> <p>Standard operating procedures (SOPs) or guidelines for collection and disposal of medical waste to the relevant stakeholders are in place.</p>	<p>Strengthen systems and protocols for tracking and monitoring the stock management and distribution of vaccines and key supplies through the Government's existing Vaccine Logistics Management and Information System (VLMIS).</p> <p>Provincial and district level high resolution assessment still needed to determine cold chain and storage capacity at health facility level.</p> <p>Finalize infrastructure plans for energy and water availability and capacity at vaccine delivery level.</p> <p>Finalize dialogue on last mile outsourcing to ensure full outreach and distribution specially to more remote areas.</p>
<p>Safety</p>	<p>Coordination mechanism between relevant</p>	<p>Ensure an adverse-effect surveillance</p>



<p>surveillance</p>	<p>stakeholders (the National Regulatory Authority, EPI, MISAU, WHO and others) for exchange of COVID-19 vaccine safety information in place.</p> <p>Provisions require manufacturers to implement risk management plans and collect and report COVID-19 vaccine safety data to the National Regulatory Authority.</p> <p>Channels of data sharing mechanisms to share COVID-19 vaccine safety data and findings with relevant regional and international partner identified and secured.</p> <p>Competent and trained staff to perform vigilance activities.</p> <p>Guidelines, documented procedures and tools for planning and conducting vaccine pharmacovigilance activities (i.e. AEFI reporting, investigation, causality assessment, risk communication and response) are available.</p>	<p>mechanism for COVID-19 vaccination includes systematic review of COVID-19 vaccine safety data (e.g., causality assessment of serious Adverse Event Following Immunization (AEFI), clusters of AEFI, emerging safety concerns etc.).</p>
<p>Demand generation and communication</p>	<p>Developed key messages and materials for public communications and advocacy, in alignment with demand plan.</p> <p>Established data collection systems, including 1) social media listening and rumor management, and 2) assessing behavioral and social data.</p>	<p>Finalize the design of a demand plan (including advocacy, communications, social mobilization, risk and safety communications, community engagement, and training) to generate confidence, acceptance and demand for COVID-19 vaccines.</p> <p>Generate continuous monitoring system for vaccine hesitancy, including baseline.</p>

(ii) National Plan for Vaccination Against COVID-19

19. **The Government of Mozambique has prepared a National Plan for Vaccination Against COVID-19, which draws on the findings of the VRAF/VRAT 2.0 assessment and gap analysis, and the initial NDVP prepared for the COVAX application.** The NDVP was approved on February 18, 2021 as a basis for the receipt of the first COVAX shipment, the first portion of which arrived on March 8, 2021. An updated National Plan approved on March 5, 2021 subsequently increased the target population from 20 percent to 54 percent of the population. Together with the EPI Manual, the National Plan orients provinces and districts to create micro-plans, to be adapted for targeting of priority groups, and to the changing context of vaccine availability and resulting coverage targets. In particular, the plan highlights distribution platforms, including storage and conservation, demand promotion to reach all eligible populations by December 2022 with free and voluntary vaccines, monitoring and evaluation mechanisms to capture complete, timely, and accurate COVID-19 data for evidence-based decision making, and tools and mechanisms for



implementation management and pharmacovigilance. As of April 15, 2021, over 81,282 people (41,857 females and 39,425 males, most of which are health personnel) have received the first doses of the COVID-19 vaccines in Mozambique. Eligibility of groups in phase two began on April 19, 2021.

20. **The plan is divided into four phases to cover approximately 54 percent of the population**, targeting health care and other essential workers (teachers, defense and security forces, caregivers in nursing homes), elderly populations, people with chronic conditions, and people living in situations of vulnerability (in camps or settlements of internally displaced people and refugees, and prisons). These groups were determined through a national prioritization exercise, oriented by the WHO Strategic Advisory Group of Experts on Immunization (SAGE) Values Framework, and based on criteria of vulnerability to COVID-19 morbidity and mortality, and the need to ensure continuity of essential services. The Government’s end target is to reach the population over 16 years, involving a large scale roll out by phase four, to be further divided by age brackets to operationalize.

Table 3: Priority groups for vaccination Mozambique

	Population group	Number of people	% of population
Phase 1 (1%)			
1	Health personnel (including public, private, and non-profit, and community health workers, and persons working in supporting roles in health facilities such as cleaners and administrative staff)	87,959	0.29%
2	Residents and employees of nursing homes	20,215	0.07%
3	Patients with Diabetes mellitus (starting with patients registered in the diabetic associations until December 2020)	11,019	0.04%
4	Defense and security forces	127,061	0.41%
Phase 2 (5%)			
1	Patients with Diabetes mellitus not covered in Phase 1 (> 60years)	109,616	0.36%
2	Prisoners and prison officials	30,600	0.10%
3	Patients undergoing chronic care: a) Patients on immunosuppressive therapy, patients with chronic renal failure undergoing hemodialysis or on a waiting list; c) Patients with heart failure and chronic respiratory failure	7,164	0.02%
4	Population over the age of 50 living in camps (i.e. internally displaced, refugees)	11,263	0.04%
5	Teachers	151,449	0.49%
6	Population over 50 years living in urban areas	1,199,200	3.89%
Phase 3 (6%)			
1	Adult population residing in accommodation centers that has not been covered in the previous stages	120,876	0.39%
2	Population over 50 in rural areas	1,825,189	5.92%
Phase 4 (42%)			
1	Continuity for individuals in prioritized populations not reached during previous phases - Age 40-49 (7%) - Age 30-39 (11%) - Age 16-29 (24%)	12,947,801	41.99%
Total		16,649,412	54.00%



21. **Mozambique’s vaccine distribution will be overseen by the National Coordinating Committee for the Introduction of Vaccines against COVID-19 (NCC), involving traditional and non-traditional vaccination partners.** The NCC is divided into three subcommittees for: (i) Planning and Implementation; (ii) Logistics and Advocacy, and (iii) Social Mobilization and Communication. With inputs from the Ministry’s national technical consultative group for vaccination, the COVID Technical and Scientific Committee, and representation at provincial, district, and local level health teams. The approach to deployment will involve a combination of distribution at health facilities, temporary posts and other administrative establishments, and through mobile teams. In addition to these national committees, there are ongoing discussions led primarily by Gavi/COVAX on how to best assist the government in monitoring deployment and tracking vaccine delivery. This will consist of a combination of arrangements with civil society organizations and the involvement of UN agencies.

22. **The storage of the COVID-19 vaccine will follow the levels and storage points currently used in the supply chain.** Based on a distribution plan, the vaccines will be transported from the airport of Maputo, to MISAU/EPI Central Warehouses, to 11 provincial and intermediate warehouses to store the COVID-19 vaccine via both air (to the three northern and four central provinces) and road (to the three southern provinces). From there, the stock will be moved to 161 district warehouses, then to approximately 1,600 health facilities – the primary distribution points - using an outsourcing model through the "Last Mile Supply Chain Program", financed by USAID in all provinces in partnership with Village Reach and CMAM. There will be fixed posts at health facilities and mobile teams allocated at the headquarters of administrative services in each city, district, locality and other locations as needed (e.g. nursing homes, internally displaced people (IDP) and refugee camps, etc.), based on district micro-plans. Supervision and monitoring will cover each stage of the rollout, including safe and suitable storage, equitable distribution, and prevention of elite capture. The Monitoring and Evaluation section below further details oversight, verification, and monitoring arrangements, including post-vaccine surveillance and reporting systems, and use of digital tools and technologies. The plan also details security systems, waste management and prevention, as well as demand side approaches and communications.

23. **Mozambique coverage and purchase plan (Table 4) will include different vaccines with different sources of financing, some which are yet to be confirmed.** COVAX Advanced Market Commitment (AMC) has committed to provide doses to cover 20 percent of the population (at an estimated value of US\$86 million) and has thus far provided 384,000 doses of AstraZeneca (enough to cover 0.6 percent of the population). This has been complemented by donations from the People’s Republic of China and the Republic of India, covering 0.3 percent and 0.2 percent of the population with Sinopharm and AstraZeneca vaccines, respectively. World Bank financing up to US\$70 million will be applied through this project to cover approximately 19.8 percent of the population (depending on the number of doses required for vaccines acquired, vaccine availability, and the evolving needs for vaccine roll out). As detailed below, the remainder of project financing will support deployment, health and immunization systems, and the promotion of continuity of essential services that mutually reinforce vaccination efforts. The total cost of the National Plan for Vaccination Against COVID-19 is estimated at US\$252.6 million²⁰, 83 percent of which is for vaccine doses and shipping. Financing for vaccines will still be required to cover the remaining population to reach the Government’s target of 54 percent coverage. As elaborated below, the European Union, the German Government, in addition to two private sector companies, have expressed intentions to provide additional support for vaccine acquisition or

²⁰ This estimate was acquired through the WHO costing tool, and may not capture the full extent of current gaps for vaccine deployment, in particular for human resources factoring in opportunity cost of reallocated staff time, and additional needs for communications and community engagement or supply chain costs that may arise. The project will support more detailed planning and budgeting based on local microplanning exercises currently underway.



deployment to help fill the gaps to reach targeted populations, though details of these contributions are not confirmed.

24. **In addition to vaccines acquired through COVAX, the African Vaccine Acquisition Task Team (AVATT) convened by the African Union is in the process of negotiating, through UNICEF, additional access to vaccines that would contribute to taking the total population covered up to 60 percent, in countries that request for it.** When firm contracts are in place between UNICEF, as the appointed procurement agent, and the manufacturers, UNICEF will conclude contracts with participating countries for the supply of the vaccines. These contracts will be reviewed by the World Bank to ensure that they comply with all operational policies and provide value for money in terms of both price and delivery times before financing from this Grant can be disbursed toward Mozambique upon its request. As highlighted in Table 4, Mozambique has submitted an expression of interest to use this mechanism to acquire vaccines, partially with World Bank financing. The Government has expressed preference for vaccines produced by Johnson and Johnson which require only one dose.

25. **World Bank financing for the COVID-19 vaccines will follow the World Bank's VAC and strengthen relevant health systems that are necessary for a successful deployment and to prepare for the future.** The proposed financing will provide up to an estimated 6,166,449 vaccine doses, to cover approximately 19.8 percent of the population (if a single dose regime is acquired).



Table 4: National Vaccine Coverage and Purchase Plan

Note: This is based on the current available estimates. The information in the following table will be updated as more accurate information becomes available.

Source of financing	Coverage of population	# of people (Total population: 30,832,244)	Vaccines	Estimated US\$ per dose (if available)	Estimated US\$ per dose for shipping/ deployment	# of doses	Estimated total US\$ (millions)	Vaccine sourcing (if known)	WB Vaccine Approval Criteria Status	Contract status	Vaccines already arrived in country	
											Name	Doses
Under this Project (priority groups)												
IDA Grant	19.8%	6,097,561	Johnson & Johnson (J&J) ²¹	US\$10	US\$1.48	1	US\$70	AU	WHO EUL + 1 SRA	Expression of Interest submitted to the AU for 10,236,474 doses		
COVAX AMC	20.0%	6,166,449	AstraZeneca	US\$7	US\$1.48	2	US\$104.58	COVAX	WHO EUL + 1 SRA	Official request submitted to COVAX; first doses received on March 8	AstraZeneca	384,000
People's Republic of China	0.3%	100,000	Sinopharm/ Verocell	US\$0	Unknown	2	Unknown	Donation	Not approved	Donation received on February 24	Sinopharm	200,000
Republic of India	0.2%	50,000	AstraZeneca	US\$0	Unknown	2	Unknown	Donation	WHO EUL + 1 SRA	Donation received on March 8	AstraZeneca	100,000
Other possible sources: EU, Germany, Private sector, bilateral acquisition	13.7%	4,235,402	To be determined (TBD)	TBD	TBD	TBD	TBD	Donations	TBD	TBD		
Total	54.0%	16,649,412										

²¹ If a two-dose vaccine is acquired rather than the single-dose Johnson and Johnson vaccine, the coverage rate would reduce by half, with a larger gap to be covered by other donations or domestic financing.



Table 5: Summary of vaccine sourcing and World Bank financing

National plan target (population %)	Source of vaccine financing and population coverage			Specific vaccines and sourcing plans	Doses purchases with World Bank finance	Estimated allocation of World Bank financing
	COVAX grant	Bank-financed through COVAX or direct purchase	Other*			
Phase 1- 1%	0.7%		China- 0.3%	Sinopharm AstraZeneca		
Phase 2- 5%	4.8%		India – 0.2%	AstraZeneca		
Phase 3- 6%	6%			AstraZeneca		
Phase 4- 42%**	8%	19.8%	TBD-13.7%	Johnson and Johnson	6,097,561	US\$70 million

* Other: includes coverage financed by the Government, bilaterally, from other development partners, etc.

**Sequencing is flexible based on vaccine availability from difference sources.

26. For vaccine acquisition outside the COVAX facility, Mozambique will have to enter into indemnification arrangements with manufacturers. The COVAX facility has negotiated a form of indemnity on behalf of AMC participants, which was adopted by Mozambique as the basis for the receipt of its first COVAX shipment. In parallel, a compensation program for individuals in AMC countries to cover any serious adverse events arising from vaccines received through COVAX is being established. For vaccines acquired outside COVAX, Mozambique will need to establish the necessary indemnification frameworks per manufacturer agreements prior the acquisition. Box 1 below highlights support that the World Bank will provide through the project to ensure readiness for any vaccine procurement pursued outside COVAX.

Box 1: Liability and Indemnification Issues in Vaccine Acquisition

- The rapid development of vaccines increases **manufacturers’ potential liability** for adverse effects following immunization.
- Manufacturers want to protect themselves from this risk by including **immunity** from suit and liability clauses, **indemnification** provisions, and other **limitation of liability** clauses in their supply contracts.
- **Contractual provisions and domestic legal frameworks** can all operate to allocate that risk among market participants, but **no mechanism will eliminate this risk entirely.**

For COVAX-financed vaccines:

- COVAX has negotiated model indemnification provisions with manufacturers for vaccines purchased and supplied under the COVAX AMC.
- In providing vaccines through COVAX AMC, COVAX requests COVAX AMC Participants to have in place an indemnity agreement directly with manufacturers, and the necessary indemnity and liability frameworks for that purpose – either in the form of the COVAX model indemnification arrangements or prior bilateral arrangements with manufacturers.
- The COVAX Facility will have a no-fault compensation scheme for AMC countries as part of its risk mitigation strategy. This will cover vaccines supplied only through COVAX AMC.
- Mozambique will have to consider what it will take to implement these indemnification provisions (including statutory implementation) and how they can avail of the benefits of the no-fault compensation scheme.

For vaccines purchased outside of COVAX:

- Mozambique will need to enter direct indemnification arrangements with manufacturers.



- Mozambique does not currently have legislation in place to provide statutory immunity for manufacturers, and has no national no fault compensation scheme.
- Adoption of any such indemnification provisions or compensation scheme would have to be in accordance with Mozambique’s own national strategy and framework.

Possible World Bank support to Mozambique, depending on needs elaborated over the course of preparation, may include:

- Information sharing on (i) statutory frameworks in the Organization for Economic Co-operation and Development countries and other developing countries; and (ii) overall experience in other countries.
- Provide training and workshops for government officials to cover familiarize them with the issues.
- For World Bank-financed contracts, provision of Hands-on Expanded Implementation Support.

27. **The project is designed to address key gaps identified in the readiness assessment and activities described in the Government’s National Plan for Vaccination Against COVID-19, while supporting essential services and strengthening health systems that can increase COVID vaccination rates.** Financing from this project will support the acquisition, management, and deployment of COVID-19 vaccines, including support to ensure effective utilization of vaccines received to cover priority groups. Financing will also strengthen health systems that enhance the COVID response.

C. Relevance to Higher Level Objectives

28. **The proposed project is aligned with the World Bank Group CPF for Mozambique, as revised in the recently concluded Performance and Learning Review (PLR), which includes adjustments to the CPF for COVID-19.** The FY 17-21 World Bank Group CPF for Mozambique draws on the 2016 Systematic Country Diagnostic (SCD) which identified three main focus areas in support of the twin goals of eliminating extreme poverty and boosting shared prosperity: (i) promoting diversified growth and enhanced productivity; (ii) investing in human capital; (iii) enhancing sustainability and resilience. The PLR added an additional objective, Supporting Recovery and Rehabilitation, under this third focus area reflecting increased IDA financing to address the impact of recent cyclones and the pandemic.

29. **Specifically, the project contributes to the CPF’s Objective 6 for "Improving Health Service Delivery," within Pillar 2 of "Investing in Human Capital", which prioritizes strengthening public health institutions and improving water, sanitation, and hygiene services.** Overall, the CPF seeks to increase the resilience of the most vulnerable people and to promote inclusive growth, while strengthening national and local institutions to reduce fragility. COVID-19 vaccinations and immunizations systems will be a critical foundation for restoring and advancing these objectives, while reflecting the increased importance and prioritization of health protection and the health system resilience as reflected in the adjusted CPF. The project is also aligned with both global health priorities and IBRD/IDA priorities for improving pandemic preparedness.

III. PROJECT DESCRIPTION

A. Development Objectives

30. **The Project objectives are aligned to the results chain of the COVID-19 SPRP of the MPA and its Additional Financing.** Building on the support provided through CERCs and other projects, the need for additional resources to expand the COVID-19 response through the vaccination rollout was formally conveyed by the Government of Mozambique on October 21, 2020, followed by the request for the addition of the US\$15 million GFF Essential Services



Grant for the project to support essential service continuity.

Project Development Objection (PDO) statement: To support the Government of Mozambique to acquire, manage, and deploy Project COVID-19 vaccines²², and to strengthen its pandemic preparedness, response, and health systems' capacity.

PDO level indicators:

Percentage (%) of priority population fully vaccinated²³ against COVID-19, based on the targets defined in national plan [disaggregated by sex]

Number of children fully immunized with routine vaccinations annually [disaggregated by sex]

Intermediate Indicators:

- National plan developed and costed for COVID-19 vaccine procurement and deployment
- Percentage of targeted sites where requested Cold Chain Equipment has been installed and functional
- Standard operating procedures (SOPs) or guidelines updated for collection and disposal of medical waste for COVID-19
- Rate of vaccine wastage (total number of vaccine doses discarded / total number of doses used)
- Consultations on multi-media platforms with key information on COVID-19, including vaccinations
- Percentage of complaints to Grievance Redress Mechanisms satisfactorily addressed in a timely manner
- Number of community health workers (*Agentes Polivalentes Elementares* - APEs) trained to deliver key messages to promote demand for COVID-19 vaccines and other essential health services [disaggregated by sex]
- Number of APE kits procured annually, including COVID-19 related supplies
- Average number of follow-up sexual and reproductive health consultations per month
- Average number of pregnant women receiving their fourth antenatal care visit per month
- Average number of institutional deliveries per month
- Average number of outpatient care visits per month [disaggregated by sex]

B. Project Component

Component 1: Vaccines, Medical Supplies, and Cold Chain Equipment (US\$75 million equivalent from IDA)

31. **Acquisition of COVID-19 vaccines and related supplies.** In alignment with Board approved criteria, the World Bank will provide up to US\$70 million to finance vaccine acquisition (mostly likely through AVATT or COVAX purchasing mechanisms). This will enable coverage of up to approximately 19.8 percent of the population (if a single-dose vaccine is acquired). This will complement COVAX and other sources, as detailed in Table 4, to reach the Government's current coverage target of 54 percent of the population. The availability and terms of vaccines remain fluid and prevent the

²² "Project COVID-19 Vaccine" means a vaccine for the prevention of COVID-19, authorized by the Recipient's national regulatory authority for distribution, marketing and administration within the territory of the Recipient, and acquired or deployed under the Project.

²³ The WHO Fair Allocation Framework defines as priority population i) frontline workers in health and social care settings; ii) the elderly; iii) and people who have underlying conditions that put them at a higher risk of death. For most countries, an allocation equal to 20 percent of the population would be enough to cover most of the population comprising initially prioritized target groups. By initially prioritizing these groups, a vaccination program may achieve an enormous impact in reducing the consequences of the pandemic even in conditions of supply constraint.



planning of a firm sequence of vaccine deployment, especially as the actual delivery of vaccines is unlikely to be immediate. Rather, the proposed World Bank financing enables a portfolio approach that will adjust during implementation in response to developments in the country pandemic situation and the global market for vaccines, as well as an evolving analysis of the needs for deployment. Population coverage targets will be revised once the availability of the different vaccines is clear and procurement arrangements have been completed.

32. **In addition to vaccines, this component will finance:** (i) vaccination supplies needed for vaccine delivery and distribution including diluents, syringes, and medical supplies; (ii) climate-friendly cold chain inputs, including LED lamps and refrigerators, (iii) maintenance of existing cold chain equipment, warehouses, vehicles and other logistics infrastructure, as well as refurbishment and maintenance of facilities to be resilient to climate shocks; (iv) infection prevention and waste management (including climate-friendly waste management and disposal supplies and maintenance); (v) COVID-19 vaccine storage and transportation; and (vi) other COVID-19 related supplies, including diagnostic tests (polymerase chain reaction, rapid diagnostic tests, etc.).

Component 2: Vaccine Administration, Follow-up, and Community Engagement (US\$20 million equivalent from IDA)

33. Under Component 2, the project will support the implementation of prevention, detection and response activities in the National COVID-19 Preparedness and Response Plan, the National Deployment and Vaccination Plan, and the National Plan for Vaccination Against COVID-19, and the continuity of essential health services, including:

Subcomponent 2.1 Vaccine administration and follow-up

34. **Institutional Strengthening.** Building on the technical assistance provided through COVAX and other partners, the project will strengthen capacities of key institutions in Mozambique's immunization system, including for planning, budgeting, and procurement; vaccine distribution, quality control and monitoring and related safeguards; and regulation of vaccine safety and indemnification systems, as well as developing contingency plans for safe vaccine delivery and availability in the case of climate emergencies.

35. **Activities under this component will include:** (i) support for a roadmap to close gaps identified in the vaccine readiness assessments for COVID-19-related systems strengthening measures, including addressing climate-related vulnerabilities; (ii) up-front technical assistance to assess and enhance policies and institutional frameworks around safe and effective vaccine deployment; and (iii) support for quantification and forecasting, including vaccines, immunization-related supplies and human resources, to ensure no disruption in essential services while COVID-19 vaccines are being rolled out. This may involve the temporary recruitment of health workers to be deployed in the acute phase and/or the use of mobile outreach services to expand vaccination efforts, including to climate-vulnerable populations. This project will also strengthen the overall national immunization budgeting and budget tracking capacity, including the identification of options to address the recurrent cost implications associated with the introduction of the vaccine for country health spending, and how the vaccine can be sustainably deployed moving forward.

36. **Bio-medical waste procedures and management:** This project will also invest in and optimize plans and processes for collection and transportation of COVID-19 and other related medical waste to disposal sites (e.g. used syringes, PPE, etc.). The project will additionally develop and implement guidelines and staff training to improve climate friendly medical waste management at the facility level. This will be supported in coordination with Gavi,



which currently plans to contract UNDP to develop immunization waste management policies, standard operating procedures, and related tools, prior to the wider scale-up of the COVID-19 vaccinations.

37. **Vaccine safety and surveillance:** The project will support the institutionalization of traceability tools, skills and processes to: i) improve distribution to end-users; ii) prevent elite capture; iii) contribute to regulatory efforts to identify false and sub-standard products; and/or monitor AEFI, with potential for broader application in the health system, including monitoring vaccines for climate-induced preventable diseases. Technical assistance will be employed to strengthen relevant existing institutions, such as the National Medicines Regulatory Authority (*Autoridade Nacional Reguladora de Medicamentos- ANARME*) and the National Institute of Health (*Instituto Nacional de Saúde - INS*). This project will also build capacity of to manage communication following any AEFI. In addition to community-based accountability mechanisms, support to build strong surveillance systems that will track vaccine distribution from receipt to their points of administration, linked to a database for individual vaccine certification, will help prevent elite capture of vaccines.

38. **Data quality:** Disease surveillance and data integration will be crucial to monitor the success of the vaccine deployment, prevent elite capture, and ensure that the most vulnerable groups receive priority attention. The project will strengthen both the Department of Epidemiology within the Directorate of Public Health, INS, EPI, and CMAM to improve effective data utilization. Provisions will be made for: (i) technical assistance to develop harmonized procedures for surveillance, reporting, diagnosis and response to COVID-19 and other priority diseases, including climate-induced outbreaks, to assess the impact that this new intervention might have on other programs; (ii) improve the interoperability of laboratory and data systems (routine and surveillance data, human resources, vaccine logistics and supply chain) and the use of digital tools for data-driven decision-making; (iii) expand sentinel surveillance sites; and (iv) support piloting of innovative digital surveillance approaches to improve monitoring and control of COVID-19 and other infectious disease outbreaks, including those caused by climate related shocks. The project will also reinforce Mozambique's network of high-quality laboratories, including possible support to enable genomic surveillance, capitalizing on previous investments made through CERC activations. In addition, this project will also support the undertaking of a baseline sero-surveillance study with representative samples of target populations to receive the COVID-19 vaccine in order to distinguish between infection and vaccine acquired immunity.

Subcomponent 2.2 Communication Campaigns, Community Engagement and Behavior Change

39. **Building community trust and vaccine confidence and preventing elite capture are crucial to vaccine acceptability and to improve participation in the COVID-19 response.** Under this component, a national risk-communication plan, and activities to ensure community participation in COVID-19 vaccination efforts and accountability mechanisms will be ensured. This will include accurate information sharing, efforts to create demand, counter measures for addressing mis- or disinformation, and dissemination of educational materials to promote behavior changes that prevent transmission and acquisition of COVID-19, and other climate induced water and vector-borne diseases (e.g., vaccination, hand washing, etc.). This project will capitalize on previous undertakings by the Government of Mozambique, use existing structures such as the network of APes, nongovernmental organizations and their relations with established women and youth-led civil society organizations as well as with local and traditional leaders. UN and non-governmental organizations will also be engaged for third party monitoring to investigate data anomalies or reports of misconduct and provide supervision support in areas affected by conflict, together with studies to assess roots of hesitancy or complaints that may arise over the course of implementation.

40. **Building on global lessons, the project will support the use of digital technologies to increase demand, reduce vaccine hesitancy, and engage communities in the monitoring of the vaccine roll out, particularly in FCV settings.**



The project will support the incorporation of key messages and two-way information channels on COVID-19 vaccinations through interactive multi-media platforms, particularly to target FCV settings. These include: (i) Alo Vida (a hotline staffed with medical professionals to address questions, grievances, and support service; (ii) *Pensa* (a USSD platform to access COVID-19 and other health information, on demand and via push short message services; (iii) 110COVID (a hotline to report adverse reactions and seek medical advice and referrals); and (iv) hotlines managed by both central and provincial level Inspector Generals. The project will also support facility level outreach and accountability mechanisms (Co-Management Committees, Health Committees, *Gabinetes dos Utentes* (user desks), and the network of APEs) to help monitor and promote the vaccine rollout, including to identify any cases of elite capture, corruption, or illicit fees for services. This will require the development of standard protocols and an integrated data management platform to triage, channel, and respond to complaints registered on these mechanisms. In addition, the project will harness responsive social media such as U-Report and use civil society organizations, social media platforms, radio shows, and other multimedia to address misconceptions and vaccine hesitancy (including in relation to certain brands of vaccines).

41. Multi-level health promotions interventions will be tailored to the specific needs to vulnerable and hard-to-reach groups and be designed to be understood by all, including women, girls, and other disadvantaged populations who are illiterate or lack access to information sources. Building “vaccine literacy” for the COVID-19 vaccine is also an opportunity to boost overall confidence in vaccinations, thereby leading to greater utilization and retention in the EPI program. The overall communications strategy for COVID-19 vaccinations encompasses advocacy (for social and political commitments to vaccination efforts, and for required resources); social mobilization (civil society and citizen engagement); and behavioral change communication (to increase uptake of vaccines and preventive measures). Influential leaders at national and local levels can also be engaged as vaccine champions to help build confidence and trust from different target groups. The Stakeholder Engagement Plan (SEP, published on March 30, 2021 on the Ministry of Health’s website) and the communications strategy highlight differentiated methods for reaching targeted and vulnerable groups, including essential workers, the elderly, those with chronic conditions, and the general public, as well as women, IDPs, and other harder to reach populations. All official messages and training material will be aligned and approved through the MISAU, supported through the Communications Working Group and the Department of Health Promotion. Media monitoring will help enable active rumor management through different channels to combat misinformation. To monitor perceptions and behavioral change interventions, financing will include beneficiary research on perceptions, obstacles, and levels of vaccine uptake and equity of distribution.

42. Communications and community engagement efforts and targeting strategies that explicitly address restricted mobility and access to information and vaccinations by women, and by populations displaced by conflict. This will include: (i) support to the development of community-level mobilization efforts and vaccination points targeting women; (ii) promote inclusion of informal sectors and community health workers, with particular consideration to women, as part of prioritized groups; (iii) provision of vaccines together with other RMNCAH-N services that target women and vulnerable groups to leverage the benefits of both; and (iv) mobile brigades to reach vulnerable populations, including those in IDP and refugee camps, people living with disabilities, prisoners, etc. All vaccinations will be free and voluntary.

43. The project will also seek to address identified gender inequalities through social and behavior change communications, to ensure that beneficiary research identifies and monitors possible misconceptions that may be disproportionately held among women who face greater barriers in accessing reliable information, and among men who may oppose vaccination for themselves or for female members of their households. This can include interventions to support vaccinators who may face stigmatization, and to ensure the provision of accurate information about COVID-19 as part of ante-natal care and reproductive health services. Risk communications should be delivered



using multiple outreach mediums, including messaging through radio, television, and community-based platforms in local languages. Risk communications will also incorporate information related to disease prevention in the event of climate shocks. A specific focus on refugees and populations displaced by the ongoing conflict in Cabo Delgado will also be required. Demand generation and outreach efforts will include linkages to reinforced services for domestic and gender-based violence, supported under component 3.

Component 3: Continuity of Essential Services (US\$15 million from GFF)

44. This component will be supported through a GFF Essential Services Grant of US\$15 million, matched in financing by complementary systems strengthening investments across components 1 and 2. Under this component, the project will strengthen the resilience and performance of the health system, specifically to address the disruptions of the COVID-19 pandemic in routine essential maternal, child and adolescent health services at the primary health care level, in addition to services for communicable diseases. Interventions under this component will support:

45. **APEs:** The project will support training and inputs to expand the new role of APEs in rolling out the COVID-19 vaccine campaign to rural areas, while promoting demand and access to essential health services and information. APEs will be trained to support population sensitization to increase demand, preventive measures and recognition of symptoms for COVID-19 and other key health concerns, particularly for mothers, children, and adolescents. Support for inputs will include financing and technical assistance to CMAM for the forecasting, acquisition, and deployment of supply kits for APEs. These kits include key commodities (e.g. for family planning, malaria, infection prevention and control, etc.) and supplies to deliver essential services and conduct health promotion and monitoring activities. Their distribution suffered from significant interruptions in 2020.²⁴ This component will strengthen the administration of these inputs, while supporting the incorporation of the expanding roles for APEs in the COVID-19 context.

46. **Supply Chain:** Technical assistance, training, and institutional development activities will help improve coordination between EPI and CMAM, with a focus on streamlining delivery and institutionalizing last mile outsourcing of essential drug and vaccine distribution (e.g. through improved management and data systems). Efficient distribution of drugs to rural areas, including to APEs, is a key obstacle for scaling up the COVID-19 vaccine campaign. This component will build on support provided to CMAM through the Private Sector Innovation for more effective Supply Chains partnership, GFF, Global Fund, USAID and other partners to implement the ongoing Pharmaceutical Logistics Strategic Plan, focused on centralizing the supply chain, improving its management, and outsourcing last mile distribution of drugs to more remote areas. Outsourcing of last mile distribution will now be rolled out nationwide supported by USAID, and will include vaccine distribution.

47. **Integration of essential services demand promotion in vaccination campaigns.** This component will finance technical assistance and communications activities to promote behavioral change for uptake of COVID-19 vaccinations and for continuation of essential health services. This will include community-level interventions to promote utilization of antenatal care (ANC), routine EPI vaccinations, and integrated GBV services, building on work that the World Bank is already supporting to expand community consultation forums, improve quality of GBV services, and introduce appointment making to promote and streamline ANC. Evidence on the decrease in maternal health services, routine immunizations, and overall outpatient care highlights the need for better communications with the public on service continuity, and the need for additional efforts for demand promotion. International evidence has also pointed

²⁴ The recent World Bank Community-Based Quality of Care Study conducted in 2020 demonstrated alarmingly low levels of basic supplies among community health workers, potentially attributable to supply chain disruptions during the pandemic. Moreover, the study found APEs had inadequate diagnostic capacity for key conditions for which they provide basic treatment and referrals (malaria, diarrhea, and pneumonia), also the key causes of under-five mortality.



to the potential increase in GBV that may be precipitated by the impacts of the pandemic on domestic life. Mozambique is expanding Integrated Service Centers at many health facilities which offer a range of psychosocial, legal, and medical support for GBV survivors, but demand generation is required to make people aware of their rights to access these services. The project will support the linkage of a well-targeted communications campaign to generate demand and demystify issues around vaccine safety with efforts to boost other health promotion activities.

48. **This component will be guided by technical assistance to help MISAU rethink how to better optimize scarce human and financial resources to sustainably manage its pandemic response.** Ultimately, this will be critical to ensure there is institutional capacity for COVID-19 response and vaccine deployment, while maintaining and expanding access to quality care based on a shared vision, standards, and aligned incentives. Technical assistance can also support implementation of improved organization of services in facilities for better patient flow and rapid screening of COVID-19, suspected cases of TB, non-communicable diseases, and other conditions, in addition to COVID-19 vaccination services. This plan will draw on the recent “Safe Hospital” assessment done on climate resilient construction and risk modelling, to ensure investments in refurbishments required in the facility and warehouse network are climate smart and target vulnerable groups and areas. It would also draw on the national strategy for gender equality in the health sector to ensure quality improvements are responsive to the different needs of men and women, and the particular disadvantages women face in accessing quality services.

Component 4: Project Implementation and Monitoring (US\$5 million equivalent from IDA)

49. **Project implementation support.** This component will strengthen the existing Program Implementation Unit (PIU) of the World Bank-financed portfolio in MISAU, including, inter alia, recruiting additional staff and covering operating costs, procuring necessary training and equipment, providing support for procurement, financial management, environmental and social risk and impact management, and monitoring and evaluation (M&E) and reporting activities. The PIU will support national M&E frameworks for vaccine deployment at national and subnational levels to align with epidemiological shifts, with timely recording and reporting of performance benchmarks. This will include, inter alia: (i) collection of data from line ministries and other implementation agencies; (ii) compilation of data into progress reports; (iii) carrying out of surveys; (iv) carrying out of annual expenditure reviews; and (v) carrying out of an impact evaluation on quantitative and qualitative aspects of the project interventions. The M&E section below, and component 2.2 above, further details the M&E arrangements for the project and vaccine distribution, including grievance redress mechanisms (GRM).

Table 6: Project cost and financing (US\$ millions)

Project Components	IDA Financing	Trust Funds – GFF	Total
Component 1: Vaccines, Medical Supplies and Equipment	75 ²⁵	0	75
Component 2: Vaccine Administration, Follow-up and Community Engagement	20	0	20
Component 3: Continuity of Essential Services	0	15	15
Component 4: Project Implementation and Monitoring	5	0	5
Total Costs	100	15	115

²⁵ Financing amounts for vaccine acquisition are pending confirmation. This will be determined based on financing availability once costs for deployment and related support systems to deliver vaccines to the targeted 20 percent of the population are adequately covered. The costing of the National Plan for Vaccination Against COVID-19 and the Cold Chain Assessment are not yet completed.



C. Project Beneficiaries

50. The National Plan for Vaccination Against COVID-19 considers two stages: short-term -tackling the immediate health crisis, mortality/severe cases- and long-term -tackling transmission. The expected project beneficiaries, therefore, in the short term will be the target groups identified in the National Plan for Vaccination Against COVID-19 (16,649,412 people, if the 54 percent coverage target is reached with vaccine co-financing). In the long-term, project beneficiaries will expand to the population at large (30,832,244 people; 14,885,787 men and 15,946,457 women), who will benefit from reduced transmission, the aversion of a secondary health crisis from the crowding out of essential health services, and strengthened systems for other routine immunizations (benefiting in particular children under one year of age). The expansion of target groups prioritized by Mozambique for vaccination will follow the phases detailed in Tables 3 and 4 above. Aligned with the WHO SAGE Values Framework, these will focus first on health workers, followed by the elderly, people with co-morbidities that increase risks of case severity, other essential workers, and people living in situations of vulnerability (IDPs, refugees, prison populations). Special attention will be given to women, people with disabilities, and others among targeted groups who may face barriers to access information and services.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

51. **MISAU will be the primary implementing agency for this project.** The National Directorate for Monitoring and Evaluation of the Ministry of Economy and Finance has been the Coordination Authority responsible for coordinating the implementation of the COVID-19 emergency activities under the Immediate Response Mechanisms, in close coordination with MISAU and the National Social Assistance Institute (INAS) under the Ministry of Gender, Children and Social Assistance. The existing PIU in MISAU, which supports the management of the SATBHSSP and the PHCSP, will be expanded to cover fiduciary and safeguards management for the project, and coordination with key MISAU departments, CMAM, INS, and other stakeholders for implementation of project activities (including the Ministry of Economy and Finance, other government entities, and partners as required). The National Coordinating Committee for the Introduction of Vaccines Against COVID-19 will serve as the steering committee for this project, with a terms of reference adapted for this purpose. Implementation will be guided by the National COVID-19 Preparedness and Response Plan, the National Deployment and Vaccination Plan, and the National Plan for Vaccination Against COVID-19, and by coordination through the National COVID-19 Coordinating Committee and national consultative groups for the vaccination roll out, including subgroups focused on planning and implementation, logistics, and social mobilization and communication.

52. The PIU in MISAU will be responsible for day-to-day management of the Project in coordination with key MISAU departments. This will include: (i) managing the implementation of Project activities; (ii) managing the procurement, financial management, disbursements, and environmental and social aspects; (iii) coordinating the preparation, adjustments, and use of the project management tools, annual work plans, budgets, procurement plans, and disbursement projections; (iv) coordinating with key stakeholders on the technical aspects of all parts of the project; (v) monitoring the progress of the PDO and intermediate indicators of the Results Framework; and (vi) preparing bi-annual progress reports.

53. **While based in the Directorate of Planning and Cooperation, the PIU relies on focal points and experts embedded in different departments, including the CMAM, INS, and provincial authorities.** This PIU will be composed of, at a minimum: (i) a project coordinator; (ii) a project manager; (iii) a procurement specialist; (iv) a financial



management specialist; (v) a communications specialist; (vi) a monitoring and evaluation specialist; (vii) environmental and social specialists; (viii) a supply chain advisor in CMAM; and (ix) other technical specialists as required in key MISAU directorates and provincial-level health offices, including for public health and communications, the regulatory authority, the directorate of pharmaceuticals, and INS, all recruited on the basis of terms of reference, qualifications, integrity and experience as agreed with the World Bank.

54. The Project Implementation Manual (PIM) for the operation, to be completed 30 days after project effectiveness, will also set out detailed guidelines, methods and procedures for the implementation of the project.

This includes: (i) the different roles and responsibilities in implementation and mechanisms for coordination; (ii) budget and budgetary controls; (iii) flow of funds, disbursement procedures and banking arrangements; (iv) financial, procurement and accounting procedures; (v) personal data collection and processing in accordance with applicable national law and good international practice; (vi) monitoring and evaluation arrangements; (vii) the annual work plans and budgets; (viii) measures related to the use of security or military personnel in the implementation of project activities or for provision of security observing required safeguards (as described in the projects legal agreements); and (ix) such other arrangements and procedures as required for effective implementation. The PIM will also describe arrangements for third party monitoring of project implementation, with a focus on environmental and social aspects.

55. The increased financial and technical support by the World Bank for vaccine purchase and deployment at country level will help accelerate efforts by other development partners.

Making funds available for vaccine purchase and deployment will establish an enabling environment for other bilateral donors, multilateral development banks, and UN agencies to support Mozambique to expand coverage. At the global and country level, the World Bank investment will reinforce the COVAX Facility, which is co-led by Gavi, the Coalition for Epidemic Preparedness Innovations (CEPI) and WHO. The World Bank is on the Board of Gavi (as a founding member) and CEPI and works closely with both partners to help accelerate development and equitable access to COVID-19 vaccines. At the country-level Gavi, WHO, UNICEF, and other development partners supporting the COVID-19 response, through multiple working groups and the National Coordinating Committee. These structures enable coordination of complementary technical assistance being provided, including by UN agencies and non-governmental organizations financed by Gavi for immunization systems strengthening (as described in Box 2 below). Other tentative commitments to support vaccine acquisition and deployment have also been made by the European Union and the Government of Germany, but these are still being confirmed.

Box 2: Potential Supportive Roles for Partner Agencies in Implementation

Partner	Role	Financing amount
WHO	Providing technical leadership for vaccine introduction, providing technical support to National Immunization Technical Advisory Group to define on COVID-19 vaccination policy objectives, strategy, targets and vaccine safety issue, developing guidelines and conduct training on AEFI surveillance for COVID-19 vaccine related issues and other issues of vaccine pharmacovigilance, etc.	US\$527,471
UNICEF	Supporting the development of a roadmap for improved integration of COVID-19 vaccine deployment with EPI and other primary health care services, supporting the quantification and forecasting of supply needs, support to procure and install quality cold chain rooms at national level, etc.	US\$247,657
Gavi/COVAX	Providing vaccines to cover the first prioritized 16-20% of the population and beyond, providing financing to UN and international non-governmental organizations for technical assistance and cold	US\$1.7 million for technical assistance, in addition to financing for vaccines



	chain improvements.	
USAID	Financing a new project (“CHEGAR”) which will directly hire third party contractors to outsource last mile supply chain distributions, while supporting the implementation of a centralized command structure under CMAM, establishing channels that will be used for vaccine distribution.	TBC
Village Reach	Supporting the National Logistics Working Group to manage and monitor implementation of vaccine and supply chain management and integration at central and provincial levels Configuration and customization of OpenLMIS version 3 upgrade for the Electronic Vaccination Logistics System (<i>Sistema Electrónico de Logística de Vacinas -SELV</i>), SELV data collection improvements in four provinces, and other support on data and analytics using the EPI Visibility and Analytics Network and CMAM's Visibility and Integrated Management of Medicines Supply (VIMMS/VIGIAM) Producing Mozambique antigen stock status report shared with relevant stakeholders on a regular basis.	US\$49,850
Acasus	Support to increase and reduce inequities in immunization coverage by strengthening EPI leadership and performance management practices at national and provincial levels.	US\$45,300
CHAI	Supporting the integration of systems at Central and intermediary Warehouses, Cold Chain System and Maintenance, and surveillance and alert and response plans to mitigate outbreaks and provide evidence on vaccine efficacy	US\$363,214
CDC	Providing epidemiologic and laboratory assistance for vaccine-preventable bacterial meningitis surveillance in three sentinel sites (Maputo, Nampula and Beira), including technical assistance and capacity development of INS.	US\$61,600
Epilinks	Supporting the development of the national communication plan and related tools.	US\$221,051
John Snow, Inc (JSI)	Supporting local level immunization planning and monitoring through the Reaching Every District/Reaching Every Community initiative	US\$79,318

B. Results Monitoring and Evaluation Arrangements

56. **Monitoring and case management of COVID-19 patients is done through the COVID-19 module of the Health Management Information System (SISMA), which now includes 'SIS-MA COVID-19 Vaccination'.** This module has been rolled out at the level of all districts, health facilities, and call centers, together with 'SIS-MA eAEFI' to monitor adverse reactions. This system will be coordinated by the Department of Epidemiological Surveillance (DES), EPI, and the Department for Information Systems of the Directorate for Planning and Cooperation. Together these sectors will be responsible for reporting, processing, analyzing and producing health statistics for decision making. The project PIU will also have a Monitoring and Evaluation specialist, responsible to providing quarterly updates on the project results framework, drawing from the broader monitoring framework of the National Plan for Vaccination Against COVID-19.

57. **The National Plan for Vaccination Against COVID-19 highlights how the monitoring system for COVID-19 vaccination will meet the expanded needs of different institutions for data.** These include: (i) the National Directorate of Public Health and other national and international authorities; (ii) public institutions, communities, civil society organizations and the press; (iii) national, regional and global partners, including funding organizations; (iv) vaccine manufacturers and regulators; and (v) researchers and health academics. To cater to these needs, the



monitoring system described in the national plan will capture data on vaccination coverage over time by region, population groups and risk groups, target group prioritization, and the provision of personal vaccination registers/certificates to those vaccinated, with monitoring of individuals to reduce dosage discontinuity. It will also track vaccine waste or losses and inventory levels, and other data for surveillance and research, e.g. on vaccine safety and effectiveness. The entire record of logistical information on the management and distribution of the vaccine will be introduced in the existing Electronic Vaccination Logistics System (*Sistema Electrónico de Logística de Vacinas - SELV*) at the province, district, and facility level. The batch numbers, expiration dates, manufacturer, quantity, date, origin, and destination will be checked and recorded on the stock control and management record form and incorporated in SELV. This will also be cross checked with the current systems in use by CMAM at warehouses, with which the project will seek to support increased interoperability with SELV.

58. **The pharmacovigilance systems at health facility level using recommended standard procedures will be incremented with more active strategies** (use of cohort event monitoring, sentinel posts, and potentially specific studies), as well as awareness raising/communication and yet to be created pharmacovigilance committees. Grievance redress systems and hotlines will also be equipped to channel reporting of adverse reactions, to provide relevant information to the public, and to report any misallocation or elite capture of vaccines that should be allocated to target groups under the national plan.

59. **Monitoring and follow-up systems will also harness digital technologies.** This will include the use of an SMS follow-up system for patients that require second doses, use of vaccination history data to generate forecasts on future vaccine needs and generate visualizations that facilitate decision making, usage of remote cold chain storage technology, and utilization of digital certificates after registration of vaccine administration and digital vaccination cards once all the prescribed doses have been completed. Digital vaccination cards and certificates will be accessible through the 'SIS-MA Digital Wallet' application or any computer with internet access, with a unique BARCode and/or QRCode for validation, enabling immediate self-notification in case of adverse effects for follow-up by pharmacovigilance departments. To account for internet access limitations, physical vaccination cards will also be used, as well as off-line SISMA modules and paper-based reporting tools where required.

C. Sustainability

60. **Investments in COVID-19 vaccination preparedness and deployment will help reduce the negative effects of COVID-19 and stabilize the economic growth of the country.** Vaccination of eligible populations will help prevent new COVID-19 infections and improve health outcomes for people who get COVID-19, easing pressures on the health system, access to health and other services, and potentially helping economic recovery. Short-term investments needed to set up an effective COVID-19 vaccination campaign will be essential to further deploy vaccines to reach aspired herd immunity and eliminate negative consequences of COVID-19 in general. In addition, assistance to enhance vaccination preparedness will improve overall system readiness to respond not only to the COVID-19 pandemic, but other vaccine-preventable diseases and emergencies. The sustainability of the project would also depend on the capacity of the implementing agencies to effectively implement those interventions.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

61. **The economic rationale for investment in a COVID-19 vaccine is strong, considering the massive and**



continuing health and economic losses due to the pandemic. Economic activity has been disrupted as containment measures (domestically and globally) have affected demand for goods and services, despite the support of a good agricultural harvest. The services sector (notably transport and hospitality) have been hit particularly hard. At the same time, lower demand for and prices of commodities are slowing the pace of investment in gas and coal, two key industries for Mozambique. In 2020, Mozambique experienced its first economic contraction in nearly three decades. Real GDP is estimated to have declined by 0.8 percent in 2020, compared to a pre-COVID estimate of 4.3 percent, with significant downside risks. Mozambique is also expected to experience large external and fiscal financing gaps through 2021, in a context characterized by exposure to external shocks and limited fiscal space. This will further constrain already underfinanced social services for health, education, and social protection as demand increases.

62. The successful development, production, and delivery of a vaccine can help reverse these trends, generating benefits that will far exceed vaccine-related costs. Indeed, a rapid and well-targeted deployment of a COVID-19 vaccine can help reduce the increases in poverty and accelerate economic recovery. The effective administration of a COVID-19 vaccine will also help avoid the associated health care costs for potentially millions of additional cases of infection, further disruptions in health services, and associated health-related impoverishment. Global experience with immunization against diseases shows that by avoiding these and other health costs, vaccines are one of the best buys in public health. For the most vulnerable population groups, especially in countries without effective universal health coverage, the potential health-related costs of millions of additional cases of COVID-19 infection in the absence of a vaccine represent a significant or even catastrophic financial impact and risk of impoverishment. The pandemic is also having effects on other non-COVID-19 health outcomes. Increased morbidity and mortality due to interruption of essential services associated with COVID-19 containment measures hinder access to care for other health needs of the population, including maternal and child health services. Routine immunization has been affected, threatening polio eradication and potentially leading to new outbreaks of preventable diseases, with their own related deaths, illnesses and long-term costs. Simultaneous epidemics are overwhelming public health systems in different countries that had few resources to begin with, and services needed to address the needs of people with chronic health conditions, and mental and substance use disorders have been also disrupted.

63. While the uncertainty around the costs and long-term effectiveness of COVID-19 vaccines make it difficult to calculate its cost-effectiveness, the effective launch of a COVID-19 vaccine will have direct benefits in terms of averted costs of treatment and disability, as well as strengthened health systems. Estimated COVID-19 treatment costs from low- and middle-income countries are US\$50 for a non-severe case and US\$300 for a severe case. This excludes costs of testing of negative cases, as well as the medical costs associated with delayed or forgone care-seeking, which usually results in higher costs. The estimated cost of the National Plan for Vaccination Against COVID-19 for vaccinating approximately 54 percent of the population in Mozambique is approximately US\$1.48 per dose for deployment, with the cost of vaccines estimated at US\$7 a dose (likely to fall over time). While variants could lengthen the relief and recovery period, with the trajectory of growing community spread in Mozambique over the last year, the economic benefits of reversing the economic downturn are likely to exceed the financing needed to vaccinate 54 percent of the population, leaving aside both the immediate health benefits and longer term benefits of a health system that is stronger more resilient to shocks. Given both the economic and health system benefits, an effectively deployed COVID-19 vaccine presents significant benefits. Investments in vaccine delivery systems generate health and economic benefits beyond just delivering the COVID-19 vaccine. First, investments in last-mile delivery systems to administer the COVID-19 vaccine to remote communities will require strengthening community health systems, which can have spillover effects to effective delivery of other services, helping close the significant urban-rural gap in health services and outcomes. Second, as the COVID-19 vaccine is introduced and lockdowns and movement restrictions are eased, patients can continue to access care for other conditions.



B. Fiduciary

Financial Management

64. **The overall financial management (FM) capacity was assessed to be adequate with moderate residual risk. The FM assessment was conducted remotely to evaluate whether the project meets the World Bank’s minimum FM requirements in Directives and Policy for Investment Project Financing (IPF).** The assessment was done on the PIU established within the MISAU (PIU/MISAU), which will be the implementing agency responsible for financial management arrangements of the proposed project. It was carried out in accordance with the Directives and Policy for IPF, the Bank Guidance on FM in World Bank IPF Operations issued on February 28, 2017, and various FM and disbursement measures for preparation of operations under COVID-19 emergencies, including modalities for engagement of UN partners. PIU/MISAU has served as the implementing agency for World Bank-financed projects for the last nine years, and the assessment revealed that it has acceptable financial management practices. However, the following actions should be implemented to ensure that the FM arrangement put in place for the project are adequate: (i) develop and adopt a PIM including a section on FM procedures. The FM section prepared for the PIM of the ongoing World Bank-financed SATBHSSP (IDA-58630 and IDA-D1180) will be used as a basis; and (ii) customize the accounting software to maintain separate records and ledger accounts for the proposed project and prepare resultant financial reports. The recent review of the FM arrangements of the ongoing projects implemented by this agency concluded that they continue to have acceptable FM arrangements, the performance risk ratings are Satisfactory.

65. **The government will directly engage UN agencies (in particular, UNICEF) to facilitate procurement of key commodities. Standard templates for MISAU will these agencies be used.** UN agencies’ FM and procurement procedures will apply. For purchase of vaccines by UNICEF, the PIU/MISAU will submit a request for advance to this agency. The World Bank will ensure that the Reporting and Fraud and Corruption Prevention requirements of the standard agreements are in place. The UN agencies will conduct agreed activities and submit quarterly reports on the utilization of advances to PIU/MISAU. The content and format of the report will be agreed upon with the government. It may include description of activities undertaken, goods purchased, with detail of quantity and value, cumulative data, funds balance, disbursement plan, etc.

66. **The following project FM arrangements have been agreed upon.** The project funds, expenditures, and resources will be accounted for using an automated accounting package, and basis of accounting will be Financial Reporting under Cash Basis. IDA funds will be disbursed on transaction basis (statements of expenditures) using the following methods: (i) reimbursement; (ii) advances; (iii) direct payments; and (iv) special commitments. The direct payment method may be used for the purchase of vaccines through COVAX. MISAU will prepare semi-annual unaudited interim financial reports and provide such reports to the World Bank within 45 days of the end of each calendar semester. The project financial statements will be audited annually by the Administrative Tribunal, and audit reports together with separate Management Letters for each implementing entity will be submitted to the World Bank no later than six months after the end of each fiscal year. The audit terms of reference will be prepared in collaboration with the World Bank, to include audit oversight of financial expenditures, in addition to aspects of testing the controls over the deployment and distribution system.

Procurement

67. **Procurement under 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 November 2020.** Procurement will also use standard World Bank bidding and procurement documents for procurement of vaccines



and pharmaceuticals. The project will be subject to the World Bank Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. The project will use the Systematic Tracking of Exchanges in Procurement (STEP) system to plan, record and track procurement transactions.

68. **Based on the virtual procurement assessment, the residual risk is Substantial.** Procurement planning, procurement processing, contract management and the related decision-making authority under the proposed project will be under Procurement Management Units (*Unidades de Gestão de Aquisições* -UGEAs) within MISAU and CMAM. The UGEA team in MISAU is also responsible for the procurement function under the SATBHSSP, with one procurement specialist dedicated to the project. Taking into account the urgent situation of the COVID-19 pandemic and the complexity of procurement of vaccines, one additional qualified procurement specialist with experience in the procurement of pharmaceuticals goods, vaccines and other medical supplies should be recruited to meet the demands of this COVID-19 project.

69. **Project Procurement Strategy for Development (PPSD).** MISAU prepared a streamlined PPSD in accordance with the provisions of the Procurement Regulations. The PPSD includes market conditions, risks, and market approaches and selection methods for acquiring COVID-19 vaccines and other procurable items under the project, resulting in development of Procurement Plan. COVID-19 vaccine will likely be sourced through the AU or other approved sources, with UNICEF signing the supply and delivery contract. The vaccines procurement process irrespective of the amount will be subject to World Bank prior review procedures through STEP. The Procurement Plan, as agreed between the World Bank and MISAU, specifies procurement methods and their applicable thresholds, as well as activities that will be subject to the World Bank prior and post review.

70. **The major activities included in the procurement plan will include:** (i) medical/laboratory equipment and consumables; (ii) PPE; (iii) clinical management equipment; (iv) refurbishment and equipment of medical facilities; (v) technical assistance for updating or reviewing national plans; (vi) human resources for emergency response including for COVID-19 vaccinations; (vii) refurbishment of national, subnational and facility based and mobile and climate-friendly cold chain equipment and supplies including cold rooms, ice lined refrigerators (ILR) and vaccine carriers; (viii) fuel-efficient vehicles including refrigerator vehicles and vaccinator personnel transport; (ix) technical assistance for demand creation – including mass media and communication campaigns; (x) vaccine logistics and information management systems and information systems to monitor adverse effects from immunization; (xi) purchase of COVID-19 vaccines; (xii) technical assistance for vaccine data quality, safety and surveillance; (xiii) procurement associated with demand creation and behavior change; and (xiv) supply of vehicles and motorbikes for supervision and transportation.

71. **The current demand for COVID-19 vaccines exceeds the supply in the market which makes it more difficult for client countries to negotiate terms and conditions.** Procurement of vaccines will therefore follow Direct Selection. Mozambique will purchase vaccines using a combination of options, which include purchasing through COVAX (AMC), the African Union's COVID-19 African Vaccine Acquisition Task Team (AU AVATT) initiative, and direct purchase from manufacturers. Vaccines may also be purchased from other countries that have excess vaccines. Contracts for vaccines financed by the World Bank will be subject to the World Bank's prior review, irrespective of their value and procurement approach. The arrangements for freight for the vaccines, including that for COVAX-financed vaccines and the AU AVATT, will be financed under the proposed project and may require the engagement of specialized UN Agencies.

72. **The country procurement approach will utilize the flexibility provided by the World Bank Procurement Framework for fast track emergency procurement.** Key measures to fast track procurement include: (i) use of simple



and fast procurement and selection methods fit for an emergency situation including direct contracting, as appropriate; (ii) streamlined competitive procedures with shorter bidding time; (iii) use of framework agreements including existing ones; (iv) procurement from UN Agencies enabled and expedited by World Bank procedures and templates; (v) use of procurement agents; (vi) force account, as needed; and (vii) increased thresholds for Requests For Quotations and national procurement, among others. As requested by the Recipient, the World Bank may also provide proactive assistance in accessing existing supply chains through Bank Facilitated Procurement (BFP) under HEIS (Hands-on Expanded Implementation Support). The use of BFP and HEIS, together with the boosting of fiduciary capacity in the PIU, will also help manage fiduciary risks associated to fast-tracked procurements to meet urgent needs for deployment.

73. **Recognizing the significant disruptions in the usual supply chains for medical consumables and equipment for COVID-19 response, at the Government’s request,** the World Bank will offer BFP as support to the country’s own procurement of COVID-19 vaccines complying with the World Bank’s VAC as well as medical consumables, including PPE, and capital equipment. BFP constitutes additional support to borrowers over and above usual HEIS, which will remain available. BFP may include hands-on support to Borrowers in negotiating contract conditions with manufacturers / suppliers and facilitating market access. The Borrower will remain fully responsible for signing and entering into contracts and implementation.

74. **BFP has been found to be an approach that can proactively assist countries in accessing existing supply chains.** Once the suppliers are identified, the World Bank could proactively support borrowers with negotiating prices and other contract conditions. 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 World Bank disbursement option available to them.

75. **BFP, in accessing available supplies, may include aggregating demand, whenever possible, extensive market engagement to identify suppliers from the private sector and UN agencies.** The World Bank is coordinating closely with the WHO and other UN agencies (specifically UNICEF), that have established systems for procuring medical supplies and charge a fee which varies across agencies and type of service and can be negotiated (around 5 percent on average).

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. **Relevant PIU specialists will work closely with internal directorates and departments responsible for environmental and social safeguards.** For social safeguards, in particular for community awareness raising and consultations, interventions will be coordinated with the Directorate of Public Health and the Department of Humanization in the Directorate of Medical Assistance. Key measures for environmental safeguards will be implemented with the Department of Environmental Health under the Directorate of Public Health (responsible for



biomedical waste management) and CMAM (responsible for pharmaceutical waste management, together with other departments working on different aspects of IPC. The PIU will rely on CMAM to manage pharmaceutical waste from expired or damaged articles within the distribution chain, and on the Department of Environmental Health (DSA) to supervise the management of medical waste from health facilities. At the level of Central and Provincial Hospitals, waste is managed by the facilities themselves. The capacity to manage waste disposal varies greatly from central to local levels. The Vaccine Introduction Readiness Assessment Tool (VIRAT) and the Vaccine Readiness Assessment Framework (VRAF) have identified the needs to strengthen their capacity through the provision of standard operating procedures (SOPs) or guidelines for collection and disposal of medical waste. Recent experience with World Bank-funded projects suggests that additional support to MISAU will be required in overall Environmental and Social Framework (ESF) implementation, and more importantly on issues of pollution and waste management, community health and safety, GBV, Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH), GRM, inclusion and gender, outreach and community engagement. This will be done not only through training, development of systems and processes, but also, by hiring dedicated personnel. The project environmental and social requirements (i.e. relevant instruments that were prepared and will be prepared during implementation, timelines, and responsible institution) are outlined in the Environmental and Social Commitment Plan (ESCP, published on the Ministry of Health website on March 30, 2021). Both environmental and social risks for the project are rated as Substantial, as elaborated in the Environmental and Social Review Summary.

77. Current specialists working in biomedical and pharmaceutical waste management will be bolstered with the recruitment of a central level specialist, who will supervise activities in Maputo City, as well as junior specialists in each of Mozambique's ten provinces. These specialists can also support a deeper ongoing evaluation of arising needs in this area, including for additional equipment at local levels. A specialist in civil works may also be recruited, depending on needs, though this project will be limited to refurbishment and maintenance of existing facilities and no major construction works are foreseen. A social assessment will also be conducted during the first three months of project implementation to assess additional issues and strategies for insuring inclusion of vulnerable groups in vaccination deployment and health systems strengthening activities, strengthening the existing provisions of the National Plan for Vaccination Against COVID-19, communications plan, and SEP. These activities will include campaigns to train health professionals on the importance of inclusion of vulnerable groups, and on preventing and reporting possible cases of GBV. There are no non-security roles anticipated for military and police in the vaccine deployment. Their foreseen role will be limited to securing transport and storage of vaccines. However, in case of engagement of security or military personnel in the implementation of Project activities or the provision of security to Project workers, sites and/or assets, appropriate material measures and actions have been identified and will be implemented, as described in the ESCP, the Legal Agreements and the PIM.

Gender Dimensions and Targeting Vulnerable Groups

78. **Particularly in emergency situations and pandemics, gender inequalities and norms influence access to critical health services, as well as risk of exposure to disease.** As summarized above, factors constrain access to and use of health services by women in Mozambique include limited mobility and financial capacity, competing demands of paid and unpaid work, and limited access to information. Furthermore, while men do worse clinically once infected, women face a higher-than-average risk of COVID-19 infection, death, loss of livelihood, and gender-based violence. They have also been impacted by discontinuity of essential RMNCAH-N services, including for maternal and sexual and reproductive health, and GBV. These gender dimensions intersect with other inequalities, particularly for populations that are poor, with limited access to formal education, living in hard-to-reach areas, temporary or informal settlements, or areas affected by conflict, or living with disabilities. The assessed drop in essential health services will be addressed through the project through actions detailed below, including targeted communications and complementary



promotion of essential maternal health services. Antenatal visits will be tracked as a proxy for restoration of these essential services.

79. **In addition, there is a risk that vaccine deployment plans could leave women and other vulnerable groups behind.** Considering the larger male morbidity and mortality of COVID-19 and the tendency in many countries to overlook the importance of gender inequalities in social and economic activity. Through monitoring and implementing activities outlined in the ESCP, Environmental and Social Management Framework (ESMF), and SEP will help ensure appropriate stakeholder engagement, proper awareness raising and timely information dissemination. This will help: (i) avoid conflicts resulting from false rumors; (ii) ensure equitable access to services for all who need it; and (iii) address issues resulting from people being kept in quarantine. These will be guided by standards set out by WHO as well as other international good practices including social inclusion and prevention of Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH). Mechanisms to engage citizens, and target beneficiaries more specifically, in providing ideas and feedback on program delivery will help identify gaps at the point of service delivery (information availability, access to testing and vaccination, access to relevant care, equal treatment etc.), build community knowledge and confidence, establish trust, ensure governments respond to community needs (including vulnerable groups), and thus to optimize the impact of the COVID-19 emergency response.

80. **As detailed above, the project components all also address gender dimensions with targeted interventions including:** (i) integration of gender-responsive approaches in communications strategies with the public, including use of multiple accessible mediums in local languages; (ii) use of targeted messaging, and the creation of responsive platforms for registry of inquiries and grievances, through a variety of mediums to target women and different vulnerable groups; (iii) inclusion of interventions to support demand creation/restoration of essential RMNCAH-N services together with COVID-19 vaccinations, critical to averting increases in excess mortality and morbidity for women and girls and improving access to sexual and reproductive health and rights; and (iv) support for promotion of awareness and use of GBV services, including the expanded network of Integrated Service Centers at health facilities that offer medical, legal, psychosocial support and referrals. These interventions will be monitored and measured through the projects' results framework, and through safeguards instruments.

Climate Exposures

81. **Climate and disaster shocks in Mozambique have a particular impact on the poor and vulnerable, while directly impacting health, through bodily harm, and indirectly, by limiting service access and inducing climate-related disease outbreaks.** Mozambique is located on the east coast of southern Africa and is characterized by its long coastline with the Indian Ocean. Mean annual temperatures are projected to increase by 1.4- 3.7°C by 2060, with warming more rapid in southern and coastal areas of the country. Rainfall projections suggest decreased rainfall during the dry season (January-June) and increased rainfall in the wet season (July-September). The country also faces an array of natural hazards due to its location and geography: large areas of the country are exposed to tropical cyclones, severe droughts (every three to four years), and river/coastal storm surge flooding. Projected changes in temperature and rainfall are likely to increase the frequency and severity of these climatic events and exacerbate developmental challenges. Over 60 percent of the population live in low-lying coastal areas and are exposed to heavy winds and rains from cyclones, which can damage infrastructure, disrupt water sanitation and electricity supply systems, and degrade the coastal environment. Severe droughts and coastal/river flooding are frequent in the country's central and southern regions and threaten crop loss, which is of particular concern given 70 percent of the population relies on climate-sensitive agricultural production for their food and livelihoods, particularly the poor. Cyclones and flooding also threaten to increase outbreaks of water and vector borne diseases (e.g., cholera, malaria, etc.) by compromising access to safe, potable water and creating environmental conditions that propagate and sustain vector populations. In 2019, the



Northern and Central regions were hit by the tropical cyclones Idai and Kenneth, resulting in widespread damage to infrastructure and affecting more than one million people, causing 602 direct deaths, 1,600 injuries, 6,506 cases of cholera, and 14,059 cases of malaria. Given Mozambique's vulnerability to climate disasters, a multi-hazard risk assessment of the country's health infrastructure has been conducted. This assessment looked at climactic damage to facilities, the vulnerability of health infrastructure to future climate emergencies, and options to increase the preparedness of health infrastructure for climactic emergencies. Finally, the most at-risk groups from climate-related health issues coincide with those vulnerable to COVID-19, including elderly, the ill, mothers, the poor, the displaced, and the marginalized.

82. Mozambique has indicated its commitment to address climate change. The country signed the Paris Agreement on April 22, 2016 and communicated its intent to prioritize climate mitigation and adaptation priorities in its Nationally Determined Contribution (NDC). The NDC contains several targets in line with climate related activities for this project, including to: reduce climate risks through the strengthening of the early warning system and of the capacity to prepare and respond to climate risks; reduce people's vulnerability to climate change related vector borne diseases or other diseases; increase the adaptive capacity of the most vulnerable groups; develop resilient climate resilience mechanisms for infrastructures; and promote the transfer and adoption of clean and climate change resilient technologies, among others. In its CPF, Mozambique also indicated climate-related priorities that align with targets established in the New Africa Climate Business Plan, such as support for ensuring infrastructure is developed to climate resilient standards and building measures to address climate risks into health and social protection systems. Climate-related activities for this project similarly align with regional- and national-level climate priorities.

83. In addition to the expected benefits from the introduction of COVID-19 vaccines, the project intends to address climate vulnerabilities. This project has been screened for short and long-term climate change and disaster risks and climate co-benefits have been assessed at the level of the components and subcomponents. Climate adaptation activities that will be financed by the project and corresponding vulnerabilities that will be addressed are outlined in detail in Annex 5.

84. Under Component 1 (US\$75 million) Vaccines, Medical Supplies and Cold Chain Equipment, the project will build on the existing multi-hazard risk assessment and develop a vulnerability assessment for vaccine distribution. Based on the vulnerability assessment, the project will enhance cold chains' climate resilience, by undertaking facility and warehouse repairs and maintenance activities informed by the climate vulnerability assessment. The project will also support the refurbishments of health facilities to improve access to safe water and basic sanitation, and to ensure the safe administration of vaccines and service continuity during sudden-onset or protracted natural disasters, in areas where climate change is expected to impact water availability.

85. Under Component 2.1, (US\$15 million) Vaccine administration, follow-up and community engagement, utilizing the vulnerability assessment, the project will develop climate sensitive vaccine distribution plans to inform vaccine distribution and availability during natural disasters. The project will also finance mobile health outreach activities to reach populations most vulnerable to climate change who have limited access to health facilities. In addition, the project will finance guidelines and staff trainings to improve medical waste management capacity in health facilities. This will ensure proper treatment of medical equipment, protective gear, and other medical waste in flood-prone areas. Specific activities will include ensuring that waste disposal sites are not in flood prone areas, sorting to minimize waste that is disposed, and properly allocating vaccine vials needed to remove from cold storage each day to limit waste. These efforts will in turn help to reduce the likelihood of waste being released into the environment in the case of flooding events, which can be exacerbated by climate change. This component will also finance strengthened disease surveillance systems to monitor COVID-19 and climate-induced outbreak prone diseases.



Surveillance materials will include water- and vector-borne diseases associated with climate change (e.g. cholera, malaria). Trainings on surveillance will include specific modules and materials on these diseases. Innovative digital surveillance approaches will also be piloted.

86. **Under Component 2.2 (US\$5 million) Communication Campaigns, Community Engagement and Behavior Change**, the project will fund the development and dissemination of educational materials to improve awareness in essential behavioral change habits that mitigate the impact of COVID-19 (e.g. encouraging vaccination, hand washing, etc.). These efforts will improve uptake of behaviors to improve resilience to climate-related diseases. Additionally, the project will fund efforts to monitor vaccine perceptions in the community. This will be done by integrating questions on vaccine perception in the planned COVID-19 beneficiary surveys and/or by holding focus groups with community members, to inform strategies to promote vaccine uptake for COVID-19 and diseases associated with climate hazards. Climate adaptation activities are outlined in more detail in Annex 5.

87. **Along with climate change adaptation activities, the project intends to institute measures to mitigate against greenhouse gas emissions.** Annex 5 outlines climate mitigation activities under the project in more detail. **Under Component 1**, the project will finance the purchase of energy-efficient cold chain equipment. Climate friendly cold chain equipment being considered includes low GWP refrigerants in compressors of solar refrigerators and freezers, solar direct drive on-site freezers, and freezers using clean coolants. Estimated allocations to climate friendly cold chain equipment total US\$2 million. The component will also support utilization of optimal routes for vaccine delivery, to enable fuel-efficient distribution routes for delivery of project-related and other medical supplies. Based on this assessment, the project will plan for energy efficiency improvements in vaccine distribution, including optimizing vaccine distribution routes to reduce use of fossil fuels (ex: grouping vaccine deliveries to national, subnational, and local facilities used for vaccine storage and distribution). Through **Component 2.1**, the project will support climate-friendly waste disposal through the development of protocols, procedures, and training, as well as cleaning of supplies, when possible, and the sorting of disposed materials. Climate mitigation activities are outlined in more detail in Annex 5.

VI. GRIEVANCE REDRESS SERVICES

88. 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 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.

89. The project will utilize both existing and a project specific GRM to enable a broad range of stakeholders to channel concerns, questions, and complaints to implementation agencies. This can include support for COVID-19 Call Centers with toll-free numbers, publicly disclosed throughout the country. GRM mechanisms will be equipped to handle cases of SEA/SH, following a survivor-centered approach. Technical assistance will also be supported to develop effective triage, management, channeling, and response to complaints.



VII. KEY RISKS

90. **The overall risk to achieving the PDO is substantial.** The large-scale acquisition and deployment of COVID-19 vaccines entail certain significant risks. First, the initial vaccines that meet the World Bank's VAC may not be the most effective for the specific context of Mozambique, or they may not be purchased in a timely manner. Second, a mass vaccination effort stretches capacity, in particular in low-capacity environments such as Mozambique, entailing risks. The proposed World Bank support for Mozambique to develop vaccination acquisition strategies and investment in deployment system capacity specifically aim to mitigate these risks. The remaining risk must be considered against the risk of having less timely and effective deployment of vaccines, potentially exacerbating development gaps and eroding past development gains.

91. **Political and governance risks are substantial.** These relate to: (i) ability of the authorities to ensure that project-supported vaccines reach the priority populations; (ii) ability to manage public sentiment should there be a gap between vaccine targets and vaccine delivery; (iii) potential fraud and substandard quality as part of the vaccine purchase; and (iv) risks of elite capture and corruption. These risks will be mitigated through assurance mechanisms such as the establishment of an acceptable policy and plan for prioritized intra-country allocation, the government's vaccine oversight, verification, and monitoring efforts (highlighted in the M&E section), expanded public feedback mechanisms (detailed in the GRM section), third party monitoring, the application of anti-corruption guidelines for vaccine purchase and deployment, and robust financial management oversight of the use of funds (detailed under fiduciary risks). There are risks associated with communications and deployment strategies in conflict affected areas. The security situation in Northern Mozambique has resulted in nearly 669,256 internally displaced people, hampering the delivery of health services and increasing the risk of infectious disease outbreaks such as cholera. This impact is multiplied by the COVID-19 pandemic that further deepens poverty and worsens socioeconomic and development indicators. These risks will be mitigated by targeted efforts to reach priority populations in coordination with development partners and humanitarian actors on the ground including the International Organization for Migration and UN Refugee Agency. Efforts will be coordinated with a broader World Bank portfolio projects to support the restoration and expansion of health and other social services in conflict-affected areas and host communities, including the Inclusive Human Capital Project in Northern Mozambique (P175298) and the Mozambique Northern Crisis Recovery Project (P176157).

92. **Sector strategies and policies:** While there are national plans for the COVID-19 response and vaccinations, gaps highlighted in readiness assessments (Table 2 above), and the challenges associated with the phased prioritization for COVID-19 vaccinations, makes this risk Substantial. To mitigate this risk, the World Bank and the GFF are coordinating with other key partners, including WHO, Gavi, and UNICEF, to help the government strengthen and detail its COVID-19 policy framework. The project will also support MISAU to operationalize and assess the viability of its strategy for COVID-19 vaccines deployment (including for identification of people with comorbidities), for potential adaptation over the course of implementation.

93. **Institutional capacity risk for vaccine deployment is high.** Vaccine deployment, cold-chain, and distribution capacity are currently inadequate in Mozambique, especially for the anticipated scale and population group coverage foreseen for COVID-19 vaccination. Some provinces (Zambezia, Nampula and Tete) that have continuously reported low coverage of vaccines for children and might also require additional attention. This risk will be mitigated by this project financing and technical support for immunization system strengthening, including conducting capacity assessments in coordination with WHO, Gavi, UNICEF, and other partners, supported through existing working groups and inter-ministerial coordination bodies. Limitations in human and financial resources to devote to both vaccine deployment and the continuation of essential health services is also a key risk. This will be mitigated under



Component 3 and the Essential Health Services Grant from GFF of US\$15 million, including through technical assistance to increase efficiency of human and financial resource allocation in the context of the pandemic.

94. **Fiduciary risks are substantial.** The financial management residual risk is moderate, and procurement risk is substantial considering the uncertainties associated with the procurement and deployment of vaccines, including fraud and corruption risks. Risks specific to vaccines include:

- **Procurement:** The key procurement risk associated with vaccines relates to: (i) the complexity of the vaccines market given the significant market power enjoyed by vaccine manufactures; (ii) inability of the market to supply adequate quantities of vaccines to meet demand; (iii) the limited market access due to advance orders by developed countries; (iv) weak bargaining; and (v) delays in triggering emergency procurement procedures, which could delay procurement and contract implementation, including payments. The risks under this project will be reduced by recruiting additional procurement specialist with experience in the procurement of medical goods, vaccines, and other medical supplies, by providing options to support the country's needs for direct or advance purchase, including possible technical assistance through Bank Facilitated Procurement. BFP and bolstered fiduciary capacity in the PIU, as well as utilization of UN agencies for procurement of key supplies where appropriate, will also mitigate procurement risks.

- **Financial Management:** The residual FM risk is moderate. The key FM risks relate to: (i) untimely funds flow or lack of liquidity and (ii) non-compliance with key internal control procedures. Mitigation measures will include customization of updated accounting software to maintain separate records and ledgers of project accounts and reports, and strengthening of FM capacity through the PIU and PIM.

95. **Environmental and social risks are substantial.** The measures to address social and environmental risks include the need for infection prevention and control improvements in health facilities, such as assessment and mitigation measures for medical waste risk management that will be scaled up as inoculation sites expand. While experience indicates that moderate risk ratings can be expected for environment, for example, if medical waste and occupational health and safety risks are well-managed with support from project interventions, the social risk is anticipated to be at least substantial in Mozambique because there is a broader social risk of inequity in access to vaccines, due to political pressures to provide vaccines to groups that are not prioritized due to need or vulnerability, or should target groups be misaligned with available vaccines. As highlighted in the climate screening for this project environmental and social risks are also increased by climate vulnerabilities, which the project can help address through adaptive measures to support the health system and vulnerable groups.

96. **These risks will be mitigated through several measures to ensure vaccine delivery targets eligible members of the most vulnerable populations,** particularly women, elderly, poor, refugees, and minorities in accordance with criteria specified in the national plan. First, the World Bank will support Mozambique to develop and adapt an explicit, contextually appropriate, and well-communicated targeting criteria and implementation plan (e.g., the national vaccination program and any subsidiary programs) including criteria for access to vaccines. The Government should ensure that this plan is subject to meaningful consultations in accordance with Environmental and Social Standard (ESS) 10. There should be consensus to first target health workers, other essential workers, and the most vulnerable populations, which will include a mix of the elderly and people with co-morbidities. The targeting strategy should pursue specific measures to target vulnerable groups in high-population density locations such as slums and camps of refugees and IDPs. The World Bank will also continue to provide technical and implementation support to mitigate this risk. All targeting criteria and implementation plans will be reflected in country's national vaccination program.



97. **Stakeholder Risks are substantial.** In addition to the risks and mitigation measures for ensuring inclusion of vulnerable groups in the vaccination roll out mentioned above, another potential risk is the increased incidence of reprisals and retaliation, especially against healthcare workers and researchers. This risk will be mitigated through explicit inclusion in robust stakeholder identification and consultation processes. Further, and linked to the social risks stated above, it is important to have clarity on the risks that may arise related to any mandatory aspect of the national program and whether and how this mandatory element relates to cultural, social and traditional community practices and values. Such risks need to be considered in light of the mitigation hierarchy and balanced against the health-related requirements of any mandatory vaccination program. In addition, the GRMs required under the ESF should be in place and equipped to address community, worker, and/or individual grievances related to such issues, including those linked to indemnification for any AEFI. It will also include requirements related to being able to have GRMs in place to address labor and working conditions, as well as SEA/SH.

98. **Other substantial risks include those associated with data management and privacy.** These include risks of inadequate management and storage, or inappropriate sharing of personal data, in identification systems, health information systems (HIS), and other databases. Mitigation measures may include legal, institutional and technical measures, as well as investments in data security and training of staff. Individualized and identified data will be available only to health professionals duly accredited and with passwords, with records of the doses administered using anonymized codes. The project will support required legal and safeguard measures for data privacy which will include: (i) where new digital tools/platforms are being explored, there is a technical and financial risk of vendor lock-in; (ii) social risks of excluding population that are currently not registered in existing patient management system (e.g. for HIV, TB, and NCDs); (iii) risks associated with how changes in estimates can affect financing; and (iv) risks associated with post-vaccination vigilance and monitoring systems. Corrective measures will include support for: (i) Mozambique's broader strategy for sustainable and effective data management and integration platforms; (ii) the development of targeted vaccine identification strategies; (iii) procurement planning, budgeting, and BFP where appropriate; and (iv) strengthening pharmacovigilance capacity..



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Mozambique

COVID-19 Strategic Preparedness and Response Project

Project Development Objective(s)

To support the Government of Mozambique to acquire, manage, and deploy Project COVID-19 vaccines, and to strengthen its pandemic preparedness, response, and health systems' capacity.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
To support COVID-19 vaccine acquisition, management, and deployment, and strengthen national health				
Percentage of priority population fully vaccinated against COVID-19, based on the targets defined in national plan [disaggregated by sex] (Percentage)		0.00		50.00
Proportion of females (Percentage)		0.00		53.00
Proportion of males (Percentage)		0.00		47.00
Number of children fully immunized with routine vaccinations annually (disaggregated by sex) (Number)		1,043,101.00	1,073,836.00	1,115,969.00
Proportion of females (Percentage)		49.00	50.00	50.00
Proportion of males (Percentage)		51.00	50.00	50.00



Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Vaccines, Medical Supplies, and Cold Chain Equipment				
National plan developed and costed for COVID-19 vaccine procurement and deployment (Yes/No)		No		Yes
Percentage of targeted sites where requested Cold Chain Equipment has been installed and functional (Percentage)		0.00	80.00	90.00
Vaccine administration, follow-up, and community engagement				
Standard operating procedures (SOPs) or guidelines updated for collection and disposal of medical waste for COVID-19 (Yes/No)		No		Yes
Rate of vaccine wastage (Percentage)		0.00		15.00
Consultations on multi-media platforms with key information on COVID-19, including vaccinations (Number)		0.00	22,500,000.00	45,000,000.00
Percentage of complaints to Grievance Redress Mechanisms satisfactorily addressed in a timely manner. (Percentage)		0.00		80.00
Continuity of Essential Services				
Number of APEs trained to deliver key messages to promote demand for COVID-19 vaccines and other essential health services (Number)		0.00	6,690.00	8,800.00
Number of APE kits procured annually (Number)		19,945.00	105,600.00	105,600.00
Average number of follow-up sexual and reproductive health consultations per month (Number)		215,608.00	248,064.00	273,490.00



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Average number of pregnant women receiving their fourth antenatal care visit per month (Number)		81,643.00	90,154.00	103,385.00
Average number of institutional deliveries per month (Number)		95,988.00	106,823.00	114,195.00
Average outpatient visits per month (Number)		2,295,799.00	3,366,717.00	3,711,805.00

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of priority population fully vaccinated against COVID-19, based on the targets defined in national plan [disaggregated by sex]	Percentage of the population for whom the project will support COVID-19 vaccination through financing to vaccine acquisition or deployment (equivalent to national coverage target due to support for deployment systems)	Every 6 months	Ministry of Health (MISAU)	Extraction from health management information system (SISMA)	MISAU
Proportion of females	Female priority population fully vaccinated against COVID-19/Total priority population fully vaccinated against COVID-19 X 100	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU



Proportion of males	Male priority population fully vaccinated against COVID-19/Total priority population fully vaccinated against COVID-19 X 100	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU
Number of children fully immunized with routine vaccinations annually (disaggregated by sex)	Number of children receiving full immunization according to national scheduled routine immunizations by 12 months of age	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU
Proportion of females	Number of female children fully vaccinated with routine immunizations/Total number of children fully vaccinated with routine immunizations X 100	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU
Proportion of males	Number of male children fully vaccinated with routine immunizations/Total number of children fully vaccinated with routine immunizations X100	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU



Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
National plan developed and costed for COVID-19 vaccine procurement and deployment	Dry storage and cold chain capacity assessed down to the health facility level for COVID-19 vaccines, with a plan developed and costed to address identified needs for the vaccine roll out, in alignment national plans.	One off by July 2021	National Coordinating Committee (CNC) with inputs from provincial and district health authorities	Utilization of district and provincial micro-plans, models and costing tools	MISAU
Percentage of targeted sites where requested Cold Chain Equipment has been installed and functional	Targeted sites where requested Cold Chain Equipment has been installed and functional/Targeted sites where Cold Chain Equipment is lacking according to national inventory X 100	Annual	National Coordinating Committee (CNC) with inputs from provincial and district health authorities	Utilization of district and provincial micro-plans and reports	MISAU
Standard operating procedures (SOPs) or guidelines updated for collection and disposal of medical waste for COVID-19	SOPs or guidelines updated to account for COVID-19 vaccination roll out	One off June 2021	National Coordinating Committee	Verification of SOPs or guidelines developed and approved	MISAU
Rate of vaccine wastage	Total number of vaccine doses discarded / total number of doses used X 100	Monthly	Vaccine campaign reports	Data routinely collected in each vaccination center and aggregated electronically	MISAU



Consultations on multi-media platforms with key information on COVID-19, including vaccinations	Number of consultations to multi-media platforms (including hotlines, USSD services, and other applications) providing key information on COVID-19, including vaccinations.	Every 6 months (cumulative)	Backend database of electronic platforms and hotlines	Compilation of metrics from multi-media platforms (e.g., Pensa, Alo Vida, and 110COVID, etc.)	MISAU
Percentage of complaints to Grievance Redress Mechanisms satisfactorily addressed in a timely manner.	Details in the Project Implementation Manual on standards for grievance handling and response.	Monthly	COVID-19 hotlines	Extraction from S grievance redress mechanism databases	MISAU
Number of APEs trained to deliver key messages to promote demand for COVID-19 vaccines and other essential health services	Number of APEs trained to deliver key messages for promotion of demand for COVID-19 vaccines and other essential services.	Quarterly	Training reports	Inspection of aggregated training reports on number of APEs trained	MISAU
Number of APE kits procured annually	Number of APE kits procured annually, including COVID-19 related supplies as required	Every 6 months	CMAM	Extraction from procurement and logistics information systems	MISAU
Average number of follow-up sexual and reproductive health consultations per month	Average total number of follow-up family planning consultations per month	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU
Average number of pregnant women receiving their fourth antenatal care visit per month	Average number of pregnant women receiving their fourth antenatal care visits per month	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU



Average number of institutional deliveries per month	Average number of institutional deliveries per month	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU
Average outpatient visits per month	Average outpatient visits per month	Every 6 months	MISAU	Extraction from health management information system (SISMA)	MISAU



ANNEX 1: Project Costs

COUNTRY: Mozambique
Mozambique COVID-19 Strategic Preparedness and Response Project

COSTS AND FINANCING OF THE COUNTRY PROJECT

Program Components	Project Cost	IBRD or IDA Financing	Trust Funds	Counterpart Funding
1. Vaccines, Medical Supplies and Equipment	75	75		
2. Vaccine Administration, Follow-up and Community Engagement	20	20		
3. Continuity of Essential Services	15		15	
4. Project Implementation and Monitoring	5	5		
Total Costs	115	100	15	
	Total Costs	115		
	Front End Fees			
	Total Financing Required	115		



ANNEX 2: Implementation Support Plan

COUNTRY: Mozambique

Mozambique COVID-19 Strategic Preparedness and Response Project

- The World Bank’s implementation support will focus on helping MISAU to unblock potential operational bottlenecks** by providing advice and undertaking analytics to strengthen the technical quality of implementation and assure timely implementation. The extent of implementation support that will be provided depends on recognized needs and opportunities.
- In terms of strengthening compliance, technical assistance may be needed as described in the relevant sections of the Appraisal Summary.** With fiduciary risk rated as substantial, technical assistance to procurement and FM will be prioritized, also with the UN Agencies supporting procurement process. The project will use the existing PIU, appropriately staffed, with relevant qualifications. The project can support additional training in the use of the STEP and the new World Bank Procurement Framework. Implementation support for FM will be undertaken mainly during, and in response to the findings of, the semi-annual FM supervision reviews. For environmental and social safeguards, the World Bank will monitor compliance through the reports submitted by the PIU and take remedial and supportive action as needed.
- Within the technical domain, the focus for the World Bank implementation support will be related to the timely coordination of the pandemic response and COVID-19 vaccination.** This will include technical assistance to: (i) COVID-19 vaccination and testing messages prepared; (ii) coordination mechanisms in place; (iii) curriculum and training approaches; and (iv) use of the relevant IT systems.
- Development partners are expected to provide technical assistance and procurement operational support to strengthen the implementation of select project activities, in line with their respective mandates.** WHO, with its in-country expertise and overall coordination role for COVID-19 response activities, will continue to be an important technical partner. UNICEF and UNDP will have both a technical and an operational role with respect to the procurement. The World Bank team will coordinate with these partners to get the most value-for-money, avoid duplication, and exploit synergies.
- While implementation support will be provided throughout project implementation, it is anticipated that more intense support will be needed in the first 12 months after project approval.** The World Bank project team is based in the country and can provide in-depth support for the project set up, during the first 12 months – from approval to effectiveness, and through early implementation – and after main activities are set. Implementation support in the first 12 will focus on coordinating with development partners and capacity building of relevant institutions—MISAU, INS, CMAM—to support effective preparation and deployment of COVID-19 vaccination plans and increase of COVID-19 testing capacity.



Table 2.1: Summary of activities in the implementation arrangements and support plan

Timeline	Focus	Skills Needed	Resource Estimate
0–12 months	Setting up project implementation activities through institutional capacity strengthening, preparation for first procurement packages and technical assistance for implementation design.	Project management, operational, technical (including M&E), fiduciary, environment, and social.	At minimum, three formal implementation support missions. Just-in-time technical assistance.
12–24 months	Continued institutional capacity enhancement, implementation monitoring, operational and technical assistance to support implementation.	Project management, operational, technical (including M&E), fiduciary, environment, and social.	Two formal implementation support missions; just-in-time technical assistance.
Completion phase	Implementation Completion Report and final payments	Project management, technical, fiduciary.	ICR mission



ANNEX 3. Adjustments to the Country Program in Response to COVID-19 - Mozambique

Impact of the COVID-19 pandemic on the country and government response

1. **The trajectory of COVID-19 in Mozambique:** Mozambique registered its first case on March 22, 2020. As of April 14, 2021, a total of 69,002 cases and 794 deaths have been reported. As of April 15, 2021, the number of active cases totaled 7,092 which is considerably higher than the average of 1,900 active cases throughout November and December 2020. Over 80 percent of active cases are concentrated in the Greater Maputo Area with the remaining number of active cases spread throughout the other nine provinces. Although hospitalizations and mortality remain low, the rates for both have recently been increasing. According to the National Institute of Health (Instituto Nacional de Saúde) Mozambique has currently one of the fastest reproduction rates in Africa. After an initial and relatively flat peak in September 2020 Mozambique is, as of January 2021, in the midst of a second and much sharper peak, which for now shows no signs of abating.
2. **Transmission Channels:** The Mozambican economy faces significant repercussions of the COVID-19 pandemic, eliminating hopes of a growth recovery following Tropical Cyclones Idai and Kenneth in 2019. Spillovers from the global economic downturn and restrictions to domestic movement affected economic activity most notably through the following transmission channels:
 - (i) **Trade.** Reduced global demand and lower commodity prices resulted in a decline in goods exports of 26 percent in the first ten months of 2020 (year-on-year). This mainly reflects: (i) the concentration of Mozambique's export markets (together, the European Union, South Africa and India accounted for almost two thirds of exports in 2019), and (ii) the country's reliance on commodities (coal and aluminum account for 60 percent of overall exports). Coal exports are particularly vulnerable as steel producers across the world cut production due to lower demand, and stock piling becomes unsustainable. Supply chains for Mozambique's imports are also expected to be affected, particularly as mobility restrictions remain in place in neighboring South Africa, as well as other key import markets such as China.
 - (ii) **Investments in the extractives industry.** Lower oil prices are affecting investments in the LNG industry. Two out of three LNG projects that were in development are proceeding, but the third, which was still at pre-final investment decision stage has been postponed. Expected investments in the coal industry have also been delayed due to lower prices and global demand and LNG project financing flows are set to narrow. Overall, the extractives industry is expected to have contracted by 12 percent in 2020, having already seen a negative growth of 1 percent in 2019.
 - (iii) **Social distancing and travel restrictions.** Accounting together for almost a quarter of Mozambique's economic output, the hospitality, transport, retail and real-estate sectors have felt the brunt of lower domestic and external demand. Reduced movement, especially in urban areas, and the drop in international travel is already evident in short term private sector activity indicators such as Purchasing Manager's Index (PMI), which fell to a historic low in July 2020. Some improvement has been recorded in business sentiment during the last months of 2020 with the PMI recovering steadily, reflecting the partial relaxation of COVID-19 containment measures. Private services output contracted by 3 and 5 percent in the second and third quarters of 2020, respectively, owing to lockdown measures and supply disruptions.
3. However, the impact of the pandemic has been broader than indicated by the growth outlook, which relies to a



large extent on the contributions of LNG investments to the economy. The expected poverty impact of COVID-19 is significant as jobs and income opportunities, especially for urban and peri-urban population, and for women, decline. The impact on jobs has been significant. Preliminary results from a rapid phone survey amongst the urban population suggest that, by June 2020, roughly 24 percent of interviewed individuals working prior to the outbreak were no longer employed. Many cited the closure of business in response to the pandemic as the cause. Moreover, over 60 percent of interviewed households indicated that revenues from family-owned business have declined when compared to same period of 2019. However, by December 2020, there was a slight recovery in employment, reflecting the relaxation of confinement measures. The percentage of interviewed individuals working prior to the outbreak and who were no longer employed had declined to 11 percent.

4. **Reduced short-term growth prospects of Mozambique.** In 2020, Mozambique experienced its first economic contraction in nearly three decades as external demand fell, domestic lockdown measures disrupted supply chains and depressed domestic demand, and LNG investments were delayed. Real GDP is estimated to have declined by 1.3 percent in 2020, compared to a pre-COVID estimate of 4.3 percent, with significant downside risks. Growth is projected to recover in the medium term assuming a rebound in global demand, additional stimulus from LNG projects, and the roll-out of a COVID-19 vaccine in 2021. Recovery is anticipated to begin in 2021, albeit from a low base, with growth expected to reach 4.4 percent in 2022. However, much depends on the path of the pandemic and the outlook is subject to significant downside risks. Downside risks include rising COVID-19 cases and escalation of insurgency in the North which could pose additional challenges for the development of LNG facilities. Mozambique is also expected to experience large external and fiscal financing gaps in 2020 and 2021 in a context characterized by exposure to external shocks and limited fiscal space.

5. **Primary deficit widening.** The primary deficit is expected to widen to 4.9 percent of GDP in 2020, up from a pre-COVID-19 forecast of 1.1 percent, reflecting lower revenue collection and an increase in COVID-19-related spending in the second half of the year. Revenue collection declined as demand declines and COVID-19 tax relief measures for firms take effect. On the expenditure side, implementation of COVID-response measures, estimated at 2.2 percent of GDP, pushed total spending to 33 percent of GDP, from 30 percent in 2019. Overall, the COVID-19 shock is expected to contribute to a fiscal gap of 3.6 and 2.5 percent of GDP in 2020 and 2021. The risks to this outlook are on the downside since a more prolonged crisis could add further fiscal pressures. This occurs in an already constrained fiscal context characterized by low revenue collection, a high public debt burden and a growing wage bill, affording little fiscal space for Mozambique to confront these costs. To help close the fiscal gap, Mozambique is relying on the bilateral debt relief initiative, donor budget support, and draw-down of saving from past capital gains receipts. The Government continued to protect priority social expenditures despite the significant budgetary pressures from the global pandemic.

6. **Falling back into poverty:** Moreover, a sizeable number of Mozambicans will fall back into poverty as a result of the pandemic. Given the depth of the COVID-19 crisis, Mozambique's already difficult poverty situation is expected to be aggravated further. It is likely that livelihoods, food security and nutrition will worsen as incomes are affected by the slowdown in economy activity. The negative impacts on income are expected to be felt relatively more in urban and peri-urban areas where social distancing measures and business closures are having most effect. As such, the pandemic is expected to predominantly affect poor populations in these areas, impacting their sources of income from informal work and self-employment. Mozambique's urban poverty rate is estimated to have increased from 29 to at least 31 percent in 2020, pushing an additional 250,000-300,000 urban people into poverty on account of employment and income losses, price increases and a deterioration of public services.



7. Simulations of the potential short-term effects of the ongoing COVID-19 outbreak on employment and income hint at potentially high increases in poverty. As of 2020 (pre COVID-19), projected poverty rate was estimated to be 43.8 percent of the population (50.7 percent in rural areas and 29 percent in urban centers) and were expected to be the hardest hit by the outbreak through a drop in income, price effects and disruptions to service delivery. The negative impacts on income are expected to be felt relatively more in the urban economy where social distancing measures and business closures are most evident. Urban low-income households are particularly vulnerable since most earn their income through self-employment in the informal economy. A scenario that assumes a cumulative drop in consumption of 25 percent among households with at least one worker in the “at-most-risk” sectors would increase urban poverty by 6.7 percentage points (from 29 to 35.7 percent), corresponding to nearly 700,000 extra poor in addition to the 3,2 million urban individuals that already are in a condition of poverty. In rural areas, the same scenario would push up the rural poverty rate from 50.7 percent to 52.9 percent (2.2 percentage points), equivalent to nearly 450,000 extra poor individuals. Simulated poverty rates under different scenarios, 2020 (urban areas) (rural areas) Source: World Bank staff estimates.

8. **Exacerbating pre-existing factors of fragility and widen inequalities and imbalances across the country.** The spatial distribution of poverty is skewed – with poverty almost twice as high in rural as in urban centers - and growing inequality between rural and urban areas. The Northern and Central regions continue to lag the Southern regions, with many more people being poor in Niassa (67 percent), Nampula (65 percent) and Zambezia (62 percent) than in Maputo Province (12 percent) and Maputo City (4 percent), the two areas that have seen the largest decline in poverty rates in the past decade. The pandemic could widen these divides, heighten socioeconomic grievances, and sharpen the inequalities and sense of marginalization that have helped to underpin the escalating insurgency in the northern province of Cabo Delgado.

9. **Impact on Human Capital (Health and Education).** The COVID-19 pandemic created major challenges. Nearly 15,000 schools, 178,00 teachers, and over 8.5 million students at all levels of education were affected by school closures since March 2020 and is projected to result in significant losses in enrollment and learning, including the loss of 0.7 years of schooling adjusted for learning, bringing down the effective years of basic education that students achieve during their lifetime to 3.7 years; and 20 percent of the Mozambican children never returning to formal education. Exclusion and inequality will likely be exacerbated as already marginalized with vulnerable groups – girls, the poor, and persons with disabilities – more adversely affected by the school closures. Even with schools reopening in 2021 as currently planned by the Government, Mozambique will need support to attract learners (especially adolescent girls) back to school, ensure a safe and sanitary environment in all schools, come up with remediating measures to catch up with a loss of learning, and continue strengthening distance learning to offer a more flexible modality for students not returning to schools that can be scalable and implemented quickly in the cases of emergency.

10. An important impact of COVID-19 on the health sector has been the high rate of infection among health staff, to date, 1,759 or 3 percent of the total workforce in the country with 32 percent of those infected from Maputo City. Government has restricted attendance to clinical care for aged doctors and nurses to reduce the risk of infection. Overall, this translates in reduced availability of staff to deliver care, particularly in areas most hit by the pandemic putting additional burden on the health workforce, who are already overworked due to the general scarcity of health professionals, and whose levels of anxiety and fear are significant and requiring adequate measures to ensure their mental health and well-being. Another important impact is reduction in the provision of other essential services on account of resources being shifted to control the pandemic and manage cases, and on limited use of service by patients who fear being infected in health facilities. Between March and April 2020, drops were observed



in routine vaccination coverage and TB case notifications. It is believed that patients with chronic conditions and those on Anti-Retroviral treatment may have not presented themselves for follow up regularly due to fear of COVID-19 or misunderstanding of messages on social distancing and avoidance of crowded spaces.

11. **Debt Service Suspension Initiative (DSSI): Mozambique's debt is assessed to remain in distress, but sustainable in a forward-looking sense.** This assessment is unchanged relative to the last Debt Sustainability Analysis. External and total public debt are projected at around 103 and 120 percent of GDP in 2020, respectively. While the distress rating is due to the unresolved arrears to Brazil, debt is deemed sustainable in a forward-looking sense considering that, to a large extent, future borrowing and government guarantees reflect state participation in the sizable LNG developments. Participation in the DSSI and its extension would provide debt service relief in 2020 and the first half of 2021, thus flattening the projected sharp deterioration in debt liquidity indicators due to the COVID-19 pandemic. Participation in the DSSI between October and December 2020 was estimated to have provided a relief amounting to 0.6 percent of GDP (or 2 percent of fiscal revenue). Debt service levels remain substantially high. External and public debt service-to-revenue ratios were projected at 13 and 48 percent, respectively, by the end of 2020. The authorities' strong commitment to implement fiscal consolidation and a prudent borrowing strategy and the coming on-stream of the LNG projects are expected to put public debt indicators on a downward trajectory over the medium term.

12. **Financing needs:** In order to respond to the potential effect of the pandemic, the Mozambique government elaborated a US\$700 million plan to be funded by development partners and composed by health (prevention and treatment - US\$100 million), budget support (US\$200 million), social protection (US\$240 million) and small businesses support (US\$160 million) measures. As of December 2020, donor disbursements to Mozambique for COVID-19 totaled US\$594.2 million (about 4 percent of GDP). Of this amount, US\$309 million were from the International Monetary Fund, US\$40 million from the African Development Bank, US\$144.5 million from the World Bank to the health sector and the rest from other donors.

13. The financing needs in the social sectors are expected to be as follows: For social protection, donors have covered the first phase of COVID-19 cash transfer scheme costing US\$79 million and which is, as of January 27, 2021, 50 percent disbursed. The cost of Phase 2 of cash transfers to finish payments to urban and peri urban beneficiaries is approximately US\$140 million. Health financing needs, to cover gaps in the COVID-19 Preparedness and Response Plan (PRP) and its forward-look adjustment in the context of the second peak, and including the recently elaborated greater Maputo Response plan, is estimated at US\$120 million.

14. An external financing gap of 6 percent of GDP is anticipated in 2020, which should be financed by donor budget support, debt service suspension (DSSI), and savings from past capital gains receipts and reserve drawdowns.

Government response

15. Since the global outbreak, Government has taken important steps to prevent and respond to a COVID-19 outbreak in Mozambique, including a declaration of a State of Emergency (SE) by the President first in April 1, 2020 that has been extended three times up to September 6, 2020. As of September 7, Mozambique has been in a State of Public Health Calamity (SPHC), with a red alert (which is used in cases where there is an elevated threat that could turn into a public disaster). Key features of the SE and SPHC include:

16. The Government of Mozambique initiated its response program at an early stage of the global pandemic in recognition of the severe impact that the COVID-19 crisis could have on lives and livelihoods.



The government's response to date has sought to save lives through measures to limit the spread of the virus amongst the population, a public health response program to test and treat patients, and by ensuring continued access to water to promote sanitization. The authorities are also protecting livelihoods by widening access to social safety nets and providing support to firms and the banking sector.

17. Mozambique initiated a state of emergency and commenced implementing measures to limit the spread of the virus when the number of confirmed cases was still below ten. The Authorities started taking steps to limit contagion in March 2020 and instated a state of emergency from April 1 to June 29, 2020, that has been extended three times up to September 6, 2020. As of September 7, Mozambique has been in a SPHC, with a red alert (which is used in cases where there is an elevated threat that could turn into a public disaster). Measures include a ban on all public gatherings, the closure of all schools and universities, passenger limits on public transport and the requirement to wear masks in public places. Entertainment venues have been closed whilst shops, markets and restaurants are required to comply with social distancing rules. Several borders with neighboring Eswatini and South Africa are closed, although the main trade route, Ressano Garcia, remains open for goods, supplies and cargo. All international passenger flights, to and from Mozambique, were suspended in May 2020. As of September 15, 2020, Mozambique's air space has reopened on a reciprocal basis with six countries offering flights to the country (Portugal, Turkey, Qatar, Ethiopia, Kenya and South Africa). Mozambique has also restarted the issuance of entry visas and has set up an online platform for requests, with the aim of facilitating processing. Recent (January 2021) increase in cases in South Africa, Malawi and Zimbabwe are further impacting the subregion, with additional controls being put in place at borders as of early January 2021.

18. The health sector is implementing a COVID-19 response program that has quickly raised testing capacity and is increasing access to medicines and equipment, whilst improving treatment capacity. The health authorities established multiple testing centers in the capital (where the first cases were detected) and is creating testing facilities in other parts of the country. Efforts are being made to trace and test contacts of confirmed cases to limit the spread of the virus. Treatment facilities have also been improved and a public communication campaign has been launched to provide health advice and regular updates on testing levels/ confirmed cases. To complement the health sector response, the authorities introduced measures to ensure continued access to water, irrespective of bill payment status, and reduced water cost for low income groups to promote good hygiene practices. The purchase of soap has been exempted from value added tax (VAT) payment until the end of the year.

19. An expansion of social protection programs is underway to support the livelihoods of the most vulnerable amongst the population. This includes a significant expansion in urban areas where social distancing measures are having the largest impact on incomes. Overall, the number of beneficiaries is set to increase from 700,000 currently to 1,690,000 households. Innovations in the targeting program are being introduced to rapidly identify beneficiaries through spatial poverty mapping and to expedite access to transfers by using mobile money transfers.

20. The government's response also seeks to safeguard livelihoods by providing support to SMEs and to ensure that the banking sector has sufficient liquidity to support the private sector. A set of fiscal measures are being implemented to support the private sector, especially small firms. Tax burden relief is being provided by postponing income and corporate tax payments due from small firms to 2021. A 10 percent reduction of the electricity tariff for commercial customers in the agriculture, hotel and restaurant services gives additional cash flow relief to sectors that are particularly severely hit. A temporary suspension of commissions on mobile money transfers and increased transaction limits will also benefit small and informal firms, 70 percent of whom use mobile money. This package is supplemented by a credit line for micro firms currently under preparation by the authorities. On the credit side, several



measures have been established, that will likely benefit medium to large firms given their higher rates of access to credit. The Central Bank eased lending reference rates and facilitated access of importers to forex loans. It has also taken steps to increase liquidity by lowering reserve requirements for forex and local currency loans by providing a US\$500 million credit line to the banking sector. Furthermore, the Central Bank has relaxed prudential requirements for loan restructuring for firms affected by COVID-19, before they become due, by waiving additional provisioning requirements.

21. Government measures to support households and firms during the COVID-19 crisis (as of mid-June 2020) with emphasis on health and sanitation measures include:

- Simplification of import procedures for medicines and medical equipment.
- Increased surveillance, testing and case management capacity, including infection prevention and control measures in health facilities and laboratories.
- Initiation of protocol development for continuity of essential services.
- Public communication campaign for prevention and test/detection updates.
- Continued supply of water to households irrespective of payment status, delayed payment of water bills and exemption of payment for low consumption users. Social Protection Measures:
 - Expansion of the number of beneficiaries of social protection programs from 700,000 to 1,690,000 households.
 - Simplifying ID requirements for mobile money transfers to social protection beneficiaries.
 - Establishing a fuel price stabilization fund and allocating savings to the COVID-19 response.
 - Suspension of VAT on soap, oil and sugar until end 2020.
 - Monitoring of market prices to curb opportunistic pricing.
 - 10 percent reduction in electricity tariffs for businesses and 50 percent for low income households during the state of emergency. Measures to support firms:
 - Postponement of income and corporate tax payments for small firms (turnover less than MZN 2.5 million) until 2021.
 - Ten percent reduction of electricity tariff for agricultural businesses, restaurants and hotels
 - US\$160 million credit line for micro businesses (in preparation).
 - Suspension of mobile money commission fees and increase in mobile money transaction limits for three months.
- Measures to support the financial sector:
 - Cut in the policy interest rate from 12.75 to 10.25 percent.
 - Reduction of the reserve requirement for local currency from 13 to 11.5 percent and for foreign currency loans from 36 to 34.5 percent.
 - US\$500 million forex credit line to commercial banks.
 - Removal of specific provisioning requirements for forex lending to importers.
 - Facilitating the restructuring of credits for Covid-19 affected firms if needed, before payments become due.
 - Temporary requirement to convert 30 percent of export proceeds to local currency

WBG support for responding to the crisis

22. **This operation is part of an adjusted CPF program to help Mozambique manage and respond to the COVID-19 crisis.** The COVID-19 response is articulated as follows: the health response under Pillar 1 draws on US\$40 million mobilized through CERC activations as well as US\$4.5 million drawn from other health sector operations and US\$2 million of new Pandemic Emergency Facility (PEF) funding to be disbursed through United Nations partners (United Nations Population Fund, World Food Programme, UNICEF, and WHO). Additionally, the US\$115 million *Mozambique*



COVID-19 Strategic Preparedness and Response Project (P175884) will provide support for COVID-19 vaccines procurements and delivery. Under Pillar 2, the World Bank response includes US\$53.5 million to support phase one of cash transfers to the poorest and most affected households; US\$3.6 million to support the water utility, FIPAG, to operationalize relief measures for the water sector; and US\$15 million to support water supply and sanitation improvements for safe return to schools. Under Pillar 3, US\$8.9 million under the Integrated Landscape Management Portfolio are supporting agribusiness, conservation areas, and smallholder farmers. The Power Efficiency and Reliability Improvement Project (P158249) is being restructured with savings achieved from the project to allocate US\$30.6 million for the Government’s electricity support program to support most vulnerable customers and also to ensure for hospital and educational centers to continue operating without further hurting the revenues of national electricity utility. Under Pillar 4, the Mozambique Urban Development and Decentralization Project (P163989) and the Maputo Urban Transformation Project (P171449), which were approved in June and December 2020 respectively, are supporting municipalities in preparing and implementing their respective Municipal Action Plans for COVID-19 response to enhance municipal capacity to identify, monitor, and track infections and expand municipal services to assist the most vulnerable populations. In Maputo, which is at the epicenter of the COVID-19 crisis, the Urban Transformation Project will focus on rapid deployment of small-scale, low-cost, and scalable urban solutions to reduce COVID-19 community transmission in hotspot areas of the city. This will be combined with simple urban infrastructure investments that are labor intensive to help mitigate the economic impacts of COVID-19 in Maputo City, such as rehabilitation of open spaces, local roads, and alleys. Project resources diverted from ongoing projects to COVID-19 response will be replenished through additional financing operations that will be presented for Board approval in FY21.

Table 3.1. World Bank COVID-19 Support

Areas of Intervention	Cost (US\$, millions)
Pillar 1: Saving Lives	
Health (incl COVID-19 Strategic Preparedness and Response Project)	144.5
-of which from PEF	2.0
Pillar 2: Protecting Poor and Vulnerable People	
Social protection	53.5
Water and sanitation	18.6
Education support	1.3
Pillar 3: Ensuring Sustainable Business Growth and Job Creation	
SME support	12.8
Electricity payment relief for social tariff and hospitals health and education public centers	20
Pillar 4: Strengthening Policies, Institutions and Investments for Rebuilding Better	
Policy reforms to mitigate impact and build resilience	100.0
Support to cities and municipalities	20.0
Total	366.8

Selectivity, Complementarity, Partnerships

23. The World Bank is coordinating closely with development partners on the overall COVID-19 response. The World



Bank leads (along with WHO, UNICEF, USAID, and PROSAUDE) the health COVID-19 Core group overseeing the overall coordination from the partner side. The World Bank also is a member of the Social Protection COVID-19 Technical Assistance Group (along with Sweden, UNICEF, ILO, WFP, and FCDO). Finally, the World Bank leads the Education COVID-19 Response Group (along with UNICEF and MEPT).

24. The World Bank support is also closely coordinated with development partners with regards to budget support: The IMF, which approved an emergency support to Mozambique through a Rapid Credit Facility (RCF) operation on April 24, 2020. The RCF disbursement of US\$309 million helps bolster foreign exchange reserves and, together with the World Bank's funds, close the fiscal financing gap. The World Bank budget support also reinforces from the IMF's agreement with government on strict transparency and accountability measures regarding expenditures related to the COVID-19 response. The African Development Bank (AfDB) and European Union (EU) are also preparing budget support operations. AfDB's operation of US\$40 million intends to support actions and reforms related to the health response, supporting businesses and employment with a focus on agriculture, and supporting social protection.

25. Finally, cooperation and articulation of Donor response is being carried through via a high level crisis response group made up of the key donors (incl AfDB, IMF, WB, Canada, UK, Ireland, US, EU and Netherlands) that meet on a monthly basis with top government officials (at the level of the Minister of Finance and other Ministers or equivalent for sectoral issues) to take stock of development, highlight key priority issues for support by the donor community and plan for follow up activities / coordination.

**ANNEX 4: Summary Table on Vaccine Development and Approval Status**

Vaccine	SRA* Emergency Use Approval	WHO PQ/EUL
BNT162b2/COMIRNATY Tozinameran (INN) - Pfizer BioNTech	United Kingdom: December 2, 2020 Canada: December 9, 2020 United States of America: December 11, 2020 Switzerland: December 19, 2020 European Union: December 21, 2020 Australia: January 25, 2021 Approved under World Bank vaccine approval criteria (VAC) (three Stringent Regulatory Authorities [SRA] in three regions)	WHO Emergency Use Listing (EUL): December 31, 2020
mRNA-1273 - Moderna	USA: December 18, 2020 Canada: December 23, 2020 EU: January 6, 2021 UK: January 8, 2021 Switzerland: January 12, 2021 Approved under World Bank modified VAC (three SRA in two regions)	
AZD1222 (also known as ChAdOx1_nCoV19/ commercialized as COVISHIELD in India) - AstraZeneca/Oxford	UK: December 30, 2020 EU: January 29, 2021 Australia: February 15, 2021 Canada: February 26, 2021 Approved under World Bank VAC (3 SRA in three regions)	WHO EUL: February 15, 2021 for vaccines manufactured by SK Bio and Serum Institute of India
Ad26.COVS.2.S - Johnson & Johnson	USA: February 27th, 2021 Canada: March 5th, 2021 EU: March 11th, 2021 Switzerland: March 22, 2021 Approved under World Bank modified VAC (three SRA in two regions)	WHO EUL: March 12 2021



ANNEX 5: Details of Climate Co-Benefits Activities

CLIMATE ADAPTATION ACTIVITIES FINANCED BY THE PROJECT			
<i>Project Component</i>	<i>Activity</i>	<i>Climate-related action</i>	<i>How will activity address climate-related vulnerabilities?</i>
Component 1: Vaccines, Medical Supplies and Cold Chain Equipment (US\$75 million)	<ul style="list-style-type: none"> Develop a climate vulnerability assessment for vaccine distribution 	<ul style="list-style-type: none"> Building off the existing multi-hazard risk assessment, develop a risk vulnerability assessment for deployment of the vaccines 	<ul style="list-style-type: none"> Ensure continuity of vaccination during and following climate emergencies
	<ul style="list-style-type: none"> Support the refurbishments of health facilities and warehouses for climate resilience 	<ul style="list-style-type: none"> Enhance cold chain climate resilience, by undertaking facility and warehouse repairs and maintenance activities informed by the climate vulnerability assessment 	<ul style="list-style-type: none"> Strengthen the resilience of health infrastructure to climate shocks
	<ul style="list-style-type: none"> Improve access to water and sanitation in preparation for climate emergencies 	<ul style="list-style-type: none"> Improve access to safe water and basic sanitation, and to ensure the safe administration of vaccines and service continuity during sudden-onset or protracted natural disasters, in areas where climate change is expected to impact water availability 	<ul style="list-style-type: none"> Strengthen health infrastructure resilience to climate shocks Reduce people’s vulnerability to climate change related diseases
Component 2.1: Vaccine administration (US\$15 million)	<ul style="list-style-type: none"> Finance mobile health outreach activities for climate-vulnerable populations 	<ul style="list-style-type: none"> Reach populations most vulnerable to climate change who have limited access to health facilities through mobile outreach 	<ul style="list-style-type: none"> Increase the adaptive capacity of vulnerable groups
	<ul style="list-style-type: none"> Finance guidelines and staff trainings for medical waste management in flood-prone areas 	<ul style="list-style-type: none"> Improve medical waste management capacity and proper treatment of medical equipment, protective gear, and other medical waste in flood-prone areas by financing guidelines and staff trainings to manage protective equipment. Activities will include ensuring that waste disposal sites are not in flood prone areas, sorting to minimize waste that is disposed, and properly allocating vaccine vials needed to remove from cold storage each day to limit waste 	<ul style="list-style-type: none"> Strengthen capacity to prepare and respond to climate shocks



	<ul style="list-style-type: none"> Finance strengthened disease surveillance systems 	<ul style="list-style-type: none"> Monitor COVID-19 and climate-induced outbreak prone diseases along with COVID-19. Surveillance materials will include water- and vector-borne diseases associated with climate change (e.g. cholera, malaria) Trainings on surveillance will include specific modules and materials on these diseases Pilot innovative digital surveillance approaches 	<ul style="list-style-type: none"> Strengthen early warning system and capacity to prepare and respond to climate risks
Component 2.2: Communication Campaigns, Community Engagement and Behavior Change (US\$5 million)	<ul style="list-style-type: none"> Monitor community perceptions of vaccines including those for climate-induced outbreaks perception in the community 	<ul style="list-style-type: none"> Inform strategies to promote vaccine uptake for COVID-19 and diseases associated with climate hazards and COVID-19 Integrate questions on perceptions of vaccines for climate-induced outbreaks vaccine perception in the planned COVID-19 beneficiary surveys and/or by holding focus groups with community members 	<ul style="list-style-type: none"> Reduce people’s vulnerability to climate change related diseases Increase the adaptive capacity of vulnerable groups
	<ul style="list-style-type: none"> Behavior Change Communication to stop climate-induced outbreaks. Develop and disseminate educational materials 	<ul style="list-style-type: none"> Develop and disseminate educational materials Improve to improve awareness in of essential behavioral change habits that mitigate the impact of Climate-induced outbreaks as well as COVID-19 (e.g. encouraging vaccination, hand washing, etc.) 	<ul style="list-style-type: none"> Reduce people’s vulnerability to climate change related diseases
	<ul style="list-style-type: none"> Vaccine transport to reduce fuel consumption 	<ul style="list-style-type: none"> Assess optimal routes for the safe delivery of vaccines Plan for energy efficiency improvements in vaccine distribution, including grouping vaccine delivery to national, subnational, and local facilities used for vaccine storage and distribution 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions