

Georgia : Georgia Emergency COVID-19 Response Project

1. Project Information

Project ID:	P000388	Instrument ID:	L0388A
Member:	Georgia	Region:	Western Asia
Sector:	Public Health	Sub-sector:	N/A
Instrument type:	<input checked="" type="checkbox"/> Loan:91.34 Euro million <input type="checkbox"/> Guarantee	Co-financier(s):	World Bank
ES category:	B	Borrowing Entity:	Ministry of Finance, Georgia
Implementing Entity:	Ministry of Internally Displaced Persons from the Occupied Territories, Health, Labour and Social Affairs, Georgia		
Project Team Leader:	Mehek Marwaha (DG: Supee Teravaninthorn; Responsible Department: INF2)		
Project Team Members:	Bernardita Saez, Project Counsel; Liu Yang, Alternate Counsel; Yogesh Malla, OSD - Financial Management Specialist; Georgi Georgiev Dzhartov, OSD - Social Development Specialist; Gerardo Pio Parco, OSD - Environment Specialist; Benedetta Magnaghi, OSD - Procurement Specialist;		
Completed Site Visits by AIIB:	Mar, 2022 Virtual Mid-Term Review (MTR) Mission conducted jointly by WB and AIIB from March 01-10, 2022.		
Planned Site Visits by AIIB:	Oct, 2022 So far, no physical site visits have been conducted due to ongoing travel restrictions. The first physical visit is proposed along with the team members from the WB in Q4 2022, subject to travel restrictions getting eased.		
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	0		
Previous Red Flags Assigned Date:	2021/09		

2. Project Summary and Objectives

Objective: To prevent, detect, and respond to the threat posed by the COVID-19 pandemic and strengthen national systems for public health preparedness in Georgia.

The project has three components:

- 1) Emergency COVID-19 Response, including COVID-19 Case Detection and Confirmation, and Health System Strengthening for Case Management
- 2) Enabling health measures to contain the COVID-19 outbreak through temporary income support for poor households and vulnerable individuals through cash transfers and temporary unemployment assistance for individuals who lost their job because of COVID-19
- 3) Project Management and Monitoring

The project beneficiaries include the population at large given the nature of the disease, but importantly the infected people and at-risk populations, particularly the elderly and people with chronic conditions, medical and emergency personnel, medical and testing facilities, and public health agencies engaged in the response. In addition, the beneficiaries of social protection measures are the poor and vulnerable households, including those with informal workers as identified through the existing government administrative systems, formal private sector

workers who were unemployed due to the lockdown or due to the restrictions adopted by the Government of Georgia to contain the spread of the COVID-19.

Project Cost is USD 180 million in Euro equivalent, being funded by the WB (USD 80 million) and AIIB (USD 100 million).

3. Key Dates

Approval:	May. 20, 2020	Signing:	May. 21, 2020
Effective:	Jun. 17, 2020	Restructured (if any):	
Orig. Closing:	Apr. 30, 2022	Rev. Closing (if any):	Apr. 30, 2023;

4. Disbursement Summary (EUR million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	84.48	Most recent disbursement (amount/date):	3.58/Dec. 27, 2021
Undisbursed:	6.86	Disbursement Ratio (%) ¹ :	92.49

5. Project Implementation Update

The project provides support for the procurement of essential equipment and supplies, intensive care unit (ICU) equipment (e.g. ventilators, patient monitors, bronchoscopes), drugs, and medical supplies to strengthen the capacity of public health facilities designated for COVID-19. The project also provides support to public and private facilities that are designated to receive COVID-19 patients to compensate them for idle capacity and ensure standby readiness to provide COVID-19 care. In addition, the Project introduces mitigation measures in the form of financial support for poor and vulnerable households to enable them to comply with social distancing and COVID-19 containment measures and lockdown orders.

AIIB's project loan was declared effective on June 17, 2020. Project implementation is currently underway. The Procurement Plan has been prepared, other key documents including Project Operations Manual, the Global Budget and Reimbursements Manual, and the Environment and Social Management Framework (ESMF) have also been finalized.

Satisfactory progress has been made in the implementation activities till date. Two out of three PDO indicators and eight out of ten intermediate indicators have already been achieved. The Project Operations Manual (POM) has been finalized and approved in October 2020, and further updated to reflect the changes in the legislation related to social benefits, and the additional financing for vaccines.

Over thirty debt disbursements have taken place so far, and the overall disbursement level has crossed 92% of the approved loan amount.

For Component 1, the Project Implementation Unit (PIU) has signed several contracts for COVID-19 Diagnostic Kits, and they have been working with UNOPS to procure Personal Protective Equipment (PPE) and critical medical equipment for key identified hospitals in Batumi, Kutaisi, Tblisi, and Rukhi.

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

Implementation of Component 2 has successfully been completed with the final claim of reimbursement received in June 2021. This component has supported unemployed individuals, self-employed whose activity was affected by the crisis, as well as vulnerable and extremely poor households.

The ESMF has been completed as of November 2020 and properly disclosed. The PIU has staff in place, in charge of implementing the requirements of the ESMF. There have been no complaints registered through the GRM. The Project Operations Manual (POM) adequately references the ESMF and includes the required safeguards for screening and management of potential impacts. The E&S implementation progress is in compliance with AIIB requirements.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Emergency Response Measures (Case Detection and Case Management)	Implementation is proceeding smoothly. Over 92% of the total committed amount has been disbursed.	The Borrower established a project implementation unit (PIU) with a composition satisfactory to WB and AIIB, including one environmental standards specialist, one social standards specialist and one occupational health and safety specialist.	In compliance. No issues identified at this stage.
Component 2: Enabling Health Measures and Social Protection		The Stakeholders Engagement Plan (SEP) has been under implementation, including carrying out regular meetings with various project stakeholders. Up to date, the PIU has not received any grievances directly associated with project activities. During the implementation of the Component 2, the social services agencies received a number of inquires related to issues such as correction of data, bank account information, etc., and these were all addressed within the legally required timeframe. The PIU has established a dedicated grievance mechanism to handle SEA/SH complaints and carried out a SEA/SH training for the representatives of health institutions involved in the project implementation. The project has not received any workers' grievances.	During the reporting period, medical equipment such as portable pulmonary ventilators, pulse oximeters, patient monitors, syringe pumps, flow meters, high pressure suction pumps and infusion pumps were delivered. Relevant medical personnel of four hospitals received training on the safe and effective use of the delivered equipment.
Component 3: Project Management			

Financial Management:

The prior agreed actions such as hiring of qualified FM staff, finalization of the external audit ToR and manuals have been completed, albeit with some delays. The external auditor for the project has been hired.

The first semi-annual project internal audit report has been shared and no major issues have been noted. The project implementation unit needs to share the next semi-annual internal audit report as per schedule. The IUFRR for quarter

ending March 31, 2021, has been received with some delay and no issues noted. The next IUFR for quarter ending June 30, 2021, and September 30, 2021 has been received and no major issues noted. The last quarter IUFR for December 31, 2021 has been received and is under review.

In AIIB loan amount, there is a difference of EUR 228350 (under reported) in the financial statements. This difference relates to AIIB's capitalized Front End fee. This needs to be reflected in the financial statements to account for the correct loan amount in the project books.

The audited project financial statement for FY2020, due on June 30, 2021, has been submitted within the due date. The auditor has given an unmodified audit opinion and no major internal control weaknesses have been noted except for deviation on the recognition of the foreign exchange transactions based on IPSAS Cash.

Un-audited interim financial statements were submitted on time, reviewed, and found to be acceptable. Audited project financial statements for 2021, are expected to be submitted to the Bank by the due date of June 30, 2022.

Minor Misalignment in Undisbursed Amounts for the two co-financiers: As per the Co-Lenders' Agreement, with an agreed co-financing ratio of 45:55, while the WB is disbursing at 45%, its allotted loan amount is lower (at 44.45%), resulting in a slightly higher burn rate and lower undisbursed balance. AIIB, on the other hand, is disbursing at the agreed 55%, while its allotted loan amount is higher (at 55.55%), resulting in a slightly lower burn rate and a higher amount of undisbursed AIIB funds. While the differences in the ratios seem small, the corresponding monetary disparity is valued at about EUR 895,000. The legal teams at WB and AIIB have discussed and determined a number of options to resolve this issue and shared these options with the MoILHSA. Based on the option preferred by the MoILHSA, the current misalignment in the undisbursed amounts will be fixed. Till the time MoILHSA's request is received, the current misalignment will be maintained and corrected with the final disbursement.

6. Status of the Grievance Redress Mechanism (GRM)

A functioning project level GRM has been formally established and disclosed publicly. No grievances have been received so far by the social service agency.

57 queries /clarifications (colloquially translated as complaints in Georgian) were responded to by the State Employment Support Agency (SESA), mostly related to changing of the bank accounts or challenges with ID card statuses.

7. Results Monitoring

The three key project results indicators identified were:

1. Number of people tested for COVID-19 identification per MoILHSA protocol
2. Number of COVID-19 patients treated per SSA reimbursement guidelines
3. Share of the population in the poorest quintile who are receiving the COVID-19 pandemic related social assistance programs

The Project commenced implementation in July 2020 after the PIU was set up.

In June 2021, IBRD has signed another Additional Financing (AF) Loan Agreement for this project, with an amount of EUR 28.7 million for vaccine financing. The original closing date of the parent project was April 30, 2022.

Considering the time involved for deployment of vaccines, the closing date for the AF (and consequently for the

parent project) has now been changed to April 30, 2023. Although AIIB did not participate in this additional financing, based on a request from the Ministry of Finance, the closing date for AIIB's loan was also extended by 12 months to April 30, 2023, to be in line with our co-financier.

Although the end targets in the results framework were determined with the Government in 2020, some of the targets which have already been achieved may be revised upwards, as the Government ramps up its efforts.

The most recent information regarding achievement of targeted results is listed below.

Project Objective Indicators #1

Number of people tested for COVID-19 identification per MoLHSA protocol

Year	Target	Actual	Comments, if any
Apr. 30, 2023	100,000	13,662,002.00	Baseline: 9,699

Project Objective Indicators #2

Number of COVID-19 patients treated per SSA reimbursement guidelines

Year	Target	Actual	Comments, if any
Apr. 30, 2023	2000	81587	Baseline: 431

Project Objective Indicators #3

Share of the population in the poorest quintile who are receiving the COVID-19 pandemic related social assistance programs

Year	Target	Actual	Comments, if any
Apr. 30, 2023	45%	30.20%	Baseline: 36% This indicator has been updated based on the annual household survey run by GEOSTAT and HIES 2020 dataset for a first update, and HIES 2021 for a second update. The result is considered to be counterintuitive, due to data collection-related limitations, especially with regard to emergency benefits. Therefore, the previously reported indicator value was inaccurate and should be disregarded.

Intermediate Result Indicators #1

Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOILHSA guidelines

Year	Target	Actual	Comments, if any
Apr. 30, 2023	32	52	Although the end targets in the results framework were determined with the Government, some of the targets, including this indicator, have already been achieved as the Government has ramped up its efforts to control the surge in the number of cases.

Intermediate Result Indicators #2

Number of personal protection equipment (PPE) purchased

Year	Target	Actual	Comments, if any
Apr. 30, 2023	12,000,000	17,374,000	This indicator has also been fully achieved with the help of IBRD and AIIB funds.

Intermediate Result Indicators #3

Number of designated public hospitals with fully equipped and functional intensive care units (ICUs)

Year	Target	Actual	Comments, if any
Apr. 30, 2023	4	4	This target has been achieved. Names of the hospitals with fully equipped ICUs as per the MoILHSA guidelines are: N. Kipshidze Central University Clinic (Tbilisi); Rukhi Republican Hospital, The First University Clinic, and Batumi Republican Clinical Hospital

Intermediate Result Indicators #4

Number of designated public hospitals with isolation capacity

Year	Target	Actual	Comments, if any
Apr. 30, 2023	4	4	Same hospitals as mentioned above, having operational isolation rooms and isolation wards in designated departments.

Intermediate Result Indicators #5

Enabling health measures (Temporary Income Support) - Vulnerable Households receiving temporary cash benefit

Year	Target	Actual	Comments, if any
Apr. 30, 2023	70,000	108,577	“Vulnerable” households are defined as those households without formal labor income, households with children; households with at least one member with a disability. The indicator tracked is the following: Registered households in the database with a score between 65 000 – 100 001 and households with a score less than 100001 with 3 or more children. Values disaggregated by type of benefit: 76,850 vulnerable households (TSA score between 65,001 and 100,000) and 24,655 households of families with three children or more. The value of indicators reported refers to the use of funds covered by the project, which is jointly financed by IBRD (45% of the loan) and AIIB (55% of the loan).

Intermediate Result Indicators #6

Number of formal private sector workers laid off because of COVID-related lock down restrictions who receive a temporary

unemployment benefit, by gender

Year	Target	Actual	Comments, if any
Apr. 30, 2023	135,000	268,292	268,292 individuals have received unemployment benefits, out of which, women beneficiaries were 147,709 (i.e. 55.05% of total)

Intermediate Result Indicators #7

Number of TSA beneficiary households

Year	Target	Actual	Comments, if any
Apr. 30, 2023	124,000	121,955	Baseline: 118,100 Out of 121,955 beneficiary households, 51% were female headed households.

Intermediate Result Indicators #8

Complaints received related to COVID related social assistance programs

Year	Target	Actual	Comments, if any
Apr. 30, 2023	5	0	In January and February 2021, overall 57 queries / clarifications (colloquially translated as complaints in Georgian) were received, out of which 40 were related to the request to change bank account details; 4 were related to request for proof of compensation receipts; 2 requests related to compensations canceled due to death; and 11 requests for compensations received from ineligible individuals, thus no compensation was made and responses were given to all of them. None of these requests qualified as complaints.

Intermediate Result Indicators #9

Number of informal workers who receive the one-off benefit, by gender

Year	Target	Actual	Comments, if any
Apr. 30, 2023	340,000	368,693	368,693 of which, 165,008 (44.75%) were women

Intermediate Result Indicators #10

Percentage of beneficiaries reporting that community engagement and outreach meet their needs

Year	Target	Actual	Comments, if any
Apr. 30, 2023	70 percent	0	The previously reported indicator value was inaccurate, as it referred to the percentage of clarifications sought by the community which have been satisfactorily resolved. It is proposed to conduct a phone survey in April/May 2022, to measure the progress on this indicator and to collect feedback from project beneficiaries to

			ultimately improve service delivery. The WB team will provide technical support to design the sampling strategy and questionnaire.
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Remarks:

The value of indicators reported refers to the use of funds covered by the project, which is jointly financed by IBRD (45% of the loan) and AIIB (55% of the loan).
