



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 02-Jan-2022 | Report No: PIDC33188



BASIC INFORMATION

A. Basic Project Data

Country South Africa	Project ID P174259	Parent Project ID (if any)	Project Name South Africa COVID-19 Emergency Response Project (P174259)
Region AFRICA EAST	Estimated Appraisal Date Mar 11, 2022	Estimated Board Date Apr 29, 2022	Practice Area (Lead) Health, Nutrition & Population
Financing Instrument Investment Project Financing	Borrower(s) Republic of South Africa	Implementing Agency National Department of Health	

Proposed Development Objective(s)

The project development objective is to support the Government of South Africa to purchase COVID-19 vaccines to reach the target population.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	800.00
Total Financing	800.00
of which IBRD/IDA	800.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	800.00
--	--------

Environmental and Social Risk Classification
Substantial

Concept Review Decision
Track II-The review did authorize the preparation to
continue



Introduction and Context

Country Context

- 1. South Africa is an upper-middle income country that is still emerging from massive economic and racial inequality.** With a population of approximately 60 million people, the country's gross domestic product per capita (current US\$) in 2020 is US\$5,091. After the apartheid government ended in 1994, it was replaced by a constitutional democracy and had 15 years of significant development progress. However, the country still suffers from its legacy of apartheid with inequality. With a Gini coefficient of 63, South Africa is ranked by the World Bank as the most unequal country in the world.
- 2. Coronavirus disease (COVID)-19 hit the South African economy at a time when the economy was already in recession.** The recent International Monetary Fund (IMF) World Economic Outlook estimates economic growth had fallen to 1.5 percent in 2019 compared with 3.0 percent in 2010 and the economy contracted by 6.4 percent in 2020 compared with the regional average of 1.7 percent. The unemployment had soared to 29.1 percent in the third quarter of 2019 reached a record of 34.9 percent, with 7.6 million jobless people by the third quarter in 2021 (Department of Statistics South Africa, 2021). While poverty had registered some improvement since 2015, it remained high at 49.2 percent in 2019, compared with 55.5 percent in 2015 (World Bank 2020). The severe contraction in 2020 is estimated to have put additional 2 million people into poverty. The COVID-19 pandemic is expected to reverse some progress in human capital formation which may have long-lasting consequences for human capital accumulation and productivity growth.
- 3. South Africa is hit hard by the COVID-19 pandemic.** As of December 7, 2021, South Africa registered the highest number of infections (3.1 million) on the continent and the highest cumulative deaths per million with more than 90,000 deaths on December 7, 2021. South Africa has gone through three waves of COVID-19 with peaks reaching higher than that of the previous wave. The country is currently entering the fourth wave driven by the Omicron variant with sustained increases in COVID-19 infections since mid-November.
- 4. The Government of South Africa (GoSA) has introduced unprecedented measures in its fight against COVID-19.** In less than two weeks from registering its first case on March 5, 2020, South Africa declared a national state of disaster with a partial travel ban, closing of schools and prohibiting gatherings of more than 100 people, among other measures. The government also enacted significant relief packages to counter the adverse impacts of the lockdown on economic activity, especially for low-wage workers and poorer households. Also, Parliament passed the Disaster Management Tax Relief Bill, 2020 and Disaster Management Tax Relief Administration Bill 2020 to assist with alleviating cash flow burdens on tax compliant small to medium sized businesses.

Sectoral and Institutional Context

- 5. The GoSA proactively responded to the pandemic and prepared a National Plan for COVID-19 Health Response.** The government established a National COVID-19 Command and Control Council, comprising ministers from various departments on March 15, 2020 to lead intergovernmental coordination and influence government-wide decision concerning the response to COVID-19. The National Department of Health (NDoH) developed the National Plan for COVID-19 Health Response. To contain the spread of COVID-19 and manage the gradual ease of lockdown, a five-level alert risk-adjusted strategy was developed which is informed by epidemiological trends of infections, health system capacity to respond to the disease burden and any other factor that would influence level of infection, hospitalization and mortality.



6. **The GoSA has committed to a robust whole-of-government response where decision-making is driven by science and equity.** There has been focus on open line of communication with the public and all stakeholders for clear, accessible, and scientifically accurate information about COVID-19. South Africa has also been successful in building local vaccine development and manufacturing capacity as well as genomic surveillance capacity through strategic partnerships and technology transfer. A critically important change in the state of science since the early stages of the pandemic has been the successful development and expanding production of COVID-19 vaccines. In January 2021, under the leadership of the Ministerial Advisory Committee on COVID-19 Vaccines, the NDoH developed the COVID-19 Vaccine Strategy to ensure equitable access to vaccine.

7. **The GoSA has assessed the country's readiness for COVID-19 vaccine deployment to identify gaps and adjusted its strategy as per the evolving situation.** Drawing on the findings of the readiness assessment and gap analysis, an updated strategy, along with COVID-19 Vaccine Implementation Guide and Toolkit, guides vaccine delivery mechanisms and defines roles and responsibilities of different actors for vaccine introduction, various purchasing mechanisms, funding implication, and priority groups for vaccination.

8. **The GoSA intends to vaccinate about 78 percent of the total population in a phased manner,** starting with the frontline health care workers, vulnerability to COVID-19 morbidity and mortality, and the need to ensure continuity of essential services. In October 2021, the GoSA expanded the priority group to cover adolescents aged between 12 and 17 years.

9. **South Africa has access to enough vaccines to cover the existing priority groups and vaccination program is ongoing.** As of December 7, 2021, 26.6 million vaccine doses have been administered in South Africa. Despite a relatively slow start, vaccination steadily increased from June 2021 and as of December 7, over 17.2 million adults (18 years and older) have been vaccinated including 14.9 million adults fully vaccinated. This is approximately 38 percent of the total adult population. The total number of adolescents vaccinated with one dose of Pfizer vaccine is 652,197. There is variation in vaccination status of adults by age and gender as well as provinces. In general, females have a higher COVID-19 vaccination rate compared to males. While less than a third of adults are fully vaccinated in Kwazulu-Natal, almost half of adults are vaccinated in Free State.

Relationship to CPF

10. **The proposed project aligns with the World Bank's emergency support to COVID-19 in South Africa, and South Africa's Country Partnership Framework (CPF) of the World Bank Group (WBG) for FY22-26 (Report No. 154318-ZA).** The proposed project will contribute to the CPF's Focus Area 2: Strengthen micro, small, and medium enterprise performance and skills development to support job creation by enabling the country to strengthen employment services and expanding access skills training programs, both of which cannot be achieved without controlling the ongoing pandemic. Also, the proposed project will contribute to Cross-Cutting Theme 2. Gender - Empowering Women and Girls for Shared Prosperity by protecting the frontline health care workers, the majority of whom are female.

11. **The proposed project contributes directly to the development objective of the WBG COVID-19 Strategic Preparedness and Response Program (SPRP) as well as WBG's strategic priorities, particularly its mission to end extreme poverty and boost shared prosperity.** It will focus on acquisition of COVID-19 vaccines from a range of sources to support South Africa's objective to have a portfolio of options to access vaccines under the right conditions of value-for-money, regulatory approvals, and delivery time among other key features. 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 care workers. By supporting



the country's vaccination program against COVID-19, the proposed project will also help the country better cope with the pandemic and reduce unemployment, poverty and inequity. Also, it will help to improve health and education outcomes and thus have a positive impact on human capital for sustained economic growth.

C. Proposed Development Objective(s)

The project development objective is to support the Government of South Africa to purchase COVID-19 vaccines to reach the target population.

Key Results

12. The **proposed project development objective indicators** are:

- Population fully vaccinated (as per the national guidelines), by gender (percentage).
- Provinces with at least 50 percent of population fully vaccinated (number)

The proposed indicators will be updated depending the final project design during the preparation.

D. Concept Description

13. **The proposed Project is part of the Global COVID-19 MPA (SPRP)** and will support South Africa to respond to the COVID-19 pandemic. The proposed project is designed around two components as described below, for now, but the scope and financing size will be agreed with the government after the technical, fiduciary and environmental and social management reviews are completed during preparation.

14. **Component 1. Emergency COVID-19 Response aims to support the GoSA to procure vaccines against the COVID-19 to vaccinate up to 70 percent of population** and thus prevent the spread of COVID-19 and deaths. Specifically, the project will finance vaccine purchase. The GoSA, with support from other partners, will finance deployment of the vaccines including risk communication and community mobilization as part of the GoSA's vaccination program. Since the GoSA has already signed contracts with COVAX, J&J and Pfizer to procure vaccines and some are already deployed, the proposed project will retrospectively finance vaccine purchase to allow the government to continue financing priority COVID-19 response activities and the deployment of the COVID-19 vaccines procured by the project. Given the recent emergence of COVID-19 and its variants, there is no conclusive data available on the duration of immunity that vaccines will provide. Thus, the proposed project will allow for re-vaccination efforts (e.g., additional dose or booster) as warranted by peer-reviewed scientific knowledge as it becomes available during the project life.

15. **Component 2. Project Management and monitoring and evaluation (M&E) aims to ensure adequate project management, and M&E.** Existing coordination structures operating in the NDoH would be entrusted with coordination and monitoring of project activities, as well as fiduciary and environmental and social management. Support for the strengthening of public structures may be provided, including financial management, procurement, and environmental and social risk management. Component 2 may also support M&E of overall vaccination and related surveillance (e.g., adverse events following immunization) program, as well as project reporting.



Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

16. **The environmental risk rating for the project is considered to be Substantial** at this stage due to the potential adverse impacts on the environment, occupational health and safety, and community health and safety risks that may arise from activities associated with the deployment of vaccines procured under the project. The proposed project supports the procurement (retroactive financing) of vaccines. Activities associated with the deployment of vaccines, although not directly financed under the proposed project, are anticipated to have a potential environmental risk. The scale of the vaccine deployment planned under the project is considered to be large, as deployment will take place on a national level with an aim to reach approximately 70 percent of the population. The Borrower is considered to have high capacity and has robust national systems in place to address the likely impacts associated with the deployment of vaccines. However, capacity challenges including occupational health and safety, inadequate waste management at facilities, poor hygiene, and infection control measures are reported to exist at the provincial and district levels. This is the first project that the NDoH will implement under the World Bank Environmental and Social Framework (ESF) and therefore it is anticipated that capacity building, especially at the implementation level in provinces and districts, will be required. The project will not support any civil works or expansion of existing infrastructure as all activities will take place within the existing facility and outreach site footprints. The direct and indirect environmental impacts and risks of vaccine procurement under Component 1 are associated with: (a) environmental pollution and community health and safety associated with transfer, management, generation, and disposal of medical, healthcare, and general wastes related to the vaccines procured by the project; (b) occupational health and safety risks associated with transfer, handling, administering, and disposal of vaccines procured under the project; (c) occupational and community health and safety risks related to poor hygiene and infection control measures and poor waste segregation at storage, transfer, deployment, and disposal facilities related to vaccines deployed under the project; (d) road accidents during transporting vaccines especially to rural areas with poor road infrastructure; and (e) community health related to potential deterioration of effectiveness of the vaccines from ineffective management of cold chain temperature regulations and logistics due to unreliability of electricity supply. Component 2 will support the strengthening of the existing public structures on a national and provincial level to coordinate, monitor, and evaluate the implementation of the project. Under this component, additional resources including environmental and social (E&S) resources will be recruited, if/when needed, and therefore there are no impacts or risks associated with this component.

17. **The anticipated social risks are Substantial**, and the final risk rating will be decided after the review of E&S management system and practices has been completed. Broadly, South Africa has a robust system to respond to COVID-19 and vaccine roll-out while also attending to different E&S risks and impacts. These include the National Infection Prevention and Control Strategic Framework, National Plan for COVID-19 Health Response, COVID-19 Vaccine Rollout Communication Strategy, Vaccine Demand Creation Plan, among others. The GoSA has also adopted a multi-sectoral approach to contain and mitigate the spread of COVID-19 that is in line with WHO guidelines. A National COVID-19 Command and Control Council, comprising ministers from various departments, is responsible for leading intergovernmental coordination in relation to COVID-19 response, and a National Vaccine Coordinating Committee is established for overall coordination of vaccine roll out together with provinces and the private sector. Information, education and communication materials, including posters and social media messages to promote



registration for vaccination through the Electronic Vaccine Data System (EVDS); strategies to engage communities in combating mistrust and build public confidence in the vaccine; partnerships with community organizations, engaging trusted messengers and influencers at the local level; management of mis/disinformation on COVID-19 and vaccines tracked from social media; and establishment of call center, are all important part of the vaccine rollout and communication strategy. To ensure easy access, vaccines are administered in a variety of centers, including district level private and public hospitals/facilities, vaccination centers, mobile teams, remote/facility-based vaccination centers (e.g., community pharmacies), outreaches (e.g., elderly home), work-based vaccination for essential workers. While advance registration through EVDS is strongly encouraged, walk-ins are allowed, and informed consent is required prior to being vaccinated. For the uninsured, the cost of vaccine and its administration is covered by GoSA, while the insured are covered by medical schemes. Additionally, Vooma vaccination vouchers (R200) have been introduced as incentives for individuals aged 50+. As of December 7, 2021, 26.6 million vaccine doses have been administered, and approximately 38 percent of the total adult population has been vaccinated. There is however variation in vaccination status amongst different groups--females have a higher rate of COVID-19 vaccination compared to males; while less than a third of adults are fully vaccinated in Kwazulu-Natal, almost half of adults are vaccinated in Free State. Despite the robust framework, there are potential risks associated with vaccine deployment in South Africa including: (a) lack of inclusiveness and equity in access to vaccine related information and the administering of vaccines; (b) exclusion of marginalized/vulnerable groups on the basis of age, gender, race, ethnicity, religion, disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or indigenous status, etc., during vaccine deployment; (c) political pressures to provide vaccines to groups that are not prioritized and/or misalignment of target groups with available vaccines; (d) inadequate or conflictual public engagement and consultations; (e) social conflicts resulting from false rumors/misinformation about vaccines and mistrust in public health system; (f) reprisals and retaliation against HCWs and researchers; (g) lack of access to effective grievance redress mechanism; (h) labor management and occupational health and safety related risks to healthcare workers; and (i) risks of sexual exploitation and abuse (SEA) and sexual harassment (SH) to project workers and beneficiaries.

18. **The SEA/SH risk is rated Moderate.** The World Bank SEA/SH Risk Screening Tool indicates the risk score for the project as being 'low.' However, the high levels of gender-based violence (GBV) in South Africa (i.e., 25 and 40 percent of South African women have experienced sexual and/or physical intimate partner violence in their lifetimes) combined with increases in GBV both during and before the pandemic, point to a potentially higher level of risks. Thus, GBV/SEA/SH risks associated with project activities will be further examined as part of the E&S Review, and necessary actions to address such risks will be reflected in a GBV and SEA/SH Action Plan that will be prepared as part of the Environmental and Social Management Framework (ESMF) and also included in the Environmental and Social Commitment Plan (ESCP).

CONTACT POINT

World Bank

Yi-Kyoung Lee, Thulani Clement Matsebula, Toni Lee Kuguru
Senior Health Specialist

Borrower/Client/Recipient



Republic of South Africa
Dondo Mogajane
Director General
Dondo.Mogajane@treasury.gov.za

Implementing Agencies

National Department of Health
Dr. Nicholas Crisp
Deputy Director General of National Health Insurance
Nicholas.Crisp@health.gov.za

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Yi-Kyoung Lee, Thulani Clement Matsebula, Toni Lee Kuguru
----------------------	---

Approved By

Country Director:	Asmeen M. Khan	05-Jan-2022
-------------------	----------------	-------------