



The World Bank

Additional Financing for Malawi COVID-19 Emergency Response and Health Systems Preparedness Project
(P176402)

Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 25-May-2021 | Report No: PIDA31651



BASIC INFORMATION

A. Basic Project Data

Country Malawi	Project ID P176402	Project Name Additional Financing for Malawi COVID-19 Emergency Response and Health Systems Preparedness Project	Parent Project ID (if any) P173806
Parent Project Name Malawi COVID-19 Emergency Response and Health Systems Preparedness Project	Region AFRICA EAST	Estimated Appraisal Date 26-May-2021	Estimated Board Date 18-Jun-2021
Practice Area (Lead) Health, Nutrition & Population	Financing Instrument Investment Project Financing	Borrower(s) Republic of Malawi	Implementing Agency Ministry of Health

Proposed Development Objective(s) Parent

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

Components

Emergency COVID-19 Response
Supporting National and Sub-national, Prevention and Preparedness
Implementation Management and Monitoring and Evaluation

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	30.00
Total Financing	30.00
of which IBRD/IDA	30.00
Financing Gap	0.00

DETAILS

World Bank Group Financing



International Development Association (IDA)	30.00
IDA Grant	30.00

Environmental and Social Risk Classification

Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Malawi is a landlocked country in south-eastern Africa and one of the poorest countries in the world.** Around 85 percent of Malawi’s population is estimated to live in rural areas and rely on rainfed agriculture for employment. Malawi’s real per-capita GDP has remained largely flat over the last two decades and now lags behind regional peers. Malawi has one of the lowest rates of total investment in Sub-Saharan Africa, averaging 14.9 percent of GDP since 2000 compared to neighboring Tanzania at 24.5 percent and Zambia at 34.7 percent. Growth and investment have historically been undermined by macroeconomic instability. From 2011 to 2016 Malawi saw its exchange rate depreciate rapidly and inflation rise above 20 percent, which led to some of the highest interest rates in the region, depressing investment and impeding structural transformation.
- 2. Malawi’s development challenges are significant.** Despite being among the 15 most agriculture-dependent countries in the world, Malawi’s economy has been defined by an underproductive and predominantly rainfed agriculture sector. Malawi’s natural assets are increasingly under pressure from population growth and climate shocks. Meanwhile, job creation is restricted by market distortions and unreliable access to information and communication technology (ICT), electricity, and finance. While Malawi has made impressive gains on the Human Capital Index (HCI), rising from 0.36 to 0.41 over the last 10 years, population growth reinforces the exclusion of women from opportunities, outstrips job creation, strains rural land, and puts unsustainable pressure on classroom capacity and learning outcomes.
- 3. Malawi’s economy has been heavily impacted by the COVID-19 pandemic.** Growth is estimated at 1.0 percent for 2020, compared with earlier projections of 4.8 percent, but is projected to rebound in 2021 to 2.8 percent, although the nature of the recovery will depend on the evolution of the COVID-19 pandemic and government’s policy actions. The COVID-19 crisis is increasing poverty, particularly in urban areas, where the services and industry sectors have been hit hard. The pandemic is also disproportionately affecting human capital investment in poor households, reducing future intergenerational income mobility.



Sectoral and Institutional Context

4. **Status of the COVID-19 situation:** Malawi's first confirmed case was registered on April 2, 2020 with the first wave between June and August 2020. Between mid-December 2020 and March 2021, Malawi experienced the second wave. In less than four months since the beginning of the second wave, the cumulative number of confirmed cases increased fivefold from 6,070 on December 19, 2020 to 33,551 on March 31, 2021. Similarly, a sixfold increase in the cumulative number of deaths (from 187 to 1,117) was recorded during the same period. As of April 20, 2021, the cumulative number of cases and deaths stand at 33, 986 and 1,142, respectively. Genomic sequencing of 24 COVID-19 positive samples collected between mid-December 2020 and mid-January 2021 found that 18 samples (75 percent) were the South African B.1.351 variant. As of April 20, 2021, Malawi has received 510,000 doses of AstraZeneca vaccines and vaccinated 260,614 people. Malawi remains at risk given: (i) the COVID-19 variant B.1.351, which has greater transmissibility, has been detected in the country since mid-December 2020; (ii) slow roll out of the vaccine due to challenges in global supply chain compounded by vaccine hesitancy; and (iii) the COVID-19 situation in its neighboring region remains fluid.
5. **Government of Malawi (GoM) response:** The GoM has responded to the COVID-19 pandemic to minimize cases and deaths. In March 2020, the country developed in collaboration with technical partners a costed contingency plan focusing on critical priorities and immediately committed MWK 2.5 billion (US\$3.4 million) towards the COVID-19 response. This plan was updated as the situation evolved, and more funding became available. The GoM gradually intensified its efforts, initially focusing on measures such as screening at airports and other points of entry (PoE). The measures were enhanced after the President declared a "State of Disaster" (March 20, 2020) including: (i) redeployment of health personnel to border and PoE; (ii) travel suspension; (iii) closing of all schools and colleges; (iv) restricting public gatherings to less than 100 people; and (v) banning travel of foreign nationals from countries highly affected by COVID-19. In response to the second wave, the President declared a second "State of Disaster" on January 12, 2021 and identified priority needs: (i) testing and contact tracing; (ii) recruitment of additional medical personnel; (iii) procurement of medical equipment (e.g. oxygen); and (iv) increasing hospital space or infrastructure as priority needs. The country also requires urgent access to vaccination to contain the number of COVID-19 infections and deaths.
6. **Malawi has conducted a 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 (i.e., WHO, UNICEF). This assessment, updated on March 4, 2021, is informed by the government's vaccine deployment strategy. 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 continue to improve project implementation. Vaccine deployment will leverage the existing Expanded Program for Immunization structures with enhancements to cover the expanded scope. In preparation for vaccine deployment, Malawi has:
 - Identified specific target groups (Phase 1: health and social workers, people with co-morbidities, the elderly and refugees and internally displaced populations (IDPs)) to vaccinate, including coverage of vulnerable populations in line with WHO recommendations
 - Designed a COVID-19 vaccine social mobilization, risk and crisis communication strategy and initiated routine surveys to track knowledge and attitudes
 - Agreed to use the Vaccine Approval Criteria (VAC) for vaccines procured through the proposed Additional Financing (AF), in line with World Bank requirements



- Made provisions for performance monitoring, oversight, and surveillance at different levels of the health system to track coverage, acceptability, and adverse events following immunization (AEFIs)
- Elaborated a National Vaccine Coverage and Purchase Plan
- Rolled out a digital solution for registration that also includes stock monitoring, reporting, and monitoring of AEFIs and an SMS system for sending vaccine reminders for 2nd dose

16. **The GoM has prepared a National Vaccine Deployment Plan** which draws on the findings of the initial Vaccine Introduction Readiness Assessment and gap analysis. The National Vaccine Deployment Plan (NVDP) was approved on February 6th, 2021 by the MoH and subsequently by the COVAX Committee on February 18th, 2021. The NVDP has been integrated into the broader revised COVID-19 Response and Preparedness Plan. The NVDP is a living document that envisages a phased approach with the target of vaccinating 20 percent of the population during the first phase and 60 percent overall in three phases. The proposed targeting is inclusive, equitable, and aligned to the WHO SAGE Roadmap for Prioritizing Uses of COVID-19 Vaccines in the Context of Limited Supply.

17. **Malawi has already received and is deploying COVID-19 vaccines.** According to the COVAX Facility distribution letter dated January 29, 2021, Malawi expects to receive 1,476,000 doses from the COVAX Facility by the end of June 2021. These doses could be supplied by either Serum Institute of India (SII) and SK Bioscience (SKBio). The first batch of COVAX delivery of 360,000 doses of the AstraZeneca vaccine supplied by SII arrived on March 6, 2021. In addition to the COVAX Facility, the Government of India donated 50,000 doses and the African Union donated 100,000 doses of AstraZeneca which have arrived in Malawi. The GoM is seeking other support from partners for the purchase of additional vaccine doses to reach the NVDP overall target of 60 percent.

C. Proposed Development Objective(s)

Original PDO

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

Current PDO

The PDO remains the same with the additional financing (AF).

Key Results

7. **The parent project's progress towards achievement of the PDO and overall implementation progress are rated Satisfactory and Moderately Satisfactory** respectively in the last Implementation Status and Results Report (ISR) of November 1, 2020, and the project continues to make good progress. As of April 21, 2021, disbursements amount to US\$5.5 million or 74.0 percent of commitments. The project has strengthened Malawi's capacity to prevent, diagnose and treat COVID-19 through (i) procurement of critical medical and diagnostic supplies and equipment; (ii) training of health surveillance assistants (HSAs), health workers and lab technicians/technologists; and (iii) support to rapid response teams. By June 30, 2021, expenditures amounting to about US\$6.0 million are estimated to be disbursed. The undisbursed amount is committed.

D. Project Description

Component 1: Emergency COVID-19 Response (parent project US\$5.3 million equivalent; proposed AF

US\$28.8 million equivalent)

New Subcomponent

Subcomponent 1.3: Vaccine Procurement and Deployment (parent project US\$0.00 million equivalent; proposed AF US\$26.0 million equivalent)

8. **To support the Government’s vaccination planning, the proposed AF will finance upfront technical assistance to support Malawi to establish institutional frameworks for the safe and effective deployment of vaccines.** These include: (i) guidelines for intra-country vaccination allocation; (ii) guidelines/protocols related to ensuring that there is no forced vaccination and that any mandatory vaccination program (such as entry to schools) is well designed including regarding consent and follows due process for those who choose to opt out; and (iii) the strengthening of accountability, grievances, and citizen and community engagement mechanisms.
9. **The proposed AF will support investments to bring immunization systems and service delivery capacity to the level required to successfully deliver COVID-19 vaccines at scale.** To this end, the proposed AF is geared to assist the GoM, working with the World Bank, WHO, UNICEF and other development partners, to overcome bottlenecks as identified in the COVID-19 vaccine readiness assessment in the country. While most support under this subcomponent 1.3 is allocated towards vaccine procurement (71.0 percent), 16.0 percent will provide complimentary support to deployment priorities identified in the NVDP. These include support to: (i) logistics along the supply chain; (ii) the rollout/strengthening of digital platforms linked to One Health Surveillance Platform and the HMIS including the e-Vaccination platform and openLMIS; (iii) monitoring and investigation of adverse events following immunization; and (iv) enhancing waste management capacity including trainings with modules on health care waste management in flood prone areas. The AF will also support demand creation and Risk Communication and Community Engagement interventions that are critical to the success of the COVID-19 vaccination efforts.

Revised Subcomponents

Subcomponent 1.1: Case Detection, Confirmation, Contact Tracing, Recording, Reporting (parent project US\$4.1 million equivalent; proposed AF US\$1.0 million equivalent)

10. **Although diagnostic testing is part of Malawi’s comprehensive strategy to control COVID-19, limited laboratory capacity (e.g. shortage of test kits, reagents, suboptimal testing performance) poses a challenge in the diagnosis of cases.** COVID-19 testing in Malawi is being conducted in 15 molecular testing sites using reverse transcription-polymerase chain reaction (RT-PCR) and GeneXpert platforms as well as 206 sites using antigen rapid diagnostic tests. The MoH aims to establish the origin and variants of COVID-19 by building in-country SARS-CoV-2 genomic sequencing capacity which will contribute to the understanding of the dynamics of the pandemic.
11. **The proposed AF will scale up and support:** (i) optimization of existing RT-PCR platforms including service contracts and calibration of Abbott platforms to accommodate multiple COVID-19 test kits (e.g. Daangen); (ii) procurement of reagents for RT-PCR test; (iii) procurement of genomic sequencing equipment and reagents; and (iv) the LIMS which is linked to OHSP and provides real time data on COVID-19 diagnosis.



Subcomponent 1.2: Health System Strengthening (parent project US\$1.2 million equivalent; proposed AF US\$1.8 million equivalent)

12. **COVID-19 patients require two to six times more oxygen than the average non-COVID-19 intensive care unit patient.** A January 2021 biomedical equipment survey¹ conducted in health facilities across Malawi found a significant scarcity of oxygen production and delivery equipment and supplies, limited health facility capacity and infrastructure to treat patients, and inequitable distribution of resources for respiratory care in the country. Of the four central hospitals (major referral) in Malawi, only two have oxygen plants, and the country has a total of six pressure swing absorption (PSA) plants. The proposed AF will support: (i) procurement and installation of a PSA plant and oxygen supply system at a central hospital as well as supply of oxygen cylinders to an estimated five neighboring district hospitals; (ii) procurement of oxygen therapy equipment that will use climate smart technologies; (iii) operations and management including maintenance of the PSA plant; (iv) development of training materials; and (v) training of biomedical technicians/engineers on production and management of the PSA plant and health workers on the proper provision of oxygen therapy.

Component 3: Implementation Management and Monitoring and Evaluation (parent project US\$.75 million equivalent; proposed AF US\$1.2 million equivalent)

13. To ensure equitable access to vaccines, especially by targeted vulnerable populations, there is need for close monitoring of the vaccine administration process and putting in place mechanisms to prevent some segments of the population taking advantage of others; in this regard, this component will support: (i) strengthen monitoring and reporting of adverse occurrences such as elite capture, Grievance Redress Mechanism (GRM) and citizen engagement activities; (ii) implementation of the Environmental and Social Commitment Plan (ESPC); (iii) project coordination and supervision of project activities including use of Geo-Enabling Monitoring and Supervision (GEMS); and (iv) an independent assessment of the implementation of the Malawi COVID-19 response.

Legal Operational Policies

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

Summary of Assessment of Environmental and Social Risks and Impacts

¹ PATH. Biomedical Equipment for COVID-19 Case Management Malawi Facility Survey Report. Seattle: PATH; 2021.



E. Implementation

Institutional and Implementation Arrangements

14. **Stewardship and oversight.** The Presidential Task Force (PTF) on COVID-19 will provide oversight to the implementation of the vaccine deployment plan aided by the National Disaster Preparedness and Relief Committee (NDPRC) and MoH's Health Cluster Committee (HCC). The PTF is the high-level coordination structure overseeing cross-Government preparedness and response activities of the COVID-19 outbreak and is co-chaired by the MoH. The NDPRC provides policy guidance and leadership in implementation of the COVID-19 response under the chairmanship of the Secretary to the President and Cabinet and includes Permanent Secretaries from all government ministries. The Department of Disaster Management Affairs (DoDMA) facilitate appropriate coordination arrangements and communication between Government, UN, and NGOs in responding to emergencies and during Preparedness and Response planning process. The MoH is the technical lead institution for implementing COVID-19 preparedness and response activities and provides all the necessary technical support and expertise through the HCC chaired by the Chief of Health Services.
15. **Implementation and monitoring arrangements.** The Public Health Institute of Malawi (PHIM), with support of the Project Implementation Unit (PIU), coordinates implementation and monitoring of the parent project. Three changes will be made to this arrangement to reflect the expanded scope of the AF. First, the EPI program under the Directorate of Preventive Health Services (PHS) will be responsible for implementation of vaccine-related activities and the EPI program manager will be designated to interface between the EPI program and the PHIM/PIU. Secondly, the Clinical Directorate will be responsible for implementing oxygen-related activities under Subcomponent 1.2 and will designate the program manager for the Acute Respiratory Tract Infection Control Program to interface with the PHIM/PIU. Lastly, the Health Technical Support Services (HTSS) Directorate will be responsible for implementing the activities under Subcomponent 1.1 and part of subcomponent 1.2. A diagnostics division lead and a biomedical engineer will be designated from HTSS to interface with the PHIM/PIU. The designated officials will be expected to actively participate in the regular project implementation meetings and missions.
16. **Project management.** The PIU, housed in PHIM, will continue to be responsible for the day-to-day management of the project. The PIU was enhanced with additional assistants. The PIU is responsible for M&E, supervision and fiduciary activities including preparation and consolidation of annual workplans and a consolidated activity and financial report for the project. Refer to the parent project PAD for more details.

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APPROVAL

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