



Report No: PAD4926

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF US\$22.95 MILLION

WITH THE GLOBAL CONCESSIONAL FINANCING FACILITY SUPPORT

IN THE AMOUNT OF US\$2.05 MILLION

AND A GRANT FROM THE IBRD FUND FOR INNOVATIVE GLOBAL PUBLIC GOODS SOLUTIONS

IN THE AMOUNT OF US\$4.00 MILLION

TO

THE LEBANESE REPUBLIC

FOR

STRENGTHENING LEBANON'S COVID-19 RESPONSE PROJECT

UNDER THE

COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)

WITH A FINANCING ENVELOPE OF

UP TO US\$6 BILLION APPROVED BY THE BOARD ON APRIL 2, 2020 AND
UP TO US\$12 BILLION ADDITIONAL FINANCING APPROVED BY THE BOARD
ON OCTOBER 13, 2020

MAY 16, 2022

Health, Nutrition & Population Global Practice
Middle East And North Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective May 10, 2022)

Currency Unit =	Lebanese Pound (LBP)
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1507.5 LBP =	US\$1 (official rate)
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FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

AEFI	Adverse Events following Immunization
AF	Additional Financing
CIB	Central Inspection Bureau
CoA	Court of Accounts
COVAX	COVID-19 Vaccines Global Access
CPF	Country Partnership Framework
DA	Designated Account
ESCP	Environmental and Social Commitment Plan
ESMF	Environmental and Social Management Framework
ESS	Environmental and Social Standards
FM	Financial Management
FTCF	Fast Track COVID-19 Facility
GCFF	Global Concessional Financing Facility
GoL	Government of Lebanon
GPG	Global Public Goods
GRS	Grievance Redress Service
HEPRTF	Health Emergency Preparedness and Response Trust Fund
IBRD	International Bank for Reconstruction and Development
ICU	Intensive Care Unit
IDA	International Development Association
IDSR	Integrated Disease Surveillance and Response
IBM	Iterative Beneficiary Monitoring
IEC	Information, Education and Communication
IFC	International Finance Corporation
IFRC	International Federation of the Red Cross and Red Crescent societies
IFRs	Interim Financial Reports
IMC	International Medical Corps
IMF	International Monetary Fund
ICWMP	Infection Control and Waste Management Plan
IMPACT	Inter-Ministerial and Municipal Platform for Assessment Coordination and Tracking
IPC	Infection Prevention and Control
JMC	Joint Monitoring Committee
LHRP	Lebanon Health Resilience Project
LMICs	Low- and Middle-Income Countries
LMP	Labor Management Procedure
LRC	Lebanese Red Cross



MENA	Middle East and North Africa
MoF	Ministry of Finance
MoPH	Ministry of Public Health
MPA	Multiphase Programmatic Approach
NCC	National Coordination Committee (National COVID-19 Vaccine Committee)
NCDs	Non-Communicable Diseases
NDVP	National Deployment and Vaccination Plan
NGO	Non-Governmental Organization
PAD	Project Appraisal Document
PDO	Project Development Objective
PFS	Project Financial Statements
PMU	Project Management Unit
PoB	Port of Beirut
POM	Project Operations Manual
PP	Procurement Plan
PPEs	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
RCCE	Risk Communication and Community Engagement
RETF	Recipient Executed Trust Fund
SEA/SH	Sexual Exploitation and Abuse/ Sexual Harassment
SEP	Stakeholder Engagement Plan
SOEs	Statements of Expenditures
SPRP	Strategic Preparedness and Response Program
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
TORs	Terms Of References
TPMA	Third-Party Monitoring Agent
UN	United Nations
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
US\$	US dollar
VAC	Vaccine Approval Criteria
VRAF/VIRAT 2.0	Vaccine Introduction Readiness Assessment Tool/Framework
WBG	World Bank Group
WHO	World Health Organization



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Lebanon	Strengthening Lebanon's Covid-19 Response	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P178587	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 checked="" type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
16-May-2022	30-Sep-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 prevent, detect and respond to the threat posed by COVID-19 and strengthen Lebanon's national system for public health preparedness.

Components

Component Name	Cost (US\$, millions)
Procurement of COVID-19 vaccines and deployment	11.50
COVID-19 prevention, detection and case management	11.00
System Strengthening, Monitoring and Management	6.50

Organizations

Borrower:	The Lebanese Republic
Implementing Agency:	Ministry Of Public 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	29.00
Total Financing	29.00



of which IBRD/IDA	22.95
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	22.95
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Non-World Bank Group Financing

Trust Funds	6.05
Concessional Financing Facility	2.05
IBRD Fund for Innovative GPG Solutions	4.00

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2022	2023	2024	2025
Annual	0.00	14.40	11.15	3.45
Cumulative	0.00	14.40	25.55	29.00

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	● High
2. Macroeconomic	● High



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

The Borrower shall prepare and adopt by no later than one (1) month following the Effectiveness Date, and carry out the Project in accordance with, a manual ("Project Operational Manual" or "POM") containing detailed guidelines and procedures for the implementation of the project, including with respect to administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, Personal Data collection, and processing in accordance with the applicable WHO and national law and good international practice, roles, and responsibilities for project implementation, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Bank.

Sections and Description



The Borrower shall prepare and thereafter implement, not later than one (1) month following the Effectiveness Date, a work plan and budget which will be updated every six months, in form and conditions satisfactory to the Bank.

Conditions

Type Effectiveness	Financing source Trust Funds, IBRD/IDA	Description The Borrower shall disclose the Environmental and Social Management Framework (ESMF) under terms and conditions satisfactory to the Bank.
Type Disbursement	Financing source Trust Funds, IBRD/IDA	Description The Borrower shall have contracted a technical auditor to carry out the Vaccination Technical Audit for COVID-19 vaccines under terms and conditions satisfactory to the Bank.
Type Disbursement	Financing source Trust Funds, IBRD/IDA	Description The Borrower shall have contracted a technical auditor to carry out the Treatment Technical Audit for Hospital bills under terms and conditions satisfactory to the Bank.



I. PROGRAM CONTEXT

1. **This Project Appraisal Document (PAD) seeks the approval of the World Bank Regional Vice President to provide financing for the COVID-19 Response Project of US\$29 million, which is comprised of US\$22.95 million non-concessional portion from the International Bank for Reconstruction and Development (IBRD), US\$4 million Grant from the IBRD Fund for Innovative Global Public Goods Solution (GPG) and US\$2.05 million concessional portion from the Global Concessional Financing Facility (GCFF).** The project will be extended to the Lebanese Republic under the 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.
2. **The project will provide upfront financing for purchase and deployment of COVID-19 vaccines from a range of sources that meet the World Bank's Vaccine Approval Criteria (VAC) as well as other COVID-19 prevention, detection and case management activities.** The financing will enable affordable and equitable access to COVID-19 vaccines and diagnosis and treatment of COVID-19 cases and related health conditions. The project will support the procurement of COVID-19 vaccines for an additional 6 percent of the country's population. In particular, it will support the country in procuring additional doses through direct supply agreements with vaccine manufacturers in order to build a portfolio of options to expand Lebanon's access to vaccines under the right conditions (e.g., of value-for-money, regulatory approvals, and delivery time among other key features). As of April 16, 2021, the World Bank will accept as threshold for eligibility of IBRD/IDA resources in COVID-19 vaccine acquisition and/or deployment under all World Bank-financed projects: (i) the vaccine has received regular or emergency licensure or authorization from at least one of the Stringent Regulatory Authorities (SRAs) identified by the World Health Organization (WHO) for vaccines procured and/or supplied under the COVID-19 Vaccines Global Access (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). As vaccine development is rapidly evolving, the World Bank's VAC may be revised. All vaccines financed by the World Bank will be provided free of charge, and no user fees will be levied. The project financing enables a portfolio approach that will be adjusted during implementation in response to developments in the country's pandemic situation and the global market for vaccines. The project will also support other COVID-19 prevention, detection and case management activities.
3. **Lebanon is one of the countries hardest hit by COVID-19 in the Middle East and North Africa (MENA) region.** Lebanon is in the midst of three mega-crises: the economic crisis; the COVID-19 pandemic; and the aftermath of the Port of Beirut explosion. The crippling economic crisis starting in October 2019 has greatly constrained the health system's ability to provide accessible and affordable health services. As of May 4, 2022, Lebanon has recorded a total of 1,097,204 confirmed cases and 10,393 deaths since the start of the pandemic.¹ A total of 5,602,398 COVID-19 vaccine doses have been administered.² Of the total number of vaccinated people, 2,677,312 received at least one dose (approximately 49 percent of the eligible population of ages 12 and older), and 2,351,269 have been fully immunized with two doses (approximately 43 percent of the eligible population of ages 12 and older). Among those who received two doses, approximately 24 percent received a third dose.²
4. **The World Bank has been supporting Lebanon in strengthening its response to COVID-19 through its existing**

¹ MoPH COVID-19 Surveillance in Lebanon Daily Report – May 4, 2022

² MoPH COVID-19 Surveillance in Lebanon Daily Report – April 25, 2022



health projects. The Lebanon Health Resilience Project LHRP (P163476) for US\$120 million was approved by the World Bank Board of Executive Directors on June 26, 2017 and became effective on November 14, 2018. On March 12, 2020, upon the outbreak of the COVID-19 pandemic, the project was restructured to reallocate US\$40 million for the COVID-19 response. On January 20, 2021, the World Bank Board of Executive Directors approved another restructuring of the project to reallocate \$34 million to fund COVID-19 vaccines that meet the World Bank's VAC under the Lebanon's National Deployment and Vaccination Plan (NDVP). This project has supported the procurement of 3.25 million doses of COVID-19 vaccine as of January 2022, as well as supplies for vaccine deployment, equipment for 45 hospitals and 180 ICU beds and financial support to cover 14,527 COVID-19 related bills. As of January 31st, 2022, the project has disbursed US\$70 million from this reallocation.

5. **The World Bank has also successfully mobilized resources to help close the gap in vaccination for refugees in Lebanon.** In December 2021 a recipient executed trust funded (RETF) project "Supporting Lebanon's Covid-19 Vaccination for Vulnerable Groups (P176778)" for US\$3 million was approved by the World Bank, funded by the Health Emergency Preparedness and Response Trust Fund (HEPRTF). This RETF project will support COVID-19 vaccine registration and deployment, as well as COVID-19 response for refugee populations and their host communities in Lebanon and will support the rollout of COVID-19 vaccines in areas with high concentration of refugees as well as implement activities to improve case detection and case management among refugee and host populations. It will be implemented by the Lebanese Red Cross (LRC), a humanitarian Non-Governmental Organization (NGO) headquartered in Beirut with strong experience and outreach in the country.

A. MPA Program Context

6. **The Additional Financing (AF) to the SPRP approved by the World Bank's Board of Executive Directors on October 13, 2020, to the existing SPRP utilizing the MPA ("Global COVID-19 MPA") will significantly expand the World Bank support to client countries for COVID-19 vaccination, with the aim to support vaccination of one billion people globally.** An effective and safe COVID-19 vaccine is the most promising path forward for the world to reopen safely, building on global efforts to develop treatments and to expand testing capacity. The timing of potential vaccine development was not known when the Global COVID-19 MPA was approved, but global vaccine development efforts have progressed rapidly. Production is underway of several vaccines that have been approved for use since the end of 2020. Many high-income countries have made large-scale advance purchases to reserve supply for their populations and have the systems in place to get people vaccinated efficiently. The approval of an envelope of US\$12 billion (US\$6 billion from IDA and US\$6 billion from IBRD) in financing was critical to expand affordable and equitable financing for vaccine purchase and deployment. It also sent a signal to potential suppliers that World Bank financing is available for the demand of vaccines from low- and middle-income countries (LMICs), providing an incentive for production capacity at levels that can also supply developing economies at affordable prices, not only high-income countries. The World Bank's Global COVID-19 MPA AF is expected to enable vaccination for up to 750 million people, with potential surge capacity for an additional 250 million people in the poorest countries (depending on the delivered price of approved vaccines) while scaling up support to strengthen immunization delivery, with design flexibility at the country level. This COVID-19 Response Project will enable support to the Government of Lebanon's (GoL) COVID-19 vaccination and response efforts and will be a key contribution to the World Bank Group's (WBG) overall COVID-19 response.
7. **The COVID-19 pandemic has had massive global impact and continues to spread.** Since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China, the number of COVID-19 cases has increased rapidly. On March 11, 2020, the WHO declared a global pandemic. As of September 20, 2021, more than



228 million people have been infected with COVID-19 and 4.7 million have died. The pandemic has caused the largest global economic contraction since the Great Depression in 1929, driving millions of people into poverty. The economic recovery is expected to be slow. Furthermore, many countries, including Lebanon, are seeing a new wave of cases with the spread of the Delta and Omicron variants.

8. **The World Bank's response to the pandemic was quick.** On March 3, 2020, the World Bank's Board of Executive Directors endorsed urgent actions supporting client countries' response to the COVID-19 pandemic. Subsequently, the Board approved the establishment of a US\$12 billion WBG Fast Track COVID-19 Facility (FTCF or "the Facility") to assist IBRD and International Development Association (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. On March 17, 2020, the World Bank's Board granted approval of specific waivers and exceptions required to enable the rapid preparation and implementation of country operations under the FTCF. On April 2, 2020, the World Bank's Board approved the SPRP with a US\$6 billion financing envelope of which up to US\$4 billion for health financing (up to US\$1.3 billion IDA and up to US\$2.7 billion under IBRD). The SPRP utilizes MPA, to be supported by the FTCF.
9. **Since the initial FTCF response, the WBG has significantly expanded its support for countries as they respond to the COVID-19 pandemic and its overall impacts.** In March 2020, the WBG announced that the institution has the capacity to provide up to US\$160 billion in total financial support through June 2021 to help countries address the social and economic impacts of the pandemic. On June 16, 2020, the World Bank's Board endorsed the COVID-19 Crisis Response Approach Paper, outlining priorities for supporting countries in the longer term, including: a continued focus on saving lives; protecting the poor and vulnerable; ensuring sustainable business growth and job creation; and strengthening policies, institutions, and investments for rebuilding better. As of March 14, 2022, the World Bank has approved 87 operations to support vaccine procurement and rollout in 71 countries amounting to US\$7.6 billion.
10. **The Global COVID-19 MPA provides a critical and highly effective operational programmatic framework for the World Bank's emergency health response to COVID-19 with FTCF resources.** The Program development objective of the Global MPA is "to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness." At the time of the approval of the Global MPA, and in the absence of a safe and effective COVID-19 vaccine, immediate needs were focused on early detection, diagnosis, confirmation, and treatment of patients (including those afflicted with other chronic conditions that increase the risk of COVID-19 severity and mortality). The Global MPA provided a common operational framework to support individual countries' specific needs in preventing the spread of the disease and limiting immediate socioeconomic losses, as well as strengthening public health and essential medical care structures and operations to build resilience and reduce the risk from emerging and re-emerging pathogens.
11. This Project is prepared under the global framework of the World Bank COVID-19 Response financed under the Fast-Track COVID-19 Facility (FTCF).

B. Updated MPA Program Framework

12. Table 1 provides an updated overall MPA Program framework.



Table 1. MPA Program Framework

Phase #	Project ID	Sequential or Simultaneous	Phase's Proposed DO*	IPF, DPF or PforR	Estimated IBRD Amount (US\$ million)	Estimated IDA Amount (US\$ million)	Estimated Other Amount (US\$ million)	Estimated Approval Date	Estimated Environmental & Social Risk Rating
#1	Lebanon	Simultaneous	Please see relevant PAD	IPF	22.95	0.00	6.05	15 May 2022	Substantial

13. **Other sources of financing:** The project will benefit from concessional Grant from the IBRD Fund for Innovative Global Public Good Solutions for a value of US\$4.00 million. This is a top-up concessional grant intended to support IBRD operations that in FY22 that incorporate new activities to improve the response to the COVID-19 pandemic. Likewise, the project will also benefit from a Global Concessional Financing Facility (GCFF) grant, with a confirmed concessional allocation of US\$2.05 million. Lebanon meets all the GCFF eligibility criteria, including hosting a significant number of refugees (substantially higher than 0.1 percent of country's population) that has had a direct socioeconomic impact on host communities. The GoL is committed to ensure adequate and equal access for non-Lebanese to health resources, including those related to the COVID-19 response.

Box 1: Fund for Innovative Global Public Goods Solutions

IBRD launched the Fund for Innovative Global Public Goods Solutions (the 'GPG Fund') in June 2019 as a three-year pilot, intended to complement existing WBG activities in support of the Global Public Goods (GPG) agenda. The GPG Fund provides an additional source of such concessional financing to IBRD borrowers, but with a remit across a broader range of eligible GPGs. Financing from the Fund has been directed towards proposals with high potential to promote innovation in addressing GPG challenges. The GPG window for FY22 is \$30mil million, transferred from IBRD surplus to the GPG Fund, and allocation decisions considered five key elements: eligibility; selection criteria; financial arrangements; governance arrangements; and monitoring and evaluation (M&E).

Box 2: Global Concessional Financing Facility

The GCFF is a partnership sponsored by the World Bank, the United Nations (UN), and the Islamic Development Bank Group (IsDB) to mobilize the international community to address the financing needs of middle-income countries hosting large numbers of refugees. By combining donor contributions with multilateral bank loans, the GCFF enables eligible middle-income countries that are facing refugee crises to borrow at below-regular multilateral development bank rates for providing a global public good. The GCFF represents a coordinated response by the international community to the refugee crisis, bridging the gap between humanitarian and development assistance and enhancing the coordination between the UN, donors, multilateral development banks, and benefitting (host) countries. The GCFF includes Jordan, Lebanon, Colombia, and Ecuador as benefitting countries. The GCFF is currently supported by Canada, Denmark, the European Commission, Germany, Japan, the Netherlands, Norway, Sweden, the United Kingdom, and the United States.



C. Learning Agenda

14. **The project will support adaptive learning throughout implementation, as well as from international organizations including the WHO, International Monetary Fund (IMF), Centers for Disease Control (CDC), United Nations Children's Fund (UNICEF), and others.** It will adjust to emerging technical, social, and economic evidence, as applicable, and incorporate lessons learned from ongoing global vaccine rollout and COVID-19-related service delivery. In Lebanon, this learning agenda involves a continuation of on-going World Bank technical assistance (TA), including:

- **Technical:** Monitoring of vaccine deployment readiness assessments and technical support to regular updates of the NDVP
- **Social behaviors:** The following data collection initiatives will be undertaken to improve knowledge and understanding of perceptions and attitudes towards vaccination as well as performance of the vaccination initiative:
 - a. Facebook Surveys to assess beliefs and attitudes towards COVID-19 vaccination and identify causes of hesitancy
 - b. Testing of communication messages to improve uptake of vaccines
 - c. Iterative Beneficiary Monitoring (IBM): an iterative feedback loop that collects information directly from beneficiaries and identifies challenges at the local level
 - d. Third-party monitoring of vaccine deployment: Performance score cards to monitor performance by vaccination sites and identify challenges in vaccination deployment
- **Digital vaccination registry:** An innovative approach for data transparency based on the digitalization of vaccination data has significantly enhanced public trust in the COVID-19 vaccination program. This approach utilizes the digital platform pioneered by the Inter-ministerial and Municipal Platform for Assessment Coordination and Tracking (IMPACT), hosted by the oversight body Central Inspection Bureau (CIB).

II. CONTEXT AND RELEVANCE

D. Country Context

15. **In recent years, Lebanon has been assailed by compounded crises.** An economic and financial crisis has left the country saddled with US\$94 billion of public debt as of the end of July 2020. The country is enduring a severe, prolonged economic depression: Lebanon's Gross Domestic Product (GDP) plummeted from about US\$55 billion in 2018 to a projected US\$20.5 billion in 2021, while real GDP per capita fell by 37.1 percent. Such a brutal contraction is usually associated with conflicts or wars. Monetary and financial turmoil continue to drive crisis conditions. The exchange rate deteriorated more briskly in the six-month period from March-August 2021, with the US\$ rate depreciating by 68 percent to LPB 19,800 per US\$, compared to an 18 percent depreciation over the preceding six-month period. Meanwhile, inflation rate averaged 131.9 percent over the first six months of 2021. Poverty is on the rise with the share of the Lebanese population under the US\$5.50 international poverty line estimated to have risen by 13 percentage points by end 2020 and is expected to further increase by as much as 28 percentage points by end 2021.³ The social impact, which is already dire, could become catastrophic. An increased number of households are facing challenges in accessing basic services such as food, healthcare, and education, and the unemployment rate continues to rise. Inflationary effects are highly regressive,

³ World Bank. Lebanon Economic Update, October 2021



disproportionally affecting the poor and middle class. The explosion at the Port of Beirut (PoB) on August 4, 2020, led to the loss of lives of almost 200 people, wounded over 6,000, and damaged 292 health facilities, significantly reducing care access, especially for vulnerable populations. The Rapid Damage and Needs Assessment estimates damages of approximately US\$3.8 – 4.6 billion, economic losses of US\$2.9 – 3.5 billion, and priority recovery and reconstruction needs of US\$1.8 – 2.0 billion.

16. **The COVID-19 pandemic poses a serious threat to Lebanon's health system and economy, particularly affecting the poor and the vulnerable.** The unmet health needs are immense, and the healthcare system lacks the needed human and financial resources to manage or respond to this pandemic. Lebanon is also facing a 10-year humanitarian situation caused by an unprecedented influx of displaced Syrians. Among its total population of 6.8 million, Lebanon hosts more than 1.5 million Syrian and 400,000 Palestinian refugees, the largest refugee population per capita in the world. The refugee population and an estimated 300,000 migrant workers sum up to 30 percent of the country's current total population. The influx of refugees exacerbated the healthcare system's fragility, which was already overstretched by economic and political instability.

E. Sectoral and Institutional Context

17. **Lebanon's health system is highly diverse with a mix of public, non-profit, and private providers and a multitude of insurance coverage schemes.** The private sector is a major provider of health services: 85 percent of hospital beds are in the private sector and many primary health care centers (PHCCs) are operated by NGOs. Simultaneously, the public-private not-for-profit network covers the rest of the population, namely the economically deprived and the most vulnerable inhabitants. The public-private partnerships developed over the past few decades have proven, in certain areas like Primary Healthcare, to be effective in increasing healthcare access in vulnerable communities. The health sector has always been dependent on imports, with more than 90 percent of drugs and 100 percent of medical equipment and supplies being imported. Health financing comes from a range of resources, including government revenues, social security contributions, the private sector, and households. As of 2018, Lebanon spent 8.3 percent of its GDP on health, higher than other comparable countries in the MENA region. Current health expenditure accounts for 8.35 percent of the national GDP. The health sector is skewed towards curative care with the Ministry of Public Health (MoPH) spending 73.3 percent of its budget on hospital care and 15.0 percent on pharmaceuticals. The largest shares of total health expenditures are by the government (50.02 percent) and out-of-pocket spending by households (33.22 percent), with the burden falling more on low-income households, and by this, subjecting a substantial proportion of the population to financial hardship and impoverishment. This problem is expected to exacerbate with the increase in poverty and unemployment rates because of the economic crisis. Around 48.89 percent of the Lebanese citizens are insured through social health insurance and military schemes, while the remaining (51.11 percent) lack formal coverage, with the MoPH serving as the insurer of last resort for hospital care. Given the increase of the official unemployment rate, this coverage is expected to further decrease.
18. **The compounded crisis has severely affected the capacity of the health sector to meet the health needs of the country, let alone vulnerable segments of the population.** The economic crisis has greatly constrained the health system's ability to provide accessible and affordable health services. Negative impacts of the economic crisis on the health sector include: (i) protracted delays in government payments of its arrears to hospitals; (ii) a dollar shortage along with unregulated restrictions on depositors' access to their funds, hindering the import of essential medical equipment, medicine, and supplies; and (iii) an increase in unemployment rates leading to an increase in the number of uninsured citizens requiring government assistance to pay for health services. With both national



and foreign demand conditions being subdued, companies, including healthcare facilities, continue to cut their staff numbers in response to the increasing costs. The August 2020 PoB explosion had a severe impact on the health sector. This explosion damaged 292 health facilities and significantly reduced access to care, especially for the vulnerable. These damages to the health facilities and the subsequent disruption of service delivery, coupled with significant increases in demand for health services and the population's vulnerability in the aftermath of the blast against the backdrop of the COVID-19 pandemic present an unprecedented setback to the health system and the population's health and nutrition status.

19. **Another chronic challenge that the health sector is facing is the influx of displaced Syrians in Lebanon since 2011 which led to one of the world's highest concentrations of displaced people in any country.** The total population of Lebanon increased by more than 38 percent between 2010 and 2019, rising from 4.9 million to 6.6 million. As of 2020, 16.5 percent (914,648) of the registered displaced Syrian population are in Lebanon, and the GoL estimates that there are approximately half a million more unregistered displaced Syrians. The Syrian refugee influx has resulted in an unprecedented increase in demand for health services in Lebanon, putting considerable strain on the country's resources and public services.
20. **Non-communicable diseases (NCDs) have become the most significant cause of mortality and morbidity.** In 2019, ischemic heart disease, stroke, lung cancer and hypertensive heart disease were the top four causes of mortality in the country. The prevalence of the main NCD risks remains high with tobacco use, high blood pressure, high body mass index, high fasting plasma glucose and dietary risks constituting the top 5 risks contributing to total number of Disability-Adjusted Life Years (DALYs) in 2019⁴.
21. **The COVID-19 pandemic has further exacerbated the strain on the health sector.** At the beginning of 2021, Lebanon was experiencing an unprecedented surge in COVID-19 with a record-breaking number of confirmed cases, and a high positivity rate reaching more than 20 percent, thus overwhelming hospitals that were operating at full capacity. To curb this surge in cases and fatalities, the GoL imposed in January 2021 a nationwide lockdown which was gradually lifted until today. A second peak of transmission, driven by the COVID-19 Delta variant, was observed in August 2021 (peak at 1,628 for a 7-day average of cases), but the intensity in transmission lowered and stabilized to 500 - 600 daily cases (7- day average) in September 2021 with a 31 percent occupancy rate of COVID-19 Intensive Care Unit (ICU) beds and 20 percent of COVID-19 regular beds. Lebanon recorded another surge in COVID-19 cases in February 2022 with an average positivity rate reaching 20 percent and the ICU bed occupancy rate reaching 50 percent on February 28, 2022⁵. The number of cases started to decrease again in March 2022, and according to WHO's situational matrix guideline, Lebanon is currently situated at level 2 of community transmission.⁶ However, the health infrastructure today is not prepared to contain another transmission surge such as the one observed in January 2021.
22. **The project is being introduced at a crucial juncture in the GoL's response to COVID-19.** A critically important change in the state of science since the early stages of the pandemic has been the emergence of new therapies, as well as the successful development and expanding production of COVID-19 vaccines. A key rationale for the

⁴ <https://www.healthdata.org/lebanon>, IHME. Global Burden of Disease. Accessed on 27 Jan 2022

⁵ MoPH COVID-19 Surveillance in Lebanon Daily Report – February 28, 2022

⁶ WHO COVID-19 DAILY BRIEF, April 11, 2022 Level 2 represents a situation with low community incidence or a risk of community transmission beyond clusters. Additional measures may be required to control transmission; however, disruptions to social and economic activities can still be limited (https://apps.who.int/iris/bitstream/handle/10665/336374/WHO-2019-nCoV-Adjusting_PH_measures-2020.2-eng.pdf?sequence=1&isAllowed=y)



project is to provide upfront financing for safe and effective vaccine acquisition and deployment in Lebanon thus enabling the country to acquire the vaccine at the earliest and sustain and enhance the ongoing vaccination efforts, recognizing that there are currently supply constraints and excess demand for vaccines from both high-income and lower-income countries.

23. **The NDVP was developed by the MoPH with support from partners to achieve the timely and successful introduction of COVID-19 vaccines, based on the gaps identified in the integrated Vaccine Introduction Readiness Assessment Tool/Framework (VRAF/VIRAT 2.0) (Table 2).** The NDVP has all the key elements recommended by WHO and represents the blueprint for Lebanon's vaccination efforts. According to the NDVP, Lebanon seeks to vaccinate 80 percent of the total population by the end of 2022. The WHO Strategic Advisory Group of Experts on Immunization (SAGE) Allocation Framework was used for the prioritization process, with modifications based on Lebanon's context.

Table 2. Summary of vaccination readiness findings of the Vaccine Introduction Readiness Assessment Tool/Framework (VIRAT/VRAF 2.0) assessment as of December 2021

Readiness domain	Readiness of government	Key gaps to address during deployment
Planning, coordination, and regulation	<ul style="list-style-type: none"> A National COVID-19 Vaccine Committee (NCC) and seven Technical Working Groups have been formed. The NCC is meeting on weekly basis. A National Vaccine Executive Committee has been formed to address gaps in implementation of the vaccination rollout. MoPH issued Emergency Use Authorizations (EUA) for the Pfizer, AstraZeneca, Sputnik, Sinopharm, Moderna and Janssen vaccines. The GoL enacted a law through parliament to address the issue of liability of manufacturers, distributors and healthcare workers on January 16, 2021. 	<ul style="list-style-type: none"> The vaccination plans are regularly updated based on program needs. The National Vaccine Committee will update the NDVP by end February 2022 to reflect updates to the guidance and recent developments in the vaccination campaign.
Budgeting and financial sustainability	<ul style="list-style-type: none"> Due to the economic and financial crisis in the country, the GoL has budget constraints for COVID-19 vaccination. The GoL used LHRP funds to purchase 3.25 million of COVID-19 vaccine doses. Additional doses have been also secured through bilateral agreements, COVID-19 Vaccines Global Access (COVAX) Facility (Self-Financing), and donations. 	<ul style="list-style-type: none"> GoL plans to achieve 80 percent coverage of the population by end 2022. GoL requested the WB support to finance the procurement and deployment of additional COVID-19 vaccines and supplies.
Prioritization, targeting, COVID-19 surveillance	<ul style="list-style-type: none"> Lebanon has recently expanded eligible groups to include children aged 12 and above in addition to recommending booster shots. IMPACT platform is used as a national platform for COVID-19 registration and vaccination. WB provided technical assistance to the IT 	<ul style="list-style-type: none"> Procurement of pharmaceuticals, equipment and supplies and capacity building is needed for the detection and case management of COVID-19. To ensure sustainability of the COVID-19 units at hospitals, financial support shall be provided to these hospitals through covering COVID-19 treatment bills.



	<p>teams while building the vaccine module in this platform.</p> <ul style="list-style-type: none"> World Bank also supported an innovative initiative using mobile applications which can work offline and volunteer networks to enhance registration and vaccine uptake in areas with low coverage 	<ul style="list-style-type: none"> Prioritization and targeting of groups for COVID-19 vaccination need to be regularly updated based on the revisions in age eligibility of vaccines.
Service delivery	<ul style="list-style-type: none"> 88 vaccination sites are operational. These are public and private hospitals, primary health care centers, and mass vaccination sites. MoPH vaccination bus is providing vaccination in remote areas. Additional mobile clinics will be deployed to deliver vaccines to students and teachers in schools. 	<ul style="list-style-type: none"> Due to the financial crisis and the budget constraints, neither MoPH nor vaccination sites would be able to cover the operational cost of sites (salaries of health workers, fuel, supplies, etc.). MoPH conducted an assessment to determine the operational cost of one vaccine dose and is looking for financing sources to support the vaccination sites. Additional mobile vaccination units need to be deployed to vaccinate hard-to-reach populations. Given the success of the large-scale marathons being conducted by the MoPH, additional marathons should be conducted to improve vaccine uptake.
Training and supervision	<ul style="list-style-type: none"> Vaccination teams were trained on the vaccination process. 	<ul style="list-style-type: none"> With the opening of new vaccination sites with new vaccination teams, reminder trainings may be required. In preparation for vaccination in schools, vaccination teams should also be trained on vaccination in children/ adolescents.
Monitoring and evaluation	<ul style="list-style-type: none"> Multiple channels for grievance reporting exist (hotline, and the MOPH website) for vaccination. IMPACT platform is used to monitor vaccination data 	<ul style="list-style-type: none"> A Third-Party Monitoring Agency (TPMA) was contracted to verify the GOL's compliance of the vaccination deployment with the NDVP, WHO standards and WB requirements reflected in the legal agreements, Environmental and Social safeguards and POM. A technical auditor will be hired to monitor the deployment of World Bank-financed vaccines under the proposed operation.
Vaccine, cold chain, logistics, infrastructure	<ul style="list-style-type: none"> MoPH already developed a distribution strategy for the vaccines. MoPH has developed Standards of Procedure (SoPs) for Infection Prevention and Control (IPC) and maintenance of cold chain equipment. 	<ul style="list-style-type: none"> Storage and distribution plan should be developed for upcoming deliveries of new types of vaccines MoPH will need to identify financing sources and/or donations to continuously supply vaccination sites with Personal Protective Equipment (PPEs) and ancillary supplies.
Safety surveillance	<ul style="list-style-type: none"> MoPH has a national pharmacovigilance 	<ul style="list-style-type: none"> Additional financing needs to be secured



	<p>system to monitor and report Adverse Events following Immunization (AEFI).</p> <ul style="list-style-type: none"> Detailed safety arrangements and protocols have been defined, including for information systems. Detailed traceability accommodations have been identified. 	<p>to ensure sustainability of the pharmacovigilance program after the LHRP closing (2023).</p>
Demand generation and communication	<ul style="list-style-type: none"> A communication and community engagement and accountability plan has been developed and implemented by MoPH, Ministry of Information and other partners. 	<ul style="list-style-type: none"> Pre-registration and vaccination among the non-Lebanese population and among groups living in remote areas is low. Behavior change communications should be implemented to increase vaccine awareness and reduce vaccine hesitancy.

24. **The GoL has secured a portfolio of COVID-19 vaccines through bilateral agreements, COVID-19 Vaccines Global Access (COVAX) Facility (self-financing), and donations.** The GoL signed a Manufacturing and Supply Agreement with Pfizer on January 17, 2021. The initial agreement to purchase 1.5 million doses for 750,000 individuals was subsequently amended (twice) to include additional doses and modify the delivery schedule. In total, as of June 2, 2021, the GoL has contracted 3.25 million doses from Pfizer, covering 24 percent of the total population with two doses all of which were financed by LHRP funds, and 2.75 million of which were already delivered to the country. The GoL also signed a Committed Purchase Agreement with the COVAX Facility to procure 2.73 million doses of COVID-19 vaccines for 1.36 million individuals (with a two-dose regimen), covering almost 20 percent of the total population. Amid the global shortage, Lebanon has received vaccine doses from the COVAX Facility, but with delays. In addition, the GoL has received several bilateral donations which have contributed to the country's supply of vaccines. Table 3 describes the number of secured and received doses of COVID-19 vaccines in Lebanon. Box 3 describes the liability and indemnification arrangements for COVID-19 vaccination in Lebanon.

Box 3. Liability and indemnification arrangements for COVID-19 vaccination in Lebanon as per the NDVP

On January 16, 2021, Lebanon enacted Law No. 211 on Regulating the Emerging Use of Medical Products (including medications and vaccines) to Combat the COVID-19 Pandemic. The law shields healthcare providers, pharmacists, manufacturers, marketing certificate holders, and distributors of COVID-19 vaccines/treatments from liability for injuries associated with the development, management or use of the vaccines/treatments (except in cases of serious injuries or death caused by intentional misconduct). Aside from serious injuries or death arising from intentional misconduct, individuals will have only one recourse to seek compensation for injuries related to the COVID-19 vaccine, which will be presented to a specialized scientific/medical committee that was established by the MoPH. Individuals determined to have causal injury will be compensated from a fund established by the GoL.

25. **With support from the World Bank and other development partners (Table 4), the implementation of the NDVP has been successful overall but has experienced several challenges.** The vaccination campaign in Lebanon was launched in February 2021. Deployment challenges at the beginning of the vaccination campaign included an insufficient supply of vaccines, mainly linked to delays in delivery of vaccines and to global supply constraints. After targeting only high-risk individuals (older adults and those with underlying conditions), the



vaccination eligibility criteria were expanded to include children aged 12 years and above, and booster shots were recommended to all adults 18 years of age and older who received their second dose 5 months prior. These changes increased the supply needs for vaccines. The deployment plan was also faced with significant levels of hesitancy among populations residing in Lebanon. Reasons behind hesitancy include safety concerns, mistrust in government-led initiatives, complacency towards the pandemic, in addition to hesitancy specific to certain brands. Even though the national plan currently allows some groups to receive a vaccine on walk-in basis, access barriers were also identified mainly linked to difficulties navigating the vaccination process, especially with regards to pre-registration and challenges in accessing vaccination sites. The Inter-Ministerial and Municipal Platform for Assessment Coordination and Tracking (IMPACT) platform hosted by the Central Inspection Bureau (CIB) constitutes the national platform for COVID-19 pre-registration and vaccination. Recognizing the complexity of the COVID-19 pandemic and the strain under which the Lebanese health system resides, efforts to continue supporting the GoL in its endeavors to respond to the COVID-19 pandemic are crucial.

Table 3. Overview of Lebanon's purchase and delivery of vaccines (as of April 11, 2022)

Source of financing	Population Targeted		Vaccines		Number of doses	World Bank's VAC Status of the Vaccine	Contract status	Vaccines already arrived in the country	
	Percent	Number	Source	Name(s)				Name	Doses
IBRD	23.8%	1,626 M	Direct procurement	Pfizer	3.25 M	Eligible	Signed	Pfizer	2,751,840
Private	5.5%	0.376 M	Direct procurement	Pfizer	0.751 M	Eligible	Received in full	Pfizer	751,140
Other	10.5%	0.713 M	Donation	Pfizer	1.427 M	Eligible	Signed	Pfizer	1,286,570
Other	2.2%	0.150 M	Donation through COVAX	Pfizer	299,520	Eligible	Signed	Pfizer	299,520
GoL	20.0%	1.365 M	COVAX	Pfizer	2.73 M	Eligible	Signed	Pfizer	246,870
			COVAX	Astrazeneca		Eligible	Signed	Astrazeneca	292,800
Other	3.3%	0.226 M	Donation through COVAX	Astrazeneca	451,200	Eligible	Signed	Pfizer	451,200
GoL	0.4%	0.027 M	Direct procurement	Astrazeneca	0.0547 M	Eligible	Received in full	Astrazeneca	54,700
Other	0.7%	0.050 M	Donation	Astrazeneca	0.1 M	Eligible	Received in full	Astrazeneca	100,000
Private	0.6%	0.040 M	Direct procurement	Sputnik V	0.08 M	Not eligible	Received in full	Sputnik V	80,000
Other	0.6%	0.038 M	Donation	Sputnik V	0.075 M	Not eligible	TBD	Sputnik V	55,000
Other	5.8%	0.395 M	Donation	Sinopharm	0.79 M	Eligible	Received in full	Sinopharm	790,000
Other	5.2%	0.353 M	Donation	Moderna	0.707 M	Eligible	Received in full	Moderna	706,940
Other	4.9%	0.336 M	Donation through COVAX	Janssen	336,000	Eligible	Signed	Janssen	336,000
National Total	83.4%⁷	5.694 M			11.053 M				8.203 M

⁷ The calculation of the population coverage with doses secured is based on the UN Lebanon population estimate of 6.8M and on two doses per person or one dose per person depending on the vaccine type as per the current definition of "fully vaccinated". The calculation does not take into consideration the requirement of a third dose for adults who received their second dose 5 months prior, vaccine doses which were delivered but have already expired, dose sparing due to possible use of half dose of the Moderna vaccine as a booster, and instances where individuals will need an extended primary series or wastage during vaccine preparation.



Table 4. Role of selected development partners in COVID-19 vaccination in Lebanon

WHO
<ul style="list-style-type: none"> ▪ Providing technical support for vaccine introduction and deployment, including strategies, vaccine safety issues, development of guidelines, supporting activities of conducting of training on Adverse Events Following Immunization (AEFI) surveillance for COVID-19 vaccine-related issues, and other issues of vaccine pharmacovigilance. ▪ Supporting the MoPH in procurement of COVID-19 vaccine-related supplies (syringes, swabs, safety boxes) and cold chain equipment (6 new ULT freezers were procured). ▪ Participation in the communication technical subgroup. ▪ Plan to contribute to operational costs for selected Covid-19 vaccination sites to optimize their vaccination capacity.
UNICEF
<ul style="list-style-type: none"> ▪ Supporting the development of a roadmap for integration of COVID-19 vaccine deployment in the country; quantification and forecasting of supply needs; cold chain assessment (ULT and normal cold chain), procurement and maintenance. ▪ Procurement of consumable items required for the vaccination process. ▪ Contracting with Arcenciel for waste management. ▪ Acting as the procurement agent for the COVID-19 vaccine through the COVAX facility and facilitating the procurement and delivery of vaccines. ▪ Supporting the communication strategy and community engagement.
UNHCR
<ul style="list-style-type: none"> ▪ Supporting MoPH with the delivery of COVID-19 vaccines to displaced and refugee population. ▪ Deploy, in coordination with MoPH, mobile vaccination units, to rural areas with high refugee population aggregate. ▪ Contribute toward operational costs for two Covid-19 vaccination sites in rural areas (Arsal & Akkar), including rehabilitation, power generators, medical equipment, renewable supplies and staffing support. ▪ Contribute toward the operational cost for 10 vaccination sites public hospitals, by means of PPEs, renewable supplies, and fuel donations. ▪ Support mass vaccination sites operated by NGOs, with medical equipment. ▪ Supporting the NDVP communication strategy by ensuring all decisions and media materials developed are shared with refugee population using existing channels such as SMS (text messages, communication trees, social media, front line volunteers and other community engagement structures, etc.). ▪ Identifying, mobilizing and strengthening community engagement structures such as Outreach Volunteers (OVs) and Community Health Volunteers (CHVs) and community gatekeepers, to support implementation of the NDVP plan and increase refugee enrollment and uptake of the vaccine. ▪ Strengthening the integration of behavioral science insight and develop appropriate tools within communication and community engagement within the NDVP with the aim to have more effective messaging, target behavioral challenges impeding vaccination, and increase vaccine uptake. ▪ Information, education and communication (IEC) posters design, printing, and distribution to MoPH health facilities ▪ Helping in fundraising to get additional vaccine doses for refugees in Lebanon.
IOM
<ul style="list-style-type: none"> ▪ Supporting MOPH to expand the reach of the program to the migrant population. ▪ Provide cultural and language sensitive material to ensure proper outreach to the different migrant communities. ▪ Contribute to the national deployment plan as per the availability of resources.

26. **Despite multiple efforts to increase registration and vaccination among non-Lebanese populations, registration and vaccination coverage among this population remain lower than the Lebanese population.** The NDVP states that vaccination is intended to cover all residents of Lebanon regardless of their nationality and will be managed



in an inclusive and non-discriminatory manner. However, certain groups, including Syrian and Palestinian refugees, have been lagging behind in COVID-19 vaccination (see Table 5) due to multiple challenges including difficulties in navigating the vaccination registration process, vaccine hesitancy, fuel and economic crises, and competing priorities. A hesitancy survey conducted by International Medical Corps (IMC) in June/July 2021 showed that while the proportion of Lebanese willing to take the vaccine has increased by 32 percent, in the refugee community, only a 10 percent increase was noted. In fact, more than 60 percent of refugees did not think the COVID-19 vaccine was safe nor efficient. 10 percent of the surveyed refugees cited transportation to vaccination centers and security concerns as barriers to vaccination. According to a recent report on vaccine hesitancy among refugees in Lebanon⁸, Syrian refugees, similarly to Lebanese, had higher hesitancy towards specific types of vaccines compared to others (namely more hesitancy towards the Astrazeneca vaccine compared to the Pfizer vaccine). This might have had an impact on the vaccination rates among Syrian refugees as their preferred vaccine type was restricted to specific age groups based on the prioritization plan at the initial stages of the campaign. Refugees also expressed a shift in priority from COVID-19 related concerns to challenges arising from the socio-economic crisis. Several actors have been engaged in efforts to increase registration and vaccination among the refugee population. This includes outreach to Syrian refugees by phone and through door-to-door visits to raise awareness on the importance of vaccination and support in the registration process by UNHCR. UNHCR's partners have also deployed mobile units to areas of high Syrian refugee concentrations to conduct vaccination. As for the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the agency has opened a vaccination site inside the biggest Palestinian refugee camp in Lebanon to encourage Palestinian refugees to get vaccinated and plans to expand this activity to other camps if the outcomes are satisfactory. The role of the Palestine Red Crescent Society in Lebanon (PRCS-Lebanon) in the COVID-19 vaccination in Lebanon has been focused on raising awareness regarding the COVID-19 vaccine in Palestinian refugee camps in addition to providing registration support through their nine community centers. These efforts have contributed to increased numbers of registered and vaccinated refugees; however, the coverage is still unsatisfactory and more targeted support in these areas is needed. Recognizing this, the World Bank Health and Digital Development teams have provided technical support to IMPACT to improve and simplify the registration process on the digital platform to the extent possible. Additionally, the World Bank Health and Social Protection (Jobs) teams have collaborated with a local partner, Beirut Digital District (BDD), and IMPACT to increase registration in areas with low vaccination coverage by developing an offline registration module to enable NGOs' field workers and volunteers on the ground to expedite the COVID-19 vaccine registration process in areas with internet connectivity issues. This initiative also included an innovative, gamified door-to-door campaign that incentivized trusted volunteers from the local areas such as municipality staff, university students and youth groups and NGOs to drive vaccine registration. The pilot was successful in increasing registration in Akkar governorate which has the lowest levels of vaccination coverage till date. Based on the lessons learned, this initiative is being scaled up to other areas with low levels of registration.

⁸ Vaccine Hesitancy Among the Refugee Community in Lebanon and Ways Forward. NGO joint paper by Oxfam GB, IRC, LHIF, NRC, JRS, AUB, and CLDH. November 2021.



Table 5. Pre-registration and vaccination according to nationality (as of April 11, 2022)⁹

Nationality	# of individuals pre-registered	percent of total individuals pre-registered by nationality*	# of individuals who received at least one dose of a COVID-19 vaccine	percent of pre-registered who received at least one dose of a COVID-19 vaccine	# of individuals who received at least 2 doses of a COVID-19 vaccine	percent of pre-registered who received at least two doses of a COVID-19 vaccine
Lebanese	2,831,959	75%	2,022,381	71%	1,826,011	64%
Palestinian	120,160	3%	73,638	61%	62,829	52%
Syrian	559,274	15%	316,127	57%	223,525	40%
Other	141,329	4%	108,597	77%	97,707	69%
Missing nationality	128,897	3%	16,352	13%	10,973	9%

* The values in the column sum 100% and represent percentage by nationality of the total of individuals pre-registered in the platform.

27. **As part of the project supervision arrangements, the World Bank contracted a Vaccination Third-Party Monitoring Agency (TPMA) and set up a Joint Monitoring Committee (JMC) to monitor the deployment of World Bank-financed vaccines.** The Vaccination TPMA independently verifies the GoL's compliance of the vaccination deployment with the NDVP, WHO standards and World Bank requirements reflected in the legal agreements, Environmental and Social safeguards and the POM with respect to supply chain management and administration of COVID-19 vaccines at (i) the key points in the supply chain and (ii) vaccination sites from the technical, environmental and social safeguards perspectives. Field monitors use checklists to collect data on all the elements of COVID-19 vaccination, including but not limited to storage, stock and temperature maintenance across the supply chain, service delivery at vaccination sites, eligibility of vaccine recipients and vaccine recipients' and health care workers' perspectives and feedback. In addition to the TPM mechanism, a JMC was set up with the objective to enhance the quality of monitoring and effectiveness of the COVID-19 vaccination program implementation with respect to the NDVP, WHO standards and WB requirements. The JMC is chaired by the World Bank and is composed of heads and technical staff from WHO, UNICEF, IOM, UNHCR, UNRWA. Since the beginning of the vaccination campaign in February 2020, the JMC convenes on a biweekly basis to provide high-level oversight of the progress in the NDVP implementation, to review findings of the TPM and ensure timely action for proposed improvements, and to align advocacy efforts and recommendations to the GoL /MoPH to maintain high levels of quality and equity throughout the vaccination process.

F. Relevance to Higher Level Objectives

28. **The Project is aligned with WBG strategic priorities, particularly the WBG's mission to end extreme poverty and boost shared prosperity.** The focus on preparedness is also critical to achieving Universal Health Coverage. It is also aligned with the World Bank's support for national plans and global commitments to strengthen pandemic preparedness through three key actions under Preparedness: (i) improving national preparedness plans including organizational structure of the government; (ii) promoting adherence to the International Health Regulations (IHR); and (iii) utilizing international framework for monitoring and evaluation of IHR. The economic rationale for investing in the MPA interventions is strong, given that success can reduce the economic burden suffered both by individuals and countries. The Project complements both WBG and development partner investments in health systems strengthening, disease control and surveillance, attention to changing individual and institutional behavior and citizen engagement. It also contributes to the implementation of International Health Regulations

⁹ IMPACT COVID-19 vaccine national platform accessed on April 11, 2022



(2005), Integrated Disease Surveillance and Response (IDSR), and the OIE international standards, the Global Health Security Agenda, the Paris Climate Agreement, the attainment of Universal Health Coverage and the Sustainable Development Goals (SDG), and the promotion of a One-Health approach.

29. **The WBG remains committed to providing a fast and flexible response to the COVID-19 pandemic, utilizing all WBG operational and policy instruments and working in close partnership with governments and other agencies.** Grounded in One-Health, which provides for an integrated approach across sectors and disciplines, the proposed WBG response to COVID-19 will include emergency financing, policy advice, and technical assistance, building on existing instruments to support IDA/IBRD-eligible countries in addressing the health sector and broader development impacts of COVID-19. The WBG COVID-19 response will be anchored in the WHO's COVID-19 global Strategic Preparedness and Response Plan outlining the public health measures for all countries to prepare for and respond to COVID-19 and sustain their efforts to prevent future outbreaks of emerging infectious diseases.
30. **The project is consistent with the Lebanon Country Partnership Framework (CPF) for FY 17-22, approved in July 2017 and falls directly under CPF Objective '2d' to ensure improved delivery of health services.** The project will be an important step towards building the strength of the health system and its resilience to shocks. The project is also aligned with global health priorities and World Bank priorities in pandemic preparedness. In addition, the project complements activities being implemented through other existing World Bank-financed projects in Lebanon, namely the LHRP. The Project objectives are aligned to the results chain of the SPRP. The project will build on the success of, and lessons learned from LHRP, which was the first vaccine support operation supported by the World Bank.

III. PROJECT DESCRIPTION

G. Development Objectives

31. **Project Development Objective (PDO):** To prevent, detect and respond to the threat posed by COVID-19 and strengthen Lebanon's national system for public health preparedness.
32. **PDO level indicators:**
 - Number of COVID-19 vaccine doses acquired through project financing
 - Percentage of residents of Lebanon who are fully vaccinated,¹⁰ total and disaggregated by sex, age, risk group and nationality (including refugees and host communities).
 - Number of patients with COVID-19 and other related conditions whose treatments were supported by the project; (total and disaggregated by sex)
33. **Intermediate results indicators**
 - Percentage of refugees pre-registered on the national platform who are fully vaccinated (total and disaggregated by sex).
 - Percentage of refugees (Syrians and Palestinians) who are pre-registered on the platform

¹⁰ As defined in the National Deployment and Vaccination Plan



- Proportion of females among Syrian vaccine recipients who have received a least one dose
- Percentage of vaccination sites visited by Vaccination Auditor in the last quarter which are in compliance with Environmental and Social requirements
- Number of health workers who received training in vaccination with gender-based violence (GBV) related content
- Percentage of feedback cases registered in the project's grievance redress mechanism (GRM) in the last quarter addressed within a timeframe specified by the project
- Percentage of designated hospitals fully equipped with commodities (e.g., PPE, infection control products and supplies)
- Number of communication initiatives supported by the project to address vaccine hesitancy
- Percentage of vaccination sites visited by the project Vaccination Auditor in the last quarter
- Percentage of interviewed vaccine recipients reporting satisfaction with the COVID-19 vaccination service that they received; (total and disaggregated by sex).

H. Project Components

34. **Component 1 – Procurement of COVID-19 vaccines and deployment (US\$ 11.5 million):** This component will support the purchase of COVID-19 vaccines and related deployment activities.
35. **Subcomponent 1.1: Procurement of Vaccines and Vaccines Supplies: (US\$ 10.20 million):** This subcomponent will support the procurement of (i) COVID-19 vaccine doses that meet the World Bank's Vaccine Approval Criteria (VAC) and (ii) relevant vaccination consumables (diluent, syringes, etc.) to meet Lebanon's vaccination needs, in accordance with the prioritization and eligibility criteria of the NDVP. Table 6 provides a summary of vaccine sourcing and World Bank financing.

Table 6. Summary of vaccine sourcing and World Bank financing

National plan target (percent population)	Source of vaccine financing and population coverage				Specific vaccines and sourcing plans	Doses purchased with World Bank financing	Estimated allocation of World Bank financing (US\$)
	COVAX grant	World Bank-financed		Project			
		Through COVAX	Through direct purchase				
80 percent of total population (1 or 2 doses depending on vaccine type)			24%	LHRP (P163476)	Direct purchase (Pfizer-BioNTech)	3.25 million	US\$ 39 million (disbursed)
			6%	MPA (P178587 new project)	Direct purchase (Pfizer-BioNTech)	0.8 million	US\$ 10.2 million (including costs of vaccine related supplies)

36. **Subcomponent 1.2: Vaccine deployment (US\$ 1.30 million):** This subcomponent will support the relevant



deployment activities, including inter alia: (i) behavior change communications to increase vaccine awareness and reduce vaccine hesitancy; (ii) mobile vaccination units to vaccinate hard-to-reach populations (e.g., in remote areas) especially those climate-vulnerable; (iii) large-scale vaccination marathons to improve vaccine uptake; (iv) operational costs of vaccination sites; (v) support to energy-efficient cold chain equipment and other vaccine-related logistics. Activities under this component will include, when relevant, climate considerations in the development of Standard of Procedures and policy guidelines (see section VQ).

37. **Component 2- COVID-19 prevention, detection and case management (US\$ 11 million):** This component will support other COVID-19 prevention, detection and case management activities. This may include, inter alia: (i) payment of hospitalization bills from COVID-19 and related health conditions¹¹ to public hospitals and eligible private hospitals, using provider payment methods (i.e., fee for service, per capita, etc.) as agreed with the World Bank; (ii) procurement of pharmaceuticals, equipment and supplies needed for the prevention, detection and case management of COVID-19 and related health conditions for public hospitals; and (iii) capacity building and technical assistance in COVID-19 prevention, detection and case management. For COVID-19 treatment, the project can finance therapeutics which are recommended by WHO's COVID-19 treatment guidelines.
38. **Component 3 – System Strengthening, Monitoring and Management (US\$ 6.5 million):**
39. **Subcomponent 3.1: Monitoring and Project Management (US\$ 2.50 million):** This subcomponent will finance the project management unit, which includes at least: (i) financial management officers (FM), (ii) procurement and due diligence team; (iii) environmental and social officer; (iv) monitoring and evaluation officer and (v) Coordination. This component will also finance (i) the Vaccination Technical Audit to ensure transparent, fair and equitable vaccine deployment, with an emphasis on the WB financed vaccines as well as (ii) the Treatment Technical Audit to ensure the same for hospitalization bills from COVID-19 and related health conditions (as defined in the POM). The technical auditors will be contracted by the MoPH in accordance with World Bank's procurement guidelines and procedures.
40. **Subcomponent 3.2: System Strengthening (US\$ 4.00 million):** The subcomponent will support activities aimed at strengthening the health system in critical areas such as information systems, public health surveillance capacity, supply management/logistics, and expansion of primary health care settings. This subcomponent could also finance the procurement of energy-efficient solutions (e.g. cold-chain or solar panels) to help ensure continued clean energy supply for functioning of equipment critical for the management of COVID-19 in public hospitals. In the case of procurement of solar panels, if the need arises, the ESF instruments should be updated, and specific procurement requirements should be completed. There are allegations of forced labor risks associated with the polysilicon suppliers. Should solar panels be procured and installed under the Project, the Borrower will require bidders to provide two declarations: a Forced Labor Performance Declaration (which covers past performance), and a Forced Labor Declaration (which covers future commitments to prevent, monitor and report on any forced labor, cascading the requirements to their own sub-contractors and suppliers). In addition, the Borrower will include enhanced language on forced labor in the procurement contracts. Regarding the risk of forced labor, under Environmental and Social Standard 2 (ESS2), where there is a significant risk of forced labor related to primary supply workers, the Borrower will require the primary supplier to identify those risks and if forced labor cases are identified, the Borrower will require the primary supplier to take appropriate steps to remedy them. Ultimately, where remedy is not possible, the Borrower will, within a reasonable period, shift the project's primary suppliers to suppliers that can demonstrate that they are meeting the relevant requirements of ESS2. Prior to beginning the

¹¹ Detailed definitions and scope of Health Conditions related to COVID-19 will be included in the Project Operations Manual.



procurement process, the Borrower will undertake market analysis to identify the possible sellers of solar panels to the project. The bidding documents will emphasize forced labor risks in solar panels and components and will require that sellers of solar panels to the project will not engage or employ any forced labor among their work force. Bidders will be required to provide two declarations: a Forced Labor Performance Declaration (which covers past performance), and a Forced Labor Declaration (which covers future commitments to prevent, monitor and report on any forced labor, cascading the requirements to their own sub-contractors and suppliers). In addition, enhanced language on forced labor will be included in the procurement contracts. The Bank will prior review procurements of solar panels and components to ensure that enhanced provisions are used by the Borrower.

41. The overall project cost will be US\$ 29.00 million (Table 7)

Table 7. Project cost and financing

Project component	Total (US\$ million)
Component 1. Procurement of COVID-19 vaccines and deployment	11.50
Subcomponent 1.1: Procurement of vaccines and vaccines supplies	10.20
Subcomponent 1.2: Vaccine deployment	1.30
Component 2. – COVID-19 prevention, detection and case management	11.00
Component 3. System Strengthening, Monitoring and Management	6.50
Subcomponent 3.1: Monitoring and Project Management	2.50
Subcomponent 3.2: System Strengthening	4.00
Total	29.00

I. Project Beneficiaries

42. The expected project beneficiaries will be citizens, refugees and other non-citizens residing in Lebanon. It is expected that most residents of Lebanon (estimated 4.7 million people, representing about 70 percent of population, including an estimated 1.5 million of refugees) will benefit from project activities given the nature of the disease and its transmission. Among them, high risk groups are prioritized to benefit from vaccination (primary and booster doses) according to the NDVP. As the project will invest in systems strengthening for deployment of the COVID-19 vaccines, all groups eligible for COVID-19 vaccines will also directly benefit from project investments even if vaccinated with non-WB financed vaccines. The population at large would also benefit through the potential slowdown in transmission due to a reduction in cases among the vaccinated. For COVID-19 and related conditions treatment, all hospitalized patients without insurance (i.e., patients who are covered by MoPH) are eligible for the project support.



IV. IMPLEMENTATION ARRANGEMENTS

J. Institutional and Implementation Arrangements

43. **The Lebanese MoPH will be the implementing agency for the project.** The GoL already has an established Project Management Unit (PMU) for the LHRP. This PMU is constituted of four full-time external consultants hired under the LHRP project: Project Manager, Financial Manager, Financial Assistant, Operations Assistant, and Administrative Assistant; and two MoPH staff (i.e., civil servants): Social Safeguard and GRM Officer, and Project Coordinator. Albeit some challenges in capacity especially linked to the availability of MoPH staff, the PMU performance under LHRP has been satisfactory and has shown improvement over the course of the LHRP implementation as evidenced by the quality of the project's progress reports. The same PMU will be responsible for the day-to-day project management, including fiduciary management (procurement and financial management (FM)), and will: (i) coordinate implementation of project activities; (ii) ensure the technical, environmental and social, procurement and financial management of the project activities in both components; (iii) prepare consolidated annual work plans and budgets; (iv) conduct monitoring and evaluation of project activities; and (v) prepare the implementation reports of the project to be submitted to the World Bank on a quarterly basis. To ensure sufficient capacity to implement the project, additional personnel will be recruited, namely an environmental and social specialist and a stock management officer.
44. **A POM, which will guide project implementation, will be developed no later than one month after loan effectiveness, in a manner satisfactory to the World Bank.** The POM will describe detailed arrangements and procedures for the implementation of the project, such as responsibilities of the PMU operational systems and procedures, project organization structure, office operations and procedures, financial and accounting procedures (including funds flow and disbursement arrangements), procurement procedures, and implementation arrangements. The POM will include: (i) description of COVID-19 vaccine deployment activities to ensure inclusive, safe, efficient, and effective deployment; (ii) environmental and social requirements; (iii) personal data protection measures; and (iv) fiduciary (procurement and financial management) requirements. The project will be carried out in accordance with the arrangements and procedures set out in the POM, which can be amended from time to time, provided all modifications are agreed upon with the World Bank in writing prior to any changes taking effect. The project's POM will be developed based on the existing LHRP POM given the similarities between the two projects and to ensure continuity between them.
45. **The MoPH will hire a technical auditor(s) to verify both, the COVID-19 vaccination activities and COVID-19 hospitalization claims.** The technical auditor(s) will be responsible to independently: (i) verify the GOL's compliance of the vaccination deployment with the NDVP, WHO standards and World Bank requirements reflected in the legal agreements, Environmental and Social safeguards and the POM; and (ii) validate the payments made for COVID-19 hospital claims and confirm that these expenditures are eligible as per the legal agreement and POM. The technical auditor(s) will prepare quarterly reports and will share the draft report simultaneously with the World Bank upon its delivery to the MoPH, 30 days after the end of each quarter. The final Terms of Reference (TORs) for the technical auditor(s) will be subject to World Bank approval. The work of the technical under(s) this project will build on the existing third-party monitoring mechanisms for verification of hospital treatment and vaccination under LHRP. Considering the program context and the learnings from the LHRP, a simplified approach will be adopted, aiming at improving the capacity of MoPH to monitor these activities.



Appointment of the vaccination technical auditor will be a disbursement condition for the funds allocated for the procurement of vaccines. Appointment of the technical auditor for COVID-19 hospitalization claims will be a disbursement condition for the funds allocated for COVID-19 hospitalization fees, as set forth in the Loan Agreement.

K. Results Monitoring and Evaluation Arrangements

46. **Progress towards project objectives and results indicators will be monitored by the PMU.** The PMU will work closely with the relevant departments of the MoPH and the IMPACT platform to: (i) collect and compile data relating to project-supported activities and relevant indicators; (ii) analyze data and other relevant information on project implementation; and (iii) produce regular reports. The PMU will perform its functions in accordance with the procedures described in the POM. Additionally, an Iterative Beneficiary Monitoring (IBM) survey will be conducted with the aim to evaluate end-user experience.
47. **The World Bank will conduct regular implementation support missions with the PMU and the MoPH** to: (a) review implementation progress, challenges, and achievement of the PDO and intermediate indicators; (b) provide support on any implementation issues that may arise; and (c) examine relevant risks and mitigation measures.

L. Sustainability

48. **There is strong political commitment in Lebanon to continue mobilizing financial resources for COVID-19 response, including for vaccine purchase and deployment.** By further supporting the COVID-19 response, the project will establish an enabling environment for other development partners, including multilateral development banks and UN agencies, to contribute to supporting Lebanon's COVID-19 response and vaccination efforts. Investments under the project are expected to strengthen the health system in the country, ensuring institutional sustainability to deal with infectious diseases.
49. **Project activities will help strengthen Lebanon's preparedness to combat future epidemics.** It will improve the public health network's capability to deliver better services while ensuring sustainability after Project closure.

V. PROJECT APPRAISAL SUMMARY

M. Technical, Economic and Financial Analysis

50. **The economic rationale for investment in a COVID-19 vaccine and containment is strong, considering the massive and continuing health and economic losses due to the pandemic.** As of February 20, 2022, over 424 million COVID-19 cases and 5.9 million deaths have been confirmed worldwide. Global output is projected to have declined by 4.9 percent in 2020, with cumulative losses across 2020 and 2021 exceeding US\$12 trillion. The primary benefit of successful vaccination will be avoiding further human health costs from death and sickness. Global deployment of a COVID-19 vaccine generates economic benefits by enabling economic recovery and an increase in productive activity. Ensuring vaccine purchase and delivery in developing economies will also achieve significant distributive benefits and contribute to poverty reduction. Likewise, as determined by WHO, to



successfully addressing epidemics, the control and mitigation of the epidemic during its amplification (the fourth stage) are key steps. For countries like Lebanon where the epidemic has progressed to community spread, it is paramount to focus on mitigation measures as well as containment.

51. **The successful development, production, and delivery of a vaccine has the best potential to reverse these trends, generating benefits that will far exceed vaccine-related costs. Indeed, a rapid and well-targeted deployment of a COVID-19 vaccine would help reduce the increases in poverty and accelerate economic recovery.** Even at levels of imperfect effectiveness, a COVID-19 vaccine that is introduced and deployed effectively to priority populations would assist in significantly reducing mortality and the spread of the coronavirus and accelerating a safe reopening of key sectors that are impacted. It would also reverse human capital losses by ensuring schools are reopened. 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 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 dire effects on other non-COVID 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 childcare services, routine immunization services have been affected, threatening polio eradication and potentially leading to new outbreaks of preventable diseases, with associated 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 also been disrupted.
52. **The effective launch of a COVID-19 vaccine, as well as the strategies aimed at containment and treatment, will have direct benefits in terms of averted costs of treatment and disability, as well as strengthened health systems.** The uncertainty around the costs and effectiveness of a COVID-19 vaccine makes it difficult to calculate its cost-effectiveness. However, some estimations are available in the case of COVID-19 treatment costs from low- and middle-income countries is at 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. Further, 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 would have spillover effects to effective delivery of other services. Second, as the COVID-19 vaccine is deployed and COVID-19 restrictions are eased, patients would continue to access care for other conditions. Third, the economic benefits of slowing down the economic downturn are likely to significantly exceed the cost of vaccination, leaving aside the immediate health benefits. Given both the economic and health system benefits, an effectively deployed COVID-19 vaccine presents significant benefits.

N. Financial Management

53. **Overall policy:** The project will be implemented in line with World Bank policies that are standard for project implementation, including the "Procurement Framework" issued in July 2016 and updated in November 2020. As noted earlier, the LHRP PMU includes Financial Officer and a Financial Assistant. The Financial Management (FM)



performance of this project is currently rated as Moderately Satisfactory (details about project implementation and results are detailed in Annex I).

54. **Financial Management Assessment:** An FM assessment conducted on the existing FM arrangements at the MoPH found the FM risk after mitigation to be Moderate and the MoPH is expected to meet FM requirements and have an acceptable FM system. A more detailed FM assessment and arrangements are included in Annex I.
55. **Designated account:** The Ministry of Finance (MoF) treasury account for loans and grants will be the Designated Account (DA) of the project. The treasury account is a pooled account held by MoF in US\$ at the Central Bank to receive funds from donors. Payments and withdrawal of eligible expenditures should be accompanied by supporting documents or Statements of Expenditures (SOEs) following the applicable procedures and the World Bank's Disbursement Guidelines and as specified in the Disbursement and Financial Information Letter. The MoPH will open and manage two project designated accounts in US\$ at the Central Bank; one project designated account pooled for the IBRD and GCFF funds, and another project designated account for the grant funds from GPG solutions. Funds will be transferred from the World Bank to the MoF Treasury Account and then channeled to the project designated accounts in US\$ after review and approval by the Court of Accounts (CoA). MoPH will use the funds in the project accounts to pay for eligible expenditures.
56. **Accounting principles:** The general accounting principles for the project will be as follows: (a) project accounting will cover all sources and uses of project funds, including payments made and expenses incurred. Project accounting will be based on cash basis of accounting; and (b) project transactions and activities will be separated from other activities undertaken by the MoPH.
57. **Project Management Unit:** The PMU will be responsible for preparing periodic reports and maintaining the project bookkeeping and will produce quarterly Unaudited Interim Financial Reports (IFRs) and annual Project Financial Statements (PFS). IFRs should include data on the financial situation of the project. These reports should include: (i) a statement of funding sources and uses for the period covered and a cumulative figure, including a bank statement of the project accounts balances; (ii) a statement of use of funds by component and by expenditure category; (iii) a reconciliation statement for the project accounts; (iv) a budget analysis statement indicating forecasts and discrepancies relative to the actual budget; and (v) a comprehensive list of all fixed assets. The PMU will produce the IFRs every quarter and submit to the World Bank within 45 days at the end of each quarter. The PFS will be prepared annually and will include the same information as the IFRs.
58. **Audit requirements:** The PFS will be subject to audit that will be conducted on annual basis and will cover all aspects of the project, uses of funds, and committed expenditures. The external audit will also cover the financial operations, internal control, and FM systems, along with a comprehensive review of SOEs. The audit will include: (i) the auditor's opinion on the project's annual financial statements; and (ii) a management letter on the project internal controls. The audit report and management letter will be submitted to the World Bank within six months from the end of each fiscal year.
59. **Technical auditor(s):** The MoPH will hire technical auditor(s) to verify the COVID-19 vaccination activities and COVID-19 hospitalization claims. The technical auditor(s) will be responsible to independently: (i) verify the GOL's compliance of the vaccination deployment with the NDVP, WHO standards and World Bank requirements reflected in the legal agreements, Environmental and Social safeguards and the POM; and (ii) validate the payments made for COVID-19 hospital claims and confirm that these expenditures are eligible as per the legal



agreement and POM. The technical auditor(s) will prepare quarterly reports and will share the draft report simultaneously with the World Bank upon its delivery to the MoPH, 30 days after the end of each quarter. The final TOR(s) for the technical auditor(s) will be subject to World Bank approval. The work of the technical auditor(s) under this project will build on the existing third-party monitoring mechanisms for verification of hospital treatment and vaccination under LHRP. Considering the program context and the learnings from the LHRP, a simplified approach will be adopted, aiming at improving the capacity of MoPH to monitor these activities. Appointment of the vaccination technical auditor will be a disbursement condition for the funds allocated for the procurement of vaccines. Appointment of the technical auditor for COVID-19 hospitalization claims will be a disbursement condition for the funds allocated for COVID-19 hospitalization fees, as set forth in the Loan Agreement.

O. Procurement

60. **Procurement Arrangements.** Procurement will be carried out in accordance with the “World Bank Procurement in Investment Project Financing, Goods, Works, Non-Consulting and Consulting Services” in its last version dated November 2020. The provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) provided for under Section IV of the Procurement Regulations will apply, as the same may be updated from time to time in agreement with the World Bank. The Borrower will also ensure that the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016 (“Anti-Corruption Guidelines”).
61. **Project Procurement Strategy for Development (PPSD).** The procurement strategy is aimed to broaden the social and employment benefits of the project while ensuring the quality of the project’s execution. Given that the project is prepared under emergency procedures, the PSD will be prepared early at implementation.
62. **Systematic Tracking of Exchanges in Procurement (STEP).** STEP is the World Bank’s online procurement planning and tracking tool to prepare, clear and update procurement plans and conduct procurement transactions as referred to in the Procurement Regulations Section V, article 5.9. The procurement plans for the life of the project will progressively be developed by the PMU and uploaded through STEP. It defines the market approach options, the selection methods and contractual arrangements, and determines the World Bank’s reviews. Any contract not uploaded in STEP, with award notification not being uploaded prior to signing of contracts, may not be eligible for financing.
63. **Procurement Plan.** An initial Procurement Plan (PP) for project implementation has been elaborated by the PMU. The PP defines the prior review and procurement methods thresholds. The plan will remain updated by the PMU using the STEP system and reviewed and cleared by the World Bank.
64. **Procurement Risks.** The procurement risk for the project are rated as “High” due to: (a) the complexity of the COVID-19 vaccines and therapeutic market given the significant market power enjoyed by manufacturers; (b) the limited market access due to advance orders by developed countries; (c) weak bargaining power for smaller countries with low volumes; (d) delays in contract implementation including payments; (e) the deteriorating socio-economic and political situation in the country; (f) the integrity of procurement and perception of corruption in the current fragile political environment. The residual procurement risk is rated as “Substantial” subject to the following mitigation measures being in place: (a) continuation of services of the experienced PMU working



currently under the LHRP; (b) hire a technical auditor to conduct site visits and physical inspection to monitor the deployment of vaccines and verification of hospitals bills; (c) procurement and bids evaluation committees to sign declaration of Conflict of interest before any procurement transaction takes place, (d) use simplified procurement procedures; tailored to the emergency situation; (d) direct purchases from vaccine and therapeutic manufacturers or purchase of excess stocks from other countries; (e) Enhancing the existing capacities of the PMU by acquiring additional procurement and technical expertise, (f) procurement plans, procurement notices, and award announcement to be published on Ministry's website.

65. **Key procurement under the project.** The total value of the project is US\$29 million. The major planned procurement will include the purchase of COVID-19 vaccines that meet the World Bank's VAC. The project will also support the deployment of the vaccines and procure: (i) vaccination supplies (i.e.: diluents, syringes); (ii) technical assistance in vaccination and COVID-19 response; (iii) cold chain equipment, supplies and other vaccine logistics; and (iv) information management systems to monitor vaccination and adverse effects from immunization. In addition, the project will procure eligible therapeutics, goods, equipment, hospital furniture, consumables, training, and consultancies required to fight COVID-19, as well as covering hospital fees incurred in detection and treatment of COVID-19 cases. The project will also recruit technical auditor(s) to monitor the deployment of the vaccines and verify the payments related to COVID-19 hospital claims as described in paragraph 39.
66. **Procurement methods.** This project will be operating under emergency procedures. Considering the current demand for COVID-19 vaccines exceeding the supply in the market which makes it more difficult for client countries to negotiate terms and conditions, procurement of vaccines will follow direct selection, including a combination of (i) purchase through the self-financing arm of COVAX Facility or (ii) direct purchase from manufacturers. Contracts for vaccines purchase financed by the World Bank will be subject to the World Bank's prior review irrespective of value and procurement approach. As for non-vaccine procurement to purchase goods and non-consultancy services, the following procurement methods may be used: (i) Request for Bids (RFBs), (ii) Request for Proposals (RFPs), (iii) Request for Quotations (RFQs), and (iv) Direct selection where justified. For consultancy services, the following methods may be used: (i) Quality-and-Cost-Based-Selection (QCBS); (ii) Fixed Budget; (iii) Least-Cost; (iv) Consultants' Qualifications; and (v) direct selection where justified. Other methods and special arrangements may include contracting UN agencies and NGOs.
67. **Prior review threshold.** Based on the assessment, and the socio-economic and political situation of the country, the project will be subject to high-risk prior review threshold. The contracts for vaccine purchase would be subject to the World Bank's prior review, irrespective of the estimated costs.

P. Legal Operational Policies

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

Q. Environmental and Social Standards

68. **Environmental Risk Rating.** The environmental risk associated with the project is substantial. The relevant



Environmental and Social Standards (ESS) are ESS1 on Assessment and Management of Environmental and Social Risks and Impacts, ESS2 on Labor and Working Conditions, ESS3 on Resource Efficiency and Pollution Prevention and Management, ESS4 on Community Health and Safety, and ESS10 on Stakeholder Engagement and Information Disclosure. The main environmental risks identified at this stage are: (i) the Occupational Health and Safety issues related to testing and handling of supplies during treatment and vaccination; (ii) the logistical challenges in transporting vaccines and medical supplies across the country in a timely manner, adhering to the recommended temperature and transportation requirements; (iii) generation and management of medical healthcare waste; (iv) community health and safety issues related to unforeseen effects of vaccination following immunization, traffic/road safety risks associated with transporting vaccines as well as with handling, transportation, disposal of hazardous and infectious healthcare waste and further spread of COVID-19 during the vaccination process due to gatherings and close proximity; and (v) increase of water and energy use. Treatment and vaccination residue waste can have a substantial impact on the environment and human health, and these wastes could include used needles, syringes, cotton swabs, PPE, etc.

69. **Social Risk Rating.** It is anticipated that the project will have positive social impacts both at the individual and community levels. However, the social risk associated with activities under this component is 'substantial'. The anticipated risks include: (i) inequitable access for marginalized and vulnerable social groups including disabled, elderly, women, and refugees to access vaccines, (ii) social conflict, and risks to human security resulting from limited availability of vaccines or medical supplies and social tensions related to the challenges of a pandemic situation; (iii) gender inequalities and social norms to access critical health services such as vaccinations or financial support for COVID-19 bills; (iv) Sexual Exploitation and Abuse/ Sexual Harassment (SEA/SH) risks among patients and health care providers, especially in relation to distribution of lifesaving vaccines; (v) inappropriate data protection measures; (vi) non inclusive and ineffective stakeholder communication on the vaccine roll-out strategy, treatment support and other project interventions; (vii) the risk of elite capture and/or corruption, especially for COVID-19 treatment; and (viii) the potential SEA/SH risk due to military presence even though the military is only going to be used for transporting and not vaccine deployment.
70. **To manage these risks, the MoPH has prepared four E&S instruments for the project** including the: Environmental and Social Management Framework (ESMF), Stakeholder Engagement Plan (SEP), Labor Management Procedure (LMP), and Environmental and Social Commitment Plan (ESCP). The SEP and ESCP have been cleared by the World Bank and will be disclosed on the MoPH website in May 2022.
71. **Environmental and Social Management Framework:** The ESMF will cover the procedures for screening and identification of the environmental and social risks as well as the mitigation measures to be implemented for the various activities. It will include an Infection Control and Waste Management Plan (ICWMP), which will describe in detail appropriate waste management practices to be utilized under the project. The ESMF will also include an elaboration of roles and responsibilities within the PMU and the MoPH, training requirements, the timing of implementation, and budgets. The ESMF will also describe risks and impacts of engaging security or military personnel and will include corresponding mitigation measures (that could include training and use of codes of conduct). The ESMF will be prepared to a standard acceptable to the World Bank and disclosed on the MoPH website and on the World Bank website by the effectiveness date. The disclosure of the ESMF was deferred to the effectiveness stage to ensure the MoPH has sufficient time to prepare the ICWMP, and GBV Action Plan, including the organization of virtual consultation sessions with different stakeholders (e.g., environmental directorates in governorates, health directorates in governorates, NGOs, CSOs, academics, research centers, etc.). In addition, the MoPH is gathering the required information/data/ methodologies that are used in different health institutions to



handle medical waste. The Internal Security Forces (ISF), the General Security Forces (GSF), and the State Security Forces (SSF), in coordination with the MoPH, will be responsible for assuring the safety of personnel and patients, and provide security at the facilities where vaccines will be deployed. They will also contribute to organizing the citizens' entrance and exit if necessary. The engagement of security or military personnel impacts/risks and the proportionate mitigation measures will be reflected in the ESMF. The ESMF will be cleared and disclosed on the MoPH website by project effectiveness.

72. **Labor Management Procedures:** The LMP will also be prepared for the PMU staff and other engaged workforce to ensure proper working conditions and management of worker relationships; occupational health and safety and COVID-19 specific risks; guidelines for establishing and managing an accessible multichannel grievance mechanism establishment with referral pathways in the event of complaints associated with SEA/SH; and capacity strengthening for social, environment, health and safety management. The LMP will be prepared to a standard acceptable to the World Bank and disclosed on the MoPH website and on the World Bank website by the effectiveness date.

R. Climate co-benefits

73. **Lebanon is vulnerable to the effects of climate change.** The risk and severity of natural hazards are expected to be increased by climate change in the country, with the following expected impacts: (a) changes in the rainfall pattern and higher risk of hydrological drought, which disrupts agriculture activity, food production and water sources; (b) increased average temperatures, which is a main factor for forest fires, which affect forest areas that form a large portion of the country's area with negative effects on public health and land; (c) stronger climate events, including intensity of storms, heavy rains (100+ mm per hour), and increased runoff, which could damage property and agricultural land; (d) sea-level rise which contributes to increased and risk of coastal flooding, particularly in low-lying areas; (e) sea acidification and deoxygenation, which contributes to destroy marine habitats, threatening food security and economic activity of people inhabiting coastal zones; and (f) wild fires. Vulnerable populations, including poor, refugees and host communities are the most affected as they lack sufficient means for adaptation. Additionally, the emergence of the COVID-19 pandemic has brought with it a sharp focus on Lebanon's public health services and health systems as well as shed light on the chronic lack of capacity to manage emerging public health risks. Climate change further exacerbates this challenge. In combination with COVID-19, the climate crisis presents a clear and present risk of disrupting and overwhelming health systems, health care facilities, and the health care staff upon which these systems rely. This risk is of particular concern in for the Lebanon health systems as it faces the challenges of insufficient resources and limited capacities.
74. **The project intends to address climate change and vulnerabilities, enhance climate resilience and adaptation, and mitigate GHG (Greenhouse gas) emissions through several activities.** The nationwide vaccination efforts supported by this project considerably reduce the need for energy-intensive treatment in hospital critical care units, that would have otherwise been required, thus preventing adverse climate change consequences. Deployment of COVID-19 vaccines is key to climate resilience for several reasons. Firstly, the population group to first receive the vaccines are those vital to supporting the health care system (medical professions and support staff) and ensuring the continuity of essential public services, including to populations affected by climate change. Secondly, the project ensures that those most at risk from both the virus as well as from the health impacts of climate change are effectively targeted for COVID-19 vaccination. The GoL aims to cover almost 80 percent of its population to achieve herd immunity thereby reducing the health risks of these climate vulnerable groups. Mobile vaccination units will be mobilized to improve access to vaccines for the climate vulnerable populations (poor



Lebanese and refugees) living in rural areas. Further, the communications strategy, which includes socialization of messages and outreach campaigns by the MoPH and development partners, will inform the general population on the GoL vaccine deployment strategy during extraordinary events including natural disasters. This will contribute to increasing the preparedness of the population in the event of a climate-related disaster. Finally, the widespread loss of power may seriously threaten the COVID-19 vaccine cold chain as vaccine conservation standards will be impacted. The MOPH with partners is trying to ensure uninterrupted power supply for cold chain equipment for storage of COVID-19 vaccines using backup generators along with a long-term approach of reducing reliance on the power grid using solar powered cold chain equipment. The project will support this effort both by supporting the purchase of energy efficient cold chain equipment as well as solar panels for public hospitals where needed.

75. **The project has been screened for climate change and disaster risks and it has moderate risks to high temperature.** The effects of higher temperatures and will likely increase heat stress of beneficiaries and health workers linked to the project, especially because of the failing power supply that can restrict the optimal functioning of climate control devices and air conditioning infrastructure. Challenging conditions derived from extreme weather can affect health personnel involved in the vaccination deployment, particularly in community workers in charge of outreach campaigns, who must relocate to remote zones to cover hard-to-reach populations. Additionally, mobile vaccination operators on the road are exposed to hardship and climate-related events (like floods, droughts, or sea surges). Potential impacts on the target beneficiaries and health workers, as well as impacts to the outcome/service delivery of the project are rated as moderate due to several reasons. The projections indicate a slow increase in temperature in the future with not extreme temperatures observed (maximum of 35 degrees in coastal zones, where 70 percent of the population is located). Additionally, most of the activities in the project are conducted indoors and in climate-controlled settings. Existent adaptation measures (e.g., installation of equipment that can operate off-grid) have been the activities to be conducted in indoor settings are considered of low complexity. The development context of the country may contribute to increase these risks, but no major events related to climate have been observed during the first year of the vaccination plan. Additionally, upcoming peaks of transmission are expected to put less pressure on the health infrastructure (as opposed to the first 2 waves of infection), due to the immunity caused by vaccination and higher levels of infection. This situation will likely improve the prognosis of population infected by COVID-19 and vulnerable to climate change, who face barriers to access health care services.
76. **The project includes activities from which adaptation co-benefits are expected.** Under component 1, these activities include technical assistance to update the NDVP. Climate considerations were incorporated while developing the NDVP and the required update will have these considerations. For instance, distribution of the vaccine from the central storage site to other vaccination sites is being done using refrigerated cars, thus avoiding the use of dry ice as much as possible due to its negative environmental impact. Also, a behavior change communication campaign will be financed to provide information to climate-vulnerable populations on vaccine delivery to increase their awareness and reduce vaccine hesitancy. The plan will also focus on improving access of COVID-19 vaccination services to climate vulnerable populations (poor Lebanese, refugees, and host communities) living in rural areas. The component will also support effective health care waste management, such as use of non-burn technologies and support for the development of micro-plans that promote the use of high energy efficiency or hybrid energy consumption. Another adaptation measure is the purchase solar equipment/supplies that will be off grid such as cold chain equipment with solar powered fridges and freezers that will provide reliable 24/7 power and efficient cooling. The NDVP includes measures to deal with any unexpected disruptions to the vaccine supply chain, distribution and storage from climate change impacts and other unexpected disasters (i.e., power outages). The immunization program data is managed through an innovative platform (IMPACT) which uses



digital technology for real time updates of immunization progress. In addition to providing disaggregated information of vaccination uptake in a transparent manner, this system is more climate friendly and efficient and has helped move away from traditional paper-based reporting systems. Lastly, the project will also require the MoPH to ensure a functional GRM which will serve as a useful tool for all, including climate vulnerable groups, to share grievances. Component 2 will finance the COVID-19 hospital claims for patients who are covered by the MoPH, a large proportion of who are climate-vulnerable poor Lebanese. The project will make efforts for appropriate waste management procedures to be in place to ensure that testing and treatment procedures do not contribute to worsening of environmental pollution and climate change. Component 3 will finance the Technical Audit to ensure transparency, and fair and equitable vaccine deployment and COVID-19 case management for all residents in the country, including climate-vulnerable population. Both to ensure uninterrupted power supply for continued management of COVID-19 cases in public hospitals and in support of the MoPH's strategy on increased reliance on clean energy, the project will support the purchase of solar panels for public hospitals.

S. Citizen engagement

77. **The COVID-19 vaccination campaign has put in place mechanisms for community engagement and outreach as part of the GoL's overall framework and implementation plan to tackle the pandemic during its various stages.** The engagement of communities is critical to build community knowledge and confidence, establish trust, ensure governments respond to community needs (including vulnerable groups), and is thus a critical component of the COVID-19 response. The GoL recognizes the importance of citizen engagement in the COVID-19 vaccination campaign. This is demonstrated in the national Risk Communication and Community Engagement (RCCE) plan for COVID-19 vaccines in Lebanon, which aims to build and increase trust, enable confidence, reduce hesitancy and refusal, and promote COVID-19 vaccine uptake and buy-in amid all target groups by mobilizing communities, raising awareness, and promoting change of behaviors among the public, as well as addressing communication barriers to vaccine acceptance and access. The National Coordination Committee (NCC) for COVID-19 vaccines, a technical working group on communication acts within the framework of the NDVP as the main coordination platform for the RCCE preparedness and response interventions on COVID-19 vaccine strategy. Ongoing outreach activities include the MoPH Vaccination bus initiative currently deployed in multiple remote and rural locations in Lebanon, and vaccination marathons organized to facilitate access to vaccination by allowing pre-registration followed by immediate vaccination in multiple vaccination sites. In addition, the national vaccination platform IMPACT, in coordination with the MoPH, Beirut Digital District and the World Bank and other partners, has released an offline registration module to enable NGOs' field workers and volunteers on the ground to expedite the COVID-19 vaccine registration process in areas with unstable internet connectivity.
78. **To support the implementation of subcomponent 1.2 on Support for Deployment of COVID-19 Vaccines and Component 2 on Project Management and M&E, the project will support the implementation of the NDVP through:**
- Behavior-change communications and awareness building to ensure official information is disseminated to communities and sensitize citizens of the risks related to COVID-19, supported by tailored awareness raising to reduce vaccine hesitancy.
 - Mobile vaccination units to vaccinate hard-to-reach populations in remote areas and large-scale vaccination marathons to improve vaccine uptake among individuals not equipped to go through the entire registration and vaccination process due to limited digital literacy.



79. **The World Bank will support various efforts to actively engage with citizens to collect feedback on the NDVP and project performance, through social media surveys, the TPM mechanism, and through the use of Iterative Beneficiary Monitoring (IBM).** In February 2021, the World Bank team administered a Facebook survey to assess beliefs and attitudes towards COVID-19 vaccination. Responses from more than 15,000 participants showed that only 28 percent of them intended to take the vaccine when it becomes available, and 48 percent were still unsure at the time of the survey. Moreover, as part of the TPM mechanism, feedback from vaccine recipients and health providers was collected and shared regularly with the MoPH, the National Vaccination Committee, and the Vaccine Executive Committee for corrective action as needed. Additionally, performance score cards were produced and shared with vaccination sites to monitor performance and identify challenges. An IBM approach is also being planned as an iterative feedback loop that collects information directly from beneficiaries and identifies challenges at the local level that can be addressed by project teams. In addition to improving project efficiency, this approach increases beneficiary engagement and satisfaction by creating positive, self-reinforcing cycles of improvement. Findings will be used to improve the communication campaign and citizen engagement. Through the IBM as well as social media surveys, engagement with community, especially in remote areas, will ensure the inclusion of their ongoing feedback in the rollout and implementation of the COVID-19 vaccination campaign to strengthen targeting accuracy and increase uptake. To ensure citizen engagement, the project will: (a) target messages to areas where vulnerable groups, including refugees and IDPs, reside to inform them about safety measures and benefits; (b) tailor messages to the elderly and those with medical risks including their target family members and health care providers; and (c) provide information for Persons Living with Disabilities (PLWD) in accessible formats. To track levels of engagement by those who stand to benefit directly from the Project, one Intermediary Results Indicator has been adopted; "Percentage of interviewed vaccine recipients reporting satisfaction with the COVID-19 vaccination service that they received".

T. Gender

80. **Lebanon has made progress in reducing the differences between women and men in human capital endowments, particularly on health, but gender inequality continues to be endemic in the country.** One of the main factors that constrain access use of health services by women in Lebanon is adequate affordability of care. More women than men report being unable to afford health care, and access to health insurance is even more of a challenge in the very north and southern regions, compared to central Lebanon. Likewise, barriers to health access among refugees continue to be challenging for women, as transportation costs and drug fees remain major impediments. During the COVID-19 pandemic, 69 percent of reported deaths have been on males, compared to 31 percent on female. Reports of infection are also higher among men, with 54 percent of men infected as compared to 46 percent of women. the infection numbers among the health workforce are higher for women than men (60 percent of women compared to 40 percent of men) because women are more highly concentrated among frontline workers: 58 percent of pharmacists and 81 percent of nurses) (UN Women, NCLW, UNFPA, and WHO 2020b, Salti and Mezher 2020; The World Bank 2021).
81. **Gender-based differences also exist in intentions to receive the COVID19 vaccine uptake and in the share of those getting vaccinated.** At the beginning of the vaccination campaign, data from a Facebook survey indicated that fewer women expressed intent to get vaccinated compared to men (20 percent of surveyed women compared to 37 percent of surveyed men). However, as of March 2022, the share of women among those registered on the national platform for the vaccine and the share of doses administered to women are almost equal to that of men (Table 8). These figures are reflective of the population distribution (50 percent of total population are female in 2020). When focusing on sub-groups of the population, the disparity may tilt to the disadvantage of women. Among



Syrians who pre-registered on the platform, 44 percent are women, and 39 percent of doses administered to Syrians were given to women, indicating that Syrian women are more vulnerable and may disproportionately be affected by vaccine hesitancy and/or a lack of access to services. Reasons for hesitancy among refugee women vary, including lack of information about the benefits of the vaccine or about registration processes, distance to vaccination centers coupled with mobility constraints due to care responsibilities, misinformation and limited agency to make decisions about individual and/or family health.¹²

Table 8 Pre-registration and doses administered on the national platform by gender (April 11, 2022)⁹

Gender	Preregistration		Doses administered	
	Individuals	percent of total	Doses	percent of total
Female	1,903,117	50%	2,730,976	51%
Male	1,749,604	46%	2,567,038	48%
Not specified	128,896	3%	28,768	1%

82. **The project component addresses gender dimensions with targeted interventions to improve pre-registration and vaccine uptake.** Media tools and messaging will be designed targeting women, men, and vulnerable populations in intervention areas with higher concentration of refugees, particularly Syrians. The outreach campaigns will utilize different information channels that may be more accessible to refugee women (such as radio, flyers at schools, supermarkets, etc.) and ensure a provision of its services to the different fragments of the community. The field teams will include both female and male members to address different needs per gender, and specific training for female workers will be provided to contribute with adequate targeting of the messages transmitted to the community. The timing of services and vaccination sites will take into special account mobility constraints facing women given their care responsibilities at home. Additional details will be included in the POM. All data collection, monitoring, and analysis will be done in a sex-disaggregated way to the extent possible. Following the NDVP principles, equity and transparency will be ensured ensure on the regardless of gender, religion, ethnicity or nationality. The project will monitor specifically the vaccination rates of Syrian women, considering the observed gap in vaccination coverage.

U. Grievance Redress Mechanisms

83. **Grievance redress mechanism (GRM).** This project incorporates a comprehensive GRM which will enable a broad range of stakeholders to channel concerns, questions, and complaints to the various implementation agencies and COVID-19 Call centers. The existing call center at the MoPH with the designated hotline 1214 was put in service to cover the COVID-19 related issues such as people starting to show symptoms with the need to be assessed and referred to hospitals as well as those with any questions and complaints. A hotline number 01-594 459 was also put in place and is also available on the MoPH webpage (moph.gov.lb/). The capacity of the hotline has been extended to receive and respond to additional calls. These numbers have been publicly disclosed throughout the country in the broadcast, print and social media. A MoPH mobile application with the hotline information is also available. The GRM also includes an appeal process for unresolved grievances that was established before the first project restructuring. The GRM will be equipped to handle cases of SEA/SH following a survivor-centered approach and

¹² Vaccine Hesitancy Among the Refugee Community in Lebanon and Ways Forward. NGO joint paper by Oxfam GB, IRC, LHIF, NRC, JRS, AUB, and CLDH. November 2021.



guidance on how to respond to these cases will be developed and shared with operators. The GRM will continue to be publicized by the MOPH. As of April 10, 2022, the GRM operator reported a total of 1.12 million consultations received.¹³

VI. GRIEVANCE REDRESS SERVICES

84. 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 World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project affected communities and individuals may submit their complaint to the World Bank's independent Inspection Panel which determines whether harm occurred, or could occur, because of World 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 World Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit: <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VII. KEY RISKS

85. **The overall residual risk to achieving the PDO is substantial, with political and governance and macroeconomic risks rated as high and fiduciary and environment and social risks rated as substantial.**
86. **Political and governance risks are high.** The country is experiencing a socioeconomic crisis that has evolved into political and social upheaval, potentially affecting the execution of this project., as political instability increased and elite capture deepened, paralyzing policy reforms, as the decision-making process in the country has been impacted to a great extent by continuous interruptions and deadlocks due to political and sectarian divisions. This risk will be partially mitigated by focusing the activities of the project in areas of high concentration of target population.
87. **Macroeconomic risk is rated high:** The country is facing a financial crisis, a deep recession, and political and social upheaval, as well as the impact of the COVID-19 pandemic. Real GDP has been declining in the last years whereas monetary and financial turmoil along with surging inflation has driven crisis conditions, with the exchange rate further deteriorated in 2021. Mitigation of macroeconomic risks will only come about through the implementation of a comprehensive reform plan that will gain the support of the Lebanese people and the international community, and that will have significant financing behind it.
88. **Fiduciary risks are Substantial.** The residual procurement risk is Substantial (see para 64) and residual FM risk is Moderate (see para 54). Based on the FM assessment, the FM risk is rated as Substantial. With the proposed mitigating measures, MoPH will have met the FM requirements and will have an acceptable FM system and the residual FM risk rating would be Moderate.

¹³ MoPH COVID-19 surveillance in Lebanon, April 10, 2022; 411,643 calls on 1787 hotline and 708,187 calls on 1214 hotline.



89. **Environment and social risks are substantial.** The environmental risk associated with the project is substantial. Risks identified at this stage are, among others Occupational Health and Safety issues related to testing and handling of supplies during vaccination, logistical challenges in transporting vaccines, management of medical healthcare waste, traffic/road safety risks associated with transporting vaccines as well as with handling, transportation, disposal of hazardous and infectious healthcare waste and further spread of COVID-19 during the vaccination process due to gatherings and close proximity and increase of water and energy use. On the other hand, it is anticipated that the project will have positive social impacts both at the individual and community levels. However, the social risk associated with activities under this component is substantial. The anticipated risks include restricted access for vulnerable social groups, social conflict from limited availability of vaccines and challenges of a pandemic situation, gender inequalities and social norms to access critical health services such as vaccinations, sexual Exploitation and Abuse/ Sexual Harassment (SEA/SH), among others. To manage these risks, the MoPH has prepared four instruments for the Project; the SEP and ESCP which have been cleared by the World Bank and will be disclosed on the MoPH website in May 2022. The ESMF and LMP are near finalization and under review. The ESMF will be disclosed on the MoPH website as an effectiveness condition not later than 90 days from signature. LMP will be disclosed on the MoPH website in May 2022.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Lebanon

Strengthening Lebanon's Covid-19 Response

Project Development Objective(s)

To prevent, detect and respond to the threat posed by COVID-19 and strengthen Lebanon's national system for public health preparedness.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
COVID-19 vaccine doses acquired through project financing							
Number of COVID-19 vaccine doses acquired through project financing (Number)		0.00	500,000.00	800,000.00			800,000.00
Percentage of residents of Lebanon who are fully vaccinated (2/1 doses depending on vaccine type)							
Percentage of residents of Lebanon who are fully vaccinated, total and disaggregated by sex, age risk, group and nationality (including refugees and host communities). (Percentage)		40.00	45.00	55.00	65.00	70.00	70.00
Number of COVID-19 (and related conditions) patients whose treatments were supported by the project							



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Number of patients with COVID-19 and other related conditions whose treatments were supported by the project (total and disaggregated by sex) (Number)		0.00	5,000.00	7,000.00	10,000.00	14,000.00	14,000.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Procurement of COVID-19 vaccines and deployment							
Percentage of refugees pre-registered on the national platform who are fully vaccinated (total and disaggregated by sex) (Percentage)		40.00	45.00	50.00	55.00	60.00	60.00
Percentage of vaccination sites visited by a technical auditor in the last quarter which are in compliance with Environmental and Social requirements (Percentage)		75.00	80.00	85.00	90.00	95.00	95.00
Number of health workers who received training in vaccination with gender-based violence (GBV) related content (Number)		0.00	100.00	150.00	200.00	250.00	250.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Proportion of females among Syrian vaccine recipients (received at least one dose) (Percentage)		39.00	40.00	42.00	44.00	45.00	45.00
Percentage of refugees (Syrians and Palestinians) who are pre-registered on the platform (Percentage)		35.00	42.00	50.00	55.00	60.00	60.00
COVID-19 prevention, detection and case management							
Percentage of feedback cases registered in the project's grievance redress mechanism (GRM) in the last quarter addressed within a timeframe specified by the project (Percentage)		50.00	55.00	60.00	65.00	70.00	70.00
Percentage of designated hospitals fully equipped with commodities (e.g. PPE, testing, infection control products and supplies) (Percentage)		50.00	55.00	60.00	65.00	70.00	70.00
System Strengthening, Monitoring and Management							
Number of communication initiatives supported by the project to address vaccine hesitancy (Number)		0.00	2.00	4.00	6.00	6.00	6.00
Percentage of vaccination sites visited by the technical auditor in the last quarter (Percentage)		0.00	100.00	100.00	100.00	100.00	100.00
Percentage of interviewed vaccine recipients reporting to be satisfied with the COVID-19		85.00	85.00	85.00	90.00	90.00	90.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
vaccination service that they received (Percentage)							

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of COVID-19 vaccine doses acquired through project financing	This indicator will measure the number of COVID-19 vaccines that have been procured by the GOL through World Bank financing support.	6 months	Vaccine logistics reports	Administrative data	PMU/MOPH
Percentage of residents of Lebanon who are fully vaccinated, total and disaggregated by sex, age risk, group and nationality (including refugees and host communities).	The indicator will track the number of eligible people as defined among a specific set of priority groups in the National Deployment and Vaccination Plan (NVDP)/government prioritization list who are fully vaccinated from COVID-19 using vaccines that meet the Bank's vaccine approval criteria. This indicator will be	6 months	MOPH reports, National Vaccine digital platform (IMPACT)	Administrative data	PMU/MOPH



	disaggregated by nationality (Syrian/Palestinian), gender, age risk group, and nationality, including host communities, in coordination with UNCHR.				
Number of patients with COVID-19 and other related conditions whose treatments were supported by the project (total and disaggregated by sex)	This indicator will measure the number of COVID-19 patients for whom the hospital treatment bills are covered by the project. This indicator will be disaggregated by gender	6 months	MOPH reports	Administrative Data	PMU/MOPH

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of refugees pre-registered on the national platform who are fully vaccinated (total and disaggregated by sex)	The indicator will track the number of eligible Syrian and Palestinian individuals in areas with a high concentration of displaced population (in coordination with UNCHR), as many are not issued a national ID and are not reported as refugees in the COVID-19 vaccine registration platform. This indicator will	6 months	MOPH reports, National Vaccine digital platform (IMPACT)	Administrative data	PMU/MOPH



	be verified with administrative sources, when available. Coverage of identified target population will be measured as defined in the NVDP. This indicator will be disaggregated by nationality (Syrian/Palestinian) and gender				
Percentage of vaccination sites visited by a technical auditor in the last quarter which are in compliance with Environmental and Social requirements	The project will track the continuous functionality of the cold chain to ensure that vaccines are - at all times - maintained at optimal condition until being administered to beneficiaries	6 months	MOPH and TPM reports	TPM	PMU/MOPH
Number of health workers who received training in vaccination with gender-based violence (GBV) related content	This indicator will measure the number of Healthcare workers who have received training on vaccination with Gender Based Violence related content. The training will address the dimensions of : identification of GBV victims, simple counselling and support mechanisms and possible referral pathways for further	6 months	MOPH	Administrative data	PMU/MOPH



	assessment and management of possible such cases.				
Proportion of females among Syrian vaccine recipients (received at least one dose)	This indicator will track the percentage of females compared to the total Syrian population reported to be vaccinated.	6 months	MOPH reports, National Vaccine digital platform (IMPACT)	Administrative data	PMU/MOPH
Percentage of refugees (Syrians and Palestinians) who are pre-registered on the platform	Numerator = number of non-Lebanese (Syrians and Palestinians) pre-registered on IMPACT (regardless of the type of ID used to pre-register on the platform) who are fully vaccinated. Denominator = number of non-Lebanese (Syrians and Palestinians) pre-registered on IMPACT (regardless of the type of ID used to pre-register on the platform). Data on vaccination by nationality from IMPACT will be used to monitor progress against this indicator based on the assumption that the majority of the Syrians and Palestinians pre-registered on the IMPACT platform	6 months	IMPACT and national surveys by UN (UNCHR and UNRWA) and other available sources	Administrative report and estimation from national surveys	PMU/MoPH



	are refugees.				
Percentage of feedback cases registered in the project's grievance redress mechanism (GRM) in the last quarter addressed within a timeframe specified by the project	The project will maintain a functioning grievance redress mechanism (GRM). Grievances will be tracked and analyzed, and feedback will be provided to MOPH management for corrective actions, as needed. The project operations manual will include the specific process to be followed.	6 months	GRM reports	Administrative data	PMU/MOPH
Percentage of designated hospitals fully equipped with commodities (e.g. PPE, testing, infection control products and supplies)	This indicator measures the proportion of designated health facilities for COVID-19 treatment that are fully equipped with commodities to support COVID-19 response	6 months	MOPH reports/ site visit reports	Administrative data	PMU and MOPH
Number of communication initiatives supported by the project to address vaccine hesitancy	This indicator will track the number of communication initiatives that are either conducted or/and substantially supported by MOPH for the public to address the issue of vaccine hesitancy.	6 months	MOPH and TPM reports	Administrative data	PMU/MOPH
Percentage of vaccination sites visited by the technical auditor in the last quarter	This indicator will monitor the percentage of project	3 months	MOPH and TPM reports	TPM reports	PMU and TPM



	supported facilities visited by the Third Party Monitoring Agency in each quarter of the project life-time. This will be calculated by dividing the number of the visited facilities divided by the number of the total number of supported facilities.				
Percentage of interviewed vaccine recipients reporting to be satisfied with the COVID-19 vaccination service that they received	This indicator measures the proportion of vaccine recipients interviewed by the TPM who report to be satisfied with the vaccination service	3 months	MOPH and TPM reports	TPM reports	PMU and TPM



ANNEX 1

Financial Management

- a. The “Strengthening Lebanon’s COVID-19 Response” is a Recipient Executed project that will be implemented, according to the World Bank guidelines, by the Ministry of Public Health (MoPH). The MoPH is currently carrying out the implementation of the Lebanon Health Resilience Project (LHRP - P163476) through a Project Management Unit (PMU) that includes a Financial Officer and a Financial Assistant. The Financial Management (FM) performance of this project is currently rated as Moderately Satisfactory; delays were observed in the flow of funds, recruitment of the technical auditor and submission of the Interim Unaudited Financial Reports (IFRs) and external audit report. The PMU was newly established in early 2020 with no previous experience in managing World Bank financed projects. The PMU faced numerous challenges in its ability to progress, such as the economic crisis and the pandemic. With the support of the World Bank, the PMU was able to get things on track in year 2021. The TPMA was recruited and started submitting regular reports on the expenses paid for COVID-19 hospital claims; the reports did not identify any irregularities. The external auditor was recruited and the first audit report covering year 2020 was submitted with unqualified clean opinion. The TPMA for the vaccine activity was recruited by the World Bank and submitted regular reports, no major issues were identified in the reports; one issue was flagged by the FM team is the stock management of the vaccine and the need to have a reconciliation between the figures produced by MoPH and the TPMA. An action plan has been agreed upon between the World Bank and MoPH.
- b. Under the new project, the proposed activities will be similar to those implemented under the COVID-19 component (component 4) of the LHRP. The MoPH will benefit from the FM arrangements and lessons learned under LHRP to implement the new project. This includes putting in place, as early as possible, a dedicated PMU to speed up the implementation of the project activities; the same PMU under LHRP will carry out the implementation of the proposed project, but additional staff (stock management officer and environmental and social safeguards officer) will be hired to carry out the additional work required. With the recent recruitment of a Financial Assistant to support the Financial Officer in performing the FM related activities, it is expected that FM reports and activities will be completed in a timely manner. The World Bank will continue to provide the PMU with training and hands-on support to implement the FM activities. Under this new operation, the MoPH will hire technical auditor(s) to verify the COVID-19 vaccination activities and COVID-19 hospitalization claims. To ensure adequate availability of funds in the project accounts, the MoPH will continue to ensure proper coordination with the Ministry of Finance (MoF) and CoA to ascertain that funds are cleared and transferred from the MoF Treasury Account to the project accounts swiftly and with minimal delays. Payments from the project accounts will be processed at the Sayrafa platform exchange rate for locally recruited third parties and in US\$ for international goods and services.
- c. The current Financial Officer and Financial Assistant working on the LHRP will be responsible for handling the FM aspects of the project under the supervision of the Project Director. The project funds will be disbursed in US\$ and will be channeled through the MoF Treasury Account and will be transferred to the project accounts opened in US\$ at the Central Bank. Funds will be channeled from the World Bank using advance to DA and reimbursements through withdrawal applications accompanied by proper supporting documentation. Disbursement will be following the applicable procedures and the World Bank's Disbursement Handbook. IFRs and annual PFS will be used as a financial reporting mechanism and not for disbursement purposes.



Financial Management Assessment

The FM team reviewed the FM arrangements at the MoPH PMU. Based on the result of the assessment, the FM risk, as a component of the fiduciary risk, is rated as Substantial. With the proposed mitigating measures, MoPH will have the FM requirements and will have an acceptable FM system and the residual FM risk rating would be Moderate.

- d. The following are the risks identified:
 - i. Possible delays of funds to be transferred from the MoF Treasury Account to the project designated accounts due to the CoA prior review, thus impacting timely payments.
 - ii. Potential misuse of vaccines doses (diversion of intended acquisition purpose including inefficiency in vaccines storage and stock management and distribution) due to weak government institutions and monitoring and limited accountability.
 - iii. MoPH has internal bylaws and procedures, however they do not comprehensively cover the World Bank FM requirements.
 - iv. The PMU does not have an accounting software to record transactions and produce financial reports; delays have been observed in acquiring a new software.
 - v. The continuing devaluation of the Lebanese Pound (LBP) against the US\$.
- e. To mitigate these FM risks, the following mitigation measures are proposed:
 - i. The MoPH shall request a high advance ceiling of the project accounts to ensure adequate availability of funds to respond to timely payments as per the contractual agreement. In addition, MoPH will ensure proper coordination upfront with MoF and CoA to ascertain that funds are cleared and transferred from the Treasury Account to the project accounts swiftly and with minimal delays.
 - ii. The PMU will recruit technical auditor(s), with TORs acceptable to the World Bank, to verify the COVID-19 vaccination activities and COVID-19 hospitalization claims.
 - iii. MoPH will finalize the recruitment of a stock management officer to monitor and validate the inventory of the vaccine stock which will help to align the stock count between MoPH and the technical auditor.
 - iv. The same accounting software that is currently being procured under LHRP will be used under the proposed project to record daily transactions and produce the required financial reports.
 - v. MoPH will open two designated project accounts in US\$ at the Central Bank; one project designated account pooled for the IBRD and GCF funds, and another project designated account for the grant funds from GPG solutions. Payments from the project accounts will be processed at the Sayrafa platform exchange rate for locally recruited third parties and in US\$ for international goods and services.
 - vi. PMU will prepare an FM chapter for the POM.
 - vii. IFRs will be produced on a quarterly basis to be submitted within 45 days after the end of each quarter to the World Bank.
 - viii. MoPH will get into a contract with an independent external auditor with TORs acceptable to the World Bank to audit the PFS. The auditor will prepare an audit report and management letter that will cover the financial operations, internal control and financial management systems and a comprehensive review of SOEs and will be due no later than six months after the end of each fiscal year.

Financial Management and Disbursement Arrangements

- f. *Staffing:* The same PMU that is implementing the LHRP will carry out the implementation of the proposed project,



and additional staffing will be hired to carry out the additional work required as needed. The current Financial Officer and Financial Assistant will be responsible for handling the FM aspects of the project under the supervision of the Project Director. Both have experience in implementing World Bank-financed projects. The World Bank will continue to provide the necessary training to the Financial Officer, Financial Assistant and any new staff recruited on World Bank FM procedures. MoPH is in the process of recruiting a stock management officer who will be responsible for the vaccine stock inventory and will support the ministry in aligning the stock count with the technical audit records.

- g. *Internal controls:* The MoPH has limited internal controls functions. The internal controls are set according to the MoPH's internal bylaws. For this operation, the project PMU will prepare an FM chapter for the POM, containing detailed information about the FM procedures and rules governing the flow of funds and internal control procedures, as well as the specific responsibilities of each member of the unit. The POM will need to be finalized within one month of project effectiveness. To strengthen the internal controls for the project, the MoPH will hire technical auditor(s) to verify the COVID-19 vaccination activities and COVID-19 hospitalization claims. The technical auditor(s) will be responsible to independently: (i) verify the GOL's compliance of the deployment of the World Bank-financed vaccines with the NDVP, WHO standards and World Bank requirements reflected in the legal agreements, Environmental and Social safeguards and the POM; and (ii) validate the payments made for COVID-19 hospital claims and confirm that these expenditures are eligible as per the legal agreement and POM. In addition, and for better control over the vaccine stock, this technical audit will be conducting independent physical stock count of the COVID-19 vaccine doses at the vaccination sites and storage sites and reconciling the physical stock count with the MoPH stock reports. The PMU, from its end, will finalize the recruitment of a stock management officer to monitor and validate the inventory of the vaccine stock which will help to align the stock count between MoPH and the technical audit. In addition, the PMU will complete the procurement and installation of an accounting software to record transactions under the project and produce financial reports.
- h. *Budgeting:* The WB funds will be channeled through the MoF Treasury Account and will be transferred to the project accounts. A procurement plan and a disbursement plan for World Bank financing will be used to compare planned expenditures with actual ones and monitor any variances. PMU will be preparing a separate annual budget and a disbursement plan. The budget will be prepared on an annual basis and submitted to the World Bank in November/December of each year covering the subsequent year. The PMU will monitor the variances in the disbursement plan and will provide justification on any major divergence.
- i. *Project accounting system:* The PMU does not have an accounting software to record transactions and produce financial reports. The same accounting software that is currently being procured under LHRP will be used under the proposed project to record daily transactions and produce the required financial reports. The project Financial Officer and Financial Assistant will be responsible for preparing the IFRs before their transmission to the Project Director for approval. Project accounting will cover all sources and uses of project funds, including payments made and expenses incurred. All transactions related to the project will be recorded using the cash basis of accounting.
- j. *Project reporting:* The project financial reporting includes IFRs and yearly PFS. IFRs should include data on the financial situation of the project, including:
 - 1) Statement of Cash Receipts and Payments by category and component.
 - 2) Accounting policies and explanatory notes including a footnote disclosure on schedules: (i) "the list of all signed Contracts per category" showing contract amounts committed, paid, and unpaid under each contract, (ii) Reconciliation Statement for the balance of the Project's DA, (iii) Statement of Cash payments



made using SOE basis, (iv) a budget analysis statement indicating forecasts and discrepancies relative to the actual budget, and (v) a comprehensive list of all fixed assets.

The IFRs should be produced every quarter and sent to the World Bank within 45 days from the end of each quarter. PFS should be produced annually and will include the same information as the IFRs.

- k. *Flow of funds:* The funds will be transferred from the World Bank to the project in accordance with the provisions of the Legal Agreements and Disbursement and Financial Information Letter. The MoPH will open and manage two project designated accounts in US\$ at the Central Bank; one project designated account pooled for the IBRD and GCFF funds, and another project designated account for the grant funds from GPG solutions. The funds will be channeled from the World Bank to the MoF Treasury Account for Loans and Grants and then transferred to the project designated accounts at the Central Bank of Lebanon in US\$ under the MoPH and in the project's name. Deposits into and payments from the DA will be made in accordance with the provisions set out in both the Loan Agreement and Disbursement and Financial Information Letter and as outlined in the WB's "Disbursement Guidelines for Projects." The funds will be received in US\$ in the treasury account for loans and grants and then transferred to the project designated accounts. For payments made to local third parties (suppliers, contractors, consultants, etc.), the transfers will be made out of the project designated accounts and will be received in Lebanese Pounds by the third parties at the Central Bank Sayrafa platform rate. For international firms and internationally imported goods and services, the payments will be made in US\$. The Financial Officer will be responsible for preparing the Withdrawal Applications (WAs) to request funds from the World Bank. These WAs will be instructed by two signatories to be determined by MoPH. Funds will be transferred from the World Bank based on WAs submitted online by the MoPH.
- l. *Technical audit(s):* The MoPH will hire technical auditor(s) to verify the COVID-19 vaccination activities and COVID-19 hospitalization claims. The technical auditor(s) will be responsible to independently: (i) verify the GOL's compliance of the vaccination deployment with the NDVP, WHO standards and World Bank requirements reflected in the legal agreements, Environmental and Social safeguards and POM; and (ii) validate the payments made for COVID-19 hospital claims and confirm that these expenditures are eligible as per the legal agreement and POM. The technical auditor(s) will prepare quarterly reports and will share the draft report simultaneously with the World Bank upon its delivery to the MoPH, 30 days after the end of each quarter. The final TOR(s) for the technical auditor(s) will be subject to World Bank approval. The work of the technical auditor(s) under this project will build on the existing third-party monitoring mechanisms for verification of hospital treatment and vaccination under LHRP. Considering the program context and the learnings from the LHRP, a simplified approach will be adopted, aiming at improving the capacity of MoPH to monitor these activities. Appointment of the vaccination technical auditor will be a disbursement condition for the funds allocated for the procurement of vaccines. Appointment of the technical auditor for COVID-19 hospitalization claims will be a disbursement condition for the funds allocated for COVID-19 hospitalization fees, as set forth in the Loan Agreement.
- m. *Audit of the project financial statements:* The PFSs will be audited by an independent private external auditor acceptable to the World Bank. The audit will cover the World Bank financing to the MoPH and will be carried out in accordance with International Standards on Auditing. The audit TORs will be cleared by the World Bank and will cover, among other things, compliance with the FM chapter of the POM, the effectiveness of the internal controls system, and compliance with the Loan Agreement. The audit will be accompanied by a management letter that contains the external auditor's assessment of the internal controls, accounting system, and compliance with the financial covenants in the Loan Agreement. The audit report and audited PFSs, along with the management letter, will be submitted to the World Bank no later than six months after the end of each fiscal year. The external audit



TORs will be finalized and agreed with the World Bank within three months after project effectiveness, and the external auditor is expected to be engaged within six months after project effectiveness. The World Bank makes publicly available the borrower's audited annual financial statements for all investment operations. According to the WB disclosure policy, the PMU will ensure that the yearly project audit report is made public in a manner satisfactory to the World Bank.

- n. *Flow of information:* PMU will be responsible for preparing periodic reports on project implementation progress and on both physical and financial achievements. These reports will be based on project activity progress (by component and expenditure category), including technical and physical information reported on a quarterly basis. The PMU will maintain the project bookkeeping and will produce annual PFSs and quarterly IFRs.
- o. *Summary of actions to be implemented:*

Table A1.1. Financial Management Actions

Actions	Deadline
Hire technical audit(s)	Condition for disbursement of funds for COVID-19 vaccines and COVID-19 hospitalization fees
Prepare FM chapter of the POM	1 month from effectiveness
Acquire accounting software	1 month from effectiveness
Hire an independent external auditor	6 months from effectiveness

- p. *Disbursement:* The funds will be disbursed according to the World Bank guidelines and should be used to finance project activities. The proceeds of the project will be disbursed in accordance with the traditional disbursement procedures of the World Bank and will be used to finance activities through the disbursement procedures currently used: i.e., Advances and Reimbursement accompanied by appropriate supporting documentation (SOEs) in accordance with the procedures described in the Disbursement and Financial Information Letter and the World Bank's "Disbursement Guidelines". The ceiling of the project account pooled for the IBRD and GCFF funds is set at US\$ 5.00 million. The ceiling of the project account for the grant funds from GPG solutions is US\$ 450,000. The IFRs and the PFS will be used as a financial reporting mechanism and not for disbursement purposes. The minimum application size for reimbursement is US\$100,000.
- q. *Allocation of the Project's Proceeds:*

For the non-concessional portion of the Loan and the concessional portion from GCFF:



Table A1.2. Allocation of Proceeds (IBRD and GCFF)

Category	Amount of the Non-Concessional Portion of the Loan Allocated (US\$)	Amount of the Concessional Portion of the Loan Allocated (US\$)	Percentage of Financing of the Non-Concessional Portion of the Loan (inclusive of taxes)	Percentage of Financing of the Concessional Portion of the Loan (inclusive of taxes)
(1) Project COVID-19 Vaccine	9,361,676	838,324	91.78%	8.22%
(2) Hospitalization Bills under Part 2.1 of the Project	7,342,491	657,508	91.78%	8.22%
(3) Goods, consultants' services, non-consultants' services, Training and Operational Cost for Parts 1.1 (b), 1.2, 2.2, 2.3, and 3.1 of the Project	6,188,458	554,167	91.78%	8.22%
(4) Front-end Fee	57,375	Not applicable	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions	
(5) Interest Rate Cap or Interest Rate Collar premium	0	Not applicable	Amount due pursuant to Section 4.05 (c) of the General Conditions	
Total	22,950,000	2,050,000		

**For the concessional grant from GPG Solutions:****Table A1.3. Allocation of Proceeds (GPG TF Grant)**

Category	Amount of the Grant Allocated (expressed in US\$)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Training and Operational Costs for Part 3.2 of the Project	4,000,000	100%
TOTAL AMOUNT	4,000,000	

- r. *Designated Account (DA)*: Funds will be transferred from the World Bank to the MoF treasury account for loans and grants held in US\$ at the Central Bank where the MoF receive funds from donors. The MoPH will open and manage two project designated accounts in US\$ at the Central Bank to receive the funds from the treasury account and to cover the Project's share of eligible project expenditures; one project designated account (DA-A) pooled for the IBRD and GCFF funds, and another project designated account (DA-B) for the grant funds from GPG solutions. The ceiling of the project account pooled for the IBRD and GCFF funds is set at US\$5.00 M (US\$ 4.490 million for IBRD and US\$ 0.411 million for GCFF). The ceiling of the project account for the grant funds from GPG solutions is US\$450,000. The MoPH will be responsible for submitting replenishment applications with appropriate supporting documentation.
- s. *Statement of Expenditures (SOEs)*: For requests for Reimbursement and for reporting eligible expenditures paid from the Designated Account:
- Statement of Expenditures for category 1 of the project (attachment xx of the Disbursement Letter)
 - Statement of Expenditures for category 2 of the project (attachment yy of the Disbursement Letter)
 - Bank reconciliation statement (attachment zz of the Disbursement Letter).