

TC Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Support for the Economic and Health Dialogue of the Americas (EHA) Initiative
▪ TC Number:	RG-T4209
▪ Team Leader/Members:	Guerrero Carvajal, Ramiro (SCL/SPH) Team Leader; Bauhoff, Sebastian (SCL/SPH) Alternate Team Leader; Distrutti, Marcella (SCL/SPH); Guerra, Martha M. (SCL/SPH); Lima De Moraes, Vitoria (ORP/REM); Mariangela Chavez (SCL/SPH); Mendoza Benavente, Horacio (LEG/SGO); Mendoza Centellas, Mariana Beatriz (ORP/GCM); Morrison, Judith Anne (SCL/GDI)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	N/A
▪ Beneficiary:	Regional: Argentina, Barbados, Bahamas, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Peru, Panama, Paraguay, Suriname, Trinidad and Tobago, and Uruguay.
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Cofinancing Special Grants(COF)
▪ IDB Funding Requested ¹ :	US\$400,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period:	24 months
▪ Required start date:	March 2023
▪ Types of consultants:	Individual consultants and firms
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	SCL/SPH-Social Protection & Health
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Economic integration; Institutional capacity and rule of law

II. Objective and Justification of the TC

2.1 Objective: The objective of this technical cooperation (TC) is to provide support for the EHA initiative by coordinating the technical work and background documents that will enable participating countries to engage in the meaningful policy dialogues that

¹ These funds will be administered by the IDB through a Project-Specific Grant (PSG). U.S State Department will contribute US\$400.000.

fulfill its objectives; supporting organizational matters related to the work of the EHA (including logistics and communication strategies); and synthesizing the discussions and exchanges.

- 2.2 **Context:** During the 9th Summit of the Americas that took place in June 2022 in Los Angeles, the U.S. State Department announced the Economic and Health Dialogue of the Americas (EHA) initiative. The objective of the EHA is to share good practices, facilitate coordination and increase political will for increasing pandemic preparedness and building more robust health systems and resilient economies across the region.
- 2.3 The EHA was launched as the hemisphere was ending the most critical phase of the COVID-19 emergency. Latin America and the Caribbean (LAC) was, among the world's regions, the most adversely affected by the emergency in terms of health. With only 8.2% of the population,² it accounted for 25.5% of worldwide COVID-19 deaths.³ The consequences for the economy were similarly adverse. As noted in the IDB publication "Going Beyond Normal: Challenges for Health and Healthcare in Latin America and the Caribbean Exposed by COVID-19"⁴, the region faced an economic contraction of 6.7 percent of GDP in 2020 – a significant drop for economies that were not doing well even before the pandemic, and almost twice the average global decline of 3.5 percent. An estimated 39 million jobs were lost, and more than 20 million people fell into poverty. In this sense, the pandemic generated a triple crisis in health, the economy, and society- from which it will take years, if not decades, to recover.
- 2.4 The COVID-19 crisis not only revealed structural weaknesses in the region's capacity to prevent and respond to health emergencies, but also showed that the weakness of health systems is consequential for the economy. With COVID-19 came the realization that pandemics are a major, global, systemic macro-economic risk, and that strengthening health systems should be a priority not only for public health officials, but for finance and economy ministries.
- 2.5 Many of the issues that need to be addressed for pandemic prevention and preparedness are regional in nature. Because of the inter-connectedness of geographies and economies, preventing and controlling the emergence and cross-border spread of health threats is a collective challenge (no country is protected until all are protected). A related important issue to be addressed is increasing manufacturing capacity of vaccines and medicines and having clear rules for procurement and access to these products in times of emergency. Many countries in the LAC region struggled to have timely access to vaccines during the most critical phases of the COVID-19 pandemic, and this led to calls for greater regional auto-sufficiency with respect to key medical products.⁵
- 2.6 These challenges that cut across health and the economy, and that have a regional dimension to them, call for a common platform in which they can be addressed. The purpose of the EHA initiative is to address this need. The EHA initiative has partnered with the Inter-American Development Bank (IDB), the Pan-American Health Organization (PAHO) and the Organization of American States (OAS), that are

² <https://www.cepal.org/en/news/world-has-8-billion-people-662-million-whom-live-latin-america-and-caribbean>.

³ As of December 22nd 2022 the region registered 1.7 million deaths (<https://www.statista.com/statistics/1103965/latin-america-caribbean-coronavirus-deaths/>). The worldwide figure is 6.6 million (<https://www.statista.com/statistics/1093256/novel-coronavirus-2019ncov-deaths-worldwide-by-country/>).

⁴ <https://publications.iadb.org/en/going-beyond-normal-challenges-health-and-healthcare-latin-america-and-caribbean-exposed-covid-19>.

⁵ The UN Economic Commission for Latin America (ECLAC) issued in 2021 the report "Plan for self-sufficiency in health matters in Latin America and the Caribbean: Lines of action and proposals".

supporting or working on initiatives to strengthen health system performance, Universal Health Care (UHC), boost pandemic preparedness and response capacity, regional vaccine production,⁶ and health and economic resilience more broadly. Within the scope of their regular activities, these organizations provide technical support to the EHA.

- 2.7 The private sector and civil society are also contributing to these aims. Prior to the June Summit of the Americas, the Americas Business Dialogue, an initiative that is facilitated by the IDB and serves as a consultation mechanism for the Summit, had recommended the establishment of a forum to engage civil society and the private sector in building stronger health systems and economies.⁷ This led to the launching of the RISE initiative. Whereas EHA, convened by the U.S. Department of State, is conceived as a government-only forum, RISE engages the private sector and is led by the U.S. Department of Commerce. The EHA initiative shall, in any case, consider and provide feedback to the perspectives emerging from the parallel RISE initiative.
- 2.8 The EHA initiative will be a platform for countries to share best practices learned during the COVID-19 pandemic to strengthen and transform health systems and advance global health security capacity and economic recovery. It will be organized along workstreams, which shall be agreed to by participating countries and circumscribed to the broad themes of preparedness against health shocks, more robust public health systems, and resilient economies⁸.
- 2.9 In consultation with relevant partner organizations, the EHA exchanges will enable participating countries to identify options for health and economic cooperation, as well as for strategic investment. These options could be integrated as national priorities. Some of them may materialize in Country Development Strategies amenable to the future financial support from multilateral development banks, such as the IDB. The discussions and exchanges taking place in the context of EHA should also facilitate the coordination and alignment of national priorities with the Regional Health Action Plan that was agreed on in the 9th Summit of the Americas.
- 2.10 The EHA is meant to be country driven, and it is expected that its meetings and workstreams will be chaired by delegates from the governments of participating countries. These chairs and workstreams are to be supported by a technical coordination team in charge of conducting all organizational matters for the meetings and workshops, organizing information and technical inputs required for the dialogue.
- 2.11 **Justification:** The EHA meets a need for having a discussion platform in the region that will allow the coordinated advancement of issues that cut across the health and economic agendas. It calls for the support of regional organizations and the IDB, with its broad set of capacities spanning the economy and the health sector, is best placed to play the role of coordinator of this regional initiative. On the other hand, this cooperation will increase the frequency of relevant exchanges with governments in the region and other development partners, and thus offers the opportunity of increasing the breath, depth and relevance of policy dialogues that contribute to the IDBs mandate and goals.

⁶ Through TC RG-T3919 the IDB is supporting PROSUR countries in producing a strategic roadmap for increasing the production of (and access to) vaccines.

⁷ <https://americasbd.org/en/2022-recommendations/>.

⁸ EHA is open to participation of the beneficiaries of this TC. Government representatives from Antigua and Barbuda, Dominica, Grenada, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Canada may be invited to take part of EHA discussions and meetings.

- 2.12 **Strategic alignment:** This TC is consistent with the Second Update to the Institutional Strategy of the IDB Group (AB 3190-2). It is aligned with the strategic priority of Social Inclusion and Equality: The COVID-19 pandemic made evident that health emergencies have adverse economic consequences, especially for vulnerable populations that were not able to benefit from remote work, telemedicine or remote learning. The final aim of the EHA initiative, supported by this cooperation, is to coordinate and motivate countries in protecting both health and economies from future pandemics, and this protection benefits mostly the most vulnerable populations. This TC is also aligned with the strategic priority of Economic integration: The COVID-19 pandemic disrupted trade and investment flows as well as business -related international travel. The objective of the EHA initiative, supported by this cooperation, is to motivate countries in preparing and protecting their economies, including trade and investment flows, against health emergencies. This TC is aligned with the cross-cutting issue of institutional capacity and rule of law: the discussions to take place in the context of the EHA initiative will emphasize preparedness, at the country and regional level, against health risks and their economic consequences. Such preparedness necessarily involves increasing the institutional capacity of public health systems.

III. Description of activities/components and budget

- 3.1 This TC has one main component. **Component 1:** Technical and logistical support to the EHA initiative. In particular, the TC will finance the coordination and preparation of background documents to be discussed in the meetings and workshops convened by EHA chairs, supporting the logistics and communications associated to EHA meetings, and facilitating and summarizing the discussions.
- 3.2 The work of the EHA will be organized in workstreams. Participating countries have preliminarily considered workstreams with the following titles: (i) “Smart Spending for Health and Resource Analysis; (ii) Prioritization of Health Sector Transformation; (iii) Income Protection in Pandemics; and (iv) Foundations for Strengthening Supply Chains.”⁹ EHA countries are expected to agree on the definitive content, scope, and level of priority of each workstream. It is also expected that the work of each workstream be oriented by a chair from a participating country in coordination with U.S. State Department. According to the agreements to be made by EHA participants, each workstream will have its particular combination of technical work, in the form of background documents that organize and analyze relevant information, and substantive negotiation (e.g., of rules regarding supply of critical medical inputs such as vaccines). In this context the support to be provided will consist of: (i) general coordination of the process (e.g., organizing meetings and reporting minutes, travel arrangement of consultants¹⁰); (ii) hiring of thematic experts that will produce and/or organize technical inputs and play the role of facilitators of the discussions of EHA country representatives; and (iii) disseminating outputs which will take the form of technical documents, position papers or statements of agreements.

⁹ These workstream proposals were shared and discussed in a technical meeting on November 17th with representatives of countries participating in EHA.

¹⁰ Considering that the support to be provided by the IDB to the EHA initiative implies engaging with countries, it is expected that project consultants (the coordinator and/or thematic experts) may need to travel to countries to be determined. The selection of experts will start once the definitive content and scope of the workstreams is defined, and once their work starts, their travel needs will be considered and approved by the supervision team. When project consultants are required to travel to or engage with stakeholders in IDB borrower countries, it will be coordinated with country offices in advance and, if a non-objection is deemed necessary, it will be requested to the respective country(ies) authority(ies) in advance.

Indicative Budget (US\$)

Component	Description	IDB/COF (USD)
Component 1: Support for EHA meeting/workshops	Coordinate technical work, prepare background documents and prepare summaries of EHA meetings	\$380.000,00
PSG administration fee	Administration fee	\$20.000,00
Total		\$400.000,00

- 3.3 The attached Procurement Plan provides additional detail with respect to the budget.
- 3.4 Resources of this project (US\$400,000) have been received from U.S. State Department through a contribution. The contribution will be administered by the Bank as a Project Specific Grant (PSG) according to the “Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)” (Document SC-114)¹¹. The contribution by U.S. State Department was provided through a Pledge Letter that was accepted by the bank. Consistent with the terms outlined in the pledge and acceptance letters for this contribution, the resources for this project will be administered by the Bank and the Bank will charge a non-refundable administration fee of 5% of the contribution, which is identified in the budget of this project.

IV. Executing agency and execution structure

- 4.1 This TC will be executed by the IDB. The main institutional competencies required for executing this project are knowledge management and communication in fields related to health policy and economic development. The Bank, through its Social Protection and Health Division has these competencies and has the capacity to perform the activities with the support of a few consultants. Contracting of these consultants can be done in an efficient way through the IDBs procurement rules. Besides the consultants, the EHA platform may require support for travel planning and purchasing, or for communications, and as SPH performs these tasks routinely, it is able to provide this support efficiently.
- 4.2 The project will be executed by the Social Protection and Health Division (SCL/SPH). The Team Leader will supervise the execution of the activities of this project. The core structure for execution of this project will consist of a consultant performing a coordination role, and three thematic experts providing the technical input and facilitating the discussions of the workstreams. The knowledge generated through this TC will be useful for future similar operational and research projects, which will guarantee the sustainability of the products.
- 4.3 The activities to be performed as part of this project are included in the Procurement Plan which is included as an Annex. The Bank will follow its procurement policies and guidelines related to contracting processes: (i) individual consultants will be hired according to the guidelines established in policy AM-650; (ii) consulting firms of an intellectual nature will be hired according to the “Policy for the selection and contracting of consulting firms for operational work carried out by the Bank” (GN-2765-4) and its

¹¹ SC-114 is an IDB official document that unifies COFABS, Ad-Hocs and CLFGS and regulates project specific grants (PSG).

Operational Guides (OP-1155-4); and (iii) other non-consulting services in accordance with the “IDB Institutional Procurement Policy” (GN-2303-28).

- 4.4 The project team will be responsible for the preparation and submission to the donor of the project reporting, in compliance with the stipulations of the Administration Agreement.

V. Major issues

- 5.1 The EHA was launched and is being led by the U.S. State Department, but its success, sustainability and the attainment of its long-term goals ultimately depends on the active engagement by the countries in the region and the priority they give to the initiative. The IDB is committed to providing, with high quality standards, the appropriate means for the EHA initiative attain its goals during the timeframe of this project, which is a crucial enabling factor of success, yet there are other important factors of success and sustainability, namely political will of the countries, that go beyond the scope of the activities of this TC.
- 5.2 Coordination with U.S. State Department will require a flexible and efficient process to ensure the alignment of proposals and deliverables with the broad objectives of the EHA. To do so, ORP and SPH will establish the necessary mechanisms to ensure adequate and timely implementation, including an agreed schedule of follow up and coordination meetings. In addition to IDB, the EHA will have technical support from the Pan American Health Organization (PAHO) and the Organization of American States (OAS). The Team Leader will maintain liaison with PAHO and OAS contacts in order to function as a technical working group to support EHA goals and outcomes.

VI. Exceptions to Bank policy

- 6.1 All the procurements will be executed under the Bank policy.

VII. Environmental and Social Strategy

- 7.1 This TC will not finance feasibility or pre-feasibility studies of investment projects with associated environmental and social studies; therefore, it is excluded from the scope of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Results Matrix - RG-T4209](#)

[Terms of Reference - RG-T4209](#)

[Procurement Plan - RG-T4209](#)