

**PLAN OF OPERATIONS**  
**INDIVIDUAL PROJECT OF THE FACILITY RG-O1676**  
**LINE OF ACTIVITY FOR INNOVATION PROTOTYPES**  
**“TC PROTOTYPES”**  
**DELEGATION OF AUTHORITY TO COUNTRY OFFICES<sup>1</sup>**  
**BRAZIL**  
**(BR-T1453)**

**I. GENERAL INFORMATION**

<b>Title</b>	Allm: Cross-border Telemedicine to Strengthen Responses to COVID-19 with an Existing Digital Health Solution for Stroke Care		
<b>Executing Agency:</b>	Fundação de Apoio ao Ensino, Pesquisa e Assistência do Hospital das Clínicas da Faculdade de Medicina de Ribeirão Preto da Universidade de São Paulo (FAEPA)		
<b>Focus Area:</b>	Knowledge Economy		
<b>Project Beneficiaries:</b>	The direct beneficiaries will be actors in the medical community such as general clinicians (50), nurses (100), paramedics (20-50), specialized doctors (10-20), hospital system (5-10) and emergency medical services (EMS) (2). The indirect beneficiaries will be patients and their families.		
<b>Financing:</b>	IDB Lab Cooperation:	US\$ 150,000	79%
	Counterpart:	US\$ 40.000	21%
	<b>TOTAL PROJECT BUDGET:</b>	US\$ 190.000	100%
<b>Execution and Disbursement Period:</b>	18 months of execution and 24 months of disbursement.		
<b>Objective:</b>	The objective is to develop and test the prototype of digital communication platform focusing on response to COVID-19 or any other potential future epidemic/pandemic diseases and other time-sensitive diseases in Brazil based on existing mobile applications for strokes. The project will leverage the knowledge and experience on COVID-19 from Japan.		
<b>Environmental and Social Impact Review</b>	This operation was screened and classified as required by the IDB's safeguard policy (OP-703) on April 20 <sup>th</sup> , 2020. Given the limited impacts and risks, the proposed category for the project is C.		
<b>Project Team</b>	Masato Okumura (LAB/IEN), Felipe Campos (LAB/INV/CBR), Melissa Sendic (LAB/DIS/CBR), Jessica Leite (LAB/DIS/CBR), Padydeh Eghbali (LAB/FIA/CBR), Catherine Moura da Fonseca Pinto (SCL/SPH), Ian William Mac Arthur (SCL/SPH), Eduardo de Azevedo (KIC/ICD), and George Rogers (GCL/FOM)		
<b>Unit responsible for disbursements</b>	Country Office in Brazil (CBR)		

<sup>1</sup> Delegation of authority for approval of TC Prototype operations up to US\$150,000 is established under MIF-GN-123

## II. BACKGROUND AND JUSTIFICATION

### A. Problem Description

- 2.1. There have been, as of 17 June 2020, 8,061,550 confirmed cases of COVID-19 globally, including 440,290 deaths reported to WHO<sup>2</sup>. When comparing WHO regions, the Americas accumulate the largest number of confirmed cases (3,899,859) of which more than 500,000 cases are from LAC countries. The COVID-19 cases have started its expansion in Latin America and the Caribbean (LAC) and the numbers has been increasing drastically in June. At this point, LAC has become the epicenter of the pandemic with Brazil being the country most affected (955,377 confirmed cases) and with the highest rates of disease transmission in the world. For the Southern Cone countries like Brazil, it is probable that the peak will come between June and November because of its spread acceleration due to the several elements, including the winter season, and national difficulties in the implementation of the emergency plan to combat COVID-19. The current epidemiological situation in Brazil is concerning local and regional authorities and the population. Registering more than 1,200 new deaths from Coronavirus for the 2nd consecutive day, Brazil has the second position in the global scenario with over 46,000 of deaths and an acceleration curve of the epidemic. Among its 26 states the Southeast region has the higher concentration of cases and deaths and São Paulo (SP) is the isolated leader with a total of 191,517 cases and 11,521 deaths<sup>3</sup>.
- 2.2. It is important to note that, since the beginning of the pandemic, the Ministry of Health has registered a total of almost 200 thousand suspected cases of infections by health professionals. This data from May 15th, includes doctors, nurses, receptionists, health agents and other professionals in the field. The infected, therefore, correspond to 15.9% of the total of suspected cases. Although this data is preliminary and there is also the critical situation of under-reporting of cases in Brazil due to the absence of mass testing and difficulty in laboratory diagnostic confirmation of COVID-19, the large number of the cases of health professionals is concerning.
- 2.3. Some of the main challenges that those countries are starting to face in the next months are:
- 2.4. **Overloading the capacity of hospitals.** It is highly probable that the number of infected patients with severe symptoms will increase, challenging the capacity of the hospitals both in public and private health systems. In the past weeks, in Brazil, the occupancy rate of ICU beds for COVID-19 in the public health network in most capitals of the country, as in the case of Sao Paulo and Rio de Janeiro, reached 85% with confirmed cases of infection by Coronavirus. The situations might get worse if patients with relatively light symptoms come to the hospitals when they could and should be staying at home attended by local doctors in primary healthcare services or through telemedicine.
- 2.5. **Lack of the information resulting in the potentiality of overshooting.** Lack of the guideline and established clinical protocols may cause the disorder and malfunctioning of the healthcare system, mostly in countries in which higher percentage of the population depends exclusively of the public health system such as in Brazil (70% - 80% total population) . (What to do with a certain situation for large hospitals, small clinics, patients and their families.) Lack of established

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<sup>2</sup> WHO Coronavirus Disease (COVID-19) Dashboard <<https://covid19.who.int/>>

<sup>3</sup> COVID-19 Painei Coronavírus. Ministério da Saúde do Brasil. <<https://covid.saude.gov.br/>>

communication channels could make the situation even worse. In Brazil, if there is a significative increase in cases, it is probable that doctors from specialties other than infectious diseases will be forced to join the fight against COVID-19 even without the technical specific knowledge of clinical management of this disease.

- 2.6. **Large rural and isolated areas.** An additional challenge is to enlarge the coverage of efficient care (primary care, specialized and emergency care) to the population in rural areas, isolated regions in the country, far from big central reference hospitals with access to well-informed and trained doctors along with enough resources. In addition to that, over 70% of the Brazilian population is dependent on the public health system in which most of services are provided at the municipal level, primarily. In a continental country like Brazil with more than 5,500 cities, mostly with small or medium population and far from the urban centers, the local health care structure in those locations is basic and sometimes ineffective.

### III. THE INNOVATION PROPOSAL

#### A. Description of the Solution being Tested

- 3.1. The objective of the project is to develop and test the prototype of digital communication platform focusing on response to COVID-19 or any other time-sensitive diseases including potential future epidemic/pandemic diseases in Brazil based on existing mobile applications of Allm Inc., a Japan-based healthcare information technology company.
- 3.2. Allm is already offering a series of mobile applications such as JOIN, the doctor to doctor (D2D) digital communication platform, in Japan and in LAC to support a wide range of actors in medical communities connecting doctors with other doctors, and doctors with patients or their families ("D2D2P"). Through the applications, the patients can look for the best available doctors and/or advice for the specific emergency. Also, doctors in small hospitals, clinics or urgent care units who do not have specialized knowledge and experience for specific diseases can remotely seek for support from specialized doctors of larger hospitals.
- 3.3. This application has demand already for use with diseases such as strokes, that require a high-level of expertise and rapid treatment, also the case of a pandemics such as COVID-19.
- 3.4. The idea is to quickly add the communication function and information sharing platform for COVID-19 in the applications that are already being deployed for stroke care in Brazil. The new functionalities include:
- 3.5. A web-based form designed for smartphone or tablet, for any doctors or nurses without specialized knowledge to quickly inform on certain new cases and to perform clinical triage and general orientation to the patients.
- 3.6. The information on new cases are to be stored in the cloud-based server, and simultaneously shared with specialists or doctors from specialized hospitals through the JOIN chat system, as well as tracking the inbound of ambulances in case the network is extended to the EMS. JOIN has a capability to share DICOM (Medical images such as CT, MRI, Echo, X-Ray, and others), allowing image level diagnosis from distance by specialized doctors. Also, the app will allow a video chat or audio chat in case the specialists want to see the patient.
- 3.7. These features allow the medical team to: (i) instruct additional treatment during the transportation if necessary; (ii) know the precise arrival time to the hospital;

and (iii) adjust the preparation in the hospital based on the actual condition of the patient that will be admitted.

- 3.8. In addition, the project may incorporate MySOS, a 'for-consumer' app to carry his/her own health record. The uniqueness of MySOS is an ability to import the CT Scan or X-Ray from the JOIN app and keep it within the patient portability. This is an efficient way to keep such exam in case the patient needs to travel from one place to another so that it will not be necessary to take same exams in the new hospital, avoiding duplication of unnecessary exams, saving resources and increasing patient safety.
- 3.9. The apps are compliant with HIPAA (Health Insurance Portability and Accountability Act of 1996s) and have a secure structure to bring any user into the group, if the administrator of the group invites such professionals. Also, they use the data in a responsible and ethical way. It is worth mentioning that during the project design, the team had an assessment by an expert on this issue hired in the context of fAIr LAC initiative<sup>4</sup> that IDB Lab is promoting jointly with the Social Sector of the IDB.
- 3.10. The apps will enable participants to securely and easily invite specialists from other regions or countries such as Japan. Currently, two well-recognized medical universities, The Jikei University School of Medicine (Tokyo) and Asahikawa Medical University (Hokkaido), have already agreed on offering specialized support through JOIN application for the effective use for COVID-19, based on their own experience against COVID-19. The potential collaboration includes, but is not limited to: (i) share the basic knowledge acquired in Japan such as "teaching file" for the initial diagnoses, and (ii) technical support in the analysis of each case through the CT scan pictures, etc.
- 3.11. These communications will optimize the reaction of the clinical response to the COVID-19 threat for following reasons: (i) it will standardize the methodology of diagnostics and treatments even in smaller cities or rural and isolated areas, (ii) It can minimize the spread of the virus by keeping patients with lighter symptoms at home reducing the unnecessary transport to health centers, reducing the risk of spreading the virus especially among healthcare professionals, and (iii) It helps to save the hospitals operational capacity, allocating such human resources for patients with severe symptoms that need to receive the proper care.
- 3.12. This project will focus on the actions for the COVID-19 crisis in early stages. However, it is important to clarify that the potential benefits are not only for COVID-19 related issues but also for any other time-sensitive diseases, This kind of network for time-sensitive diseases, called Acute Care Network, works well if there is a huge gap between centralized hospital (with more specialists available) and smaller hospitals/clinics around, as is the case of COVID-19. Any developing countries (Latin America, South East Asia, Eastern Europe) as well as rural other isolated areas in large countries (US, China, Canada) can benefit from the system. The project team will aim to create valuable knowledge base for the creation and expansion of these networks in Brazil and other countries.
- 3.13. In addition, the project will aim to establish an integral telemedicine system with a special focus in improving the access to high-quality medical services for poor and vulnerable populations. On one hand, the project will consider the lack of devices such as smartphones and good internet connections that are necessary to make the most of the solution. Ideas such as establishing access stations in public places or primary healthcare units are being considered. On the other hand,

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<sup>4</sup> <https://www.iadb.org/en/fairlac>

it will also be considered to extend the cross-border support and collaboration with specialist and doctors from other countries to other diseases than virus infections such as strokes that require time-sensitive attention.

## **B. Description of the Beneficiaries**

- 3.14. The direct beneficiaries of the prototype will be the health professionals and the patients in the medical services in the hospital community of Hospital das Clínicas de Ribeirão Preto (HCRP) including its emergency medical services. Within the framework of the project it aims to benefit 10-20 specialized doctors, 50 general clinicians, 100 nurses, and 20 paramedics. The number of patients to be attended in the hospital community benefitting from the solution is expected to be more than 1,000, although it will depend on the development of the COVID-19 infection. It is considered to include the application for patients that may benefit hundreds (I would say thousands) of patients and their families.
- 3.15. The application JOIN has a wide expansion both in Brazil and other Latin American countries, that will be the base to reach out to more beneficiaries for the issues around COVID-19 or other infectious diseases.

## **IV. THE PROTOTYPE EXECUTION STAGES**

### **A. Definition Stage: 2 months**

- 4.1. For this project Allm. Inc, a Japan-based company focusing on digital technologies and communications in healthcare industry, has been identified as the principal solution provider. It has developed a telemedicine network system as its core business with the first and only software as a medical device covered by public health insurance in Japan. After 5 years of operations, over 2,500 institutions, and 40,000 doctors and healthcare professionals are using Allm's solutions in Japan. It has expanded into 19 countries in the world including 180 institutions and 4,000 doctors of Brazil and 4 other Latin American countries (Chile, Colombia, Mexico and Peru) are receiving financial support from the Government of Japan (MIC: Ministry of Internal Affairs and Communication of Japan). In the area of this telemedicine platform, it is the only provider that promotes D2D2P connection with the real-time information sharing including DICOM (Medical images such as CT, MRI, Echo, X-Ray, and others), especially important with the inter-hospital perspective, where specialized doctors can look at DICOM even from non-affiliated hospitals.
- 4.2. HCRP has been working with Allm since 2017 using JOIN application of Allm for cerebral strokes and has succeeded in shorten the average time for the treatment by 50% from 8 hours to 4 hours. The solution is mainly used by Stroke Care team (120+ users) led by Dr. Octavio Pontes, who is also committed to accompany this prototype for COVID-19. This track record with Allm and its application JOIN shows an advantage in this time-sensitive situation of the virus considering that there are already many users in the hospital community, and it will not require any significant information technology system adjustment.
- 4.3. In addition to the above-mentioned aspects, Allm offers a benefit of bringing the direct support from Japanese universities with which they have been fighting together against COVID-19 in Japan where COVID-19 has been controlled relatively well compared to Brazil that is shown, for example, in the number of deaths by COVID-19 per capita. As of June 22<sup>nd</sup>, the number of deaths per 100,000 population is 0.75 in Japan that is significantly smaller than Brazil that has 24.48<sup>5</sup>. Currently, two well-recognized medical universities, The Jikei University School of

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<sup>5</sup> Johns Hopkins University COVID-19 Mortality Analysis <<https://coronavirus.jhu.edu/data/mortality>>

Medicine (Tokyo) and Asahikawa Medical University (Hokkaido), have already agreed on offering technical support through JOIN application for the effective use for COVID-19 based on their own experience against COVID-19. The potential collaboration includes, but are not limited to: (i) share the basic knowledge acquired in Japan such as “teaching file” for the initial diagnoses, and (ii) support in the analysis of each case through the CT scan pictures, etc. The second aspect of cross-border image sharing will be explored considering not only COVID-19 but also other diseases such as strokes. Considering of the sensitivity of the medical information, the legal and information technology implications will be carefully analyzed before realizing any international data sharing.

- 4.4. The initial analysis on the problem has been done combining HCRP’s knowledge of attentions for strokes and the recent experience of Allm on COVID-19 issues in Japan.
- 4.5. The contract with Allm will include the development of the prototype of the solution, trainings for the core users, preparation of the guidelines, preparation and support for the expansion process including rural and isolated areas, and data gathering, among other essential elements for its complete adoption
- 4.6. In this definition stage, the following activities will be realized:
  - Initial design of the prototype (webform and the application).
  - Initial design of the contributions from Japanese universities.
  - Planning of trainings for core users.

## **B. Implementation Stage: 16 months**

- 4.7. In this implementation stage, Allm, will first develop the prototype of the software solution (webform and additional functionalities for COVID-19). Then, HCRP will start incorporating the prototype having several rounds of trainings for the core users offered jointly by HCRP and Allm. The training sessions will be utilized also to get the feedbacks from the users that are to be reflected in the adjustment of the software and in the preparation of the guidelines that will move forward in parallel. In addition to the guidelines for the solution, a complementary “teaching file” for the users that shows the necessary actions for potential situations principally based on the experience in Japan, contributed by Japanese medical universities and Allm Japan.
- 4.8. To implement these actions as quickly and effectively as possible, HCRP will form a medical and academic advisory team with a special fellow specialist on infectious disease. The team will try to start implementing the solutions on time for the peak of the COVID-19 crisis in the country that is projected to come between June and November 2020 although there are many uncertainties in the projection.
- 4.9. Once they initiate using the solution, on one hand, the process of data gathering will start in order to analyze what kind of positive impacts have been achieved and what need to be addressed with further or different efforts. From day one, a regional manager would be assigned, and this person will be responsible to coordinate the solution implementation, track if the guideline is followed along with assisting the standardization of the protocol. This same person would be the best knowledge point on how the data is fed, and how it has been used. Therefore, he/she would be also responsible to monitor the data gathering and the consistency of the information.
- 4.10. On the other hand, the expansion plan will be elaborated both within the ecosystem of HCRP that covers the area of 2.5 million residents and to the other areas including other states than Sao Paulo. In all areas of potential expansion, the

coverage of poor and vulnerable population will have a special focus considering the additional challenges in terms of type of devices that they have and the network coverage in rural areas. Currently, it is an option to establish some access stations in public spaces such as shopping centers where people can get the services of initial consultations.

### **C. Evaluation and Knowledge Dissemination Stage: 6 months**

- 4.11. In the last six months of the project, the evaluation will be done jointly by HCRP and Allm based on the indicators shown in the result matrix (Annex I) and a knowledge sharing material will be prepared for the knowledge dissemination and business model expansion to other areas within the country and to other countries principally in Latin America.
- 4.12. In addition, HCRP and Allm will prepare materials for academic presentations considering the relevance not only of COVID-19 but also of regional telemedicine network for time-sensitive diseases. It is expected that the knowledge obtained through this prototype will be shared internationally.
- 4.13. MIC is currently considering potential technical support for knowledge dissemination activities both within and outside Brazil through presential or online workshops in coordination with IDB Group.

## **V. EXECUTION AGENCY AND ARRANGEMENTS FOR EXECUTION:**

### **A. Executing Agency**

- 5.1. The executing agency will be the Fundação de Apoio ao Ensino, Pesquisa e Assistência do Hospital das Clínicas da Faculdade de Medicina de Ribeirão Preto da Universidade de São Paulo (FAEPA) that is a non-profit research foundation of the HCRP group. HCRP is a Sao Paulo State Public Hospital with 700 beds, associated to Universidade de Sao Paulo (USP), one of the most recognized universities and research centers of Brazil. HCRP covers an area of 2.5 million people around Ribeirão Preto forming a network of 25+ hospitals and small clinics.
- 5.2. The advantage of having FAEPA as the executing agency is that it has already incorporated JOIN application since 2017 for cerebral strokes with more than 120 users and has succeeded in shorten the average time for the treatment by 50% as mentioned before. The team specialized in strokes is committed to give a full support to the team of infectious diseases that will be responsible for COVID-19 issues. It is worth mentioning that for the peak of the COVID-19, it is projected that doctors and nurses of other specialties than infectious diseases will have to participate in the fight against the virus, accordingly, to start with 120 users with experience enable the acceleration of the process.
- 5.3. FAEPA will oversee organizing the evaluation and analysis in addition to the administrative part of the project. FAEPA has experience in managing research projects that were supported by financial contributions by external organizations such as World Health Organization.
- 5.4. Additionally, for this prototype HCRP group will form a collaborative network of several hospitals and smaller units making the most of current experience with JOIN application. It is ready to share the acquired knowledge and support the replication of the model for other regions in Brazil or in other countries.

### **B. Implementation Mechanism**

- 5.5. FAEPA will be the executing agency and oversee the coordination with Allm, the principal provider of the solution, and other service providers.

- 5.6. As mentioned in the explanation of the definition stage (IV-A), Allm has been identified as the principal service provider for the following three reasons: (i) it is the only provider that promotes D2D2P connection with the real-time information sharing including DICOM (Medical images such as CT, MRI, Echo, X-Ray, and others), especially from inter-hospital perspective; (ii) HCRP has been using its JOIN application for strokes since 2017 with successful performances; and (iii) Allm will be able to bring the knowledge of COVID-19 directly from Japan. In addition, Allm is ready to offer the COVID-19 related services for free in 2020 to maximize the potential of the solution for the urgent challenge before the regular subscription model will be applied.
- 5.7. In addition to the principal provider, Allm, it is considered to strengthen the hospital team potentially hiring a fellow specialized in infectious diseases to boost up the front line of combat against COVID-19, and, a service provider to enhance the information technology system.
- 5.8. For the development of this project, all the Principles for Digital Development<sup>6</sup> that is endorsed by the IDB Group have been considered. During the implementation of the Executing Agency and suppliers will continue to consider it as the relevant principles.

## **VI. ALIGNMENT WITH IDB GROUP, SCALABILITY, AND RISKS**

### **A. Alignment with IDB Group**

- 6.1. The TC prototype will address the urgent need around the COVID-19 crisis. In addition, it is aligned with the Country Strategy of the IDB Group. Especially, it can contribute to two of its strategic objectives, “Promote e-government and digital solutions to foster transparency, accountability, and efficiency in delivering public services to citizens and enterprises” and “Improve management and the quality of spending and infrastructure in the health and education sectors”.
- 6.2. Also, in the long term the project will contribute to the Sustainable Development Goals (SDGs) of the United Nations, “good health and well-being”.



- 6.3. It is crucial that Social Protection and Health Division (SPH) of the IDB accompanies the analysis of the initial ideas, design and implementation of the project giving technical knowledge on health sector and digital health solutions. SPH could also promote the connection between HCRP/Allm with potential partners of the public sector towards scaling up and replication of the model in order to expand the adoption of the application among other local healthcare networks within Brazil
- 6.4. In addition, Allm is in conversation with Neuralmed.ai that is currently in the process of receiving the financial support from IDB Lab through a prototype project. The idea under discussion is to collaborate on their exclusive technology of lung X-Ray AI system to identify major symptoms such as cardiomegaly, pleural effusion, opacity, edema, atelectasis, nodule and pneumothorax. Allm's plan is to

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<sup>6</sup>. Principles for digital development (<https://digitalprinciples.org/>)



install Neuralmed system among the JOIN network for the first line of triage and filtering lung X-rays that requires closer look by experienced radiologists.

## **B. Scalability / Replicability**

- 6.5. The scalability is being considered both domestic and international dimensions. Domestically, once the prototype proves its value, HCRP and Allm will try to expand the model in the State of Sao Paulo and in other states. The IDB Group, mainly SPH and IDB Lab, will support the partnership building with the actors in both public and private sectors such as federal and local governments, and other hospital groups towards the replication of the model.
- 6.6. At the same time, Allm will try to scale up the model making the most of its global network in 18 other countries with a special focus on four Latin American countries, Chile, Colombia, México and Peru.
- 6.7. In both directions, in addition to the normal partnership activities, the information sharing in the academic context will have a crucial role so that the expansion of the model will be accelerated.

## **C. Risks**

- 6.8. The principal risk is that the solution will not be developed as quick as to contribute to the fight against the COVID-19 on its peak. Another related risk identified is that it could cost the actors to understand the solution and use it with the required timeframe. These are the principal challenges of this prototype. In order to minimize these risks, the project team will take the approach of starting with minimum viable product to cover the most basic needs of situation of COVID-19. The fact that HCRP is already using the solution for strokes might alleviate the preoccupation.
- 6.9. Another relevant risk is the data privacy that is the management of personal information. In addition to the Principles for Digital Development<sup>7</sup>, Allm follows the HIPAA compliance for international matter along with the local regulatory policy (LGPD = Lei Geral de Proteção de Dados), scheduled to be effective on January 2021.  
The LGPD may be delayed due to Corona Virus crisis. Regardless, Allm and HCRP/FAEPA will follow and implement the standard protocol of data protection described in HIPAA and HCRP policy. Special Conditions and Exceptions
- 6.10. This project was designed under the framework of the Line of Activities of TC Prototypes (RG-O1676) of IDB Lab. Accordingly, agile procedures as described in its document will be applied.

## **VII. SUMMARY BUDGET**

- 7.1. The project has a total cost of US\$190,000, of which US\$150,000 (79%) will be provided by IDB Lab, and US\$40,000 (21%) by the counterpart.
- 7.2. The instrument to be used is a non-reimbursable technical cooperation given the level of the innovation and of the risk of the solution especially considering the urgent demand caused by the COVID-19 in the country. The agility of the prototype instrument will be maximized for the design and the implementation of the project.
- 7.3. Retroactive Recognition of Counterpart Funds. Of the counterpart of \$40,000, up to \$7,000 will be recognized retroactively for the relevant costs incurred after the eligibility of the project (March 27<sup>th</sup>, 2020).

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<sup>7</sup> Principles for digital development (<https://digitalprinciples.org/>)

Project Categories	IDB Lab	Counterpart	Total
1. Definition	\$0	\$3,000	\$3,000
2. Implementation	\$140,000	\$37,000	\$177,000
3. Evaluation & Knowledge Dissemination	\$10,000	\$0	\$10,000
<b>Grand Total</b>	<b>\$150,000</b>	<b>\$40,000</b>	<b>\$190,000</b>
<b>% of Financing</b>	<b>79%</b>	<b>21%</b>	<b>100%</b>

## VIII. COMPLIANCE WITH MILESTONES, FIDUCIARY AND REPORTING ARRANGEMENTS

- 8.1 **Disbursement by Results.** The Executing Agency will adhere to the standard IDB Lab disbursement by results as established in the "Operational Guidelines for Management of Milestones and Financial Supervision for IDB Lab and SEP Technical Cooperation Projects" (updated in 2019). Monitoring will be undertaken in accordance with the performance and risk management policies (fulfilment of milestones) established in these Operational Guidelines. Project disbursements will be contingent upon verification of the achievement of milestones. These milestones will be verified using their means of verification, which will be agreed upon between the EA and the IDB Lab. Achievement of milestones does not exempt the EA from the responsibility of reaching the logical framework indicators and the project objectives.
- 8.2 **Project Supervision.** The Project will be associated with the Line of Activity RG-O1676 in Bank systems. It will be supervised by the IDB Lab Specialist based in the Brazil IDB Country Office and executed in coordination with the Project Team for RG-O1676.
- 8.3 **Procurement.** The Executing Agency shall prepare a procurement plan acceptable to the Bank, that describes the contracts for goods and services required to carry out the Project, including the estimated cost of each contract, and the proposed methods for acquisition of its goods and services, including consultants' services. The Bank may request annual reports on execution of the Procurement Plan by the Executing Agency. Implementation of the procurement policies, terms of reference, and contracts for the acquisition of goods and services, as well as the Procurement Plan and fulfillment thereof may be subject to ex ante review or ex post supervision by the Bank, at its discretion. There will be three contracts: (i) the principal contract with Allm as the service provider; (ii) the contract with HCRP for providing research services; and (iii) FAEPA's IT system enhancement to manage the data. As mentioned in the explanation of the definition stage (IV-A), Allm will be contracted as the principal service provider through a direct contracting for the following three reasons: (i) it is the only provider that promotes D2D2P connection with the real-time information sharing including DICOM (Medical images such as CT, MRI, Echo, X-Ray, and others), especially from inter-hospital perspective; (ii) HCRP has been using its JOIN application for strokes since 2017 with successful performances; and (iii) Allm will be able to bring the knowledge of COVID-19 directly from Japan. In addition, Allm is ready to offer the COVID-19 related services for free in 2020 to maximize the potential of the solution for the urgent challenge before the regular subscription model will be applied. (The draft of the Terms of Reference of this principal contract can be found in the Annex V.)

- 8.4 **Financial Management:** Disbursements will be made in accordance with the Financial Management Guidelines for IDB-Financed Projects (OP-273-12) July 2, 2019 or future updates. The Executing Agency shall maintain *financial data and internal accounting and administrative control systems acceptable to the Bank* so as to provide the necessary documentation to permit verification by the Bank of the procurement and expenditures for the Project and facilitate the timely preparation of financial statements, budgets, and reports. The Bank reserves the right to audit all financial statements, internal controls, procurement, or other aspects of the Project.
- 8.5 **Project Status Reports:** The Executing Agency is responsible for presenting a PSR to the IDB Lab within 30 days following the end of each semester or more frequently if required by IDB Lab. The PSR must include information on the implementation of the project, results obtained and contribution to reaching the project objective as presented in the Result Matrix (Annex I) and other planning instruments. Additionally, the document must include information on challenges encountered during the implementation period and possible paths to address these challenges. Within 90 days of finishing the execution period, the Executing Agency will present to IDB Lab a Final PSR giving priority to reporting on key results achieved, a sustainability plan, scaling up strategy and lessons learned.
- 8.6 **Project Coordinator:** The Executing Agency will appoint a Project Coordinator either from its existing staff or at its own cost. Expenses relating to project coordination and/or administration costs are not eligible under the IDB Lab contribution, rather such expenses must be financed by the counterpart contribution. The Project Coordinator shall have overall responsibility for the management of the project, including submission of PSRs, tracking milestones and results and coordination with IDB Lab.

#### **APPROVAL**

This Technical Cooperation Prototype is recommended and approved for funding under IDB Lab's Line of Activity for Innovation Prototypes MIF/GN-123 (project number RG-O1676, document number MIF/AT-1565-1, and resolution number MIF/DE-10/20).

Recommended by Masato Okumura, IDB Lab Private Finance Operations Specialist

Date: 23<sup>rd</sup> of June 2020

Approved by Morgan Doyle, IDB Country Representative in Brazil

Date: June 25, 2020 | 10:00 AM