

## TC Document

### I. Basic Information for TC

▪ Country/Region:	PARAGUAY
▪ TC Name:	Support for the Strengthening of Health Surveillance in Paraguay
▪ TC Number:	PR-T1304
▪ Team Leader/Members:	Ochoa, Francisco Jose (SCL/SPH) Team Leader; Delfs Ilieva, Isabel (SCL/SPH); Eschoyez, Guillermo Antonio (LEG/SGO); Hwang, Euisu (SCL/SPH); Park, Mihwa (SCL/SPH); Silveira, Sheyla (SCL/SPH); Sosa, Victor Anibal (CSC/CPR)
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	PR-L1175.
▪ Date of TC Abstract authorization:	16 Nov 2020.
▪ Beneficiary:	Republic of Paraguay, through its Ministry of Public Health and Social Welfare (MSPBS)
▪ Executing Agency and contact name:	Inter-American Development Bank/Inter-American Development Bank (Components I and II), and MSPBS (Component III)
▪ Donors providing funding:	Korea Poverty Reduction Fund(KPR)
▪ IDB Funding Requested:	US\$540,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	30 months
▪ Required start date:	July 2021
▪ Types of consultants:	Firms and individual consultants
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	CSC/CPR-Country Office Paraguay
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Institutional capacity and rule of law

### II. Description of the Associated Loan

- 2.1 In May 2020, the IDB approved the “Program for Strengthening Fiscal Policy and Management for Attention to the Sanitary and Economic Crisis Caused by Covid19 in Paraguay (5028/OC-PR, 5029/KI-PR)”. The main objective of this program is to strengthen the efficiency and effectiveness of public policy and fiscal management in Paraguay in response to the health and economic crisis caused by COVID-19, through the design and implementation of effective and fiscally responsible policy measures. This US\$210 million loan was designed as a Programmatic Policy Reform Support Loan (PBP) and includes a co-financing from the Korean Facility for the Co-financing of Infrastructure Development in Latin America and the Caribbean (KIF). The main beneficiaries of this loan are the most vulnerable sectors of Paraguay, since the loan is currently supporting policy measures aimed at improving the health response and reducing the economic impacts generated by the COVID-19 pandemic on the population.

### III. Objectives and Justification of the TC

- 3.1 Paraguay, like most countries in Latin America and the Caribbean (LAC), is going through a phase of increasing COVID-19 cases, with widespread circulation and health services reaching the limit of its capacity to respond to the surge. At the moment, the number of deceased amounts to 9,874 people and the cases with a confirmed diagnosis reach 373,000 individuals. During the first year of the pandemic, the strategy chosen was to contain the circulation of the virus through social distancing and the closure of borders. Some of the factors that contributed initially to slowing down infections were the rapid response of the health authority, the centralized and coordinated management, and the high compliance by the population with prevention measures. Other relevant contributing factors were geographic isolation, low population density, and the demographic profile (only 6% of the population is over 60 years old) of Paraguay.
- 3.2 In the context of the pandemic, the Government of Paraguay is expanding the capacity of the public health system to face a potential substantial increase in cases and a consequent increase in the demand for services in intensive care units. Between March and December 2020, 304 new intensive care beds were enabled, bringing the total to 609 nationwide. Laboratory capacity was also improved, health professionals were trained in the management of acute respiratory diseases, and the purchase of personal protective equipment and other strategic supplies was expanded. On the other hand, the testing of suspected cases has expanded, increasing from 40 daily tests in March 2020 to almost 6,000 daily in April 2021, as well as the ability to track and monitor infections.
- 3.3 **Preparation for public health events.** In terms of capacity, according to the annual evaluation of the Pan American Health Organization (PAHO), Paraguay presents an average level of preparation to detect, evaluate, notify, and respond to risks and acute public health events. This capacity ranges from high levels in dimensions such as central coordination or health surveillance, to low levels in areas such as laboratory capacity or provision of health services. In 2019, the Ministry of Public Health and Social Welfare (MSPBS) with the support of PAHO updated its National Multi-threat Response Plan to Emergencies and Disasters. The objective of a preparedness and response plan is to be able to detect a contagious outbreak in a timely manner and implement a containment and response strategy that minimizes morbidity, loss of life, and indirect economic impacts. The COVID-19 pandemic has accelerated investments and capacity upgrades in several of the previously mentioned dimensions.
- 3.4 Health surveillance in Paraguay is structured through a territorial network with a national presence, linked to the National Health Surveillance Directorate, which functions as the National Liaison Center (CNE by its acronym in Spanish). This network has 19 Regional Epidemiology Units (UER by its acronym in Spanish) that collect information from 1,259 surveillance points, such as hospitals, primary care services and medical specialty centers. In terms of the roles in the surveillance chain, the local level captures the events and takes the first control actions; the regional level consolidates the data received, evaluates the information and sends it to the national level (in the event of an outbreak or a Public Health Emergency of International Importance, the CNE is informed; in the case of an established mandatory notification event, the National Information Center is notified as well as the respective program); and the national level analyzes the situation and produces information for decision-making. In cases of risk of cross-border transmission, the CNE notifies the event to international health organizations and its regional peers. Based on the epidemiological

profile of Paraguay and the international agreements, the system permanently monitors 52 mandatory notification events, grouped into 12 categories that include vectoral diseases, zoonotic, gastroenteric, viral hepatitis, sexually transmitted, immune-preventable, respiratory diseases, meningoencephalitis, dermatological, chronic non-communicable diseases, other non-communicable events, and general events with an impact on public health. The level of compliance with the mandatory notification (defined as the timely submission of the weekly mandatory notification event form) by the surveillance reporting units reaches 99%.

- 3.5 For its part, in terms of diagnostic capacity, Paraguay has a national network of laboratories in the 18 health regions of the country dependent on the health services network, all linked to the Central Public Health Laboratory. According to the World Health Organization (WHO) estimate in 2019, Paraguay has a laboratory capacity of 53%, below the region of the Americas. In the context of the current COVID-19 pandemic, the MSPBS certified private laboratories for sample analysis, thus expanding the country's diagnostic capacity. The main challenges of the network include strengthening regional laboratories, updating protocols and guides, and integrating information systems.
- 3.6 It is useful to look at the success stories of other countries in controlling epidemics and pandemics to make decisions and strengthen Paraguay's capacity to respond to infectious diseases. South Korea suffered the COVID-19 crisis relatively early in January 2020 and is one of the countries that managed to "flatten the curve" of infections. After experiencing the MERS outbreak in 2015, Korea actively strengthened its infrastructure to deal with infectious diseases, including the establishment of an Emergency Operations Center and a private laboratory certification system. COVID-19 is now effectively controlled through active testing and contact tracing in the early stages of the COVID-19 outbreak. Sharing the Korean experience will help strengthen the Paraguayan government's capacity to deal with infectious diseases.
- 3.7 In this context, the objective of this Technical Cooperation (TC) will be to contribute to strengthening the capacities of the MSPBS to respond to Important National and International Public Health Events (ESPII or ESPIN by its acronym in Spanish), in accordance with the recommendations of the International Health Regulations (IHR). It will seek to support strategic activities that contribute to the reduction of negative impacts in terms of quality of life and loss of life, as well as in the economy, strengthening preparation and response to eventual risks. This TC will contribute to the achievement of policy measures for the second programmatic loan of 5028/OC-PR, 5029/KI-PR in the health sector, specifically measures 2.3 and 2.4.
- 3.8 **Request for Bank support.** The Government of Paraguay has expressed interest in having non-reimbursable TC resources through the Bank. It will seek to strengthen the capacity of the MSPBS in the preparation and response to events in public health, thus contributing to the sustainability of the activities and policy measures established in 5028/OC-PR, 5029/KI-PR. This program was structured as a PBP, which provides flexible and liquid (fungible) financing to promote policy reforms and / or institutional changes. The resources of this program were disbursed directly to the National Treasury of Paraguay and are not intended to finance specific investments in the health sector. Therefore, this TC will be of great importance to complement the program by financing technical support, studies, training, and the acquisition of some equipment, among other activities. The long-term objective is for Paraguay to improve its capacity in the dimensions recommended by the IHR of the WHO.

- 3.9 **Strategic Alignment.** The TC is consistent with the Second Update to the Institutional Strategy (AB-3190-2) and is aligned with the development challenge of Social Inclusion and Equality, by improving services for social inclusion, as well as with the cross-cutting issue of Institutional Capacity and Rule of Law, by improving the state's capabilities to provide public services. It is also aligned with the Country Strategy with Paraguay 2019-2023 (GN-2958), especially with the strategic area of human capital and living conditions, and the expected result of improving the health of the population, as well as the strategic area of public management and institutions, and the expected result of improving the capabilities of gathering and processing statistical information. Finally, the proposed activities are aligned with the IDB's Sectorial Framework for Health and Nutrition (GN-2735-12) by contributing to the strengthening of planning and management capacities of health networks. Additionally, this TC is aligned with the Corporate Results Framework (CRF) 2020-2023 (GN-2727-12), with the priority of social inclusion and equality and the indicator of beneficiaries receiving health services since this TC will improve public health emergency preparedness to better respond to epidemics and pandemics.

#### **IV. Description of activities and budget**

- 4.1 This TC will support the sustainability of the activities of Component II of the operation 5028/OC-PR, 5029/KI-PR. In particular, it will strengthen policy measures such as the creation of the Emergency Operations Center (COE) and the Response Plan to COVID-19 in accordance with the WHO guidelines. The following are the main activities planned within the framework of this TC:
- 4.2 **Component I: Improvement of Preventive Capacity and Response to Public Health Events (US\$220,000).** The objective of this component is to help accelerate compliance with the recommendations of the IHR to improve the capacity of the Paraguayan public health system in the face of future major health events. To this end, the project will finance consultancies to: (i) review and update of epidemiological and laboratory surveillance protocols and guidelines; (ii) support for the laboratory certification plan, including the private sector; (iii) evaluation of the country's official entry points and other strategic entry points; and (iv) technical assistance from experts from Korea to the Health Surveillance Directorate.
- 4.3 **Component II. Strategic Training and Public Communication (US\$220,000).** The objective of this component is to prepare key personnel at different levels and services as well as the general population to reduce the impact of public health events. To achieve this goal, the project will finance consultancies to implement the following activities: (i) intensive training plan for health workers, the surveillance network and other positions that contribute to early detection, situation analysis, response and management of epidemics and monitoring of public health events; (ii) exchange of knowledge and expertise in the management of health events through the support of experts from the Republic of Korea; and (iii) design and implementation of risk communication plans in critical areas, including campaigns, to improve adherence to prevention measures and community resilience.
- 4.4 **Component III. Strengthening of the Emergency Operations Center (EOC) (US\$100,000)<sup>1</sup>.** The objective of this component is to improve the operational capacity

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<sup>1</sup> This amount is below the threshold of 30% for the purchase of goods established on GN-2629-1.

of the EOC by financing the provision of physical, technological and communications infrastructure, with a focus on information and monitoring systems.

- 4.5 The creation of an EOC is proposed as action 2.3, and the development of a National Response Plan for the Eventual Emergence of the coronavirus is included as action 2.4, both in Component II of 5028/OC-PR, 5029/KI-PR. While the loan will support the approval of a Resolution for the creation of the EOC, and preparation of documents containing the national response plan for the emergence of the Coronavirus (COVID-19), this TC will finance technical support for these activities along with work force training for the newly developed center. Also, the newly developed laboratory surveillance protocols and guidelines in the Component I of this TC will be an important aspect of the new National Response Plan proposed in 5028/OC-PR, 5029/KI-PR. Furthermore, knowledge sharing from South Korean counterparts to Paraguay recipients will introduce clear guidelines to Paraguay in terms of strengthening its public health emergency preparedness but also in the development of the National Response Plan.

**Indicative Budget US\$**

Activity/Component	Description	Total IDB Funding
<b>Component I: Improvement of Preventive Capacity and Response to Public Health Events</b>	Review and update of epidemiological and laboratory surveillance protocols and guidelines	20,000
	Support for the laboratory certification plan, including the private sector	70,000
	Evaluation of the country's official entry points and other strategic entry points	30,000
	Technical assistance from experts from Korea to the Health Surveillance Directorate	100,000
Sub total		<b>220,000</b>
<b>Component II: Strategic Training and Public Communication</b>	Intensive training plan for health workers, the surveillance network and other positions that contribute to early detection, situation analysis, response and management of epidemics and monitoring of public health events	100,000
	Exchange of knowledge and experiences in the management of health events through the support of experts from the Republic of Korea	100,000
	Design and implementation of risk communication plans in critical areas, including campaigns, to improve adherence to prevention measures and community resilience	20,000
Sub total		<b>220,000</b>
<b>Component III: Strengthening of the Emergency Operations Center</b>	Provision of physical, technological and communications infrastructure for the EOC at the Ministry of Health, with a focus on information and monitoring systems	100,000
Sub total		<b>100,000</b>
<b>Total</b>		<b>540,000</b>

**V. Executing agency and execution structure**

- 5.1 At the request of the Government of Paraguay, the IDB, through the Social Protection and Health Division (SCL/SPH), in the Bank's Country Office in Paraguay will be the executing agency of Component I and II. In accordance with the provisions of subsection (d) of Appendix 10 of the Operational Guidelines for TC Products (GN-2629-1), it is justified that the Bank is the executor since, due to the nature of the objectives that this TC seeks to support, it requires agile processes that ensure that the necessary tasks will be attended in a timely manner to meet the implementation milestones of the new program. For its part, the Bank has extensive experience with this type of project, has a health sector and fiduciary teams in Asunción, and can guarantee effective execution on time. Direct execution by the Bank is in accordance with the provisions of GN-2470-2, subsection 4.5, which establishes this type of execution when: (i) the beneficiary country or group of countries agree; and (ii) the proposed activities are consistent with the Bank's strategy with the country and / or the regional strategy and program.
- 5.2 The MSPBS will be the executing agency of Component III. The Beneficiary and the Bank will enter into an agreement for the execution of the resources and activities included Component III. The MSPBS will carry out the procurement activities in accordance with the "Policies for the Acquisition of Goods and Works Financed by the Bank Inter-American Development Bank"(GN-2349-15). The MSPBS will submit to the Bank a non-audited expense report regarding the activities of Component III.
- 5.3 To ensure that the activities financed with the resources of this cooperation are correctly aligned with the objectives and critical processes of the MSPBS, the terms of reference, supervision and review of contracted products will be carried out in dialogue with the Ministry. Likewise, the progress of this project will be presented every six months to the Minister's Cabinet, to highlight the value added by this TC to the progress in improving capacity and to introduce the adjustments that are necessary to meet the priorities of the strategic agenda of the Ministry. These actions, along with the ongoing technical and financial support the Bank is providing to MSPBS through the Support to the Program to Strengthen Integrated and Integral Health Services Networks based on Primary Health Care (ATN/OC-17607-PR) and Support to Early Childhood Development (2667/OC-PR), will contribute to the sustainability of the interventions once the Project is completed.
- 5.4 **Procurement.** The activities to be executed by the Bank under this TC have been included in the Procurement Plan (Annex IV) and will be executed in accordance with the Bank's established procurement methods, namely: (a) section AM-650 of the Administrative Manual "Force of Complementary Work" for individual consultants; (b) the Policy for the Selection and Hiring of Consulting Firms for Operational Work Executed by the Bank (GN-2765-4) and its Operational Guidelines (OP-1155-4) for consulting firms; and (c) and the Procurement Policy Institutional (GN-2303-28) for logistics and other related services.
- 5.5 Direct contracting of consulting firms of Korean nationality is foreseen since only these firms are qualified and have experience of exceptional worth for the execution of activity (iv) of Component I (technical assistance from experts from Korea to the Health Surveillance Directorate); and activity (ii) of Component II (exchange of knowledge and expertise in the management of health events through the support of experts from the Republic of Korea).

## VI. Major issues

- 6.1 The risks of this TC are linked to the institutional capacity to carry out improvements in the dimensions of preparedness and response in the context of the COVID-19 pandemic and in the immediate aftermath. As mentioned before, according to the annual evaluation of Paraguay's preparedness carried out by PAHO, the country faces important challenges in dimensions such as laboratory capacity or provision of health services. Although during the pandemic the investments in these areas were increased, the governance and general institutional capacity of the MSPBS in health surveillance remains a challenge, which can reduce the effectiveness of the improved technical and physical capacity. The IDB will work in close collaboration with the MSPBS and other institutional actors to develop implementation and monitoring plans to mitigate this risk.

## **VII. Exceptions to Bank policy**

- 7.1 This TC does not include any exceptions to Bank policies.

## **VIII. Environmental and Social Strategy**

- 8.1 According to the IDB's Environment and Safeguards Compliancy Policy (OP-703), the TC has been classified as Category "C" as it carries the same impact categorization as the loan operation 5028/OC-PR, 5029/KI-PR. See Safeguard Filters [SPF](#) and [SSF](#).

### **Required Annexes:**

[Request from the Client - PR-T1304](#)

[Results Matrix - PR-T1304](#)

[Terms of Reference - PR-T1304](#)

[Procurement Plan - PR-T1304](#)