INVESTMENT GRANT DOCUMENT

I. Basic Information for IGR

▪ Country/Region:	Belize/CID – Isthmus & DR
▪ IGR Name:	Belize - Regional Malaria Elimination Initiative (RMEI) in Mesoamerica and Dominican Republic
▪ IGR Number:	BL-G1004
▪ Team Leader/Members:	Ignez Tristao, Team leader (SPH/CME); Emma Iriarte, Alternate team leader (SCL/SPH); Rafael Mauricio Perez Calvo, Alvaro Gonzalez, Mauricio Dinarte and Edison Soto (CU/RMEI); Diego Rios Zertuche; Isabel Delfs; and Martha Guerra (SCL/SPH); Esteban de Dobrzynski (LEG/SGO); Yamilee Payen and Brodrick Watson (VPC/FMP); Astrid Salazar (CID/CBL); and Rebeca Rodriguez (SPH/CME)
▪ Beneficiary:	Belize
▪ Executing Agency:	Ministry of Health (MOH)
▪ Donors providing funding:	Malaria Elimination Blending Facility (Multi-donor Trust Fund (FEM Fund)
▪ IDB Funding Requested: ▪ Investment tranche (IT) – Malaria Elimination Blending Facility (Multi-donor Trust Fund) (FEM Fund) ▪ Performance tranche (PT) – FEM Fund	US$260,000 ▪ US$162,500 ▪ US$97,500
▪ Local counterpart funding, if any:	US$487,500 in-cash and in-kind
▪ Disbursement period:	48 months[1]
▪ Required start date:	January 2019
▪ Prepared by Unit:	Social Protection and Health Division (SCL/SPH)
▪ Unit of Disbursement Responsibility:	Belize Country Office (CID/CBL)
▪ IGR included in Country Strategy (y/n):	No
▪ IGR included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social Inclusion and Equality; Gender Equality and Diversity

II. Objectives and Justification of the IGR

2.1 Building off recent regional malaria elimination efforts, the countries of Central America, Colombia, and the Dominican Republic,[2] together with the Inter-American Development Bank (IDB), have agreed to develop the Regional Malaria Elimination Initiative (RMEI) in Mesoamerica and the Dominican Republic. RMEI aims to eliminate the autochthonous transmission of malaria in the region by the year 2020. The core elements of RMEI include a regional approach, quality improvement, the promotion of a culture of learning, as well as, strategic and operational technical assistance to countries that are focused on the elimination of malaria. RMEI will work towards its outlined objectives and maintain progress to prevent the reintroduction of malaria into the region through the project's end in 2022. The implementation of RMEI is supported by a multi-donor trust fund administered by the IDB, known as the "Blending Financing Facility for the Elimination of Malaria (FEM Fund) - Document GN-2901-1". The donors and sponsors of this Initiative are the "Bill & Melinda Gates Foundation", "The Global Fund

[1] The disbursement period will start once the Bank has declared Elegibility; the period of 60 months applies just for the disbursement of the Investment Tranche and Local Counterpart.

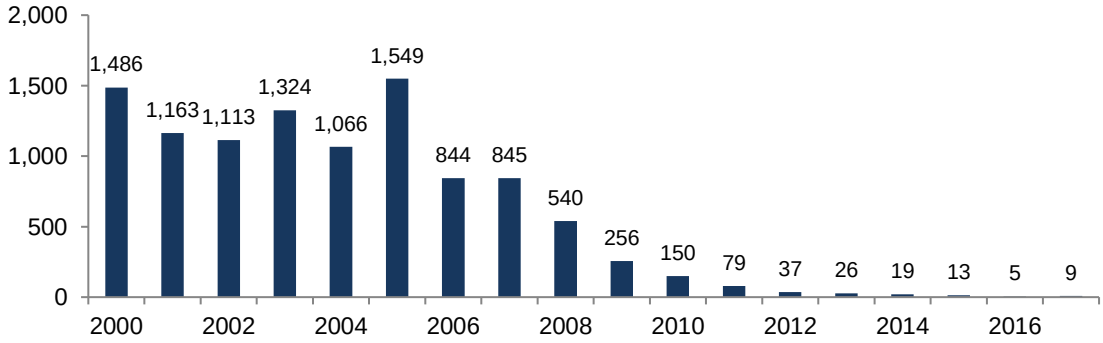
[2] The decision of the incorporation of Mexico as part of the Initiative is in progress.

to Fight AIDS, Tuberculosis and Malaria" and the "Carlos Slim Foundation." The IDB, the Pan American Health Organization (PAHO), the Executive Secretariat of the Council of Ministers of Health of Central America and the Dominican Republic (SE-COMISCA)—including the Regional Coordination Mechanism, the Executive Directorate of the Mesoamerican Development and Integration Project (PM), and the Clinton Health Access Initiative (CHAI) are members of the Strategic and Operational Committee that will provide technical and operational assistance to RMEI countries. Likewise, COMISCA and PM will facilitate the monitoring of project execution and results at the regional level. The RMEI objective in Belize is to contribute to malaria elimination in the country through the interruption of the human-to-human transmission of the parasite and the strengthening of the country's epidemiological surveillance system through the improvement in access to prevention, diagnosis, and treatment services.

2.2 World Health Organization (WHO) estimates that in 2016, 216 million cases were registered globally. The Americas' region reported less than 1% of the total number of cases. The incidence rate of malaria has decreased by 18% globally, between 2010 and 2016, and 22% in the Americas. Likewise, in Central America, where the parasite Plasmodium vivax transmission predominates, the number of cases and deaths has shown a marked downward trend, especially, in Belize, Costa Rica and El Salvador. However, during the last five years, the trend has stagnated, and it has prevented the countries from reaching malaria elimination.[3]

2.3 **Malaria in Belize.** Belize has experienced a significant and sustained decrease in the number of reported malaria cases since 2000, from 1,486 cases to five cases in 2017 (seven local cases and two imported), due to continuous and maintained efforts in prevention and control interventions (Figure 1). In 2018, 4 imported cases and one local case were reported. Even though there has been a reduction in the number of cases, it has been fluctuating between 9 and 26 in the last 5 years. Consequently, Belize has not been able to achieve malaria elimination. The Ministry of Health is the institution responsible for Malaria control in the country. Currently, Belize is classified in the pre-elimination phase by WHO being that no deaths due to malaria have been reported in the country since 2006. Thus, Belize is facing the possibility of malaria elimination goal (zero autochthonous cases) by 2020, and to achieve malaria elimination certification by 2023.

Figure 1. Malaria Cases from 2000 to 2017



Source: The National Strategic Plan for Malaria Elimination, 2018-2022, Ministry of Health Belize, 2018

[3] World Health Organization (WHO). 2017. World Malaria Report 2017. ISBN 978-92-4-156552-3. Page 46.

2.4 In Belize, the malaria cases have been concentrated in the Northern and Southern Regions. The predominant parasite species are the Plasmodium vivax, responsible for 100% of positive cases since 2006, and Plasmodium falciparum, responsible for occasional cases from travelers of endemic regions. A breakdown of cases by gender shows that they are concentrated among males (around 60%).[4]

2.5 Currently, there are eight localities considered as active foci[5] and six as residual non-active foci (from 358 localities in the country). In 2018, Belize performed a risk scenarios stratification exercise,[6] considering vulnerability and receptivity, at the local level. The exercise categorized the localities in four scenarios: (i) **Scenario four:** receptive, vulnerable, with cases, includes areas with active and residual non-active foci. 14 localities are in this scenario;[7] (ii) **Scenario three:** receptive, vulnerable, without cases, includes areas with cleared foci, with imported cases or migration from endemic areas. 212 localities are in this scenario; (iii) **Scenario two:** receptive, non-vulnerable, includes areas with cleared foci, without imported cases or migration from endemic areas. There are 132 in scenario two; and (iv) **Scenario one:** non-receptive, non-vulnerable. The country does not have scenario one localities, as the contributing factors for malaria transmission (environmental, climatic, geographic, socio-economic) can be found in all six districts of the country.

2.6 Malaria has a high social and economic cost for a country since it is related to lower productivity at work, lower income, lower welfare, greater disability, and, therefore, lower economic growth.[8] Also, malaria has an impact in tourism due to the reluctance of travelers to visit malaria-endemic areas.[9] Likewise, it has been estimated that malaria affects negatively the cognitive development of children.[10] The cost of eliminating malaria is lower than controlling it. According to the literature, the per capita cost of elimination is between US$0.18 and US$27.00; while, the per capita cost of malaria control is between US$0.11 and US$39.06.[11] Likewise, the cost-benefit analysis for malaria elimination indicate that the benefits of investing in the elimination outweighs its costs.[12]

2.7 **Malaria Causes.** According to the literature review, the direct causes of malaria are: (i) delayed diagnosis and treatment of febrile symptoms; (ii) deficiency in the investigation and surveillance of malaria cases to follow up and prevent reestablishments and transmissions; (iii) low vector control capacity due to the lack of Long Lasting Insecticide Nets (LLIN), and reluctancy to Residual Spraying (IRS); and (iv) settlement of migrants in areas of high risk of malaria transmission and without

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4 Ministry of Health, 2018, National Strategic Plan for Malaria Elimination 2018-2022, MOH.

5 The approach for malaria elimination in Belize will be based on stratification of transmission scenarios, according with vulnerability and receptivity, following PAHO Guidelines.

6 Belize performed the exercise with the Pan-American Health Organization (PAHO) technical assistance in February 2018.

7 The localities in scenario 4 are: Patchakan Village, San Victor, San Pedro Village, San Narciso, San Estevan, Nuevo San Juan, San José, Benque Viejo, San Román, Santa Rosa, Santa Cruz, Silk Grass Village, Trio Village and Conejo Creek Village.

8 Shretta, R., et al., 2016, The economics of malaria control and elimination: a systematic review, Malaria Journal.

9 Roll Back Malaria (RBM), 2010, Economic Costs of Malaria, RBM.

10 Mathanga, D., et al, 2015, The High Burden of Malaria in Primary School Children in Southern Malawi, American Journal of Tropical Medicine and Hygiene.

11 Shretta, R., et al., 2016.

12 Shretta, R., et al., 2016.

health infrastructure.[13] The main indirect causes are the low population knowledge about ways to prevent malaria, a low perception of transmission risk, and different cultural believes. Migrant workers at the borders are a challenge to be faced in the operation's design and implementation. This project aims to influence the direct causes.

2.8 According to WHO and PAHO, in Belize, in 2013 and 2014, access to diagnosis and treatment was not timely as patients were given treatment more than 72 hours after the onset of symptoms, and as Rapid Diagnostic Tests (RDTs) were not used to diagnose malaria. Malaria cases in the country have been concentrated in the Northern and Southern Regions, close to Mexico and Guatemala borders, respectively, where high mobile populations get into the country to work (mainly banana, citrus and sugar cane farming). In the southern districts, most of the malaria cases have been detected in Stann Creek and Toledo, along the Caribbean coast, which is mostly rural with relatively large indigenous and migratory populations. Frequent traveling of Belizean nationals to malaria endemic areas, as well as the constant increase of immigrant workers in the agriculture and tourism industries, makes it difficult to surveil and investigate malaria cases, and poses a constant threat for the reintroduction of the Plasmodium parasite into malaria free areas. In these districts, the socioeconomic and sanitation conditions limit effective control of the disease.[14]

2.9 Additionally, the existence of meteorological phenomena (increase of rainfall and floods and of temperatures), micro environmental changes and the current agricultural models, generate favorable environments for the reproduction of vectors.[15] In Belize, the hurricanes and the continued threat of flooding due to heavy rainfall increase the risk for infectious diseases.[16] Furthermore, there is low coordination with countries with border areas where malaria is present.

2.10 **Interventions.** Given this situation, the Ministry of Health in Belize has come a long way with enormous efforts in the control of malaria to achieve elimination. In 2014, the Ministry participated in the initiative "Elimination of Malaria in Mesoamerica and the Island of Hispaniola" (EMMIE), that resulted in an overall restoring of the vector control program, impacting malaria transmission significantly, and strengthening district programs to ensure sustainability. Currently, the Ministry developed the National Strategic Plan for Malaria Elimination (NSP) 2018 – 2022[17] which updates the National Malaria Elimination Action Plan 2015 – 2020. The NSP goals are: (i) update strategies based on implementation experience, changing challenges, and newly available evidence and technical guidance; (ii) ensure that strategies are in place to prove beyond reasonable doubt that local transmission is interrupted (2020); (iii) develop budget for 2018-2022, and mobilize additional resources required for achieving elimination by 2020 and certification by 2023; and (iv) establish one national strategy ensuring all technical and financial partners are aligned with it. The goals will be achieved through the NSP strategic objectives, which are: (i) strengthen the capability

[13] Pan American Health Organization (PAHO), 2014, Report on the Malaria Situation in the Americas, 2014. PAHO.

[14] Ministry of Health, 2018, NSP

[15] Pan American Health Organization (PAHO), 2014

[16] Ministry of Health, 2018, NSP

[17] It will be guided by the strategies and objectives of the Regional Malaria Action Plan for the Americas 2016-2020, the Global Technical Strategy for Malaria 2016-2030 and those of the EMMIE initiative (Elimination of Malaria in Mesoamerica and the Island of Hispaniola), using an integrated approach with the support of local stakeholders, community participation, and the support of neighboring countries.

of the surveillance system to detect, immediately report, and respond with targeted set of interventions to all malaria case and all malaria foci; (ii) strengthen early diagnosis and treatment of malaria through quality diagnostic tests, and effective treatment according to national standards; (iii) implement appropriate vector control interventions in priority locations, ensuring more than 80% coverage, with either IRS in semi-annual spraying cycles, or a combination of IRS and LLIN distribution, timed according to transmission seasons; (iv) strengthen the partnerships with local communities to improve treatment seeking behavior and vector control acceptance; and (v) establish effective program management and coordination at all levels to ensure elimination by 2020 and certification by 2023.

2.11 **Regional Malaria Elimination Initiative–RMEI.** To support the acceleration of malaria elimination, the RMEI will support Belize's elimination until 2022 through a results-based financing model that combines three types of resources: (i) an investment tranche financed with resources from the FEM Fund; (ii) local counterpart resources, to be provided by the participating country; and (iii) a performance tranche financed with the FEM Fund, conditional on the achievement of previously established targets. The investment tranche covers 25% of donation funds and the remaining 75% is financed with resources from the local counterpart, which may come from new or existing IDB loans and/or other national budgets. If the country achieves the goals established for the agreed indicators in each of the two measurement periods, they can earn part or all the performance tranche. The performance tranche corresponds to 20% of the national funds initially invested by the country and can be used in the health sector at the country's discretion.

2.12 The four strategies to achieve this are: (i) increase the supply and quality of Diagnosis, Treatment and Investigation (DTI-R) of malaria cases to ensure attention and quality in diagnosis and treatment during the first 72 hours; (ii) strength the surveillance with the integration of systems of information that articulate the epidemiological, entomological and parasitological components to promote improvement in the analytical capacity for decision making; (iii) increase vector control actions in endemic areas through the improvement of the population knowledge about vectors and implementation of the appropriate package of vector control interventions (LLIN and IRS in about 9,645 households); and (iv) strength transversal actions through the distribution of malaria information, the increase of technical cooperation and international coordination, and the monitoring and evaluations of the progress towards elimination to generate a more effective, adequate and pertinent response to the elimination challenge.

2.13 **RMEI Theory of Change.** The theory of change is based on the Malaria Elimination Framework (WHO 2017), and the Collective Impact (CI) framework. The first framework established that in other to achieve malaria elimination it is necessary to: (i) investigate and treat cases, manage and monitor foci; (ii) eliminate parasites in all the population and establish new and additional interventions (if necessary); (iii) carry-on surveillance to detect, characterize and monitor all cases (individual cases and foci); (iv) improve and optimize case management (diagnosis tests, treatment and follow-up); and (v) improve and optimize vector control. RMEI's operational design and the performance indicators, are based on this framework. The CI is a conceptual framework and approach to complex social problems.[18] This approach is based on the belief that the only way to resolve complex social

[18] Kania, John, and Mark Kramer. 2011. "Collective Impact." Stanford Social Innovation Review, 2011.

problems is through combining various partners. CI embodies five key elements: a common agenda, a shared management system, continuous communication, mutually reinforcing activities, and a backbone organization. RMEI embodies the five elements of CI, in addition to three key mechanisms for accelerating change: incentives, externally verified targets, and technical assistance and funding for interventions (based on *Salud Mesoamérica* Initiative success, and lessons learned).

2.14 **Lessons Learned.** This operation incorporates the lessons learned from operations "Mesoamerican Health 2015-Belize" (BL-G1001) and "Mesoamerican Health 2015-Belize – Second Individual Operation" (BL-G1002), by including: (i) results-based financing model with external verification of the compliance of performance indicators; (ii) community activities with cultural relevance with the participation of community volunteers to encourage the demand of health services, and to achieve greater adherence to treatment and prevention practices; (iii) quality improvement to significantly improve the quality of health services and create sustainable quality improvement processes through clinical processes implementation, rapid QI cycle and teams, and collaboratives; and (iv) political instances of regional coordination to contribute to regional elimination and create opportunities for regional research and development.

2.15 **Alignment with Country Priorities and Bank Strategies.** The operation is consistent with the Bank's Update to the Institutional Strategy 2010-2020 (AB-3008) and is aligned with the development challenge of Social Inclusion and Equality as the proposed interventions will benefit vulnerable populations in remote rural areas and migrants living in areas of high risk of malaria transmission and without health infrastructure. These interventions will: (i) promotes policies that provide accessible quality health services to all segments of the population; and (ii) enhances investments in human capital throughout the life cycle. The operation it is also aligned with the cross-cutting theme of Gender Equality and Diversity, as the proposed interventions will help to reduce gender-based barriers to seek treatment; ensure pregnant women get timely diagnosis, and mitigate the gender gaps in the use of Insecticide Treated Net (ITN). Also, the Bank´s Country Strategy with Belize 2013-2017 (GN-2746) identifies the investment grants financed through regional projects as an important platform for technical and regional cooperation. Likewise, the operation addresses key priorities of the Belize Health Sector Strategic Plan 2014-2018: (i) to have the health status of the population accurately described and monitored; (ii) to use data for evidence, based planning and decision making; (iii) to strength the surveillance of communicable diseases; (iv) and, to improve the quality of care according to defined standards by assuring that 100% of the health care facilities use protocols, guidelines, and quality monitoring tools. Additionally, the operation is aligned with the Bank´s Health and Nutrition Sector Framework Document (GN-2735-2) which aims to: (i) lower noneconomic barriers to access to health services, promoting self-care and preventing risky behaviors; (ii) direct supply-side investments (infrastructure, human resources, inputs, technology, clinical and health management processes) to ensure effective universalization of high quality health services; and (iii) support institutional capacity-building of the health sector in the design and implementation of RBF mechanisms.

III. Description of Activities/Components and Budget

3.1 The RMEI will finance, with the Investment Tranche and Local Counterpart: (i) the marginal variable costs associated with the expected increase in demand of goods;

(ii) the marginal variable costs associated with expanding the service supply capacity, like training additional microscopists; and (iii) the administration and operational costs, like project financial statement audit. The RMEI will not substitute government finance for the provision of health services that are included in MOH health's budget. The components that are going to be financed are: (i) DTI-R; (ii) Surveillance; (iii) Vector Control; and (iv) Cross-Sectional Actions to contribute to the malaria elimination.

3.2 **Component 1: DTI-R.** The objective of Component 1 is to secure the opportunity and the quality of the diagnosis and treatment. This component will finance: (i) consulting services to update national diagnosis and treatment guidelines; (ii) equipment and inputs to ensure that each suspected malaria case is diagnosed within 72 hours in all priority locations (active and residual non-active foci); (iii) consulting services and operational costs (transportation services, office materials, refreshments and, rent of conference rooms) for training to strengthen malaria laboratory diagnostic network in the country; (iv) equipment to strengthen quality diagnosis by malaria microscopy across health sector; (v) inputs and consulting services to provide efficacious supervised treatment of all confirmed cases with a 3-days course of chloroquine along with a full 14-days course of primaquine for all Plasmodium vivax malaria cases and with a 3-days course of chloroquine along with a single dose of primaquine for all Plasmodium falciparum cases; (vi) inputs and operational costs (transportation services, office materials, refreshments and, rent of conference rooms) for training to improve testing and referral practices at the private facilities; and (vii) inputs to support adequate stock of malaria commodities at all levels of care at all times.

3.3 **Component 2: Surveillance (integrated epidemiological, entomological and parasitological surveillance system).** The objective of Component 2 is to strengthen surveillance to ensure malaria elimination and to avoid its reintroduction. The component will finance: (i) consulting services to update national surveillance guidelines and standard operating procedures; (ii) consulting services and equipment to establish a non-Belize Health Information System (non-BHIS) malaria data reporting tool linked to the BHIS to enter test results of individuals tested for malaria, disaggregated by point of care (POC); and (iii) operational costs (transportation services, office materials, refreshments and, rent of conference rooms) for training to improve case identification and capture in the surveillance system, to improve the investigation and classification of all malaria cases timely from diagnosis, to investigate each active and residual non-active foci to determine drivers of transmission, to target appropriate response mechanisms, and to strengthen practices for active case detection in priority locations and areas of higher risk, based on vulnerability and receptivity (border areas and plantations with high influx of seasonal migrant workers).

3.4 **Component 3: Vector Control**. The objective of Component 3 is to expand capacities at the local level to increase integrated management for vector control and will finance: (i) operational costs and training to stratify and prioritizing localities to guide vector control interventions; (ii) supplies, equipment and operational costs to conduct entomological surveillance to inform the deployment of effective vector control interventions; and (iii) two vehicles to implement the appropriate package of vector control interventions in prioritized localities, (mainly IRS and LLIN in about 9,645 households).

3.5 **Component 4: Cross-Sectional actions**. The objective of Component 4 is to strength the capacity and impact of the above mentioned interventions through: (i) non

consulting services to display and distribute key malaria-related messages via mass media in English and Spanish, the two languages spoken in the area; (ii) consulting services to support monitoring and evaluating the progress towards elimination and certification; (iii) consulting services to conduct auditing, and (iv) operational costs (transportation services, office materials, refreshments and, rent of conference rooms) to support mobilization efforts of local communities to participate in malaria elimination activities, to distribute IEC/BCC materials to travelers and migrants via border control and tourism agencies, to monitor and evaluate knowledge, attitudes and practices, to support efforts to empower authorities and local leaders to lead malaria elimination campaign (intercultural dialogues will be developed to assure appropriate approached), to support policy dialogue to promote effective utilization of adequate funding for malaria elimination, to support increasing technical cooperation and international coordination in support of achieving the malaria elimination goal by 2020, to support designing and implementing selected operational investigations, ensuring dissemination of results, and to support coordination efforts to achieve WHO malaria elimination certification by 2023.

3.6 This operation has a total cost of US$747,500, consisting of Investment Tranche (IT) resources in the amount of US$162,500, financed by the Malaria Elimination Blending Facility (FEM Fund), and Local Counterpart (LC) resources in the amount of US$487,500, and a possible Performance Tranche (PT) for US$97,500 which will be financed by the FEM Fund. If the country achieves the targets of indicators agreed for each of the two measurements moments it can earn an award of part or all the PT. The PT corresponds to 20% of the national funding initially invested in the country and it is distributed in two phases: in the first phase 2018-2020 a performance award of 40% of the total PT resources (US$39,000) and a second phase 2020-2022 with an award of the remaining 60% (US$58,500). The Performance Framework contains the 10 key indicators for each phase and their specific targets and weights that determine the achievement of the PT. In each phase, if the country achieves a score between 50-79% of the agreed targets, it receives 30% of the award and, if the country achieves a score of 80% or more, it receives 100% of the award. Indicator targets are verified by external and independent evaluators.

Table 1. Operation Investment Costs (US$)

Activity/Component	Investment Tranche (FEM Fund)	Local Counterpart	Total
Component 1: DTI-R	113,168	127,231	240,399
Component 2: Surveillance (integrated epidemiological, entomological and parasitological surveillance system)	-	36,540	36,540
Component 3: Vector control	9,332	104,670	114,002
Component 4: Cross-section actions	40,000	219,059	259,059
Sub-Total	**162,500**	487,500	**650,000**
Performance Tranche (PT) – First phase	**39,000**	-	**39,000**
Performance Tranche (PT) – Second phase	**58,500**	-	**58,500**
Total	**260,000**	487,500	**747,500**

3.7 The operation will be supervised by the Social Protection and Health Division (SCL/SPH), with the support of the Country Office of Belize (CID/CBL), which will be the Unit of Disbursement.

3.8 **Monitoring and Evaluation Arrangements.** RMEI's Measurement, Monitoring and Evaluation Plan in Belize has five objectives: (i) verify compliance with targets of indicators included in the Performance Framework linked to the results-based financing model; (ii) monitor general RMEI indicators at the regional level; (iii) monitor the implementation of planned project activities; (iv) monitor technical, financial and management of the operation; and (v) generate knowledge regarding innovative intervention mechanisms for malaria elimination.

IV. Executing Agency and Execution Structure

4.1 As with the first, second, and third operations of *Salud Mesoamerica* Initiative (paragraph 2.14), the Ministry of Health (MOH) will implement this operation through its Project Management Unit (PMU), which will be responsible for tasks related to project administration, procurement, and financial management. The technical inputs required for the execution of the operation will be coordinated by the Vector Control Unit (VCU), in coordination with the Policy Analysis and Planning Unit of the MOH.

4.2 **Financial Management Policy and Audit Arrangements.** The MOH will adhere to the general norms for the public sector in terms of financial management and will also comply with respective Bank policy. Final financial statements of the project, audited by a firm of independent public accountants acceptable to the Bank, are to be submitted to the Bank within 120 days following the last disbursement. The audit will cover the entire project period and will be conducted in accordance with the content and scope established in the Terms of Reference agreed with the Bank. For purposes of determining the equivalency of expenditures incurred in local currency of the reimbursement of expenditures chargeable to the IGR, the agreed exchange rate shall be the effective exchange rate used to convert the funds denominated in the project's currency to the local currency at the date of disbursement. During the period of three years after the disbursement of the performance tranche, the Bank may request an audited financial report. The audit will cover the use and destination of the resources of the performance tranche and will be conducted in accordance with the terms of reference approved by the Bank. Belize should submit this audited financial report within 90 days after the Bank´s request. The provisions of the governing policies shall be applied to retroactive expenses. The auditing could be financed by resources from the IT or the LC.

4.3 Procurement, financed totally or partially with resources from the Investment Tranche, will be conducted in accordance with IDB policies for procurement of goods and works (document GN-2349-9) and for the Selection and Contracting of Consultants (document GN-2350-9). The Local Counterpart will follow Government of Belize´s Selective Tendering Procedures. The IDB policies will not be applied to expenditures effected by the Beneficiary in cases of receiving funds from performance tranches 1 and 2. In addition, Bank's Board of Executive Directors approved in the *"Proposal for the Establishment of the Malaria Elimination Blending Facility -- Multi-Donor Trust Fund"* (document GN-2901-1) the possibility that certain goods could be acquired from non-Bank-member countries (paragraph 2.21). In addition, paragraph 2.22 previews the possibility that these medical inputs can be procured directly from PAHO, through a direct contract. In case that this succeeds, this procedure will be reflected in the PP.

4.4 **Supervision reports.** Semiannual progress reports should be submitted to the Bank 60 days following the end of each calendar semester during the execution of the operation. This report will have to describe the achievements and advances using the indicators reflected in the Results Matrix of the Operation. Belize shall remit annually to the Bank, up to two years after the disbursement of the Performance Tranche the amount of resources expended by the Ministry of Health´s activities regarding general interventions to help improve health indicators.

4.5 **Other reports.** An unaudited financial report regarding the activities financed by the Investment Tranche and the Local Counterpart is to be submitted to the Bank, when at least 50% of the Investment Tranche has been disbursed or within another period agreed upon by Belize and the Bank.

V. Major Issues

5.1 The Project Risk Analysis categorized risks in execution according to probability and impact as “medium” or “high,” the risk management plan proposed appropriate mitigation measures. The categorized risks were: (i) that medical practitioners do not think of malaria as a possible diagnosis in fever cases; (ii) there is a risk of malaria reestablishment in malaria free areas because of constant movement of population coming from endemic countries; (iii) there may be lack of community engagement in the community platform in vulnerable communities; (iv) there can be a limitation of activities of diagnosis and detection due to not identifying individuals with key skills (i.e., microscopists) on a timely manner; (v) that the limited commitment and engagement of the private sector in the diagnosis and reporting, may affect the surveillance system and prompt treatment of positive cases; (vi) that the budget for elimination activities is higher than the financial resources available, which could lead to the lack of critical inputs for implementation of the whole elimination plan; and (vii) that the increase incidence of existing vector borne diseases and the possibility of the introduction of emerging and re-emerging may put a significant strain on already limited human and financial resources. The first risk will be mitigated through training the health care workers on malaria detection, diagnosis and treatment, engaging them with malaria elimination and reinforcing and ensuring that fever cases are being tested as malaria. The second risk will be mitigated through collaborating with the neighbor countries and conducting proactive case detection. The third one will be mitigated by assessing a behavioral change strategy and providing coaching to the community. The fourth risk will be mitigated by ensuring that the hiring of professional is within the first three months from the start of the project. The fifth one will be mitigated through providing some necessary inputs to the private sector, including the private sector in the microscopy training, and doing routine visits to collect data and samples. The sixth risk will be mitigated by carrying a policy dialogue with the government and other actors to identify additional resources to close the financial gap. The last one will be mitigated by ensuring training of vector control personnel, by performing analysis if an outbreak appears, by strengthening the partnership with the private sector, and by strengthening countries capacity in international health regulations with support from PAHO/WHO.

VI. Exceptions to Bank Policy

6.1 The operation does not contain exceptions to Bank policy, except for the one mentioned in ¶4.3 with respect to the possibility that certain goods could be acquired from non-Bank-member countries.

VII. Environmental and Social Strategy

7.1 In compliance with the Environment and Safeguards Compliance Policy (OP-703, B.3) this operation has been classified as Category “C” based on the potential negative environmental and social (E&S) risks and impacts of vector control interventions (mainly IRS and LLIN). The activities –which will be performed during implementation– include the preparation of an environmental and social analysis and an environmental and social management plan for all potential environmental and social effects and risks of the program. The activities financed under Component 4, Cross-Sectional actions, will include a round of public consultation with relevant parties. If the program affects indigenous populations, this consultation, as well as the environmental and social management plan, should be culturally adjusted (see SPF and SSF filters).

Required annexes:

- Annex I: Request from the Client
- Annex II: Results Matrix
- Annex III: Procurement Plan

Optional annexes:

- Annex IV: Financial Plan
- Annex V: Project Execution Plan (PEP)
- Annex VI: Performance Framework
- Annex VII: Monitoring and Evaluation Plan - Including the Performance Framework
- Annex VIII: Theory of Change
- Annex IX: Project Risk Analysis
- Annex X: Intercultural and Gender Approach in the RMEI

Appendix:

- Appendix I: Acronyms and abbreviations

Belize - Regional Malaria Elimination Intitative (RMEI) in Mesoamerica and Dominican Republic

BL-G1004

INVESTMENT TRANCHE (It) $162,500
PERFORMANCE TRANCHE (PT) $97.500

CERTIFICATION

The Grants and Co-Financing Management Unit (ORP/GCM) certifies that the operation received the letter of commitment for financing by the **Malaria Elimination Blending Facility (MEF)** for up to **US$260.000,00** confirmed by Gustavo Saguier (ORP/GCM), November 19, 2018.

Certified by: ***Original signed*** **1/9/19**

Sonia M. Rivera
Chief
Grants and Co-Financing Management Unit
ORP/GCM

Date