

**Japanese ODA Loan****Ex-Ante Evaluation(for Japanese ODA Loan)**

South America Division, Latin America and the Caribbean Department  
Japan International Cooperation Agency

**1. Name of the Project**

- ( 1 ) Country: Plurinational State of Bolivia
- ( 2 ) Project: COVID-19 Response Emergency Support Loan
- ( 3 ) Project Site / Target Area : The entire area of Plurinational state of Bolivia
- ( 4 ) Loan Agreement: Month Date, March 30, 2023

**2. Background and Necessity of the Project**

( 1 ) Current State and Issues of the Health and Medical Care Sector in Relation to the Spread of COVID-19 and Positioning of the Present Program in the Subject Country

In Bolivia, the first domestic case of COVID-19, which continues to be a global pandemic, was confirmed on March 10, 2020. Since then, despite the declaration of a national emergency that restricted store operations and outings of citizens, COVID-19 kept spreading (as of January 30, 2023, total infections of 1.187 million cases and total deaths of 22,000 people) and greatly affected the country's society and economy. After going through the fourth wave, in which about 79,000 cases were confirmed in the third week of January 2022, and the fifth wave, in which about 40,000 people contracted the virus in the third week of July, the country is now in a lull as of January 30, 2023 with 2,365 confirmed cases per week. Note, however, in Bolivia, approximately 53.6% of people received the second vaccine, and only about 20.6% received a booster shot (as of January 31, 2023), showing a relatively slow pace of vaccination compared to other Latin American countries. Furthermore, Bolivia has an added risk of spreading the virus due to, for example, a weak health and medical care system. In particular, care for those at high risk of severe COVID-19 symptoms, such as patients of non-infectious diseases and the elderly, is insufficient.

To address this situation, the Bolivian government declared the state of emergency to restrict movement of the people. Meanwhile, it implemented various actions including creation of the Containment, Mitigation and Post-confinement Recovery Plan in Response to COVID-19 (Plan de Contención,

Mitigación y Recuperación post Confinamiento en Respuesta a la COVID-19 ) in September 2020 and development of an infection control manual based on the plan. While the state of emergency declaration was repeatedly extended even after the administration changed in November 2020, the new administration (hereinafter “Arce administration”) formulated the National Plan to Fight COVID-19 (Plan Nacional de Lucha contra la COVID-19) and the National Vaccination Plan (Plan Nacional de Vacunación) to encourage citizens to get vaccinated and reopen the economy. Meanwhile, the administration strengthened the benefit scheme for the vulnerable population to protect people’s daily lives. In particular, it strengthened the cash transfer program, Bono Contra el Hambre (Bond Against Hunger; hereinafter BCH), targeting citizens 18 years or older who did not receive their salary, pension, or long-term social security benefit due to the severe impact of the COVID-19 control.

In November 2021, the Arce administration also formulated the Economic and Social Development Plan 2021-2025 (Plan de Desarrollo Económico y Social 2021-2025) ; hereinafter PDES), which was approved at the legislative assembly. The plan stipulates, amidst the spread of COVID-19, improvement of the health and medical care policy and system as well as realization of UHC from 2021 to 2025.

In 2019, the Bolivian government established the Sistema Único de Salud (Universal Healthcare System; hereinafter SUS) to provide free health and medical care service to all citizens. However, only a limited number of medical care facilities can connect to the SUS information system. While the number of patients who visit doctor’s offices has increased due to SUS implementation, this has further accelerated the saturation of medical care infrastructure as well as equipment and workforce shortages. Insufficient functioning of the Bolivian patient referral system<sup>1</sup> is another factor for the constrained health and medical care system such as the secondary and tertiary medical facilities. To address this situation, it is necessary to modernize the health and medical care system, with the primary focus on strengthening of SUS such as improvement of the referral system in the nation’s health and medical care service, develop a strategy to improve the infrastructure and equipment for health and medical care facilities, and strengthen human resource capabilities. Note that protection of the minimum

---

<sup>1</sup> A system whereby patients who cannot be treated on site after being seen at a primary healthcare facility are referred and transported to a healthcare facility where higher-level medical services are provided.

standard of living for the low-income and vulnerable population, who account for a large portion of patients who visit doctor's offices using the SUS system, using the BCH or other means is the primary reason for the existence of the health and medical care sector.

The country exercised agile fiscal spending to recover the economy, protect citizen's daily living, respond to COVID-19, and improve the health and medical care policy and system described above. As a result, the country's financial deficit in 2020 expanded to -12.7% of GDP (IMF, November 2022). A high deficit is also predicted also for both 2021 and 2022, at -9.3% and -8.5% of GDP respectively, due to the COVID-19 response and improvement of the health and medical care system, and covering of the deficit is the urgent task. For FY2023, the Bolivian government wishes to partially cover the total financial deficit of about 3.638 billion dollars with overseas financial support. The government has already received a loan from the IDB and also has high expectations for a similar Japanese ODA loan.

For this reason, the objective of the present program is to provide financial support for policy and system improvement for the subject country to continue and expand its public service in the health and medical care sector and to protect the vulnerable population, which is the premise of the public service, in a country severely impacted socioeconomically due to the spread of COVID-19.

## ( 2 ) Japan's and JICA's Cooperation Policies for Health and Medical Care Sector

The Japanese government development cooperation policy for Bolivia (January 2018) included promotion of social inclusion as its priority area. In this, spreading and strengthening of health service was set as the action policy, and under this policy, the Japanese government has long experience working on maternal and child health and medical human resource training with the primary focus on technical cooperation in collaboration with local donors to support the health and medical care area of Bolivia. The present program agrees with the Health and Nutrition areas of the JICA global agenda as well as the policy and analysis of JICA's Initiative for Global Health and Medicine in terms of supporting the COVID-19 crisis response and promotion of UHC which is stipulated in the PDES. In addition, JICA and the IDB expanded the co-financing framework in March 2021 to include the health area. Within this framework, the present program is positioned as a CORE parallel co-financing project. Finally, at the Tokyo Nutrition for Growth Summit 2021 in December in Tokyo, the Japanese government

announced 300-billion-yen nutrition-related support over the next three years. The present program includes actions such as ensuring of the BCH support progress by the IDB in the program policy matrix and therefore contributes to the commitment of the Japanese government.

### ( 3 ) Other Donors' Activities

The IDB approved loans of \$450 million and \$500 million for "Support to Vulnerable Populations Affected by the New Coronavirus (Phase I and Phase II)" in May 2020 and November 2021, respectively.

In May 2020, the World Bank also approved a loan of approximately \$254 million to finance the purchase of equipment and supplies necessary for infection prevention and protection of medical personnel as emergency support for the COVID-19 response.

## **3. Project Description**

### ( 1 ) Project Description

#### ① Project Objective

This project is to provide financial assistance to continue and expand public services related to the health and medical sectors, and to improve policy systems to protect vulnerable groups that are the prerequisite for health and medical services in Bolivia, where the socioeconomic impact of the spread of COVID-19 infection is serious, thus contributing to the promotion of the country's economic and social stability and development efforts.

#### ② Project Components

For the purpose of fulfilling the objective described above, the present program checks the progress of actions in the policy matrix with the following areas of actions as the pillars of the program and encourages the Bolivian government to voluntarily make efforts and continue to make improvement. In the present program, financial support will be provided in line with the PDES.

Policy Pillar 1: Modernization of the health and medical systems, including emergency response to the COVID-19 pandemic and other illnesses

Policy Pillar 2: Strengthening of the free universal health insurance system (SUS)

Policy Pillar 3: improvement of the infrastructure and equipment of health establishments, and strengthening of the capacity of human resources

Policy Pillar 4: Protection of the Lives of Citizens affected by COVID-19, which is a precondition for the operation of SUS

( 2 ) Estimated Project Cost

15,000 million Yen (Japanese ODA loan: 15,000 million Yen)

( 3 ) Schedule

Financial support based on the present program begins in March 2023. The loan is divided and provided at two different times after it is confirmed that policy actions for each of the two terms stipulated in the policy matrix are fulfilled. The present program is complete when both loans are made (September and December 2023).

( 4 ) Project Implementation Structure

1 ) Borrower: Plurinational State of Bolivia.

2 ) Executing Agency:

The Ministry of Development Planning, which is the contact point of the borrower in the present program, manages the overall program. The Ministry of Health and Sports implements individual policy actions. (Note that policy pillar 4 will be implemented by the Ministry of Development Planning.)

( 5 ) Collaboration and Sharing of Roles with Other Donors

In the area of health and medical care in Bolivia, JICA has so far implemented the Maternal and Child Health Network Improvement Project in Potosi (completed in 2017) and the Maternal and Child Health Network Improvement Project in Oruro (completed in 2020) with the particular objective to strengthen the regional health and medical care system. Recently, JICA completed the Project of Strengthening the Pre-Service Education System for Co-Medicals (from May 2017 to December 2022) and is now in the middle of the Project to Improve the Referral and Counter Referral System and Emergency Obstetric Care (from April 2022 to March 2027).

2) Although JICA sets its own policy matrix for the present program, a part of the matrix (pillar 4 of the policy matrix) is set aside for promotion of IDB's Support Program for the Vulnerable Population Affected by the Novel Coronavirus (Phase II) (project type). While taking advantage of knowledge of the IDB, JICA will work with the IDB to monitor the program progress. Through its approach to the health and medical care sector and efforts to maintain the foundation of the livelihood of the socially vulnerable, the present program is expected to promote stabilization of the Bolivian economy and society and development cooperation as preparation for post-COVID-19 social and economic normalization.

( 6 ) Environmental and Social Consideration

① Category: C

② Reason for Categorization : the present program is considered to have the minimal adverse environmental effect according to the JICA Guidelines for Environmental and Social Considerations (promulgated in April 2010).

( 7 ) Cross-Sectoral Issues : N/A

( 8 ) Gender Category : ■ Gender Informed (Significant) (Gender Activity Integration Project)

<Details of Activities/Reason for Categorization>

The Project to Improve the Referral and Counter Referral System and Emergency Obstetric Care, which is included in the policy matrix as the target of support of this present program, is beneficial primarily to women such as expecting and nursing mothers.

( 9 ) Other Important Issues

To ensure transparency in the flow of funds, the Japanese government plans to adopt a negative list to be agreed upon in the E/N, R/D, and N/V.

#### 4.Targeted Outcomes

( 1 ) Quantitative Effects

1) Outcomes (Operation and Effect Indicators)

Indicator	Baseline (2021)	Target (2023)
COVID-19 complete vaccination rate (%)	43	61.5
Rate of participation in the integrated health information system (%)	63	75
Grasping of the COVID-19 vaccination progress (number of weekly reports issued in a year)	52	52
Number of secondary and tertiary hospitals whose improvement projects begin in 2021 or 2022 (number of hospitals)	0	4
Updating of reference, counter-reference, and transfer rules (number of updates) (Note 1)	0	1

BCH implementation status (number of beneficiaries) (Note 2)	0 (2020)	1,700,000
---	-------------	-----------

(Note 1) Updating of the reference system to become rules on creating an information system linked with the SUS and rules on ambulance capabilities and tasks.

(Note 2) A COVID-19 cash benefit based on the IDB's Support Program for the Vulnerable Population Affected by the Novel Coronavirus (Phase II). The target value has been set in the IDB project.

2) Impact : N/A

( 2 ) Qualitative Effects : Improvement of COVID-19 control, quality of infrastructure, equipment, and human resources for health and medical care facilities, and the policy and system of the SUS program.

( 3 ) Internal Rate of Return : The internal rate of return is not calculated since this is a Program Loan.

## 5. External Factors and Risk Control

( 1 ) Preconditions : N/A

( 2 ) External Factors : Maintenance of the trend toward sound public finance.

## 6. Lessons Learned from Past Projects

The ex-post evaluation of the "Financial and Public Service Reform Development Policy Loan" program for Jordan (evaluation year: FY2017) stated that the PR activities should have been implemented so that the outcome of policy actions was recognized as creating indirect benefit in social development. Based on this lesson learned, we will implement PR activities so that implementation of the policy actions of the present program will be widely recognized in Bolivia as enhancing the quality of the health and medical service of the country.

## 7. Evaluation Results

The present program matches with the development issues and policy of Bolivia and the cooperation policy of the Japanese government and JICA. Through financial support, its objective is to help the government of Bolivia, whose society and economy have been severely affected by the spread of COVID-19, continue to expand its public services in the health and medical care sector and improve the policy and system to protect the vulnerable population, which is the premise of such public services. Furthermore, it contributes to achievement of SDGs 1 (end poverty), 2 (end hunger and improve nutrition), 3 (ensure healthy lives for

all), 8 (create sustainable economic growth), and 10 (reduce inequality within and among countries). For these reasons, there is great need to support the implementation of the present program.

#### **8 . Plan for Future Evaluation**

( 1 ) Indicators to be used for future evaluation(s)

As indicated in Sections 4.

( 2 ) Future Evaluation Schedule

Ex-post evaluation:2 years after the project completion

END



### Policy Matrix

Objective of Range	Actions to comply Until December 31,2021	Confirmation Medium	Actions to comply Until December 31, 2022	Confirmation Medium
<b>1. Modernization of health and medical systems, including emergency responses to corona pandemics and other illnesses</b>				
1-1.Implementation and promotion of health and medical policies corresponding to COVID-19	Incorporate response indicators to COVID-19 pandemic in the PDES 2021-2025 .	Explanatory report prepared by the MSyD of the actions developed.	Incorporate the emergency response indicators to the COVID-19 pandemic in the PSDI- Health Sector 2021-2025.	Explanatory report prepared by the MSyD of the actions developed.
1-2. Update of the planning framework for health sector based on the Plan of Economic and Social Development	That the PDES projected has been approved by the Legislative Assembly	Publication of the PDES 2021-2025 approved in the official Gazette.	That the Annual Operational Programming(POA) of the MSyD for 2023 be presented in accordance with regulations, based on the approved PSDI-PDES.	POA MSyD presented and approved with Ministerial Resolution.
1-3. Update the Health Sector Plan (PSS).	That methodological guides have been prepared for the formulation of the Health Sector PSDI and diagnosis of the comprehensive development sector plan for Living Well 2021-2025 Health Sector.	Guides prepared and first contents of the PSDI prepared		
1-4. 1-4. Increase immunization coverage and reduce case fatality by	That the National Plan for Response of COVID-19 (PNCOVID-19) and the National	Publication of the PNCOVID-19 and PNV approved by the	PNCOVID-19 and PNV have been implemented in accordance with the POA of the Health Sector.	Progress Report of PNCOVID19 and PNV.

accelerating vaccination for COVID-19 (PDES, META 6.1.).	Vaccination Plan (PNV) have been prepared and approved.	Ministerial Resolution.		
<b>2.Strengthening the Free universal health insurance system (SUS)(PDES, GOAL 6.3).</b>				
2-1. Manage the policies of the Unified Universal and Free Health System to continue with the improvement of Universal Health Coverage.	Incorporate policy indicators in relation to universal health coverage in the PDES 2021-2025.	Publication of the PDES 2021-2025 approved in the official Gazette.	Incorporate policy indicators in relation to Universal Health Coverage in the PSDI/PSD 2021-2025.	POA MSyD presented and approved with Ministerial Resolution.
2-2. Strengthening the capacity of the Emergency Health Coordination Center ( CCES-D )	That the development or updating of the national reference, counter-reference and transfer standard has begun to strengthen the Emergency Health Coordination Center (CCES-D).	Validation of the National Reference Standard, against reference and transfer.	That the national reference, counter-reference and transfer standard has been approved by RM and implemented to strengthen the CCES-D.	One (1) National Standard for Reference, Transfer and Counter Reference Standard approved by RM and implemented.
<b>3. Improvement of the infrastructure and equipment of health establishments, and strengthening of the capacity of human resources. (PDES, GOAL 6.6.)</b>				
3-1.Manage policies to improve the infrastructure and equipment of health facilities	That policies for the construction and improvement of infrastructure and strengthening of the equipment of health establishments have been included in PDES	Publication of the PDES 2021-2025 approved in the Official Gazette.	That there are policies for the construction and improvement of infrastructure and strengthening of the equipment of health establishments in the PSDI/PDES.	POA MSyD presented and approved with Ministerial Resolution

<p>3-2. Strengthening and equipping first/second/third/fourth health facilities Level of attention. (PDES, ACTIONS 6.6.1.-4.)</p>	<p>That the MSyD have drawn up a specific list of health establishments that will be strengthened in their infrastructure, and also the equipment will be distributed to each health establishment.</p>	<p>POA of MSyD for the year 2022</p>	<p>That the equipment that SE acquired has been installed in at least one health establishment and that it has begun to be used. The Formulation of at least one hospital infrastructure project has begun.</p>	<p>Progress report prepared by MSyD</p>
<p>3-3. Strengthening the capabilities of medical engineers</p>	<p>That the professional training curriculum for medical technicians be reviewed and approved by Biministerial Resolution (Ministry of Health and Sports and Ministry of Education), with FORTESA Result 1 completed.</p>	<p>Publication of the Revised and Approved Curricula.</p>	<p>That the new curriculum be implemented in the 12 technical training schools in health, and the educational materials be renewed based on the new curriculum, being FORTESA Result 2.</p>	<p>Progress report prepared by MSyD</p>
<b>4. Protection of the Lives of Citizens affected by COVID-19, which is a precondition for the operation of SUS</b>				
<p>4-1. Strengthen of the bond schemes to protect the lives of citizens (ex.Bono Contra Hambre)</p>	<p>That the bill has been presented to the Plurinational Legislative Assembly for the approval of BO-L1219.</p>	<p>Confirmation from VIPFE that the IDB has approval the loan.</p>	<p>That the bill has been presented to the Plurinational Legislative Assembly for the approval of BO-L1219. Once approved by the Plurinational Legislative Assembly, that the first disbursement requirements have been signed and complied with</p>	<p>Confirmation from VIPFE that the project law has been accepted by the Plurinational Legislative Assembly.</p>

			before the end of December 31, 2022.	Delivery of the first progress report prepared by VIPFE to the IDB regarding BO-L1219.
--	--	--	--------------------------------------	--

END