

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	ECUADOR/CAN - Andean Group
▪ TC Name:	Support for public-private partnership projects in health
▪ TC Number:	EC-T1392
▪ Team Leader/Members:	Johannsen, Julia (SCL/SPH) Team Leader; Aleman, Xiomara Margarita (SCL/SPH) Alternate Team Leader; Guerra, Martha M. (SCL/SPH); Brito Vera, Juan Carlos (CAN/CEC); Escudero, Carolina (VPC/FMP); Dugand Ocampo, Juan Carlos (VPC/FMP); Hennig, Betina Tirelli (LEG/LEG); Astorga, Ignacio Jose (SCL/SPH)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	08 Aug 2018
▪ Beneficiary:	Ministerio de Salud Pública (MSP)
▪ Executing Agency:	Inter-American Development Bank
▪ IDB funding requested:	US\$250,000.00
▪ Local counterpart funding:	US\$0.00
▪ Disbursement period:	30 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	Social Protection & Health
▪ Unit of Disbursement Responsibility:	Country Office Ecuador
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality

### II. Objective and Justification

- 2.1 The objective is to support the MSP in the elaboration of selected components of a master investment plan in health, including health network studies and demand projections for the provision of network-integrated health services and a planning tool for expanding mechanisms for resource optimization to regional health networks.
- 2.2 The MSP currently lacks a master investment plan for the national health system. This implies an inefficient allocation of scarce human and financial resources, infrastructure and equipment. For example, whenever the MEF or external donors provide funding to the MSP, the ministry takes ad-hoc decisions to allocate newly available resources to the most urgent investment needs. Without a mid- or long-term investment strategy based on locally available health service supply to be matched with current and/or potential future demand, health networks do not operate efficiently. In addition, financial planning for maintenance of infrastructure or time planning for the years-long formation of required health specialists require respective planning tools based on a master investment plan. This TC aims at supporting the MSP in closing this important gap by providing the analysis of existing supply capacities, projected demand and a planning tool that will allow to expand proposed resource optimization strategies to other regional health networks in the country.

### III. Description of Activities and Outputs

- 3.1 The outputs include two main studies and one planning tool. The studies refer to the diagnostics of installed supply capacity in selected regional health networks and the

projection of future demand for different health services in these networks. Based on a proposal for an optimization strategy for existing resources in the networks, the third main output contains a planning method for expanding the optimization strategy to other regional health networks in Ecuador.

- 3.2 **Component I: Existing capacities and new optimization scenarios for network-based health service supply.** The component includes the analysis of existing supply-side capacities and projected demand for different health services in selected regional health networks, as well as a proposal and planning tool for the expansion of optimization strategy for resource allocation to other regional networks.
- 3.3 **Component II: Administration and dissemination of the project.** This component finances the coordination of the TC execution and the dissemination of results.

#### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Existing capacities and new optimization scenarios for network-based health service supply	US\$225,000.00	US\$0.00	US\$225,000.00
Administration and dissemination of the project	US\$25,000.00	US\$0.00	US\$25,000.00

#### V. Executing Agency and Execution Structure

- 5.1 This TC will be executed by the Bank, in close technical coordination with the Ministry of Public Health (MSP).
- 5.2 The Ministry of Public Health (MSP) faces an enormous workload with the remaining execution of EC-L1076 and initial execution of EC-L1227 that limit the time and dedication available within the execution team of the MSP that is familiar with IDB procurement policies and would put the execution of this project at risk. In addition, the fiscal restrictions in the country limit the possibilities to assign the necessary local co-funding for the 12% IVA, or simply imply increased bureaucratic steps required to achieve the local resource assignment. For example, in 2017, another ministry had to cancel a TC that still had US\$250,000 to execute because for the last execution year, they were not able to obtain the priority status for the project from the national planning secretary SENPLADES that is necessary to issue counterpart funding. For these reasons, the MSP verbally requested this TC to be bank-executed and will formally issue the respective request through MEF in time for the elaboration and approval of the TC document.

#### VI. Project Risks and Issues

- 6.1 The rotation of MSP authorities could decrease the urgency and priority placed on the outputs and expected results of this TC. The lack of follow-up funding (which could include future loan financing to elaborate the final master investment plan, the design of selected infrastructure projects prioritized in this plan and the implementation of these projects) could prevent that the final objectives of this TC will be met.

#### VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "C".