



Project Summary Information

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| Date of Document Preparation/Updating: | |
| Project Name | Build Universal Health Care Program (Subprogram 2) |
| Project Number | P000782 |
| AIIB member | Philippines |
| Sector/Subsector | CRF-Economic Resilience/PBF |
| Status of Financing | Approved |
| Objective | The principal objective of the Program is to improve the equitable access to quality health services for all Filipinos that are also responsive to gender-specific health concerns and health impacts of climate change. The proposed policy-based loan, co-financed with Asian Development Bank (ADB) under the COVID-19 Crisis Recovery Facility (CRF or the Facility), will provide financing for the efforts of the Government of the Philippines to strengthen public health systems in the post-pandemic era and enhance the country's preparedness and responsiveness to unanticipated health crises. |
| Project Description | The Program aims to support the implementation of the Universal Health Care (UHC) Act of the Philippines through a series of reforms that will broaden the coverage of healthcare services for the population and increase financing for UHC to strengthen the preparation, prevention, and response to future pandemics. It will also help expand primary healthcare facilities across the country and enhance the quantity and quality of second and third-tier health institutions and the capacity of healthcare workers. Furthermore, the Program will support the nationwide implementation of interoperability of health information systems, monitoring of UHC outputs and outcomes, and performance incentives for UHC-related activities of the local government units. |
| Expected Results | <p>The Program is expected to increase equitable access to quality health services in the country. Outcome indicators of the Program include three reform areas to be achieved by 2026 as follows:</p> <ul style="list-style-type: none"> i. Sustainable financing and strategic purchasing for universal health care. <ul style="list-style-type: none"> • Percentage of out-of-pocket expenditure decreased to 31.9 percent of current health expenditure (2019 baseline: 48.8 percent, 2021 update: 41.9 percent) • Local government health expenditure as a percentage of current health expenditure increased by at least two percentage points (2019 baseline: 8.7 percent, 2021 update: 8.5 percent) |

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| | <ul style="list-style-type: none"> • Health expenditure of the Philippine Health Insurance Corporation (PHIC) as a percentage of current health expenditure increased by at least 1.5 percentage points (2019 baseline: 16.5 percent, 2021 update: 13.0 percent) • Ambulatory care spending as a percentage of current health expenditure increased by at least 1.5 percentage points (2019 baseline: 4.4 percent, 2021 update: 4.2 percent) • Maternal mortality ratio reduced to 78 deaths per 100,000 livebirths (2022 baseline: 104) <p>ii. Integrated delivery of quality health services.</p> <ul style="list-style-type: none"> • Hospital beds per 1,000 population increased to 1.5 (2019 baseline: 1.2, 2022 update: 0.98) • Proportion of births attended by skilled health personnel increased by five percentage points (2017 baseline: 84 percent, 2022 update: 90 percent) • Prevalence of current tobacco use among persons aged 15 years and older reduced to 16 percent (age-standardized rate) (2018 baseline: 24.3 percent, 2021 update: 19.5 percent) • Number of trained barangay health workers registered in the national barangay health workers registry increased to more than 250,000 (2021 baseline: 211,384, April 2023 update: 246,987) • Number of green and safe hospitals recognized by the Department of Health (DoH) increased to at least 146 (May 2023 baseline: 33) • Number of DoH hospitals with women and child protection units increased by 31 (May 2023 baseline: 46) <p>iii. Information management and performance accountability for universal health care.</p> <ul style="list-style-type: none"> • Global Digital Health Index overall score increased to five (2020 baseline: four) • Number of PHIC accredited primary care health facilities submitting health and health-related data electronically increased to over 4,000 (2021 baseline: 84) • Client satisfaction with PHIC increased to 92 percent (2020 baseline: 87 percent, 2022 update: 93.75 percent) • Percentage of cities and provinces with adequate human resources for health, of which 75 percent are female, to population ratio increased to: medical doctors 45 percent, registered nurses 44 percent, registered midwives 90 percent (2023 baseline: medical doctors three percent, registered nurses two percent, registered midwives 82 percent) • Percentage of provinces with adequate primary care facilities increased to 40 percent (2021 baseline: 20.9 percent) |
| Environmental and Social Category | ADB Category C for Environment, Involuntary Resettlement and Indigenous Peoples (similar to Category C if AIIB's Environmental and Social Policy (ESP) were applicable). |

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| Environmental and Social Information | <p>The Program's environmental and social risks and impacts have been assessed in accordance with the provisions of ADB's Safeguard Policy Statement (SPS, 2009) applicable to policy-based lending, as this Loan is cofinanced with ADB as the lead cofinancier. AIIB's ESP was designed to apply to investment projects and has no provisions for its application to policy-based lending operations. Therefore, as permitted by a decision of the Board of Directors and pursuant to AIIB's agreement with ADB, the provisions of ADB's SPS applicable to policy-based lending will apply to this operation in lieu of the ESP. This will provide for a harmonized approach to addressing the environmental and social risks and impacts of the Program.</p> <p>Based on the environmental and social assessments carried out according to the ADB's requirements, no adverse impacts have been identified concerning involuntary resettlement, Indigenous Peoples, or the environment.</p> <p>ADB has categorized the Program as Category C for involuntary resettlement, Indigenous Peoples, and environment.</p> <p>The Program is classified as <i>gender equity</i> theme, as the Program outcome focuses on attaining equitable access to gender-responsive health services. Further, the output indicators are also gender-focused, which include maternal mortality, births attended by skilled personnel, set up of women and child protection units at DoH hospitals, and Human Resource for Health density. The Program will thus improve women's access to healthcare and promotion services through a series of interventions that will increase service offer and reduce fragmentation.</p> | | | |
| Cost and Financing Plan | Total amount: EUR equivalent of USD900.00 million (AIIB: EUR equivalent of USD450.00 million (EUR425.50 million) and ADB: EUR equivalent of USD450.00 million). | | | |
| Borrower | Republic of the Philippines | | | |
| Guarantor | Not Applicable | | | |
| Implementing Entity | Department of Health, Philippines | | | |
| Estimated date of loan closing (SBF) | December 2024 | | | |
| Contact Points: | AIIB | ADB | Borrower | Implementation Organization/Sponsor |
| Name | Jai Chordia | Eduardo Banzon | Ms. Maria Edita Z. Tan | Dr. Lilibeth C. David |
| Title | Investment Operations Specialist - Social Infrastructure | Principal Health Specialist | Undersecretary, Department of Finance | Undersecretary, Department of Health |

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| Date of Concept Decision | 10/18/23 | | | |
| Date of Appraisal Decision | 10/18/23 | | | |
| Date of Financing Approval | 12/12/23 | | | |

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| Independent Accountability Mechanism | <p>AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to this operation. Submissions to the PPM under this Program would therefore not be eligible for consideration by the PPM. Instead, pursuant to AIIB's agreement with ADB, complaints brought by third parties relating to compliance with ADB's SPS will be addressed by the Special Project Facilitator or Compliance Review Panel, each established under ADB's Accountability Mechanism Policy. Information on ADB's Accountability Mechanism Policy is available at: https://www.adb.org/site/accountability-mechanism/main.</p> |
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