UN Sri Lanka Multi-Partner Trust Fund

Programme Title	COVID-19 Emergency Medical Equipment for Sri Lanka - UN One SDG Fund
Country/Region	Sri Lanka
Priority area/ strategic results	• Procure and install Oxygen Plants in three hospitals as per shared specifications, UNOPS rules and regulations • Construct three plant rooms for each Oxygen Plants • Procure 2 Genomic Sequencing Machines as per shared specifications, UNOPS rules and regulations
Organization	**UNOPS**
Partners	WHO
Overall Duration	July 2021- December 2022
Amount	USD 1,860,000.00
Proposed project submitted/report(s) to be submitted by	*Signature of HOA (Here)* Sudhir Muralidharan Country Manager Sri Lanka and Maldives [redacted] 14-7-21

1. BACKGROUND

Following the initial emergence of the coronavirus in the Chinese province of Wuhan in November 2019, and its consequent transmission globally, on 11 March 2020, the World Health Organization (WHO) declared a COVID-19 global pandemic. According to the latest available data, 218 countries have recorded more than 182,319,261 confirmed cases and more than 3,954,324 deaths as of 5 July 2021[1]. The impacts of this rapidly evolving health pandemic are now being felt across the world.

The rapid growth and spreading of COVID-19 poses serious challenges to the capacity of the health systems. Countries are in the process of securing the medical supplies and equipment which are exposed to extreme competition. Further, the need to establish temporary health infrastructure to escalate the process of identifying the infected is much needed under the current setting. As the number of COVID-19 infected cases are rising in the country, hospitals are required to be equipped with necessary supportive and protective equipment on par with the health standards.

[1] WHO. (2020b). WHO Coronavirus Disease (COVID-19) Dashboard. https://covid19.who.int

In line with these increasing demands in the health sector, there are urgent needs for increased production and an effective delivery of medical equipment and supplies to health facilities and health workers to be able to effectively cope with the outbreak and minimize potential risks.

As of 05 July 2021 Sri Lanka has reported a total of 265,630 COVID-19 cases with 3,236 deaths and is currently experiencing the third wave of the pandemic. Through the course of the past 16 months the country has experienced several clusters some of larger magnitude than the others such as the Peliyagoda cluster and the presently active New Year cluster. COVID-19 has exposed systemic weaknesses in global and national health systems and health security mechanisms. We are now faced with a generational opportunity, and a moral obligation, to make investments in health systems and health security that will not only have immediate benefits in terms of COVID-19, but also lasting benefits in terms of our collective health security, and an enduring improvement in health and well-being of people.

Sri Lanka is at a crossroad where the government is exploring options for rolling out COVID vaccines in a bid to control the pandemic while the virus keeps mutating. The vaccine production is limited globally and Sri Lanka like many other developing countries will require strengthening of the health system while adhering to PHSM until the vaccination coverage reaches at least 80% by mid/late 2022 or earlier. Priority actions for Sri Lanka include health system strengthening, laboratory and testing capacity strengthening, case management and surveillance supported by effective risk communication strategies and community engagement, that place vulnerable populations at the centre of interventions.

To respond swiftly and effectively to this rapidly evolving COVID pandemic and its current spread in Sri Lanka, UNOPS in partnership with the World Health Organization (WHO) aims at expanding DFAT's support of the COVID-19 response and future emergency preparedness under the leadership of the UN Resident Coordinator. The proposal builds on the Sri Lanka Preparedness and Response Plan 2021, the UN Socio-Economic Advisory Paper (Health Pillar), UN Results Group Work Plan and the technical competencies and comparative advantage of WHO and UNOPS. As such UNOPS will utilize its ongoing specialisation in procuring urgent medical equipment for hospitals in areas that have shown the highest concentration of positive cases. The provinces of the north, north central and east are recording higher numbers in the 3rd wave of the virus requiring oxygen plants to ensure timely treatment to patients. Genomic sequencing machines will assist laboratories in the Western Province that have the capability to track variants and trends in the virus, thereby being able to detect mutations without delay.

2. OBJECTIVE(S)

To provide immediate support for effective health response to COVID-19 based on the Sri Lanka Strategic and Preparedness Response Plan (SPRP), as well as strengthen the health system to adapt and respond to possible pandemics and other public health emergencies.

This intervention is in line with WHO Global COVID-19 Strategic Preparedness and Response Plan released in February 2020 and in particular its pillar 8 on procurement of essential supplies as well as Sri Lanka Preparedness and Response Plan - COVID-19. The proposed activities will contribute to SDG 3 on Good Health and Well Being and Target 3.3 on Communicable diseases. This particular procurement project will also contribute to SDG 16 on Peace, Justice and Strong Institutions through the efficient use of public resources.

3. TARGETED LOCATIONS

Procurement, Supply and Installation of three Oxygen Plants in the main district hospitals of Mullaitivu, Polonnaruwa, and Kantale. And the procurement of Genomic Sequencing Machines for laboratories in the Western Province.

4. EXPECTED RESULTS AND ACTIVITIES

Strengthened procurement and logistics capacity of Sri Lanka health system with regards to diagnosis and treatment of COVID-19.

Deliverable 1: **Procurement, Supply and Installation of three Oxygen Plants in the main district hospitals of Mullaitivu, Polonnaruwa, and Kantale.**

Activity 1.1: Procurement, Supply and Installation of Oxygen plants in three hospitals
Activity 1.2: Construction of plan rooms for each Oxygen Plant

The Ministry of Health of the Government of Sri Lanka shared the below list of urgently required Oxygen plants in the country to be procured by UNOPS:

	Item	Quantities
	Purchase, Supply and Installation of Oxygen Plants for General Hospitals in Mullaitivu, Polonnaruwa and Kantale	3

Deliverable 2: **Procurement of 2 Genomic Sequencing Machines**

Activity 2.1: Procurement of Genomic Sequencing Machines

	Item	Quantities
	Genomic Sequencing Machines for laboratories in the Western Province	2

Expected outputs

1. Oxygen Plants are procured, supplied and installed timely and cost effectively for the Ministry of Health as per requirement and specifications listed above
2. Single Story Plan rooms for Oxygen Plants are constructed timely and cost effectively under UNOPS infrastructure guidelines
3. Genomic Sequencing Machines procured and supplied timely as per Ministry of Health requirements and specifications

5. BUDGET

#	Description	Amount USD
1	Procurement and Infrastructure volume	1,612,200
2	UNOPS Project management, monitoring, and oversight	160,505
3	Indirect Cost	87,295
	GRAND TOTAL	**1,860,000**

6. PROJECT RESULTS FRAMEWORK

Expected Accomplishments	Indicators	Baseline	Targets	Monitoring Mechanism Info/Data Sources
Outcome 1: Strengthened procurement and logistics capacity of the Sri Lankan health system with regards to diagnosis and treatment of COVID-19.	Hospitals in the western, north, north central provinces in Sri Lanka are equipped with oxygen plants and diagnostic equipment		3 Oxygen concentration plants 2 genomic sequencing machines	
Output 1.1 Procurement, Supply and Installation of three Oxygen Plants in the main district hospitals of Mullaitivu, Polonnaruwa, and Kantale.	Indicator 1.1.1 - Base hospitals in Mullaitivu, Polonnaruwa and Kantale have oxygen concentration plants installed		Procurement, Supply and Installation of Oxygen plants in three hospitals Construction of plan rooms for each Oxygen plant	
Output 1.2 Single Story Plan rooms for Oxygen Plants are constructed timely and cost effectively in the Mullaithivu, Kantale and Polonnaruwa Hospitals under UNOPS infrastructure guidelines	Indicator 1.2.1 Base Hospitals in Mullaithivu, Polonnaruwa and Kantale have single story Plan rooms constructed		Construction of single story Plan Rooms in three hospitals for each Oxygen Plant	
Output 1.2 Procurement of 2 Genomic Sequencing Machines	Indicator 1.2.1 - Western Province laboratories conducting COVID-19 testing is equipped with Genomic Sequencing Machinery		2 Genomic Sequencing Machines installed in COVID-19 laboratories	

7. WORK PLAN

#	Activities	2021																				2022			
		July				August				September				October				November				December				01 Jan 2022 to 30 Dec 2022			
		W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4				
1	Procurement of Genomic Sequencing Machines																												
	Procurement																												
	Delivery, custom clearance																												
2	Procurement- Gas Plant Equipment																												
	Procurement																												
	Delivery, custom clearance																												
	Plant installation																												
3	Plant Room																												
	Initial Assessment																												
	Procurement of Design Consultant/ Geotechnical inv. firm																												
	Detailed Design																												
	Geotechnical Investigation																												
	Design Review																												
	Procurement of Contractor																												
	Construction of plant room																												
	Facilities to other contractors by plant room contractor																												
4	Medical Gas line connection																												
5	System commissioning & handing over																												
6	Defect Notification Period- DNP																												

	(12 months)						

Note- Defect Notification Period starts from the date of handing over of the plant room (applicable only for the infrastructure works) and will continue for a 12 months period.

8. PROJECT MONITORING, REPORTING AND COMMUNICATION/VISIBILITY REQUIREMENTS

UNOPS will submit quarterly updates to the MPTF in accordance with the UNOPS Project Management Manual and the outlined project management approach. Progress and financial reports will be submitted by the project manager using UNOPS standard reporting templates, and following the conditions and time frames agreed with the partner. UNOPS will submit the final narrative report and Final Financial Statement within the agreed period. Monthly Cash Flows and Quarterly Reports will be submitted by the Project Manager to the Project Executive.

Project Assurance is a key aspect to successful delivery of a project, especially one facing the challenges in remote locations. The UNOPS PM will monitor progress against the project work-plan, independent of the project management structure, and will report to the Executive routinely, and will advise the Project partners, reinforcing findings against set milestones and targets

The project's **Quality Management Strategy (QMS)** will be fully aligned with UNOPS Quality and Assurance Strategy and will focus on ensuring the project is delivered on time, within budget and to the required, and pre-agreed, quality standards. A detailed quality plan will be submitted by the PM for Project Board approval. Quality control will be the overall responsibility of the PM, who will be held accountable in this respect to the Project Board.

The project's quality management strategy will center around ensuring that the equipment is delivered on time and to the required and pre-agreed specifications provided by the MoH and UNOPS quality standards. UNOPS may facilitate necessary sample inspections if requested by MoH to assure the agreed quality standards are met. UNOPS will be responsible for the overall quality assurance to ensure the delivery and handover of products is done according to predefined standards.

Appropriate visibility and communication modalities are incorporated to each activity to acknowledge and appreciate DFAT's contribution to strengthen the health system response and support to enhance the country's resilience to shocks for future public health emergencies. When the support is in the form of a provision of equipment, consumables or any other form of material donations, ceremonial handing over of the donations with the presence of Head of Office, high-ranking officials from MOH and UN RCO will be arranged. Further, co-branding can be done by pasting stickers on the equipment acknowledging the donor. A press release will be issued on the event.

When a civil construction or building of a plant like oxygen concentrator is fixed, an official opening ceremony will be arranged with media publicity in order to acknowledge the donation with official branding at the venue.

Gender Mainstreaming and Diversity

UNOPS has adopted gender equality and the empowerment of women as a cross-cutting cobjective in its interventions and is committed to supporting the achievement of Sustainable Development Goal 5 (SDGs). Therefore UNOPS shall;

- Integrate gender perspectives into project planning, design and implementation;
- Identify and take measures to mitigate risks which could adversely impact men, women and children, as a result of project activities and;
- Identify opportunities for national capacity development on gender equality and the empowerment of women in project activities

UNOPS is committed to diversity and inclusion through working effectively with people from all backgrounds, treating everyone with dignity and respect, treating men and women equally, showing respect for diverse points of view, examining own biases, and not discriminating against any individual or group, leaving no one behind.

Environmental Sustainability

UNOPS endeavours to design and implement the project in a manner that respects the principle of environmental responsibility and sustainability, including preventing or mitigating adverse impacts on the environment and identifying strategies for improved environmental performance. UNOPS will ensure that procurement, construction, and other activities throughout the project management are undertaken in accordance with its Environmental Management System (EMS). To this end, the system is designed in line with the guidelines specified in the EMS standard - ISO 14001. EMS procedures shall help to identify environmental impacts of the project, so that appropriate mitigation measures can be implemented to control the same.

9. OPERATIONAL RISKS

While UNOPS' strategic approach, as outlined above, aims to mitigate the challenges associated with the unstable market conditions and fluctuating delivery time and price commitments from suppliers it is important to recognise that a number of operational risks remain. These include:

- Market volatility and logistical constraints may still result in individual suppliers that have stock availability and/or production capacity only being able to commit to delivery times in excess of what would be expected for emergency response.
- Such cases will need to be dealt with on an individual basis in an open and transparent manner with a supplier, UNOPS and partner.

- The speed of the procurement process, even through UNOPS Emergency Procurement Procedures, may be affected by the complexity of items being procured and delays in delivery. It is realistic to expect that contracting takes approximately 10 days, and face additional logistical challenges thereafter.

- Local suppliers' supply chains may require imports if existing stocks are exhausted thus having a knock-on effect on the ability to fulfil requirements. In response to this UNOPS may consider splitting the procurement of items from multiple suppliers.

- Due to travel restrictions, installation will sometimes have to be managed locally with online-based training and support. UNOPS will work with suppliers and the Ministry of Health to ensure an effective means of support under the circumstances.

- Possible impact in importing items due to foreign currency issue facing by the financial institutions in the country

- Possible adverse impact on the progress of infrastructure works due to travel restrictions and special situations at the concerned hospitals which will eventually delay the installation and commissioning of oxygen plants.

10. UNOPS PROPOSED APPROACH

Procurement of equipment

The UNOPS procurement process will be undertaken in compliance with the Financial Rules and Regulations (FRR), other relevant applicable legislative instruments as well as the UNOPS Procurement Manual. Due to UNOPS increased role in supporting partners in post-conflict and post-crisis operations, as well as in emergency operations, specific Emergency Procurement Procedures (EPPs) have been developed, which will be applied in this case to allow UNOPS to rapidly respond to the Coronavirus spread. The EPP approach will enable UNOPS to make purchasing decisions very quickly in order to secure supply, provide additional flexibility and rapid operationalization, while still adhering to essential public procurement principles, including carefully assessing market availability and logistics constraints. The procurement process

will be carried out in line with the specifications of the requirements provided by WHO and MoH.

The process of emergency procurement will be initiated immediately through a strong network of global, regional and local procurement experts, and a robust set of procurement tools, and best practices, UNOPS will manage the procurement of goods and delivery to the Colombo Air/Sea Port.
Procurement will be undertaken in accordance with the UNOPS Procurement Framework:

Operations. The UNOPS Sri Lanka Office will carry out the procurement processes through the approved Delegation of Authority (DOA);

Oversight. UNOPS has in place independent Contracts and Property Committees (CPC) which, subject to pre-determined monetary thresholds and conditions (based on risk), review the procurement process prior to the corresponding contracts being awarded;

Assurance. UNOPS procurement processes (as well as any other activities carried out by the organization) are regularly audited by our independent Internal Audit andInvestigations Group (IAIG), as well by the United Nations Board of Auditors (UNBOA).

UNOPS will take responsibility for planning, oversight and management of the project to ensure delivery of the outputs as per the objectives, and will establish a dedicated UNOPS Project Manager (PM) role in Colombo to oversee all programmatic activities and operations. Regular meetings with MoH and WHO will be undertaken to ensure quality, address potential risks, and make decisions on potential issues affecting the project.

Construction of Plant Rooms and Installation of Oxygen Plants

The design of the plant rooms will be based on accepted national codes and guidelines and will also conform to green building concepts. UNOPS Design Planning Manual will also be referred to during this process. This manual will be the cornerstone of the Design Review process, which is a mandatory requirement. This process is to ensure that the facilities are correctly designed to the relevant standards, ensuring resilience, functionality, safety and minimal environmental impact.

Construction of a plant room for the installation of an oxygen plant in three hospitals include construction of a single story plant room in an identified hospital to install the oxygen plant with necessary electrical and oxygen pipe line connections (approximate 18ft X 25ft room). The room will facilitate filling, loading and unloading of oxygen jumbo cylinders. The project duration will include a 12 months defect notification period after construction is completed.

Connecting the oxygen lines inside the existing hospital buildings will not be a part of the project scope. Connecting to existing lines at entry points which are outside the existing buildings have only been considered. Utility connections to the plant room will be through the existing connections of the hospital.

11. ROLES AND RESPONSIBILITIES

Responsibility Matrix for the procurement Services

Roles	UNOPS	MoH	WHO	DFAT

Establishment of procurement list		X		
Definition of specification and requirement	X	X	X	
Conduct procurement process	X			
Conduct Evaluation	X	X (optional)		X (optional)
Award contracts	X			
Delivery of items in Colombo Sea/ AirPort	X			
Custom clearance	X	X		
Handover goods from UNOPS to GOSL	X	X	X	X
Payments to suppliers	X			
Storage in Sri Lanka		X		
Grant exemption from taxes and associated costs		X		
Internal allocation and distribution of equipment upon central handover at the National Biomedical Engineering Department		X		

Responsibility Matrix for the design and construction of the Plant rooms and installation of Oxygen Plants

Roles	UNOPS	MoH	WHO	DFAT
Initial assessment of location, availability of space, utility and oxygen pipe connections	X (Optional)	X		
Procurement of Design consultant/ Geotechnical investigation firm	X			
Conduct geotechnical investigation for new plant room construction (if required)	X	X		
Create the design of plant room	X	X		
Conduct the design Review	X			
Procurement of Construction Contractors	X			
Construction, Construction Management and Supervision	X			
Supervision of Oxygen plant installation and commissioning including connections to the existing oxygen lines where necessary	X			

Commissioning and Handing over	X	X		
Manage a 12 months Defect Notification Period from the date of handing over of the Infrastructure work	X			