



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 07-Jun-2021 | Report No: PIDISDSA32251

**BASIC INFORMATION****A. Basic Project Data**

Country Kenya	Project ID P176407	Project Name Second Additional Financing for Kenya COVID-19 Health Emergency Response Project	Parent Project ID (if any) P173820
Parent Project Name KENYA COVID-19 HEALTH EMERGENCY RESPONSE PROJECT	Region AFRICA EAST	Estimated Appraisal Date 14-Jun-2021	Estimated Board Date 29-Jun-2021
Practice Area (Lead) Health, Nutrition & Population	Financing Instrument Investment Project Financing	Borrower(s) Republic of Kenya	Implementing Agency Ministry of Health

Proposed Development Objective(s) Parent

To prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.

Components

Medical supplies and equipment
 Response, capacity building and training
 Quarantine, isolation and treatment centres
 Medical waste disposal
 Community discussion and information outreach
 Availability of safe blood and blood products
 Project implementation and monitoring
 Gender Based Violence Response

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	130.00
Total Financing	130.00
of which IBRD/IDA	130.00
Financing Gap	0.00



DETAILS

World Bank Group Financing

International Development Association (IDA)	130.00
IDA Credit	130.00

Environmental and Social Risk Classification
Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Prior to the COVID-19 shock, Kenya was making significant progress towards meeting its ambitious development goals, building on successes such as achieving a 90% clean energy mix and the highest Human Capital Index score in continental sub-Saharan Africa.** The economy was sustaining growth of above 5% a year, poverty was declining, and important reforms (such as removing agricultural market distortions) were underway, guided by the government’s “Big Four” agenda and with the support of the previous DPO series. However, the pandemic caused growth to stall in 2020, and has pushed an estimated 2 million Kenyans into poverty, despite swift actions by the authorities to contain the virus and protect vulnerable households and firms. Furthermore, Kenya entered into the crisis with its public finances already stretched and the government has been forced to delay fiscal consolidation plans. This has increased the risk of debt distress and makes it urgent to make spending more transparent and efficient, address fiscal risks emanating from poorly-performing public entities, and return to a debt-stabilizing fiscal path as soon as economic conditions allow. The economy has shown resilience and staged a significant recovery in recent months, but the outlook remains highly uncertain and contingent on the future course of the pandemic. The government has signaled its determination to achieve a resilient recovery from the shock, and to chart a course towards green, resilient and inclusive development (GRID), including by maintaining the reform momentum that has been achieved in recent years to address long-standing policy and institutional weaknesses. The economy is expected to stage a partial recovery in the near-term. Real GDP growth is projected to be 4.5% in 2021 and 4.7% in 2022. T

2. **The economic impacts of COPVID 19 have been significant.** The economy entered into recession in 2020 for the first time since 2008, with output contracting by an estimated 0.3 %. As the crisis struck, the government moved swiftly to cushion households and firms and preserve macroeconomic stability, by expanding labor programs and social protection, providing temporary tax relief, and adopting accommodative monetary policy. Inflation remained moderate, and a 10% nominal currency depreciation vs. the US dollar helped to absorb the shock and reduce pressure on reserves. The economy has rebounded significantly in recent months, albeit with large differences across sectors, with agricultural output growth being robust, but tourism remaining moribund. The partial recovery which began in the 2nd half of 2020 is expected to continue, lifting real GDP by a projected 4.5 % in 2021.



3. **The pandemic is expected to have increased poverty by 4 percentage points (or an additional 1.9 million poor) through serious impacts on livelihoods due to sharp decreases in incomes and employment.** The new poor are more often urban-based, with higher levels of education and are usually working in the service – rather than the agricultural – sector. With the lifting of mobility restrictions in late 2020, though, the labor market started to show promising signs of recovery. After the sharp doubling of unemployment to 10.4 % in the second quarter of 2020, it has recovered to 7.2 % in the third quarter, as measured by the KNBS Quarterly Labor Force Survey. However, livelihoods are still under strain with food insecurity remaining prevalent in Kenya’s population. Even though school closures were lifted in early 2021, the impacts from the prolonged closure in 2020 is likely to have long-term impacts as most students were not able to stay in contact with their teacher to continue learning. Learning inequality is also likely to increase, as rural as well as children from poor households had even more limited access to remote learning.

Sectoral and Institutional Context

4. **Kenya is currently experiencing a third wave of COVID-19.** Since the first case was reported on March 13, 2020, the outbreak has spread to all of Kenya’s 47 counties. As of June 4, 2021, a total of 171,942 cases and 3,240 deaths have been reported. Estimates published in September 2020 suggest that the first peak of COVID-19 pandemic happened in July 2020. The second peak happened in October to November 2020; the incidence of new cases remained relatively low from December 2020 until February 2021. The infections picked up again in March 2021, with the rise mirroring the pattern observed in the second wave. The current surge is severely straining Kenya’s health system given: (i) Kenya had previously eased many of its non-pharmaceutical interventions including resuming in-person education activities and increasing the numbers permitted to congregate; (ii) the COVID-19 variant B.1.351/501Y.V2, which has greater transmissibility, and other variants of concern have been detected in the country since mid-December 2020 , although the actual numbers of cases from these variant is unknown as genomic surveillance capacity remains low; and (iii) neighboring countries are experiencing surges in confirmed cases and deaths.

5. **Kenya launched COVID-19 vaccination on March 5, 2021.** Kenya received a first shipment of 1.02 million doses of the AstraZeneca vaccine from COVAX on March 2, 2021, and an additional 100,000 doses as a donation from the Government of India. The vaccination exercise, which initially recorded a low uptake among the prioritized groups (health workers, teachers, uniformed forces, and other front-line workers), has now picked and expanded to cover individuals aged 58+. By June 4, 2021, a total of 974,000 people had been vaccinated. Key challenges facing the vaccination exercise include: (i) limited sensitization of the population on the benefits of vaccination, in the context of widespread controversies on related side effects; (ii) limited awareness on who is eligible for the vaccine; (iii) weak logistics and distribution at national, regional and county level, which have led to stock-outs at vaccination sites when vaccines are available at the national level; and (iv) data not being captured on a timely basis. These challenges are expected to increase in Phase 2, where a larger share of the population is targeted. The proposed Second AF will contribute towards addressing these challenges and expand vaccination coverage in Kenya by financing the purchase of additional doses of the vaccine and providing support towards deployment to the end users.

C. Proposed Development Objective(s)

Original PDO



To prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.

Current PDO

To prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.

Key Results

6. **The Project's progress towards achievement of the PDO and overall implementation progress was rated Satisfactory in the last Implementation Status and Results Report of December 18, 2020 and the project continues to make good progress.** As of April 21, 2021, disbursements for the parent project amount to US\$32.73 million (28.51%). By June 30, 2021, expenditures amounting to about US\$60.0 million are estimated to be disbursed.

7. **The Project Management Team (PMT) has been effectively coordinating project planning and procurement.** So far, the Project has supported procurement and distribution of laboratory test kits and reagents worth US\$10.5 million, 100 ventilators, installation of hand washing stations in 368 health facilities, procurement of 17 polymerase chain reaction machines to expand testing capacity in 13 laboratories, and contracting of 575 health workers to meet increased demand in case management and testing, oxygen piping, procurement of bulk liquid oxygen and related accessories for 80 COVID-19 treatment health facilities. The Project has also purchased 16 vehicles to support rapid response in high risk counties and continues to provide operational support to rapid response teams at county and national level. In addition, several activities are in the pipeline. Key among these include: (i) renovation and equipping infectious disease and high dependency units at the Kenyatta University Teaching Research and Referral and Mama Lucy Hospitals; (ii) renovating, equipping and procuring essential supplies for the six regional and 28 satellite Kenya National Blood Transfusion Service (KNBTS) centers; and (iii) strengthening waste management capacity in 17 COVID-19 treatment facilities.

D. Project Description

8. **The changes proposed for the Second Additional Financing (AF) entail expanding the scope of activities in the parent project (CHERP) and adjusting its overall design.** As the proposed activities to be funded under the proposed AF for CHERP are aligned with the original PDO, the PDO would remain unchanged, with the new activities incorporated into existing components. The proposed Second AF will cover both the procurement and deployment of vaccines and systems strengthening activities required for effective distribution to address gaps identified in the VIRAT/VRAF assessments. Additionally, the proposed Second AF will deploy Policy and Human Resources Development funds to support the operationalization of the Kenya Centers for Disease Control.

9. The content of the components, the Results Framework and the institutional/implementation arrangements of the parent project are adjusted to reflect the expanded scope and new activities proposed under the AF. The existing implementation arrangements would remain the same, and the closing date would remain March 31, 2025.

10. **Component 1. Medical Supplies and Equipment:** This component aims to improve the availability of supplies and equipment needed to respond to COVID-19 and other public health emergencies. Specifically, the AF will support: (i) procurement of vaccines to fully vaccinate 6.01 million people and accompanying injectable



devices; (ii) expanding cold chain capacity (including climate friendly cold chain equipment) at the RVS, establishment of 25 county vaccine stores, strengthening capacity of 36 sub-county stores and strengthening the cold chain storage capacity in 1,177 health facilities. The investment in cold chain equipment will complement funding from the COVAX facility that is focused exclusively on the national and regional level vaccine stores; (iii) deployment costs including distribution and logistics costs for the vaccine roll-out, including last mile delivery and logistics at the county level, investment in vaccine safety surveillance activities, including operational support for AEFI field investigations.

11. **Component 2. Response, Capacity Building and Training:** This component aims to strengthen response and build capacity of key stakeholders including health professionals, and community health workers. Support under the AF will include building capacity of health workers in vaccine planning and deployment. This will include training of healthcare workers and other personnel responsible for the delivery, storage, handling, transportation, tracking and safety of vaccines. Support will focus mainly on Phase 2, where expansion of coverage will necessitate training of healthcare workers in all immunizing facilities, including potential refresher training and new training that may be required in case of changes in vaccine delivery instructions or introductions of a variety of vaccine types.

12. **Component 4. Medical Waste Disposal:** This component aims to ensure safe treatment and disposal of waste. The parent project is supporting installation of waste treatment equipment in designated COVID-19 treatment facilities and laboratories, medical waste management supplies and consumables, capacity building of health workers on medical waste management, and environmental impact assessments and audits. This proposed AF will: (i) enhance the waste management capacity through training healthcare workers on how to handle COVID-19 vaccine waste, printing and distribution of standard operating procedures and information materials on waste management; (ii) procurement of vaccine safety boxes and healthcare waste disposal bags; (iii) strengthening the integration of the NVIP and the environmental health departments at county and sub-county level to ensure COVID-19 vaccine waste is stored and managed appropriately; and (iv) contracting a licensed waste management company to transport and dispose COVID-19 vaccine waste as per the Environmental Management and Coordination ACT (Waste Management Regulations, 2006).

13. **Component 5. Community Discussions and Information Outreach:** This component will support activities set out in Kenya's COVID-19 Vaccine Advocacy Communication and Social Mobilization (ACSM) strategy. Specific areas of support will include: (i) advocacy activities at national, county and community level; (ii) development of Information, Education and Communication materials; (iii) capacity building on ACSM actions of key national and country level stakeholders; (iv) communication through mass and social media; (v) social mobilization and community engagement; and (vi) crisis management and response to address emerging issues.

14. **Component 7. Project Implementation and Monitoring:** This component finances costs associated with project coordination and monitoring and evaluation (M&E) activities. This proposed AF will support (i) project management operational costs related to COVID-19 vaccine deployment; (ii) post vaccine introduction and impact evaluations; (iii) increased scope and frequency of ongoing Knowledge Attitudes and Practices surveys to cover vaccine deployment; and (iv) fiduciary activities such as contracting an Independent Integrated Fiduciary Review Agent (IIFRA).



Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

E. Implementation

Institutional and Implementation Arrangements

15. **The Ministry of Health (MoH)** will be the implementing agency for all activities in the proposed Second AF. While the Kenya Medical Supplies Authority (KEMSA) plays a major role in procurement of medical supplies and equipment under the parent project, all procurement under this AF will be conducted by the MoH, who will contract UN agencies where relevant. The PMT for the parent project will be enhanced to include representation from the NVIP, with expertise in vaccine logistics, procurement, and deployment. The PMT is responsible for M&E, supervision and fiduciary activities including preparation and consolidation of annual workplans and a consolidated activity and financial report for the project. The MoH will also continue receiving technical support from other development partners including the WHO and UNICEF on vaccine procurement and deployment, risk communication among others. The National COVID-19 VDV taskforce will provide overall technical leadership for vaccine deployment planning and implementation.

CONTACT POINT

World Bank

Jane Chuma
Senior Economist, Health

Toni Lee Kuguru
Health Specialist

Borrower/Client/Recipient



Republic of Kenya
Julius Muia
Principal Secretary
pstreasury@gmail.com

Implementing Agencies

Ministry of Health
Susan Mochache
Principal Secretary
pshealthke@gmail.com

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Jane Chuma Toni Lee Kuguru
----------------------	-------------------------------

Approved By

Practice Manager/Manager:		
Country Director:	Camille Anne Nuamah	07-Jun-2021