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Report No: PAD4337

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON

A PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF SDR 143.7 MILLION
(US\$207.0 MILLION EQUIVALENT)

TO THE FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA
FOR AN

ADDITIONAL FINANCING FOR THE ETHIOPIA COVID-19 EMERGENCY RESPONSE
PROJECT

MARCH 4, 2021

UNDER THE COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)

WITH A FINANCING ENVELOPE OF

UP TO US\$6 BILLION APPROVED BY THE BOARD ON APRIL 2, 2020 AND

UP TO US\$12 BILLION ADDITIONAL FINANCING APPROVED BY THE BOARD

ON OCTOBER 13, 2020

Health, Nutrition & Population Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective January 31, 2021)

Currency Unit = ETB

1US\$ = SDR 0.69405886

FISCAL YEAR

January 1 - December 31

Regional Vice President: Hafez M. H. Ghanem

Country Director: Ousmane Dione

Regional Director: Amit Dar

Practice Manager: Ernest E. Massiah

Task Team Leaders: Enias Baganizi, Roman Tesfaye

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AEFI	Adverse Event Following Immunization
AMC	Advanced Market Commitment
BFP	Bank Facilitated Procurement
CCE	Cold Chain Equipment
CDC	Center for Disease Control
CERC	Contingency Emergency Response Component
CHAI	Clinton Health Access Initiative
CHIS	Community Health Information System
COVAX Facility	COVID-19 Vaccines Global Access Facility
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
CRW	Crisis Response Window
DO	Development Objective
DP	Development Partner
EFDA	Ethiopia Food and Drug Administration
EOC	Emergency Operations Center
EPI	Expanded Program for Immunization
EPHI	Ethiopia Public Health Institute
EPRP	Emergency Preparedness and Response Plan
EPSA	Ethiopia Pharmaceutical Supply Agency
ESMF	Environmental and Social Management Framework
ESMAP	Energy Sector Management Assistance Program
FCDO	Foreign, Commonwealth & Development Office
FM	Financial Management
FTCF	Fast Track COVID-19 Facility
Gavi	Global Alliance for Vaccines and Immunizations
GCF	Green Climate Fund
GDP	Gross Domestic Product
GMU	Grant Management Unit
GoE	Government of Ethiopia
GRM	Grievance Redress Mechanism
HNP	Health, Nutrition, and Population
IBRD	International Bank for Reconstruction and Development
ICC	Inter-Agency Coordination Committee
ICU	Intensive Care Unit
IDA	International Development Association
IPF	Investment Project Financing Instrument
ISR	Implementation Status and Results Report
M&E	Monitoring and Evaluation
MCHD	Maternal and Child Health Directorate
MOH	Ministry of Health
MPA	Multiphase Programmatic Approach
NCD	Non-communicable disease
NGOs	Non-Governmental Organizations
NITAG	National Immunization Technical Advisory Group
PAD	Project Appraisal Document
PCD	Partnership and Cooperation Directorate

PDO	Project Development Objective
PHC	Primary Health Care
PHEM	Public Health Emergency Management
PHEOC	Public Health Emergency Operation Center
PoE	Port of Entry
POM	Project Operational Manual
PP	Project Paper
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
PrDO	Program Development Objective
R&D	Research and Development
RCCE	Risk Communication and Community Engagement
SAGE	Strategic Advisory Group of Experts on Immunization
SEP	Stakeholder Engagement Plan
SIA	Supplementary Immunization Activities
SOPs	Standard Operating Procedures
SPRP	Strategic Preparedness and Response Program, also known as Global COVID-19 MPA
SRA	Stringent Regulatory Authorities
STEP	Systematic Tracking of Exchanges in Procurement
UNICEF	United Nations International Children's Emergency Fund
VIRAT	Vaccine Introduction Readiness Assessment
VRAF	Vaccine Readiness Assessment Framework
WBG	World Bank Group
WHO	World Health Organization

Ethiopia

Additional Financing for Ethiopia COVID-19 Emergency Response Project

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BASIC INFORMATION – PARENT (Ethiopia COVID-19 Emergency Response - P173750)

Country Ethiopia	Product Line IBRD/IDA	Team Leader(s) Enias Baganizi		
Project ID P173750	Financing Instrument Investment Project Financing	Resp CC HAEH1 (9316)	Req CC AECE3 (247)	Practice Area (Lead) Health, Nutrition & Population

Implementing Agency: Ministry of Health

Is this a regionally tagged project? No	
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Bank/IFC Collaboration No

Approval Date 02-Apr-2020	Closing Date 30-Jun-2021	Expected Guarantee Expiration Date	Environmental and Social Risk Classification High
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Financing & Implementation Modalities

<input checked="" type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on, Enhanced Implementation Support (HEIS)

Development Objective(s)



MPA Program Development Objective (PrDO)

The Program Development Objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

Project Development Objectives (Phase 077)

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

Ratings (from Parent ISR)

	Implementation	Latest ISR
	30-Jun-2020	14-Dec-2020
Progress towards achievement of PDO	MS	MS
Overall Implementation Progress (IP)	MS	MS
Overall ESS Performance	MS	MS
Overall Risk	H	H
Financial Management	S	S
Project Management	MS	MS
Procurement	MS	MS
Monitoring and Evaluation	MS	MS

BASIC INFORMATION – ADDITIONAL FINANCING (Additional Financing for Ethiopia COVID-19 Emergency Response Project - P175853)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P175853	Additional Financing for Ethiopia COVID-19 Emergency Response Project	Restructuring, Scale Up	No
Financing instrument	Product line	Approval Date	
Investment Project Financing	IBRD/IDA	26-Mar-2021	



Projected Date of Full Disbursement 30-Apr-2024	Bank/IFC Collaboration No		
Is this a regionally tagged project? No			

Financing & Implementation Modalities

<input checked="" type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Series of Projects (SOP)
<input type="checkbox"/> Fragile State(s)	<input type="checkbox"/> Performance-Based Conditions (PBCs)
<input type="checkbox"/> Small State(s)	<input type="checkbox"/> Financial Intermediaries (FI)
<input type="checkbox"/> Fragile within a Non-fragile Country	<input type="checkbox"/> Project-Based Guarantee
<input type="checkbox"/> Conflict	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input checked="" type="checkbox"/> Hands-on, Enhanced Implementation Support (HEIS)
<input type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD				%
IDA	82.60	54.09	30.99	64 %
Grants				%

MPA Financing Data (US\$, Millions)

MPA Program Financing Envelope	18,000,000,000.00
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MPA FINANCING DETAILS (US\$, Millions)

Board Approved MPA Financing Envelope:	18,000,000,000.00
MPA Program Financing Envelope:	18,000,000,000.00
of which Bank Financing (IBRD):	9,900,000,000.00



of which Bank Financing (IDA):	8,100,000,000.00
of which other financing sources:	0.00

PROJECT FINANCING DATA – ADDITIONAL FINANCING (Additional Financing for Ethiopia COVID-19 Emergency Response Project - P175853)

FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	82.60	207.00	289.60
Total Financing	82.60	207.00	289.60
of which IBRD/IDA	82.60	207.00	289.60
Financing Gap	0.00	0.00	0.00

DETAILS - Additional Financing

World Bank Group Financing

International Development Association (IDA)	207.00
IDA Grant	207.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Ethiopia	0.00	207.00	0.00	207.00
National PBA	0.00	207.00	0.00	207.00
Total	0.00	207.00	0.00	207.00



COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any other Policy waiver(s)?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

INSTITUTIONAL DATA

Practice Area (Lead)

Health, Nutrition & Population



Contributing Practice Areas

Climate Change and Disaster Screening

This operation has not been screened for short and long-term climate change and disaster risks

Explanation

This operation has not been screened for short and long-term climate change and disaster risks by the Climate Change Group

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Enias Baganizi	Team Leader (ADM Responsible)	Health Specialist	HAEH1
Roman Tesfaye	Team Leader	Health Specialist	HAEH1
Binyam Bedelu Mekbib	Procurement Specialist (ADM Responsible)	Procurement	EAERU
Mekdim Hailu Yemane	Financial Management Specialist (ADM Responsible)	Financial Management	EAEG1
Meron Tadesse Techane	Financial Management Specialist	Financial Management	EAEG1
Tamru Demsis Temam	Environmental Specialist (ADM Responsible)	Environmental Specialist	SAEE2
Yalemzewud Simachew Tiruneh	Social Specialist (ADM Responsible)	Social Specialist	SAES2
Asegid Regassa	Team Member	Health Specialist	HAES1
Berhanu Legesse Ayane	Team Member	Sr Public Sector Specialist	EAEG1
Eleni Albejo	Team Member	Program Assistant	AECE3
Evelyn Anna Kennedy	Team Member	Senior Operations Officer	HAEH1
Fedja Pivodic	Team Member	Health Economist	HAEH1
Jean O Owino	Team Member	Finance Officer	WFACS
Kidist Kebebe Demissie	Team Member	Program Assistant	HAEH1
Margaret Png	Team Member	Lead Counsel	LEGAM
Miriam Schneidman	Team Member	Health Specialist	HAEH1



Ramiro Ignacio Jauregui-Zabalaga	Team Member	Legal	LEGLE
Ruxandra Maria Floroiu	Team Member	Lead ES	SAEE2
Shafali Rajora	Team Member	Program Assitant	HAEH1
Simon Sottsas	Social Specialist	Social Development	SAES2
Tseganeh Amsalu Guracha	Team Member	Health Specialist	HAEH1
Wubedel Dereje Alemu	Team Member	Operations	HAEH1
Yonas Regassa Guta	Team Member	Health Specialist	HAEH1
Extended Team			
Name	Title	Organization	Location



I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

A. Introduction

1. **This Project Paper seeks the approval of the Bank’s Board of Executive Directors to provide a grant in the amount of SDR145 million (US\$207 million equivalent) for an Additional Financing (AF) and restructuring of the Ethiopia COVID-19 Emergency Response Project (P173750).** The AF would support the costs of expanding activities of the Ethiopia COVID-19 Emergency Response Project under the COVID-19 Strategic Preparedness and Response Plan (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the Board on April 2, 2020, and the AF to the SPRP approved on October 13, 2020¹. The primary objective of the AF is to provide upfront financing for vaccine acquisition and deployment to enable affordable and equitable access to COVID vaccines and effective vaccine deployment in Ethiopia, including strengthening the vaccination system and further strengthening preparedness and response activities under the parent project. The US\$82.6 million Ethiopia COVID-19 Emergency Response Project was approved on April 2, 2020, prepared under the Strategic Preparedness and Response Program (SPRP). The restructuring includes the revision of the results framework to amend/drop some indicators which are not relevant and add new ones related to COVID-19 vaccines deployment; add the vaccine implementation structure/platform to the parent implementation arrangement, and to revise the definition of the operating cost in a manner that can cover all the relevant costs of the Emergency Operating Centers (EOCs) under the parent project which were not reflected in the original financing agreement.

2. **The purpose of the proposed AF is to provide upfront financing to help the government purchase and deploy COVID-19 vaccines that meet the World Bank’s Vaccine Approval Criteria (VAC) and strengthen relevant health systems that are necessary for a successful deployment and to prepare for the future.** The proposed additional financing will help vaccinate 20 percent of the country’s population. World Bank financing for the COVID-19 vaccines and deployment will follow World Bank’s VAC. As of February 23, 2021, the World Bank’s VAC for COVID-19 vaccines is: i) approval by three Stringent Regulatory Authorities (SRAs) in three regions, or (ii) WHO prequalification and approval by one SRA designated by WHO. Management seeks World Bank’s Board of Executive Directors’ approval to modify, for the purpose of this Project, the threshold for eligibility of IBRD/IDA resources in vaccine purchase to either: (i) the vaccine has been approved by three Stringent Regulatory Authorities (including by Emergency Use Authorization) in two Regions; or (ii) the vaccine has received the WHO Emergency Use Listing, and has been produced under a licensing or similar arrangement from a manufacturer of a parent/bioequivalent vaccine that has received a Stringent Regulatory Authority approval (including Emergency Use Authorization).

3. The proposed AF will form part of an expanded health response to the pandemic, which is being supported by development partners under the coordination of the GoE. Additional World Bank financing

¹ The World Bank approved a US\$12 billion WBG Fast Track COVID-19 Facility (FTCF or “the Facility”) to assist IBRD and IDA countries in addressing the global pandemic and its impacts. Of this amount, US\$6 billion came from IBRD/IDA (“the Bank”) and US\$6 billion from the International Finance Corporation (IFC). The IFC subsequently increased its contribution to US\$8 billion, bringing the FTCF total to US\$14 billion. The Additional Financing of US\$12 billion was approved on October 13, 2020 to support the purchase and deployment of vaccines as well as strengthening the related immunization and health care delivery system.;



will provide essential resources to enable the expansion of a sustained and comprehensive pandemic response that will appropriately include vaccination in Ethiopia.

4. Critically, the additional financing seeks to enable the acquisition of vaccines from a range of sources to support Ethiopia's objective to have a portfolio of options to access vaccines under the right conditions (of value-for-money, regulatory approvals, and delivery time, among other key features). The COVAX facility has put in place a framework that will anchor the GoE strategy and access to vaccines. On GoE is currently reviewing an agreement with COVAX to procure and ship the vaccines. The Bank is supporting the country to source through COVAX as a priority, and to also support the country in accessing vaccines beyond COVAX as necessary. The proposed IDA financing will build on this to expand Ethiopia access to vaccines. The availability and terms of vaccines remain fluid and prevent the planning of a firm sequence of vaccine deployment, especially as the actual delivery of vaccines is unlikely to be immediate. Rather, the proposed financing enables a portfolio approach that will adjust during implementation in response to developments in the country pandemic situation and the global market for vaccines.

5. **Currently, the testing rate is approximately 5,500-6,500 tests per day, which is less than half of the WHO's projection of 10,000 tests per day for Ethiopia.** The below-projected testing rate is due to delays in enrollment of treatment centers, response-team fatigue, and other operational challenges. Furthermore, there are various challenges that have disrupted COVID-19 response interventions and other activities. Currently, there is limited access to some remote areas due to security situations, in part due to an increasing trend of low-level adherence and resistance to COVID-19 prevention measures in some communities. In Tigray the security situation over the last several months has interrupted the region's COVID-19 prevention and treatment efforts and no reports of COVID-19 related data had been received between November 4, 2020, and February 28, 2021. As of September 2020, lockdown measures were lifted and schools across the country reopened in November 2020. Accordingly, the Ministry of Health has revised the COVID-19 Emergency Response Plan to address the low testing capacity, the risks and health system burdens that might result from the lifting of the government's lockdown measures including the reopening of the schools.

B. Project Design and Scope

6. **The Project Development Objective (PDO) of the Parent Project, and this AF, is to prevent, detect, and respond to the threat posed by COVID-19, and strengthen national systems for public health preparedness in Ethiopia.** The Parent Project includes the following components:

7. The MOH through its Grants Management Unit (GMU) is the implementing agency for the project. In addition to MOH and the Ethiopia Public Health Institute (EPHI) which are the implementing entities under the Parent Project, the Ethiopia Pharmaceutical Supply Agency (EPSA) and Ethiopian Food and Drug Administration (EFDA) will both support the MOH and directly implement certain activities under the AF for activities outlined in the National COVID-19 vaccine rollout plan.

C. Project Performance

8. **The project's progress towards achievement of PDO and overall implementation progress were rated moderately satisfactory in the last Implementation Status and Results Report (ISR) of December**



14, 2020, and the project continues to make good progress. Three of the five PDO level targets have been surpassed: early detection, timely reporting, and rapid response to infectious disease outbreaks. As of December 29, 2020, disbursements amounted to US\$56 million or 65 percent of total commitments US\$82.6 million. By the end of May 31, 2021, expenditures amounting to an additional US\$26.6 million are expected to be disbursed. These projected expenditures include: (i) Procurement of medical supplies, medical equipment and testing kits (US\$39.7 million); (ii) Preparedness, Capacity Building and Training, including training of staff in the logistics, administration and monitoring of COVID-19 response at different levels (US\$22.2 million); (iii) Community Discussions and Information Outreach activities (US\$8.5 million); (iv) Quarantine, Isolation and Treatment Centers (US\$6.93million); (v) Project Implementation and Monitoring, (US\$1 million).

9. **The Grant Management Unit of the MOH has been effectively coordinating the project planning and procurement.** The last mission noted major achievements in early detection and timely reporting of the outbreaks and in rapid response to infectious disease outbreaks. Considerable improvements have been noted on key intermediate targets related to procurement of medical supplies and equipment, financial management, safeguards, preparedness, capacity building, and training, as well as community outreach services.

10. **Implementation of national response efforts is progressing significantly and producing results.** These include: (i) Establishment of a national Public Health Emergency Operation Center (PHEOC) on January 27, 2020, to coordinate the preparedness and response efforts for COVID-19 using an Incident Management System; (ii) Improved national capacity for COVID-19 confirmatory testing, with 60 functional/reporting laboratories across the country (more than 1.6 million tests had been conducted by the end November); (iii) A total of 27 screening points at 33 Ports of Entry (POEs) have been set up, together with temporary isolation units; and (iv) Surveillance and contact tracing mechanisms such as toll-free call centers are up operating 24 hours a day, 7 days a week at the national and subnational levels, with an average of 8,000 calls being addressed every day. The Project has been instrumental in mobilizing critical resources for the country to rapidly strengthen its preparedness and response to the pandemic. However, despite the government's efforts in the COVID-19 emergency response, the daily testing rate is still low (on average 4,000- 5,000 daily) although the government is working to improve the testing capacity to 10,000 tests per day. The COVID-19 cases and deaths have dramatically increased in Ethiopia (as of January 10, there were 128,316 cases and 1,994 deaths reported in Ethiopia with a population of 109 million), as has COVID's economic and social impact given the closures of schools and businesses. Extensive flooding and the historic, devastating locust outbreak within the region have exacerbated the humanitarian impacts.

D. Rationale for Additional Financing

11. **Providing access to COVID-19 vaccines will be critical to accelerate economic and social recovery in Ethiopia.** The GoE has decided to gradually ease or lift restrictions to facilitate the resumption of economic activity. To avoid an exponential rise in COVID-19 morbidity and mortality following this decision, mitigation strategies and measures need to be implemented in concert with the slow reopening. Hence, supporting health system improvements and providing access to COVID-19 vaccines will be critical to accelerate economic and social recovery in Ethiopia. The proposed AF presents an opportunity to



increase the development effectiveness of the operation and response to COVID-19 in Ethiopia by expanding the scale and scope of the Parent Project.

12. While progress is being made in the development and production of vaccines against COVID-19, there are immediate actions that countries can take to prepare for the implementation and deployment of COVID-19 vaccines. Though much information on the potential vaccines is still unknown, with the information currently available and with the assumption that vaccines will be available in the countries during the first quarter of 2021, it is essential to start preparing the infrastructure and key components of the vaccine implementation plan, prioritizing areas in which progress can be made. The Ethiopia COVID-19 vaccine deployment and vaccination plan addresses the allocation policy, capacity development, communication and community engagement, infrastructure, and Information Technology, with an emphasis on coordinated management.

13. **This AF is being proposed at a crucial juncture in the GoE response to COVID-19.** A critically important change in the state of science since the early stages of the pandemic has been the emergence of new therapies and also the successful development and expanding production of COVID-19 vaccines (see Annex 1 for status). A key rationale for the proposed AF is to provide upfront financing for safe and effective vaccine acquisition and deployment in Ethiopia, thus enabling the country to procure safe and effective vaccine at the earliest, recognizing that there is currently excess demand for vaccines from both high-income and lower-income countries.

14. The proposed AF will form part of an expanded health response to the pandemic. The activities will build on the Ethiopia COVID-19 Emergency Response Project, as well as on the World Bank's existing health portfolio in the country, including the Ethiopia Health Millennium Development Goals (MDGs) Program for Results (P123531), and the Africa Centers for Disease Prevention and Control (Africa CDC) Regional Investment Financing Project (P167916). Some development partners (including the Global Fund and Gavi), international and local private sectors, and associations have been supporting the government's efforts in combating the COVID-19 pandemic.

15. The estimated allocation of World Bank financing under this AF will be as follows: US\$71.7 million for vaccine purchase, including shipping costs to the country; US\$135.3 million for deployment, including financing for all non-purchase vaccine activities, including for vaccination planning, vaccine systems strengthening, distribution, administration.

16. **While the regulatory threshold for eligibility for IBRD/IDA resources in vaccine purchase is outlined in para. 34 of the Additional Financing to the COVID-19 SPRP Utilizing the MPA Framework Paper approved by the Board on October 13, 2020, a modification to this threshold will be used for this project.** Management seeks World Bank's Board of Executive Directors' approval to modify, for the purpose of this Project, the threshold for eligibility of IBRD/IDA resources in vaccine purchase to either: (i) the vaccine has been approved by three Stringent Regulatory Authorities (including by Emergency Use Authorization) in two Regions; or (ii) the vaccine has received the WHO Emergency Use Listing, and has been produced under a licensing or similar arrangement from a manufacturer of a parent/bioequivalent vaccine that has received a Stringent Regulatory Authority approval (including Emergency Use Authorization).



17. **Roles of Development Partners in the COVID-19 vaccine rollout:** The Ethiopia Health Sector development partners are committed to support during the preparation and implementation of the project. A consultation has been conducted with HPN development partners including: United Nations International Children’s Emergency Fund (UNICEF); World Health Organization (WHO); the Vaccine Alliance (Gavi); the United Kingdom Foreign, Commonwealth & Development Office (FCDO); the Bill & Melinda Gates Foundation; Irish Aid; and the Government of Italy. This was critical to the development of this project to ensure complementarity of efforts. Gavi-COVAX will provide financial and technical assistance support. The WHO, in collaboration with UNICEF and PATH, will support the government in the development of national/sub-national vaccine introduction and deployment plans including guidelines, standards, assessments, support supervision, management, coordination, prioritization, targeting, surveillance, service delivery, and training through the provision of technical and financial support. In addition, the WHO will provide technical support for the Ethiopian Food and Drug Administration (EFDA) for vaccine licensing and Emergency Use Authorization in the national vaccination program. Support training will be conducted on Adverse Event Following Immunization (AEFI) surveillance for COVID-19 vaccine-related issues, including those associated with vaccine pharmacovigilance.

18. **UNICEF will oversee installing quality cold chain rooms at the national level, and quality refrigerators and freezers at health facilities.** Clinton Health Access Initiative (CHAI) will provide technical support for climate-friendly cold chain and logistics to maintain adequate COVID-19 vaccine storage and distribution. UNICEF will also provide support to the production, broadcasting, and dissemination of communication materials, and the generation of public awareness and policy advocacy activities. Besides the provision of donor-subsidized free doses to cover 16 percent of the population, Gavi-COVAX also committed to provide technical assistance and financial support for additional climate-friendly cold chain equipment. Under the leadership of the Ministry of Health (MOH), the Inter-Agency Coordination Committee (ICC) is responsible for providing oversight and guidance to avoid duplication of effort and ensure smooth coordination of government and partner investment guided by the national COVID-19 Vaccine Deployment and Vaccination Plan (VDVP).

Box 1: Potential Supportive Roles for Partner Agencies in Implementation

WHO’s role	Financing amount (in US\$)
Providing technical leadership for vaccine introduction, providing technical support to National Immunization Technical Advisory Group to define on COVID-19 vaccination policy objectives, strategy, targets and vaccine safety issue, developing guidelines and conduct training on AEFI surveillance for COVID-19 vaccine related issues and other issues of vaccine pharmacovigilance, etc	2,688,490
UNICEF role	Financing amount
Supporting the development of a roadmap for improved integration of COVID-19 vaccine deployment with EPI and other primary health care (PHC) services, supporting the quantification and forecasting of supply needs, support to procure and install quality cold chain rooms at national level, etc	5,308,847
Gavi/COVAX role	Financing amount



Providing vaccines to cover the first prioritized X% of the population and beyond, providing technical assistance, etc	146,676,754
Other partners' roles	Financing amount
Preparation for and roll out of the vaccines	937,260

19. Ethiopia has conducted a vaccine readiness assessment with the support of international organizations (WBG, WHO, UNICEF, Gavi) to identify gaps and options to address them as well as to estimate the cost of vaccine deployment. COVID-19 vaccine deployment will be a monumental effort for Ethiopia, and to prepare for this unprecedented rollout, the country has established appropriate coordination mechanisms for successful vaccine deployment. Ethiopia’s immunization scores as per the Global Health Security Index report² are high (94 percent out of 100 percent) showing a robust immunization system. However, like many countries, Ethiopia usually vaccinates infants and children, which represent about only five percent of the country’s population.

Table 1: Summary of Vaccination Readiness Findings from the VIRAT/VRAF 2.0 assessment³

Readiness domain	Readiness of government (as of February 12, 2021)	Key gaps to address before deployment
A. Planning and Management	<p>A1. Vaccination objectives and targets:</p> <ul style="list-style-type: none"> A National Coordinating Committee (NCC) for COVID-19 vaccine introduction with terms of reference, roles and responsibilities was established and regular meetings are being held. NTWG subcommittees were established/engaged to cover the following workstreams: 1) Planning, Monitoring and Evaluation & Service Delivery; 2) Communication, Demand, and Community Engagement; 3) Logistics, Supply Chain and Vaccine Forecasting; 4) Safety, Vaccine Licensing and Pharmacovigilance and Infection Prevention; and, 5) Surveillance and Research & Development Inform regularly & disseminate global and regional guidance (i.e. SAGE) with 	<ul style="list-style-type: none"> Establish (or engage an existing working group) a National Technical Working Group (NTWG) for COVID-19 vaccine introduction with terms of reference, roles and responsibilities. Plan and procure waste management supplies and equipment for appropriate implementation of waste management protocols. Ensure that program objectives are defined and agreed to by key stakeholders at the central and sub-national levels, including representatives of target populations, community leaders, religious leaders, etc., and reflect the epidemiological situation and are adaptable to vaccine supply scenarios (protection of vulnerable populations, continuity of essential services, equity).

² <https://www.ghsindex.org/country/ethiopia/>

³ A multi-partner effort led by WHO and UNICEF developed the Vaccine Introduction Readiness Assessment Tool (VIRAT) to support countries in developing a roadmap to prepare for vaccine introduction and identify gaps to inform areas for potential support. Building upon the VIRAT, the World Bank developed the Vaccine Readiness Assessment Framework (VRAF) to help countries obtain granular information on gaps and associated costs and program financial resources for deployment of vaccines. To minimize burden and duplication, in November 2020, the VIRAT and VRAF tools were consolidated into one comprehensive framework, called VIRAT-VRAF 2.0.



	<p>NITAGs & RITAGs and support NITAG working groups on COVID-19 vaccines.</p> <ul style="list-style-type: none"> • Key ministries, NITAG, stakeholders and partners are briefed about COVID-19 vaccine introduction and their expected roles. Inform regularly & disseminate global and regional guidance (i.e. SAGE) with NITAGs & RITAGs and support NITAG working groups on COVID-19 vaccines. • The National COVID19 Vaccine Deployment and Vaccination Plan (NDVP) with input from relevant bodies (National COVID-19 Response Coordinating Committee, CNCC, CTWG, NITAG, National Immunization Program, National Regulatory Authority, AEFI committee and other relevant groups such as private sector) was developed. The NDVP should be in line with WHO guidance and SAGE recommendations (plan can be developed by adapting the Pandemic Influenza NDVP, if existing). 	
	<p>A2. Regulation and Standards:</p> <ul style="list-style-type: none"> • The existence of expedited regulatory pathway for approval of COVID-19 vaccines (i.e. emergency use authorization, exceptional approval/approval mechanism based on reliance/recognition, abbreviated procedure, fast track, etc.) is confirmed to WHO. Timelines and maximum number of days have been mentioned (with a maximum of 15 working days). 	<ul style="list-style-type: none"> • NITAG approval and ICC endorsement is required before the COVID-19 vaccine is registered by the Ethiopia Food Drug Authority (EFDA). As soon as the product/products are identified by COVAX facility the process starts, and anticipated to: - • Ensure the national regulator or authority will clarify the requirements and documents needed for regulatory approvals of COVID-19 vaccines. • Identify the requirements and documents needed to import COVID-19 vaccines • Confirm to WHO the existence of an expedited import approval/waiver from appropriate authorities. Timelines and maximum number of days should be mentioned. (expected timeline: maximum 5 working days). • Ensure a system to waive local lot release testing based on review of summary protocols is in place. Identify the requirements and documents needed for NRA lot release or waiver of lot release for COVID-19 vaccines. Timelines and maximum number of days for lot release/waiver process should be mentioned. (expected timeline: maximum 2 days).
	<p>A3. Performance management and M&E:</p> <ul style="list-style-type: none"> • Potential numbers of target populations that are prioritized for access to vaccines are estimated: stratified by target group and geographic location, i.e. prepare first to define, identify and estimate no. of healthcare workers (HCWs). • National COVID-19 disease surveillance group are coordinating to ensure relevant 	<ul style="list-style-type: none"> • Monitor progress of NITAG working groups on COVID-19 vaccines and interim recommendations focusing on prioritization and risk groups. • Develop or adapt existing surveillance and monitoring framework with a set of recommended indicators (coverage, acceptability, disease surveillance etc....) for COVID-19 vaccine, including gathering information from facilities and contractors participating in vaccine delivery, and



	<p>epidemiological data will be collected to inform planning of subsequent rounds of COVID-19 vaccination, including outbreak responses.</p>	<p>ensuring necessary human resource capacity is in place. Determine whether registration and reporting will be individual or aggregate, and to what extent existing tools and systems can be re-used.</p> <ul style="list-style-type: none"> • Develop or adapt necessary paper-based and/or electronic monitoring tools and appropriate institutional arrangements, including vaccination cards/certificates, facility-based nominal registers and/or tally sheets, vaccination reports, medical records, immunization records, systems entry and analytical tools to monitor progress and coverage among different at-risk categories and facilitate vaccine delivery and timely reporting. • Ensure measures are in place for data protection, and appropriate data governance regulation is in place to monitor legitimate, appropriate, and proportionate use and processing of data which may be routinely collected and managed in health information systems.
	<p>A4. Budgeting:</p> <ul style="list-style-type: none"> • COVID-19 vaccine program costs (vaccine, operating costs, HR and capital costs) in government budgetary and/or planning documents approved by the appropriate authority were included. In addition, appropriation or allocation (from MOF/treasury) in the cash planning as an additional means to ensure that financing is indeed readily available were included. • Financial and human resources needed to conduct the deployment and vaccination operations in the designated points and in the required number of days is estimated • Funding mechanisms in collaboration with relevant stakeholders including Inter-Agency Coordinating Committee (ICC) were identified. 	<ul style="list-style-type: none"> • Finalize the budgeted micro-plans for vaccination including plans for other relevant components such as demand generation, risk communications and safety surveillance • Ensure mechanism to release and distribute funds to lowest levels for operations.
<p>B. Supply and Distribution</p>	<p>B1. Vaccines, PPE and other medical and non-medical supplies:</p> <ul style="list-style-type: none"> • A master list and strategy of service providers who could effectively deliver COVID-19 vaccine to various target populations were identified and developed • Protocols for infection prevention and control measures including adequate personal protection equipment (PPE) to minimize exposure risk during immunization sessions were updated/developed. 	<ul style="list-style-type: none"> • Identify potential COVID-19 vaccine delivery strategies leveraging both existing vaccination platforms and non-vaccination delivery approaches to best reach identified target groups • Ensure availability of plans to safeguard the security of staff (e.g. during an emergency or major campaign) as well as security at the central and/or regional storage facilities and for in-transit of products.
	<p>B2. Logistics and cold chain:</p> <ul style="list-style-type: none"> • Key roles and responsibilities needed for vaccine and ancillary products deployment; 	<ul style="list-style-type: none"> • Map the potential port(s) of entry, points of storage (stores), and fallback facilities in the country with their respective cold chain storage (2-



	<p>collect and confirm contact information for key personnel and facilities were mapped.</p> <ul style="list-style-type: none"> The national logistics working group with appropriate terms of reference and standard operating procedures to coordinate COVID-19 vaccines and ancillary products deployment established/strengthened. Dry storage and cold chain capacity and infrastructure needs at all levels with regards to the COVID-19 vaccines characteristics were assessed and the identified supply and logistics gaps were filled. 	<p>8C, -20C, -60/70C) and transportation capacity for vaccines and ancillary products.</p> <ul style="list-style-type: none"> Establish contractual agreements to prepare for vaccine introduction (e.g., vaccine warehousing, transport, waste management, cold chain capacity, etc.) where applicable. For delivery through private facilities, develop and approve Standard Operating Procedures, including service quality and performance and reporting standards and mechanisms for complaints-handling, certification of facilities, financing, performance monitoring and integrity checks. Ensure existence of protocols regarding consent to vaccinations, process for agreeing to or refusing to be vaccinated, and measures to protect those that refuse to be vaccinated are in place.
	<p>B3. Waste management:</p>	<ul style="list-style-type: none"> Establish contractual agreements to prepare for vaccine introduction (e.g., vaccine warehousing, transport, waste management, cold chain capacity, etc.) where applicable. Provide COVID-appropriate SOPs, protocols, or guidelines for collection and disposal of medical waste, both hazardous and non-hazardous, to the relevant stakeholders. Assure that properly licensed waste management providers (especially for hazardous waste storage, transport, and disposal) are identified and can be operationalized.
<p>C. Program Delivery</p>	<p>C1. Community engagement and advocacy</p>	<ul style="list-style-type: none"> Design a demand plan (includes advocacy, communications, social mobilization, risk and safety comms, community engagement, and training) to generate confidence, acceptance, and demand for COVID-19 vaccines. Must include a crisis communications preparedness planning Develop key messages and materials for public communications and advocacy, in alignment with demand plan.
	<p>C2. Points of delivery:</p> <ul style="list-style-type: none"> Distribution strategy, including mapping the potential port(s) of entry, points of storage (stores) and stocking, and fallback facilities is created in the country with their respective cold chain storage (2-8C, -20C, -60/70C) and transportation capacity for vaccines and ancillary products, and ensure necessary human resource capacity is in place. 	<ul style="list-style-type: none"> Identify potential COVID-19 vaccine delivery strategies leveraging both existing vaccination platforms and non-vaccination delivery approaches to best reach identified target groups. Disseminate delivery and acceptance protocols, ensure monitoring arrangements are in place, and identify supervisory focal points at each facility. Establish security arrangements to ensure the integrity of COVID-19 vaccines and ancillary products throughout the supply chain.
	<p>C3. Vaccine safety surveillance</p> <ul style="list-style-type: none"> Roles and responsibilities are defined, and coordination mechanism are established between relevant stakeholders (NRA, EPI, 	<ul style="list-style-type: none"> Ensure that guidelines, documented procedures, and tools for planning and conducting vaccine pharmacovigilance activities (i.e. AEFI reporting, investigation, causality assessment, risk communication and response) are available.



	MOH, WHO and others) for exchange of COVID-19 Vaccine safety information.	<ul style="list-style-type: none"> Assure competent and trained staff to perform vigilance activities. Secure communication channels to share COVID-19 vaccine safety data and findings with relevant regional and international partners. Expedite training the AEFI committee to review COVID-19 Vaccine safety data (e.g., causality assessment of serious AEFI, clusters of AEFI, emerging safety concerns etc.); Identify provisions that require manufacturers to implement risk management plans and collect and report COVID-19 vaccine safety data to the NRA. Plan active surveillance of specific COVID-19 vaccine related adverse events. If this is not possible, develop provisions that allow reliance on active surveillance data, decisions, and information from other countries or regional or international bodies. Establish compensation schemes in the event that there are unintended health consequences as result of vaccines, including no-fault liability funds, and ensure that associated policies are in place.
D. Supporting Systems and Infrastructure	D1. Data quality	<ul style="list-style-type: none"> Establish data collection systems, including 1) social media listening and rumor management, and 2) assessing behavioral and social data. Update and implement systems and protocols for tracking and monitoring the stock management and distribution of vaccines and key supplies through the Government's existing Vaccine Logistics Management and Information System (VLMIS), including operating procedures to reflect the characteristics of COVID-19 vaccines.
	D2. Infrastructure	<ul style="list-style-type: none"> Identify and plan for the national vaccine access/procurement approach (e.g. COVAX Facility, bilateral purchase agreement, procurement through UN agency, self-procurement) and complete required paperwork.

20. Table 2 below presents the national vaccine coverage and purchase plan.



Table 2: National Vaccine Coverage and Purchase Plan

Source of financing (including if grant/loan, any other key terms)	Coverage of population	# of people (Total population: 112 million)	Vaccines (including potential sources)	Estimated US\$ per dose (if available)	Estimated U\$ per dose for shipping/ deployment	# of doses	Estimated total U\$ (millions)	Vaccine sourcing (if known)	WB VAC Status	Contract status
Under this AF (priority groups)										
IDA Grant	4%	4,483,149	AstraZeneca	7	1	2	\$72	COVAX	Approved by 2 SRAs, 3 rd anticipated by Jan 2021	Official request submitted to COVAX on January 4, 2021.
Trust Fund	0%	NA	NA					NA	NA	NA
COVAX grant	16%	17,932,597	AstraZeneca	0		2	0	COVAX	Approved by 2 SRAs, 3 rd anticipated by Jan 2021	COVAX sent country vaccine allocation letter for an initial 8.9 million doses
Other Partners	Information not available.		TBC							
Government	0%	NA	NA							
Sub Total	20%									
Remaining Population										
Planned 2 nd AF IDA/TF (including new projects)	40%		AstraZeneca	TBC	TBC	TBC	\$3.6	COVAX	WB VAC anticipated to be met by March 2021	TBC
COVAX	0%	NA	NA							
Other Partners	0%	NA	NA	NA	NA	NA	NA	NA	WB VAC	TBC



21. **Ethiopia plans to vaccinate at least 20 percent of the population for the period covered by this AF. Depending on the availability of additional resources and the manufacturer's production capacity, Ethiopia aims to reach at least 60 percent vaccination coverage.** To cover the remaining 40 percent of the population, which is not part of this phase of the operation, the government needs to mobilize additional financing from development partners and other sources. The government alone does not have the capacity to cover the cost for additional vaccine doses, at least in part due to the slowdown of economic growth in the country. However, Ethiopia's preliminary quantification results have shown that the country has enough human resources capacity within the health sector. Medical workers can and will quickly be trained and engaged in the deployment of the COVID-19 vaccine. The country also has a logistics and Supply Management Tool (SMT), which has appropriately been tracking the activities of the routine immunization program and can be used to monitor the COVID-19 vaccine. This tool is being adapted and tailored to the anticipated needs for the COVID-19 vaccine. For vaccine deployment, Ethiopia is putting in place the institutional framework for the safe and effective deployment of vaccines, including: (i) ensuring voluntary and informed vaccination practices; (ii) regulatory standards for vaccine quality; (iii) guidelines for acceptable minimum standards for vaccine management, including climate-friendly cold chain infrastructure; and (iv) policies to ensure robust governance, accountability, pharmacovigilance, and citizen engagement mechanisms.
22. **In pursuit of supporting countries as they assess readiness to deliver COVID-19 vaccines, the World Bank developed a COVID-19 Vaccine Readiness Assessment Framework (VRAF) to identify key gaps and prioritize opportunities for enhanced readiness.** The framework also identifies opportunities for financial support through the COVID-19 Emergency Response Project AF.
23. **Key findings of the Ethiopian VRAF assessment show that preparation is in place to identify and enumerate the implementing agencies and priority target populations.** In addition, responsible institutions, governance and management structures, points of delivery, including static and outreach teams, and associated medical supplies have been identified and mapped to the targeted population areas. Program objectives have been agreed upon by key stakeholders at central and sub-national levels. Also, delivery and storage capacity, logistics and cold chain, availability of trained medical workers, including for safe injection practices in all participating facilities, are currently being addressed while waiting for the vaccines to arrive in the country. However, there are clear gaps when it comes to putting in place regulatory measures for the procurement of COVID-19 vaccines and related supplies, including the development of SOPs and complaints-handling mechanisms; methods for certification of facilities, financing and monitoring of performance and integrity checks; and agreed service quality, performance, and reporting standards.
24. **Meanwhile, a vaccine infrastructure suitable for a large segment of the population has been bolstered.** Key areas that need strengthening and support include personal protective equipment (PPE) and other medical and non-medical supplies; waste management; community engagement and advocacy; vaccine safety surveillance; and data quality. Enhancing these areas in the short term will optimize vaccine delivery and use.
25. **The GoE's vaccine coverage and purchase plan is a central part of its national vaccination readiness.** The GoE has followed and contextualized the WHO's Strategic Advisory Group of Experts on



Immunization (SAGE)⁴ roadmap for the prioritization of the target population. The plan entails vaccinating 20 percent of the population as priority groups and then extend the vaccination up to 60 percent as vaccines become available on the market.

26. **The selection of the target population and vaccine deployment process seek to ensure equity in access for vaccines among key eligible populations.** Health inequity is intertwined with the impact of COVID-19 where certain populations are at increased risk of severe illness or death. At the national and sub-national levels, data are showing a disproportionate impact of the pandemic on populations already disadvantaged by virtue of their age, health status, residence, occupation, and socioeconomic status and hence the vaccine introduction strategy has given consideration to these disproportionate impacts in the selection of vaccine deployment strategies.

27. **Phase 1 (20 percent total population coverage):** Phase 1 has a reasonable scenario of the target groups to achieve the goal of reducing mortality and morbidity. It includes the following target groups:

- Frontline workers⁵ in health care, schools, and other social care services
- People over the age of 55
- People under the age of 55 with underlying conditions that expose them to higher COVID-19 related mortality risk.

28. **Frontline workers will be prioritized as they are essential to treat and protect the population they serve, including individuals with COVID-19 who are ill.** First responders also provide care for high-mortality risk groups. Initial epidemiological data has shown that adults over 55 years of age and those with certain comorbidities, who are also vulnerable to health risks associated with climate change, are at the highest risk of dying from COVID-19.

29. **The strategy used to reach each of the priority groups will begin with the existing primary healthcare approach and other innovative approaches tailored to the context of the priority groups.** The deployment of the COVID-19 Vaccine will adopt existing routine EPI vaccine delivery strategies, which include static (at health facilities) and outreach (fixed community outreach and/or mobile community outreach) strategies. Due to the urgency of the pandemic, a door-to-door strategy will also be utilized to reach those priority groups who are immobile due to particular vulnerabilities, including age or comorbidities.

30. **The government has prioritized target groups in Phase 1 while determining how the vaccine phases can be launched most equitably.** The prioritization takes into account vaccine availability scenarios as well as global and local epidemiological and other scientific evidence. Accordingly, those target groups in Phase 1 are grouped into Phase 1a and Phase 1b that would have progressive access to the vaccine, based on descending priority.

a. **Phase 1a (1-10 percent of total population coverage):** is a scenario of very limited vaccine availability for initial distribution. Since frontline workers are not just at risk of being infected but also pose a

⁴ SAGE framework articulates the overall goal of COVID-19 vaccine deployment and the core principles that should guide distribution. The Framework also complements the principles on equitable access and fair allocation of COVID-19 health products developed for the ACT Accelerator COVAX facility.

⁵ Those who have direct contact with patients and come into close contact with people who are, on the evidence, most likely to experience serious COVID-19 if infected and who might be afforded some level of protection if these workers are vaccinated.



higher risk of transmitting the virus, it is recommended they are initially prioritized. It is estimated that if COVID-19 vaccines are made available to the country, priority will be given first to protect 3 percent of the population, which is expected to be sufficient to protect frontline workers in the country. This phase also targets those population groups 55 years of age and older (7 percent of the population). People over 55 years old are vulnerable to climate hazards, their prioritization for COVID-19 vaccination further reduces their vulnerability to health risks. The major objective of covering those priority groups in Phase 1a is to protect the integrity of the health care system, other social care settings and reducing severe morbidity and mortality by reaching out to those who are at most risk.

- b. **Phase 1b (additional 11-20 percent of population coverage):** is a scenario as vaccine supply increases but availability remains limited. This group includes those individuals with critical comorbidities (10 percent) such as those with HIV/AIDS, Tuberculosis, Diabetes Mellitus and other chronic diseases.

Table 3: Priority groups for vaccination Ethiopia

[Ranking of vulnerable group, or inclusion in which phase]	Population group	Number of people	% of population
First	Frontline workers (3%)	3,362,362	3%
Second	Those aged ≥ 55 years of age	7,845,511	7%
Third	Peoples with comorbidities (10%)	11,207,873	10%
Total		22,415,746	20%

31. **The identification of priority groups for vaccination will be achieved through existing database and facility registers for frontline workers and people with comorbidities.** However, since there is no systematic registration and identification of some of the COVID-19 vaccination beneficiary groups such as those greater than 55 years of age, a combination of house-to-house visits, Kebele/village ID, electronic community health information system, and mobile outreach strategies will be used. Furthermore, the beneficiary identification process will be guided by a district level micro plan to be developed by MOH and partners through technical guidance and oversight from the ICC.

Planning underway for Vaccine Deployment

32. **The development of a district-level micro plan began in mid-January 2021 and will be completed by March 31st, 2021.** The district micro plan identifies key activities that are needed to cascade the national vaccine delivery plan strategy to the local context. The micro plans development followed both top-down and bottom-up approaches: the guidelines for conducting the micro plan and target prioritization and selection criteria are developed by MOH and cascaded to districts; while the district level micro plans are developed by contextualizing the national level guidelines. The plans are aggregated at woreda and district level, then at to the regional and finally, national level. The micro plans have two key deliverables: a district level master list which identifies each vaccine recipient by name, sex, age and identification number/code; and a district level operational plan with a detailed list of activities and corresponding budget breakdown for operationalizing the vaccine deployment campaign.



33. **Each district level micro plan is validated by the woreda level multi-sectorial taskforce which includes people from the district health office, community representatives, health facility representatives, and civil society organizations.** A regular spot check will be conducted during the vaccination campaign to ascertain whether those target groups prioritized in the national COVID-19 vaccine deployment and vaccination plan and identified by the district level micro plan are receiving the vaccine. The spot check will be conducted through house to house visits on a random sample basis by a group of experts constituted from development partners supporting the vaccination activities. In addition to the independent monitoring through spot checks, a post vaccination campaign survey will be conducted along with the audit of the number of doses distributed and number of beneficiaries vaccinated.

34. **The liability and indemnification issues in vaccine acquisition are taken seriously:** See Box 1 below for Ethiopia based on the current country's plan to buy vaccines through the COVAX facility.

Box 2: Liability and Indemnification Issues in Vaccine Acquisition

For all countries:

- The rapid development of vaccines increases **manufacturers' potential liability** for adverse effects following immunization.
- Manufacturers want to protect themselves from this risk by including **immunity** from suit and liability clauses, **indemnification** provisions, and other **limitation of liability** clauses in their supply contracts.
- **Contractual provisions and domestic legal frameworks** can all operate to allocate that risk among market participants, but **no mechanism will eliminate this risk entirely.**

For Ethiopia:

- COVAX has negotiated model indemnification provisions with manufacturers for vaccines purchased and supplied under the COVAX AMC.
- In providing vaccines through COVAX AMC, COVAX requests COVAX AMC participants to have in place an indemnity agreement directly with manufacturers, and the necessary indemnity and liability frameworks for that purpose – either in the form of the COVAX model indemnification arrangements or prior bilateral arrangements with manufacturers.
- The COVAX Facility will have a no-fault compensation scheme for AMC countries as part of its risk mitigation strategy. This will cover vaccines supplied only through COVAX AMC.
- Ethiopia will have to consider what it will take to implement these indemnification provisions (including statutory implementation) and how they can avail of the benefits of the no-fault compensation scheme.

Possible World Bank support to Ethiopia, depending on needs, may include:

- Information sharing on (i) statutory frameworks in OECD countries and other developing countries; and (ii) overall experience in other countries.
- Provide training and workshops for government officials to familiarize them with the issues.
- For World Bank-financed contracts, the World Bank can provide Hands on Expanded Implementation Support.



II. DESCRIPTION OF ADDITIONAL FINANCING

35. **As described below, the AF will support investments to bring immunization systems and service delivery capacity to the level required to successfully deliver COVID-19 vaccines at scale.** To this end, the AF is geared to assist the GoE, working with WBG, WHO, UNICEF and other development partners, to overcome bottlenecks in the area of planning and management, supply and distribution, program delivery, systems and infrastructure as identified in the COVID-19 vaccine readiness assessment in the country.

A. Proposed Changes

36. **The changes proposed for the AF entail expanding the scope of activities in the Ethiopia COVID-19 Emergency Response Parent Project and adjusting its overall design.** As the proposed activities to be funded under the AF are aligned with the original PDO of the parent project, the PDO would remain unchanged.

37. **The components and the Results Framework of the Parent Project would be adjusted to reflect the expanded scope and new activities proposed under the AF.** The implementation arrangement would also be adjusted by adding the vaccine implementation structures (EFDA and EPSA) to the Parent Project implementation arrangement. The closing date (June 30, 2021) would be extended to December 31, 2023 to accommodate for the time necessary to vaccinate the targeted population.

Project Components

38. Below is a brief description of each component under the parent project. Please refer to the parent project PAD for more details.

39. **Component 1: Medical Supplies and Equipment** finances the procurement of (i) drugs and medical supplies for case management and infection prevention, including production of hand sanitizers; and (ii) equipment, reagents, testing kits, and consumable supplies for laboratories.

40. **Component 2: Preparedness, Capacity Building and Training** finances (i) coordination at the national, subnational and regional/cross-country levels, which will require substantial strengthening to prepare for and effectively manage the roll out of vaccines; (ii) Emergency Operations Center (EOC) functionalization (including sub-national coordination and support for preparedness, training, and supervision) (iii) deployment of health workers and other personnel required for COVID-19 preparedness and response, human resources for supportive supervision and subnational support, including logistics management, delivery and supervision and monitoring; (iv) operating costs for Public Health Emergency Management (PHEM) and Incident Management functions; (v) screening at designated points of entry; (vi) strengthening call/hotline centers; (vii) strengthening PHEM and community- and event-based surveillance for COVID-19; and (viii) building diagnostic capacity for COVID-19 at the subnational (regional/state) level, including preparation of guidelines and standard operating procedures (SOPs).

41. **Component 3: Community Discussions and Information Outreach** include: (i) risk communication and community engagement; (ii) behavioral and sociocultural risk factors assessments; (iii) production of a Risk Communication and Community Engagement (RCCE) strategy to address the key gaps for the



expected behavioral change for COVID-19 response; (iv) production of communication materials; (v) establishing a production center for information and communication tools to support media and community engagement; and (vi) monitoring and evidence generation; and (vii) human resources for risk communication.

42. **Component 4: Quarantine, Isolation and Treatment Centers:** through the rehabilitation of existing facilities and setting up temporary structures, establishes and equips quarantine, isolation, and treatment centers; provision of nutrition and dignity kits.

43. **Component 5: Project Implementation and Monitoring** includes: (i) support for procurement, financial management, environmental and social safeguards, monitoring and evaluation, and reporting; (ii) recruitment and Training of Grants Management Unit and EPHI staff and technical consultants; and (iii) operating costs specifically for the project staff under the Grant Management Unit (GMU) and COVID-19 hazard pay /risk allowance for staffs who will be involved in COVID-19 response at different levels.

44. **The Parent Project is complemented by US\$7.2 million from the Pandemic Emergency Facility (PEF) insurance window committed in April 2020.** The financing from the PEF supports surge capacity building and includes training, hazard pay, mentorship, insurance, procurement of PPE, minor renovations, and maintenance for frontline health worker residences and catering.

Proposed New Activities

45. Given the recent emergence of COVID-19, there is no conclusive data available on the duration of immunity that vaccines will provide. While some evidence suggests that an enduring response will occur, this will not be known with certainty until clinical trials follow participants for several years. As such, this additional financing will allow for re-vaccination efforts if they are warranted by peer-reviewed scientific knowledge at the time. In the case that re-vaccination is required, limited priority populations (such as health workers and the elderly) will need to be targeted for re-vaccination given constraints on vaccine production capacity and equity considerations (i.e., tradeoffs between broader population coverage and re-vaccination). As a prudent and contingent measure, budget for funding has been retained for re-vaccination, if needed, of such a subset of the population. To support the Government of Ethiopia's vaccination planning, the AF will finance upfront technical assistance to support Ethiopia to establish institutional frameworks for the safe and effective deployment of vaccines. The AF will support investments to bring immunization systems and service delivery capacity to the level required to successfully deliver COVID-19 vaccines at scale, through the 5 Components of the Ethiopia Covid-19 ERP project. To this end, the AF is geared to assist the government of Ethiopia, working with (WBG, WHO, UNICEF, Gavi, and other development partners), to overcome bottlenecks as identified in the COVID-19 vaccine readiness assessment in the country.

46. **Component 1. Medical Supplies and Equipment [current allocation US\$39.7 million; proposed AF allocation US\$129.2 million equivalent]:** The support for vaccines when available, which was anticipated in the initial Global COVID-19 MPA, will be added as part of the containment and mitigation measures to prevent the spread of, and deaths from COVID-19 under Component 1. The prevention of COVID-19 reduces the health risks of vulnerable populations from climate-disasters. Ethiopia will utilize the Gavi-COVAX AMC facility for vaccine purchase and financing mechanisms. The AF under this component will finance: Support for the implementation of priority activities under the Emergency



Preparedness and Response Plan, related to case management and infection prevention and control, including through the provision of: (i) Project COVID-19 Vaccine in quantities sufficient to vaccinate at least 4 percent of the population; (ii) vaccination supplies needed for activities outlined in the Vaccine Delivery and Distribution Manual including diluents, syringes, and medical supplies associated with the vaccination response; (iii) climate-friendly cold chain inputs, including LED lamps and refrigerators, (iv) maintenance of existing cold chain equipment; (vii) infection prevention and waste management; and (v) Project COVID-19 vaccine storage and transportation. Women in Ethiopia represent 70 percent of health sector workers. These frontline health workers will be expected to conduct house to house visits under the project. Suitable PPE for these workers must be procured in adequate supply. The project will procure PPE that is designed for the female body in adequate supply for female health workers and volunteers.

47. Component 2. Preparedness, Capacity Building and Training (current allocation US\$22.2 million; proposed AF allocation US\$28.0 million equivalent): The AF will finance: (i) Operating costs; (ii) the development of a COVID-19 vaccination card, COVID registry, report and analytical tools; training plan for vaccine introduction; (iii) deployment of health professionals and training on surveillance, supply chain, and emergency preparedness for climate hazards; (iv) development of micro-level Project COVID-19 Vaccine deployment plans at national and sub national levels; (v) establishment of regulatory measures for the procurement/ importation of project COVID-19 vaccine and related supplies; vaccine safety, licensure pharmacovigilance; (vi) project COVID-19 vaccine inoculation training for front line health personnel; (vii) supervision on project COVID-19 vaccine safety and Adverse Event Following Immunization (AEFI) monitoring for regulators and EPI officers; (viii) strengthening of regional AEFI investigation task force and support for AEFI case investigations; (ix) preparation of data protection guidelines (including personal data), draft consent forms, developing standard operation protocols (SOP); (x) developing innovative registries for key Project COVID-19 Vaccine target groups, identification of target populations; monitoring and evaluation including establishment of a mechanism to track adverse reactions to vaccines.

48. Component 3. Community Discussions and Information Outreach [current allocation US\$8.5million; proposed AF allocation US\$6.2 million equivalent]: The AF will finance: (i) human resource capacity for risk communication, (ii) the development of social mobilization and community engagement strategies (using local languages) to increase vaccine acceptance and COVID- 19 prevention behaviors; (iii) monitor COVID-19 Vaccine acceptance/hesitancy; (iv) establish compliant handling mechanisms at all levels (Federal MOH, Regional Health Bureau, Woreda Health Office and Facility); and (v) deployment of risk communication officers and other human resources to expand and accelerate vaccine deployment efforts.

49. Component 4. Quarantine, Isolation and Treatment Centers and regulatory infrastructure [current allocation US\$6.93 million; proposed AF allocation US\$41.6 million equivalent]: The AF will finance: (i) Establishment of the regulatory infrastructure and capacity for safety surveillance of the Project COVID-19 Vaccine, including refurbishing and equipping a Project COVID-19 Vaccine laboratory under the Ethiopian Food and Drug Administration (EFDA). Ethiopia is currently contracting out the vaccine laboratory testing undertaken, which has its own limitation in terms of selecting an independent laboratory, establishing and reviewing selection criteria, assembling a list of qualified laboratories and the contracting process which would normally be undertaken by the procurement entity responsible for purchasing vaccines and other biological products. The absence of a vaccine laboratory within the regulatory body of the health sector has negative implications concerning the quality, timeline, and cost



of the vaccine deployment. Given that COVID-19 vaccine research and development and vaccine improvement will be the major and critical assignment for the upcoming years, this laboratory will have significant importance in terms of facilitating licensing and registering any potential COVID-19 candidates in the future.

50. **Component 5. Project Implementation and Monitoring [current allocation US\$1 million; proposed AF allocation US\$ 2.0 million equivalent]: Proposed new activities:** The AF will finance: (i) the creation of accountability, grievances, and citizen and community engagement mechanisms.

51. The AF will finance technical assistance to support Ethiopia to address the readiness gaps identified in the VRAF assessment and extend to establish institutional frameworks for the safe and effective deployment of vaccines, which will contribute to the resilience of vulnerable groups to the predicted health impacts of climate change.

Financing Arrangements

52. The increase in scope as outlined above will be reflected in an increase in indicative component allocation from US\$82.6 million to US\$289.6 million, with the full amount of the AF being added under all the five Components of the parent project (see Table 4 below). Table 5 below represents a summary of vaccine sourcing and World Bank's financing.

Table 4: Project Cost and Financing

Project Components	Parent Project Cost US\$ million	AF Project Cost (US\$ million)	Parent + AF Cost (US\$ million)
Component 1: Medical Supplies and Equipment	43.97	129.2	173.17
Component 2: Preparedness, Capacity Building and Training	22.2	28.0	50.2
Component 3: Community Discussions and Information Outreach	8.5	6.2	14.7
Component 4: Quarantine, Isolation and Treatment Centers and regulatory infrastructure	6.93	41.6	48.53
Component 5: Project Implementation and Monitoring	1	2.0	3
Total Costs	82.6	207	289.6



Table 5: Summary of vaccine sourcing and World Bank’s financing

National plan target (population %)	Source of vaccine financing and population coverage				Specific vaccines and sourcing plans	Doses purchased with Bank finance (2 doses assumed)	Estimated allocation of Bank financing
	COVAX AMC grant	Bank-financed		Other*			
		Through COVAX	Through direct purchase				
Phase I: 20%	16%	4%	0%	0%	Both COVAX AMC and Bank financed vaccines are planned to be facilitated through the COVAX platform. 1 st batch of COVAX AMC financed 8.9 m doses to delivered to the country on March 7 th 2021	8,966,298	Purchase⁶: \$71.7M Deployment⁷: \$135.3M Other⁸: \$18.7M (Other: financing for general health system strengthening for effective COVID19 vaccine deployment)

53. **In accordance with the provisions under the MPA-Program, up to US\$41.1 million equivalent in retroactive Financing will be available for this AF for disbursing resources quickly in response to urgent capacity building.** Technical assistance needs will be addressed, such as completing registries of priority groups for vaccination (55+ years old) through door-to-door visits and registry consultations, sensitization, availing pharmaceutical supplies, and strengthening climate-friendly cold chain. IT tools will also be developed to track vaccines uptake and side effects, improve development of SOPs and guidelines, and training of health workers.

54. **Changes in Implementation/Institutional Arrangements:** The MOH through its GMU is the implementing agency for the project and the Office of the Minister will be responsible for the oversight function because the GMU which is under the Partnership and Cooperation Directorate (PCD) has been moved from the State Ministers office to the Minister’s office. In addition to MOH and the Ethiopia Public Health Institute (EPHI) which are the implementing entities under the Parent Project, the Ethiopia Pharmaceutical Supply Agency (EPSA) and Ethiopian Food and Drug Administration (EFDA) will both support the PCD and directly implement certain activities under the AF for activities outlined in the National COVID-19 vaccine rollout plan. Technical assistance under the AF will be implemented by MOH and provided by UNICEF on behalf of the Government; procurement of vaccines (for 4 percent of the population) and shipment of the vaccines will be handled by UNICEF through a contract agreement between MOH and UNICEF using a Bank approved contract template.

⁶ **Purchase:** project financing for vaccine purchase (including shipping costs to the country if included in the vaccine purchase price).

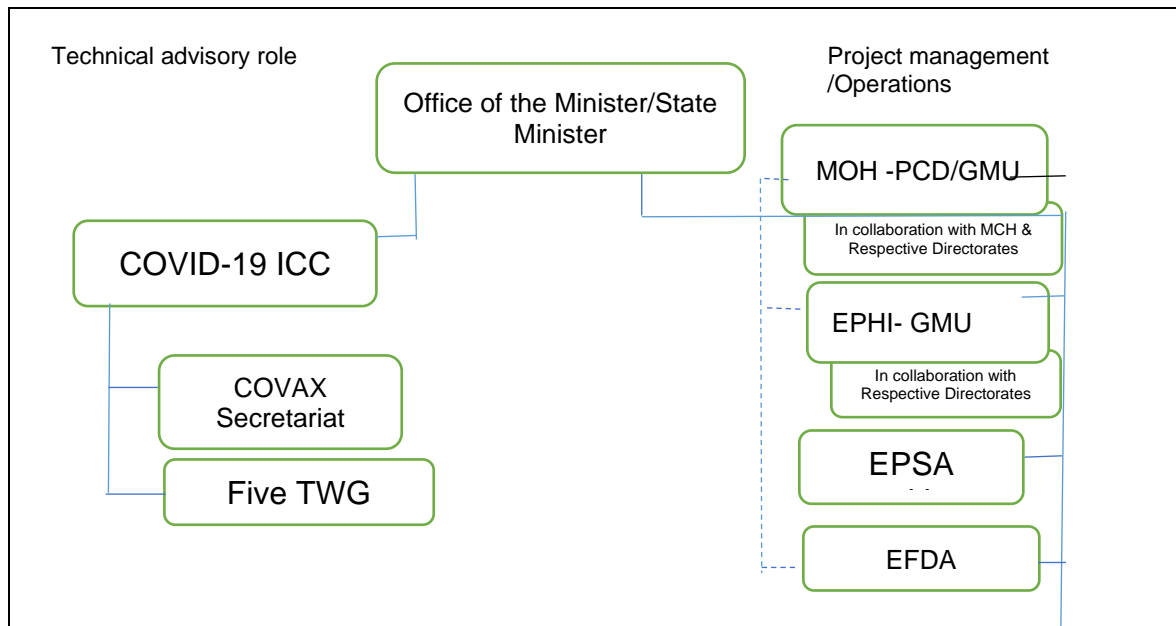
⁷ **Deployment:** project financing for all non-purchase vaccine activities, including for vaccination planning, vaccine systems strengthening, distribution, administration, etc.

⁸ **Other:** project financing for all other non-vaccine activities, with a brief description of those other activities (such as other COVID health response, other health system strengthening, other non-health activities).



55. The GMU of the MOH’s in collaboration with MCH Directorate (MCHD) and ICC is responsible for the day-to-day management of activities supported under the project, as well as the preparation of a consolidated annual workplan and a consolidated activity and financial report for the Parent Project and AF project. In addition, MOH-respective directorates, the regional health bureaus, and other key agencies implement some of the project activities based on their functional capacities and institutional mandates. The MCHD and Ethiopia Public Health Institute (EPI), Ethiopian Pharmaceutical Supply Agency (EPSA) and Ethiopian Food and Drug Administration (EFDA) will also continue to serve as the key technical entities for this project. MCHD, EPI, EPSA and EFDA will both support the PCD and directly implement certain activities under the original and AF for activities outlined in the National COVID vaccine rollout plan. (See Figure 1.)

Figure 1: National COVID-19 vaccine access and delivery coordination and project implementation structure



56. Furthermore, the vaccine coordination and advisory platforms, such as National Immunization Technical Advisory Group (NITAG) and the ICC, will participate in the implementation of this project. NITAG is responsible for providing independent, evidence-informed technical recommendations to guide the introduction of the COVID-19 vaccine and review and contextualize vaccine introduction policy guidance issued by WHO and other international platforms. The ICC is the COVID-19 vaccine technical coordination committee that provides support to the MOH in coordinating the overall planning, implementation, and monitoring of the COVID-19 vaccine introduction and coordination among partners in support of the COVID-19 vaccine access and delivery and control of the pandemic. The existing research and advisory committee as well the Ethiopian NITAG are also engaged in the overall vaccine deployment strategy development and implementation.

57. Ethiopia has developed a comprehensive COVID-19 vaccine deployment and vaccination plan. The country has established the National Coordination Committee, which will work as the National NITAG. Within such coordination mechanism, several sub-committees have been established and focus on: (i)



service provision; (ii) climate-friendly vaccine cold chain and logistics; (iii) demand and communication generation; (iv) COVID-19 prioritization, guidance and surveillance; (v) monitoring and evaluation: determination and proof of eligibility, proof of vaccination, monitoring of coverage in risk groups, and monitoring of vaccine impact; and (vi) safety, including injury prevention and detection and response to Adverse Events Following Vaccination (AEFI).

58. **Ethiopia anticipates the delivery of vaccine shipments will follow a step-by-step incremental approach according to the availability of vaccines at the COVAX Facility.** The required vaccines and injection supplies for the 4 percent financed by this AF, Cold Chain Equipment (CCE) and PPE will be procured through UNICEF as per the terms and conditions of the contract between UNICEF and the FMOH. Once vaccines and supplies arrive in the country, the EPSA will be responsible for their storage and distribution to woredas and health facilities through its 18 regional hubs. Currently EPSA is managing over 60 walk-in cold rooms and three walk-in freezer rooms and by the end of 2019, 78 percent of all vaccine freezer and Icepack freezers and 63 percent of all vaccine refrigerators were found to be functional.

59. **EPSA has a defined distribution system and a clear route map to operate the distribution activities from central EPSA to regional hubs and from these hubs to woreda and health facilities.** The logistics micro plan will be disaggregated by the respective regional hubs who are serving their catchment areas. Vaccines, injection and safety supplies and associated supplies including PPE will be issued to the respective facilities using the STV (stock transfer voucher), and POD (proof of delivery) will be received for each transaction ensuring supplies are reaching to the destinations accordingly. During vaccination campaigns, the EPSA will be mandated to distribute vaccines, injection safety materials, PPE and recording and reporting tools bundled to the respective woredas. EPSA charges a service charge for storage and distribution of the vaccine and its supplies. The woreda will be responsible to deliver vaccines and supplies down to health center and health post using the available resources. Some of the health centers will be responsible for delivery of vaccine to the respective health posts. This operation supports the procurement of additional cold boxes and vaccine carriers for temporary storage and transportation of vaccines and ice packs to the outreach sites.

60. **The EPHI and MCHD will report directly to the Minister and Program State Minister respectively.** They will share the project's technical and financial updates with the MOH's GMU.

61. **Changes in the disbursement categories:** No change

Consistency with the Country Partnership Framework (CPF):

62. The proposed project is aligned with the WBG Country Partnership Framework (CPF FY18-22) for Ethiopia.⁹ Improving the quality, equity, and utilization of health services is Focus Area 2.2 of the Ethiopia CPF. The proposed AF further fills critical gaps in the World Bank's support to the Ethiopian health sector, as the current portfolio and the Ethiopia COVID-19 Emergency Response Project do not include the procurement and safe deployment of COVID-19 vaccines. As noted in the parent project, the portfolio did not explicitly include disease surveillance and response to global pandemics such as COVID-19, apart for the foundational elements that will be established through the World Bank-financed Africa Centres for Disease Control and Prevention (CDC) Regional Project (P167916). The proposed project is also fully

⁹ Report Number: 119576-ET.



aligned with Government health sector strategies, such as the Health Sector Transformation Plan Second Generation (HSTP-II) that identifies building capacity for disease surveillance and responses to public health emergencies as key priorities.

63. **Coordination with other sectors:** The project preparation and implementation will be coordinated with the World Bank Energy Group Practice to pursue as follows:

- under the ongoing Ethiopia Electrification Program (ELEAP) project (P160395) (grid electrification program), Ethiopia Electric Utility (EEU) could prioritize MOH designated facilities for grid electricity delivery if they are in proximity to the grid; and
- If under the Accelerating Distributed Electricity and Lighting in Ethiopia (ADELE) project (P171742) (largely off-grid electrification program), the Ministry of Water, Irrigation, and Electricity (MoWIE)/EEU can provide off-grid electricity provision to MOH designated facilities for vaccine delivery on a fast-track basis. However, the electricity provision will likely take 2 to 3 years to materialize, so it will be for the medium-term rollout of the vaccine.

64. The World Bank will facilitate further dialogue between MOH and MoWIE, including through the inter-ministerial Steering Committee to be launched under ADELE. The health task team will also apply for the Energy Sector Management Assistance Program/Green Climate Fund (ESMAP/GCF) Cooling Facilities to supplement the IDA engagement under this project.

65. **Results Framework.** To measure overall progress in the coverage and deployment of the COVID-19 vaccine, and the gender gaps the project can address, the following new indicators will be added to the Parent Project Results Framework.

PDO Indicator:

1. Percentage of priority population vaccinated, which is included in the priority population targets defined in national plan by gender. Target: 20 percent of the total population.

Intermediate Results indicators

2. **Component 1:** Management tools and operating procedures will be updated to reflect the needs for deployment and management of COVID-19 vaccines.
3. **Component 2:** (i) Number of target populations estimated who will be prioritized for access to vaccines stratified by target group (sex-disaggregated) and geographic location; (ii) guidelines, documented procedures, and tools for planning and conducting vaccine pharmacovigilance activities are established and available (i.e. AEFI reporting, investigation, causality assessment, risk communication and response)
4. **Component 3:** Number of key COVID-19 vaccine messages disseminated through various media outlets (radio, TV, social media, print media, etc.)
5. **Component 4:** (i) Number of vaccine laboratories renovated and equipped; (ii) Dry storage and cold chain capacity assessed with regards to the COVID-19 vaccines

Component 5: Gender-based indicators



6. Eligibility for vaccination criteria include informal health workers (Y/N)
7. Distribution of female PPE matches daily needs of female workers (Y/N)

C. Sustainability

66. **There is strong political commitment for the GoE to mobilize financial resources for COVID-19 response, including for vaccine purchase and deployment.** Having the funds through the proposed AF for vaccine purchase and deployment will establish an enabling environment for other donors, multilateral development banks and UN agencies to also support efforts in the country. Investments under the parent project and the AF are expected to strengthen the health system in the country, ensuring institutional sustainability to deal with infectious diseases. There is not yet conclusive data available on the duration of immunity that vaccines will provide. It is possible that Ethiopia will need to incorporate COVID-19 vaccines into routine immunization and that this global effort will not be completed within the AF time period.

67. **Currently, available evidence is insufficient to produce estimates of economic benefits or cost-effectiveness of various COVID-19 treatment and prevention options.** However, the AF is designed with an emphasis on maximizing the efficiency and financial sustainability of investments. The investments to be made in human capacity building, strengthening climate-friendly cold chain, and infrastructure improvements will be lasting and will serve, not only the COVID-19 vaccination program, but also the routine immunization program, thus contributing to improved human capital and productivity over time. Similarly, investments in COVID-19 vaccines that have credible approval for safety and effectiveness will prevent new infections and produce economic benefits by saving lives, averting morbidity, and avoiding treatment costs.

III. KEY RISKS

68. **The overall risk to achieving the PDO is High.**

69. **The risks and associated mitigation measures to achieving the development objectives remain largely as identified in the Parent Project.** However, COVID-19 vaccination introduces new risks to the project.

70. **Political and governance risks are High.** The additional risks introduced by the AF relate to the commitment and ability of the authorities to ensure appropriate targeting of the vaccines to priority populations, based on objective public health criteria, and ability to manage the risk that there can be a gap between the target and the delivery. These risks will be mitigated through the assurance mechanisms that this AF will support such as the establishment of an acceptable policy and plan for prioritized intra-country allocation. There are also risks related to governance of vaccine purchase and deployment, such as potential fraud and substandard quality. In addition, there are risks associated with potential fraudulent attempts to gain access to vaccines to be administered without following approved protocols of priority populations or for personal gain. These will be mitigated through a rigorous inspection regime and anti-corruption guidelines for vaccine purchase and deployment.

71. **Political unrest in different parts of the country and the conflict in Tigray region have posed additional challenges both for basic health service provision and deployment of the COVID-19 vaccine.**



As per the outcome of the Rapid Need Assessment¹⁰ conducted by the GoE and humanitarian partners following months of violent fighting between federal and regional forces in the northernmost reaches of the country since November 2020, critical humanitarian assistance and protection response are required for about 4.5 million people in the region, regional authorities stated. The health and nutritional sectors have been severely and adversely affected. Most of the health facilities that are outside of the major towns are not functioning. The conflict has also an adverse effect on health workers. The region has run entirely out of medical and nutrition supplies as some of these supplies were looted or destroyed, including medical equipment and ambulances. According to the UN report, health care in the region is deeply inadequate, with just three of Tigray's 11 hospitals functioning and nearly 80 percent of health centers not functional or accessible. Aid workers have stated that many health centers have been looted, hit by artillery fire, or destroyed.

72. **The MoH has developed a three-month (January to March 2021) health system recovery action plan which has been discussed with the health population, and nutrition (HPN) development partners groups to ensure coordination of partners response and avoid duplication of effort.** Implementation of the recovery action plan has been initiated, and restoration of the routine immunization services is a central element of the plan.

73. **A COVID-19 vaccine deployment specific micro plan is under development in Tigray region and other areas with security challenges.** The micro plan identifies how the priority target populations will be reached in areas of challenging security context including priority groups in the IDP camps. The MOH is working with humanitarian organizations through the HPN to use a combination of vaccine deployment, integrated public health services, and humanitarian organizations. The MOH has also acknowledged that, based on the evolving context, security forces may provide their support to protect the transportation of COVID19 vaccines and supplies in Tigray region and other areas where there are security challenges.

74. **Macroeconomic risk remains High as Ethiopia is experiencing severe fiscal pressures and faces potentially insufficient additional fiscal space for the purchase of vaccines at scale and other COVID-related response interventions.** The proposed AF specifically aims to mitigate this risk by providing financing for vaccine purchase and promoting prioritized deployment to vulnerable groups. Residual macroeconomic risk will remain as the country aims to scale vaccine access to higher coverage levels.

75. **Institutional capacity risk for implementation and sustainability is Substantial.** The large-scale acquisition and deployment of COVID-19 vaccines entails certain risks. First, the initial vaccines certified through the SRA mechanism may not be available in sufficient amount causing anxiety in the country, nor purchased in a timely enough manner. Second, a mass vaccination effort stretches capacity in low-capacity environments such as in Ethiopia. The Bank will work with the GoE to partner with service providers that can acquire and/or deliver the vaccines. The Bank will also work with the country to consider trade-offs and to determine the appropriate approach and risk balance.

76. **Vaccine deployment cold-chain and distribution capacity are currently not fully adequate in Ethiopia, especially for the anticipated scale and population group coverage for COVID-19 vaccination.**

¹⁰ Joint Rapid Needs Assessment Mission conducted in four towns of south Tigray by government and development partners (Ministry of Peace, Ministry of Water Irrigation and Energy, Ethiopia Public Health Institute, National Disaster Risk Management Commission, Ministry of Women and Children , Ministry of Agriculture, WHO, UNICEF, IOM, OHCHR, UNFPA, CRS-food security/USAID, ACF, OCHA, WFP, and UNDSS, December 2020.



This risk will be mitigated by this AF financing and technical support for immunization system strengthening needs, including conducting capacity assessments in coordination with the WHO, Gavi, UNICEF, and other partners.

77. **The fiduciary risk is High.** The procurement and FM risks initially assessed for the Parent Project cover risks associated with) multiple implementing entities at the federal and regional levels, some with capacity gaps, and high rates of staff turnover, which also leads to complexities in the operation of FM arrangements, with subsequent risk of delays in implementation, reporting, and disbursements; and ii) internal control gaps and weaknesses in internal audit function, including fraud and corruption risks. Risks specific to vaccines include:

- **Procurement:** The key procurement risk associated with vaccines relates to: (i) the complexity of the vaccines' market given the significant market power enjoyed by vaccine manufacturers; (ii) inability of the market to supply adequate quantities of vaccines to meet the demand; (iii) the limited market access due to advance orders by developed countries; (iv) weak bargaining; and (v) delays in triggering emergency procurement procedures, which could delay procurement and contract implementation including payments. The risks under these AF will be mitigated by providing options to support the country's needs for direct or advance purchase. In addition, there may be risk given the limited and timely availability of vaccines that affects deployment schedules. These risks are mitigated by the agreement to be signed between government and the COVAX facility where liabilities are born by the country.
- **Another potential risk is a failed procurement due to insufficient global supply of vaccines.** This includes substantial uncertainty related to the certification and procurement of COVID-19 vaccines. This risk is mitigated to some extent because Ethiopia is eligible to access donor-financed vaccines under the COVAX-AMC mechanism.
- **Financial Management (FM):** The key FM risks relate to: (i) involvement of multiple implementing entities affecting timely implementation, reporting, and disbursement, (ii) lack of adequate controls over the transparent, prioritized distribution and application of vaccines, particularly for the most vulnerable population groups, (iii) the risks of making timely payments for procurement of vaccines, iv) the storage and distribution of vaccines as well as the vaccination process. These risks will be mitigated by having: a clear contractual agreement between MOH and UNICEF for vaccine procurement and delivery into the country; proper use of the country system for vaccine storage and distribution through EPSA - applying and strengthening all existing controls and reporting procedures; Internal audit reviews of the vaccine distribution process; independent spot checks of the distribution and inoculation process; increased external audit coverage (introduction of semi-annual audit and coverage of vaccine distribution as part of the audit); assignment of accountants at lower levels and close follow-up and support to ensure proper accounting of funds flowing to zones and woredas; regular quarterly reporting on vaccine procured, distributed, inoculated, damaged, and inventory, a comprehensive COVID-19 vaccine deployment and vaccination plan which should be made public; regular publicization of inoculated individuals and related data. Detailed risks and mitigating measures are included in Annex 3.



78. **The environmental and social risks remain Substantial.** The measures to address social and environmental risks in the Parent Project remain relevant, including infection prevention and control improvements in health facilities, such as assessment and mitigation measures for medical waste risk management that will be expanded as inoculation sites expand. There is a risk of exclusion of vulnerable groups such as internally displaced persons, populations in conflict settings or those affected by humanitarian emergencies, as well as vulnerable migrants. This is due to several factors, including the risk of inequity in access to vaccines and the potential for deviation from the vaccination roll-out strategy due to security issues and other challenges. These risks will be mitigated through several measures to ensure vaccine delivery targets the most vulnerable populations, particularly women, elderly, poor, IDPs, and minorities in accordance with criteria specified in this AF. The World Bank supports Ethiopia to develop and adapt an explicit, contextually appropriate, and well-communicated targeting criteria and implementation plan (e.g., the national vaccination program and any subsidiary programs) including criteria for access to vaccines. The Borrower should ensure that this plan be subject to meaningful consultations in accordance with Environmental and Social Standards (ESS) 10.

79. **Another potential risk is reprisals and retaliation especially against healthcare workers and researchers.** In the past, there have been incidents of reprisals and retaliation against researchers and health workers, which were mainly due to false rumors. This risk will be mitigated through explicit inclusion in robust stakeholder identification and consultation processes. Furthermore, it is important to have clarity on the social risks that may arise related to any mandatory aspect of the national program and whether and how this mandatory element relates to cultural, social, and traditional community practices and values. Such risks need to be considered within the mitigation hierarchy and balanced against the health-related requirements of any vaccination program. In addition, the Grievance Redress Mechanisms (GRM) required under the Environmental and Safety Framework (ESF) should be in place and equipped to address community, worker, and/or individual grievances related to such issues. This includes requirements related to have GRMs in place to address labor and working conditions, and SEA/SH.

80. **There might also be risks associated with the safety and adverse effects of the new vaccine.** Hence, the risk needs to be mitigated through the agreement between the GoE and COVAX Facility to address potential liability and compensation in the event of unexpected serious adverse events arising from the manufacture, storage, transportation, and administration of COVID-19 vaccines for AMC Countries. The Ethiopian Government has agreed to this clause.

IV. APPRAISAL SUMMARY

A. Economic and Financial (if applicable) Analysis

81. **The economic rationale for investment in a COVID-19 vaccine is strong, considering the massive and continuing health and economic losses due to the pandemic.**

82. **The Federal government, the regional states, and city administrations have implemented significant measures to contain the transmission of the disease.** While these are expected to slow the spread of the virus, the economic impact of the pandemic has been severe. Economic growth decreased to 6.1 percent in FY20 from 9.1 percent in FY19 and the adverse impact of the pandemic on economic



activity is expected to continue in FY21. Phone survey data suggests that, at the household level, about 55 percent of respondents reported in the early weeks of the pandemic that incomes were either reduced or had completely disappeared. Inflation has continued to hover around 20 percent during the first months of FY21, driven by high food prices (cereals and vegetables in particular). In addition to immediate impacts, income losses, disruptions in health services, and school closures are likely to generate long-term negative impacts resulting in loss of human capital. For example, recent simulations suggest that school closures caused by COVID-19 translated into a loss of 5 percent of the human capital of current school-age children.

83. The successful procurement and delivery of a vaccine, however, has the potential to reverse these trends, generating benefits that will far exceed vaccine-related costs. A rapid and well-targeted deployment of a COVID-19 vaccine can help reduce the increases in poverty and accelerate economic recovery. Basic public health measures, such as social distancing, masks, testing, and contact tracing, will still need to continue in an effective manner. A COVID-19 vaccine that is introduced and deployed effectively to priority populations can assist in significantly reducing mortality and the spread of the coronavirus and accelerating a safe reopening of key sectors that are impacted. It can also reverse human capital losses by ensuring that schools are reopened. The effective administration of a COVID-19 vaccine will also help avoid the associated health care costs for potentially millions of additional cases of infection and associated health-related impoverishment. Global experience with immunization against diseases shows that by avoiding these and other health costs, vaccines are one of the best buys in public health. For the most vulnerable population groups in Ethiopia the potential health-related costs of millions of additional cases of COVID-19 infection in the absence of a vaccine represent a significant or even catastrophic financial impact and risk of impoverishment. The pandemic is also having dire effects on other non-COVID health outcomes. Increased morbidity and mortality due to interruption of essential services associated with COVID-19 containment measures hinder access to care for other health needs of the population, including maternal and childcare services. Routine immunization services have been affected, threatening polio eradication, and potentially leading to new outbreaks of preventable diseases, with associated deaths, illnesses, and long-term costs. Simultaneous epidemics are overwhelming public health systems in many countries that have few resources to begin with, and services needed to address the needs of people with chronic health conditions, and mental-health and substance-use disorders have been disrupted.

84. The effective launch of a COVID-19 vaccine will have direct benefits in terms of averted costs of treatment and disability, as well as strengthened health systems. Estimated COVID-19 treatment costs from low- and middle-income countries is at US\$50 for a non-severe case and US\$300 for a severe case. This excludes costs of testing for negative cases, as well as the medical costs associated with delayed or forgone care-seeking, which usually results in higher costs. The estimated costs of vaccinating 20 percent of the population in Ethiopia are at US\$350.4 million. Further, investments in vaccine delivery systems generate health and economic benefits beyond just delivering the COVID-19 vaccine. First, investments in last-mile delivery systems to administer the COVID-19 vaccine to remote communities will require strengthening community health systems, which can have spillover effects to effective delivery of other services, helping close the significant urban-rural gap. Second, as the COVID-19 vaccine is introduced and lockdowns and movement restrictions are eased, patients can continue to access care for other conditions. Third, the economic benefits of slowing down the economic downturn are likely to significantly exceed the US\$357 million needed to vaccinate 20 percent of the population, leaving aside the immediate



health benefits. Given both the economic and health system benefits, an effectively deployed COVID-19 vaccine presents significant benefits.

B. Technical

85. **The choice of interventions supported by the AF and their technical design features are consistent with the strategies recommended globally to slow down the transmission of COVID-19 and prevent associated illness and death.** Although the global community is still learning about this virus, significant evidence has been already accumulated about how COVID-19 spreads, the severity of disease it causes, how to treat it, and how to stop it. This evidence and associated lessons are reflected in the project design.

C. Financial Management

86. **A financial management assessment has been carried out for the AF based on Investment Project Financing (IPF) Policies and procedures.** The project implementation arrangements will remain materially the same except for the introduction of the EPSA, EFDA, zones and woredas as implementing entities. From the new activities introduced under all the components, the prominent one is the support for vaccine procurement and its deployment. The main implementing entity responsible for financial management remains to be the Ministry of Health (MOH). The project will continue to be implemented at the regional level by Regional Health Bureaus (RHBs). Considering the introduction of new activities and implementing entities, the project FM assessment is updated for the AF.

87. **To update the assessment, discussions were held with key players of the project, MOH and EPSA.** Documents such as the VRAF, SOP for distribution of pharmaceuticals, FMOH Effective Vaccine Management Assessment report (EVMA), Gavi's Ethiopia operation audit report, and sample reports for inoculation, as well as other documents, were reviewed. The current FM arrangements are functioning well although some improvements are still required in the areas of maintaining appropriate supporting documents, and provision of full reporting on quarterly reports. With the introduction of vaccine procurement and distribution, several aspects of the financial management have been adjusted to reflect the arrangements for vaccine distribution, fund flow, reporting and audit arrangements.

88. **The existing financial management arrangements will mostly apply.** To allow for the additional activities introduced under the AF, the payment for the procurement of the vaccines, through a contract between MOH and UNICEF, will be made through direct payment by the World Bank. An additional designated account will be opened by MOH for receiving resources to implement the other activities of the additional financing. All new implementing entities under the AF will open separate project bank accounts. For the distribution of vaccines to woredas and possible health facilities, the SOP at EPSA will be used, which outlines the processes for distributing the vaccines and the necessary documents to be retained at all levels. To strengthen the internal control over the distribution up to final inoculation, a quarterly vaccine distribution monitoring template has been incorporated as part of the Interim Financial Reports (IFRs), which will show the status of distributed, inoculated, damaged and remaining vaccines. These reports are to be compiled using the automated commodity tracking system in use at the EPSA as well as the report gathering mechanisms laid out by MOH with EPI units at woreda level. The internal audit department of EPSA will carry out reviews if the SOPs have been followed and will report its observations to the bank through the MOH either as part of the quarterly IFRs so separately. The current



FM manual will be updated within one month after effectiveness to include the codes of new activities, revised IFR templates, fund flows changes, additional internal controls, and audit arrangements. The IFR submission timeline which was applicable to the Parent Project (45 days from the end of the reporting quarter) has been changed to 60 days in consideration of the added reporting requirements under the AF (involvement of lower level implementers and vaccine distribution reports). Annual and semi-annual (July 8 – January 8) financial audits will be conducted. Semi-annual audits are introduced in response to the additional risks identified under the AF activities which are funds flowing to lower levels and vaccine distribution. The annual audit report should be submitted within six months of the end of the period end and the semi-annual audit will be submitted within 90 days of the end of the six-month period. Detailed FM arrangements, including deployment of vaccines and the internal control around them; risks and mitigation measures as well as FM action plans are presented under Annex 3.

89. **It is the conclusion of the assessment that the existing FM arrangements are adequate to provide reasonable assurance to the use of project resources as per Bank’s IPF policy and directives.** The current residual FM Risk rating is “High,” which is expected to reduce once the proposed mitigating measures are implemented.

D. Procurement

90. **Procurement under the AF will be carried out in accordance with the World Bank’s Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated November 2020.** The Bank’s procurement rules will, however, not apply to certain expenditures or upfront payments, such as speed premia, made to secure a country’s participation in an advance participation mechanism for vaccines as described in this paper. As with the Parent Project, the AF will be subject to the World Bank’s Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. The Project will use the Systematic tracking of Exchanges in Procurement (STEP) to plan, record, and track procurement transactions.

91. **The major planned procurement activities under this AF will include among others: (i) procurement of vaccines through the COVAX facility arrangement.** This arrangement will be applied not only for the procurement of the vaccine for 16 percent of the total population, which will be financed by COVAX, but also for the 4 percent of the population covered under this project, (ii) additional capacity or refurbishment of national, subnational and facility-based and mobile climate-friendly cold chain equipment and supplies including cold rooms, Ice-Lined Refrigerators (ILR) and vaccine carriers, (iii) vehicles including refrigerator vehicles and vaccinator personnel transport, (iv) technical assistance for demand creation – including mass media and communication campaigns, (v) other technical assistance to support in-country implementation including assessments of effective vaccine management capacity and training of front-line delivery workers (vi) vaccine information management systems and information systems to monitor adverse effects from vaccination.

92. **Procurement implementation will be undertaken by MOH.** Accordingly, MOH will prepare Project Procurement Strategy for Development (PPSD) in accordance with the provisions of the Procurement Regulations before the effectiveness of the project. The PPSD will include market conditions, risks, and market approaches and selection methods for acquiring COVID-19 vaccine and other procurable items under the project, resulting in development of Procurement Plan. The COVID-19 vaccine shall be sourced through COVAX or other approved source with UNICEF signing the supply and delivery contract.



The vaccines procurement process shall be subject to the World Bank’s Prior review procedure through STEP. The Procurement Plan, as agreed between the World Bank and the MOH, will specify procurement methods and their applicable thresholds, as well as activities that will be subject to the World Bank’s prior and post review. MOH may assign the EPSA to undertake procurement of certain items eligible under this AF, in which case EPSA will be registered as Implementing Agency in STEP to perform procurement activity. Though EPSA had served as a Supplier in the Parent Project based on agreed Emergency Procedures, EPSA will not continue that role in this AF activities. EPSA will complete supply of items indicated in the PPSD for the Parent Project as listed in the Procurement Plan approved for MOH through STEP dated February 04, 2021.

93. **Vaccine manufacturers are limited, and demand is high, so manufacturers have market power.** This makes the situation even more difficult for client countries to negotiate terms and conditions. In addition, high-income countries have placed capital at risk to pre-finance production in return for first access to vaccines at lower cost. The market for the associated consumables and cold chain may also experience supply chain disruptions due to increased demand for these products from countries.

94. **Building on the positive experience with capital equipment and PPE and at borrowers’ request, the World Bank will offer Bank Facilitated Procurement (BFP) as support to countries’ own procurement.** BFP constitutes additional support to borrowers over and above usual Hands on Expanded Implementation Support, which will remain available. BFP will not include World Bank procurement, distribution, or deployment of vaccines.

95. **As under the Parent Project, the Procurement risk is High.** The major risks are (i) slow procurement processing and decision making with potential implementation delays; (ii) unavailability of qualified procurement staff dedicated to the project activities, (iii) poor contract management system with poor contract completion closure lacking adequate documentation for inspection and delivery evidences; and (iv) special risks associated with acquisition and distribution of novel COVID-19 vaccines. For the identified risks the proposed mitigation measures include (i) regular close monitoring of planned procurement activities through accountability arrangement, (ii) assign qualified Procurement Specialist at MOH for the project with experience in World Bank procurement procedures, (iii) ensure goods delivery, inspection and receipt documents are issued and copies of same are uploaded in STEP at contract completion roadmap stage, (iv) ensure that information on COVAX procurement and distribution plans are publicly available through EPSA/ MOH website. The World Bank’s oversight of procurement will be done through increased implementation support and where requested by Borrowers, procurement hands-on expanded implementation support. The World Bank standard prior and post review arrangements apply as specified in the procurement plan.

96. **Selection methods:** The table below describes the various procurement methods and thresholds to be applied for procurement activities.

Table 6. Thresholds for Procurement Approaches and Methods and prior review thresholds



Method	Market Approach	Procurement method threshold (US\$)	Prior review threshold (US\$)
Works (including turnkey, supply & installation of plant and equipment)			
Request for Bid (RFB)	Open National	< 7,000,000	≥ 5,000,000
	Open International	≥ 7,000,000	
Request for Proposal (RFP)	Open International	≥ 7,000,000	≥ 5,000,000
Goods, information technology, and non-consulting services			
Request for Bid (RFB)	Open National	< 1,000,000	≥ 1,500,000
	Open International	≥ 1,000,000	
Request for Proposal (RFP)	Open National	< 1,000,000	≥ 1,500,000
	Open International	≥ 1,000,000	
Request for Quotation	Limited National	< 100,000	NA
Arrangement through UN Agencies	As per Paragraphs 6.47 and 6.48 of <i>Procurement Regulations for IPF Borrowers</i>		
Consulting services			
QCBS	National	< 200,000	≥ 500,000
	International	≥ 200,000	
LCS	National	< 200,000	≥ 500,000
CQS	National	≤ 100,000	≥ 500,000
	International	≤ 200,000	
Individual Consultant (IC)	Open / Limited / International / National	NA	≥200,000
	Direct	NA	≥100,000
Arrangement through UN Agencies	As per Paragraphs 7.27 and 7.28 of <i>Procurement Regulations for IPF Borrowers</i>		

E. Legal Operational Policies

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

F. Environmental and Social

Environment, Health and Safety Risk Management

97. The AF COVID-19 emergency response project will support following activities: vaccine purchasing; service delivery of COVID-19 vaccination including trainings and deployment of technical assistants; cold chain and logistics; surveillance and monitoring, infection prevention and waste management. The key environment, health and safety risks associated with these activities include: i)



Adverse Events following Immunization (AEFIs) which may be caused by the vaccine or by an error in the administration or handling of the vaccine; ii) COVID-19 vaccination activities can have potential environmental, health and safety (EHS) risks if appropriate waste collection, transportation and disposal methods are not put place and implemented. Healthcare facilities could generate biological, chemical wastes, and other hazardous by-products that could be injurious to human health; iii) there may be COVID-19 infections due to inadequate adherence to occupational health and safety standards that can lead to illness among healthcare workers; iv) there are also environmental, occupational health and safety risks associated with the rehabilitation of medical facilities/minor civil works to be financed by the AF; v) drawbacks in the cold chain system of the country that may compromise the potency of the vaccines.

98. **The updated ESMF shall cover, among others, a vaccine cold chain temperature monitoring plan, Surveillance of Adverse Events Following Immunization plan, COVID-19 vaccine transportation, handling, and storage in line with the WHO/CDC guidelines.** The project will support MOH to establish a more effective system to monitor adverse events in line with WHO Global manual on Surveillance of Adverse Events Following Immunization which will be clearly described in the ESMF to be updated.

99. **The VIRAT assessment in Ethiopia has found that there is a need to strengthen the AEFI case management and reporting system in Ethiopia to fit in to the COVID-19 vaccine context.** Hence, as part of component 2 of this AF operation, it is planned to provide support for continuous monitoring/investigation of the AEFI cases at different levels; strengthen the sub-national AEFI investigation taskforce and specific AEFI case investigations; and support regulators and EPI officers to conduct supervision on vaccine safety and AEFI cases.

100. **The Ethiopian Food and Drug Administration (EFDA) is the responsible National Regulatory Authority (NRA) in Ethiopia with a mandate of ensuring that every pharmaceutical product (including vaccines) used in the country is of good quality, effective and safe for the purposes for which it is proposed.** The current system for monitoring the pharmacovigilance activities and Adverse Events Following Immunization (AEFI) is being coordinated by the national pharmacovigilance center at EFDA which now has included COVID19 vaccine in to their AEFI monitoring and reporting system.

101. **There is an independent AEFI causality assessment committee, which is formed to investigate and conduct a causality classification of serious AEFIs.** A list of AEFIs is identified for immediate reporting for detailed investigation, using a standard investigation form modified to include key COVID-19 vaccine issues. There is also an AEFI reporting framework and timeline, which now includes COVID-19 vaccine related AEFIs. The national COVID-19 vaccine deployment plan outlines that Ethiopia will follow routine passive vaccine safety surveillance systems to collect information on AEFIs. These are useful for the identification of potential safety signals for adverse events that were unknown at the time of vaccine authorization or that are unexpected; and also, an active surveillance system to collect complete, accurate information on COVID-19 pre-specified adverse events of special interest (AESIs). The project shall strengthen MOH's surveillance system to monitor investigate and respond to AEFI details, which will be described in the updated ESMF.

102. **Potential health and safety concerns that may arise due to the safety of the vaccines will be addressed.** The project shall procure COVID-19 vaccines that are considered as safe and approved by three SRAs in three regions or one with WHO pre-qualification and approval by one SRA according to its Project Appraisal Document for the COVID-19 Multi Phase Programmatic Approach Additional Financing.



103. **The COVID-19 vaccine cold chain shall be designed to keep vaccines within WHO recommended temperature ranges.** While the cold chain is an integral part of achieving immunization targets, it comes with an environmental cost, including both energy emissions (indirect emissions) and leaks of highly GHG potent hydrofluorocarbon (HFC), and refrigerant gases (direct emissions). The cold chain system should be energy efficient and should also try to rely on sustainable energy sources whenever practical. The Project activities will consider alternatives and implement technically and financially feasible options to reduce project related GHG emissions, such as use of the renewable energy sources and implementation of the energy efficiency measures in health care facilities. MOH should put an appropriate arrangement for vaccine cold chain temperature monitoring in line with GIIP, which should cover the whole vaccine chain transport, storage, and handling. The updated ESMF has emergency preparedness and response (EPR) measures.

104. **The MOH should also put an appropriate EHS risk management system in place for proper collection, transportation, and disposal of hazardous medical wastes and for minimization of occupational health and safety risks.** It should also establish a functioning institutional/implementation arrangement for management environmental and social risks. To this end, MOH shall update the ESMF before effectiveness, which was prepared for the parent project-that could serve as a basis for the identification and management of EHS risks associated with the AF.

Climate Change Impacts and Adaptation Strategies

105. **This AF has been screened for climate and disaster risks and been found to be highly exposed and highly vulnerable to climate impacts. Increasing temperatures will continue to place Ethiopia at high-risk for natural disasters by increasing the frequency and intensity of flooding and droughts that may affect the project's target beneficiaries.** Temperature increases will result in more intense heat waves, and higher rates of evaporation and transpiration, which may induce heat-related stress among the project's target population. Projected trends indicate a decline in rainfall in the southern and central regions of the country. Droughts have remained one of the key drivers of food insecurity in Ethiopia. Coupled with the simultaneous increase in the incidence and severity of floods, there is an increased prevalence of vector and water borne diseases, severe malnutrition, and population displacement. Dealing with climate change is locally oriented, multifaceted, and complex, and the project requires climate adaptation and mitigation strategies to address the impacts of climate change on the project activities and target groups.

106. **The potential impact of climate hazards on the project location, beneficiaries and activities is High but the impact on project service delivery is moderate.** Floods could limit community members' ability to reach health facilities, however, the project does not increase the climate risk of vulnerable populations as it will work through existing community health workers who can reach populations within their communities. However, the community health workers may still not be able to reach community members during climate disasters. The project recognizes the vulnerability of women and the elderly and seeks to ensure that COVID-19 vaccine delivery targets them. The COVID-19 vaccine would provide protection from the risk of COVID-19 that would amplify their risk of climactic hazards. Further, the developments in Ethiopia's health sector, such as the development of the Country's second Health Sector Transformation Plan, a strategy to improve health service access and outcomes, as well as the expansion



of the Urban Productive Safety Net Program, may reduce the impact of climate risks on vulnerable populations. The project intends to address climate vulnerabilities and to mitigate against GHG emissions.

107. **This AF intends to reduce net GHG emissions to mitigate climate change through the following activities. The AF will focus on reductions in emissions of cold chain equipment, vaccine storage, and refurbished buildings supported by the project.** Under **Component 1: Medical Supplies and Equipment (US\$129.2 million equivalent)** the project will procure climate friendly cold chain equipment and will support energy efficient options for vaccine storage. World Bank Executed Technical Assistance, financed by the World Bank's Energy Sector Management Assistance Program (ESMAP), will support the Government with technical assistance for policy, logistics, and planning to implement climate friendly cold chain. Under **Component 2: Preparedness, Capacity Building, and training (US\$28.0 million equivalent)** the project support implementation of climate friendly procurement methods such as grouping deliveries and other climate friendly adjustments. Development of climate friendly logistics plans for vaccine deployment will also be supported under this component. ESMAP TA will support the Government with technical guidance to implement the climate friendly measures under Component 2. The training of frontline health personnel supported by this component will also cover climate-related health risks. With technical support from the ESMAP TA, **Component 4: Quarantine, Isolation and Treatment Centers and regulatory infrastructure (US\$41.6 million equivalent)** will support climate friendly refurbishment of buildings to reduce greenhouse gas emissions including: (i) energy efficient lighting improvements such as light-emitting diode (LED) lights, and lighting control measures (e.g., dimming, occupancy sensors, daylighting); and (ii) adjustments to improve energy efficiency, such as insulation and reflective paint.

108. **Several key climate change adaptations are built into the project design, with the intention to reduce the impact of climate change on at-risk communities.** Under **Component 1: Medical Supplies and Equipment** people over 55 years old and those with pre-existing conditions, who are the most vulnerable to climate change, will be prioritized for COVID-19 vaccination, reducing their vulnerability to the disease, which could be magnified by climate shocks. The support for maintenance of existing cold chain equipment; infection prevention and waste management services, and vaccine storage and transportation activities will all be planned to reduce vulnerability to climate-related exposures, in particular flooding and extreme heat. Under **Component 2: Preparedness, Capacity Building and Training** the deployment of health professionals will utilize community health workers to deliver the vaccine. While flooding may limit community health workers' access to some households, embedded community health workers are anticipated to have more access to their own communities than fixed location facilities, which tend to be less accessible during natural disasters. Further, climate adaptation curricula will be incorporated into trainings to enhance climate-smart knowledge, skills, and professional approaches such as emergency preparedness for climate related hazards. Under **Component 4. Quarantine, Isolation and Treatment Centers and Regulatory Infrastructure** the project will prioritize refurbishing buildings that are in climate disaster-prone areas. In addition, refurbishment will include measures to improve the insulation of buildings reducing their vulnerability to high temperatures and water damage.

Social Risk Management: The social risk of the project is considered as Substantial.

109. **The AF COVID-19 emergency response project will support the following activities: vaccine purchasing; service delivery of COVID-19 vaccination, including trainings and deployment of technical assistants; cold chain equipment and logistics; surveillance and monitoring; infection prevention and waste management.** Hence, the key social risks related to the AF continue to be public and occupational



health risks deriving from engagement with people and samples contaminated with COVID-19. Accordingly, provisions need thus to be in place for proper safety systems, with a focus on quarantine and isolation centers, screening posts, and laboratories to be funded by the project; encompassing above all OHS and waste management procedures. Beyond this immediate concern, project implementation needs also to ensure appropriate stakeholder engagement to (i) avoid conflicts by anticipating and preempting false rumors, and (ii) support vulnerable groups to access services. The project can thereby rely on the RCCE framework and activities set out since March 2020 to facilitate noted appropriate stakeholder engagement and outreach towards a differentiated audience (concerned public at large, suspected cases and patients, relatives, health workers, etc.) to ensure widespread sharing of project benefits (COVID-19 prevention and treatment) as well as avoidance of potential rumors and social conflicts.

110. **In terms of access, the lifecycle of the AF moves from collective outreach and individual treatment of sick people towards prevention benefits for individuals.** The intervention will follow global approaches to vaccine allocation based on a risk and needs basis, thus the framework is expected to be inclusive. However, it will be critical that logistical structures are established to ensure targeted beneficiaries, such as the elderly, are reached, as well as the infirm, homeless, and those without respective documentation, such as urban migrants without Kebele identification cards.

111. **There is consensus to first target health workers, other essential workers, and the most vulnerable populations, which will include a mix of the elderly, people with comorbidities, and people in high-population density locations such as slums and IDP camps.** The Ethiopia National Deployment and Vaccination Plan for COVID-19 Vaccines, dated February 2021, established the Government's prioritization for the first 20% of vaccines based on WHO's SAGE values framework. Refugees and IDPs are included in the Plan's target to cover 20 percent of the population and are thus part of the population eligible for vaccination under the Project. In addition, as is the case with all vaccinated populations, refugees will benefit from all pharmacovigilance efforts to monitor for adverse effects of vaccination.

112. **The COVID-19 vaccine introduction strategy has given a higher emphasis to ensuring gender equity.** While at a biological level COVID-19 is currently assumed to pose similar risks to men and women, social factors and the distribution of comorbidities across age and gender introduce different disease burdens from COVID-19 for different population groups. For example, Ethiopia's health system is highly dependent on female health workers (they represent 70 percent of health sector workers), which puts them in a higher risk of exposure to COVID-19. Another social risk of both the Parent Project and AF is Gender-Based Violence (GBV) and sexual exploitation at the isolation, quarantine, and treatment centers. The client under the Parent Project has produced training and communication materials and distributed for healthcare providers and other workers in health facilities including isolation and quarantine sites. Further, the MOH Women Youth and Adolescent Directorate (former Gender Directorate) has prepared COVID-19-focused operating procedures and tools under this project, and monitor their use and adherence at health facilities, isolation, and quarantine centers. The AF will continue implementing the procedures prepared as well as trainings and communications. A standard reporting mechanism that includes referral and feedback and complaint mechanism will be established and properly implemented in line with international good practice, including confidentiality and overall a survivor-centered approach. The existing GBV incident reporting processes and management protocols will be adapted to fast-track COVID-19 related GBV incidents/cases to treatment centers, avail targeted psychosocial counseling and other health screening tests. The overall AF communication will include messages related to GBV and sexual harassment and include GBV referral services. Such services, including legal protection and



hotlines, will be available free of charge and where there are gaps, the MOH and its regional bureau counterparts will provide the necessary resources to strengthen it. Furthermore, as the preparation of the rollout of the COVID-19 vaccines progresses, there are rumors and disinformation circulating in the country that the COVID-19 vaccines might cause infertility in women (sterilization, miscarriage /abortions) that might make many women apprehensive about getting the shot. At this stage, claims of any effect of COVID-19 vaccination on fertility are speculative and not supported by any data. A proactive and innovative communication approach needs to be swiftly disseminated to reach those who are influenced by false rumors and as a result become vaccine hesitant. Trusted community leaders could be utilized to help build support, as a lack of trust could pose a critical challenge in the vaccine deployment operation.

113. To reduce and mitigate the identified risks, the client has updated the SEP prepared for the Parent Project. Further, the AF will update the ESMF before effectiveness and prepare and adopt Labor Management Procedures (LMP) proportional to the activities, risks, and impacts, and consistent with ESS2, to be annexed to the updated ESMF. Until the LMP is adopted, workers shall be subject to the Occupational Health and Safety (OHS) measures of the parent ESMF, including to guard against the risks of COVID-19. The social risks of the vaccination campaign and related mitigation measures will be outlined in an additional chapter to the ESMF. As noted above, in terms of access, the operation moves from collective outreach and individual treatment of sick people toward prevention benefits for individuals. This increases the risk of exclusion of the most vulnerable. The intervention will follow global approaches to vaccine allocation based on a risk and needs basis, thus the framework is expected to be inclusive. Still, the specific approach to allocation and implementation of a vaccine campaign need to be assessed on exclusion risks and respective measures developed in the ESMF.

114. The AF will further strengthen the approach established in the Parent Project to engage with stakeholders based upon meaningful consultation and disclosure of appropriate information, considering the specific challenges associated with COVID-19, including the vaccination campaign. In instances where there is a likelihood of more vulnerable groups in attendance, such as the elderly and those with compromised immune systems or related pre-existing conditions, stakeholder engagement shall minimize close contact. People affected by Project activities shall be provided with accessible and inclusive means to raise concerns and grievances. The approaches taken will thereby ensure that information is meaningful, timely, and accessible to all affected stakeholders, including usage of different languages, addressing cultural sensitivities, as well as challenges deriving from illiteracy or disabilities. Due to the expected country-wide implementation of activities, the differences of areas and socioeconomic groups will equally be taken into consideration during rollout of the RCCE.

115. The client as part of the Parent Project has also put in place a GRM to enable stakeholders to air their concerns/ comments/ suggestions, if any. The national COVID-19 hotline has been established and is serving the public. Based on the experience of the national hotline, the project, with financing from the AF, will establish regional COVID-19 hotlines to provide more in-depth information about COVID-19 (i.e., symptoms, testing options, referrals) and information about how to access other essential health services during the pandemic.

116. In addition to the ESMF, the client will implement the activities set out in the ESCP and SEP. The Environmental and Social Review Summary (ESRS), ESCP, ESMF and SEP of the parent project have been updated/amended. The project implementation will ensure appropriate stakeholder engagement, proper awareness raising and timely information dissemination. This will help: (i) avoid conflicts resulting from



false rumors; (ii) ensure equitable access to services for all who need it; and (iii) address issues resulting from people being kept in quarantine. These will be guided by standards set out by WHO as well as other international good practices including social inclusion and prevention of Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH).

117. Gender inequalities and norms are critical considerations when designing policies and interventions in emergency situations and pandemics. They play an important role in who gets quick access to critical health services. Gender norms also influence risk of exposure to disease, as well as of spreading it. At the same time, biological sex can influence how susceptible a person is to disease and how well they respond to treatment and/or vaccines. In a pandemic, this has multiple implications. On the one hand, pandemic response has to be cognizant of the gender-based differences in access to and use of services due to limited mobility and financial capacity; and on the other, support needs to be provided to at-risk groups such as family caregivers (the majority of whom are women) to reduce their risk of getting ill and/or passing it on to others. Moreover, pandemics can create or exacerbate the conditions that especially put women and girls at greater risk of GBV. In the context of COVID-19, some critical considerations for projects to get the Gender Tag include:

- Biologically, women and men may have a different risk level to a pathogen or response to treatment.
- Females and males may also differ in their immunological responses due to underlying conditions.
- The elderly, especially women, are especially vulnerable to illness and lack of access to services
- Pregnant women are especially at risk during a pandemic/epidemic
- Women, whether as formal or informal care givers, are at the forefront of the healthcare response for the sick and elderly. This makes them more vulnerable to infection
- Risk of increased gender-based violence (GBV): In pandemics, access to services may be reduced due to lockdowns and reduced mobility, and the rule of law becomes fragile, increasing the risks of GBV.
- When crises strike, women and girls are harder hit by economic impacts. Around the world, women generally earn less and save less, are the majority of single-parent households and disproportionately hold more insecure jobs in the informal economy or service sector with less access to social protections. This leaves them less able to absorb the economic shocks than men.
- Special attention is needed for the unique needs of displaced and refugee women and girls. In refugee camps & IDP sites, for instance, where cramped conditions make physical distancing challenging, women and girls are more prone to gender-based violence when practicing hygiene at latrines or water distribution sites.

V. WORLD BANK GRIEVANCE REDRESS

118. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project-affected communities and individuals may submit



their complaint to the WB's independent Inspection Panel, which determines whether harm occurred, or could occur, because of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org

119. **Grievance redress mechanism (GRM).** The Parent Project incorporates a comprehensive project-wide GRM, which will enable a broad range of stakeholders to channel concerns, questions, and complaints to the various implementation agencies and COVID-19 Call centers. The project supports the COVID-19 Call Centers with toll-free numbers. These numbers have been publicly disclosed throughout the country in the broadcast and print media. The GRM will be equipped to handle cases of SEA/SH, as rapid guidance on how to respond to these cases will be developed and shared with operators. This will follow a survivor-centered approach. The GRM will continue to be publicized by the MOH and GHS and other relevant agencies. Under the parent project, hot line services for complaint handling has been established and adequately communicated to the public including people in the treatment, isolation and quarantine centres. The national and local call centers have been established and running the national toll-free numbers. Eleven health bureaus and city administrations also have local call centers. Further, the MOH, EPHI and professional societies have launched COVID-19 messaging groups on web pages. Further, Grievances have been handled at the woreda level by the Woreda Grievance Office and on the regional level by BoH and national level by MOH.



VI SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Disbursements Arrangements	✓	
Legal Covenants	✓	
Procurement	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Institutional Arrangements		✓
Financial Management		✓
APA Reliance		✓
Other Change(s)		✓

VII DETAILED CHANGE(S)

MPA PROGRAM DEVELOPMENT OBJECTIVE

Current MPA Program Development Objective

The Program Development Objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

Proposed New MPA Program Development Objective



EXPECTED MPA PROGRAM RESULTS

Current Expected MPA Results and their Indicators for the MPA Program

Progress towards the achievement of the PDO would be measured by outcome indicators. Individual country-specific projects (or phases) under the MPA Program will identify relevant indicators, including among others:

- Country has activated their public health Emergency Operations Centre or a coordination mechanism for COVID-19;
- Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents;
- Number of acute healthcare facilities with isolation capacity;
- Number of suspected cases of COVID-19 reported and investigated per approved protocol;
- Number of diagnosed cases treated per approved protocol;
- Personal and community non-pharmaceutical interventions adopted by the country (e.g., installation of handwashing facilities, provision of supplies and behavior change campaigns, continuity of water and sanitation service provision in public facilities and households, schools closures, telework and remote meetings, reduce/cancel mass gatherings);
- Policies, regulations, guidelines, or other relevant government strategic documents incorporating a multi-sectoral health approach developed/or revised and adopted;
- Multi-sectoral operational mechanism for coordinated response to outbreaks by human, animal and wildlife sectors in place;
- Coordinated surveillance systems in place in the animal health and public health sectors for zoonotic diseases/pathogens identified as joint priorities; and
- Mechanisms for responding to infectious and potential zoonotic diseases established and functional; and
- Outbreak/pandemic emergency risk communication plan and activities developed and tested

Proposed Expected MPA Results and their Indicators for the MPA Program

COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Medical Supplies and Equipment	43.97	Revised	Medical Supplies and Equipment	129.20
Preparedness, Capacity Building and Training	22.20	Revised	Preparedness, Capacity Building and Training	28.00



Community Discussions and Information Outreach	8.50	Revised	Community Discussions and Information Outreach	6.20
Quarantine, Isolation and Treatment Centers	6.93	Revised	Quarantine, Isolation and Treatment Centers	41.60
Project Implementation and Monitoring	1.00	Revised	Project Implementation and Monitoring	2.00
TOTAL	82.60			207.00

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-65870	Effective	30-Jun-2021	30-Jun-2021	31-Dec-2023	30-Apr-2024
IDA-D5940	Effective	30-Jun-2021	30-Jun-2021	31-Dec-2023	30-Apr-2024

DISBURSEMENT ARRANGEMENTS

Change in Disbursement Arrangements

Yes

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2020	2,833,830.00	2,833,830.00
2021	37,953,657.00	40,787,487.00
2022	70,226,199.00	111,013,686.00
2023	58,129,740.00	169,143,426.00
2024	37,856,574.00	207,000,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● High	● High
Macroeconomic	● High	● High
Sector Strategies and Policies	● Moderate	● Moderate



Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial
Fiduciary	● High	● High
Environment and Social	● High	● Substantial
Stakeholders	● Moderate	● Moderate
Other		
Overall	● High	● High

LEGAL COVENANTS – Ethiopia COVID-19 Emergency Response (P173750)

Loan/Credit/TF	Description	Status	Action
IDA-D5940	Schedule 2, Section I, 2(c): Without limiting the foregoing, the Recipient shall by no later than one (1) month after the Effective Date, recruit a finance officer, a procurement officer, and an environmental and social safeguards officer for the Grants Management Unit, in each case, with qualifications, experience and terms of reference acceptable to the Association.	Partially complied with	No Change
IDA-65870	Schedule 2, Section I, B, 1(a): The Recipient shall by no later than one (1) month after the Effective Date, prepare and adopt a Project implementation manual (“Project Implementation Manual”) containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with the applicable WHO and national guidelines, roles and responsibilities for Project implementation, and such other arrangements and procedures as shall be	After delay complied with	Marked for Deletion



	required for the effective implementation of the Project, in form and substance satisfactory to the Association.		
IDA-65870	Schedule 2, Section I, B, 2(a): By no later than one (1) month after the Effective Date, prepare a draft work plan and budget for Project implementation, setting forth, inter alia: (i) a detailed description of the planned activities, including any proposed conferences and Training, under the Project for the period covered by the plan; (ii) the sources and proposed use of funds therefor; (iii) procurement and environmental and social safeguards arrangements therefor, as applicable and; (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity	Complied with	Marked for Deletion

LEGAL COVENANTS – Additional Financing for Ethiopia COVID-19 Emergency Response Project (P175853)

Sections and Description

Schedule 2, Section I, 2B (a) (a) The Recipient shall, by no later than one (1) month after the Effective Date, prepare the necessary updates and thereafter adopt the Project implementation manual (“Project Implementation Manual”) containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, Personal Data collection and processing in accordance with the applicable WHO and national law and good international practice, roles and responsibilities for Project implementation, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Association

Schedule 2, Section I, 2B (a) (b) Without limitation on Section I.B.1.(a) above, in order to ensure adequate implementation all Project COVID-19 Vaccine and vaccination related activities under the Project, and prior to commencement of any vaccination activities, the Recipient shall prepare and adopt, a manual for Project COVID-19 Vaccine deployment, including delivery and distribution (“Vaccine Delivery and Distribution Manual”), in form and substance satisfactory to the Association, which shall include:

- i. rules and procedures for prioritizing intra-country vaccine allocation following principles established in the WHO Fair Allocation Framework, including an action plan setting out the timeline and steps for implementing such rules
- ii. rules and procedures establishing minimum standards for vaccine management and monitoring, including medical and technical criteria, communications and outreach plan, cold chain infrastructure, and other related logistics infrastructure



- iii. rules and procedures for processing and collection of Personal Data in accordance with national law on Personal Data Protection if it is deemed adequate and good international practice; and
- iv. vaccine distribution plan, including action plan setting out timeline and steps for immunization, with clear distinction of activities that need to be completed before vaccine roll out and those that can be completed within the first 6 months after vaccine deployment

Schedule 2, Section I, 2B (b) (a) by no later than one (1) month after the Effective Date, prepare a draft work plan and budget for Project implementation, setting forth, inter alia: (i) a detailed description of the planned activities, including any proposed conferences and Training, under the Project for the period covered by the plan; (ii) the sources and proposed use of funds therefor; (iii) procurement and environmental and social safeguards arrangements therefor, as applicable and; (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity

Without limiting the foregoing, the Recipient shall, by no later than one (1) month after the Effective Date, recruit a finance officer, a procurement officer, and an environmental and social safeguards officer for the Grants Management Unit, in each case, with qualifications, experience and terms of reference acceptable to the Association

No later than one (1) month after the Effective Date, the Recipient shall prepare and adopt Labor Management Procedures (LMP) in form and manner satisfactory to the Association, and to be thereafter annexed to the ESMF

Conditions

Type	Description
Effectiveness	The Environmental and Social Management Framework has been updated in form and manner satisfactory to the Association to assess the environmental and social risks and impacts of proposed Project activities in accordance with the ESCP
Effectiveness	Project implementation plan has been prepared and adopted by the Recipient, in form and manner satisfactory to the Association
Effectiveness	a Project COVID-19 Vaccine cold chain management protocol following WHO requirements and good international industry practice, has been prepared and adopted by the Recipient, in form and manner satisfactory to the Association
Effectiveness	for each facility, location-specific waste management plans for the disposal of vaccine wastage (vials not maintained at temperature required) and a disposal plan for any batteries or solar panels used for refrigeration purpose, have been prepared and adopted in form and manner satisfactory to the Association
Effectiveness	a plan for inclusive and contextually appropriate targeting of Project COVID-19 Vaccine recipients, including to ensure access to the most vulnerable, has been prepared and adopted, in form and manner satisfactory to the Association





VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Ethiopia

Additional Financing for Ethiopia COVID-19 Emergency Response Project

Project Development Objective(s)

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

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Early detection and timely reporting of outbreaks			
Achieving the required timeliness of reporting for COVID-19 and other immediately reportable diseases under IDSR (Percentage)		0.00	80.00
For the first 10 suspect cases in the country, percentage of lab results available within 72 hours (Percentage)		0.00	80.00
Rapid response to infectious disease outbreaks			
Responding within 24 hours to confirmed outbreaks of COVID-19 and other immediately reportable diseases (Percentage)		0.00	80.00
Percentage of district health centers/district hospitals with pandemic preparedness and response plans MoH guidelines (Percentage)		0.00	80.00
Percentage of health facilities with trained staff in infection prevention control per MoH approved protocols (Percentage)		0.00	80.00
Percentage of priority population vaccinated, which is included in the priority population targets defined in national plan by gender		0.00	20.00



Indicator Name	PBC	Baseline	End Target
(Percentage)			
<i>Action: This indicator is New</i>			

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Medical Supplies and Equipment			
Percentage of district health centers/district hospitals with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks (Percentage)		0.00	69.00
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MoH guidelines (Number)		1.00	15.00
Number of national contact center (call center) established and equipped with medical supplies and equipment. (Number)		0.00	1.00
Number of national and regional influenza laboratories equipped with diagnostic laboratory sample transport materials and Reverse Transcription Polymerase Chain Reaction (RT-PCR) and negative pressure (Number)		1.00	14.00
Number of airports and PoEs received PPE supplies for airport communities and land crossing PoEs. (Number)		0.00	18.00
Vaccine stock management tools and operating procedures updated to reflect the needs for deployment and management of COVID-19 vaccines) (Number)		0.00	2.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator is New</i>			
Dry storage and cold chain capacity assessed with regards to the COVID-19 vaccines (Number)		0.00	1.00
<i>Action: This indicator is New</i>			
Preparedness, Capacity Building and Training			
Percentage of program-supported regions with pandemic preparedness and response plans per MoH/agriculture guidelines (Percentage)		0.00	69.00
Number of “One Health”-based simulation exercises conducted and certified by MoH/ agriculture at national and sub-national levels (Number)		0.00	13.00
Number of health workers, health facility facilities Surveillance focal persons, PoE screeners, and Woreda, Zonal and regional PHEM officers trained on COVID-19. (Number)		88.00	2,457.00
Number of health extension workers received orientation to strength COVID-19 community-based surveillance (Number)		0.00	27,600.00
Number of health workers deployed for COVID-19 preparedness and response. (Number)		96.00	1,602.00
Number of target populations estimated who will be prioritized for access to vaccines stratified by target group (sex-disaggregated) and geographic location, i.e. prepare first to define, identify and (Number)		0.00	300,000.00
<i>Action: This indicator is New</i>			
Guidelines, documented procedures and tools for planning and conducting vaccine pharmacovigilance activities (i.e. AEFI reporting, investigation, causality assessment, risk communication and response) (Percentage)		0.00	100.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator is New</i>			
Community Discussions and Information Outreach			
Number of community conversations conducted at PoEs on their social structure. (Number)		0.00	48.00
Number of stakeholders at PoEs (Idir ekup, Dagu, and Abageda meetings, Women Development Army, and community leaders) trained. (Number)		500.00	27,600.00
Assessment conducted to identify behavioral and socio-cultural risk factors for COVID-19 covering all the regions. (Yes/No)		No	Yes
Key COVID19 vaccine messages disseminated through various media outlets (radio, TV, social media, print media etc) (Number)		0.00	20,000.00
<i>Action: This indicator is New</i>			
Number of communication trainings conducted (Number)		0.00	115.00
<i>Action: This indicator is New</i>			
Number of communication material leaflets, posters, job aids, wall chart, banners) distributed (Number)		0.00	20,000.00
<i>Action: This indicator is New</i>			
Isolation and Quarantine Centers			
Number of isolation centers, screening sites and quarantine centers established and equipped with medical supplies, protective equipment's and laundry machines. (Number)		0.00	174.00
Number of established additional screening posts/room (Number)		0.00	30.00



Indicator Name	PBC	Baseline	End Target
Number of vaccine laboratory renovated and equipped. (Number)		0.00	1.00
Action: This indicator is New			
Project Management and Monitoring			
Number of PoEs, isolation and quarantine centers received weekly supportive supervision and monthly review meetings (Number)		0.00	192.00
Number of PoEs, isolation centers and quarantine centers that have prepared daily reports (Number)		0.00	192.00
Number of monthly assessed (using checklist) PoEs, isolation and quarantine centers (Number)		0.00	192.00
Percentage of complaints to the Grievance Redress Mechanism (GRM) satisfactorily addressed within 15 weeks of initial complaint being recorded (Percentage)		0.00	90.00
Distribution of female PPE matches daily needs of female workers (Yes/No)		No	Yes
Action: This indicator is New	Rationale: <i>Women in Ethiopia constitute a large share (represent 70% of health sector workers) of frontline workers. These frontline health workers are going to be expected to conduct house to house visits under the project. Suitable PPE for these workers must be procured in adequate supply</i>		
Eligibility for vaccination criteria include informal health workers (Yes/No)		No	Yes
Action: This indicator is New	Rationale: <i>Informal community health workers are primarily female and more likely to report a positive COVID-19 test, but without prioritization less likely to have access to the vaccine than formal health workers</i>		



Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Achieving the required timeliness of reporting for COVID-19 and other immediately reportable diseases under IDSR		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
For the first 10 suspect cases in the country, percentage of lab results available within 72 hours	Current turnaround time	Quarterly	Project Reports:	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Responding within 24 hours to confirmed outbreaks of COVID-19 and other immediately reportable diseases		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Percentage of district health centers/district hospitals with pandemic preparedness and response plans MoH guidelines		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework	EPHI



				Indicator	
Percentage of health facilities with trained staff in infection prevention control per MoH approved protocols		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Percentage of priority population vaccinated, which is included in the priority population targets defined in national plan by gender	Numerator: vaccinated population by Gender Denominator: total population (20% of the population based on the targets defined in national plan by gender.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of district health centers/district hospitals with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI



Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MoH guidelines	The number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents exceeds the set target.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of national contact center (call center) established and equipped with medical supplies and equipment.	A national Call center is equipped and 24 agents (four shift) are providing services	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of national and regional influenza laboratories equipped with diagnostic laboratory sample transport materials and Reverse Transcription Polymerase Chain Reaction (RT-PCR) and negative pressure	12 lab are equipped with negative pressure. 26 laboratories are currently doing the test and there are additional 12 laboratories read for the test	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of airports and PoEs received PPE supplies for airport communities and land crossing PoEs.	Ensure the availability of the PPE is a continues process. The health sector has currently revised the supply and logistics mechanism to avoid the interruption of supplies.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Vaccine stock management tools and operating procedures updated to reflect the needs for deployment and management of COVID-19 vaccines)	Number of vaccine stock management tools and operating procedures updated	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each	MOH/PSA



				Results Framework Indicator	
Dry storage and cold chain capacity assessed with regards to the COVID-19 vaccines	Number of Dry storage and cold chain capacity	Quarterly	Project Reports	Review of Project Reports with defined methodology for data.	MOH/EPISA
Percentage of program-supported regions with pandemic preparedness and response plans per MoH/agriculture guidelines		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of “One Health”-based simulation exercises conducted and certified by MoH/ agriculture at national and sub-national levels		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of health workers, health facility facilities Surveillance focal persons, PoE screeners, and Woreda, Zonal and regional PHEM officers trained on COVID-19.		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of health extension workers received orientation to strength COVID-19 community-based surveillance		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each	EPHI



				Results Framework Indicator	
Number of health workers deployed for COVID-19 preparedness and response.		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of target populations estimated who will be prioritized for access to vaccines stratified by target group (sex-disaggregated) and geographic location, i.e. prepare first to define, identify and	Number of target populations estimated who will be prioritized for access to vaccines stratified by target group and sex	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH
Guidelines, documented procedures and tools for planning and conducting vaccine pharmacovigilance activities (i.e. AEFI reporting, investigation, causality assessment, risk communication and response)	Number of Guidelines, documented procedures and tools for planning and conducting vaccine pharmacovigilance activities (i.e. AEFI reporting, investigation, causality assessment, risk communication and response)	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH/EFDA
Number of community conversations conducted at PoEs on their social structure.		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework	EPHI



				Indicator	
Number of stakeholders at PoEs (Idir ekup, Dagu, and Abageda meetings, Women Development Army, and community leaders) trained.		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Assessment conducted to identify behavioral and socio-cultural risk factors for COVID-19 covering all the regions.	It is at planning stage.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Key COVID19 vaccine messages disseminated through various media outlets (radio, TV, social media, print media etc)	Number of COVID19 vaccine messages disseminated through various media outlets (radio, TV, social media, print media	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH
Number of communication trainings conducted		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH
Number of communication material leaflets, posters, job aids, wall chart,		Quarterly	Project Reports	Review of Project Reports with defined	MOH



banners) distributed				methodology for data collection for each Results Framework Indicator	
Number of isolation centers, screening sites and quarantine centers established and equipped with medical supplies, protective equipment's and laundry machines.	about 332 Isolation, 50 quarantine and 64 treatment are established.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of established additional screening posts/room		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of vaccine laboratory renovated and equipped.	Number of vaccine laboratory renovated and equipped.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EFDA/MOH
Number of PoEs, isolation and quarantine centers received weekly supportive supervision and monthly review meetings	Result will be updated on the upcoming implementation support mission.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI



Number of PoEs, isolation centers and quarantine centers that have prepared daily reports	Result will be updated on the upcoming implementation support mission.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Number of monthly assessed (using checklist) PoEs, isolation and quarantine centers	Result will be updated on the upcoming implementation support mission.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator.	EPHI
Percentage of complaints to the Grievance Redress Mechanism (GRM) satisfactorily addressed within 15 weeks of initial complaint being recorded	Result will be updated on the upcoming implementation support mission.	Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	EPHI
Distribution of female PPE matches daily needs of female workers		Quarterly	Project Reports	Review of Project Reports with defined methodology for data collection for each Results Framework Indicator	MOH
Eligibility for vaccination criteria include		Quarterly	Project	Review of Project	MOH



informal health workers			reports	Reports with defined methodology for data collection for each Results Framework Indicator	
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Annex 1: Summary table on vaccine development and approval status

Vaccine	SRA Emergency Use Approval	WHO PQ/EUL11
BNT162b2/COMIRNATY Tozinameran (INN) - Pfizer BioNTech	United Kingdom: December 2, 2020 Canada: December 9, 2020 United States of America: December 11, 2020 European Union: December 21, 2020 Australia: January 25, 2021	WHO Emergency Use Listing (EUL): December 31, 2020
mRNA-1273 - Moderna	USA: December 18, 2020 Canada: December 23, 2020 EU: January 6, 2021 UK: January 8, 2021	
AZD1222 (also known as ChAdOx1_nCoV19/ commercialized as COVISHIELD in India) - AstraZeneca/Oxford	UK: December 30, 2020 EU: January 29, 2021 Australia: February 15, 2021	WHO EUL: February 15, 2021 for vaccines manufactured by SK Bio and Serum Institute of India

11 https://extranet.who.int/pqweb/sites/default/files/documents/Status_COVID_VAX_16Feb2021.pdf



Annex 2: Country Program Adjustment Note

World Bank Group Response to COVID-19 in Ethiopia

I. *Impact of the COVID-19 pandemic on the country and government response*

1. **The outbreak of the COVID-19 pandemic has had a serious health impact.** As of early January 2021, over 128,000 COVID-19 cases with over 2,000 fatalities were registered, with a sharp acceleration in recent months. These figures are the second largest in absolute terms among sub-Saharan African countries, after South Africa, though the caseload and mortality as a percentage of the population are near the median for the overall region. The pandemic has overstretched the health system and affected the delivery of essential health services. Other socio-economic impacts being felt across Ethiopia are already wide-ranging and serious, with the potential to become severe, depending on the combination of the pandemic's trajectory and the effects of countermeasures.

2. **COVID-19 is seriously threatening Ethiopia's gains in growth and poverty reduction.** Ethiopia grew at 6.1 percent in fiscal year FY20, compared to 9 percent in FY19, as the impact of the COVID-19 pandemic took place largely in the final quarter of the fiscal year. However, the collapse in external demand experienced since the onset of the COVID-19 crisis, coupled with the effects of restrictions in domestic demand, is expected to result in a further growth slowdown in FY21. Merchandise exports, excluding gold, declined by 11.9 percent during July-September 2020 (year-on-year). Both exports and imports of services, dominated by air transport, recorded negative growth in FY20. Meanwhile, foreign direct investment has been severely hit, with inflows declining by 20 percent in FY20, contributing to weakening reserve levels. The consequent reduction in Government revenue is putting pressure on its provision of social services. Government spending and investment has been an important engine of poverty reduction in the past and reduced spending resulting from decreased government revenue and foreign exchange may have detrimental long-term effects on the poor.¹²

3. **Economic impacts of COVID-19 are already being felt by households, and although impacts are more severe in urban areas, rural households are also affected.** High-frequency monitoring surveys¹³ of households conducted by the World Bank in Ethiopia since April 2020 shows that the COVID-19 pandemic is affecting economic activity, households' incomes, and food security. The survey results indicate that by April 2020 about half of households had experienced either a reduction or a total loss of income since the viral outbreak. Though fewer households have subsequently reported further income erosion, apparently income losses have not yet bottomed out: a quarter of them reported reductions between August and September. Food security is a major concern in Ethiopia, particularly for rural residents, and is at the heart

¹² World Bank. 2020. "Covid-19: Potential Poverty and Social Impacts in Ethiopia and Policy Responses." *Poverty and Equity Global Practice: Ethiopia COVID Response Notes*.

¹³ <https://www.worldbank.org/en/country/ethiopia/brief/phone-survey-data-monitoring-covid-19-impact-on-firms-and-households-in-ethiopia>.



of the country's social protection system. According to the COVID monitoring survey about four in ten rural households in Ethiopia were still experiencing moderate or severe food insecurity in September compared to 30 percent in urban areas. An estimated 1.4 million jobs, accounting for 19 percent of current employment, were estimated to be threatened due to the crisis during the second half of 2020.

4. **The pandemic and associated containment measures have adversely impacted the private sector, particularly in the horticulture, hotel, tourism and travel sectors as well as manufacturing firms in the industrial parks.** In FY19, export revenues generated from the horticulture sector—which includes flowers, fruits, vegetables, herbs and spices—stood at US\$318 million. Following the outbreak in early March 2020, most European and Middle Eastern countries closed their borders. As a result, the horticulture sector has suffered a significant loss. In a similar vein, the private sector in the apparel and garment industry experienced an unprecedented global demand shock. Disruptions to the global value chains continue to weigh on the supply of intermediate inputs and imported raw materials, which are vital for the manufacturing sector. Against this backdrop, several Small and Medium Enterprises (SMEs) have shifted their production lines to fulfill the growing need for both PPE and items for consumer use such as masks and hand sanitizers. As most workers in industrial parks are women, the pandemic weighs more adversely on women's participation in the labor force.

5. **The Government health services response to COVID-19 has been robust.** The GoE declared a state of emergency under Article 93 of the constitution on April 8, 2020. It moved quickly to institute measures to limit the spread of COVID-19, including outreach activities for awareness raising and behavioral changes, expanding COVID-19 testing capacity and institutions to provide clinical care and quarantine for COVID-19 suspects and patients; and establishment of a multisectoral COVID-19 response taskforce and coordination platforms at each level of government.

6. **The Government has also adopted several measures to address the social and economic impacts of the pandemic.** Measures aimed at mitigating the impacts on people include additional expenditure on healthcare, indexation of safety net benefits, provision of temporary incomes support and/or emergency food aid to the vulnerable, introduction of guidelines to ensure the distribution of agricultural inputs. To support firms, authorities have adopted temporary tax exemptions and preferential access to currency for those firms importing raw materials and equipment to be used in the prevention and containment of COVID-19, and have allowed businesses to carry forward the loss incurred this fiscal year, as well as to take advantage from some tax deferrals and waivers. In the financial sector, the National Bank of Ethiopia has availed 15 billion Birr liquidity in support of private commercial banks, to allow them to provide debt relief and refinancing to customers in need, and forbearance limits have been extended. In addition, mobile banking limits at the Commercial Bank of Ethiopia have been increased, and a new eTransactions Proclamation has been adopted by the Parliament. The Government adjusted quickly its rural and urban Productive Safety Net Programs (PSNPs) by waiving the work requirements, increasing coverage to more beneficiaries, and increasing temporarily the benefit amounts paid to particularly vulnerable households. The Government also decided to expand the urban PSNPs to more cities more quickly to provide support for particularly affected urban poor households (including refugees and host communities), and also promote youth employment and enhance job search services to support the



economic and social recovery. To address the negative impacts of the pandemic on education, the government is promoting adjustments in the sector such as advancing the establishment of digital learning platforms and providing additional school grants to support the re-opening of schools.

7. **The Government is proactively managing its unanticipated financing needs.** Revenue mobilization at the federal level is estimated to have declined by the equivalent of 0.5 percent of GDP in FY20, with domestic direct and indirect tax collection impacted by COVID-19. Preliminary data suggests despite the surge in healthcare spending in response to the pandemic, expenditure execution fell short from budgeted amounts. Overall, the federal government fiscal deficit is estimated to have widened from 2.5 percent of GDP in FY19 to 2.8 percent of GDP in FY20. The deficit is expected to further increase in FY21, to 3 percent of GDP, as the economic impacts of the crisis continue to be felt. Meanwhile, the external financing gap has increased by an estimate of US\$1.8 billion with respect to pre-COVID-19 projections, to a total of about US\$5.2 billion in FY21. Expected financing sources include official transfers and prospective budget support (US\$2.3 billion, including IDA grants), IMF disbursements (US\$0.9 billion), privatization proceeds (US\$ 1.1 billion), debt service reprofiling (US\$0.6 billion) and gains from the Debt Service Suspension Initiative (US\$0.2 billion). As part of its response to the financing challenges, the Government has Performance and Policy Actions to adopt a State-Owned-Enterprise Debt Resolution framework to facilitate debt repayments and minimize risks to macroeconomic instability and implementation of a new Excise Tax Proclamation in FY21 aims to mitigating the fall in revenue.

II. World Bank Group Support for Responding to the Crisis

8. **The WBG's approach in Ethiopia has been adjusted to meet the challenges posed by COVID-19 while maintaining a longer-term strategy to sustain transformational structural reforms embedded in the Country Partnership Framework for Ethiopia for FY18-22 (CPF).** These adjustments have been made within the CPF's focus areas and objectives, particularly the Focus Area 2 of Building Resilience and Inclusiveness which includes objectives to improve safety nets, healthcare systems, basic education, water supply and sanitation, and management of natural resources which impacts livelihoods. Focus Area 1 also provided strategic underpinning for addressing COVID-19 impacts, particularly in improving access to finance and agricultural productivity. As a result, support is being provided across four pillars consistent with the overall World Bank Group approach: (a) Saving Lives, (b) Protecting Poor and Vulnerable People, (c) Ensuring Sustainable Business Growth and Job Creation, and (d) Strengthening Policies, Institutions and Investments. World Bank Group support has been primarily focused on the first two of the three expected stages of crisis response: *relief*—emergency assistance to confront the immediate threat to public health, as well as short-term economic, financial and social impacts; *restructuring*—strengthening health systems, restoring human capital, and pursuing economic reforms, debt resolution, and recapitalization of firms and financial institutions; and *resilient recovery*—exploiting new opportunities for more inclusive, resilient, and sustainable longer-term development.

9. **World Bank lending has been rapidly adjusted to support Ethiopia across several dimensions of its response to the pandemic.** Ethiopia was among the first countries to receive financing from the World Bank's COVID-19 rapid response facility, with a US\$82.6 million COVID-19 operation approved on April 2,



2020 just weeks after the crisis became evident in the country. This operation is already two-thirds disbursed and has been critical in providing medical supplies; capacity building; information outreach; and supporting quarantine, isolation, and treatment centers. This was followed by the rapid preparation of a supplemental US\$250 million Development Policy Financing approved in June 2020 to augment an earlier US\$500 million approved in March 2020 to support the country’s growth and competitiveness agenda. New social protection operations were fast-tracked, and levels of financing were increased, with the US\$ 400 million Urban Productive Safety Net and Jobs Project approved in September and the US\$512.5 million Strengthening Ethiopia’s Adaptive Safety Net Project approved in November 2020. These operations build on preceding support for productive safety nets and support cash transfers, food aid, public works, self-employment through start-up grants, and labor market integration of youth. Employment and development in the agriculture and rural areas was pursued through US\$80 million in Additional Financing of the Second Agriculture Growth Project approved in September 2020 and a US\$165 million Additional Financing for the Ethiopia Resilient Landscapes and Livelihoods Project in December 2020, financed by the Green Climate Fund. These latter two operations had been previously planned but were accelerated and design was adjusted to meet COVID challenges. A US\$14.9 million COVID-19 Education Response project, financed by the Global Partnership for Education, was approved in August 2020 to complement the ongoing General Education Quality Improvement Project. Finally, a new US\$ 100 million Additional Financing for the Women Entrepreneurship Development Project was rapidly prepared and approved in December 2020.

10. **The World Bank’s lending pipeline in the latter half of FY21 similarly reflects changes to address COVID-19 impacts.** A second phase under the COVID-19 Emergency Response MPA is under preparation to support Ethiopia’s anticipated rollout of vaccines in 2021. Support for small businesses and jobs creation is being fast-tracked through a previously unplanned US\$200 million Additional Financing for Small and Medium Enterprise Support Project, both of which are to be delivered in Q3 FY21. In addition, preparation of the US\$200 million Digital Foundations Project has been accelerated, recognizing the central role of connectivity to help overcome the human development and commercial impacts of COVID-19 restrictions. Similarly, preparation of the US\$500 million Access to Distributed Electricity and Lighting, central to improving connectivity, has been fast-tracked. Finally, a new US\$250 million additional financing for the Enhancing Shared Prosperity through Equitable Services Program for Results operation is planned to help sustain service delivery improvements at the local level. Development policy lending as well as an integrated agriculture and rural development program as well as support for the financial sector and human capital development are being planned for FY22.

Table 3.1 Ethiopia World Bank Program Lending. Adjustments Triggered by COVID-19 Impacts

				COVID-19 Impacts Addressed			
Operations	Adjustment Triggered by COVID-19 Impacts	Commitment Amount, millions USD	Approval	Saving Lives	Protecting Poor and Vulnerable	Business Growth and Jobs	Strengthen Policies and Institutions
<i>Approved Since April 2020</i>							
COVID-19 Emergency Response (Health Services)	New (not planned)	82.60	Apr-20	X			X



	prior to pandemic)						
Supplemental DPF	New	250.00	Jun-20			X	X
COVID-19 Education Response Project	New	14.85	Aug-20		X		
Urban Productive Safety Net and Jobs Project	Fast-Tracked	400.00	Sep-20		X	X	X
Strengthen Ethiopia's Adaptive Safety Net	Fast-Tracked	512.50	Nov-20		X		X
AF Women's Entrepreneurship Development Project	New	100.00	Dec-20			X	
<i>Planned in Remainder of FY21</i>							
AF Small and Medium Enterprises Finance Project	New	200.00	Q3 FY21			X	
Access to Distributed Electricity and Lighting	Fast-Tracked	500.00	Q3 FY21			X	X
Ethiopia Digital Foundations Project	Fast-Tracked	200.00	Q3 FY21			X	X
2nd phase, COVID-19 Emergency Response (prep for vaccination)	New	200.00	Q3 FY21	X			X
Additional Financing to GEQIP-E for Refugees Integration (Partially funded by Global Partnership for Education)	Design adjusted	122.50	Q3 FY21		X		
AF for the Enhancing Shared Prosperity through Equitable Services	New	250			X		X

11. Implementation of several ongoing operations has been adjusted to address COVID-19 impacts.

With respect to saving lives, the Ethiopia Health Millennium Development Goal Program-for-Results (PforR) operation is financing critical inputs to the national response, such as PPE for frontline health workers. Ongoing operations supporting the water sector (One WASH), the Second Urban Water Supply and Sanitation Project (restructured) and urban development have had implementation adjusted to focus more on addressing emergency water rehabilitation, providing access to WASH services in priority health institutions and quarantine centers and hygiene interventions to curb the potential spread of the virus. The rural and urban PSNPs temporarily waived the work requirements to allow for social distancing. Payments to beneficiaries were made in advance for three months instead of monthly payments, and protective gear was adjusted the needs of the pandemic. Hygiene measures, protective gear and intensive information accompanied the implementation of the safety net programs. Implementation support by the World Bank has been similarly constrained owing to distancing requirements. In addition to supporting connectivity for Bank staff in Ethiopia as well as key operational counterparts within the framework of projects, the Ethiopia program is accelerating the use of the Geo-Enabled Monitoring System and analogues in its operations, particularly in the transportation and agriculture sectors.



12. **The International Finance Corporation’s (IFC) FY20-24 strategy for Ethiopia is incorporating responses to COVID-19 to protect livelihoods and minimize destruction of markets.** Prior to the onset of the COVID-19 pandemic, the strategy envisaged investment adjustments in FIG, MAS and infrastructure sectors for FY20-24. At present the economic and humanitarian impacts of the pandemic have pushed IFC’s work in sectors to scale back investment services targets and increase advisory services in order to protect, and then support the subsequent recovery and creation of, new markets. In particular, based on the findings of IFC deep dive on two Ethiopian banks prior to the COVID-19 pandemic, risks associated with the Ethiopian financial sector were considered very high. With COVID-19, these risks have become even higher (e.g higher NPLs, increased liquidity crunch, higher impact on capital adequacy). Regarding MAS sectors, IFC is looking to provide working capital lines to firms with headroom to take on debt. In particular, the MAS team is supporting clients operating in the agribusiness sector to enter new regional export markets with the aim to increase diversification and minimize longer supply chain risk. The infrastructure sector, given the specific case of Ethiopia, private sector involvement is already limited so there is not much to protect/restructure as a result of the COVID-19 pandemic. As of June 2020, IFC’s potential program size in Ethiopia stands at US\$285 million in Investments Services (IS) (base case) and US\$25.5 million in Advisory Services for the five-year period. In line with IFC’s COVID-19 response framework, going forward the strategy will aim to reduce market destruction and subsequently restructure and create new opportunities in the tourism, agribusiness and health sectors.

13. **Going forward, the unprecedented global nature of the COVID-19 crisis, coupled with Ethiopia’s structural bottlenecks, hamper prospects for private sector engagement in key sectors.**

- *Financial Sector.* The COVID-19 fallout will likely exacerbate shortage of foreign exchange, in part due to reduced exports, remittances, and tourism receipts. In addition, given the financial sector’s mounting vulnerabilities, the pandemic will likely result in a local currency liquidity crisis, putting additional strain on the private sector’s limited access to finance. Lastly, financial institutions (FIs) will likely require additional working capital to provide liquidity support to their SME clients.
- *Agribusiness.* A prolonged COVID-19 outbreak in Ethiopia, including protracted containment measures and transport restrictions will impede farmers’ access to markets and disrupt fresh food supply chains, thereby exacerbating food shortages created by the ongoing locust invasion. On the demand side, the closure of restaurants and street food outlets removes a key market for many producers and processors that may result in a temporary glut or trigger upstream production cuts as shown in some countries in the meat and beverage (malt) sectors.
- *Manufacturing.* The COVID-19 crisis has adversely impacted the sector, as evidenced by a decline in investment inflows, disruption in supply chains, and a loss of revenue and jobs as a result of a contraction in global economic growth and demand.

14. **The WBG’s knowledge agenda has similarly been adjusted to support Ethiopia on evidence and analysis for dealing with the pandemic’s impacts.** The World Bank has supported several rounds of rapid phone surveys administered to firms (eight rounds) and households (seven rounds) between April and November 2020. The results of these surveys have been communicated with the Jobs Commission. Online briefs highlighting the main findings in each round and special topic reports focusing on firm’s behavior



during the pandemic, and gender effects and have been published on the website of the WBG. The findings have also been used to inform the response to COVID-19 in WBG-financed operations. A policy note synthesizing the survey findings to inform policies for enhancing household welfare recovery from the COVID-19 crisis is planned for FY21 Q3. The World Bank's regular biannual Ethiopia Economic Update (the 8th in the series) issued in the summer of 2020 assesses the macroeconomic and microeconomic impacts and policy responses to COVID-19. In addition, a Country Economic Memorandum is under preparation for completion in early FY22 and will try help identify additional reforms to support inclusive and sustainable growth going forward. Analytical work in Human Development sectors, particularly health, has been recalibrated to address the changed circumstances for service delivery.

15. **The WBG's efforts are closely coordinated with other development partners.** The World Bank coordinated closely with the IMF as well as major bilateral partners of Ethiopia on financing support to cushion against the impacts of COVID-19 in the context of the Government's robust policy response. This included the US\$250 million supplemental Development Policy Financing (following the approval in March 2020 of the previously prepared US\$500 million Second Growth and Competitiveness DPF) alongside the IMF's approval in May of a Rapid Credit Facility of US\$410 million which supplemented its own three-year US\$2.9 billion program for Ethiopia. With respect to financing for health services to save lives, the World Bank's provision of US\$82.6 million complemented by support from the Global Fund, Gavi, the Jack Ma foundation and other bilateral and multilateral donors. The World Bank also place a central coordination role for managing financing for the productive safety nets programs. In particular, the rural safety nets program will be complemented by US\$190 million in financing in FY21 from eight other development partners (and US\$967 million over five years). The World Bank also plays a similar coordinating role for development partner funding for water and sanitation via the One WASH program and basic education through the General Education Quality Improvement Project. For One WASH the World Bank mobilized additional grant funding from the Dutch Government and is in talks to mobilize additional resources from the Danish government for WASH interventions.



Annex 3: Financial Management Arrangement

Executive summary

1. A financial management assessment has been carried out for the AF based on IPF Policies and procedures. The project implementation arrangements will remain materially the same with the exception of the introduction of EPSA, EFDA, zones and woredas as implementing entities. From the new activities introduced under all the components, the prominent one is the support for vaccine procurement and its deployment. The main implementing entity responsible for financial management remains to be the MoH. The project will continue to be implemented at the regional level by RHBs. In light of the introduction of new activities and implementing entities, the project FM assessment is updated for the AF.
2. To update the assessment, discussions were held with key players of the project, MoH and EPSA. Documents such as the Vaccine Assessment Readiness Framework (VRAF), Standard Operations Procedures (SOP) for distribution of pharmaceuticals, FMOH Effective Vaccine Management Assessment report (EVMA)¹⁴; Gavi's Ethiopia audit report, sample reports for inoculation as well as other documents. The current FM performance was also taken into account in designing risk mitigating measures.
3. It is the conclusion of the assessment that the existing FM arrangements are adequate to provide reasonable assurance to the use of project resources as per Bank's IPF policy and directives. The current residual FM Risk rating is "high" due to the risks of making timely payments for procurement of vaccines, the storage and distribution as well as vaccination process and decentralized fund flow which is expected to reduce once the proposed mitigating measures are implemented. The sections below highlight the key FM arrangements, risks and mitigating measures proposed.

Financial management arrangement

4. **Budgeting** - The government's budget procedures will continue to be followed. The Parent and AF budget will be prepared in consultation with all stakeholders and consolidated by MoH to be submitted to the World Bank's approval. The annual budget will continue to be proclaimed under the MoH after approval by the MoF. The components of the original project have not changed but additional budget lines will be created for the AF under each component. The project will continue to control the budget by using the budget control card. Utilization will also be monitored through the quarterly Interim Financial Reports (IFRs) by analyzing over and underutilizations and using the reports as management's tool for decision making.
5. **Accounting and staffing** - The government's modified cash basis of accounting will be applied and Peachtree accounting software will continue to be used. The chart of accounts being used for the parent project should be amended to include account codes for the AF transactions. Currently there are finance officers at the MoH and one each assigned at all regional RHBs. These

¹⁴ March 2019,



staff working on the Parent project will also handle the AF transactions. They have received trainings on World Bank's financial management policies and procedures. However, necessary orientation should be provided to project accountants to ensure the changes due to the AF are well understood. The project should assign staff at EFDA, zones and woreda levels as funds will be flowing to these implementing entities under the AF. All RHBs should secure from the woredas, the list of accountants who have been assigned to manage the project at zonal and woreda levels. Necessary training should also be provided to ensure proper FM arrangements are put in place at these entities. From the experience observed in other health projects, it is noted that there is significant gap at woreda level in terms of accounting and financial reporting. Hence, MoH should closely follow-up, supervise, and support the regions and woredas in this regard.

6. **Internal control and Internal Audit** – the government's internal control procedures will be applied, and the Parent project's FM manual will be used. This will be amended to include additional features of the AF and corresponding FM arrangements particularly in the area of vaccine distribution and control arrangements. The EVMA conducted in March 2019 revealed that the common weaknesses observed at national, regional, zonal, woreda and service delivery levels is basically in stock management and distribution. Areas that require improvement are the timely recording, updating and archiving of all transactions involving vaccines and supplies ledgers at district and service delivery levels. Regular stock count is recommended. In addition, wastage rate should be reviewed, monitored and regular feedback should be put in place. The VRAF 2.0 Assessment also indicated gaps which could create shortcomings in internal control in the areas of planning and management (A4); supply and distribution (B1); program delivery as well as supporting systems (C2) and infrastructure (D1). To mitigate for these risks, the following internal control arrangements have been agreed with the government and are incorporated as part of the VRAF action plan. In addition, an Action Plan has been developed and included under the detail FM action plan section of this report.
 - a. **Procurement and delivery of the vaccine into the country** –UNICEF will be responsible for the procurement of the vaccines under the IDA financing. In addition, it is responsible for delivery of the vaccines into the country which will be EPSA's central stores in Addis Ababa. This applies to the vaccines to be acquired through COVAX and the IDA financing (i.e. for the total 20 percent - COVAX grant 16 percent, IDA financing – 4 percent). UNICEF will enter into a contract agreement with MoH for these services and payment will be made to it accordingly. Payment from IDA will be made only for the delivery of the 4 percent of vaccines while the payment for the 16 percent will be made by the government.
 - b. **Vaccine distribution to Hubs** - Vaccine distribution and deployment will be done through the government system. The regular vaccine distribution is done by EPSA which has been given the responsibility as per Proclamation No. 553/2007 for vaccine storage, delivery and cold room maintenance whilst forecasting and procurement responsibilities still lie with the MoH. In the regular vaccine distribution, EPSA, from its central warehouses in Addis Ababa distributes vaccines to its hubs at different regions and then to health centers where possible and to woreda stores. The woreda health offices will transfer vaccines to health centers and health posts where EPSA cannot reach. There are efforts by EPSA to directly transfer vaccines to all health facilities, however, such endeavor is not expected to materialize during the implementation of this project.



Procedures in the SOP will be used through the vaccine distribution process. For deliveries to Hubs, the delivery personnel collects the Proof of Delivery (PODs), stamped Stock Transfer Voucher (STV)/Delivery Note, and Goods Receiving Note (GRN)/ Inter Organizational Goods Receiving Voucher (IGRV – for recovering branches) from the Hub and submit the same to central document follow up team and then collect a receipt from the clerk for proof of delivery of the documents. At the EPSA head quarter and Hubs, the VITAS (HCMIS) is used to record the stock movement and is able to produce status report of the stock distributed. The system is updated based on the reports communicated between the central stores and Hubs. Quarterly financial reports will include a template which will show the total vaccines delivered to EPSA central store, amount distributed to each Hub and consolidated report on delivered vaccines to hospitals and health facilities under each hub; remaining as well as damaged stock. For this to be facilitated, EPSA needs to create a specific code for COVID-19 vaccines in the HCMIS. The Internal Audit unit at EPSA will review this process on a quarterly basis and submits a report to the World Bank either as part of the quarterly IFR through MoH or as a separate report.

- c. **Vaccine distribution from woreda stores to health centers to health posts** – where EPSA cannot reach the health centers and posts, delivery will be done to the woreda health offices which will be responsible for delivering vaccines to health centers and health posts under their jurisdiction. Health posts will be accountable to the respective health centers they are reporting for (usually there are up to five health posts reporting to a health center). Each health center will raise GRNs for receipt of the vaccines and uses a vaccine bin card for monitoring received and issued vaccines. Expanded program for Immunization (EPI) units prepare reports on the vaccine movement at each health facility and this is consolidated at woreda level and transferred to the zone/region. The RHBs will compile the reports and submit to the MoH. The MoH will be able to see reports with a breakdown by woreda. This report is received by MoH on daily basis, but completeness will be assured once the campaign is finalized and where a final report within a month of campaign completion a report is produced by MoH. The MoH finance unit will use this report produced by EPI case team under maternal and child care department in MoH on distribution of vaccines and the report that comes from EPSA for deliveries up to the health post/woreda store to generate a consolidated report on the status of the vaccine distribution by this program.
- d. **Processes for Vaccination** – the government is preparing a micro plan for administering the vaccines to the target group that should get the vaccines at this stage. The government will use three modalities to deliver the final vaccines to individuals: through health centers, mobile community outreach and door to door visit. A Task team which will provide oversight to the overall implementation of the plan is established at the federal level and will be established at all levels of government. The Micro-plan will include a master line list of individuals who qualify for the vaccines and will be used by inoculators. The list can only be amended by RHBs as needed and per guidance of the task team. For all inoculations, the health workers will use the existing registers to record all vaccinated individuals following the SOP for immunization. Vial bottles will be collected after each inoculation to reconcile with records. This information will be consolidated at the health facility level and will be reported upwards to woredas, RHBs and ultimately to MoH. In addition to manual monitoring mechanisms, the use of a mobile based application, the application M-Birana, will be used for woredas (around 760) which are piloting it to help in recording vaccines deployed and inoculations on the Health Extension Workers' (HEWs) mobile



phones. This will also help in having real-time data recording. The AF will support this activity to increase roll out to additional woredas. However, until such full roll out is obtained, the reporting is hybrid. The vaccine distribution and inoculation which might be beyond the scope of the financial audit will be verified by clinical audits (to be done by MoH through a Task Force and relevant health experts) and independent spot checks by development partners. MoH will share the ToR for clinical audits to the World Bank's review.

- e. **Damaged vaccines** – stores are equipped with various sizes of refrigerators and freezers that serve their target populations for immunization activities. The health center vaccines are stored in refrigerators located in a room within the health centers. The Health Centers use on-grid ice lined and solar direct drive refrigerators depending on energy availability. Cold boxes and vaccines carriers are also used for temporary storage and transport of vaccines during outreach immunization activities. EPSA supplies the hubs using refrigerated trucks. The SOP details measures that should be taken to prevent spillage/leakage during transportation. The vaccines will have insurance coverage to mitigate financial loss in the event that spillages/damages occur despite the controls put in place.
 - f. **Physical safeguarding of vaccines** – for storage of vaccines within the EPSA system, there are security guards at each store. People coming in and out of the stores are inspected. At the central stores, in addition to security guards, CCTV cameras are installed. There are standard procedures to be followed by security guards while performing their tasks. The stores are reviewed for meeting required conditions to store vaccines. There will be no special escort during transportation of vaccines. Transportation will not be made at night to avoid risks (insurance policy also does not allow). The same procedures are applied at the woreda and health facilities. Based on the FEACC report submitted to the World Bank in September 2020 on Fraud and Corruption issues under the Health PforR project, it is noted that there were two cases identified at EPSA's stores (medicines and packaging materials reported to be stolen) for which the outcome of the investigation is pending. EPSA should ensure adequate physical safeguard always exists at all stores. For areas with security problems, the government intends to use security forces to secure the vaccines. Discussion is still undergoing on how to strengthen the safeguard of vaccines in other security stable areas of the country.
 - g. **Transparency** – MoH should make publications on a regular basis regarding number of people vaccinated, category of people vaccinated, source of vaccine, etc. MoH might do this through its website, media or other relevant platforms. The implementation plan should also be made public.
7. **Fund flows** – The MoH is responsible for the overall FM activities of the project as the project follows the government's channel 2 fund flow mechanism. An additional Designated Account (DA) will be opened by MoH for receiving funds from the AF. All new implementing entities under the AF will open separate project bank accounts at the Commercial bank of Ethiopia. MoH will transfer funds to federal level implementers (EPHI, EPSA, and EFDA) and BoHs. The BoHs will transfer resources to regional level implementers (PHEMs) and zones and woredas. As distribution will be managed by EPSA as per the country systems, MoH will make payments to EPSA for local distribution of vaccines based on government approved percentage of service charge for distribution and storage for the vaccines obtained through the COVAX grant and the IDA financing.

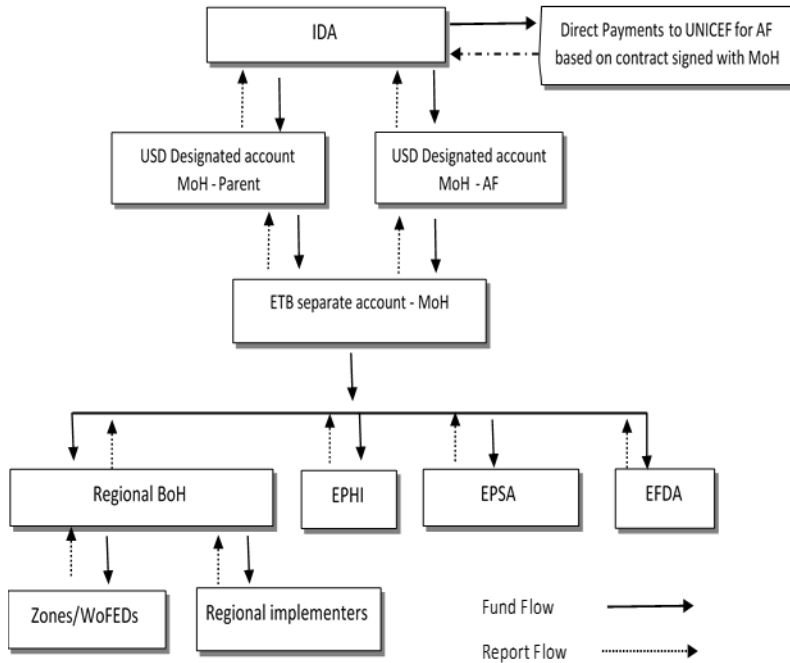


MoH might provide advances to EPSA for these transactions. MoH is currently transferring funds to Tigray region which has been under conflict for the government's activities in the health sector. For fund transfers to the region under this project, MoH will fill the FM assessment checklist prepared by the World Bank to ensure necessary arrangements are in place to enable funds transfer and its proper accounting.

8. **Disbursement to UNICEF** – as procurement of vaccines will be made through UNICEF based on contractual agreement signed with MoH, the contract should be very clear of the account into which payment is going to be made as well as the timeframe of payment. Based on the agreement signed, MoH will submit withdrawal application through client connection to request the World Bank to make direct transfer to UNICEF. In order to facilitate for this, the MoH should send the ASL for the additional financing to the World Bank not later than March 15, 2021.
9. For all other activities, all disbursement methods will be allowed and will be detailed in the Disbursement and Financial Information Letter (DFIL). For advances to be provided, two cash forecasts will be prepared for the parent and AF activities.
10. This project is only financed by IDA. However, other Development Partners intend to provide technical assistance and support for the vaccination process..
11. The fund flow diagram is presented below.



Figure 3.1: Funds Flow Diagram



12. **Financial reporting** – the parent project has been submitting quarterly IFRs timely with acceptable quality although regional reports were not included. The project is expected to produce one IFR both for the parent operation and the AF. The report will be submitted to the World Bank within 60 days of the quarter end. The IFR submission timeline which was applicable to the Parent project (45 days from the end of the reporting quarter) has been changed to 60 days in consideration of the added reporting requirements under the AF (involvement of lower level implementers and vaccine distribution reports). Additional template will be included in the IFR to account for vaccines procured, distributed, damaged, and available on hand (inventory). EPSA will provide report to MoH for its deliveries up to the health centers and woreda stores. EPI units will compile vaccine reports at health facilities which is then consolidated by the woredas and submitted to zones/regions for further consolidation and submission to MoH. Based on past experiences on campaign vaccinations, it is indicated that official report compilation and submission to MoH takes up to 1 month. However, daily status is reported through phone calls, texts and e-mail. Sample vaccine report has been reviewed and it is noted that it contains: number of vials received, number of vials used, number of unused vials, number of unused vials returned in good condition, and wastage rate. Using the template provided in the IFR, the MoH will incorporate the data in the IFR by consolidating reports received from EPSA and the regions. For the AF, EFDA, zones and woredas need to prepare and submit IFRs. Hence, MoH should provide the IFR template to these implementing entities.



13. **Retroactive financing** – Reimbursements will be made for expenditures incurred by the client under retroactive financing arrangement. The cut-off date and percentage of project cost to be financed using retroactive financing are indicated in the financing agreement. For the AF, the retroactive expenditure that will be eligible will relate to the additional activities introduced by the AF in response to urgent capacity building and technical assistance needs such as completing registries of some priority groups for vaccination (65+ years old) through door-to-door visits and registry consultations, sensitization, availing pharmaceutical supplies and cold chain strengthening, development of IT tools to track vaccines uptake and side effects, development of SOPs and guidelines, and training of health workers. The retroactive financing will not finance procurement of vaccines. Furthermore, activities which are regularly financed by the parent project will not fall under this retroactive financing clause. For expenditure to be eligible to be financed under retroactive clause, the MoH should follow the Bank policy and procedures for procurement and all other payments should be clearly tracked and recorded with relevant supporting documents. Amounts reimbursed under the retroactive financing will be audited as part of the project audit. The July 7, 2020 external audit revealed expenditures reported for retroactive financing which are out of the timeframe set for retroactive financing. Hence, strict monitoring is required under the AF when recording and reporting expenditures qualifying for retroactive financing.
14. **External audit** – the parent operation has submitted the first audit report for the year ended July 7, 2020 on February 16, 2021. The audit report was delayed by five weeks. The auditors provided unmodified opinion. The management letter indicated weaknesses mainly related to expenditures without proper supporting documents and/or not related to the project; and inappropriate retroactive financing expenditures (expenditures incurred before the retroactive financing commencement date – ETB – 1.59 million at EPHI). The The audit TOR for the project will be amended to incorporate two parts: Part I will be for the financial audit of the parent and AF operation and Part II will be vaccine management audit which will look into the distribution, management and control aspects of the vaccines. Annual and semi-annual (July 8 – January 8) audits will be conducted. Semi-annual audits are introduced in response to the additional risks identified under the AF activities (funds flowing to lower levels and vaccine distribution). The annual audit report should be submitted within six months of the end of the period end and the semi-annual audit will be submitted within 90 days of the end of the six-month period. The audits will cover the vaccine management up to the last service delivery point (health post) but cannot provide assurance that the vaccines have been administered as per the implementation plan of the government for the intended target groups. To cover this last milestone of the delivery, it is proposed that an independent verification through development partners (yet to be identified) will conduct spot checks on a quarterly basis (or based on a reasonable timeframe to be agreed between the MoH and the Bank if there are timing gaps on the deployment of vaccines) and submit its report to MoH and the Bank on the implementation of the vaccine deployment as per the implementation plan adopted by the MoH. The TOR for this review will be developed by MoH in consultation with the Bank team (the health, fiduciary and social safeguard).
15. **UN Agencies** – UNICEF is responsible for procurement of the vaccines to be financed by the Bank and the transportation of the vaccines up to the EPSA central store. MoH will sign contractual agreements with UNICEF for these services. Where a UN agency is contracted by the Recipient,



the agreement will be prior reviewed by the Bank. The fund flow, the financial reporting requirements applicable to the UN Agency and the external audit arrangements will be stipulated in the agreement between the Recipient and the UN agency. The Recipient is responsible to ensure that the documentation requirements applicable to the UN agency, for project audit purposes, are stipulated in the agreement between the Recipient and the UN agency and all financial and audit reports should be shared with the Bank. Currently there are two contracts between the MoH and UNICEF under the Bank financed operation, Health SDG P4R – IPF part under TFA4689 for USD 1 million and TFA4705 for USD 5 million. Payments are made by the Bank directly to UNICEF on behalf of the government. The reporting for the period ended December 31, 2020 should have been submitted by January 31, 2021. The draft report for USD 5 million has been submitted to MoH and is under review. The report for TFA4689 is being followed up and the government is working to secure these reports by February 26, 2021.

16. **Fraud and Anti-corruption arrangements** – The GoE established the Federal Ethics and Anti-Corruption Commission (FEACC) of Ethiopia in May 2001 (and defined powers in the revised Proclamation 433 of 2005). Furthermore, regional states set up their own Regional Ethics and Anti-corruption Commissions (REACCs) in accordance with their respective constitutional jurisdictions to tackle corruption and impropriety before it becomes rampant and widespread in their respective regions. The MoH has an ethics and anti-corruption Directorate with officers who have the responsibility of acting on suspected fraud, waste, or misuse of resources or property. The same structure is replicated in regional and woreda levels. The health sector PforR receives semiannual reports on fraud and corruption cases reported in the sector. The assignment of ethics officers at woreda level, as per the country’s regulation, is also being followed up by the PforR operation. The current arrangements in the sector are expected to identify and report on any irregularities noted in the sector which also includes this project. The Anti-Corruption Strategy issued by the Ministry also is another base for the mitigation mechanism of any corrupt practices /risks that might arises on this project implementation. Moreover, the medicine tracking system, the clinical audit, and the regular supervision/spot check mechanism will triangulate information on vaccines destination and use/verification will be used for additional mitigation measures for the risk.
17. **Supervision Plan** – the Bank will conduct semi-annual FM supervision. Due to the pandemic, there might be limitations to visit implementing entities. Hence, the FM supervision might focus on desk reviews, discussions with implementing entities and through requesting soft copies of documents. The quarter IFRs, the internal audit reports as well as semiannual audit reports will be used as good source of information for supervision. The Bank’s FM team should regularly follow-up with the MoH to gather information on the status of FM activities on an ongoing basis. MoH should communicate with all implementing entities (via regular phone calls and e-mail) to provide support and guidance. As far as the government’s COVID-19 protocols allow, MoH should visit implementing entities (especially lower levels).
18. **FM risk** – the residual financial management risk of the project is High. Various mitigating measures have been proposed to reduce this risk once they are implemented. Summary of Major Risks and Mitigating measures (Resulting in High Residual FM risk) are discussed in the table below.



The World Bank

Ethiopia COVID-19 Emergency Response Project Additional Financing P175853 (P175853)



Table 4.1. Detailed FM Action Plan

Risk	Agreed actions	Responsibility	Timeframe
Budgeting			
Delayed annual work plan and budget preparation as well as regularly changing activities affects timely release of resources	For the parent project, clearly identify activities (given evolving changes to activities) and update the annual work plan and program for timely release of resources	MoH and EPHI	Ongoing
Budget execution may not be regularly monitored resulting in under and over utilizations	Monitor budget execution regularly and report in quarterly IFRs	MoH, all IEs	Ongoing, Quarterly
Internal control and Internal Audit			
Lack of clarity on the AF activities by implementers	Amend the FM Manual including charts of accounts in the PIM to include additional features of the AF and corresponding FM arrangements particularly in the area of vaccine distribution and control arrangements.	MoH, EPSA	1 month after effectiveness
Delay in transportation and delivery of vaccines	UNICEF will be handling delivery of vaccines up to the EPSA central store. This should be clearly stipulated in the contractual agreement.	MoH	At the time of contract development
Internal control over In-country distribution of vaccines may not be clearly stipulated or lack transparency	<p>The government system through EPSA which has established system of distribution of vaccines through central store and hubs to woreda stores following the established SOP for distribution.</p> <p>Stock records (Goods Receiving Note, Delivery Note, Proof of Delivery, Issue vouchers) will be used within the EPSA system</p> <p>Distribution reports will be prepared by EPSA and submitted to MoH which include reports on vaccines procured, distributed, damaged, and available on hand (inventory) as part of quarterly IFRs</p>	EPSA	<p>Ongoing</p> <p>Ongoing</p> <p>Quarterly</p>



Distribution system woreda store to health facilities (health centers and health posts may not be fully captured and supported with documents.	Health Centers will raise GRNs to confirm receipt of vaccines. Vaccine bin cards will be used for monitoring received and issued vaccines to health posts.	MoH	ongoing
The vaccination process may not go as per the implementation plan and may not be transparent.	<p>A Vaccine Delivery and Distribution Manual laying out the vaccine deployment and implementation processes including line list of individuals to be prepared and finalized by MoH</p> <p>SOP manual will be adopted to follow procedures. Register books will be used to register vaccinated individuals through the door to door operations</p> <p>EPI units will prepare reports to capture inoculations using Mobile based application to record real-time data recording (M-Birana), piloted at around 760 woredas and manual system which will be consolidated by woreda and transferred to RHB and then to MoH.</p>	MoH	<p>1 month after effectiveness</p> <p>Ongoing</p> <p>Reports to be gathered daily but compiled and Comprehensive final report to be submitted within one month after the campaign</p>
There are gaps of internal audit review within the country system. Internal control may be compromised due to level of decentralization and weaknesses over vaccine distribution may not be detected timely for rectification.	<p>Ensure Internal Auditors review the project transactions at all implementing entities</p> <p>EPSA Internal Audit Unit to conduct specific review of the vaccine distribution under the AF every quarter and submit report to the WB either as part of the IFR or separately</p>	<p>MoH and all IEs</p> <p>EPSA</p>	<p>Ongoing</p> <p>Quarterly</p>
Review of parent project reveals weakness in retaining proper delivery reports and receipt by MoH for procured items.	Under the Parent project, for goods delivered by EPSA and other suppliers, proper delivery reports and documentations showing receipt by MoH should be maintained. This should also apply for all procurements.	MoH	When goods are delivered



Current information gathering for distribution of vaccines after woreda level are mostly done manually which are prone to error and manipulation.	Provide status update on the coverage and functionality of the M- Birana for tracking and monitoring inoculation	MoH	Quarterly IFRs
The government may not be transparent to citizens on the resources for vaccination, who will be vaccinated in the first round and all processes around vaccine administration.	MoH to post the source of funding for vaccines, number of people vaccinated and necessary processes on its website	MoH	Ongoing
Physical safeguard of vaccines might be compromised.	EPSA to ensure adequate physical safeguard always exists at all stores	EPSA	Ongoing
Accounting and Staffing			
Staff at the various implementing entities may not be up to speed on the AF and its activities.	Provide orientation to federal and regional finance staff regarding the AF activities	MoH	Within 1 week after PIM finalization
Fund transferred at district and woreda level is to be managed by existing government staff hence reporting might be delayed.	Assign accountants at zone and woreda level to manage transactions of the AF and provide training Provide simplified reporting templates to woredas and zones	MoH	Before funds are transferred to woredas
Expenditure that are not eligible and are not supported by adequate documentation under retroactive financing might be requested.	Ensure only expenditures qualifying for retroactive financing are reported for retroactive financing reimbursement	MoH and EPHI/	During IFR submission
The pandemic poses challenge for close follow up and monitoring of activities by lower level implementers.	Closely follow-up all implementing entities via phone calls and email to ensure gaps are not created on the financial management activities at all entities during the pandemic. Conduct planned support and supervision visits at all implementing entities (especially lower levels) and provide report on this to the World Bank – as far as the government’s COVID-19 protocols allow	MoH/RHBs	Ongoing Quarterly
Reporting			



Clear report on procured, distributed, damaged and available vaccines may not be provided	<p>EPSA should create specific code in HCMIS to easily track the vaccine distribution</p> <p>Provide reports on vaccines procured, distributed, damaged, and available on hand (inventory) as part of quarterly IFRs</p>	<p>EPSA</p> <p>MoH/EPSA</p>	<p>When the first vaccine procurement contract is signed</p> <p>Quarterly IFRs</p>
Funds Flow			
<p>Payment to suppliers may not be made timely for procurement of vaccines</p> <p>Timely reports may not be submitted by UNICEF</p>	<p>Direct payment to be made to UNICEF based on agreement reached between MoH and UNICEF.</p> <p>Authorised List of Signatory to be submitted to the World Bank</p> <p>Open a USD Designated Account at MoH and local currency accounts at new implementing entities for the AF</p> <p>Contractual agreement to be signed between MoH and UNICEF and the agreement will be prior reviewed by the World Bank.</p> <p>The fund flow, the financial reporting requirements applicable to the UN Agency and the external audit arrangements will be stipulated in the agreement between the Recipient and the UN agency.</p>	MoH	<p>As soon as agreement is finalised</p> <p>Upon signing of FA</p> <p>Upon signing of FA</p>
As fund is going down to zones and woreda levels, this might tie up cash unless reports are submitted timely	Closely follow-up advances provided to regions and clearly indicate nature of expenditure when fund is transferred to woredas so woredas could find it easy to report up on	MoH/RHBs and EPHI	Ongoing
Fund transfer to Tigray region may be delayed if required assessments are not completed	Fill the FM assessment checklist provided by the Bank to review the FM arrangement put in place	MoH	Before transferring resource to the region
Payments to EPSA may lack necessary documents as evidence of payment	For parent project procurements done through EPSA- Advances provided/payments made to EPSA should follow	MoH	Ongoing



	signed contractual agreements and this should be closely monitored For AF distribution of vaccines, payment should be made when proof of distribution is submitted by EPSA to MoH		
External Audit			
The external audit may not be comprehensive enough to cover all aspects of the project	Ensure the amended external audit ToR is shared to the recruited External Auditors	MoH	Upon External Auditor recruitment
For the last mile vaccination process, there may not be a system to monitor that the right beneficiaries got the vaccines as per the implementation plan	Conduct spot checks /clinical audit on vaccine deployment and inoculation to provide assurance that the right group of people got the vaccines	MoH	Based on WHO guideline