Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 05-Oct-2020 | Report No: PIDA30271

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Uzbekistan	P174956	AF Uzbekistan Emergency COVID-19 Response Project	P173827
Parent Project Name	**Region**	**Estimated Appraisal Date**	**Estimated Board Date**
Uzbekistan Emergency COVID-19 Response Project	EUROPE AND CENTRAL ASIA	05-Oct-2020	30-Oct-2020
Practice Area (Lead)	**Financing Instrument**	**Borrower(s)**	**Implementing Agency**
Health, Nutrition & Population	Investment Project Financing	Republic of Uzbekistan	Ministry of Health, Ministry of Finance

Proposed Development Objective(s) Parent

The Project development objective is to prevent, detect, and respond to the threat posed by COVID-19 in the Republic of Uzbekistan.

Components

Strengthening National Health System to respond to COVID-19
Financial Support to Individuals and Households
Implementation Management and Monitoring and Evaluation

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	4.08
Total Financing	4.08
of which IBRD/IDA	0.00
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	4.08
Pandemic Emergency Financing Facility	4.08

Environmental and Social Risk Classification

Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

Uzbekistan is a lower-middle-income, mineral-rich, landlocked country with the largest population in Central Asia – 32.96 million as of 2018.[1] Over the past decade, Uzbekistan has maintained high and stable economic growth rates[2] and has gradually diversified its economy. Coinciding with this economic growth, official poverty estimates have declined from 27.5% in 2001 to 11.4% in 2018.[3] This has been accompanied by equity gains, with incomes of those in the bottom 40% of the national income distribution growing faster than those of the upper 60% over the period from 2008 to 2013. Similarly, Uzbekistan's per capita gross national income[4] rose from US$ 560 in 2001 to US$ 1,910 in 2019.[5] These gains, however, have relied largely on an economic model driven by the state's dominance in major productive sectors and a small, but restricted, small and medium business sector. The state's surplus was accumulated mainly through commodity exports, such as gold and cotton, sold by the state in international markets and obtained domestically at controlled (low) prices.

In early 2017, the Government of Uzbekistan announced a radical opening and transformation of Uzbekistan's economy following 26 years of a closed, statist model. Economic policy was reoriented to forge a competitive, market-led, private sector economy. Simultaneously, a series of social and political reforms have focused on reorienting the public sector to be responsive, citizen-centric, and focused on delivering high-quality public services for all citizens.

The COVID-19 outbreak poses a significant threat to the ambitious economic and social transition under way. Domestic closures have brought industrial output and commerce across the country to a halt, while the main tourist and high-value horticulture export sectors are at significant risk. In addition, traditional sources of export-led growth: metals, light manufacturing, chemicals and fertilizers have been severely affected by weaker trading partner economies. Efforts to attract foreign investment, through public-private partnerships and the previously planned launch of an ambitious State-Owned Enterprises (SOE) reform and privatization strategy, are likely to be put on hold.

[1] With annual population growth of 1.7% in recent years.
[2] Per official estimates, annual GDP growth averaged 7.2% between 2000 and 2016.
[3] The World Bank notes that the methodology for measuring poverty needs to be brought to international standards. Official poverty estimate does not consider nonfood items and the use value of assets. World Bank data sources suggest that the poverty rate at the lower middle-income country line was approximately 9.6% in 2018.
[4] Atlas method.
[5] These figures are presented in estimated purchasing-power-parity terms. In current US dollars (Atlas method), gross national income per capita rose from US$ 560 in 2001 to US$ 2,111 in 2016.

The authorities have initiated measures to curb the spread of the virus in the country. Following the first detected case of the virus in Uzbekistan, and learning from emerging lessons from China and Korea, the National Anti-Crisis Commission, which oversees and coordinates preparedness and response measures, had instituted a series of restrictive measures to prevent further spread of the virus, including:

- On March 24, 2020, all points of entry (PoE) were closed; all international passenger flights and train operations were suspended; schools and universities were closed; in Tashkent and regional centers, all types of large gatherings were prohibited until further notice; in Tashkent and all regional centers, home-based work was mandated, all public transport suspended, and entry and exit restrictions had been put in place.
- On March 27, 2020, a stay-at-home advisory was issued; mask-wearing was mandated in public places, with fines of US$ 120 for violators; gatherings were restricted to three people; the movement of private vehicles was restricted to a region of registration; over 65 thousand people were quarantined.[6]
- On March 30, 2020, the restrictions had been further tightened to suspend the movement of all types of transport in Tashkent and regional centers; the stay-at-home advisory was upgraded to an order requiring residents to stay indoors except for certain essential activities such as buying food and seeking medical treatment; the export of PPEs had been suspended nationwide.

Following the stable COVID-10 incidence rates, the strict lockdown was partially relaxed on June 1, 2020, and further relaxed on June 15, 2020. However, following the relaxing of lockdown restrictions, the number of new cases increased, which forced the Government to reinstitute the second lockdown on July 10, 2020. The second lockdown was lifted on August 15, 2020, with gradual opening of public transport, restaurants, museums and cinemas and border points of entry.

Sectoral and Institutional Context

The COVID-19 epidemic is evolving in Uzbekistan with ebbs and flows. The WHO defines four COVID-19 transmission scenarios.[7] Within ten days of the first reported case (March 15, 2020), Uzbekistan moved from a transmission scenario of 'no cases' to 'sporadic cases' and became a country with reported 'clusters of cases' and 'community transmission.' While the instituted strict lockdowns slowed down the rate of increase, the number of new cases rapidly increased after the lockdowns were lifted. Figure 2 shows two peaks, each following the lifting of the restrictive measures. As of September 21, 2020, over 51,000 cases and 435 deaths have been reported. A rapid increase in the number of cases can be expected over the coming weeks and months based on observed trends and the experience from other countries with COVID-19 outbreaks.

In tackling the epidemic, Uzbekistan may benefit from both the overall population structure and the relative strengths in the existing health system. First, the population of Uzbekistan is relatively young, with those aged 65 and older constituting approximately 4.4% of the total population[8] (compared to 22.8% in Italy and 10.9% in China). The lower share of this age cohort is expected to lead to fewer severe and critical cases during the epidemic. In addition, Uzbekistan has a network of public health centers represented at every regional and district level. The public health centers are comprised of virology laboratories, rapid response teams, epidemiological staff, units responsible for infection prevention

[6] Ministry of Internal Affairs press release, March 27, 2020.

[7] (i) no case; (ii) sporadic cases; (iii) clusters of cases; and (iv) community transmission. Critical preparedness, readiness and response actions for COVID-19: Interim guidance. WHO, 2020.

[8] World Development Indicators (2018).

and control (IPC). Uzbekistan also has an extensive network of state health facilities, including primary care facilities, district and regional general and pediatric hospitals, emergency care hospitals, and specialized inpatient care centers. Throughout the healthcare system, there is a relatively large hospital bed capacity, which is likely to be able to absorb initial surge needs in hospital overall, and specifically in intensive care units (ICU) if repurposed and complemented by the necessary equipment and human resources. There are 334 acute beds per 100,000 population in Uzbekistan, compared to 290 beds in United States and 275 beds in Italy.[9] The ICU bed rate in state health facilities is approximately 7 beds per 100,000 population (2,200 beds in 2019), or about twice the rate in China.[10] [11] All state health facilities are funded by the Government and can be rapidly mobilized to engage in preparedness and response activities. Although the data on hospital and ICU bed capacity in private hospitals is not available, the rapid expansion of the private sector in recent years indicates substantial bed and ICU capacity that could complement state health facilities in response to a surge.

The Uzbek health system, however, still faces many challenges in mounting effective prevention and control measures against COVID-19. Public health staffing levels have seen significant cuts over the past couple of years, which will pose challenges in meeting rapidly increasing needs in case detection, contact tracing, and IPC and laboratory testing. There are also challenges regarding the availability of resources in public health facilities to carry out essential functions. Ensuring adequate supplies/consumables and trained staff in public health laboratories to rapidly expand capacity for COVID-19 testing will be a challenge as testing needs grow. The IPC measures in health facilities are also of concern given the observed high rates of transmission among health workers in other countries. As the number of cases grows, so will the number of severe and critical cases, and the health system will likely face shortages in qualified staff and equipment to manage many severe acute respiratory infection (SARI) cases. For example, given the limited availability of oxygen therapy and ventilator equipment in the country, substantial shortages are expected when critical cases surge. In addition, health facilities are likely to face stock-outs of personal protective equipment (PPE) as the epidemic evolves and very few health facilities are reported to have appropriate medical waste systems in place. More vehicles, staff training, and specialized equipment are also needed to handle deceased COVID-19 patients.

Key gaps in preparedness and response include matching a rapidly increasing need for active case finding, contact tracing and isolation, IPC and case management capacity. The current outbreak control approach will require rapid increase in core capacities, including capacity for testing, isolation, contact tracing and case management. For example, the number of COVID-19 tests performed in the country increased almost twenty-fold, from approximately 2,000 tests per day in March 2020 to over 40,000 tests in early September 2020. As epidemic further intensifies, the need for testing and isolation will continue to climb and may lead to critical shortages in COVID-2019 testing systems, laboratory equipment and consumables and isolation capacities. The surge in severely and critically ill and the need for expanded case management capacity will follow shortly the surge in cases. As in the case of many other countries, the geographical and temporal clustering of outbreaks will likely overwhelm the parts of the health system, subsequently leading to geographical and temporal shortages of hospital bed and staff.

[9] Health for all database, WHO (the latest data available for Uzbekistan is 2014, for Italy – 2013, for the US - 2013).
[10] Phua, J., et al., Critical Care Bed Capacity in Asian Countries and Regions. Critical Care Medicine, 2020.
[11] Rhodes, A., et al., The variability of critical care bed numbers in Europe. Intensive Care Medicine, 2012.

C. Proposed Development Objective(s)

Original PDO

The Project development objective is to prevent, detect, and respond to the threat posed by COVID-19 in the Republic of Uzbekistan.

Current PDO

The Project development objective is to prevent, detect, and respond to the threat posed by COVID-19 in the Republic of Uzbekistan.

Key Results

PDO and PDO Indicators. While the Project PDO and PDO indicators remain unchanged, the Intermediate Results Indicators will be revised to include a beneficiary feedback indicator provided below.

> **New Intermediate Results Indicator***: Online citizen engagement channel established and actively providing citizens with official COVID and project information, receiving feedback from citizens, and the PIU/MOH reporting back on actions*

D. Project Description

The AF will scale-up the activities under the Parent Project, with a focus on strengthening the health system response to the COVID-19 pandemic (Component 1). The AF will follow the existing component structure of the Parent Project. The additional funding will support a range of activities under Component 1, including scaling up of the procurement of diagnostic tests and equipment, as well as medical supplies and equipment and Component 3 to cover incremental costs. Component 2 will remain unchanged. The breakdown of the AF amount by expense categories under Component 1 and 3 is presented in the Table 1.

Table 1: Allocation of Additional Financing by Expense Category

Expense Category	Allocation
Component 1: Medical Supplies and Equipment for Health Facilities (Subcomponent 1.2 of the parent Project)	US$ 4,040,579
Component 3: Implementation Management and Monitoring and Evaluation	US$ 40,000
Total	US$ 4,080,579
Expense Category	**Allocation**
Component 1: Medical Supplies and Equipment for Health Facilities (Subcomponent 1.2 of the parent Project)	US$ 4,040,579
Component 3: Implementation Management and Monitoring and Evaluation	US$ 40,000
Total	US$ 4,080,579

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Legal Operational Policies

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

Summary of Assessment of Environmental and Social Risks and Impacts

E. Implementation

Institutional and Implementation Arrangements

Institutional and implementation arrangements established for the Parent Project will be also used for the AF. Implementation of the AF will be carried out using the existing Project Implementation Unit (PIU) under the MoH (implementing the Component 1 of the Parent Project and also, the Emergency Medical Services Project (P159544)) and will be guided by the Project Operations Manual (POM) adopted by the MoH in August 2020. The (PIU) is in the process of recruiting five additional staff to ensure continued adequate implementation capacity. The financial management arrangements at the PIU, including planning and budgeting, accounting, financial reporting, internal controls, external audit, and fund flows were deemed adequate and acceptable to the WB. The Environmental and Social Management Framework is under preparation. The initial six-month Procurement Plan has been prepared. The AF implementation arrangements are aligned with the country's existing structure and allow for quick disbursements and delivery of results.

CONTACT POINT

World Bank

Elvira Anadolu
Senior Health Specialist

Marina Novikova
Social Protection Specialist

Borrower/Client/Recipient

Republic of Uzbekistan
Timur Ishmetov
Minister of Finance
tishmetov@mf.uz

Implementing Agencies

Ministry of Health
Abdukhakim Khadjibaev
Deputy Minister of Health
akhadjibaev@gmail.com

Ministry of Finance
Jamshid Abruev
Deputy Minister of Finance
jabruev@mf.uz

FOR MORE INFORMATION CONTACT

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

APPROVAL

Task Team Leader(s):	Elvira Anadolu Marina Novikova

Approved By

Practice Manager/Manager:		
Country Director:	Marco Mantovanelli	07-Oct-2020