



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 19-Jan-2021 | Report No: PIDA31291



BASIC INFORMATION

A. Basic Project Data

Country Tajikistan	Project ID P176216	Project Name Additional Financing for the Tajikistan Emergency COVID-19 Project	Parent Project ID (if any) P173765
Parent Project Name Tajikistan Emergency COVID-19 Project	Region EUROPE AND CENTRAL ASIA	Estimated Appraisal Date 20-Jan-2021	Estimated Board Date 19-Feb-2021
Practice Area (Lead) Health, Nutrition & Population	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Health and Social Protection, State Agency for Social Protection

Proposed Development Objective(s) Parent

Project Development Objective (PDO) is to prepare and respond to the COVID-19 pandemic in the Republic of Tajikistan.

Proposed Development Objective(s) Additional Financing

Project Development Objective (PDO) is to prevent, prepare and respond to the COVID-19 pandemic in the Republic of Tajikistan.

Components

- Component 1. Strengthening intensive care capacity and COVID-19 prevention
- Component 2. Multi-sectoral response planning and community preparedness
- Component 3. Temporary social assistance for vulnerable households
- Component 4. Project Implementation and Monitoring

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	12.85
Total Financing	12.85
of which IBRD/IDA	12.85
Financing Gap	0.00



DETAILS

World Bank Group Financing

International Development Association (IDA)	12.85
IDA Grant	12.85

Environmental and Social Risk Classification
Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Tajikistan is a low-income IDA country with a large proportion of the population vulnerable to poverty and shocks, despite notable accomplishments in poverty reduction over the past 20 years. Tajikistan is a land-locked country, which borders China, and 93 percent of its terrain is mountainous. It has a population of 9.1 million¹. From 2000 through 2015 the country had an average economic growth rate of 7.7 percent annually, yet by 2018 still had the lowest gross domestic product (GDP) per capita in the Europe and Central Asia region at US\$3061 (in 2011 purchasing power parity terms). Nonetheless, the country has achieved sustained progress in reducing poverty in the national official poverty rate, from more than 37 percent in 2013 to about 27 percent in 2019. Remittance inflows are a powerful driver of poverty reduction in Tajikistan (in total equivalent to 29 percent of GDP in 2018), and exports are dominated by commodities, especially cotton and aluminum. Official development assistance inflows and in high levels of public investment account for above-average shares of GDP. About 70 percent of the population lives in rural areas according to official projections, and the agricultural sector is by far the largest employer in the country. Rural and remote areas are significantly poorer than urban settings on average, and face highly volatile incomes compounded by strong seasonality – the national poverty rate rises be as much as 8 percentage points during the winter and spring months.

2. The Country Partnership Framework (CPF) and Systematic Country Diagnostic also note the country’s social vulnerabilities and fragility risks, and these are compounded by the country’s geography. Fragility risks include: the legacy of the 1992-97 civil war; persistent poverty pockets in lagging regions; income insecurity; under and unemployment and security risks emanating from the 1,400-kilometer border with Afghanistan. More than one in three youth (age 15-24) and almost nine out of ten female

¹Official data of the State Agency on Statistics under the Government of Tajikistan, 2018.



youth are not in employment, education or training. In addition, Tajikistan is vulnerable to natural disasters. From 1992 to 2016, disasters in Tajikistan are estimated to have caused economic losses in excess of US\$1.8 billion, affecting almost 7 million people.

3. Tajikistan's economic ties to China, where the COVID-19 outbreak began, make it particularly vulnerable and both World Bank and International Monetary Fund's projections point towards a steep reduction in GDP growth in 2020. In 2019, China was Tajikistan's largest trading partner accounting for 4.7 percent of the export market and 18.1 percent of its import market. Further, oil prices fell in the first quarter of 2020 to lows not seen since the Great Recession, greatly reducing expected remittance inflows from Russia and limiting the growth outlook for Tajikistan's immediate neighbors. This combination of factors stands to cause a decline in consumption expenditure and imports, lowering tariff and VAT revenue and leading to a deterioration in fiscal sustainability. Aluminum, Tajikistan's primary export commodity at 17 percent of exports, hit a 40-month low of \$1,665 per ton in January. New foreign direct investment is also expected to decline. In 2019, the Chinese foreign investments account for nearly half (46 percent) of total foreign investments to Tajikistan, which are equivalent to 3.5 percent of GDP.

4. Remittances from Russia to Tajikistan are expected to sharply decline due to expected travel restrictions, the rapid ruble depreciation in Q1 of 2020, and collapsing oil prices. Tajik migrants living in Russia are the source of more than 90 percent of remittance income in Tajikistan, and the rapidly deteriorating economic prospects in Russia linked to falling oil prices, fears of the Covid-19 outbreak spreading, and exchange rate volatility are severe risks to economic stability in Tajikistan. Changes in the flow of remittances are expected to have a substantial impact on food security, particularly for vulnerable populations. In 2019, more than 10 percent of households reported an inability to buy enough food. More than half of households receiving remittances report using remittance income primarily to support household consumption of food and other necessities. Moreover, the poverty rate among children is structurally higher than among adults, and the country struggles with elevated rates of stunting. Finally, as remittances are highly targeted to the poorest regions and districts of the country, declining income from remittances and the absence of a quick recovery will lead to rising incidence and depth of poverty.

5. Higher inflation and potential labor market impacts are expected to have knock-on effects on vulnerable households and have the potential to increase the prevalence and depth of poverty. Falling remittances, the expected decline in Chinese imports (many of which are intermediate inputs), and a planned electricity tariff increase of 15 percent this year will place upward pressure on prices and reduce domestic output in comparison to expectations. Domestic business reliant on the supply of external raw materials will also face supply constraints. Approximately 300 Chinese-Tajik joint ventures are operational in Tajikistan and it is expected that they too will face disruptions on the flow of goods and people. Although the upward price movement in Tajikistan is likely to first be seen largely in non-food commodities, behavioral responses in the event of the outbreak spreading, and further supply constraints may lead to food price increases.

Sectoral and Institutional Context

6. On April 30, 2020, Tajikistan announced the first confirmed case of COVID-19 in the country, becoming the second-to-last country in the Europe and Central Asia (ECA) region to do so. Fifteen cases were declared, and, within weeks, cumulative cases grew to thousands, with peak incidence having



occurred in late May.² As of December 14, 2020, official data indicates that 12,741 people have tested positive for COVID-19, and 88 people have died. This equates to a crude cumulative incidence of 134 per 100,000 population and a cumulative death rate of 9.3 per 1,000,000 population. To help the Government respond to the pandemic, the World Bank approved the Tajikistan Emergency COVID-19 Project (P173765), which is being implemented satisfactorily with no changes to its implementation schedule.

7. The World Bank was among the first development partners to offer support to the Government of Tajikistan in its response to the COVID-19 pandemic, which included technical assistance for the implementation of the National Emergency Response Plan, adopted in March 2020. The parent Project, with a total funding envelope of SDR 8.3 million (US\$11.3 million equivalent) was prepared as part of the World Bank's emergency response under the COVID-19 Strategic Preparedness and Response Program using the Multiphase Programmatic Approach. The parent Project was approved on April 2, 2020, signed on April 3, 2020, declared effective on April 24, 2020, with a current closing date of December 1, 2021. The Project Development Objective (PDO) of the Parent Project is to prepare and respond to the COVID-19 pandemic in Tajikistan. The Project consists of four Components: (i) strengthening intensive care capacity; (ii) multisectoral response planning and community preparedness; (iii) temporary social support for vulnerable households; and (iv) Project implementation and monitoring.

8. Component 1 (Strengthening Intensive Care Capacity; US\$ 6.3 million), focuses on strengthening the Government's capacity to manage severe cases of the COVID-19 infection. More specifically, it provides financing for the procurement and installation of intensive care unit (ICU) equipment, and training of ICU personnel on the use of the equipment. This Component also provides funding for personal protective equipment (PPE) for ICU staff, and essential ICU consumables (medications, syringes, etc.) in ten (10) hospitals around the country. It also finances small works to ensure that the ICUs in the selected hospitals can accommodate the equipment purchased by the Project.

9. Component 2 (Multisectoral Response Planning and Community Preparedness; US\$ 1 million) provides financial support for risk and behavior change communication related to COVID-19. It finances the development and dissemination of risk-reduction messages, and other communication materials. The component also provides support by financing communication, training, and operating costs of the government agencies responsible for risk communication and community engagement, including the Ministry of Health and Social Protection (MOHSP) Press Center and the Republican Center for Healthy Lifestyles. It also supports training for the media on how to effectively communicate with the population regarding COVID-19-related risks and report on project beneficiary feedback, as well as training of community health volunteers. Finally, the component finances expert consultants/advisors for the MOHSP to help in the coordination of the national response to the pandemic.

10. Component 3 (Temporary Social Support for Vulnerable Households; US\$ 3 million) supports a program of nutrition-sensitive emergency cash transfers targeting poor households with children under the age of three. The program is providing time-limited support to vulnerable households with young children, in response to food price shocks caused by the COVID-19 pandemic which can negatively affect

² The peak cumulative incidence rate of 407 was reported on May 19, 2020. Since then, the daily reported number of cases has declined and, currently, it is about 90 per day with no evidence of the "second wave" of the epidemic reported yet.



children’s nutrition status, thereby jeopardizing human capital investments of the Government of Tajikistan. The transfers are delivered using the existing Targeted Social Assistance (TSA) system implemented by the State Agency for Social Protection (SASP), in collaboration with the State Bank “Amonatbank,” which processes the payments. The Project is also financing accompanying measures, such as messages on optimal nutrition, appropriate hygiene, and preventive health services to the cash transfers’ beneficiaries.

11. Component 4 (Project Implementation and Monitoring; US\$ 1 million) provides funds for Project management, including support for the Project Implementation Unit (PIU) located within the MOHSP.

C. Proposed Development Objective(s)

Original PDO

Project Development Objective (PDO) is to prepare and respond to the COVID-19 pandemic in the Republic of Tajikistan.

Current PDO

Project Development Objective (PDO) is to prevent, prepare and respond to the COVID-19 pandemic in the Republic of Tajikistan.

Key Results

12. The PDO will be monitored through the following PDO-level outcome indicators:
- Number of beds in fully equipped and functional intensive care units (ICUs) financed by the Project
 - Number of oxygen stations procured by the Project
 - Number of vulnerable households who received targeted cash assistance financed by the project

D. Project Description

13. The PDO of the parent Project, “to prepare and respond to the COVID-19 pandemic in the Republic of Tajikistan,” and the Project’s component structure remain unchanged. Table 1 presents the current and additional cost under the AF.



Table 1: Additional Financing Current and Proposed Cost by Component (in US\$M)

Component	Current Cost	Additional Financing	Revised Total Cost
Component 1. Strengthening Intensive Care Capacity	6.3	4.0	10.3
Component 2. Multisectoral Response Planning and Community Preparedness	1.0	0.2	1.2
Component 3. Temporary Social Support for Vulnerable Households	3.0	8.5	11.5
Component 4. Project Implementation and Monitoring	1.0	0.15	1.15
Total	11.3	12.85	24.15

Component 1: Strengthening Intensive Care Capacity and COVID-19 Prevention (current allocation – US\$ 6.3 million; AF allocation US\$ 10.3 million)

14. **Continuation:** The implementation of the activities from the parent Project will continue without any substantive changes. Health facility refurbishments and installation of ICU equipment will be finalized, and preventive maintenance will be completed. Similarly, procurement of consumables will be finalized, and distributed to the Project-supported ICUs.

15. **Change:** New activities proposed under Component 1 respond directly to the key gaps in its initial scope. First, the AF will support strengthening of oxygen supply by financing the establishment of pressure swing adsorption (PSA) oxygen refilling stations up to 15 hospitals, including the 10 supported by the parent Project. The PSA stations will have the capacity to provide oxygen directly to the hospital in which they are installed, as well as re-fill oxygen tanks that can be used in nearby facilities. Oxygen will be used in the care of critically ill COVID-19 patients, as well as those who are less severely ill but still require oxygen therapy, though not necessarily intubation and ICU care. To accompany the oxygen supply investments, the AF will finance procurement of complementary equipment necessary for essential oxygen therapy for patients who do not require ventilation, including vital sign monitors, pulse oximeters, nasal cannulas and catheters, oxygen masks, BiPAP³ and CPAP⁴ machines, etc. This funding will also include training and maintenance, as well as an initial supply of spare parts and capacity strengthening for the MOHSP to manage the oxygen supply. In addition to improving the care of COVID-19 patients, strengthening the oxygen supply will have a positive effect on a much broader range of services offered in the supported hospitals and will improve quality of care by filling a critical capacity gap (e.g., general emergency services, emergency obstetrics, inpatient maternal and child care). Second, the AF will finance procurement of medicines for COVID-19 therapy, including dexamethasone and other efficacious therapeutics that have credible approval for safety and effectiveness.

³ Bilevel positive airway pressure.

⁴ Continuous positive airway pressure.



16. The AF will also provide emergency financing to fill the budget gap for procurement of routine vaccines for measles, mumps and rubella (MMR), as well as PPE for health care staff providing vaccinations. Based on the agreement with the Government, training of ICU staff on COVID-19 management will be dropped under the AF, since WHO is already supporting a similar activity. Because other partners are supporting the procurement of test kits, it was also agreed that this activity will be dropped from the Project and the funding reallocated to purchase of PPE.

Component 2: Multi-sectoral Response Planning and Community Preparedness (current allocation – US\$ 1.0 million; AF allocation US\$ 1.2 million)

17. **Continuation:** The parent Project will continue to support surge capacity for the MOHSP, including funding the consultant positions of the Strategic Emergency Response Advisor, the Strategic Communication/Development Partners Liaison Officer, and other consultants supporting the MOHSP. It will also continue providing funds for media training and financial support to the MOHSP Press Center, the national hotline, and the Republican Center for Healthy Lifestyles to conduct communication and sensitization activities around the COVID-19 pandemic.

18. **Change:** Based on the success of the national COVID-19 hotline, the AF will finance its further strengthening, as well as establishment of regional COVID-19 hotlines, to provide callers with information about COVID-19 (i.e., symptoms, testing options, referrals, etc.) and information about how to access other essential health services during the pandemic. The hotlines will also be used as an additional grievance redress mechanism (GRM). The AF will finance staff time, equipment and operational costs of the hotlines, as well as increased capacity of the MOHSP server to accommodate increased traffic on the COVID-19 website and its expanding content to ensure that the public can access it without interruptions. The development of a national communications and outreach strategy and implementation plan will not be financed, as originally envisaged, under the parent Project, because this activity is now being supported by UNICEF.

Component 3: Temporary Social Assistance for Vulnerable Households (current allocation – US\$ 3.0 million; AF allocation US\$ 11.5 million)

19. **Continuation:** The provision of one-off emergency cash transfers to the beneficiaries identified under the parent Project and the delivery of accompanying measures – messages on optimal young child nutrition and stimulation – will continue as planned.

20. **Change:** The AF will expand the one-off emergency cash transfer program to new beneficiary groups, such as households with children under the age of seven, female-headed households with children under the age of 16, and households with children with disabilities. Additional groups, including the poorest households regardless of whether they have children or not may also be included; the eligibility criteria for those additional groups will be defined in the Project Operations Manual (POM). The beneficiaries who have already received transfers under the parent Project will not be able to receive the transfers financed by the AF. The additional transfers are expected to have the same value (about US\$ 50



per household), will use the same delivery mechanism (the TSA⁵ program administered by the SASP) and follow procedures described in the POM. A small portion of the financing under Component 3 will be used to cover the administrative fees of Amonatbank; to develop and disseminate information regarding the additional cash transfers; to strengthen the TSA program based on the lessons learned from the parent Project, including developing interoperability between the TSA beneficiary database, the civil registry maintained by the Ministry of Justice, and other relevant databases; to increase the capacity of the TSA servers; and to finance other capacity strengthening activities. The AF will allow the Government to provide emergency cash payments to a total of approximately 70,000 additional households.

Component 4: Project Implementation and Monitoring (current allocation – US\$ 1.0 million; AF allocation US\$ 1.15 million)

21. **Continuation:** The parent Project will continue to finance the PIU, including staff salaries and operating costs, necessary training and equipment, support for procurement, financial management, environmental and social risk management, and M&E and reporting activities.

22. **Change:** The AF will finance the operating costs of the PIU, including the extension of the PIU staff contracts for the additional time period covered of the AF, as well as the cost of mobilizing short-term consultants with expertise related to oxygen supply and medical equipment.

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

⁵ The TSA program, administered by SASP, is the national social-safety net program targeting the poor. Households are eligible to participate in the program based on a proxy means test. The program provides quarterly cash benefits as well as a range of non-monetary benefits, including discounted public utility fees, exemption from co-payments for health services, and others. The emergency cash transfer program financed by the parent Project uses the existing TSA infrastructure to deliver one-off emergency cash transfers to beneficiaries included in the TSA database (that is, meeting the proxy means test criteria) and meeting additional eligibility criteria based on the criteria described in the POM (for the parent Project, those include households with children under the age of 3). The emergency cash transfers are administered through a separate administrative module and are not part of the TSA program. Rather, they constitute a separate program providing a separate payment to a sub-group of TSA recipients. It is worth mentioning that the module was first developed through a collaboration between MOHSP, SASP, UNICEF, and the World Bank to provide emergency cash assistance to victims of natural disasters. However, it has never been deployed until the COVID-19 pandemic. The one-off emergency cash transfer program financed by the parent Project and the AF is the first to be delivered through the module.



23. The Environmental and Social Risks are rated "Substantial" The major areas of risks for the project are: (i) risks related to rehabilitation of existing healthcare facilities; (ii) risks related to medical waste management and disposal; (iii) risks related to spread of the virus among health care workers; (iv) the additional risks related to establishment of PSA oxygen refilling stations at selected hospitals; (v) exclusion risks and challenges with delivery of emergency cash transfers; and (vi) risks related to the spread of COVID-19 among the population at large. These risks are covered by ESS 1, ESS 2, ESS 3, ESS 4, and ESS 10.

24. The small scale works related to rehabilitating 10-bed ICUs and installation of oxygen supply stations are expected to take place on the property of existing facilities; therefore, they will be mostly community-based activities and environmental issues (and impacts thereof) are expected to be temporary, predictable, and easily mitigable. There will be no land acquisition.

25. The more substantial risks are around ensuring contagion vectors are controlled through strict adherence to standard procedures for medical waste management and disposal; the use of appropriate Personal Protective Equipment (PPE) for all health care workers; and working with local governments and communities to ensure that social distancing measures and quarantine regimes are strictly adhered is also vital for lowering the speed and incidence of infection.

26. To manage these risks, the MOHSP will update two major instruments of the parent Project, the Environmental and Social Management Framework (ESMF) to include international best practices in planning, installation, and operations of oxygen systems and refill stations, and the Stakeholder Engagement Plan (SEP) to incorporate the proposed AF activities and investments to increase capacity of the MOHSP to develop and disseminate COVID-19 risk communication messages and feedback mechanisms. The ESMF and SEP will be updated to a standard acceptable to the Bank, consulted on, and disclosed both in country on the MOHSP website and on the World Bank website.

E. Implementation

Institutional and Implementation Arrangements

27. The activities financed by the parent Project are implemented by the PIU under the direction of the MOHSP. The PIU consists of MOHSP technical, fiduciary, administrative staff, and local consultants at the central level who manage implementation of Project activities, including M&E. The PIU has the required capacity in implementing World Bank-funded projects, is adequately staffed, and appropriate controls and procedures have been instituted. Full details on operational procedures that guide Project implementation are outlined in the POM, which will be updated to include the AF activities. Given the satisfactory pace and quality of implementation of the parent Project to date, institutional and implementation arrangements will remain unchanged. Implementation of citizen engagement activities will be carried out by the MOHSP public relations team, in collaboration with consultant facilitators and will be funded through Project funds.



28. In addition, it was agreed that third-party monitoring by a Civil Society Organization (CSO) or a consortium of CSOs will be carried out to help the MoHSP enhance effectiveness and transparency of Project implementation and elicit public trust and support. The third-party monitoring will be financed through World Bank-executed trust fund under an advisory services and analytics activity (P175904), rather than from the AF budget.

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APPROVAL

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