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Report No: PAD4287

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF SDR 3.5 MILLION  
(US\$5.0 MILLION EQUIVALENT)

TO THE

REPUBLIC OF CABO VERDE

FOR THE

COVID-19 EMERGENCY RESPONSE PROJECT ADDITIONAL FINANCING ON VACCINES

JANUARY 29, 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

UP TO US\$12 BILLION ADDITIONAL FINANCING APPROVED BY THE BOARD  
ON OCTOBER 13, 2020

Health, Nutrition and Population Global Practice  
Western and Central Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective December 31, 2020)

Currency Unit = Cabo Verdean Escudo (ECV)

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ECV 90.22 = US\$1

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SDR 0.694 = US\$1

## FISCAL YEAR

January 1 - December 31

Regional Vice President: Ousmane Diagana

Country Director: Nathan M. Belete

Regional Director: Dena Ringold

Practice Manager: Gaston Sorgho

Task Team Leader: Edson Correia Araujo

## ABBREVIATIONS AND ACRONYMS

ACG	Anti-Corruption Guidelines
AEFI	Adverse Events Following Vaccination
AF	Additional Financing
AMC	Advance Market Commitment
BFP	World Bank Facilitated Procurement
CCE	Coordination Centre for Effects
CDC	Center for Disease Control
CRS	Complaints Resolution Committee
COVAX	COVID-19 Vaccines Global Access
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
DHIS2	District Health Information Software 2
DPF	Development Policy Financing
E&S	Environment and Social
EIP	Expanded Immunization Program
ERIS	Independent Health Regulatory Authority ( <i>Entidade de Regulação Independente da Saúde</i> )
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESRS	Environmental and Social Review Summary
ESS	Environmental and Social Standards
FM	Financial Management
FTCF	Fast Track COVID-19 Facility
GAVI	Global Alliance for Vaccines and Immunizations
GBV	Gender-based Violence
GDP	Gross Domestic Product
GFP	Grievance Focal Points
GHG	Greenhouse Gas
GoVC	Government of Cabo Verde
GM	Grievance Mechanism
GWP	Global Warming Potential
HEIS	Hands-on Expanded Implementation Support
IDA	International Development Association
IBRD	International Bank for Reconstruction and Development
IFC	International Finance Corporation
IFR	Interim Financial Report
INSP	National Institute of Public Health ( <i>Instituto Nacional de Saude Pública</i> )
IPF	Investment Project Financing
ISR	Implementation Status and Results Report
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
MHSS	Ministry of Health and Social Security ( <i>Ministério da Saúde e da Segurança Social</i> )
MPA	Multiphase Programmatic Approach

NITAG	National Immunization Technical Advisory Group
NCDs	Non-communicable Diseases
PAD	Project Appraisal Document
PDO	Project Development Objective
PEF	Pandemic Emergency Financing Facility
PIM	Project Implementation Manual
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
PQS	Performance, Quality, Safety
PrDO	Program Development Objective
SAGE	Strategic Advisory Group of Experts (on immunization)
SDDs	Solar Direct Drive Refrigerators
SDR	Special Drawing Rights
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SH	Sexual Harassment
SMT	Supply Management Tool
SPRP	Strategic Preparedness and Response Program
SRA	Stringent Regulatory Authorities
STEP	Systematic Tracking of Exchanges in Procurement
UGPE	Special Project Management Unit ( <i>Unidade de Gestão de Projectos Especiais</i> )
UN	United Nations
UNICEF	United Nations Children's Fund
VIRAT	Vaccine Introduction Readiness Assessment Tool
VRAF	Vaccine Readiness Assessment Framework
WBG	World Bank Group
WHO	World Health Organization

**Cabo Verde**

**COVID-19 Emergency Response Project Additional Financing on Vaccines**

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**BASIC INFORMATION – PARENT (Cabo Verde: COVID-19 Emergency Response Project - P173857)**

Country Cabo Verde	Product Line IBRD/IDA	Team Leader(s) Edson Correia Araujo		
Project ID P173857	Financing Instrument Investment Project Financing	Resp CC HAWH3 (9542)	Req CC AWCF1 (6550)	Practice Area (Lead) Health, Nutrition & Population

Implementing Agency: National Health Directorate

Is this a regionally tagged project?  No	
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Bank/IFC Collaboration  No
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Approval Date 02-Apr-2020	Closing Date 31-Mar-2021	Expected Guarantee Expiration Date	Environmental and Social Risk Classification Substantial
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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 checked="" 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 050)

Project development objective is to prepare and respond to the COVID-19 pandemic in Cabo Verde

### Ratings (from Parent ISR)

	Implementation	Latest ISR
	22-Jun-2020	24-Dec-2020
Progress towards achievement of PDO	S	HS
Overall Implementation Progress (IP)	S	HS
Overall ESS Performance	S	S
Overall Risk	S	S
Financial Management	HS	HS
Project Management	S	HS
Procurement	HS	S
Monitoring and Evaluation	S	S

### BASIC INFORMATION – ADDITIONAL FINANCING (COVID-19 Emergency Response Project Additional Financing on Vaccines - P175807)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P175807	COVID-19 Emergency Response Project Additional Financing on Vaccines	Scale Up	Yes
Financing instrument	Product line	Approval Date	
Investment Project Financing	IBRD/IDA	11-Feb-2021	
Projected Date of Full Disbursement	Bank/IFC Collaboration		



30-Jun-2022	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 checked="" 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 checked="" 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	5.00	5.12	0.01		100 %
Grants	0.94	0.94	0.00		100 %

**MPA Financing Data (US\$, Millions)**

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

<b>Board Approved MPA Financing Envelope:</b>	18,000,000,000.00
<b>MPA Program Financing Envelope:</b>	18,000,000,000.00
<b>of which Bank Financing (IBRD):</b>	9,900,000,000.00
<b>of which Bank Financing (IDA):</b>	8,100,000,000.00
<b>of which other financing sources:</b>	0.00





**PROJECT FINANCING DATA – ADDITIONAL FINANCING (COVID-19 Emergency Response Project Additional Financing on Vaccines - P175807)**

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

**SUMMARY (Total Financing)**

	Current Financing	Proposed Additional Financing	Total Proposed Financing
<b>Total Project Cost</b>	5.00	5.00	10.00
<b>Total Financing</b>	5.00	5.00	10.00
<b>of which IBRD/IDA</b>	5.00	5.00	10.00
<b>Financing Gap</b>	0.00	0.00	0.00

**DETAILS - Additional Financing**

**World Bank Group Financing**

International Development Association (IDA)	5.00
IDA Credit	5.00

**IDA Resources (in US\$, Millions)**

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
<b>Cabo Verde</b>	5.00	0.00	0.00	5.00
National PBA	5.00	0.00	0.00	5.00
<b>Total</b>	<b>5.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>

**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

Explanation

The project is being processed using the following waivers granted through the MPA: a partial waiver relating to the application of Anti-Corruption Guidelines to unsuccessful bidders in the context of retroactive financing and of framework agreements in place between the borrower and suppliers and financed under retroactive financing or advanced procurement. The project also applies the Blanket waiver issued by the OPCS VP on October 27 for projects being under implementation for less than 12 months (the Bank Policy for IPF, Section III, paragraph 28).

Has the waiver(s) been endorsed or approved by Bank Management?

Approved by Management

Endorsed by Management for Board Approval

No

Explanation

The MPA-specific waivers have been approved by the Board as part of the MPA approval. The blanket waiver for projects being under implementation for less than 12 months (the Bank Policy for IPF, Section III, paragraph 28) was issued by the OPCS VP on October 27, 2020, to cover all projects under the MPA on COVID-19.



**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	Not Currently 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 been screened for short and long-term climate change and disaster risks

**PROJECT TEAM****Bank Staff**

<b>Name</b>	<b>Role</b>	<b>Specialization</b>	<b>Unit</b>
Edson Correia Araujo	Team Leader (ADM Responsible)	Health Economist	HLCHN
Ndeye Fatou Mbacke	Procurement Specialist (ADM Responsible)	Procurement Specialist	EAWRU
Laurent Mehdi Brito	Procurement Specialist	Procurement Specialist	EAWRU
Fatou Mbacke Dieng	Financial Management Specialist (ADM Responsible)	Financial Management Specialist	EAWG1
Camilla Gandini	Social Specialist (ADM Responsible)	Social Development Specialist	SAWS4
Fabienne Anne Claire Prost	Environmental Specialist (ADM Responsible)	Environmental Analyst	SAWE1
Faly Diallo	Team Member	Finance Officer	WFACS
Fatoumata Binta Maama Barry	Team Member	Health Specialist	HAWH3
Joao Verissimo Figueiredo Rodrigues Esteves P	Team Member	Public Health Specialist	HAWH2
Johanna van Tilburg	Safeguards Advisor/ESSA	Regional ESSA	AFWDE
Luana Rodrigues De Araujo	Team Member	Public Health Specialist	HLCHN
Matthieu Louis Bonvoisin	Counsel	Counsel	LEGAM
Nina Chee	Safeguards Advisor/ESSA	Regional Safeguards Adviser	EAPOS
Sariette Jene M. C. Jippe	Team Member	Program Assistant	HAWH3
<b>Extended Team</b>			
<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Location</b>



## I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

### A. Introduction

**1. This Project Paper seeks the approval of the Board of Directors to provide a second Additional Financing (AF) in the amount of US\$5.0 million equivalent to support expanding activities of the Cabo Verde: Coronavirus disease (COVID-19) Emergency Response Project (P173857) under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA) approved by the Board on April 2, 2020, and the vaccines AF to the SPRP approved on October 13, 2020.<sup>1</sup> The primary objectives of the AF are to further strengthen preparedness and response activities under the parent project and to enable affordable and equitable access to COVID-19 vaccines and help ensure effective vaccine deployment in Cabo Verde through enhanced vaccination system strengthening. In addition, this Project Paper seeks the World Bank's Board's approval of a modification of the vaccine approval threshold that three Stringent Regulatory Authorities (SRAs) in three different regions have approved the COVID-19 vaccine for emergency use. There is currently only one vaccine that meets the eligibility criteria that were approved by the Board as part of the COVID-19 SPRP AF Project Paper. Given the urgent need to accelerate the vaccination campaign and the significant progress made by other vaccines toward meeting these standards, it is proposed that the the Board of Directors modify, for the purpose of this additional credit, the threshold for eligibility of IBRD/IDA resources in vaccine purchase to either: (i) approval by three SRAs including Emergency Use Authorization (SRAs from at least two different regions); or (ii) World Health Organization (WHO) prequalification and approval by one SRA.**

**2. The need for additional resources to expand the COVID-19 response was formally conveyed by the Government of Cabo Verde (GoCV) in the request, dated September 7, 2020.** 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 GoCV. The purpose of the proposed AF is to help the Government in purchasing and deployment of the COVID-19 vaccines that meet World Bank standards. The latest country population is 567,000 people of which just over 4,200 are estimated to be the front-line health workers, and approximately 60,000 are highly vulnerable to COVID-19. The US\$3.5 million AF will help vaccinate the prioritized groups, to be covered by the COVID-19 Vaccines Global Access (COVAX) Facility by the end of 2021. Estimates for the priority groups and beyond are provided later in the document.

**3. Critically, the AF seeks to enable the acquisition of vaccines from a range of sources to support Cabo Verde's objective to have a portfolio of options to access vaccines under the right conditions (of value-for-money, regulatory standards and delivery time among other key features).** The COVAX facility has put in place a framework that will anchor Cabo Verde's strategy and access to vaccines: on December 7, 2020, Cabo Verde confirmed interest to enter into into an agreement with the COVAX facility. The proposed IDA financing builds on this to expand Cabo Verde's access to COVID-19 vaccines through the COVAX facility and, possibly beyond, through direct purchases from manufacturers. The availability and terms of vaccines remain fluid and prevent the planning of a firm sequence of vaccine deployment. Rather

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<sup>1</sup> 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 World 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 AF of US\$12 billion (IBRD/IDA) 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.



the proposed financing enables a portfolio approach that will be adjusted during implementation in response to developments in the country pandemic situation and the global market for vaccines.

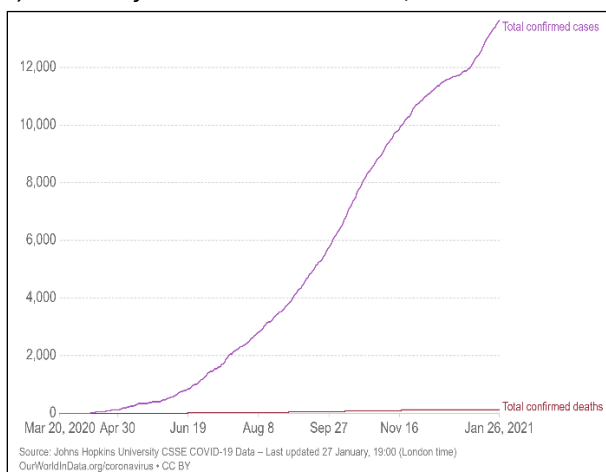
**4. The current total World Bank Group (WBG) support to the Cabo Verde COVID-19 health response is US\$5.94 million (equivalent) that includes two financing sources as follows:** (i) US\$5 million mobilized from the Cabo Verde: COVID-19 Emergency Response Project (P173857) prepared under the MPA Fast Track COVID-19 Facility (FTCF approved on April 2, 2020); and (ii) US\$0.94 million under the Pandemic Emergency Financing Facility (PEF) - Cabo Verde: COVID-19 Response PEF AF – P174299).

**B. Parent Project Design and Scope**

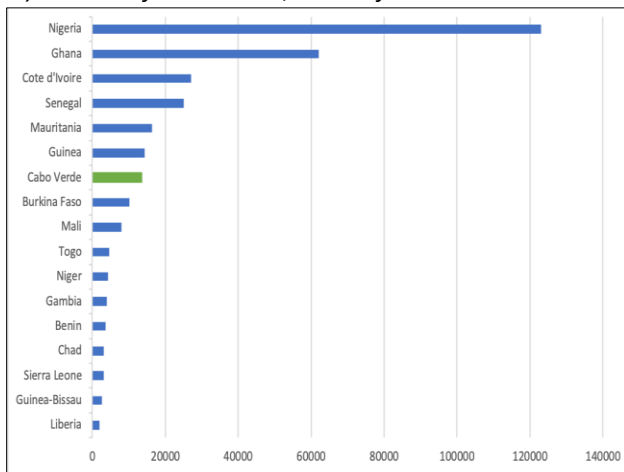
**5. The parent project responded to the initial COVID-19 emergency health response needs, which began when the first cases of COVID-19 in Cabo Verde were detected in mid-March 2020 in European tourists visiting Boa Vista Island.** By the end of March 2020, local transmission was announced which triggered a series of local and national measures aimed at preventing the virus dissemination (culminating in a 20-day national emergency state on March 28, 2020). Since April 2020, the pandemic has spread across all Cabo Verde’s islands, with 14,000 confirmed cases and 130 deaths by January 28, 2021. As of that date, Cabo Verde is the seventh country in West Africa in terms of the cumulative number of cases and the ninth in the cumulative number of deaths. After a peak in COVID-19 transmission in mid-October 2020 of around 100 new cases per day, the country has presented a marked decrease in this daily number, reaching around 16 new cases per day by the end of December 2020. However, at the beginning of January 2021, this statistic sharply increased and rose by 92 new cases in 24h by January 21, 2021, with a decreasing trend since then.

**Figure 1: COVID-19 Pandemic in Cabo Verde and West Africa**

*a) Total confirmed cases and deaths, Cabo Verde*



*b) Total confirmed cases, West African Countries*



Source: a) COVID-19 Data Repository by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University, available at: <https://ourworldindata.org/coronavirus-data#cases-and-deaths>; b) European CDC, available at: <https://bit.ly/Nov12WA>.

**6. The economy has been severely affected by the COVID-19 crisis, with gross domestic product (GDP) expected to contract by 11 percent in 2020.<sup>2</sup> Tourism, which accounts for 25 percent of the**

<sup>2</sup> World Bank, 2020. Cabo Verde DPF proposal – Pre-Concept Note Stage, October 27, 2020.



country's GDP and around 40 percent of overall economic activity, has been particularly affected. Estimates point to a decrease in tourism revenues between 25 percent to 30 percent, with a contraction in the overall sectoral contribution to the country's GDP and employment by an annual 11 percent and 9 percent (lower estimates) and 22 percent and 19 percent (worst case scenario), respectively.<sup>3</sup> The young, economically active population (20-44 years old) are the most affected by the disease (in terms of number of cases), which may pose an additional risk for economic recovery without adopting an adequate, safe, and effective vaccination strategy. As observed in other countries, two thirds of deaths occurred among those over 65 years of age.

**7. The authorities have implemented accommodative fiscal and monetary policy measures to mitigate the economic impact of the shock and enhanced social programs to preserve the livelihoods of the poor.** Fiscal measures included the extension of tax payment schedules, exemption of social contribution for three months, acceleration of tax refunds, and fast-tracked settlement of supplier invoices. Other fiscal measures to support firms included credit lines and loan guarantees amounting to nearly US\$30 million. The Government also activated the National Emergency Fund (US\$10 million) to finance prevention and response actions within the scope of the national health system and civil protection. Also, financial policies to increase banks' liquidity are being implemented. Interest rates were reduced across the board with the intention to provide a financing boost to the economy. The 2020 budget was revised and supplemented with US\$20 million, reaching 38.4 percent of GDP at US\$761 million. It gives priority to strengthening the National Health System to handle the COVID-19 pandemic, while also improving future health outcomes.

**8. The World Bank has responded swiftly to the crisis through emergency operations and the repurposing of existing operations.** Responding to the crisis has not resulted in substantial modification of the program agreed with the Government under the Country Partnership Framework (CPF) FY20 - FY25, as the pipeline operations remain extremely important for the economic recovery.<sup>4</sup> The critical areas of intervention of the CPF - accelerating human capital development and strengthening the environment for a more diversified economy - and the pipeline of programs under preparation remain a priority. Ongoing operations were restructured to free up a combined US\$4.5 million to respond to the crisis. The social response was provided through the Social Inclusion Project (P165267) which allocated US\$3 million to reach an additional number of vulnerable families and the Cabo Verde Education and the Skills Development Enhancement Project (P164294) which has repurposed US\$1 million for the purchase of tablets and televisions to respond to the urgent need from the Ministry of Education to ensure educational continuity remotely. Annex I provides a full description of the World Bank Program Adjustment in Response to COVID-19 in Cabo Verde.

**9. The project development objective (PDO) of the parent project and the proposed AF is to prepare and respond to the COVID-19 pandemic in Cabo Verde.** The parent project includes two complementary components, which supported the GoCV in the implementation of its National COVID-19 Preparedness Plan. Component 1 (Emergency COVID-19 Prevention, Preparedness and Response) is providing immediate support to Cabo Verde to prevent COVID-19 from spreading in the country by limiting and/or preventing person to person transmission through adequate personal protective equipment (PPE) for health and laboratory personnel. It included the following sub-components: (i) Prevention of new COVID-19 cases and propagation; (ii) Strengthen national and sub-national COVID-19 case detection; and (iii)

<sup>3</sup> UNECA, 2020. Available at: [https://www.uneca.org/sites/default/files/NewsCoverageFiles/artigo\\_-\\_impacts\\_of\\_covid\\_19\\_on\\_cabo\\_verde.pdf](https://www.uneca.org/sites/default/files/NewsCoverageFiles/artigo_-_impacts_of_covid_19_on_cabo_verde.pdf)

<sup>4</sup> Report No. 127164-CV.



Strengthen national system for public health preparedness and response (US\$2.6 million). Component 2 (Project Management and Monitoring and Evaluation (M&E)) is providing support to coordination and management of project activities, including procurement of goods and their distribution across health facilities within Cabo Verde.

**10. Project implementation is under the responsibility of the Special Project Management Unit (*Unidade de Gestão de Projectos Especiais*, UGPE), including fiduciary management (procurement and financial management (FM), within the Ministry of Finance, which has implemented several development projects since being established in 1999.** The UGPE is currently implementing the ongoing IDA Credit for Competitiveness for Tourism Development Project (P146666), the Education and Skills Development Enhancement Project (P164294), Access to Finance for Micro, Small, and Medium Sized Enterprises Project (P155200), the Social Inclusion Project (P165267), the State-Owned Enterprises Related Fiscal Management Project (P171528), and the Regional Harmonizing and Improving Statistic (P169265). The National Health Directorate has primary technical responsibility in carrying out the Project and plays a role in the implementation of the components and their various activities, in accordance with the existing roles and responsibilities assigned to them within the ministry.

### C. Project Performance

**11. The progress on the PDO and overall implementation were both rated as Highly Satisfactory in the last Implementation Status and Results Report (ISR) of December 2020, and the Project continues to make remarkable progress.** As of January 11, 2021, the Project has disbursed 100 percent of the funds and the PEF grant disbursed 88 percent of total grant funds. The majority of PDO and intermediate indicators targets have been achieved or surpassed. Both PDO indicators '*Percentage of suspected cases of COVID-19 tested per approved protocol*' and '*Percentage of diagnosed cases treated per approved protocol*' achieved 100 percent against targets of 85 percent and 50 percent, respectively. Similarly, the target for the PDO indicator '*National virology laboratory equipped with COVID-19 diagnostic equipment, test kits, and reagents per Ministry of Health guidelines*' was successfully achieved as was the intermediate indicator '*The Country has prepared a referral system to care for COVID-19 patients.*' The intermediate indicator '*Number of additional ICU beds equipped and operational*' has reached 70 percent of its target.

**12. The UGPE has coordinated Project planning and procurement effectively.** The Project provided immediate support to purchase PPE for health, laboratory personnel, and general population; procured laboratory equipment to strengthen disease surveillance systems through the National Virology Laboratory, and diagnostic supplies to enhance case finding capacity. The country requested Hands-on Expanded Implementation Support (HEIS) under the World Bank's procurement framework to support the Ministry of Finance in the context of the procurement of items described above. The World Bank also provided proactive assistance in accessing existing supply chains through World Bank Facilitated Procurement (BFP) under HEIS.

**13. Following the Environmental and Social Framework (ESF) directives, the Parent Project prepared, consulted upon and disclosed an Environmental and Social Commitment Plan (ESCP), a Stakeholder Engagement Plan (SEP) an Environmental and Social Management Framework (ESMF) and Labor Management Procedures (LMP).<sup>5</sup>** The Environmental and Social (E&S) safeguards instruments have been

<sup>5</sup> <https://mf.gov.cv/web/mf/-/projeto-de-emerg%C3%Aancia-em-resposta-ao-covid-19?fbclid=IwAR2UkSfRg9Nep6CXsb4UYQwKpV2cbTOMN-hmuDb8zBrD1bhNqnMhwRRLqM8>





disclosed on the World Bank website on June 17, 2020 and on the Ministry of Finance’s website on June 25, 2020. A Project Implementation Manual (PIM) was shared with the World Bank on July 7, 2020 and subsequently issued. The Borrower has updated the Parent Project’s ESCP. The SEP, ESMF and LMP will be updated to incorporate the new activities and related risks and mitigation measures introduced through the proposed AF, including those measures related to Sexual Exploitation and Abuse (SEA)/Sexual Harassment (SH) risk mitigation. The updated SEP, ESMF and LMP will have to be consulted upon, finalized and disclosed on the Ministry of Finance’s website by project effectiveness, and the ESCP has been finalized by January 25, 2021.<sup>6</sup> The PIM will also be updated to integrate the AF changes within 30 days after project effectiveness. The UGPE has hired a full-time E&S safeguards specialist to manage and supervise the overall project’s E&S aspects. The E&S safeguards specialist will continue coordinating and supervising the E&S aspects of the AF as well.

**14. On the social and environmental aspects, despite the UGPE efficient management of most of the social and environmental risks, the pandemic posed challenges in implementing some of the agreed E&S measures in a timely manner.** The UGPE has designed and is currently implementing a project-level grievance mechanism (GM) with the aim of providing an accessible and timely channel to facilitate communication with project beneficiaries for them to share feedbacks and potential complaints related to the Project’s interventions (see paragraph 70 for more details on the GM). Although the project-level GM is currently functional, additional steps are needed to strengthen its efficacy, including integrating SEA/SH-specific measures to manage potential SEA/SH cases safely and confidentially, and providing additional training on the GM functioning to strengthen GM Focal Points capacity to manage received complaints. The Project will ensure that the existing GM will be properly adapted to take into account the possible grievance coming from the COVID-19 vaccine. Communities will be informed of the different channels to register grievances in case of non-compliance, abuse or discrimination. The Project’s workers-specific GM and the gender-based violence (GBV)/SEA/SH Action Plan to address SEA/SH risks related to project activities have also to be operationalized per ESCP and LMP requirements. These delays have been mainly related to the extreme pressure posed by the pandemic to the Ministry of Health and Social Security (MHSS) and to the shortage of human resources. Now that the UGPE has a full-time E&S specialist appointed to the Project, it is expected that these measures will be developed in a timely manner and per the ESCP agreed measures.

#### **D. Rationale for Additional Financing**

**15. The proposed AF will play a critical role in enabling affordable and equitable access to vaccines in Cabo Verde.** COVID-19 vaccination, along with improved diagnostics and therapeutics, is essential to protecting lives and enabling the country to reopen safely. The global economy will not recover fully until people feel they can live, socialize, work, and travel with confidence. Given the importance of limiting the spread of COVID-19 to both health and economic recovery, providing access to COVID-19 vaccines will be critical to accelerate economic and social recovery, including the reopening of tourism safely, which is central to Cabo Verde’s economy (as noted above, tourism accounts for 25 percent of the GDP).

**16. The proposed AF will finance the scale-up of project activities and new activities that focus on results to achieve the original PDO and enhance the impact of the Parent Project.** As such, the original PDO would remain unchanged. This scale-up of project activities with a focus on vaccination will be

<sup>6</sup> Ministry of Financing webpage: <https://mf.gov.cv/documents>.



implemented in close coordination with other development partners in Cabo Verde, as elaborated in Box 1. The Project will support Cabo Verde to effectively roll out its COVID-19 vaccination strategy as defined in the National COVID-19 Vaccination Plan.<sup>7</sup>

**Box 1: Potential Supportive Roles for Partner Agencies in Implementation**

	Financing US\$
<b>World Health Organization (WHO) Roles</b> - To provide technical assistance to the National Institute of Public Health (INSP)/Ministry of Health and Social Security (MHSS) in developing the COVID-19 deployment and vaccination plans, including the quantification and forecasting of supply needs (vaccines and immunization-related supplies); - To provide technical leadership for supporting vaccine introduction, implementation of vaccine deployment, and M&E based on the global and regional WHO guidance; - To provide technical support and guidance on assessment of existing and pending resources of immunization health systems to prepare the National Expanded Program on Immunization (EPI) for the Introduction of COVID-19 vaccine; - To provide technical support in preparing appropriate regulatory pharmacovigilance authorities for vaccine licensing and emergency authorization for use in national vaccination program; - To provide technical support to strengthen COVID-19 surveillance, as well as for supervision and management.	Not applicable
<b>UNICEF Roles</b> - To provide technical assistance to the INSP/MHSS in developing the COVID-19 deployment and vaccination plans, including the quantification and forecasting of supply needs (vaccines and immunization-related supplies); - Undertake qualitative baseline studies using innovative technologies (Knowledge, Attitudes and Practices, KAP); - To provide technical support to the INSP/MHSS to develop a communication/demand generation and communication strategy (includes advocacy, communications, social mobilization, risk and safety communication, community engagement, and training) to generate confidence, acceptance and demand for COVID-19 vaccines; - To support supervision and management, in close collaboration with the WHO.	Not applicable
<b>GAVI/COVAX's Roles</b> - Provide COVID-19 vaccine for the first 20 percent of the population (for free for 16 percent of the population and at a subsidized price for 4 percent of the population); - Provide technical assistance related to the development of the National COVID-19 Vaccine Deployment Plan.	Vaccines to 16 percent of the population (including freight costs)

**17. This AF is being proposed at a critical juncture in the global response to COVID-19.** There are now significant developments in new COVID-19 therapies and the production of vaccines is progressing fast. Eleven vaccines are already in large-scale phase-3 clinical trials and recently published results from the trials of two vaccines show that they are safe and produce desired immune responses. Three vaccines have received emergency use authorization from the United Kingdom Medical Healthcare products Regulatory Agency, two from the United States’ Food and Drug Administration, and regulators in Canada, Bahrain, and Saudi Arabia, and two others are expected to be submitted for marketing authorization in the United Kingdom and the United States. In parallel with vaccine research, the global production capacity is being scaled up, making the COVID-19 vaccines increasingly commercially available – see Annex II for an updated summary of the COVID-19 vaccine approvals by SRAs and the WHO.

**18. Cabo Verde has a strong and well-performing Expanded Immunization Program, which has achieved strong results in the past.** Cabo Verde has persistently achieved immunization coverages of over 95

<sup>7</sup> Plano de Introdução da Vacina Contra SARS-COV-2. República de Cabo Verde, Ministério da Saúde e da Segurança Social.



percent for the vaccines under the National Immunization Scheme (pediatric target population, ~5 percent of country’s population). The Immunization Program is coordinated by the MHSS, assisted by an advisory board, and locally by health delegates at the municipal level, and under the responsibility of the person responsible for the health structure at the level of health centers. The country has 39 vaccinations posts across the 10 islands of the archipelago. A supply and cold chain assessment done in 2015 has shown that the country has robust storage capacity at central and regional level warehousing, as well as moderate capacity at the 39 vaccination posts. The cold chain can store vaccines up to -25 degrees Celsius and the logistical transport system is adequate for current needs. The AF will allow the country to expand the storage, cold chain, and distribution needs to scale up immunization as per the National COVID-19 Vaccination Plan and manufacturer production capacity.

**19. The country is implementing the readiness assessment based on the Vaccine Readiness Assessment Framework (VRAF) in tandem with the Vaccine Introduction Readiness Assessment Tool (VIRAT).** This work is the result of a coordinated effort led by the MHSS with the close support from the World Bank team in collaboration with the UNICEF and the WHO immunization technical officers in country. Notwithstanding the significant advances in the coordination and regulatory framework, Cabo Verde has completed and finalized most of the preparedness steps for the introduction and roll out of the COVID-19 vaccine. Critical areas that have been finalized include: (i) gap analysis of delivery and storage capacity at the nine inhabited islands of Cabo Verde archipelago; (ii) risk communication and delivery strategies and plans; (iii) M&E framework for program roll-out; (iv) quantification and procurement plan, including costs of items, due diligence mechanisms and purchasing strategies for COVID-19 vaccine(s) and ancillary supplies (syringes, safety boxes); and (v) waste management protocols and systems. Budgeting for the procurement plan is underway and is expected to be finalized together with the National COVID-19 Immunization Plan by mid-February 2021. However, such budgets are extremely difficult to estimate considering the uncertainties surrounding the vaccine candidates that will get approved and the respective supply chain needs. Overall, the VRAF has been an instrumental tool to support the country in assessing the state of readiness, as well as defining the roadmap to design and draft the National COVID-19 Vaccination Plan for Cabo Verde.

**Table 1: Summary of the Findings of the VRAF Assessment in Cabo Verde**

Core Activity Areas	Assessment Area	Readiness and Measures to Address Key Gaps
A. Planning and Management	A1. Vaccination objectives and targets	<p><b>Readiness:</b> The Government of Cabo Verde, through the Ministry of Health and Security (MHSS) created a National Coordination Committee and national technical working group and subcommittees for specific areas, namely, (i) regulation; (ii) vaccine cold chain and logistics; (iii) generation of demand and communication; (iv) M&amp;E: determination and proof of eligibility, proof of vaccination, monitoring of coverage in risk groups, and monitoring of the impact of the vaccine; and (v) prevention of injuries and detection and response Adverse Events Following Vaccination (AEFI). Its creation and the designation of the members were published in the Official Bulletin (BO).</p> <p>Programmatic objectives have already been defined with the participation of the main stakeholders at central and sub-national levels. The COVID-19 immunization plan will have two phases: phase one during calendar year 2021, where the objective is to</p>



Core Activity Areas	Assessment Area	Readiness and Measures to Address Key Gaps
		<p>vaccinate 20 percent of the population, equivalent to 113,448 people (National Statistics Institute - general population in 2020 is 567,240 inhabitants). At-risk population groups were identified, namely: health professionals (total is around 4,000); chronic patients; population over 65 years old (INE: 32,008 people, or 5.6 percent of the general population in 2020); hotel professionals (Sal and Boavista); entry points at airports and ports. After this first 20 percent, the goal for the country would be to vaccinate 60 percent of the population depending on the epidemiological context, vaccine production capacity and vaccine availability.</p> <p><b>Key gaps and measures to address them:</b> The National COVID-19 Vaccination Plan is expected to be completed by the mid-February 2021. Further, due to the uncertainties surrounding the type and quantity of vaccines available in 2021, the quantities of the vaccine that will be delivered and the intervals of the delivery are still provisional. The priority groups, the initial 20 percent of the population to be vaccinated, have been identified (see Table 4).</p>
	A2. Regulation and Standards	<p><b>Readiness status:</b> The existing legal framework, namely Decree-Law No. 59/2006, of December 26, 2006, which regulates the authorization for placing on the market medicines for human use and Decree-Law No. 17/2017 of April 17, 2017, allows the country to introduce any health-related product (including a new vaccine) within 24 hours if the emergent need is justified. Therefore, as soon as COVAX is ready to ship the approved vaccines, The Independent Health Regulatory Authority (<i>Entidade Reguladora da Saúde</i>, ERIS) will allow the vaccine to enter and be distributed in country without any need for further documentation or bureaucracy. <b>Key gaps and measures to address them:</b> The Government has agreed with the inclusion of an indemnification mechanism to the Program.</p>
	A3. Performance management and M&E	<p><b>Readiness status:</b> The country will use District Health Information Software 2 (DHIS2) (adapted for the specific COVID-19 vaccine needs) as the main health information system to collect data and monitor the roll out of the COVID-19 immunization program. The different specific COVID-19 forms (provider and beneficiary specific) have been finalized and the overall M&amp;E plan is being finalized together with the National COVID-19 Vaccination Plan by mid-February 2021. Development partners such as UNICEF, WHO, and World Bank will provide support on specific areas of performance management where possible.</p> <p><b>Key gaps and measures to address them:</b> All monitoring processes and adaptations to the M&amp;E system are ongoing and on-track to be finalized by mid-February 2021.</p>
	A4. Budgeting	<p><b>Readiness status:</b> The budget for the COVID-19 roll out is being finalized together with the National COVID-19 Vaccination Plan (expected to be completed by mid-February 2021). There will be</p>



Core Activity Areas	Assessment Area	Readiness and Measures to Address Key Gaps
		<p>two scenarios depicted: one for the traditional cold chain needs (positive temperature cold chain) and one for ultra-cold chain if the country were to roll-out a vaccine with such needs.</p> <p><b>Key gaps and measures to address them:</b> An estimate of the costs inherent to the vaccination program against COVID-19 (vaccine, operating costs, capital costs, and human resources) is being prepared and development partners are supporting such efforts albeit all the uncertainties surrounding unit costs for vaccines and ancillary products.</p>
B. Supply and Distribution	B1. Vaccines, PPEs and other medical and non-medical supplies	<p><b>Readiness status:</b> Cabo Verde, an Advance Market Commitment (AMC) 92 eligible country, will make use of the COVAX Advanced Market Commitment (COVAX-AMC) as the main mechanism for purchasing vaccines. The country is expected to receive enough vaccines to vaccinate 16 percent of the population in a fully donor subsidized manner and World Bank financing will be used to cover the costs of an additional up to 19 percent of the population. The COVAX subsidy may also cover costs of some ancillary supplies such as needles and cold boxes and transport to the country's international airport. Procurement and delivery of the vaccine will be undertaken by the UNICEF Supply Division.</p> <p><b>Key gaps and measures to address them:</b> As highlighted above, this AF will allow to cover the gaps in terms of purchasing vaccines to reach a vaccination coverage between 30-35 percent of the country's population. Further this AF will cover the costs of purchasing the PPEs and other medical and non-medical supplies for the roll out of the COVID-19 vaccine.</p>
	B2. Logistics and cold chain	<p><b>Readiness status:</b> There is a functional mechanism for the provision of routine Expanded Immunization Program (EIP) and a system for distributing vaccines from the central level to the local level (Central and EIP deposits to the different health structures in the different counties/islands). Distribution is ensured by the MHSS Management and Planning Department, which deals with requisitions and Letters of Postage for Vaccines' monthly filling. Shipping is done by air to all the islands, except Brava and Santo Antão. With appropriate terms of reference and standard operating procedures, a logistics working group was created to coordinate the distribution of vaccines against COVID-19 and complementary products. A recent assessment of the supply chain has shown that the current country capacity is able to roll out COVID-19 vaccines equivalent to 10 percent of the population at any given moment. Estimates and respective budgets have been defined in case a larger quantity of vaccines will be shipped to country.</p> <p><b>Key gaps and measures to address them:</b> The needs and respective budgets for the supply chain to be able to roll out</p>



Core Activity Areas	Assessment Area	Readiness and Measures to Address Key Gaps
		<p>several COVID-19 vaccines greater than 10 percent of the population are expected to be finalized by mid-February 2021 and included in the overall National COVID-19 Vaccination Plan. Further a transportation capacity needs assessment has been done and the country plans to purchase vehicles for the EIP to support COVID-19 roll out efforts and such procurement activities are included in the Plan and budget.</p>
	B3. Waste management	<p><b>Readiness:</b> There is a Hospital Waste Management Plan, including vaccination, at the national level. The subcommittee on vaccines and logistics was created to identify the need for strengthening the waste management system linked to the COVID-19 vaccination. The plan includes the purchase and installation of incinerators to ensure appropriate COVID-19 waste management.</p> <p><b>Key gaps and measures to address them:</b> The revision of the Waste Management and Destruction Plan has been finalized and is included in the National COVID-19 Vaccination Plan.</p>
C. Program Delivery	C1. Community engagement and advocacy	<p><b>Readiness status:</b> The mobilization strategy, risk communication, and social participation have been finalized, including national and local media, NGOs, and social platforms. This work has been coordinated by the sub-committee for risk communication and community engagement.</p> <p><b>Key gaps and measures to address them:</b> The final risk communication and community engagement plan are ready and is included in the overall National COVID-19 Vaccination Plan.</p>
	C2. Points of delivery	<p><b>Readiness status:</b> Cabo Verde has good vaccination coverage of the population with the existing structures in all municipalities (usual vaccination posts: Health Centers, Health Posts, and Basic Health Units). The preparation of the provision has already started at the level of vaccination points, and the processes are in advanced stage in track to be finalized by mid-February 2021.</p> <p><b>Key gaps and measures to address them:</b> At this more advanced stage, there are protocols for infection prevention and control measures and the elaboration of distribution strategies for vaccines against COVID-19 and awareness strategies, taking advantage of existing platforms.</p>
	C3. Vaccine safety surveillance	<p><b>Readiness status:</b> An AEFI Group was created for COVID-19, vaccination with defined roles and responsibilities and involving all relevant stakeholders (Independent Health Regulatory Entity (marketing authorization holder), MHSS, DNS/Program Vaccination, WHO and others) to exchange information on the safety of the vaccine against COVID-19. All cases detected, during, and after vaccination will be notified, investigated, treated, and monitored. The notification will respect the established circuit, in close articulation with the stakeholders in this process. DHIS2 will</p>



Core Activity Areas	Assessment Area	Readiness and Measures to Address Key Gaps
		<p>be adapted for the purposes of AEFI surveillance and monitoring. A network of hospitals and doctors have been established with specific focal points for all vaccination sites to allow for fast referral of cases in the event of AEFI.</p> <p><b>Key gaps and measures to address them:</b> Adaptation of existing instruments for surveillance and monitoring of recommended indicators (vaccine coverage, acceptability, disease surveillance, AEFI, etc.) for vaccines against COVID-19 has been finalized and incorporated in the current version of the National COVID-19 Vaccination Plan. The country is planning to purchase ambulances for each of the nine inhabited islands to ensure that immediate care will be provided in AEFI cases.</p>
D. Supporting Systems and Infrastructure	D1. Data quality	<p><b>Readiness status:</b> For the tracking and monitoring system for the deployment of the COVID-19 vaccine, the country has an electronic logistics and supply management tool (SMT) which has appropriately been tracking the activities of the routine immunization program. This tool has been adapted and tailored to the anticipated needs for the COVID-19 vaccine and is therefore ready for the tracking and management of the COVID-19 vaccine roll out.</p> <p><b>Key gaps and measures to address them:</b> The SMT system is ready for the roll out of the COVID-19 vaccine.</p>
	D2. Infrastructure	<p><b>Readiness status:</b> At the central and local levels, all health facilities are equipped with means of communication (landline and mobile phones), and almost all have internet access. The energy supply is constant and uninterrupted. Provisions are being made to have a separate COVID-19 vaccination room in the 47 health facilities with EIP programs.</p> <p><b>Key gaps and measures to address them:</b> The country is planning to purchase tablets for the outreach vaccination efforts to ensure that the data is collected, and the COVID-19 vaccine roll out is appropriately monitored through the DHIS2 system.</p>

**20. COVID-19 vaccine deployment will be an unprecedented effort for Cabo Verde, but the country has established the appropriate coordination mechanisms for successful vaccine deployment.** Cabo Verde’s immunization scores as per the Global Health Security Index report are extremely high (97.4 percent out of 100 percent) showing a robust immunization system. However, as many countries, Cabo Verde, is used to vaccinating infants/children which represent around only 5 percent of the country’s population.<sup>8</sup> Regarding human resources capacity, Cabo Verde’s preliminary quantification results have shown that the country has enough trained vaccinators in place for the deployment of the COVID-19 vaccine in country. For the tracking and monitoring system for the deployment of the COVID-19 vaccine, the country has a logistics and supply electronic management tool (SMT) which has appropriately been tracking the activities of the routine immunization program. This tool is being adapted and tailored to the anticipated

<sup>8</sup> <https://www.ghsindex.org/wp-content/uploads/2020/04/2019-Global-Health-Security-Index.pdf>



needs for the COVID-19 vaccine. For vaccine deployment, Cabo Verde is putting in place the institutional framework for the safe and effective deployment of vaccines, including: (i) ensuring voluntary vaccination practices; (ii) regulatory standards for vaccine quality; (iii) guidelines for acceptable minimum standards for vaccine management, including cold chain infrastructure; and (iv) policies to ensure robust governance, accountability, pharmacovigilance, and citizen engagement mechanisms.

**21. Cabo Verde is at a late stage of preparing its National COVID-19 Vaccination Plan, expected to be completed by mid-February 2021.** The country has established the National Coordination Committee that will work as the National Immunization Technical Advisory Group (NITAG). Within such coordination mechanism, several sub-committees have been established with formal nomination directly by the MHSS, these sub-committees focus on: (i) regulation; (ii) vaccine cold chain and logistics; (iii) generation of demand and communication; (iv) M&E: determination and proof of eligibility, proof of vaccination, monitoring of coverage in risk groups, and monitoring of the impact of the vaccine; and (v) prevention of injuries and safety, including injury prevention and detection and response to AEFI. Cabo Verde is planning the COVID-19 vaccination in two phases: to vaccinate at least 20 percent of the population during calendar year of 2021, followed by a progressive and stepwise increase of coverage for a goal of 60 percent in the following years. This second phase will be dependent on the epidemiological context, vaccine availability and lessons learnt from phase one. A mixed vaccination strategy will be adopted for the introduction of the vaccine, that is, people who will visit health centers in an organized way to avoid crowding, namely those who have arterial hypertension and/or diabetes; health teams using mobile clinics will go to vaccinate frontline workers at the respective institutions (airports, ports, police stations, remote villages, schools, elderly centers, among others), as well as to the homes for people with reduced mobility. All vaccines will be provided free of charge and no user fees will be levied.

**22. Subsequently, Cabo Verde aims to get to at least 60 percent vaccination coverage.** This would depend on the evolving epidemiology of the pandemic in the world and in Cabo Verde as well as the success, effectiveness, safety, and the market availability of the vaccines. The details of targeting of population groups beyond the first 20 percent are still being developed and will also be informed by evolving epidemiological conditions and understanding of COVID-19 and the most effective response.

**23. Cabo Verde's regulatory vaccine framework has been established and processes are on track for approval of COVID-19 vaccines and related supplies.** The existing legal framework, namely Decree-Law No. 59/2006, of December 26, 2006, which regulates the authorization for placing on the market medicines for human use and Decree-Law No. 17/2017 of April 17, 2017, establishes the national pharmacovigilance system, and its respective specific regulations, providing ERIS with basic legal instruments to guarantee transversal regulation, thus contributing to the safeguarding of public health.

**24. The GoCV has expressed its interest in accessing the COVAX facility** through an official communication to the Chief Executive Officer of the Global Alliance for Vaccines and Immunizations (GAVI) on July 10, 2020. The country is currently preparing the application package (due in February 2021) which includes: affirming access to AMC benefits; agreeing to the legal terms and responsibilities of AMC participation; requesting for facility support on vaccine cost; and, indicating product preferences and readiness for inclusion into allocation model (National Deployment and Vaccination Plan). The other steps of the formalization of this agreement will take place after the vaccine candidates in the COVAX facility are approved and licensed by the relevant regulatory agencies. Considering the current information, COVAX facility will fully subsidize 16 percent of the 20 percent vaccination coverage needs for the country.





The remaining 4 percent will be financed through a co-pay (estimated at US\$7/dose) that will be supported by this AF. The AF will also cover the associated supply chain costs for the vaccination of the 20 percent of the population (costs per dose are estimated at US\$1.25), as well as the costs associated with the program delivery (costs per dose are estimated at US\$3.07).<sup>9</sup>

**25. The GoCV expects to procure additional doses of COVID-19 vaccines through the COVAX facility and/or direct contracting, to be financed by this Project.** Given the uncertainties around key parameters (vaccines prices and quantities supplied, supply chain needs), the AF is expected to purchase additional vaccines and cover associated supply chain costs to expand vaccine coverage to an additional 10 – 15 percent of the population (which would help the country to achieve 30 – 35 percent of population coverage). Cabo Verde is taking a portfolio approach to manage the uncertainty regarding regulatory approvals, timing of delivery, pricing and other contractual aspects: during implementation, the number of doses under Stage 1 will be adjusted as circumstances evolve. Given the unprecedented pace of vaccine development, the WBG will accept, unless agreed otherwise, as the threshold for eligibility of IBRD/IDA resources for vaccine purchase either: (a) approval by three SRAs in at least two regions, or (b) WHO prequalification and approval by one SRA. These additional vaccines may be obtained through direct purchase with vaccine manufacturers if their vaccines have complied with the eligibility criteria described above.<sup>10</sup> The additional COVID-19 vaccine doses will allow the country to reach the 60 percent coverage target envisioned by the current version of the National COVID-19 immunization plan.

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<sup>9</sup> Average modelled estimates for incremental cost per dose are: (i) supply chain, estimated at US\$1.25 (Includes costs for cold-chain equipment, transport); (ii) program delivery, estimated at US\$3.07 (planning, supervision and monitoring, training, communication and disease surveillance). Estimates based on World Bank Health and Nutrition Population Global Practice calculations for the West and Central Africa region.

<sup>10</sup> The direct purchase is likely to be at full cost/higher price than those obtained through the COVAX facility.



**Table 2: National Vaccine Coverage and Purchase Plan**

Coverage of population	# of people (Total population: 567,240 thousand)	Estimated cost per dose (US\$)	Estimated cost per dose for shipping/ deployment (US\$)	# of doses	Estimated total cost <sup>a</sup> (US\$ millions)	Vaccine sourcing	Source of financing	vaccines	Approval standards (expected 3 SRA/ WHO + 1 SRA)	Contract status
<b>Stage 1</b>										
16%	90,758	--	1.25	2	0.78	COVAX	COVAX grant	TBD	3 SRA/ WHO + 1 SRA)	Official request submitted to COVAX
4%	22,689	7.00	1.25	2	0.54	COVAX	IDA credit	TBD	3 SRA/ WHO + 1 SRA)	Official request submitted to COVAX
<b>Stage 2<sup>b</sup></b>										
10%	56,724	7.00 <sup>c</sup>	1.25	2	1.34	COVAX and/or direct purchase	IDA credit	TBD	3 SRA/ WHO + 1 SRA)	Dependent on availability
15%	85,086	7.00 <sup>c</sup>	1.25	2	2.01	COVAX and/or direct purchase	IDA credit	TBD	3 SRA/ WHO + 1 SRA)	Dependent on availability

<sup>a</sup> Total cost includes costs of vaccines (zero for the initial 16 percent of the population), supply chain (costs for cold-chain equipment, transport) and program delivery (planning, supervision and monitoring, training, communication and disease surveillance), estimates per dose are as described above (supply chain US\$1.25 and program delivery US\$3.07).

<sup>b</sup> Depending on final costs of vaccines (direct purchase) and ancillary costs, the country will be able to vaccinate an additional 10 – 15 percent of the population using the IDA credit.

<sup>c</sup> Assuming COVAX Facility price, if direct purchase - prices are expected to be higher and number of doses will be adjusted accordingly.



## II. DESCRIPTION OF ADDITIONAL FINANCING

### A. Proposed Changes

**26.** The changes proposed for the AF entail expanding the scope of activities under the Parent Project Cabo Verde: COVID-19 Emergency Response Project (P173857) and adjusting its overall design. As the proposed activities to be funded under the AF are aligned with the original PDO, the PDO would remain unchanged.

**27. The content of the components and the results framework of the Parent Project are adjusted to reflect the expanded scope and new activities proposed under the AF.** The Results Framework has been modified to include specific indicators for the AF activities. A PDO indicator related to vaccines deployment, namely *'Percentage of priority population vaccinated, based on the targets defined in national plan (Share of females)'*, and four intermediate indicators have been added for this AF (including one indicator to measure the change in the gender gap). Given the introduction of a new component (Purchase and deployment of COVID-19 vaccines) and expansion of existing activities (Strengthen national and sub-national COVID-19 case detection and clinical management capacities), the closing date would be extended to June 30, 2022. The Project's implementation arrangements would remain the same.

### Project Components

**28. The AF is structured around the two original complementary components, which will support the GoCV to continue mitigation measures to contain the spread of the pandemic in the country and to design and implement its National COVID-19 Vaccination Plan.** The Plan is being finalized by the National Health Directorate of the MHSS, with inputs from relevant teams from within the Ministry (surveillance systems, laboratory network, pharmaceuticals, health promotion) and in collaboration with the Ministry of Tourism given the focus on creating the conditions for re-opening tourism safely in the country. Consistent with the policy waivers approved for the Global MPA, the following waiver applies for the AF: where retroactive financing is sought, a limited waiver of application of the Anti-Corruption Guidelines (ACGs) to losing bidders.

### Proposed New Activities

**29. Consistent with the original rationale and design of the Parent Project, the proposed AF for the Cabo Verde: COVID-19 Emergency Response Project (P173857) will support government efforts to further strengthen its response to the COVID-19 pandemic by purchasing COVID-19 vaccines, preparing the immunization system for the deployment of the COVID-19 vaccine, and supporting the distribution of these vaccines.** The AF will strengthen the national immunization and related health delivery system in a way that will promote an effective COVID-19 response and generate, as far as feasible, long-lasting resilience. Purchasing vaccines is just one step in a complex, multi-dimensional effort that involves detailed planning and implementation of a vaccine deployment program in Cabo Verde. This includes a variety of issues such as effective microplanning, safe and appropriate transportation, storage, training, ancillary materials, registration, and effective vaccine logistics and a suitable information management system. Political support, technical assistance services, training, social mobilization campaigns, and mechanisms that remove demand-side barriers to access are also essential to foster confidence and promote the early take-up of vaccines.



**30. Component 1: Emergency COVID-19 Prevention, Preparedness and Response (AF: US\$4.7 million equivalent).** Under Component 1, original activities will be maintained to ensure that national and sub-national health systems are equipped to continue to prevent, detect, and treat COVID-19 cases in the country while the national COVID-19 immunization plan is being implemented. These key health systems preparedness and response functions present in the three sub-components of the Parent Project have been merged into one new sub-component (*Supporting implementation of prevention detection and response activities in the National COVID-19 Preparedness and Response Plan*). Considering the importance of the tourism industry for Cabo Verde, this sub-component will support strengthening health systems infrastructure in the two most popular tourist destinations in the country (the islands of Sal and Boa Vista) to support the country's reopening to tourism. Other activities related to public health preparedness and response are to be included in the Western Africa Regional Disease Surveillance Systems Enhancement (REDISSE) Project Phase II (P159040), which Cabo Verde is expected to join within the coming months. Finally, Component 1 will include a new sub-component to ensure that a comprehensive national immunization plan and related health delivery system is prepared to ensure an effective COVID-19 vaccination response.

**31. Sub-component 1.1: Supporting implementation of prevention detection and response activities in the National COVID-19 Preparedness and Response Plan (AF: US\$1.2 million).** In accordance with the National COVID-19 Preparedness Plan, this sub-component would support: (i) the continued and uninterrupted supply of COVID-19 diagnostics tests and PPEs; and (ii) strengthen case management capabilities through small climate-smart civil works to rehabilitate and expand the capacity of some health facilities, and the procurement of medical equipment and supplies to designated health facilities in the islands of Sal and Boa Vista. This will enhance the ability of these health services to manage climate-related conditions in addition to their primary focus on COVID-19. These investments would expand and improve treatment capacity by increasing the number of available beds for in-patient and intermediary care (including but not limited to supplemental oxygen support, management of co-morbidities and diagnostic examination). The climate-smart expansion of these capabilities will include improving the insulation of the facilities against extreme heat by improving the energy efficiency of these buildings with improved thermal insulation and solar reflective roofs, temperature controls and monitoring which will reduce greenhouse gas (GHG) emissions. Clean energy solutions such as solar + battery systems will also provide reliable 24/7 power to health facilities, whilst energy efficiency investments such as efficient space cooling/and low Global Warming Potential (GWP) air conditioning will reduce both operating costs and emissions. The resulting strengthened case management capabilities will also enable the system to better respond to future climate-related health impacts from extreme weather events. This will also strengthen the systems' capacity to deal with the expected day to day increases in climate-related health burdens for example from increased cardiovascular and respiratory diseases.

**Sub-Component 1.2: COVID-19 vaccine acquisition, planning and distribution (AF: US\$3.5 million).** This component would support the MHSS to develop its National COVID-19 Vaccination plan and to ensure the necessary conditions are in place to implement it, and to strengthen Cabo Verde's ability to respond to outbreaks of climate-sensitive vaccine preventable diseases such as Dengue and Zika. The targeting of priority groups (see Table 4 below) for immunization will include those most vulnerable to climate change, especially those with underlying conditions as well as older people over the age of 60. This will increase their resilience to climate sensitive diseases including non-communicable diseases (NCDs). These priority groups also include essential workers who are key to maintaining service delivery in the event of climate-



related events including those working in the health system as well as first responders in other areas such as the police and fire departments and military. This sub-component will deliver vaccines to an estimated 35 percent of the population (of which COVAX will cover 16 percent and the World Bank will finance coverage up to 19 percent estimated at approximately US\$1.5 million. Targeting of these priority groups is fundamental to ensuring a resilient system which is ready to respond to future climate threats. The support to providing adequate waste management will also enhance climate resilience to flooding threats faced by the country. Key activities to be supported under the AF would include:

- (i) Program planning and management, including (a) support to the MHSS to develop the national deployment and vaccination plan and associated budget; (b) support to developing the legal regulatory documents and plans to ensure swift importation of the COVID-19 vaccines; and (c) training for health personnel for vaccine roll-out, including sensitization on the wider benefits of vaccination in particular for climate-related diseases such as malaria and zika;
- (ii) Procurement and distribution of vaccines, consumables and strengthening the immunization supply chain system, including (a) procurement, importation, storage, transportation and distribution of COVID-19 vaccines, including increased/equitable access to vaccines procured via mechanism selected by the country (e.g., COVAX facility and/or direct procurement options) and in accordance with criteria adopted under AF;<sup>11</sup> which will additionally ensure climate-vulnerable groups are targeted by these vaccines; (b) procurement and distribution of ancillary supply kits that may include needles, syringes, alcohol prep pads, COVID-19 vaccination record cards for each vaccine recipient, and PPEs for vaccinators; (c) adoption of global tools and adaptation of supply chain system with best practices, including cold chains such as Solar Direct Drive Refrigerators (SDDs) and WHO Performance, Quality, Safety (PQS) certified climate friendly refrigerators/freezers to reduce GHG emissions, and sustainable end-of-life options for old or high-polluting Coordination Centre for Effects (CCE); and (d) strengthening of the remote temperature monitoring systems; and
- (iii) Program delivery, including (a) implementing a national risk-communication and community engagement plan for COVID-19; the development of these community level support systems for healthy behavior change messaging, community mobilization and vaccine logistics will contribute to wider population resilience to other predicted health impacts from climate change; (b) establishing a strong post-vaccination vigilance and monitoring system(s), to identify any adverse reactions on people and undertake corrective measures immediately, which includes strengthening and adapting the Pharmacovigilance System (PVS) to be sensitive to detect AEFI for the COVID-19 vaccine(s); and (c) ensuring adequate Medical Waste Management Plans, and financing of plans.

**32. Priority groups for COVID-19 vaccination have been defined in accordance with WHO and the Strategic Advisory Group of Experts on Immunization (SAGE) values framework for the allocation and prioritization of COVID-19 vaccination for the 20 percent of the Cabo Verde's population.<sup>12</sup> Targeting criteria and implementation plans are described below.**

<sup>11</sup> The WBG threshold for eligibility of IBRD/IDA resources for vaccine purchase is described on paragraph #25.

<sup>12</sup> [https://apps.who.int/iris/bitstream/handle/10665/334299/WHO-2019-nCoV-SAGE\\_Framework-Allocation\\_and\\_prioritization-2020.1-eng.pdf?sequence=1&isAllowed=y](https://apps.who.int/iris/bitstream/handle/10665/334299/WHO-2019-nCoV-SAGE_Framework-Allocation_and_prioritization-2020.1-eng.pdf?sequence=1&isAllowed=y)

**Table 4: Priority Groups for Vaccination**

Priority groups	Population estimates	Number of doses
Healthcare workers	4,272	8,544
Patients with underlying conditions	16,000	32,000
Population over the age of 60	40,000	80,000
Tourism industry workers	11,000	22,000
Border control and customs agents (airports and ports)	1,500	3,000
Teachers and school's support staff	20,000	40,000
National Police	7,000	14,000
Army	11,000	22,000
Civil protection and Fire department staff	600	1,200
<b>Total</b>	<b>111,372</b>	<b>222,744</b>
	<b>(20% population)</b>	
<b>Total doses (including 20 percent expected wastage)</b>		<b>267,293</b>

**33. The identification of people belonging to the priority groups for vaccination will be carried out locally by the health centers, using the registration systems of the National Health Service (SNS) and, if necessary, through the collaboration of existing services outside the SNS.** According to the respective institutional context, for frontline workers the identification of target population will be done by the managing entity or employer, in consultation with the health / police stations. Given the above context, a phased and evidence-based approach to COVID-19 vaccination will be critical, with focus on the following phases:

- **The planning phase**, already underway in Cabo Verde as explained above, will need to continue throughout the vaccination campaign. Planning phase accomplishments to-date include establishment of coordination and regulatory mechanisms and the preparation of the development of a National COVID-19 Vaccination Plan including determining priority populations for vaccination based on risk of exposure and risk of morbidity and mortality;
- **The implementation phase** will begin when the first, initially limited, vaccine doses are available, and will focus on the logistics required to receive and administer vaccines to prioritized populations;
- **The adjustment/transition phase** will begin when larger amounts of vaccines are available to immunize all those who want to be vaccinated through more established service delivery approaches (i.e., like annual influenza and other vaccination campaigns). It will focus on enhancing capacity of providers to deliver vaccines to meet increased demand, and to track and monitor who is receiving the vaccines.



**34. Component 2: Project Management and M&E (AF: US\$0.3 million equivalent).** The component would support the continued coordination and management of project activities, including procurement of goods and their distribution across health facilities within Cabo Verde. Further, this component will strengthen existing data and monitoring systems (immunization and public health). The strengthened data and monitoring systems will enable the system to adapt more quickly and effectively to future anticipated climate-related health impacts from extreme weather events as well as to deal with day to day increases in climate-related health burdens as described under Sub-component 1.1 above. This component will accommodate for the monitoring of COVID-19 vaccines deployment and therefore improve data collection, analysis, reporting and use of data for action and decision-making. The existing project implementation unit (PIU), UGPE, will be responsible for overall administration, procurement, E&S aspects, FM and M&E of project activities.

**Table 5: Project Cost and Financing (US\$ million)**

Project Components	Parent Project Cost	AF II Cost	IDA Financing	Trust Funds (AF I)	Combined or Parallel Co-financing by other Regional Banks or Agencies
<b>Component 1: Emergency COVID-19 Prevention, Preparedness and Response</b>	<b>4.85</b>	<b>4.70</b>	<b>9.55</b>	<b>0.94</b>	<b>10.49</b>
<i>Sub-component 1.1: Supporting implementation of prevention detection and response activities in the National COVID-19 Preparedness and Response Plan</i>	2.22	1.20	3.42	0.69	4.11
<i>Sub-Component 1.2: COVID-19 Vaccine acquisition, planning and distribution</i>	--	3.50	3.50	--	3.50
<i>Sub-component 1.3: Strengthen national system for public health preparedness and response</i>	2.63	--	2.63	0.05	2.68
<b>Component 2: Project Management and M&amp;E</b>	<b>0.15</b>	<b>0.30</b>	<b>0.44</b>	<b>--</b>	<b>0.45</b>
<b>Total Costs</b>	<b>5.00</b>	<b>5.00</b>	<b>10.00</b>	<b>0.94</b>	<b>10.94</b>

**A. Results Framework**

**35. To measure overall progress in the coverage and deployment of the COVID-19 vaccine, the revised results framework will include three new indicators and three revised indicators.** The following table highlights changes made in the results framework.

**Table 6: Summary of changes to PDO and Intermediate Results Indicators under the AF**

Indicator	Level	New/Revised
Percentage of diagnosed cases treated per approved protocol	PDO	Revised
Percentage of population vaccinated, which is included in the priority population targets defined in national plan [by gender]	PDO	New
Pharmacovigilance System (PVS) adapted to detect AEFI for the COVID-19 vaccine (yes/no)	Intermediate	New



Number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands	Intermediate	New
National COVID-19 Immunization Plan developed and approved (yes/no)	Intermediate	New
Percentage of essential and frontline health workers benefitting from the first phase of the vaccine who are women (as percentage of the total women among essential and frontline health workers)	Intermediate	New

### B. Sustainability

**36. There is strong political commitment in Cabo Verde to mobilize financial resources for the COVID-19 response, including for vaccine purchase and deployment.** Funding through the proposed AF for vaccine purchase and deployment will establish an enabling environment for other donors, multilateral development banks and United Nations (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. Additionally, Cabo Verde’s economy relies on tourism, which has been severely affected by the pandemic – with an estimated decrease of 27 percent in the number of tourists in 2020, and unemployment to reach nearly 20 percent. A recovery is expected in 2021 with real GDP growth at 4.5 percent, but the scenario remains uncertain given the degree of uncertainty about the pandemic’s length, which is directly related to the efficacy, availability, and successful deployment of vaccines. More generally, the country’s vulnerability to vector-borne diseases (over the last decade, the country faced Dengue and Zika outbreaks) is a major public health concern, which also limits the country’s tourism potential. The 2015 ranking compiled by the Travel and Tourism Competitiveness Report of the World Economic Forum asserts the difficulties that Cabo Verde faces in terms of the competitiveness of its tourism sector. Although relatively well ranked in the Sub-Saharan region (6<sup>th</sup>), the country is ranked 86<sup>th</sup> overall out of a total of 141 countries. On the sub-criteria on health and hygiene, the country ranks 96<sup>th</sup>. Therefore, the project investments in the health infrastructure in the country’s main tourist destination (Sal and Boa Vista islands) will help Cabo Verde’s economy in the medium as well as long terms.

### III. KEY RISKS

**37. The overall risk to achieving the PDO is High.** The large-scale acquisition and deployment of COVID-19 vaccines entails certain risks. First, the first vaccines certified through the SRA mechanism may not be the most effective, nor purchased in a timely manner. Second, a mass vaccination effort stretches capacity entailing risks. The World Bank will work with Cabo Verde to partner with service providers that can acquire and/or deliver the vaccines. The World Bank will also work with the country to consider trade-offs and to determine the appropriate approach and risk balance. The remaining risk must be considered against the risk of the country having less timely and effective deployment of vaccines, potentially exacerbating development gaps and eroding past development gains.

**38. Political and governance risks are considered Substantial.** Political pressures and different interpretations of which standards to follow may create pressure on Cabo Verde to purchase vaccines before they have been appropriately certified. In the case of Cabo Verde, the Global COVID-19 MPA AF mitigates this risk as financing will only be used for vaccines approved by 3 SRAs in at least two regions or WHO pre-qualification and approval by one SRA. The other risk relates to the commitment and ability of the authorities to ensure appropriate targeting of the vaccines to priority populations, based on objective





public health criteria. This risk 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 fraudulent attempts to gain access to vaccines to be administered not following approved protocols of priority populations or for personal gain. This will be mitigated through a rigorous inspection regime and ACGs for vaccine purchase and deployment. This includes traceability of supply.

**39. Macroeconomic risk remains Substantial** as Cabo Verde is experiencing severe fiscal pressures and face the risk of not having enough additional fiscal space for the purchase of vaccines at scale and other COVID-19 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. COVID-19 vaccination is a key priority within the government economic recovery plan as it will help to create the conditions to reopen the country to tourism, which in its turn will alleviate the economic and fiscal crisis given the importance of tourism to the country's economy activity.

**40. Technical design is considered Substantial.** These risks arise from the uncertainties around the timing when COVID-19 vaccines will be available and the supply chain capacity to implement such a large vaccination effort, which may compromise the achievement of the Project's objectives. Additionally, there are risks related to the limited supply of medical equipment, COVID-19 tests, PPEs and other medical inputs necessary to control the pandemic and to address the health needs of the general population during a pandemic. The World Bank will work closely with government officials (e.g., MHSS, Ministry of Tourism), as well as UN agencies involved in the pandemic response (e.g., WHO, UNICEF), to support the process of acquiring and delivering the COVID-19 vaccines. The World Bank's team will continue to support the country's efforts to access the necessary supply of medical equipment, tests and PPEs through the BFP.

**41. Institutional capacity is considered Moderate.** Notwithstanding the high performance of the immunization program in Cabo Verde, vaccine deployment cold-chain and distribution capacity need to be strengthened given the anticipated scale and population group coverage for COVID-19 vaccination. This risk will be mitigated by this AF financing and technical support for immunization system strengthening, including capacity assessments in coordination with the WHO, GAVI, UNICEF, and other partners, and coordinating with other partners in their provision of systems strengthening support.

**42. Fiduciary risks are considered Substantial.** The procurement and FM risk assessed for the parent project were updated to consider the additional risks associated with the procurement and distribution of vaccines, including fraud and corruption risks. These specific risks 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 manufactures; (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 power by individual countries; and (v) delays in triggering emergency procurement procedures which could delay procurement and contract implementation including payments. As per the



MPA AF, the risks under this AF will be reduced by providing options to support the country's needs for direct or advance purchase, including possible technical assistance through BFP.

- **FM:** The key FM risk relate to adequate controls over the transparent, prioritized distribution and application of vaccines, particularly for the most vulnerable population groups. This AF will use the same options as in the parent project to assess and strengthen control systems, facilitate the timely flow of funds, and ensure adequate liquidity to finance project activities.

**43. The anticipated overall E&S risks remain Substantial.** Key social and environmental risks are those related to (a) medical waste management and disposal; (b) the spread of the virus among health care workers and the population at large; (c) occupational and community health and safety issues related to testing, handling, transporting, disposing of supplies and medical samples, and upgrading of designated health facilities/laboratories; (d) marginalized and vulnerable social groups being unable to access vaccines provision, facilities, and services designed to combat the disease; (e) social conflict, and risks to human security resulting from diagnostics testing, limited availability of vaccines and social tensions related to the difficulties of a pandemic situation; (f) SEA/SH risks among patients and health care providers, especially in relation to distribution of lifesaving vaccines; (g) labor influx, related to the rehabilitation of existing health facilities; (h) inappropriate data protection measures and insufficient/not effective stakeholder communication on the vaccine roll-out strategy; and (i) risks associated with AEFI. With regards to risks related to the use of security personnel, at the current AF's stage, the Borrower is not planning to use security personnel for the implementation of the AF's activities. Possible risks and impacts are considered mostly temporary, predictable and/or reversible, but they could become widespread given the highly infective nature of the COVID-19 virus. These risks are covered by ESS 1, ESS 2, ESS 3, ESS 4 and ESS 10. To mitigate these risks the MHSS is currently updating the SEP, ESMF and LMP prepared for the Parent Project, which will be consulted upon, finalized, and disclosed by project effectiveness. The ESMF will contain provisions for storing, transporting, and disposing of contaminated medical waste and will outline guidance (in line with international good practice and WHO standards on COVID-19 response) on limiting viral contagion in health care facilities. The MHSS will also update the SEA/SH Prevention and Response Action Plan (SEA/SH AP) originally prepared for the Parent Project and currently included in the ESMF to properly address SEA/SH risks related to the AF activities. The MHSS has been updated the ESCP to reflect the AF activities, finalized by January 25, 2021. In addition to the ESMF, the Borrower will implement and supervise the activities listed in the ESCP.

**44. Stakeholder risks are deemed Moderate.** Cabo Verde has set up a risk communication and community engagement sub-committee which is working on drafting the risk communication and demand creation strategy for the country. Cabo Verde must be prepared to address hesitancy and build vaccine literacy so that the public will accept immunization when appropriate. The accelerated pace of vaccine development has further heightened public anxieties and could compromise acceptance. Therefore, there are risks related to the continuation of the COVID-19 pandemic and the roll-out of the COVID-19 immunization plan. These include (i) a set of challenges related to the implementation of preventive responses and control measures; (ii) pressure from groups being unable to access vaccines in the initial phases due to limited availability of vaccines and/or limited deployment capacity. In Cabo Verde, the population strongly believes in the positive effects of vaccination as shown by the high uptake and high coverage rates in Cabo Verde. Furthermore, the population of Cabo Verde has a high degree of trust in the Government, which from past experiences have been shown to be strongly associated with vaccine acceptance and can contribute to public compliance with recommended actions. In Cabo Verde, clear and



consistent communication by government officials will ensure that we build public confidence in COVID-19 vaccination program and this will include explaining how vaccines work, their level of effectiveness, and the importance of population-wide coverage to achieve community immunity in an adequate and health literacy appropriate fashion. Credible and culturally appropriate health and risk communication will be vital in influencing positive health behaviors among the priority vaccination groups.

## IV. APPRAISAL SUMMARY

### A. Technical, Economic and Financial Analysis

**45. Economic analysis.** 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. As of January 2021, more than 89 million people have been confirmed to be infected by the virus and over 1.92 million have died. Global output is projected to decline by 4.9 percent in 2020, with cumulative losses across 2020 and 2021 exceeding US\$12 trillion. Likewise, the economy of Cabo Verde is expected to contract by 11 percent in 2020. The tourism sector, which account for 25 percent of country's GDP, is projected to reduce its contributions to country's GDP due to an estimated decrease of 27 percent in the number of tourists in 2020.<sup>13</sup> The young, economically active population (20-44 years old) proves to be the most vulnerable to the economic impact of the disease, which may pose an additional risk for economic recovery without adopting an adequate, safe, and effective vaccination strategy.

**46. The successful development, production, and delivery of a vaccine has the best potential to reverse these trends, generating benefits that will far exceed vaccine-related costs.** Indeed, a rapid and well-targeted deployment of a COVID-19 vaccine can help reduce the increases in poverty and accelerate economic recovery. Public health measures, such as distancing, masks, testing and contact tracing, would still need to continue in an effective manner while the supply of vaccines is enough to cover the entire population. Even at levels of imperfect effectiveness, 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 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, especially in countries without effective universal health coverage, 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 child care services, routine immunization services have been affected, threatening polio eradication and potentially leading to new outbreaks of preventable diseases, with their own related deaths, illnesses and long-term costs. Simultaneous epidemics are overwhelming public health systems in different countries that had few resources to begin with, and services needed to address the needs of people with chronic health conditions, and mental and substance use disorders have been also disrupted.

<sup>13</sup> UNECA, 2020. Available at: [https://www.uneca.org/sites/default/files/NewsCoverageFiles/artigo\\_-\\_impacts\\_of\\_covid\\_19\\_on\\_cabo\\_verde.pdf](https://www.uneca.org/sites/default/files/NewsCoverageFiles/artigo_-_impacts_of_covid_19_on_cabo_verde.pdf)



**47. While the uncertainty around the costs and effectiveness of a COVID-19 vaccine make it difficult to calculate its cost-effectiveness, 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 of negative cases, as well as the medical costs associated with delayed or forgone care-seeking, which usually results in higher costs. 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 costs 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. Financial Management

**48. In line with the guidelines as stated in the FM Practices Manual issued by the FM Sector Board on March 1, 2010, an FM assessment was conducted for the parent project.** The FM arrangements for the proposed AF will be the same as those under the Parent Project. The National Health Directorate within the MHSS will have primary technical responsibility in carrying out the project and UGPE will be responsible for the coordination and fiduciary management (procurement and FM). The FM arrangements will be based on the existing arrangements in place within UGPE which has the fiduciary responsibility of nine active World Bank financed projects. The overall FM performance of the UGPE is Satisfactory. Proper books of accounts and supporting documents have been kept in respect to all expenditures. The UGPE is familiar with the World Bank FM requirements. The un-audited interim financial reports (IFRs) for the ongoing projects are also submitted on time, acceptable to IDA and the external auditors issued an unqualified (clean) opinion on the 2019 Financial Statements of the active projects.

**49. The speed of disbursements of the AF will be significantly influenced by the availability of vaccines.** The World Bank will provide financial and risk assurances to manufacturers under advance purchase mechanisms. Disbursement arrangements applicable to the parent project will apply.

**50. An independent third-party having experience in vaccination program will be recruited to ensure that vaccines are injected to intended beneficiaries and produce its report on a monthly basis.** The verification will be done using the country supply electronic management tool (SMT) which has appropriately been tracking the activities of the routine immunization program. The third party will ensure transparency in the distribution of vaccines and distribution is consistent with the vaccine deployment plan. The scope of the project audit will include audit of vaccination financing for up to 35 percent of the population under the AF Component 1 including the audit of funds spent on deployment of vaccines. The auditor based on the report of the third party will review a sample of such transactions to confirm the eligibility of the respective expenditures. The manual of procedures should also be updated to describe the procedures for acquisition of vaccines, selection of eligible beneficiaries and vaccines deployment.



**51. In order to accommodate the project in the existing FM system and ensure readiness, the following measures should be taken no later 30 days after effectiveness:** (i) update the manual of procedures to include the specificities of the AF such as vaccines acquisition and deployment procedures; (ii) recruit a third party to ensure that vaccines were received by eligible beneficiaries; (iii) request to the internal auditor to express in its quarterly report an opinion of vaccines purchase and distribution; (iv) customize the existing accounting software to include the bookkeeping of the AF; and (v) sign an addendum to the current auditor's contract to include this financing in the scope of his audit and request in the TOR that opinion on the adequacy of vaccines acquisition and deployment be expressed.

**52. The overall FM risk is Substantial due to the complexity of the vaccine market and lack of transparent distribution systems.** As mitigating measures have been implemented for the Parent Project to address FM capacity constraints, the FM system satisfies the World Bank's minimum requirements under World Bank Policy and Directive on Investment Project Financing (IPF) effective in 2017.

### C. Procurement

**53. 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 July 1, 2016 (revised in November 2017 and August 2018).** 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.

**54. Major procurement activities were identified as:** (i) COVID-19 diagnostics tests and PPEs; (ii) medical equipment and supplies to designated health facilities in the islands of Sal and Boa Vista (including but not limited to supplemental oxygen support, management of co-morbidities and complimentary diagnostic examination); (iii) consulting services to support the MHSS to develop the national deployment and vaccination plan and associated budget as well as the legal regulatory documents and plans to ensure swift importation of the COVID-19 vaccine; (iv) COVID-19 vaccines, to be procured via mechanism selected by country (e.g., COVAX and/or direct procurement options) and in accordance with criteria adopted under AF; and (v) procurement of ancillary supply kits (that may include needles, syringes, alcohol prep pads, COVID-19 vaccination record cards for each vaccine recipient, PPEs for vaccinators, and cold chain equipment). The Borrower has submitted a Project Procurement Strategy for Development (PPSD) and submitted by negotiations (January 25, 2021). The UGPE will follow the PIM approved by the World Bank, which will be updated within 30 days of project effectiveness.

**55. In terms of procurement of vaccines and in accordance with the various options being offered in terms of accessing vaccines, the country will follow the Advance Purchase Mechanisms through COVAX AMC co-payment arrangements.** The country also expressed interested to access direct purchases options to procure vaccines beyond what is offered by COVAX facility. The Project will support the country to access direct purchases options, as approved in the Board paper, including: (i) from vaccine manufacturers, either individually or jointly with other countries; (ii) purchase of excess stocks from other countries that reserve excess doses; and/or (iii) advance purchase mechanisms such as participating in COVAX facility.



56. **Retroactive financing.** Withdrawals up to an aggregate amount not to exceed SDR 1.4 million may be made for payments made prior to but on or after February 1, 2021, for Eligible Expenditures.

57. For process of other proposed procurement, the UGPE will use competitive methods based on country’s and risk-based thresholds given the market easing and end of emergency period. UGPE will also use the support from BFP, through the e-catalog, as needed.

58. As per the MPA project appraisal document (PAD) (paragraph 83) and the MPA AF project paper (paragraph 55), recognizing the significant disruptions in the usual supply chains for medical consumables and equipment, and vaccines, the World Bank will provide technical assistance, at Borrower’s request, BFP to assist them in accessing existing supply chains.<sup>14</sup>

59. As under the parent project, the procurement risk is **Substantial**. Procurement of COVID-19 vaccines is subject to high level of uncertainties in terms of prices and quantities that will be made available through different purchasing options. The substantial risk will be mitigated through the hands-on support, including arranging practical trainings on World Bank’s New Procurement Framework for UGPE staff, hands-on support throughout procurement processes and using BFP, and other supporting other needs as they arise.

60. **The World Bank’s prior and post-reviews will be carried out based on thresholds.** The standard post-procurement reviews by World Bank staff should cover at least 10 percent of contracts subject to post-review. But based on risk, all contracts for vaccines will subject to the World Bank’s prior review.

**D. Legal Operational Policies**

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

**E. Environmental and Social**

61. **Activities under the AF will have overall positive impacts as it will improve capacity for surveillance, monitoring and containment of COVID-19.** However, it could also cause environment, social, health and safety risks due to the dangerous nature of the pathogen (COVID-19) and reagents and equipment used in the project-supported activities. Facilities treating patients may also generate biological, chemical waste, and other hazardous by-products that could be injurious to human health. These risks will be mitigated with occupational health and safety standards and specific infectious-control strategies, guidelines and requirements as recommended by WHO and United States Center for Disease Control (CDC). Effective administrative and infectious-controlling and engineering controls would be put in place to minimize these risks. Climate change can affect the trajectory of the COVID-19 pandemic and impact groups that are most susceptible to the virus including healthcare workers, the elderly, those with pre-existing conditions, people with disabilities and other disadvantaged groups. These vulnerabilities will be addressed through targeting and improving health care interventions described above as well as the

<sup>14</sup> <http://documents1.worldbank.org/curated/en/882781602861047266/pdf/World-COVID-19-Strategic-Preparedness-and-Response-Program-SPRP-using-the-Multiphase-Programmatic-Approach-MPA-Project-Additional-Financing.pdf>



surveillance monitoring. Given the afore-mentioned risks and impacts, the following World Bank Environmental and Social Standards (ESS) are relevant for the second AF: ESS 1, ESS 2, ESS 3, ESS 4, and ESS 10.

**62.** Through the Parent Project, medical equipment, vehicles, PPE, chemical/biological reagents and other medical or laboratory supplies or materials have been provided to health service workers.

**63. Infectious medical wastes generated by the health facilities have been in accordance with the Medical Waste Management Plans.** Regional hospitals have incinerators for the treatment of hospital waste and health centers take the waste to be treated in the nearest central hospitals. Medical waste generated are collected in specific containers and transported and burned in incinerators located in strategic and safe locations once or twice a week. Waste management is carried out by municipal companies in conjunction with hospital waste sanitation personnel from each island and/or municipality. The collection is done separately in order to segregate collection, storage, transport and final deposition. On the island of Santiago, the collection system is associated with two hospital incinerators, a sanitary landfill and wastewater treatment plants (Praia, Santa Cruz and Tarrafal). On the other islands, namely Boa Vista and São Vicente, waste management is carried out in the same way, except that there are no landfills, but controlled dumps.

**64. The main environmental risks include the following:** (a) environmental and community health-related risks from inadequate storage, transportation, and disposal of infected medical waste; (b) occupational health and safety issues related to the availability and supply of PPE for health care workers and the logistical challenges in transporting PPE across the country in a timely manner; and (c) community health and safety risks, given close social contact and limited sanitary and hygiene services (clean water, soap, disinfectants) and isolation capabilities across the country. Infections due to inadequate adherence to occupational health and safety standards can cause the virus to spread to medical staff, laboratory staff, and the population at large during the detection, transportation of patients/tests/chemicals and reagents, and treatment stages. This can also lead to illness and death among health workers. Furthermore, the health facilities involved in COVID-19 diagnostic testing and treatment will generate medical waste and other hazardous byproducts that, if inadequately managed during their collection, transportation, and disposal, also may cause health risks. While risks to the safety of workers and the community are relevant and significant, they are considered temporary, predictable, and readily managed through the project design features and mitigation measures. No major civil works are expected under this Project. All small works under the health component are expected to be carried out in existing facilities and hospitals to establish, upgrade health facilities within existing facilities/grounds, and no new land will be acquired or accessed.

**65. As for the Parent Project, the proposed AF is anticipated to have positive social impacts both at the individual and community levels as it addresses the health sector responses to the COVID-19 emergency.** Nonetheless, social risks related to the challenges of the COVID-19 pandemic are anticipated and these include: i) difficulties in accessing health facilities and services for the overall population; ii) marginalized and vulnerable social groups being unable to access vaccines, facilities, and services designed to combat the disease; iii) social conflict, and risks to human security resulting from diagnostics testing, limited availability of vaccines and social tensions related to the difficulties of a pandemic situation; iv) civil unrests and/or social conflicts related to the risks afore-outlined under point iii; v) SEA/SH risks among patients and health care providers, especially in relation to distribution of lifesaving vaccines; vi) labor



influx resulting from the small civil works to rehabilitate existing health facilities; vii) inappropriate data protection measures and insufficient/not effective stakeholder communication on the vaccine roll-out strategy; and viii) risks associated with AEFI.

**66. There is also an institutional contextual risk, given the unique set of challenges in terms of preventive responses and control measures related to the pandemic.** With regards to risks related to the use of security personnel, to date, the Borrower is not planning to utilize security personnel for the implementation of the AF's activities. Throughout the AF's implementation, the World Bank will continue assessing the possible use of security forces and ensure that E&S instruments will be updated accordingly in case security forces will be utilized in the future. The National COVID-19 Vaccination Plan will include equitable and inclusive policy for in-country vaccine access and allocation. Specific attention will be devoted to disadvantaged/vulnerable individuals or groups to ensure their current vulnerabilities will not jeopardize their access and rights to vaccination and to any information related to it. The COVID-19 vaccination plan will also include measures and/or policies to ensure voluntary consent for vaccination. To date, the Borrower has not planned mandatory vaccination for the public or a defined group of people. If vaccination will be made mandatory for the public or a defined group of people, regulations will be integrated into the National COVID-19 Vaccination Plan including any provisions for exceptions, due process, GMs and restrictive measures, such as measures that may interfere with labor and working standards described in Environmental and Social Standards Labor and Working Conditions (ESS2). The second AF will invest in small works to rehabilitate existing health facilities in two main islands, and it will not finance new construction or expansion of existing ones. As such, no new land will be acquired or accessed. Possible risks and impacts are considered mostly temporary, predictable and/or reversible, but they could become widespread given the highly infective nature of the COVID-19 virus.

**67. The Parent Project prepared, consulted upon and disclosed an ESCP, a SEP, an ESMF and an LMP.** In line with the WHO Interim Guidance on "Laboratory Biosafety Guidance related to the novel coronavirus (2019-nCoV)", and other guidelines (February 12, 2020), the ESMF included a Medical Waste Management Plan. The plan includes training of staff to be aware of all hazards they might encounter. This provides for the application of international best practices in COVID-19 diagnostic testing and handling of the medical supplies, disposing of the generated waste, and road safety. To properly address the challenges of the pandemic and reply to its virulence, the Borrower requested a first AF, which was a scale up of the parent project. As such, the ESCP and SEP have been updated to reflect the changes of the first AF.

**68. The Parent Project's E&S instruments (more specifically SEP, ESMF and LMP) are currently being updated to reflect the risks and impacts related to the second AF and identify appropriate mitigation measures to address them.** The ESCP has been finalized by January 25, 2021. The SEP, ESMF, and LMP will be finalized, consulted upon and disclosed by project effectiveness and the ESCP by Negotiation. To properly address the second AF's SEA/SH risks, a SEA/SH risk assessment has been conducted, and resulted in moderate risk. The MHSS is currently updating the SEA/SH AP, which was previously prepared for the Parent Project and part of the ESMF, to cover those risks related to the activities financed under the second AF, including an accountability and response framework incorporating relevant risk mitigation measures to handle and respond to SEA/SH cases in an ethical and confidential manner. As for the ESMF, the SEA/SH Action Plan will be finalized by project effectiveness. Relevant capacity-building measures will be included in the ESMF as well to provide the Borrower with the needed support to properly address the project's E&S risks. The UGPE E&S specialist will continue providing the needed technical assistance to manage and supervise the project's overall E&S aspects, including in relation to SEA/SH risks. 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. Implementation will be guided by standards set out by WHO as well as other international good practices, including social inclusion and SEA/SH prevention and response.

**69. Gender Gap.** One obvious social risk is that of marginalized and vulnerable social groups including women and disabled population having barriers to access to COVID-19 services and information. Evidence from experience with previous infectious disease outbreaks indicates differential effect for men and women, with women impacted more negatively than men. In the same vein, the effects of COVID-19 will likely exacerbate pre-existing gender differences.<sup>15</sup> In the context of COVID-19, some critical considerations for projects include: (i) biologically, women and men may have a different risk level to a pathogen or response to treatment; (ii) Pregnant women are especially at risk during a pandemic/epidemic; (iii) 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; (iv) Risk of increased GBV as access to services may be reduced due to lockdowns and reduced mobility; and (v) SEA/SH risks among patients and health care providers, especially in relation to distribution of lifesaving vaccines. The AF will aim to close gender gaps with specific actions: (i) The SEP for the parent project will be updated to include disclosure and engagement activities specific to vaccine-related informational needs of the women; (ii) addressing gender differentials in equitable vaccine access and outreach and will be measured using the sex-related disaggregation of number of vaccine recipients; (iii) The project results framework will track the proportion of female among the priority population (and among frontline health personnel) fully vaccinated; and (iv) To address specific gender gap related to SEA/SH during COVID-19, the MHSS will update the SEA/SH Prevention and Response Action Plan (SEA/SH AP) to properly address SEA/SH risks related to the AF activities.

**70.**

**71. Citizen Engagement and Outreach:** The involvement of the local population is essential to the success of the project in order to ensure smooth collaboration between project staff and local communities, and to minimize and mitigate E&S risks related to the proposed project activities. In the context of infectious diseases, broad, culturally appropriate, and adapted awareness raising activities are particularly important to properly sensitize the communities to the risks related to infectious diseases. As such, the project developed a SEP with the overall objective of defining a program for stakeholder engagement, including public information disclosure and consultation, throughout the entire project cycle. The SEP, which is currently being updated to reflect the AF activities, outlines the ways in which the project team will communicate with stakeholders (to be disclosed by project effectiveness). It ensures that the Borrower engages in continuous, meaningful and safe consultations on policies, and procedures (including grievances) with all stakeholders, providing them with timely, understandable and accessible information throughout the project life cycle.

**72. Grievance Mechanism (GM):** The SEP includes a project-level GM by which people can raise concerns, provide feedback, or make complaints about the project and any activities related to it. The GM also builds trust and cooperation as an integral component of broader community consultation that facilitates

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<sup>15</sup> World Bank Group, gender related inequalities emerging from COVID-19, 2020.



corrective actions. Complaints can be made through multiple channels, such as by telephone, e-mail, filing in a complaint form, walk-ins, and registering a complaint on grievance logbook at healthcare facility, and, if necessary, it can be done anonymously or through third parties. For those who cannot access these means and/or cannot read and/or write in Portuguese, they can present their complaints verbally to appointed Grievance Focal Points (GFP), who will help them filling in the complaint form. The GM has three main level of redress, composed by: i) local level; ii) central level; and iii) independent level. For complex cases, a Complaints Resolution Committee (CRS) has been established at the central level within the UGPE. The project-level GM entails the following steps: grievance submission; reception, registration and categorize of grievance; acknowledgement of grievance reception; investigation of the grievance; proposal to the complainer of resolute measures; implementation of agreed measures; if agreement is reached at the local level: implementation of agreed measures; if agreement is not reached at the local level: escalate grievance to the central level; if agreement is reached at the central level: implementation of agreed measures; if no agreement is reached at the central level: escalate grievance to the independent level; if agreement is reached at the independent level: implementation of agreed measures; register reached agreement and close the grievance; if no agreement has been reached, advised complainer about her/his right to legal recourse.

**73. The Ministry of Health in collaboration with several UN agencies has prepared and started implementation of a “Communication Plan for Community Involvement for The Prevention And Response To The Covid-19 Epidemic”.** The Plan aims at ensuring effective risk communication and at strengthening community involvement for the effective implementation of COVID-19 prevention measures in Cabo Verde and protect the public health. The AF will support this community engagement campaign to promote social mobilization and community participation in the prevention of the pandemic, raising public awareness on the COVID-19 vaccine among the general population, and contributing to strengthening the capacities of community structures in promoting coronavirus prevention messages and the vaccines acceptance. The mobilization campaign will also ensure the maintenance of public confidence in health authorities, such as on source of information and guidance on COVID-19-related measures. The World Bank team will continue providing technical and advisory assistance to the Borrower on stakeholder engagement and on the GM.

#### **F. Climate Co-Benefits**

**74. Climate change risks and vulnerabilities.** Cabo Verde has been assessed to be highly exposed to a range of climate risks including sea level rise, extreme precipitation and flooding, storm surges, and drought. As an island nation Cabo Verde is naturally particularly vulnerable to changes in sea level with 80 percent of the population living in coastal areas. These areas are exposed to coastal erosion, tidal flooding, and ground water salinity each of which contribute to population displacement to more inland areas. Further inland the uneven volcanic topography of the islands, with deep and steep valleys, on Sal, Boa Vista, and Maio, presents risks of flash flooding and land/mudslides following precipitation events. Conversely drought has led to declines in crop production and threats to nutrition through impacts on food shortages particularly in rural areas where around 70 percent of the population lives. Cabo Verde is also exposed to hurricanes, particularly between September and October. Cabo Verde has also recorded a series of climate-sensitive vector-borne diseases outbreaks including Dengue, Zika virus and malaria.

**75. Severe food shortages from drought lead to numerous adverse nutrition impacts with women and children the most vulnerable.** Extreme weather events such as hurricanes inflict a heavy toll on human



life with acute impacts including physical injuries and drowning, followed by increases in risks of vector-borne disease such as malaria, Zika and Dengue. In the longer-term more profound adverse health impacts are mediated through damage to health infrastructure as well as the mental health effects of traumatic experiences and the economic hardships these events precipitate. Each of these climate related health threats are expected to hit poorest households and communities hardest, with income and health shocks driving them deeper into poverty. In 2015, a third of Cabo Verde's population were living in poverty, a situation that is likely worsen due to COVID related contractions in economic growth. In the absence of appropriate measures being put in place to enhance system resilience and adaptation to climate, ever increasing numbers of people are at risk from the changing climate through increasing poverty and declining ecosystem and land conditions.

**76. The AF intends to address these vulnerabilities, enhance climate resilience and adaptation and mitigate GHG emissions through the following activities.** Under *Sub-component 1.1 Supporting implementation of prevention detection and response activities in the National COVID-19 Preparedness and Response Plan (US\$1.20 million)*, the strengthened case management capabilities will enhance the ability of the health services on the islands of Sal and Boa Vista to better respond to future climate-related health impacts from extreme weather events, and deal with the expected day to day increases in climate-related health burdens for example from increased cardiovascular and respiratory diseases by enabling the earlier identification, coordination and management of climate-related health impacts. This will enhance the ability of these health services to manage climate-related conditions in addition to their primary focus on COVID-19. These investments would expand and improve treatment capacity by increasing the number of available beds for in-patient and intermediary care (including but not limited to supplemental oxygen support, management of co-morbidities and diagnostic examination). The climate-smart expansion of these capabilities will include improving the insulation of the facilities against extreme heat by improving the energy efficiency of these buildings with improved thermal insulation and solar reflective roofs, temperature controls and monitoring which will reduce GHG emissions. Clean energy solutions such as solar + battery systems will also provide reliable 24/7 power to health facilities, whilst energy efficiency investments such as efficient space cooling/and low GWP air conditioning will reduce both operating costs and emissions. Low carbon procurement criteria will also be employed to promote the selection of energy efficient equipment to furnish these facilities, further reducing GHG emissions. Under *Sub-component 1.2: COVID-19 vaccine acquisition, planning and distribution (US\$3.50 million)* the support this component provides to the national COVID-19 immunization plan and most importantly the delivery structures to implement this would additionally strengthen Cabo Verde's ability to respond to outbreaks of climate-sensitive vaccine preventable diseases such as Dengue and Zika. The proactive targeting of priority groups for immunization will include many of those most vulnerable to climate change such as those with underlying conditions as well as older people over the age of 60 as well as individuals who are key to maintaining service delivery in the event of climate-related events. An estimated approximately US\$800,000 will be used to finance vaccines for these priority groups. This will strengthen the resilience of these individuals to future potential climate related incidents and extreme weather events as well as ensure a more resilient system which is ready to respond to future climate threats. This sub-component will also finance training of health personnel for vaccine roll-out, including sensitization on the wider benefits of vaccination, including for climate-related diseases such as malaria and zika. Lastly, the component will finance community outreach and awareness raising about disease prevention (i.e. hand washing) and promotion of healthy behaviors which will contribute to wider population resilience to other predicted health impacts from climate change.



**77. The support to providing adequate waste management will also enhance climate resilience to flooding threats faced by the country.** Under Component 2 Project Management and M&E (AF: US\$0.3 million equivalent) the strengthened data and monitoring systems will enable the system to adapt more quickly and effectively to future anticipated climate-related health impacts from extreme weather events as well as to deal with day to day increases in climate-related health burdens as described under Sub-component 1.1 above.

## **V. WORLD BANK GRIEVANCE REDRESS**

**78.** 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 in order 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, as a result 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](http://www.inspectionpanel.org)



**VI SUMMARY TABLE OF CHANGES**

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

**VII DETAILED CHANGE(S)**

**MPA PROGRAM DEVELOPMENT OBJECTIVE**

Current MPA Program Development Objective

Proposed New MPA Program Development Objective



## EXPECTED MPA PROGRAM RESULTS

### Current Expected MPA Results and their Indicators for the MPA Program

### 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)
Component 1: Emergency COVID-19 Prevention, Preparedness and Response	5.78	Revised	Component 1: Emergency COVID-19 Prevention, Preparedness and Response	10.49
Component 2: Implementation Management and Monitoring and Evaluation (M&E)	0.15	Revised	Component 2: Implementation Management and Monitoring and Evaluation (M&E)	0.45
<b>TOTAL</b>	<b>5.93</b>			<b>10.94</b>

## LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-65970	Effective	31-Mar-2021	31-Mar-2021	30-Jun-2022	30-Oct-2022
TF-B3681	Effective	31-Jan-2021	31-Jan-2021	31-Jan-2021	31-May-2021

## DISBURSEMENT ARRANGEMENTS

Change in Disbursement Arrangements

Yes

## Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2020	2,727,710.00	2,727,710.00



2021	2,017,570.00	4,745,280.00
2022	142,630.00	4,887,910.00

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Moderate	● Substantial
Macroeconomic	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Low	● Substantial
Institutional Capacity for Implementation and Sustainability	● Moderate	● Moderate
Fiduciary	● Low	● Substantial
Environment and Social	● Substantial	● Substantial
Stakeholders	● Substantial	● Moderate
Other		
Overall	● Substantial	● High

**LEGAL COVENANTS – COVID-19 Emergency Response Project Additional Financing on Vaccines (P175807)**

Sections and Description
The Recipient shall, not later than thirty (30) days after the Effective Date, update and adopt the Project Implementation Manual in a manner and on terms acceptable to the Association.
The Recipient shall: (a) not later than thirty (30) days after the Effective Date, prepare and furnish to the Association, a work plan and budget (“Work Plan and Budget”), satisfactory to the Association.
The Recipient shall, no later than one (1) month after the Effective Date, or such later date as agreed by the Association, customize the Project’s accounting software, in form and substance satisfactory to the Association.
The Recipient shall, no later than six (6) months after the Effective Date, or such later date as agreed by the Association, sign an addendum to the Project auditor’s contract, in form and substance satisfactory to the Association.

**Conditions**

Type	Description
Effectiveness	The Recipient shall prepare and submit to the IDA a legal opinion satisfactory to the IDA confirming that the Financing Agreement has been duly authorized by,



	and executed and delivered on behalf of, the Recipient and is legally binding in accordance with its terms.
Type Effectiveness	Description The Recipient shall update the ESMF and the SEP in a manner acceptable to the Association by the Effective Date.





**VIII. RESULTS FRAMEWORK AND MONITORING**

**Results Framework**

**COUNTRY: Cabo Verde**

**COVID-19 Emergency Response Project Additional Financing on Vaccines**

**Project Development Objective(s)**

Project development objective is to prepare and respond to the COVID-19 pandemic in Cabo Verde

**Project Development Objective Indicators by Objectives/ Outcomes**

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
<b>COVID-19 Response</b>				
Percentage of suspected cases of COVID-19 tested per approved protocol (Percentage)		0.00	60.00	85.00
Percentage of diagnosed cases treated per approved protocol (Percentage)		0.00		50.00
Percentage of population vaccinated, which is included in the priority population targets defined in national plan [by gender]. (Percentage)		20.00		30.00
<i>Action: This indicator is New</i>				
<b>COVID-19 Preparedness</b>				
National virology laboratory equipped with COVID-19 diagnostic equipment, test kits, and reagents per Ministry of Health guidelines (Yes/No)		No		Yes



**Intermediate Results Indicators by Components**

Indicator Name	PBC	Baseline	End Target
<b>Emergency COVID-19 Prevention, Preparedness and Response</b>			
Percentage of health districts with pandemic preparedness and response plans per Ministry of Health Guidelines (Percentage)		18.00	100.00
Percentages of health facilities with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks (Percentage)		32.00	100.00
Country has prepared a referral system to care for COVID-19 patients (Yes/No)		No	Yes
Number of additional ICU beds equipped and operational (Number)		0.00	20.00
Protective personal equipment (PPE) distributed to the general population (Number)		0.00	100,000.00
Number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands (Number)		0.00	20.00
<b>Action: This indicator is New</b>	<b>Rationale: The number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands that have been set up after this AF has come into effect.</b>		
National COVID-19 Immunization Plan Developed and Approved (Yes/No)		No	Yes
<b>Action: This indicator is New</b>			
Essential and frontline health workers benefitting from the first phase of the vaccine who are women (as percentage of the total women among essential and frontline health workers) (Percentage)		0.00	100.00
<b>Action: This indicator is New</b>			



Indicator Name	PBC	Baseline	End Target
Pharmacovigilance System (PVS) adapted to detect Adverse Events Following Vaccination (AEFI) for the COVID19 vaccine (Yes/No)		No	Yes
<b>Action: This indicator is New</b>			
<b>Project Management and Monitoring and Evaluation</b>			
Percentage of claims registered in the Project's grievance redress mechanism (GRM) resolved in a timely manner (Percentage)		0.00	40.00

**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of suspected cases of COVID-19 tested per approved protocol	The numerator is number of suspected cases COVID-19 cases that are reported and investigated per approved protocol and the denominator is number of suspected COVID-19 cases.	Quarterly	National Health Directorate	Reports from National Health Directorate	UGPE
Percentage of diagnosed cases treated per approved protocol					
Percentage of population vaccinated, which is included in the priority population targets defined in national plan [by gender].	the percentage of the population that the project will vaccinate through vaccine purchase or deployment. (disaggregated by gender).	quarterly	National Immunization program/NITAG.	Self-assessment.	Ministry of Health and Social Security (MHSS).



National virology laboratory equipped with COVID-19 diagnostic equipment, test kits, and reagents per Ministry of Health guidelines					
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**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of health districts with pandemic preparedness and response plans per Ministry of Health Guidelines					
Percentages of health facilities with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks					
Country has prepared a referral system to care for COVID-19 patients					
Number of additional ICU beds equipped and operational					
Protective personal equipment (PPE) distributed to the general population	Community protective personal equipment (PPE) distributed to the general population	Quarterly	National Health Directorate	National Health Directorate reports	UGPE
Number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands	The number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands that have been set up after this AF has come into effect.	Quarterly.	Ministry of Health and Social Security (MHSS).	Self-assessment.	UGPE



National COVID-19 Immunization Plan Developed and Approved			Ministry of Health and Social Security (MHSS).	self-assessment	UGPE
Essential and frontline health workers benefitting from the first phase of the vaccine who are women (as percentage of the total women among essential and frontline health workers)	Numerator: number of female essential and frontline health workers vaccinated in the first phase ; denominator: total number of female essential and frontline health workers vaccinated in the first phase.	Quarterly	Ministry of Health and Social Security (MHSS)	Self-assessment	UGPE
Pharmacovigilance System (PVS) adapted to detect Adverse Events Following Vaccination (AEFI) for the COVID19 vaccine					
Percentage of claims registered in the Project's grievance redress mechanism (GRM) resolved in a timely manner					



## ANNEX I - World Bank Program Adjustment in Response to COVID-19 in Cabo Verde (as of January 2021)

### I. IMPACT OF THE COVID-19 PANDEMIC ON CABO VERDE AND GOVERNMENT RESPONSE

**1. The Pandemic is inflicting profound and devastating economic impacts on Cabo Verde, where baseline economic growth forecasts have been revised downwards by 16 percentage points between March and December.** The economy is expected to contract by 11 percent in 2020, the largest contraction in history and the third largest in Sub-Saharan Africa according to the forthcoming Global Economic Prospects. The outlook has further worsened since the summer due to lockdowns in the main tourism source markets of Europe. The overall fiscal deficit will increase sharply from 1.8 percent of GDP in 2019 to 9.7 percent in 2020, with public debt expected to increase by 18.7 percent to 143.7 percent of GDP.<sup>16</sup> Poverty rate is expected to increase, threatening all progress in poverty reduction achieved since 2015, particularly in urban areas. The GoCV announced accommodative fiscal and monetary policy measures to mitigate the economic impact of the shock and enhanced social programs to preserve the livelihoods of the poor. Fiscal measures included the extension of tax payment schedules, exemption of social contributions for three months, acceleration of tax refunds, and fast-tracked settlement of supplier invoices. The COVID-19 induced economic shock increased fiscal financing needs to US\$237.4 million (12.3 percent of GDP) for 2020, which have been filled by external concessional credits, grants, domestic borrowing, and resources freed up by the Debt Service Suspension Initiative (DSSI)<sup>17</sup>.

**2. The first case of COVID-19 was reported on March 21, 2020, and thereafter stricter containment measures were adopted, including the closure of international air and sea transport borders.** A state of emergency was declared to reinforce the containment measures, with restrictions on inter-island transport. As of January 28, 2021, November 25, 2020, Cabo Verde has reported nearly 14,000 confirmed cases with over 130 deaths and continues to be vulnerable to a more widespread outbreak.

### II. WBG SUPPORT FOR RESPONDING TO THE CRISIS

**3. The WBG has responded swiftly to support the GoCV in crisis mitigation through emergency operations and the repurposing of most of its existing operations.** Responding to the crisis has not resulted in substantial modification of the program agreed with the GoCV under the CPF,<sup>18</sup> as pipeline operations remain highly relevant and important for the economic recovery. The critical areas of intervention of the CPF - accelerating human capital development and strengthening the environment for a more diversified economy - and the pipeline of programs under preparation remain a priority.

**4. In the relief phase** WBG has responded with support for saving lives through immediate health sector support for US\$5 million under the COVID-19 Emergency Response Project (P173857), and a US\$940k linked PEF grant. Besides, the Disaster Risk Management Development Policy Financing (DPF) with CAT-DDO (P160628) has triggered the full US\$10 million. Social response for protecting the poor and vulnerable was provided through the Social Inclusion Project (P165267) that allocated US\$3 million to reach an additional number of vulnerable families, the Education and the Skills Development

<sup>16</sup> The latest joint World Bank/International Monetary Fund (IMF) Debt Sustainability Assessment (DSA), conducted in September 2020, concluded that the risk of external and total debt distress is high, but public debt remains sustainable. Debt service indicators are forecast to remain below their respective thresholds due to its concessional nature, which is characterized by long maturity profiles and low interest rates. The Performance Policy Actions (PPAs) under the Sustainable Development Finance Policy (SDFP) seek to improve fiscal sustainability by (i) implementing a zero ceiling on non-concessional debt; and (ii) conducting an independent financial audit for the social housing state-owned enterprises (SOE).

<sup>17</sup> The DSSI opened a fiscal space of US\$9.6 million (0.5 percent of GDP) in 2020. Authorities will participate in the DSSI extension in 2021.

<sup>18</sup> The CPF FY20-FY25 was presented to the Board Directors on October 29, 2019.



Enhancement Project (P164294) that repurposed US\$1 million for the purchase of tablets and televisions to respond to the urgent need from the Ministry of Education to ensure educational continuity remotely, and the Cabo Verde - COVID-19 Response to the Social Inclusion Project (P175946).

**5. In terms of economic response,** the ongoing Competitiveness for Tourism Development Project (P146666) repurposed US\$400k of project funds to develop destination planning & communication plans with sector stakeholders. Additionally, a project restructuring of the Access to Finance for Micro, Small, and Medium Sized Enterprises COVID-19 AF Project (P163105) expanded the range of eligible MSMEs that can access funds beyond the spectrum of additionality to existing borrowers now facing liquidity and solvency issues due to the economic shock of the pandemic.

**6. To provide support for strengthening policies, institutions and investments for resilient and sustainable recovery,** the WBG has been able to allocate US\$25 million from the CRW to the proposed Second State-Owned Enterprise Reform and Fiscal Management DPF (P171080), which augments the response effort and help cover the financing gap caused by the crisis and supports foundations for economic recovery and increased resilience in the context of the COVID-19 crisis as it aims to reduce fiscal risks from SOEs and improving the management of public assets and structural reforms in the transport, energy, housing and ICT sectors while promoting private sector involvement in the delivery of these key services for enhanced performance.

**7. Finally, the pipeline was re-prioritized** to allow for a critical AF of US\$10 million for the credit line program through the Access to Finance Project (P163015) and the AF of US\$5 million for vaccine purchasing, planning and distribution and further strengthening national and sub-national case detection and clinical management capacities through the AF COVID Response (P175807). Cabo Verde's FY21 pipeline already reflects reprioritization (e.g., reducing from US\$30 million to US\$20 million the Cabo Verde Digital Program (P171099) approved by the Board in November 2020, which also includes US\$13.7 million of activities repurposed for COVID-19 recovery).

### **III. SELECTIVITY, COMPLEMENTARITY, PARTNERSHIPS**

**8.** The WBG has worked closely with development partners, which has resulted in complementary US\$129.6 million in budget support to the COVID-19 crisis response from the World Bank, European Union, Luxembourg, African Development Bank (AfDB), Portugal and IMF. Additionally, the WBG is working hand in hand with UN partners, GAVI and the COVAX facility on the country readiness assessment and helping to prepare the necessary steps for the implementation of the COVID-19 vaccination program.



**ANNEX II - Matrix of approvals by SRAs and WHO (as January 27, 2021)**

Vaccines eligible for World Bank financing of purchase or deployment must meet the following regulatory approval threshold: either

1. Approval by three SRAs, including emergency use approval, in three different regions. There are SRAs in the Americas, Europe and Asia-Pacific.

OR

2. Approval by one SRA, including emergency use approval, and WHO prequalification (not currently including WHO Emergency Use Listing).

**Table AII.1: Status of Vaccines Approvals by SRAs and WHO (as January 27, 2021)**

Vaccine	SRA EUA	WHO EUL
<b>Pfizer</b>	<ul style="list-style-type: none"> <li>- United Kingdom on 2 December 2020</li> <li>- Canada on 9 December 2020</li> <li>- United States of America on 11 December 2020</li> <li>- European Union on 21 December 2020</li> <li>- Australia on January 25,2021</li> </ul> <ul style="list-style-type: none"> <li>• Meets WBG requirements</li> </ul>	<ul style="list-style-type: none"> <li>- WHO EUL on 31 December, 2020</li> </ul>
<b>Moderna</b>	<ul style="list-style-type: none"> <li>- United States of America on 18 December 2020</li> <li>- Canada on 23 December 2020</li> <li>- European Union on 6 January 2021</li> </ul> <ul style="list-style-type: none"> <li>• Requires SRAs from Europe and Asia-Pacific</li> </ul>	
<b>AstraZeneca</b>	<ul style="list-style-type: none"> <li>- United Kingdom on 30 December 2020</li> </ul> <ul style="list-style-type: none"> <li>• Requires SRAs from Americas and Asia-Pacific</li> </ul>	