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Report No: PAD3815

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT
ON A

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION GRANT
IN THE AMOUNT OF US\$6.075 MILLION

AND A

PROPOSED INTERNATIONAL DEVELOPMENT ASSOCIATION CREDIT
IN THE AMOUNT OF US\$6.075 MILLION
IN CRISIS RESPONSE WINDOW RESOURCES

TO THE
KYRGYZ REPUBLIC
FOR AN
EMERGENCY COVID-19 PROJECT
APRIL 2, 2020

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

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)
WITH A FINANCING ENVELOPE OF
US\$1.3 BILLION IDA AND \$2.3 BILLION IBRD EQUIVALENT
APPROVED BY THE BOARD ON APRIL 2, 2020

Health, Nutrition & Population Global Practice
Europe And Central Asia Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective March 25, 2020)

Currency Unit = Kyrgyz Som

79.74 Kyrgyz Som = US\$1

US\$ 0.72848362= SDR 1

FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

CERC	Contingent Emergency Response Component
COVID	Corona Virus Disease
CPF	Country Partnership Framework
DA	Designated Account
DO	Development Objective
DPF	Development Policy Financing
DSSEC	Department of State Sanitary and Epidemiology Control
ERIK	Enhancing Resilience in Kyrgyzstan
ESF	Environmental and Social Framework
ESRS	Environmental and Social Review Summary
FM	Financial Management
FTCF	Fast-track COVID Fund
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoKR	Government of the Kyrgyz Republic
GRS	Grievance Redress System
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
ICU	Intensive Care Unit
IFR	Interim Unaudited Financial Report
IPF	Investment Policy Financing
M&E	Monitoring and Evaluation
MICS	Multiple Indicator Cluster Survey
MHIF	Mandatory Health Insurance Fund
MoES	Ministry of Emergency Situations
MoF	Ministry of Finance
MoH	Ministry of Health
MPA	Multiphase Programmatic Approach
NCP	National Contingency Plan
PAD	Project Appraisal Document
PBA	Performance-based Allocation
PDO	Project Development Objective
PforR	Program for Results
PIU	Project Implementation Unit
PoE	Points of Entry
POM	Project Operational Manual
PPE	Personal Protection Equipment
RfQ	Request for Quotations
RHPC	Republican Health Promotion Center



SARS	Severe Acute Respiratory Syndrome
SOE	Statement of Expenditures
SORT	Systematic Operations Risk-rating Tool
SPRP	Strategic Preparedness and Response Plan
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WHO	World Health Organization



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Kyrgyz Republic	Kyrgyz Republic - Emergency COVID-19 Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P173766	Investment Project Financing	Substantial

Financing & Implementation Modalities

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

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
31-Mar-2020	31-Mar-2022	31-Mar-2025

Bank/IFC Collaboration

No

MPA Program Development Objective

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

MPA Financing Data (US\$, Millions)



MPA Program Financing Envelope	

Proposed Project Development Objective(s)

To prepare and respond to the COVID-19 pandemic in the Kyrgyz Republic.

Components

Component Name	Cost (US\$, millions)
Emergency COVID-19 Response	11.98
Implementation Management and Monitoring and Evaluation	0.17

Organizations

Borrower: Ministry of Finance

Implementing Agency: Ministry of Health

MPA FINANCING DETAILS (US\$, Millions)

Board Approved MPA Financing Envelope:	
MPA Program Financing Envelope:	
of which Bank Financing (IBRD):	
of which Bank Financing (IDA):	
of which other financing sources:	

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	12.15
Total Financing	12.15



of which IBRD/IDA	12.16
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Development Association (IDA)	12.15
IDA Credit	6.08
IDA Grant	6.08

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Kyrgyz Republic	6.08	6.08	0.00	12.15
Crisis Response Window (CRW)	6.08	6.08	0.00	12.15
Total	6.08	6.08	0.00	12.15

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2020	2021	2022
Annual	5.00	5.00	2.15
Cumulative	5.00	10.00	12.15

INSTITUTIONAL DATA**Practice Area (Lead)**

Health, Nutrition & Population

Contributing Practice Areas

Urban, Resilience and Land

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks



SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	● Substantial
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● High
7. Environment and Social	● Substantial
8. Stakeholders	● Moderate
9. Other	
10. Overall	● Substantial

Overall MPA Program Risk

COMPLIANCE

Policy

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

Yes No

Does the project require any waivers of Bank policies?

Yes No

Have these been approved by Bank management?

Yes No

Is approval for any policy waiver sought from the Board?

Yes No



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

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

Legal Covenants

Sections and Description

(e)

Th

e Recipient shall, not later than one (1) month from the Effective Date, to hire a disbursement specialist, with the terms of reference acceptable to the Association.

Sections and Description

The Recipient, through MoH, MHIF and PIU, shall by no later than one (1) month after the Effective Date, prepare and adopt a Project operations manual (“Project Operations Manual”) containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data



collection and processing in accordance with the applicable WHO and national guidelines, roles and responsibilities for Project implementation, eligibility criteria, amount and procedures for Funds Transfers under Part 1.2 (vi) of the Project, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Association.

Sections and Description

To facilitate the carrying out of the activities under the Project, not later than one (1) month after Effective Date, the Recipient shall cause MoF, MoH, MHIF and MoES to enter into an agreement (“Cooperation Agreement”), under terms and conditions satisfactory to the Association. Such Cooperation Agreement shall specify the terms of MoF, MoH, MHIF and MoES engagement, reporting obligations, and shall specify the division of responsibilities and their respective roles in the implementation of the Project.

Conditions

Type

Disbursement

Description

No withdrawal shall be made under Category (2) until the MoH and MHIF have adopted Instructions on Funds Transfers acceptable to the Association.



I. PROGRAM CONTEXT

A. Multiphase Programmatic Approach (MPA) Program Context

1. This Project Appraisal Document (PAD) describes the emergency response to the Kyrgyz Republic under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the MPA approved by the World Bank's Board of Executive Directors on April 2, 2020 with an overall Program financing envelope of International Development Association (IDA) US\$1.3 billion and of International Bank for Reconstruction and Development (IBRD) US\$2.7 billion.¹

2. **An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2)² has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China.** Since the beginning of March 2020, the number of cases outside China has increased thirteenfold and the number of affected countries has tripled. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spreads across the world. As of March 25, 2020, the outbreak has resulted in an estimated 414,179 cases and 18,440 deaths in 168 countries.

3. **COVID-19 is one of several emerging infectious disease outbreaks in recent decades that have emerged from animals in contact with humans, resulting in major outbreaks with significant public health and economic impacts.** The last moderately severe influenza pandemics were in 1957 and 1968; each killed more than a million people around the world. Although countries are now far more prepared than in the past, the world is also far more interconnected, and many more people today have behavior risk factors such as tobacco use and pre-existing chronic health problems that make viral respiratory infections particularly dangerous.³ With COVID-19, scientists are still trying to understand the full picture of the disease symptoms and severity. Reported symptoms in patients have varied from mild to severe, and can include fever, cough and shortness of breath. In general, studies of hospitalized patients have found that about 83% to 98% of patients develop a fever, 76% to 82% develop a dry cough and 11% to 44% develop fatigue or muscle aches.⁴ Other symptoms, including headache, sore throat, abdominal pain, and diarrhea, have been reported, but are less common. While 3.7% of the people worldwide confirmed as having been infected have died, WHO has been careful not to describe that as a mortality rate or death rate. This is because in an unfolding epidemic it can be misleading to look simply at the estimate of deaths divided by cases so far. Hence, given that the actual prevalence of COVID-19 infection remains unknown in most countries, it poses unparalleled challenges with respect to global containment and mitigation. These issues reinforce the need to strengthen the response to COVID-19 across all IDA/IBRD countries to minimize the global risk and impact posed by this disease.

4. This Project is prepared under the global framework of the World Bank COVID-19 Response financed under the Fast Track COVID-19 Facility (FTCF) and through an advance of the Kyrgyz Republic's Performance-based Allocation in IDA 19. The Project is expected to be complemented by the activation of the Contingency

¹ PAD N°3810

² SARS = Severe Acute Respiratory Syndrome

³ Fauci, AS, Lane, C, and Redfield, RR. 2020. "Covid-19 — Navigating the Uncharted." *New Eng J of Medicine*, DOI: 10.1056/NEJMe2002387

⁴ Del Rio, C. and Malani, PN. 2020. "COVID-19—New Insights on a Rapidly Changing Epidemic." *JAMA*, doi:10.1001/jama.2020.3072



Emergency Response Component of the World Bank’s Enhancing Resilience in Kyrgyzstan (ERIK) Project (P162635).

B. Updated MPA Program Framework

5. Table 1 provides an updated overall MPA Program framework for the Kyrgyz Republic.

Table 1. MPA Program Framework

Phase #	Project ID	Sequential or Simultaneous	Phase’s Proposed DO*	IPF, DPF or PforR	Estimated IBRD Amount (\$ million)	Estimated IDA Amount (\$ million)	Estimated Other Amount (\$ million)	Estimated Approval Date	Estimated Environmental & Social Risk Rating
1	Kyrgyz Republic	Simultaneous	To prepare and respond to the COVID-19 pandemic in the Kyrgyz Republic.	IPF	-	12.15	-	April 2, 2020	Substantial (E)/ Moderate (S)
Total			Board Approved Financing Envelope						

DO= Development Objective; IPF=Investment Project Financing; DPF= Development Policy Financing; PforR = Program for Results

6. All projects under SPRP are assessed for Environmental and Social Framework (ESF) risk classification following the Bank procedures and the flexibility provided for COVID-19 operations.

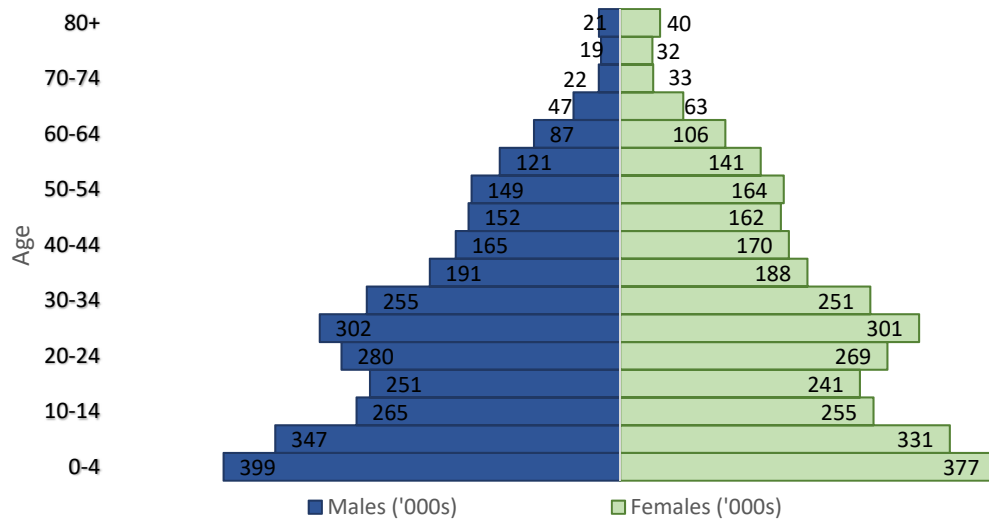
II. CONTEXT AND RELEVANCE

A. Country Context

7. **Figure 1**The Kyrgyz Republic is one the poorest countries in Europe and Central Asia, with gross national income per capita of US\$1,220 in 2018 (World Development Indicators, 2020). The country has population of about 6,2 million. The population is relatively young: 67% of the total population is under age of 35, and 64% of the population is within the working age, ages 15 to 64 (Figure 1). Approximately 4.5% of the population (or 278,200) is above the age of 65, of whom 61,370 are 80 or older.



Figure 1. Kyrgyz Republic's Population Pyramid, 2017



Source: World Development Indicators (2019)

8. **The country has experienced strong but volatile economic growth in recent years.** Economic growth averaged 4% per year since 2010 but ranged from -0.5% in 2010 to 10.9% in 2013. Poverty reduction, however, has stalled. In 2018, 1 in 5 Kyrgyz citizens lived below the national poverty line.⁵ The economy remains vulnerable to external shocks due to the high reliance on remittances, representing 29% of GDP, and dependence on global prices for gold – the main export.

9. **Although the Kyrgyz Republic has made some progress towards the twin goals of the World Bank Group to eliminate extreme poverty and promote shared prosperity, vulnerability remains widespread with a large majority of the population being clustered near the poverty line.** The population, therefore, face high risks of falling back into poverty given the high exposure to shocks and insufficient safety nets. Only 55% of households in the 2 lowest wealth quintiles received any type of social transfers (Multiple Indicator Cluster Survey, 2019). Moreover, economic growth relies on remittances and heavy exploitation of the country's natural resources, which do not translate into labor force growth. In fact, jobs have not been created in the formal sector, and most of the employment that took place in the informal sector, estimated to be around 50% of GDP, is unproductive and undynamic.

B. Sectoral and Institutional Context

10. **The Kyrgyz Republic has adopted successive reforms to transform its health system.** This included the establishment of a single purchaser, the Mandatory Health Insurance Fund (MHIF), which pools funds at the national level to purchase a standardized package of services. The country was among the first former Soviet Union countries to shift from input- to output-based budgeting (i.e. capitation for primary health care and case-

⁵ National Statistics Committee. 22.4% of the population lived below the national poverty line in 2018.



based payments for secondary care services). A reform of the service delivery model to promote family medicine practices and rationalize excess hospital capacity improved the efficiency of the system.

11. **Despite early successes, the reform agenda remains largely unfinished** and universal entitlement to the state guaranteed benefits package does not translate into effective universal access to quality service that contributes to improving population health outcomes. Although the Government of the Kyrgyz Republic (GoKR) has prioritized health in the Government budget, Government spending on health amounts to only US\$33 per capita. Out-of-pocket payments remains high, representing 56% of current health spending. Gaps in health worker training, coupled with poor infrastructure and lack of quality improvement systems, have resulted in poor quality care. The spread of COVID-19 can jeopardize the progress the Kyrgyz Republic has made in advancing human capital. Investing in preparedness and strengthening the health system against COVID-19 will not only address the direct health impact but will also help to mitigate the broader socio-economic costs of the pandemic.

12. **The country is particularly vulnerable to the COVID-19 pandemic.** The WHO has assessed Kyrgyz Republic's operational readiness for preventing, detecting and responding to a public health emergency as 2 out of 5, among the lowest in the region. The key gaps highlighted in the country's emergency readiness for public health emergencies were in the areas of human resources (shortage of staff and low qualifications due to high turnover and low levels of pay), infrastructure, and lack of equipment and consumables for essential operations. As of March 25, 2020, there were 42 registered confirmed cases of COVID-19 in the Kyrgyz Republic. The Kyrgyz Republic is at high risk since it borders China, which has a high incidence of COVID-19 cases, and a large share of the population temporarily works abroad, increasing the likelihood of cross-border transmission.

13. **The Government has initiated a pandemic preparedness response.** On January 29, 2020, the GoKR adopted key legislation for COVID-19, including Government Order No. 30, order #52 of the Minister of Health on prevention of the spread of COVID-19 disease, and Protocol No.1 based on the meeting of the Republican Headquarters for the Prevention of the Spread of COVID-19 on the Territory of the Kyrgyz Republic.⁶

14. **Jointly with the WHO and other development partners, the Ministry of Health (MoH) has developed a Contingency Plan for COVID-19.** The Plan is designed to ensure an effective, timely, and coordinated response that will mitigate the impact of COVID-19 outbreak in the Kyrgyz Republic. The plan was approved by the GoKR on March 18, 2020. The plan has an estimated cost of US\$15.67 million for the first 12 months.

The GoKR approach to the COVID-19 pandemic

15. Points of entry (PoE) into the country present a particular risk for introduction and spread of COVID-19 in the Kyrgyz Republic. All arriving travelers are thermo-screened, and travelers from countries with a high incidence of COVID-19 are required to fill out a questionnaire based on the WHO template. Asymptomatic travelers arriving from countries with high incidence are taken to a designated hospital for 14 days for medical

⁶ The GoKR established a special COVID-19 Headquarters under the Prime Minister. The Republican Headquarters for the Prevention of the Spread of COVID-19 consist of all ministries and state agencies, including the MoH, Ministry of Emergency Situations, Ministry of Interior, State National Security Agency, State Committee for Defense, Security Council, Ministry of Foreign Affairs, Ministry of Economy, Ministry of Finance, Ministry of Culture and Tourism, Ministry of Transportation and Roads, State Border Service, State Custom Service, Veterinary Service, Phytosanitary Agency and others.



observation, while travelers displaying symptoms are taken to another designated hospital for treatment. Information is transmitted to the MoH 3 times per day from the oblast health authorities.

16. **The Republican Health Promotion Center (RHPC) is responsible for informing the population about the disease risk factors and prevention methods.** The RHPC is providing regular information and updates through mass media (television, radio and newspapers) and other mechanisms for informing the public. The MoH maintains a special web page for COVID-19 on the Ministry's website. A COVID-19 hotline has been established and is widely used. Village health committees, who are informed and educated by the RHPC, hold regular meetings to discuss threats and prevention methods and ensure preparedness. The MoH has distributed COVID-19 prevention communication materials and is using these fora to educate and inform the population about risks, prevention, and detection of COVID-19 cases and to avoid stigma or panic.

17. **The GoKR has designated 24 hospitals situated in all 7 oblasts for observation of suspected cases.** Confirmed cases of COVID-19 will be treated in two designated hospitals: The Republican Clinical Infection Disease hospital in Bishkek and the Osh Oblast hospital. Capacities for management of severe acute respiratory infections are limited at both designated reference hospitals. Room ventilation systems in infectious disease hospitals are not available. Annex 2 provides additional details on the GoKR's COVID-response plan.

18. **The GoKR has limited funds to adequately prepare for the onset of the COVID-19 epidemic.** All activities aimed at containing the spread of infectious diseases are funded through the Epidemic Fund of the MoH, but funding is extremely limited. In 2020, the Fund had 30 million Kyrgyz Soms (US\$500,000). Additional budgetary funds are expected to be made available following the Government declaration of a public health emergency on March 22, 2020. The GoKR covers all health care costs associated with COVID-19, including testing and treatment. The MHIF, which finances hospitals with a case-based system, has established a rate of 9000 Kyrgyz Soms (approximately US\$123) for each treated COVID-19 case, but this will likely not cover the full costs incurred by hospitals to provide necessary care. The World Bank's support is thus critical to ensure that appropriate preventive measures are implemented to limit the onset and spread of COVID-19 and provide necessary treatment.

19. **The cost of the Contingency Plan (US\$15.67 million for the first 12 months) surpasses the funding available from the FTCF (US\$8.1million).** For this reason, the GoKR is exercising its option to advance an additional US\$4.05 million from its IDA 19 performance-based allocation with the understanding that the advanced amount will be returned to the FTCF from the country's FY21 performance-based allocation envelope at the beginning of FY21. This brings the total funding under this project to US\$12.15 million. In addition, the Bank is expecting a request from the GoKR to activate the CERC under the ERIK Project (P162635) (for an amount of up to US\$ 9 million). The activities in the Contingency Plan were tagged for funding to different donors as well as to the proposed Project and to the CERC activation of the ERIK Project.

20. **Other development partners have also pledged support to the Kyrgyz Republic for COVID-19 preparedness.** These include the WHO, the United Nations Children's Fund (UNICEF), the United Nations Development Program, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Asian Development Bank (ADB), and the United States Agency for International Development (USAID). The WHO has already provided substantial support in delivering trainings, preparing the Contingency Plan, and providing logistic support to the MoH by providing 1,000 COVID-19 laboratory tests and personal protection equipment (PPE). The Russian Federation and Turkey have also provided in-kind support (i.e. tests and PPE).



C. Relevance to Higher Level Objectives

21. The Project is aligned with World Bank Group (WBG) strategic priorities, particularly the WBG’s mission to end extreme poverty and boost shared prosperity. The Program is focused on preparedness is also critical to achieving Universal Health Coverage. It is also aligned with the World Bank’s support for national plans and global commitments to strengthen pandemic preparedness through three key actions under Preparedness: (a) improving national preparedness plans including organizational structure of the Government; (b) promoting adherence to the International Health Regulations; and (c) utilizing international framework for monitoring and evaluation (M&E) of the Regulations. The economic rationale for investing in the MPA interventions is strong, given that success can reduce the economic burden suffered both by individuals and countries. The project complements both WBG and development partner investments in health systems strengthening, disease control and surveillance, attention to changing individual and institutional behavior, and citizen engagement. Further, as part of the proposed IDA19 commitments, the World Bank is committed to “support at least 25 IDA countries to implement pandemic preparedness plans through interventions (including strengthening institutional capacity, technical assistance, lending and investment).” The project contributes to the implementation of the International Health Regulations (2005), Integrated Disease Surveillance and Response, and the World Organization for Animal Health international standards, the Global Health Security Agenda, the Paris Climate Agreement, the attainment of Universal Health Coverage and of the Sustainable Development Goals, and the promotion of a One Health approach.

22. The WBG remains committed to providing a fast and flexible response to the COVID-19 epidemic, utilizing all WBG operational and policy instruments and working in close partnership with the GoKR and other agencies. Grounded in One Health, which provides for an integrated approach across sectors and disciplines, the proposed WBG response to COVID-19 will include emergency financing, policy advice, and technical assistance, building on existing instruments to support IDA/IBRD-eligible countries in addressing the health sector and broader development impacts of COVID-19. The WBG COVID-19 response will be anchored in the WHO’s COVID-19 global SPRP outlining the public health measures for all countries to prepare for and respond to COVID-9 and sustain their efforts to prevent future outbreaks of emerging infectious diseases.

23. The Project is also aligned with the WBG’s Country Partnership Framework (CPF) for FY2019-2022 with the Kyrgyz Republic [Report No. 130399-KG, Board discussion on November 13, 2018], which includes a strong commitment to human capital development and building resilience, particularly among vulnerable Kyrgyz households. Stakeholder consultation as part of the CPF exercise revealed concerns about the quality of social services (health and education), as well as the efficiency and governance of the health system. This specific project was not included in the current CPF, but the emergency has increased the priority of health protection and treatment in the Kyrgyz Republic, and the project design seeks to incorporate broader health systems strengthening measures that were envisioned in the CPF. By building the strength of the system and its resilience to shocks it is aligned with the CPF’s focus on improving health services and global sector and IDA priorities on improving pandemic preparedness.

24. The Project is focused on emergency measures, in particular hospital level care for the most acute cases, and is complementary to the current Primary Health Care Quality Improvement Program for Results. The role for primary care in the COVID response is limited as patients without severe symptoms are advised to stay at home and/or quarantine – however, primary care units will be provided with protective equipment and clinical



guidelines. In the medium term, the proposed Project is expected to have the added benefit of strengthened service delivery capacity at the hospital level through renewal of equipment in ICU.

III. PROJECT DESCRIPTION

A. Development Objectives (DO)

25. The Project objectives are aligned to the results chain of the COVID-19 SPRP.

Project DO statement: To prepare and respond to the COVID-19 pandemic in the Kyrgyz Republic.

PDO level indicators:

- Number of suspected cases of COVID-19 cases reported and tested
- Percentage of designated hospitals with personal protection equipment and infection control products and supplies, without stock-outs in the preceding two weeks.
- Number of new fully equipped and functional intensive care beds financed by the project

B. Project Components

Component 1: Emergency COVID-19 Response (US\$ 11.98 million)

26. This component will provide immediate support to prevent additional arrivals of COVID-19 cases and to limit local transmission through containment strategies. It supports the enhancement of disease detection capacities through the provision of technical expertise, laboratory equipment, and systems to ensure prompt case finding and contact tracing. It will enable the Kyrgyz Republic to mobilize surge response capacity through trained and well-equipped frontline health workers. Supported activities include:

Case Detection, Case Confirmation, Contact Tracing, Case Recording, Case Reporting.

27. The Project will help to (a) strengthen disease surveillance systems, public health laboratories, and epidemiological capacity for early detection and confirmation of cases; (b) combine detection of new cases with active contact tracing; (c) support epidemiological investigation; (d) strengthen risk assessment; and (e) provide on-time data and information for guiding decision-making and response and mitigation activities.

28. PoE are viewed as the main entry point for the disease into the Kyrgyz Republic. All 22 PoEs have temporary medical points, staffed with public health medical staff. These medical points will be upgraded, and staff will be provided with the necessary training and PPE. PoEs that lack adequate handwashing facilities, restrooms or other basic health and hygiene conditions will be updated to a basic level. The Project will also supply PPE to PoE staff as well as vehicles for the transfer of suspected cases. Training will be designed and mostly financed by other development partners (including WHO) but may be financed by the Project as needed.



29. Fully operational rapid response teams (RRT) and adequate laboratory testing capacities are key to early response and control of infection. The Project will support RRTs in Bishkek and 7 regions by procuring vehicles, equipment and supplies. The Project will also strengthen testing capacities in designated laboratories through centralized procurement of equipment and supplies.

Health System Strengthening.

30. The Project aims to contribute to the strengthening of health system preparedness, quality of medical care provided to COVID-19 patients and minimizing the risks for health personnel and patients. These objectives will be achieved through procurement of essential medical goods, rapid conditioning of designated health facilities, and financing of surge staffing needs.

31. **The Project will finance essential medical goods such as medicines, medical supplies, and equipment through centralized procurement.** Clinical care capacity will be strengthened through the financing of equipment and supplies for Intensive Care Units (ICU) in selected hospitals, and the provision of PPE and infection control materials in hospitals and primary care facilities. ICU equipment and supplies will be procured to establish or renew 10 8-bed ICUs in designated hospitals and include mechanical ventilators, cardiac defibrillators, mobile x-rays, oxygen concentrators, and other equipment essential to provision of critical care to patients with severe acute respiratory infection. A preliminary list of ICU equipment is provided in Annex 3. The Project will finance the procurement of some medicines for case management of COVID-19 patients, however, it is envisaged that a large share of the medicines and PPE procured would be financed from the CERC of the ERIK project. Support will also be provided to strengthen medical waste management and disposal systems. While incinerators will be procured using financing from the CERC of the ERIK project, the Project support can come in the form of minor works, repairs, and training.

32. **The Project will support rapid conditioning and surge capacity in designated hospitals through funds transfers.** Given the deficient conditions in many hospitals, they will require additional investment to maintain basic infection and control measures and accommodate the use of essential medical equipment. Up to 30 ICUs and 100 isolation rooms in 24 designated hospitals will undergo conditioning including the provision and/or repair of handwashing and hygiene facilities, upgrading electrical work to safely operate medical equipment, maintenance, and cleaning of COVID wards, carrying out other emergency repairs to ensure patient and staff safety and infection prevention and control. The funds may support the temporary expansion of physical hospital space to existing buildings or temporary structures such as hospital tents or containers, excluding construction of buildings. The funds will also support temporary housing needs (such as rental of hostels or existing buildings and excluding construction of buildings) and associated communal expenses for health care workers involved in the care for COVID-19 patients, where justified by preparedness needs and/or increased patient loads. Finally, the funds will finance surge staffing (salaries for additional staff or top-up salaries for existing staff) to respond to need of COVID-19 patients. These funds will be advanced to hospitals through the MHIF.

33. **The funds earmarked for hospitals will be disbursed by the Bank after the adoption by the MoH of the instructions specifying the spending regulations and norms for the advanced funds, which should be acceptable to the Bank.** This will need to be completed within 30 days of the Project's effectiveness. The choice of designated hospitals and observation facilities to be included in this component will be informed by the



recently completed Hospital Master Plan commissioned by the GoK Annex 4 provides a preliminary list of designated hospitals for COVID-19.

Component 2: Implementation Management and Monitoring and Evaluation (US\$ 0.17 million)

34. **Project Management.** This Component will support the capacity of the Project Implementation Unit (PIU), located at the Ministry of Emergency Situations (MoES) to coordinate activities with MoH, RHPC, Mandatory Health Insurance Fund (MHIF) and other entities, and manage the financial management and procurement functions of the Project. The PIU will be strengthened by the recruitment of additional staff/consultants responsible for the overall administration, procurement, environmental and social safeguards, and financial management.

35. **M&E.** This component will support the M&E of Project implementation. To this end, the following would be supported: (a) Training in participatory M&E at all administrative levels, evaluation workshops, and development of an action plan for M&E and replication of successful models; (b. () Monitoring of project implementation, which would be a function of the PIU, which will be responsible for collecting relevant data from line ministries and other implementation agencies and then compiling them into progress reports focusing on the status of physical implementation by component, use of project funds and monitoring indicators. Facility audits will be conducted to verify indicators. Annual expenditure reviews will be conducted to assess Government commitment to strengthening the public health functions as measured by budgetary allocations and their distribution by activity.

36. The MPA will include a monitoring and prospective evaluation framework for the overall facility and for operations at the country and sub-regional or regional levels. The approach will include baseline assessments, benchmarking, rapid learning, and multi-country analysis to inform tactical adaptations within and across countries. The monitoring and prospective evaluation framework will focus on: (a) strategic relevance to the near-term support for disease outbreak detection and response, with clarity of pathways from WBG contributions to the expected outcomes; (b) client responsiveness; (c) WBG capacity to sustain client efforts to prevent future outbreaks of emerging infectious diseases; and (d) timeliness and agility of co-convening functions with country policymakers and strategic partners who complement the WBG's comparative advantages.

C. Project Costs and Expenditure Categories

37. Component 1 will cover two expenditure categories. The first will include procurable items (i.e. goods, small works, consultant services, and non-consulting services, training, and medicines). The second expense category will cover transfers of funds to hospitals to finance surge capacity. As described above, these transfers will be allocated through the MHIF to enable hospitals to finance maintenance and minor repairs, ensure patient and staff safety, and mobilize surge staffing. Such transfers will be critical to ensure the preparedness of the health system to respond to COVID-19. The eligible expenditures for this activity will include expenses for maintenance and minor repair of the health care facilities, repair of equipment, repair and/or installation of handwashing and hygiene facilities, repairing and/or upgrading box chambers, electrical work to operate medical equipment, maintenance and cleaning of COVID wards, surge payments for the existing or additional



medical and non-medical staff of designated health facilities, temporary housing and associated communal expenses for health care workers involved in the care for COVID-19 patients, and temporary hospital facilities. Component 2 has a single expenditure category consisting of operational costs, consulting and non-consulting services, goods and training.

Table 2: Project Components and Budget

No	Description	Budget in US\$	Expense Category
COMPONENT 1			
1	Goods, works and non-consulting services	10,745,000.00	Goods, small works, non-consulting services, consulting services, training
2	Consulting services (firms)	135,000.00	
3	Surge capacity to accommodate COVID patients, including rapid conditioning of facilities so they can operate new or existing equipment, repair equipment, repair facilities, handwashing and hygiene facilities, electrical circuits to operate medical equipment, maintenance and cleaning of COVID wards, and surge staffing, temporary housing (such as rental of hostels and excluding construction of buildings) for health care workers involved in care for corona patients, temporary expansion of hospital facilities excluding construction of buildings.	1,100,000.00	Funds transfers to hospitals
<i>Subtotal Component 1</i>		<i>11,980,000.00</i>	
COMPONENT 2			
4	Operating costs, including PIU Staff and non-procured goods and services, and social Fund - Employer contribution (17.25% of the salary for employees of the PIU)	170,000.00	Operating Costs ⁷ , consulting and non-consulting services, goods, training
<i>Subtotal Component 2</i>		<i>170,000.00</i>	
Total		<i>12,150,000.00</i>	

⁷ Operating costs means the incremental operating expenditures incurred by PIU MOES on account of the Project implementation, management, monitoring and evaluation, including salaries of contractual staff and associated Social Charges, office materials and supplies, utilities, communication costs, support for information systems, transportation costs, bank charges, and travel and per diem costs of the PIU and MHIF staff and other reasonable expenditures directly associated with implementation of the Project activities, all based on an annual budget acceptable to the Association.



D. Project Beneficiaries

38. The expected project beneficiaries will be infected people, at-risk populations, particularly the elderly and people with chronic conditions, medical and emergency personnel, medical and testing facilities, and health agencies/public health agencies engaged in the response in the Kyrgyz Republic.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

39. The MoH is responsible for the coordination and implementation of COVID-19 activities. The implementing agency for this Project will be the MoH, which will coordinate the implementation of Project activities as well as coordinate them with other agencies. The Republican Headquarters for the Prevention of the Spread of COVID-19, led by the Prime Minister of the Kyrgyz Republic, will play a steering role in the national response overall and for the project interventions specifically. The Republican Headquarters include representatives from all ministries and state agencies, such as the MoH, Ministry of Emergency Situations, Ministry of Finance, and Ministry of Foreign Affairs. The MoH has also established its own COVID-19 Headquarters and a 24/7 Secretariat. The MoH Headquarters consist of the Public Health Department of MoH, Department of Health Care Delivery and Drug Policy, Department of Disease Prevention and State Sanitary Epidemiological Surveillance, Republican Center for Quarantine and Especially Dangerous Infections, Department of Drug Supplies and Medical Equipment, and the Republican Health Promotion Center. The Deputy Minister of Health assigned to the COVID-19 response will be responsible for the execution oversight of project activities and will regularly report to the Deputy Prime Minister and Republican Headquarters on project activities as part of overall response reporting. In addition, other technical divisions at the MOH, research institutes, national medical services, regional and local health authorities, village health communities, and other key agencies will be involved in project activities based on their functional capacities and institutional mandates.

40. The PIU will be the PIU of the Ministry of Emergency Situations (MoES). It will provide implementation and project management support, including procurement and financial management, to the MoH. It has extensive experience with World Bank procedures and is currently implementing Enhancing Resilience in Kyrgyz Republic (P162635) and Central Asia Hydromet Modernization Project (P120788). The PIU will directly implement certain technical activities, including procurement of medical supplies, equipment, and renovation works. Some other activities, such as health worker training may be outsourced to third parties through contract agreements acceptable to the World Bank. The PIU will also be in charge of preparing a consolidated annual workplan and a consolidated activity and financial report for the project components. The PIU will work closely with the MoH, which will provide the necessary documentation, including technical specifications for procurement.

41. The PIU of the MoES will also be supported by the MHIF in channeling funds and preparing respective financial reporting on the use of the funds under Component 1 for health care system preparedness activities at health care facility level.



42. Given the number of activities and environmental and social risks associated with these activities, the MOH shall enhance and maintain the PIU with qualified staff and resources to support management of ESHS risks and impacts of the Project including environmental and social risk management specialists. Preferably, the environmental specialist should have sound knowledge on Medical Waste Management (MWM) and/or MOH is to assign staff familiar with MWM to support PIU in supervision over preparation, implementation and commencement/ installation of works/equipment, including minor local works to be managed by hospitals under cash transfer through MHIF.

43. To facilitate the carrying out of the activities under the Project, within one month after the Effective Date, the MoF, MoH, MHIF and MoES will enter into a Cooperation Agreement that will specify the terms of MoF, MoH, MHIF and MoES engagement, reporting obligations, and will specify the division of responsibilities and their respective roles in the implementation of the Project.

B. Results Monitoring and Evaluation Arrangements

44. The M&E activities will be the responsibility of the MoH. This includes: (a) collecting and consolidating all data related to project indicators; (b) evaluating results; (c) providing the relevant performance information to the respective Deputy Ministers and the Republican Headquarters; and (d) reporting results to the World Bank prior to each semi-annual supervision mission. The roles and responsibilities, as well as the methodology, will be described in the Project Operations Manual (POM).

C. Sustainability

45. The sustainability of the project will largely depend on the capacity of the implementing agencies and the specific activities. The focus of some of the project activities on training and capacity building will further enhance the sustainability of the project.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

46. Although there are very significant gaps in knowledge of the scope and features of the COVID-19 pandemic, it is apparent that one main set of economic effects will derive from increased sickness and death among humans and the impact this will have on the potential output of the global economy. In the Spanish Influenza pandemic (1918-19) 50 million people died - about 2.5% of the then global population of 1.8 billion. The most direct effect would be through the impact of increased illness and mortality on the size and productivity of the world labor force. The loss of productivity as a result of illness which, even in normal influenza episodes is estimated to be 10 times as large as all other costs combined, will be quite significant. The SARS outbreak of 2003 provides a good example. The number of deaths due to SARS was estimated at “only” 800



deaths and it resulted in economic losses of about 0.5% of annual GDP for the entire East Asia region, concentrated in the second quarter.

47. The proposed project supports the GoKR contingency plan which is in line with WHO recommendations regarding best practice for limiting the human and economic impacts of the COVID-19 epidemic. The activities in the plan include a package of (a) country level coordination; (b) risk communication and community engagement; (c) surveillance; (d) PoE identification and isolation of cases; (e) case investigation and rapid response; (f) strengthening the national laboratory system; (g) infection prevention and control; (h) case management; and (i) multisectoral action to mitigate social and economic consequences. The proposed Project focuses on items (c) through (h) while other development partners are supporting the GoKR in the remaining items.

48. The design of the Project is flexible to accommodate changing needs in the face of a rapidly changing epidemic. Since the entire response to the COVID-19 epidemic is assigned to a single component with only two expense categories, activities can easily be accommodated to a changing epidemic profile without requiring restructuring.

B. Fiduciary

(i) Financial Management (FM)

49. The FM assessment for the project was conducted in accordance with the Financial Management Manual for World Bank Investment Project Financing Operations that became effective on March 1, 2010 but was revised on February 10, 2017. The assessment confirmed that the FM arrangements at the PIU in MOES, as well as at the MHIF, are adequate to implement the project and meet the minimum requirements of OP/BP 10.00. They also take into consideration OP 8.00 on Rapid Response to Crises and Emergencies and Guidance Note on FM in Rapid Response to Crises and Emergencies. Considering the experience and existing capacity at the PIU MOES and MHIF for the project implementation, FM arrangements are in place but will need to be strengthened by: (a) developing the POM, including the Project specific FM arrangements; (b) recruitment of an additional disbursement specialist; and (c) MOH developing and adopting instructions to disburse and account for funds sent to the health care facilities. The first two actions will need to be done within 30 days after project effectiveness. The third action will be a disbursement condition for funds to be transferred to the selected hospitals through the MHIF.

50. The Recipient requested Retroactive Financing for this Project. In accordance with the Procurement Regulations, the Bank requires the application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights. To ensure compliance with the above provisions of the bidding processes that have already been conducted and where the awarded/signed contracts did not include the relevant Fraud and Corruption (F&C) provisions, the Recipient has agreed to amend those contracts, which are to be financed under this Project, to include the Bank's F&C provisions, and to be signed by both parties to the contracts. The Bank will not finance any contracts which do not include the Bank's F&C related clauses. The Recipient will also present to the Bank the list of contractors/suppliers and subcontractors/subsuppliers under these contracts for the Bank to ensure that the firms chosen are not and were not at time of award or contract signing on the Bank's List of Debarred firms.



Contracts awarded to firms debarred or suspended by the Bank (or those which include debarred or suspended subcontractors/subsuppliers) will not be eligible for the Bank's financing.

51. The PIU MOES has extensive experience in implementing Bank funded projects, and currently carries out the FM function for the following Bank funded projects' implementation: Enhancing Resilience in Kyrgyz Republic (P162635) and Central Asia Hydromet Modernization Project (P120788), including additional financing. The PIU has an experienced financial manager and disbursement specialist who work for both ongoing projects. However, the PIU will need to hire an additional disbursement specialist to work for the Project within 30 days of the project effectiveness. The existing disbursement specialist of the PIU will work for the Project until the additional one is recruited, given the emergency and crisis nature of this project. Internal audit arrangements are in place to oversee the operations of the project. The project accounts will be prepared in line with Cash Basis International Public Sector Accounting Standards. For the ongoing projects the PIU utilizes 1C accounting software, which is adequate and will be used for the project's accounting and financial reporting. No major upgrade to the software is required, and the PIU will update it to reflect the project's specific components, and categories.

52. The MHIF have also been assessed under the country's first PforR operation (P167598) in the Kyrgyzstan health sector, with overall adequate staffing and FM systems in place for project implementation. The overall responsibility of the project's FM function will be on the PIU, which will also have the overall responsibility over the project's flow of funds management. The Statement of Expenditures (SOE) method of the disbursement will be used for the project. The level of Designated Account (DA) authorized advance will be 20% of the project total funding. The project's DA, in US\$, will be opened in a commercial bank acceptable to the Bank, and be managed by the PIU. Other methods of disbursement the project could use include direct payments, special commitments and reimbursements. Further details of the disbursement arrangements will be described in the Disbursement and Financial Information Letter.

53. The MHIF's role in the FM arrangements will be limited to providing support to the PIU in channeling funds and preparing respective financial reporting on the use of the funds under Component 1 for health care system preparedness activities at health care facility level. For the preparedness activities, it is expected that an advance payment will be provided to hospitals, which will be disbursed by the PIU to the MHIF's account at the State Treasury upon the MHIF's request for further advancing the funds in full to hospitals. To enable separate accounting and reporting for the project funds, new separate accounts specifically dedicated for the financing under the Project will be opened for the hospitals in the Treasury system. The received funding will be used to finance eligible expenditures (which will include top-up and surge salary payments for medical and non-medical staff of health facilities receiving COVID patients and expenses for maintenance and minor renovation of the facilities). The health care facilities will periodically (quarterly) submit to MHIF financial reports on utilization of the project funds. The MHIF will consolidate the reports received from their respective health care facilities and submit to the PIU within 30 days after the quarter end for documentation of the expenditures to the Bank and preparation of quarterly Interim Unaudited Financial Reports (IFR).

54. The funds for the preparedness activity will be disbursed in accordance with the MoH's respective instructions, acceptable to the Bank, on the transfers of the project funds to health care facilities, which will specify the spending regulations and norms for those funds. Preparation and adoption of these instructions will be a disbursement condition for such funds.



55. Quarterly IFRs will be used for the Project monitoring and supervision. These reports will be prepared by the PIU, inter alia, based on consolidated financial reports of the health care facilities to be submitted to the PIU by the MHIF within 30 days after the quarter end, and submitted to the Bank within 45 days of the end of each calendar quarter. The formats of the IFRs and more detailed FM arrangements (including the funds flow arrangements) of the project will be specified in the POM.

56. The current auditing arrangements at the PIU for ongoing Bank financed projects are adequate, and the project will rely on those arrangements for the audit. There are no overdue audits under the ongoing projects. The audit reports, with unmodified opinions, were received by the Bank on time with no critical issues in the management letters nor ineligible issues identified. The audit of the project financial statements will be conducted (a) by independent private auditors acceptable to the Bank, on terms of reference acceptable to the Bank; and (b) according to the International Standards on Auditing issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. Annual audited project financial statements will be submitted to the Bank within six months after the end of each fiscal year, and also at the project closing. The auditor will also review sample transactions made by health care facilities under the project to confirm the eligibility of the respective expenditures.

57. The Recipient has agreed to disclose the audit reports for the project, within one month of their receipt from the auditors, by posting the reports on the website of the MOES. Following the Bank's formal receipt of these reports from the Borrower, the Bank will make them publicly available according to World Bank Policy on Access to Information.

58. The overall residual FM risk rating is assessed as Substantial.

(ii) Procurement

59. Procurement under the Project will be carried out in accordance with the World Bank Procurement Regulations for IPF borrowers (Borrowers Regulations), July 2016, revised November 2017 and August 2018. The Project will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016; and the provisions stipulated in the Financing Agreement. The procurement and contract management processes will be tracked through the Systematic Tracking of Exchange in Procurement (STEP) system.

60. The MoH will be the implementing agency for the Project. An existing PIU in the MoES will provide implementation and project management support, including procurement and financial management, to the MoH. The PIU has extensive experience with World Bank procedures and is currently implementing two projects supported by the World Bank. If the GoKR requests, the Bank may consider supporting the Borrower in the procurement of the initial needs of the medical equipment and supplies through Hands-on Expanded Support (HEIS).

61. The major planned procurement: (i) medical/laboratory equipment and consumables, (ii) personal protective equipment (PPE) in facilities, (iii) clinical management equipment, (iv) refurbishment and equipment of medical facilities, (v) human resources for response, and (vi) expertise for development and training of front-line responders.



62. Given the emergency situation, the Borrower is preparing, with support of the Bank, a high level, simplified Project Procurement Strategy for Development (PPSD) that specifies goods, works, and services the project will finance. This, together with the Procurement Plan, will be finalized during the implementation period. It will specify procurement approaches and methods, as well as provide the thresholds for selection methods as agreed with the Bank. While all methods as specified under Procurement Regulations can be used, methods ensuring expedited delivery will be first considered. These include direct contracting of UN Agencies, direct contracting of firms as appropriate, Request for Quotations (RfQ) with no threshold limit for this method as appropriate. An initial procurement plan has been agreed with the Borrower and will be updated along with PPSD during implementation, as needed.

63. A Bid Securing Declaration may be used instead of a bid security. A Performance Security may not be required for small contracts. Advance payment may be increased to 40% while secured with the advance payment guarantee. The time for submission of bids/proposal can be shortened to 15 days in competitive national and international procedures and to 5 days for the RfQ depending on the value and complexity of the requested scope of bid.

64. If requested by the Borrower, the Bank will provide procurement hands-on expanded implementation support (HEIS) to help expedite all stages of procurement – from help with supplier identification, to support for bidding/selection and/or negotiations to contract signing and monitoring of implementation.

65. Given the global COVID-19 emergency situation, the project may be significantly constrained in purchasing critically needed supplies and materials due to significant disruption in the supply chain, especially for PPE. The supply problems that have initially impacted PPE are emerging for other medical products (e.g. reagents and possibly oxygen) and more complex equipment (e.g. ventilators) where manufacturing capacity is being fully allocated by rapid orders from other countries. Therefore, and upon the Borrower's request, the Bank may agree to provide Bank Facilitated Procurement (BFP) to proactively assist the implementing agency(ies) in accessing existing supply chains for the agreed list of critical medical consumables and equipment needed under the project. Once the suppliers are identified, the Bank will proactively support borrowers with negotiating prices and other contract conditions. The Borrowers will remain fully responsible for signing and entering into contracts and implementation, including assuring relevant logistics with suppliers such as arranging the necessary freight/shipment of the goods to their destination, receiving and inspecting the goods and paying the suppliers, with the direct payment by the Bank disbursement option available to them. If needed, the Bank may also provide hands-on support to the implementing agency(ies) in contracting to outsource logistics.

66. BFP to access available supplies may include aggregating demand across participating countries, whenever possible, extensive market engagement to identify suppliers from the private sector and UN Agencies. The Bank is coordinating closely with the WHO and other UN agencies (specifically WHO and UNICEF) that have established systems for procuring medical supplies and charge a fee which varies across agencies and type of service and can be negotiated (around 5% on average.) In addition, the Bank may help borrowers access governments' available stock. In providing BFP the Bank will remain within its operational boundaries and mandate which already include expanded hands-on implementation support to help borrowers achieve the project's development objectives.



67. Procurement for goods/works and services outside this list will follow the Bank’s standard procurement arrangements with the Borrower responsible for all procurement steps (or with normal Hands-on Implementation support, as applicable).

68. Funds Transfers under Part 1.2 (vi) of the Project to hospitals for surge capacity to accommodate COVID-19 patients: The procurement of works and goods at facility level will follow the Instructions, which include provisions on the procurement rules and procedures to be followed by hospitals and labs to implement activities under the Transfers. The Instructions will be issued by MOH and shall be acceptable to IDA.

69. The major risks to procurement include: (a) the global nature of the COVID-19 outbreak that creates shortages of supply and the necessary services. The risk is failed procurement due to lack of sufficient global supply of essential medical consumables and equipment needed to address the health emergency as there is significant disruption in the supply chain, especially for PPE. Additionally, this may result in increased prices and cost. (b) Other key procurement risks include Borrower import restrictions in place for goods/service providers/consultants/contractors from certain countries, as well as constraints in institutional and implementing capacity in borrowing countries, particularly where quarantine or other restrictions that impact public administration are in place. (c) Additional risk of delays is attributed to the lack of familiarity of the Borrower in dealing with such a novel epidemic which may results into slow decision making.

70. To help mitigate this risk, the Bank, upon the Borrower’s request, will provide BFP, under HEIS, leveraging its comparative advantage as convener with the objective of facilitating borrowers’ access to available supplies at competitive prices, as described in the procurement section of this document. BFP in identifying suppliers and facilitating contracting between them and borrowers may bring a perception that the Bank is acting beyond its role as a financier with greater reputational and potentially litigation risks – these would relate to questions of transparency, equity in terms of which borrowers get access to what and when, issues with quality, timeliness of delivery, value for money, and any other issues of contractual non-performance by the suppliers identified by the Bank. To partially mitigate these risks, the Bank and the Borrower will clearly delineate the roles and responsibilities of the Bank and the Borrowers for whom the Bank facilitates access to available supplies.

71. The procurement risk is **High**. The Bank’s oversight of procurement will be done through increased implementation support and HEIS (if applicable), as well as increased procurement post review based on a 20% sample while prior review will not apply.

C. Legal Operational Policies

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

D. Environmental and Social Standards

72. The project will have positive environmental and social impacts as it should improve COVID-19 surveillance, monitoring and containment to minimize spread among population. However, the project could also cause



significant environmental, health and social safety risks due to the dangerous nature of the pathogen and reagents and other materials to be used in the project-supported ICUs, laboratories, and quarantine facilities. The project adopts ESS approach to address the risks. The Environmental Risk Rating is assessed as **Substantial** and Social as **Moderate**. Key risks relate to spread of virus and medical waste management: (i) occupational health and safety risk related for spread of virus for medical staff, laboratory staff and population at large in due course of detection, transportation of patients/tests/chemicals and reagents, and treatment stages; (ii) occupational health and safety related to collection, transportation and disposal of medical waste management; (iii) temporary environmental risks associated with minor repair works and occupational health and safety of construction workers, medical staff at hospitals and border posts and surrounding communities. Major challenges include: (i) ensuring a soothing environment so as to avoid panic/ conflicts resulting from false rumors and social unrest, (ii) assuring proper and quick access to appropriate and timely medical services, educate hand hygiene and PPEs, that is not based on ability to pay or other factors; and (iii) anticipating and addressing issues resulting from people being kept in quarantine. These risks are covered by the following Environmental and Social Standards (ESS): ESS 1, ESS 2, ESS 3, ESS 4, and ESS 10. Accordingly, mitigatory measures have been drawn.

VI. GRIEVANCE REDRESS SERVICES

Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the Bank’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 Bank’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of Bank 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 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.

VII. KEY RISKS

INHERENT RISK	Assessment of Mitigation measures (indicative)
<p>Political & Governance Low priority given to public accountability and transparency in program management.</p> <p>Difficulty of containing the populations of quarantined areas, particularly in food insecure or fragile contexts.</p>	<p>Commitment and state of processes to disclose/document funding to support COVID-19 response (e.g., publication of audit results and achievements; transparency in decision and resource allocation)</p> <p>Availability of feedback mechanisms to confirm that financing has reached intended health care facilities, beneficiaries.</p>



INHERENT RISK	Assessment of Mitigation measures (indicative)
<p>Governance challenges in the health and other sectors involved in country responses.</p> <p>Lack of adequate legal and regulatory framework to ensure legitimate and proportionate collection, use and processing of personal data.</p>	<p>The program would support the implementation of anti-corruption strategies and activities that have been adopted to guide the implementation of World Bank Group-funded portfolio of projects in participating countries.</p> <p>The program will include incorporating best practice measures for treatment of such data in operational documents.</p>
<p>Macroeconomic</p> <p>Reduction in fiscal capacity of governments due to global economic disruption and slowdown, and potential unavailability of fiscal resources. This would negatively impact public health service delivery including essential health service delivery.</p>	<p>The GoKR remains committed to provide fiscal resources to core COVID-19 and essential health service delivery activities.</p>
<p>Technical design</p> <p>Intervention activities not effective in containing the spread of COVID-19.</p> <p>Lack of timely and predictable access to expert advice and technical support.</p> <p>Lack of sufficient quantity of drugs and other medical inputs needed to address the health needs of the general population during a pandemic.</p>	<p>This risk is mitigated by selecting evidence-based interventions, allowing for modifications and redesign as needed, based on success in containing COVID-19 and increased global knowledge about the disease.</p> <p>Supporting project activities that are designed and implemented in partnership with leading multilateral agencies, such as WHO and the Food and Agriculture Organization, regional/ sub-regional entities; and bilateral and other donor organizations.</p> <p>The GoKR is committed to coordinate project activities with efforts undertaken by other international organizations such as WHO, to facilitate access to laboratory and medical care supplies.</p>
<p>Fiduciary</p> <p>Financial resources not accessible in a timely manner, weak procurement management due to crisis situation.</p>	<p>Availability of rapid disbursement procedures and simplified public sector procurement within projects in accordance with emergency operations norms.</p>
<p>Environment and Social</p> <p>Dangerous nature of the pathogen and reagents and other materials to be used in the project-supported ICUs, laboratories, and quarantine facilities</p>	<p>Strict adherence to established COVID-19 infection prevention and control guidelines and to standard procedures for medical waste management and disposal; use of appropriate Personal Protective Equipment (PPE) for all health care workers; and</p>



INHERENT RISK	Assessment of Mitigation measures (indicative)
Poor capacity related to medical waste and hazardous management and disposal	<p>working with local governments and communities to ensure that social distancing measures and quarantine regimes are strictly adhered is also vital for lowering the speed and incidence of infection.</p> <p>The Project will include training in medical waste management, while the CERC component of the ERIK project (once triggered) will finance the procurement of medical waste incinerators.</p>



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Kyrgyz Republic

Kyrgyz Republic - Emergency COVID-19 Project

Project Development Objective(s)

To prepare and respond to the COVID-19 pandemic in the Kyrgyz Republic.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
To prevent, detect and manage cases of COVID-19.				
Number of suspected cases of COVID-19 reported and tested (Number)		1,289.00	10,000.00	20,000.00
Percentage of designated hospitals with personal protection equipment and infection control products and supplies, without stock-outs in preceding two weeks (Percentage)		0.00	90.00	90.00
Number of new fully equipped and functional intensive care beds financed by the project (Number)		0.00		80.00



Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Component 1: Emergency COVID-19 Response				
Percentage of designated hospitals with triage capacity (Percentage)		0.00	90.00	90.00
Percentage of designated hospitals with isolation capacity (Percentage)		0.00	90.00	90.00
Country has activated their public health Emergency Operations Center or a coordination mechanism for COVID-19 (Yes/No)		Yes	Yes	Yes
Number of designated laboratories with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines (Number)		2.00	3.00	3.00
Component 2: Implementation Management and Monitoring and Evaluation				
Percentage of grievances addressed within the time specified in the project implementation manual (Percentage)		0.00	80.00	80.00

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of suspected cases of COVID-19 reported and tested	This indicator monitors the cumulative number of suspected cases of COVID-19 reported and tested.	Every 6 months. Baseline number is for March	Ministry of Health and PIU	Electronic data system reporting to the Republican Headquarters for the national coordination and	Ministry of Health and PIU



	<p>According to the WHO, a suspect case is:</p> <p>a. A patient with acute respiratory illness (fever and at least one sign/symptom of respiratory disease (e.g., cough, shortness of breath), AND with no other etiology that fully explains the clinical presentation AND a history of travel to or residence in a country/area or territory reporting local transmission of COVID-19 disease during the 14 days prior to symptom onset.</p> <p>OR</p> <p>b. A patient with any acute respiratory illness AND having been in contact with a confirmed or probable COVID19 case in the last 14 days prior to onset of symptoms;</p> <p>OR</p> <p>c. A patient with severe acute respiratory infection (fever and at least one sign/symptom of respiratory disease (e.g.,</p>	<p>6, 2020.</p>		<p>management of COVID-19. Web link: http://www.med.kg/ru/koronavirus/583-prinimaemye-mery-popeduprezhdeniyu-rasprostraneniya-koronavirusnoj-infektsiina-territoriyu-strany.html</p>	
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	cough, shortness breath) AND requiring hospitalization AND with no other etiology that fully explains the clinical presentation.				
Percentage of designated hospitals with personal protection equipment and infection control products and supplies, without stock-outs in preceding two weeks	This indicator monitors the percentage of designated health facilities with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks. Designated facilities are those identified by the MOH for observation of suspected cases and treatment of confirmed COVID-19 cases.	Every 6 months	Ministry of Health and PIU	Electronic data system and facility audits	Ministry of Health and PIU
Number of new fully equipped and functional intensive care beds financed by the project	Cumulative number of intensive care beds fully equipped ICUs financed by the project. "Fully equipped and functional" will be defined in the project implementation manual (PIM) in accordance with the international and national norms and protocols.	Every six months	PIU database	Facility audit	Ministry of Health and PIU

**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of designated hospitals with triage capacity	This indicators monitors percentage of designated hospitals with triage capacity.	Every 6 months	Ministry of Health and PIU	Facility audit	Ministry of Health and PIU
Percentage of designated hospitals with isolation capacity	Percentage of designated hospitals that have operational isolation capacity (isolation rooms in admission departments and isolation wards in designated departments). Designated facilities are those identified by the MOH for observation of suspected cases and treatment of confirmed COVID-19 cases.	Every 6 months	Ministry of Health and PIU	Facility audits	Ministry of Health and PIU
Country has activated their public health Emergency Operations Center or a coordination mechanism for COVID-19	This indicator monitors the functioning of a central emergency operations center for COVID-19.	Every 6 months	Ministry of Health, PIU, and Republican Headquarters for COVID-19	Proceedings from the COVID-19 Republican Headquarters meetings	Ministry of Health and PIU
Number of designated laboratories with COVID-19 diagnostic equipment, test kits,	Number of designated laboratories supported	Every 6 months	Ministry of Health and	Lab audit and number of COVID-19 tests	Ministry of Health and



and reagents per MOH guidelines	under the project with COVID-19 diagnostic equipment, test kits, and reagents per MOH guidelines		PIU	performed	PIU
Percentage of grievances addressed within the time specified in the project implementation manual	This indicator monitors the functioning the of a monitoring and evaluation system supporting epidemic preparedness and response.	Every 6 months	PIU data	PIU data	PIU



ANNEX 1: Project Costs

COUNTRY: Kyrgyz Republic
Kyrgyz Republic - Emergency COVID-19 Project

COSTS AND FINANCING OF THE PROJECT

Program Components	Project Cost (US\$)	IBRD or IDA Financing	Trust Funds	Counterpart Funding
Component 1: Emergency COVID-19 Response	11,980,000	IDA	-	-
Component 2: Implementation Management and Monitoring and Evaluation	170,000	IDA	-	-
Total Costs	12,150,000	IDA		
Total Costs	12,150,000			
Front End Fees	-			
Total Financing Required	12,150,000			



ANNEX 2: National COVID-19 Response Approach

COUNTRY: Kyrgyz Republic
Kyrgyz Republic - Emergency COVID-19 Project

The Kyrgyz Republic's COVID-19 Contingency Plan

73. The country preparedness and response activities will vary depending on the current transmission scenarios in the country and resource availability. The WHO defined four transmission scenarios for COVID-19, each scenario requiring prioritization of different activities and resource allocation approaches.⁸ In the first two scenarios, where there are either no cases or sporadic (e.g. imported) cases, early case detection, isolation and contact tracing are deemed to be of the highest priority, particularly at the PoE. In the scenarios where the infection has already spread in the country and there are case clusters or outbreaks of local transmission, the priorities shift to minimizing community transmission and improving care for the infected.

74. The COVID-19 control experience from China is particularly illustrative where a risk-based prevention and control approach for different regions based on their transmission scenarios proved effective in the rapid outbreak control⁹. In China, prevention and control measures were implemented in three phases. During the first phase, the focus of the activities was on prevention of exportation of cases from Wuhan and other outbreak areas to the neighboring areas, so that infection could be controlled at the source and the geographical spread is minimized. The second phase focused on activities that bring down the intensity of the outbreak and slow increase in new cases. In this phase, early identification and treatment of cases, isolation of close contacts, traffic controls and minimization of population movement and gatherings were prioritized. The third phase focused on controlling clusters of cases and revisiting prevention and control measures to minimize the outbreak impact on socio-economic development of the regions and communities.

75. The Kyrgyz National Contingency Plan (NCP), adopted on March 18, 2020, builds on the WHO COVID-19 operational planning guidelines, other countries' experience and captures all essential activities required for an effective outbreak control¹⁰. Following China's successful risk-based differentiated outbreak control strategy¹¹, the Kyrgyz Republic also adopted a risk-based control strategy in the NCP. Conceptually, the preparedness and response activities included in the NCP could be broadly divided into five focus areas (**Figure 2**). While all key activities are planned out, given the current sporadic cases transmission scenario in the country, early detection, isolation, contact tracing (surveillance) are highly prioritized at this stage. As such all PoE and laboratory capacities for COVID-19 testing are being immediately strengthened.

⁸ Critical preparedness, readiness and response actions for COVID-19: Interim guidance. WHO, 2020.

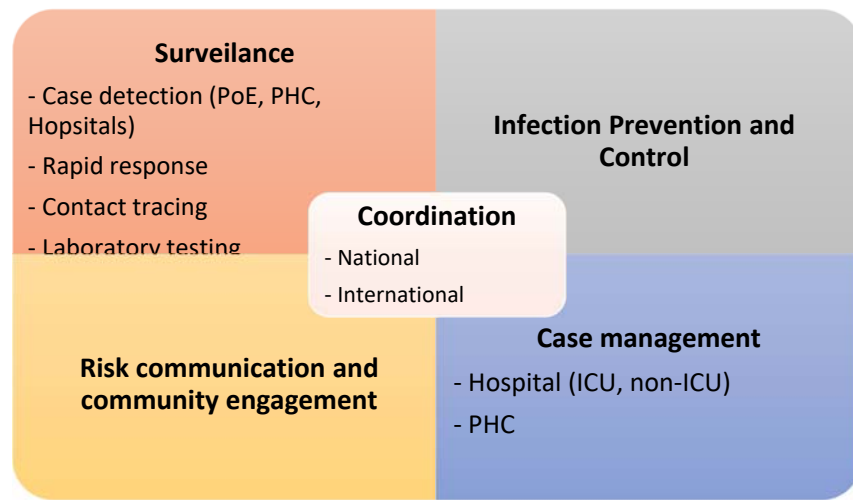
⁹ Report of the WHO-China Joint Mission on Coronavirus Disease 2019 (COVID-19), February 16-24, 2020

¹⁰ COVID-19 strategic preparedness and response plan: operational planning guidelines to support country preparedness and response, WHO 2020

¹¹ a) No Cases; b) Sporadic Cases; c) Clusters of Cases; d) Community-level Transmission



Figure 2. The Kyrgyz Republic’s Preparedness and Response Focus Areas



76. **At the PoE, all incoming people are screened for fever and other signs and symptoms.** Symptomatic international visitors and Kyrgyz nationals are admitted to one of the designated hospitals for testing and potential case management. Asymptomatic visitors from the countries with an existing COVID-19 outbreak (COVID-19 countries) are observed for 14 days in their areas of residence, while asymptomatic Kyrgyz nationals returning from the COVID-19 countries are admitted to 1 of 8 designated facilities for a 14-day observation.

77. **A total of 24 hospitals are designated nationally to admit suspected and confirmed cases.** The designated hospitals are strategically placed nationally to ensure quick isolation and early treatment of all cases. The ICUs in at least 10 designated hospitals will be upgraded, and staff trained to manage critically ill COVID-19 patients. All suspected patients will be tested for COVID-19 using a PCR¹² technique. Contact tracing will be carried out for all confirmed cases and the contacts will be placed in observation centers.

78. **The NCP is designed to be flexible to meet the needs of various transmission scenarios in the country.** If the existing transmission scenario in the country changes, the set of prioritized activities can easily change. For example, in the case of community-level transmission, the number of beds in observation centers and hospital beds may increase from current 1,000 observation beds and 400 hospital beds to 1,200 and 1,000 beds respectively. Mild and asymptomatic cases may also be cared for at home if hospital capacities are overwhelmed.

79. The NCP has been developed in close consultations with major development partners in the country to ensure coordinated international support to the Government. During the NCP consultations, the areas for development partners’ support were identified and costed. The World Bank support will focus on strengthening activities in (a) surveillance; (b) infection prevention and control; and (c) case management through procurement of essential goods (e.g. medical equipment, PPEs, essential medications) and services (e.g. surge capacity for a total amount of US\$15.15 million. The “soft” activities such as risk communication and community engagement

¹² Polymerase chain reaction analysis.



and workforce training will be supported by other major development partners such as WHO, USAID, UNICEF, ADB and GIZ.

ANNEX 3: Preliminary List of ICU Equipment

COUNTRY: Kyrgyz Republic
Kyrgyz Republic - Emergency COVID-19 Project

- 1. Functional bed 3-section anti-bedsore mattress**
- 2. Bedding set (duvet cover sheet pillowcase) Kit**
- 3. Swaddling changing table**
- 4. Monitor**
- 5. Mechanical ventilation apparatus kit**
- 6. Vacuum suction**
- 7. Oxygen concentrator**
- 8. Ultrasonic inhaler**
- 9. Systemic infusomat**
- 10. Syringe dispenser**
- 11. Pulse Oximeter (for adults and children)**
- 12. Bobrov's apparatus**
- 13. Ambu bag with masks silicone for adults/ for children**
- 14. Decontaminator - Air Purifier**
- 15. Bactericidal UV irradiator**
- 16. Portable blood pressure monitor (tonometer)**
- 17. Blood pressure monitor (electronic baby)**
- 18. Laryngoscope (for adults and children) in the set**
- 19. Otoscope**
- 20. Blood glucose meter**
- 21. Defibrillator**
- 22. Electrocardiograph**
- 23. Plasma Thawer**
- 24. Operating table for resuscitation with electric control**
- 25. Tool table mobile**
- 26. 2-door trolley**
- 27. Wheelchair**
- 28. Food transport trolley**
- 29. Needle Destructor**
- 30. Intravenous infusion rack**
- 31. Boxing chamber for transporting patients with especially dangerous infections**
- 32. Mobile x-ray machine**

ANNEX 4: Preliminary List of Designated Hospitals for COVID-19

COUNTRY: Kyrgyz Republic
Kyrgyz Republic - Emergency COVID-19 Project

	Hospital	Region/oblast
1	Military Hospital (v. Besh-Kungey)	Chui oblast
2	Republican Clinical Infectious Diseases Hospital	Bishkek city
3	Territorial hospital(TH) Sokuluk district	Chui oblast
4	TH Moscow district	Chui oblast
5	TH Issyk-Ata district	Chui oblast
6	Osh oblast Clinical Hospital	Osh oblast
7	Osh City Clinical Hospital	Osh city
8	TH of Karasuysky district	Osh oblast
9	TH Alai district	Osh oblast
10	General practice center of Chon-Alai district	Osh oblast
11	TH Kyzyl-Kya	Batken oblast
12	TH Kadamzhay istrict	Batken oblast
13	Batken oblast hospital	Batken oblast
14	General practice center of Sulukta	Batken oblast
15	TH Nooken district	Jalal-abad oblast
16	TH Ala-Buka district	Jalal-abad oblast
17	TH Karabuurinskaya district	Jalal-abad oblast
18	Chui oblast hospital	Chui oblast
19	Tokmok city hospital	Chui oblast
20	At-Bashi TH	Naryn oblast
21	Tyup TH	Issyk kul oblast
22	Zhayil TH	Issyk-kul oblast
23	Jalal-abad oblast hospital	Jalal-abad oblast
24	Tashkomur TH	Jalal-abad oblast