



# Pakistan: COVID-19 Active Response and Expenditure Support Program

|   |  |   |  |  |                            |                     |                                      |                     |            |                     |
|---|--|---|--|--|----------------------------|---------------------|--------------------------------------|---------------------|------------|---------------------|
| Project Name  | COVID-19 Active Response and Expenditure Support Program   |   |  |  |                            |                     |                                      |                     |            |                     |
| Project Number  | 54193-001  |   |  |  |                            |                     |                                      |                     |            |                     |
| Country   | Pakistan   |   |  |  |                            |                     |                                      |                     |            |                     |
| Project Status  | Proposed   |   |  |  |                            |                     |                                      |                     |            |                     |
| Project Type / Modality of Assistance                             | Loan   |   |  |  |                            |                     |                                      |                     |            |                     |
| Source of Funding / Amount  | <table border="1"> <tr> <td colspan="2">Loan: COVID-19 Active Response and Expenditure Support Program</td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 500.00 million</td> </tr> <tr> <td>Asian Infrastructure Investment Bank</td> <td>US\$ 500.00 million</td> </tr> <tr> <td>World Bank</td> <td>US\$ 500.00 million</td> </tr> </table>   |   | Loan: COVID-19 Active Response and Expenditure Support Program |  | Ordinary capital resources | US\$ 500.00 million | Asian Infrastructure Investment Bank | US\$ 500.00 million | World Bank | US\$ 500.00 million |
| Loan: COVID-19 Active Response and Expenditure Support Program    |  |   |  |  |                            |                     |                                      |                     |            |                     |
| Ordinary capital resources  | US\$ 500.00 million  |   |  |  |                            |                     |                                      |                     |            |                     |
| Asian Infrastructure Investment Bank                              | US\$ 500.00 million  |   |  |  |                            |                     |                                      |                     |            |                     |
| World Bank  | US\$ 500.00 million  |   |  |  |                            |                     |                                      |                     |            |                     |
| Strategic Agendas   | Inclusive economic growth<br>Regional integration  |   |  |  |                            |                     |                                      |                     |            |                     |
| Drivers of Change   | Governance and capacity development<br>Partnerships  |   |  |  |                            |                     |                                      |                     |            |                     |
| Sector / Subsector  | Health - Disease control of communicable disease<br>Public sector management - Public expenditure and fiscal management - Social protection initiatives  |   |  |  |                            |                     |                                      |                     |            |                     |
| Gender Equity and Mainstreaming                                   | Effective gender mainstreaming   |   |  |  |                            |                     |                                      |                     |            |                     |
| Description   | The proposed Program is part of an integrated package of support to help the Government of Pakistan's immediate efforts to mitigate the significant negative health, social, and economic impacts of the coronavirus disease (COVID-19) pandemic. The CARES Program will provide budget support to help finance countercyclical development expenditures. This support will deliver (i) social protection for the poor and vulnerable, (ii) an expanded health sector response to the pandemic, and (iii) a pro-poor fiscal stimulus package to ensure recovery in growth and employment.  |   |  |  |                            |                     |                                      |                     |            |                     |
| Project Rationale and Linkage to Country/Regional Strategy        | <p>Pakistan has seen a significant increase in confirmed cases of COVID-19, from the initial two cases on 26 February 2020 to about 72,460 as of 2 June 2020, with 1,543 deaths. Sindh is currently the region with the highest number of cases (28,245), followed by Punjab (26,240), KPK (10,027), and Balochistan (4,393).</p> <p>As more data become available, the World Health Organization (WHO) has undertaken fresh predictive analysis, triangulating data from multiple countries. Based on this analysis, the Ministry of National Health Services, Regulation and Coordination (MNHSRC) projects a total incidence load of more than 196,000 cases of COVID-19, of which an estimated 30,000 will require hospitalization and about 10,000 will need critical care.</p> <p>The government responded to the COVID-19 pandemic and related economic downturn by announcing a countercyclical development expenditure program of about \$7.23 billion to strengthen the health infrastructure and social safety net and provide a countercyclical fiscal stimulus. ADB financing under the CARES Program is provided as a budget support to meet gaps in the government's development financing needs.</p> <p>The government meets all the access criteria of the Asian Development Bank (ADB) CPRO under the Countercyclical Support Facility. The Pakistan CARES Program is aligned with ADB's Strategy 2030, including operational priorities on addressing remaining poverty and reducing inequalities, accelerating progress in gender equality, strengthening governance and institutional capacity, and fostering regional cooperation and integration. The CARES Program will also help implement CAREC 2030, and ADB's Operational Plan for Integrated Disaster Risk Management 2014 -2020.</p> |   |  |  |                            |                     |                                      |                     |            |                     |
| Impact  | Adverse impacts of COVID-19 on the government's objective of achieving sustained and inclusive growth mitigated.   |   |  |  |                            |                     |                                      |                     |            |                     |
| Outcome   | COVID-19 outbreak more effectively managed and its immediate social and economic damages reduced.  |   |  |  |                            |                     |                                      |                     |            |                     |
| Outputs   | Measures to arrest COVID-19 pandemic introduced.<br>Cash assistance and financial inclusion programs targeting women implemented.<br>Measures to prevent job losses introduced.  |   |  |  |                            |                     |                                      |                     |            |                     |
| Geographical Location   | Nation-wide  |   |  |  |                            |                     |                                      |                     |            |                     |
| <b>Safeguard Categories</b>                                       |  |   |  |  |                            |                     |                                      |                     |            |                     |
| Environment   |  | C |  |  |                            |                     |                                      |                     |            |                     |
| Involuntary Resettlement  |  | C |  |  |                            |                     |                                      |                     |            |                     |
| Indigenous Peoples  |  | C |  |  |                            |                     |                                      |                     |            |                     |
| <b>Summary of Environmental and Social Aspects</b>                |  |   |  |  |                            |                     |                                      |                     |            |                     |
| Environmental Aspects   |  |   |  |  |                            |                     |                                      |                     |            |                     |
| Involuntary Resettlement  |  |   |  |  |                            |                     |                                      |                     |            |                     |
| Indigenous Peoples  |  |   |  |  |                            |                     |                                      |                     |            |                     |
| <b>Stakeholder Communication, Participation, and Consultation</b> |  |   |  |  |                            |                     |                                      |                     |            |                     |
| During Project Design   |  |   |  |  |                            |                     |                                      |                     |            |                     |

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| Responsible ADB Officer    | Mukhopadhyay, Hiranya  |
| Responsible ADB Department | Central and West Asia Department   |
| Responsible ADB Division   | Public Management, Financial Sector and Trade Division, CWRD   |
| Executing Agencies         | Ministry of Finance<br>Q-Block, Finance Division,<br>Pak Secretariat, Red Zone, Islamabad,<br>Pakistan<br>Ministry of Finance, Revenue and Economic Affairs<br>Block Q, Pakistan Secretariat<br>Islamabad, ICT, Pakistan 44000 |

**Timetable**

|                     |                            |
|---------------------|----------------------------|
| Concept Clearance   | 20 Feb 2022                |
| Fact Finding        | 10 Apr 2020 to 25 Apr 2020 |
| MRM                 | 11 May 2020                |
| Approval            | -                          |
| Last Review Mission | -                          |
| Last PDS Update     | 04 Jun 2020                |

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| Project Page            | <a href="https://www.adb.org/projects/54193-001/main">https://www.adb.org/projects/54193-001/main</a>   |
| Request for Information | <a href="http://www.adb.org/forms/request-information-form?subject=54193-001">http://www.adb.org/forms/request-information-form?subject=54193-001</a> |
| Date Generated          | 08 June 2020  |

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