



Cook Islands: COVID-19 Active Response and Expenditure Support Program

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| Project Name | COVID-19 Active Response and Expenditure Support Program | |
| Project Number | 54289-001 | |
| Country | Cook Islands | |
| Project Status | Approved | |
| Project Type / Modality of Assistance | Grant Loan | |
| Source of Funding / Amount | Loan 4010-COO: COVID-19 Active Response and Expenditure Support Program | |
| | Ordinary capital resources | US\$ 20.00 million |
| Strategic Agendas | Inclusive economic growth Regional integration | |
| Drivers of Change | Governance and capacity development Partnerships | |
| Sector / Subsector | Health - Disease control of communicable disease - Health system development Public sector management - Public expenditure and fiscal management - Social protection initiatives | |
| Gender Equity and Mainstreaming | Effective gender mainstreaming | |
| Description | The program is part of a coordinated package of Asian Development Bank (ADB) support to mitigate the severe socioeconomic and potential health impacts caused by the coronavirus disease (COVID-19) pandemic by supporting the government's Economic Response Plan (ERP). The program will help the government combat the entry and spread of COVID-19 and provide assistance to vulnerable groups, households, and businesses. This program is critical because the Cook Islands faces significant declines in international tourism and government revenue because of COVID-19. | |
| Project Rationale and Linkage to Country/Regional Strategy | The Cook Islands consists of 15 islands with a land area of 67 square kilometers, spread across 2 million square kilometers of the South Pacific Ocean. Almost 80% of the population of 17,434 in 2020 resides in Rarotonga. The shift in economic structure toward tourism since the late 1990s has led to rapid development, with basic needs poverty falling from 28.4% in 2006 to 8.4% by 2016. The Cook Islands is one of the smallest and most remote nations in the Pacific Ocean, with high cost structures and limited natural resources. The economy remains heavily dependent on international trade (including tourism); and future growth is hampered by disproportionately expensive public administration and infrastructure costs, a small population, and high exposure to disaster and climate risks. The Cook Islands is not a member of the International Monetary Fund (IMF) or the World Bank, so it has limited access to external support. | |
| Impact | Fiscal and economic impact of COVID-19 mitigated in a manner that does not undermine the government's ability to undertake further fiscal intervention. | |
| Project Outcome | | |
| Description of Outcome | Effect of the Program Adverse impacts of COVID-19 restrictions on the population and businesses reduced | |
| Progress Toward Outcome | | |
| Implementation Progress | | |
| Description of Project Outputs | Health system's COVID-19 response measures strengthened Livelihoods protected by compensating for economic losses Economic relief for affected businesses delivered | |
| Status of Implementation Progress (Outputs, Activities, and Issues) | | |
| Geographical Location | Nation-wide | |
| Safeguard Categories | | |
| Environment | C | |
| Involuntary Resettlement | C | |
| Indigenous Peoples | C | |
| Summary of Environmental and Social Aspects | | |
| Environmental Aspects | | |
| Involuntary Resettlement | | |
| Indigenous Peoples | | |
| Stakeholder Communication, Participation, and Consultation | | |
| During Project Design | | |

During Project Implementation

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| Responsible ADB Officer | Webb, James M. |
| Responsible ADB Department | Pacific Department |
| Responsible ADB Division | Pacific Subregional Office in Suva, Fiji |
| Executing Agencies | Ministry of Finance and Economic Management P.O. Box 41 Rarotonga, Cook Islands Ministry of Internal Affairs PO Box 98, Rarotonga |

| Timetable | |
|---------------------|----------------------------|
| Concept Clearance | 24 Apr 2022 |
| Fact Finding | 11 Aug 2020 to 14 Aug 2020 |
| MRM | 22 Sep 2020 |
| Approval | 24 Nov 2020 |
| Last Review Mission | - |
| Last PDS Update | 26 Nov 2020 |

Loan 4010-COO

| | Financing Plan | | Loan Utilization | | | |
|--------------|--------------------------------|--|----------------------------|------|--------|----------------|
| | Total (Amount in US\$ million) | | Date | ADB | Others | Net Percentage |
| Project Cost | 20.00 | | Cumulative Contract Awards | | | |
| ADB | 20.00 | | - | 0.00 | 0.00 | % |
| Counterpart | 0.00 | | Cumulative Disbursements | | | |
| Cofinancing | 0.00 | | - | 0.00 | 0.00 | % |

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| Project Page | https://www.adb.org/projects/54289-001/main |
| Request for Information | http://www.adb.org/forms/request-information-form?subject=54289-001 |
| Date Generated | 27 November 2020 |

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