



Initial Poverty and Social Analysis

Project Number: 55131-001
October 2021

Kyrgyz Republic: Strengthening Regional Health Security Project

CURRENCY EQUIVALENTS

(as of 21 October 2021)

Currency unit	–	som (Som)
Som1.00	=	\$0.01180
\$1.00	=	Som84.750900

ABBREVIATIONS

ADB	–	Asian Development Bank
CAREC	–	Central Asia Regional Economic Cooperation
COVID-19	–	coronavirus disease
GDP	–	gross domestic product
IHR	–	International Health Regulations
MOHSD	–	Ministry of Health and Social Development
SDG	–	sustainable development goal
UNDP	–	United Nations Development Programme
UNICEF	–	United Nations Children's Fund
WHO	–	World Health Organization

NOTE

In this report, "\$" refers to United States dollars.

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Kyrgyz Republic	Project Title:	Strengthening Regional Health Security Project
Lending/Financing Modality:	Project lending (grant and concessional loan)	Department/ Division	Central and West Asia Department/ Social Sector Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

The Government of the Kyrgyz Republic has requested ADB to help strengthen its regional health security in support of its *National Contingency Plan for COVID-19* and *National Vaccination Deployment Plan for COVID-19*,^a following ADB's triple emergency assistance to the country for COVID-19 in 2020 and 2021.^b The project will strengthen national reference laboratories, laboratory systems in two regions (*oblasts*) and two cities, and hospitals in busy economic hubs and markets in border areas dealing with migrants, mobile people, and people seeking medical care cross-border. The public has less confidence in fragmented and under-resourced public laboratories that provide a limited range of tests of often substandard quality resulting in "shopping" for private laboratory services with high out-of-pocket payment.

The project is aligned with the *National Development Strategy of the Kyrgyz Republic for 2018–2040* to provide high-quality and safe health care and access for all.^c The Government of the Kyrgyz Republic is committed to achieve UHC and other health-related SDGs under its national health program 2019–2030, "Healthy Person, Prosperous Country".^d The government is also committed to contribute to global and regional health security through the implementation of IHR.^e For improving laboratory services, the MOHSD has developed a comprehensive program and strategy,^f which aims to optimize the network of laboratories following the principles of fair equal access and financial protection of the population, and mechanisms of regulation and quality control of health care organizations' laboratories.

The project is also aligned with ADB's *Strategy 2030*, CAREC's *Strategy 2030*, and ADB's country partnership strategy 2018–2022 that notes the suboptimal health outcomes affected by low quality services.^g

B. Poverty Targeting:

☒ General Intervention ☐ Individual or Household (TI-H) ☐ Geographic (TI-G) ☐ Non-Income MDGs (TI-M1, M2, etc.)

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. According to the UNDP, the Kyrgyz Republic was estimated to have a Human Development Index of 0.697 in 2019, and positioned at 120 out of 189 countries and territories.^h In 2019, the lower middle-income country had a modest per capita gross national income of \$1,240 per year (Atlas method).ⁱ Between 2015 to 2019, the proportion of the population living below the national poverty line (Kyrgyz Som 2,723 per person per month equivalent to \$3.90 per person per day in 2011 PPP terms) reduced from 32.1% to 20.1%.^j The population living in extreme poverty below \$1.90 a day (PPP) was estimated at 0.6% in 2019.ⁱ The COVID-19 pandemic caused an 8.6% contraction of the GDP in 2020, with modest GDP growth of 3.4% expected in 2021.^k The Kyrgyz Republic's economy is highly dependent on the export of minerals, trade, tourism, and migrant labor, making up about 30% of GDP. As a result of lockdown measures, domestic and foreign employment have dropped sharply. The poor and near-poor are more vulnerable to the effects of the COVID-19 pandemic as it particularly affects access to disease prevention and health services, formal and informal employment, cost of living, and education opportunities. The national poverty rate increased from 20.1% in 2019 to 25.3% in 2020.^j World Bank-UNICEF projections indicate an increase in the number of poor children from 570,000 in 2018 to 810,000 in 2020.^l In April 2020, the Ministry of Social Protection and Labor suggested that about 1.8 million people (about 30% of the population) had lost earnings due to the emergency state.^m Poverty is expected to deepen further in 2021, despite economic recovery, due to market distortions and increasing inequity. The project benefits all Kyrgyz citizens, by helping to prevent and contain infectious diseases, and especially benefit those living in the catchment area of targeted laboratory services by improving access to quality laboratory services and hospitals in busy border areas, with further indirect benefits on household income.

2. Impact channels and expected systemic changes. The project will (i) improve access of the general public to better quality, low cost laboratory and hospital services which will help limit the spread of infectious diseases and improve medical care; (ii) support the protection of healthcare workers, which are predominantly female; (iii) strengthen institutional capacity for governance and quality management of health services; (iv) support capacity building in MOHSD for procurement and financial management; and (v) explore improvement of laboratory education, medical insurance, public-private partnership, and more cost-effective services. The project will indirectly contribute to economic recovery and associated poverty reduction. The project will be closely coordinated with all relevant government agencies (MOHSD as the executing agency) and international development partners, in particular WHO and World Bank, to ensure harmonized and efficient resource allocation.

3. Focus of (and resources allocated in) the transaction TA or due diligence. During the project design, analyses on gender and social safeguards will be conducted to assess and enhance project impact for women, the poor, and ethnic minorities; and to ensure that there are no resettlement and displacement issues. Measures include economic analysis of maximizing project benefits and improving affordability of health services by expanding health

services and health insurance, development of a GAP to ensure gender mainstreaming in operations, and social analysis, planning, and frameworks to ensure no adverse impact for ethnic groups or people living near health facilities.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program? The Kyrgyz Republic ranked 91st of 189 countries in the 2017 UNDP Gender Inequality Index, below most other countries in Central Asia.ⁿ In the 2017 World Economic Forum Global Gender Gap Index, it ranked 85th of 144 countries, falling from 52 in 2006 mainly due to a reduction in women's economic participation, perhaps as part of increased income and cultural adjustment. Women's economic participation remains low at 48.2% compared to 75.7% for men, declining from 56% in 2014, and their participation is expected to have declined further in 2020. The law "On State Guarantees of Equal Rights and Equal Opportunities for Men and Women" was passed in August 2008. The National Sustainable Development Strategy (2013–2017) highlighted the importance of the family unit as the "foundation of the society" and national development, thereby reinforcing the stereotype of women's role as unpaid homemakers. Traditional patriarchal attitudes and stereotypes concerning the roles and responsibilities of women and men in the family and society discriminate against women and perpetuate their subordination within the family and society.^o In 2012, the country adopted its first long-term *National Gender Strategy on Achieving Gender Equality by 2020* based on international standards, but it remained under-resourced and slow to be rolled out. While overall women employment remained stable from 2012 to 2016 (40.9% to 39.6%) in health and social services it declined slightly from 85.9% to 83.6%. First, this implies that more women than men are at risk of contracting an occupational infection like COVID-19. Second, despite grossly outnumbering men, women remain underrepresented in senior positions. Based on the 2017 World Bank study on gender norms,^o women are more dependent than men in decision making and accessing services. Most women's health indicators have shown positive trends, but this progress is under threat due to sector underfunding and fragmentation. A sex ratio at birth of 1.05% is normal and suggests no selective abortion. The health sector has made progress implementing the gender strategy such as in increasing leadership positions for women, and in sex-disaggregated monitoring. However, hospital facilities for female staff such as bathrooms remain grossly inadequate. Proportionally, women also receive less training.

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women access to and use of opportunities, services, resources, assets, and participation in decision-making? ☒ Yes ☐ No

To ensure effective gender mainstreaming and results in the project, a GAP will be developed to align with government-wide gender equality commitments. The GAP would propose effective targeting, information, and participation of women. To ensure effective gender mainstreaming in the project, the following gender designs and targets may be considered during project preparation: (i) equal access to testing; (ii) improvement in working conditions including ventilation and biosafety, (iii) hospital restroom and changing facilities and supplies specifically for female staff; and (iv) equal training opportunities and allowances during training. Key gender designs and targets will be included in the project's design monitoring framework and mirrored in the GAP.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

☐ Yes ☒ No

4. Indicate the intended gender mainstreaming category:

☐ GEN (gender equity) ☒ EGM (effective gender mainstreaming)
☐ SGE (some gender elements) ☐ NGE (no gender elements)

III. PARTICIPATION AND EMPOWERING THE POOR

1. Who are the main stakeholders of the project, including beneficiaries and affected people? Explain how they will each participate in the project's design. The main beneficiaries are clients of the government health services.

2. Who are the key, active, and relevant CSOs in the project area? The project is designed in close consultation with local health facility managers and staff, governmental agencies, and international partners.

3. Are there issues during project design for which participation of the poor and vulnerable is important?

☐ Yes ☒ No If yes, what are these issues?

5. What level of CSO participation is planned during the project design? Not applicable.

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category ☐ A ☐ B ☒ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☐ Yes ☒ No No physical expansion of health facilities and no social or economic displacement.

2. What action plan is required to address involuntary resettlement as part of the TRTA or due diligence process?

☐ Resettlement plan ☐ Resettlement framework ☐ Social impact matrix
☐ Environmental and social management system arrangement ☒ None

B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI	
1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The project is targeting upgrading of existing diagnostic and clinical health services.	
4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None	
V. OTHER SOCIAL ISSUES AND RISKS	
1. What other social issues and risks should be considered in the project design? None <input type="checkbox"/> Creating decent jobs and employment <input type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment <input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability <input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability <input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____	
2. How are these additional social issues and risks going to be addressed in the project design? Not applicable.	
VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT	
1. Do the terms of reference for the transaction TA or other due diligence contain key information needed to be gathered during transaction TA or due diligence process to better analyze (i) poverty and social impact, (ii) gender impact, (iii) participation dimensions, (iv) social safeguards, and (v) other social risks? Are the relevant specialists identified? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social, and/or gender analysis; and the participation plan during the transaction TA or due diligence? Consultant services for social development, gender and social inclusion, and environment and climate change for a total of 8 person-months.	

ADB = Asian Development Bank, CAREC = Central Asia Regional Economic Cooperation; COVID-19 = coronavirus disease, GAP = gender action plan, GDP = gross domestic product; IHR = International Health Regulations, MOHSD = Ministry of Health and Social Development, PPP = purchasing power parity, SDG = sustainable development goal, UHC = universal health coverage; UNDP = United Nations Development Programme, WHO = World Health Organization.

a Kyrgyz Republic. 2020. *National Contingency Plan for COVID-19*. Bishkek; and Kyrgyz Republic, Ministry of Health and Social Development. 2021. *National Vaccination Deployment Plan*. Bishkek.

b ADB. [Kyrgyz Republic: COVID-19 Active Response and Expenditure Support Program](#); ADB. [Kyrgyz Republic: COVID-19 Pandemic Emergency Project](#); and ADB. [Regional Support to Address the Outbreak of Coronavirus Disease 2019 and Potential Outbreaks of Other Communicable Diseases](#).

c Kyrgyz Republic. 2018. [National Development Strategy of the Kyrgyz Republic for 2018–2040](#). Bishkek.

d Kyrgyz Republic. 2019. [The Program of the Kyrgyz Republic Government on Public Health Protection and Health Care System Development for 2019–2030 “Healthy Person, Prosperous Country”](#). Bishkek.

e Kyrgyz Republic. 2019. *Joint Order on the Implementation of the Action Plan for the Implementation of the International Health Regulations (2005) in the Kyrgyz Republic for 2020–2022*. Bishkek.

f Kyrgyz Republic. 2016. *Program and Strategy for the Development of Laboratory Service of the Health Care System (2016–2025)*. Bishkek.

g ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila; ADB. 2017. [CAREC 2030](#). Manila; and ADB. 2018. [Country Partnership Strategy: Kyrgyz Republic, 2018–2022—Supporting Sustainable Growth, Inclusion, and Regional Cooperation](#). Manila.

h UNDP. 2020. [Human Development Report 2020](#). New York.

i ADB. 2021. [Basic Statistics 2021](#). Manila.

j Kyrgyz Republic. 2021. [National Statistical Committee of the Kyrgyz Republic: Poverty rate](#).

k International Monetary Fund. 2021. [Kyrgyz Republic: Staff Concluding Statement of the 2021 Article IV Mission](#).

l ADB and UNDP. 2020. [COVID-19 in the Kyrgyz Republic: Socioeconomic and Vulnerability Impact Assessment and Policy Response](#). Manila.

m ILO. 2020. [Rapid assessment of the employment impacts of the COVID-19 pandemic in Kyrgyzstan](#). Geneva.

n ADB. 2019. [Kyrgyz Republic Gender Assessment 2019](#). Manila.

o World Bank. 2017. [Kyrgyz Republic: Exploring Gender Norms in the Kyrgyz Republic](#). Washington, DC.