



# Report and Recommendation of the President to the Board of Directors

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Project Number: 55206-001  
October 2021

## Proposed Loan and Grant Kyrgyz Republic: COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility

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Asian Development Bank

## **CURRENCY EQUIVALENTS**

(as of 16 September 2021)

Currency unit	–	som (Som)
Som1.00	=	\$0.012
\$1.00	=	Som84.697

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
AMC	–	Advance Market Commitment
APVAX	–	Asia Pacific Vaccine Access Facility
CAREC	–	Central Asia Regional Economic Cooperation
COVAX	–	COVID-19 Vaccines Global Access
COVID-19	–	coronavirus disease
Gavi	–	Gavi, the Vaccine Alliance
GDP	–	gross domestic product
MOHSD	–	Ministry of Health and Social Development
NVDP	–	National Vaccination Deployment Plan
PAM	–	project administration manual
PIU	–	project implementation unit
PPE	–	personal protective equipment
UNICEF	–	United Nations Children's Fund
WHO	–	World Health Organization

## **NOTE**

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

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## CONTENTS

	<b>Page</b>
PROJECT AT A GLANCE	
I. THE PROPOSAL	1
II. THE PROJECT	2
A. Rationale	2
B. Project Description	6
C. Summary Cost Estimates and Financing Plan	7
D. Implementation Arrangements	8
III. DUE DILIGENCE	9
A. Economic and Financial Analysis	9
B. Governance and Anticorruption Measures	10
C. Environment and Social Safeguards	10
D. Poverty, Social, and Gender	11
E. Financial Due Diligence	11
F. Procurement	12
G. Summary of Risk Assessment and Risk Management Plan	12
IV. ASSURANCES AND CONDITIONS	13
V. RECOMMENDATION	14
APPENDIXES	
1. Design and Monitoring Framework	15
2. List of Linked Documents	17

## PROJECT AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number:</b> 55206-001	
<b>Project Name</b>	COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility	<b>Department/Division</b>	CWRD/CWSS
<b>Country Borrower</b>	Kyrgyz Republic Kyrgyz Republic	<b>Executing Agency</b>	Ministry of Health and Social Development
<b>Country Economic Indicators Portfolio at a Glance</b>	<a href="https://www.adb.org/Documents/LinkedDocs/?id=55206-001-CEI">https://www.adb.org/Documents/LinkedDocs/?id=55206-001-CEI</a> <a href="https://www.adb.org/Documents/LinkedDocs/?id=55206-001-PortAtaGlance">https://www.adb.org/Documents/LinkedDocs/?id=55206-001-PortAtaGlance</a>		
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
✓ <b>Health</b>	Disease control of communicable disease		25.00
		<b>Total</b>	<b>25.00</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Addressing remaining poverty and reducing inequalities		GHG reductions (tons per annum)	0.000
✓ Accelerating progress in gender equality		Climate Change impact on the Project	Low
✓ Fostering regional cooperation and integration			
		<b>ADB Financing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
<b>Sustainable Development Goals</b>		<b>Gender Equity and Mainstreaming</b>	
SDG 1.5		Effective gender mainstreaming (EGM)	✓
SDG 3.8, 3.d			
SDG 5.1		<b>Poverty Targeting</b>	
SDG 10.4		General Intervention on Poverty	✓
<b>4. Risk Categorization:</b>	Complex		
<b>5. Safeguard Categorization</b>	Environment: C Involuntary Resettlement: C Indigenous Peoples: C		
<b>6. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>25.00</b>	
Sovereign Asia Pacific Vaccine Access Facility: Asian Development Fund		12.50	
Sovereign Asia Pacific Vaccine Access Facility (Concessional Loan): Ordinary capital resources		12.50	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>2.60</b>	
Government		2.60	
<b>Total</b>		<b>27.60</b>	
<b>Currency of ADB Financing:</b> US Dollar			

## I. THE PROPOSAL

1. I submit for your approval the following report and recommendation on a proposed loan and a proposed grant, both to the Kyrgyz Republic for the COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility (APVAX).

2. The project will finance the procurement of vaccines against the coronavirus disease (COVID-19), logistics, and capacity strengthening for the Government of the Kyrgyz Republic through APVAX.<sup>1</sup> The Kyrgyz Republic has met all the APVAX access criteria (Table 1). The rapid response component and the project investment component under APVAX will be utilized. The project will support the implementation of the National Vaccination Deployment Plan (NVDP), in line with Strategy 2030 of the Asian Development Bank (ADB).<sup>2</sup> It will complement efforts to contain the COVID-19 pandemic and enable economic recovery in the Central Asia Regional Economic Cooperation (CAREC) region.

**Table 1: Compliance with Access Criteria of the Asia Pacific Vaccine Access Facility**

Access Criteria	ADB Staff Assessment
Demonstrated adverse impact of COVID-19	The COVID-19 pandemic led to a sharp recession in which GDP declined by 8.6% in 2020, compared with growth of 4.6% in 2019. The annual rate of inflation jumped from 1.1% in 2019 to 6.3% in 2020.
Completed needs assessment	Needs assessment using WHO's COVID-19 Vaccine Introduction Readiness Assessment Tool and the World Bank's Vaccination Readiness Assessment Framework is updated periodically with support from UNICEF and other development partners.
National vaccination allocation plan	The MOHSD developed the NVDP, which is aligned with the WHO Strategic Advisory Group of Experts on Immunization on global COVID-19 policies and strategies. The NVDP earmarks vaccines for priority groups, including health care workers, public officers, and vulnerable groups (older persons and people with preexisting conditions).
Medical waste management plan	The Government of the Kyrgyz Republic has a medical waste management plan <sup>a</sup> that defines the requirements for separation, collection, packaging, labeling, accounting, storage, transportation, disinfection or decontamination, and disposal of medical waste.
Governor's letter <sup>b</sup>	ADB has received the governor's letter confirming the government's commitment to implement the NVDP, including the prioritization plan, and the standard operating procedure on the disposal of medical waste after vaccination against COVID-19, and compliance with APVAX vaccine eligibility criteria.
Established an effective development partner coordination mechanism with a clear ADB role	The development partners' health sector working group, in which ADB participates, is responsible for coordinating COVID-19 activities in health. Under WHO leadership, the joint structure facilitated the development of the National Contingency Action Plan on COVID-19 in 2020 and National Vaccination Deployment Plan in 2021.

ADB = Asian Development Bank, APVAX = Asia Pacific Vaccine Access Facility, COVID-19 = coronavirus disease, GDP = gross domestic product, MOHSD = Ministry of Health and Social Development, NVDP = National Vaccination Deployment Plan, UNICEF = United Nations Children's Fund, WHO = World Health Organization.

<sup>a</sup> The government adopted Resolution No. 719 on Medical Waste Management and Handling of Mercury-Containing Products in Health Care Organizations of the Kyrgyz Republic and Procedure on Medical Waste Management, which specifies the procedures and requirements for medical waste management.

<sup>b</sup> Accessible from the list of linked documents in Appendix 2.

Source: Asian Development Bank.

<sup>1</sup> The proposed project was prepared under the One ADB approach following streamlined business processes outlined in the APVAX policy paper (ADB. 2020. [ADB's Support to Enhance COVID-19 Vaccine Access](#). Manila).

<sup>2</sup> Government of the Kyrgyz Republic, Ministry of Health and Social Development (MOHSD). 2021. *National Vaccination Deployment Plan*. Bishkek; ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila; Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 2). The project is aligned with operational priority 1 through increasing access to COVID-19 vaccines, operational priority 2 by generating skilled jobs for women, and operational priority 7 by ending the transmission of COVID-19 in Asia and the Pacific.

## II. THE PROJECT

### A. Rationale

#### 1. The COVID-19 Pandemic

3. **Status of the pandemic.** The Kyrgyz Republic confirmed its first cases of COVID-19 on 17 March 2020, and 176,682 cases and 2,557 deaths have been reported as of 8 September 2021. Access to testing remains low, resulting in underreporting of cases. Noncompliance with social distancing and masking guidelines, and the emergence of highly infectious variants, have resulted in a third wave of infections beginning in June 2021. The country experienced a record number (about 2,000) of new cases per day at the end of June, and the situation remains unstable. Widespread vaccination is needed to end the pandemic and facilitate economic recovery.

4. **Country context.** The Kyrgyz Republic is a landlocked, lower middle-income country in Central Asia. Transit arrangements with neighbors are critical to maintain trade and tourism, and to ease the mobility of migrant workers, as remittances are important for the economy—accounting for about a third of gross domestic product (GDP). The country remains one of the poorest countries in Central Asia, with gross national income per capita of \$1,160 (Atlas method) in 2020. The Kyrgyz Republic has achieved better health outcomes than most other lower middle-income countries (e.g., the diphtheria, tetanus, and pertussis immunization rate was 95%, compared with 84% in lower middle-income countries, in 2019). However, even with relatively strong health indicators and high levels of government financing in the health sector, the Kyrgyz Republic has not been able to control the pandemic effectively.<sup>3</sup>

#### 2. Impact of the Pandemic

5. **Economic impact.** The economy of the Kyrgyz Republic has experienced major negative impacts from COVID-19 because of external (remittances, migration, border closures, interrupted trade) and domestic (direct health effects, lockdown, and social distancing) factors. Import disruption under COVID-19—affecting raw materials, equipment, and food from other countries—held back manufacturing, construction, and other import-dependent industries. In 2020, GDP declined by 8.6% (from 4.6% growth in 2019) because of negative performance across all sectors except agriculture. Average annual inflation jumped from 1.1% in 2019 to 6.3% in 2020 as prices rose by 17.6% for food, 2.4% for other goods, and 3.0% for services because of border closures and supply chain disruptions.<sup>4</sup> Economic growth is projected to recover to 3.5% in 2021 and 5.0% in 2022, but with significant downside risks because of the country's dependence on broad recovery in the subregion and the Russian Federation. Any recurring pandemic waves or slow vaccine rollout could derail growth.

6. **Impact on poor and vulnerable groups.** In 2019, 20.1% of the population was below the national poverty line.<sup>5</sup> With the downturn linked to the pandemic, the share of the population that is poor increased by almost 11.0% (700,000 people) in 2020, according to government estimates.<sup>6</sup> A 2020 joint ADB–United Nations Development Programme report found that the pandemic affected the welfare of vulnerable groups through (i) lost income and/or loss of work or jobs (both at home and abroad) because of lockdowns and border closures, (ii) higher consumer and food

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<sup>3</sup> World Health Organization (WHO). [Global Health Expenditure Database](#).

<sup>4</sup> ADB. 2021. [Asian Development Outlook 2021: Financing a Green and Inclusive Recovery](#). Manila.

<sup>5</sup> ADB. 2021. [Basic Statistics, Asia and the Pacific](#). Manila.

<sup>6</sup> World Bank. [One Year Later in the Kyrgyz Republic's Battle Against COVID-19](#).



prices, (iii) reduced access to quality health care and other essential social services, and (iv) reduced resilience to future shocks (e.g., by reducing savings or other assets).<sup>7</sup> Particularly vulnerable groups include older persons, poor households with children, women, people with special needs, and the unemployed.

7. **Impact on gender equality.** Women are disproportionately affected by the COVID-19 pandemic because of large gender gaps in employment, wages, and income; the rise in domestic violence; and increased responsibilities for domestic care. Women also make up 83% of the health workforce in the Kyrgyz Republic, leading to increased risks of disease transmission and mortality. An assessment of the impact of COVID-19 found that women in the Kyrgyz Republic were particularly vulnerable to lockdown restrictions including decreased access to food supplies, medicines, health care, and social services.<sup>8</sup> Women reported an 80% increase in unpaid care and domestic work because of lockdowns and school closures compared to a 58% increase reported by men. Domestic violence also rose by 65% in 2020 compared with 2019. More self-employed women than men have reported job losses and shortened work hours since the start of the pandemic.<sup>9</sup>

8. **Impact on the health system.** As of 17 June 2021, more than 6,000 health workers out of about 30,000 health workers in the country have been infected. The Kyrgyz Republic has 4.4 hospital beds, 2.2 doctors, and 5.9 nurses per 1,000 people, which is high compared with other lower middle-income countries. Despite this relatively high level of resources, the health system was still stretched to the limit during the peaks of the pandemic. The health sector budget increased by more than 20% in 2020 to absorb the additional expenditures to fight COVID-19. Treatment is provided free of charge to patients. According to the World Health Organization (WHO) and media reports, routine immunizations were interrupted and hospitals were inundated during the second wave of the pandemic, with patients turned away and health workers in short supply.

### 3. Country Response

9. **Measures to control the pandemic.** The government adopted its first legislation to address COVID-19 on 29 January 2020. It requested emergency assistance from ADB on 6 April 2020. To coordinate the COVID-19 response, the Republican Headquarters for the Prevention of the Spread of COVID-19 was established in the Ministry of Emergency Services, with the Prime Minister of the Kyrgyz Republic as chair and representatives of all ministries and state agencies as members. To respond to the substantial adverse impact of COVID-19, the government instituted countermeasures of about \$570 million<sup>10</sup> covering food security, business support, state budget stability, and health. A separate COVID-19 headquarters was established in the Ministry of Health and Social Development (MOHSD) to manage the health sector response. The government prepared the National Contingency Action Plan for COVID-19 response with partners led by WHO, and activated inter-sector and interagency coordination mechanisms.

<sup>7</sup> ADB and United Nations Development Programme. 2020. [COVID-19 in the Kyrgyz Republic: Socioeconomic and Vulnerability Impact Assessment and Policy Response](#). Bishkek.

<sup>8</sup> United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Population Fund. 2020. [COVID-19 Impacts on Livelihoods of Women and Men in the Kyrgyz Republic: Gender Rapid Assessment as of 15 May 2020](#).

<sup>9</sup> Organisation for Economic Co-operation and Development. 2021. [Gender Gaps in Eurasia. The Daunting Effects of COVID-19](#).

<sup>10</sup> International Monetary Fund. 2021. [2021 Article IV Consultation—Press Release; and Staff Report](#). Washington, DC.

10. Since the pandemic began, the government has implemented several health system measures with development partners' support, including (i) enlisting medical students and interns to increase the number of health workers, (ii) designating COVID-19 treatment and quarantine facilities, (iii) providing virtual medical consultations to limit in-person contact, (iv) setting up a COVID-19 hotline to respond to public concerns and inquiries, (v) increasing testing capacity by accrediting additional public and private laboratories, and (vi) providing hardship allowances to health workers working with COVID-19 patients. Partners such as ADB, WHO, and the World Bank have all supported the country to strengthen its response to COVID-19 by providing technical guidance and clinical recommendations; procuring supplies such as patient beds, ventilators, ambulances, personal protective equipment (PPE), and medicines; and upgrading medical facilities. These actions have contributed to improved quality of care and health system capacity. By the end of 2020, the government had deployed an additional 8,000 beds in 161 facilities all over the country, more than 800 of which were for intensive care patients to accommodate patient surges.

11. ADB approved the COVID-19 Pandemic Emergency Project for the Kyrgyz Republic in 2020, which has delivered more than \$5 million in PPE and medical supplies. The project plans to equip at least 102 intensive care unit beds and 650 COVID-19 patient beds across 18 COVID-19 treatment facilities; and supply 13 ambulances, 91 ventilators, and 17 x-rays, among other supplies, by 2022.<sup>11</sup> It will improve the quality of select COVID-19 treatment facilities through capacity building of health workers, the provision of civil works to upgrade facilities, and supplies to conduct at least 100,000 additional polymerase chain reaction (PCR) tests for COVID-19.

12. **National Vaccination Deployment Plan for COVID-19 Vaccines.** The MOHSD developed the NVDP in February 2021 with members from the National Immunization Technical Advisory Group and representatives from the United Nations Children's Fund (UNICEF) and WHO to establish a clear strategy for implementing the COVID-19 vaccine program. The NVDP builds on WHO's Vaccine Introduction Readiness Assessment Tool and the World Bank's Vaccine Readiness Assessment Framework. The NVDP is aligned with WHO policies and strategies. The government aims to vaccinate 40% of the population at present.<sup>12</sup> The first stage is vaccination of priority groups. The first group (3% of the total population) includes all health workers, social and education sector workers, and people with cancer. The second group (17% of the total population) includes people aged 60 and above, special populations working at border entry points and in direct contact with travelers, and people with specific chronic comorbidities. The second stage covers the remaining 20% of the population and includes people who are above 18 years old but do not fall into any of the categories outlined in the first two groups. The WHO Regional Review Committee has approved the NVDP.

13. Vaccination services are provided by primary care health workers who receive targeted training, through various sites including mass vaccination centers, primary health centers, and other facilities. Mobile clinics are deployed to reach older persons, people with disability, and rural populations in remote and border areas to ensure equitable distribution. All vaccines are offered free of charge to the public. Cold chain equipment has been provided by Gavi, the Vaccine Alliance (Gavi) and UNICEF through previous projects and is expected to be sufficient to manage the additional supplies for COVID-19 vaccinations.

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<sup>11</sup> ADB. 2020. [Report and Recommendation of the President to the Board of Directors: Proposed Loan and Grant to the Kyrgyz Republic for the COVID-19 Pandemic Emergency Project](#). Manila.

<sup>12</sup> Excluding minors 18 years of age and below (about 2.4 million people) and migrant workers who are not in the country (about 1.0 million people) out of the total population of 6.6 million.

14. The total cost estimate to implement the NVDP is \$51.3 million. The amount includes the funding requirements for vaccines and injection supplies, with an estimated cost of \$13 per dose. The NVDP will be funded through the government budget; COVID-19 Vaccines Global Access (COVAX); Gavi, channeled through UNICEF and WHO; and development partners including ADB, the Islamic Development Bank, and the World Bank.<sup>13</sup> The MOHSD has led vaccine procurement, with support from the Ministry of Economy and Finance. The government plans to procure additional vaccines to implement the NVDP through COVAX, UNICEF, and bilateral agreements with manufacturers.

15. The NVDP will be monitored with the support of the government's Republican Center for Immunoprophylaxis, which is responsible for the surveillance of vaccine-preventable diseases. With the support of the World Bank, the government introduced a digital registration system for patients and facilities in June 2021. The Communication and Social Mobilization Working Group of the MOHSD will lead social listening, media monitoring, and community engagement. Vaccine hesitancy is being addressed through targeted outreach and education campaigns, with the support of community groups such as religious leaders and local governments. An inventory management system is in place to track vaccine stocks. Adverse events following immunization will be monitored and reported in line with WHO guidelines at all levels of the health system; and will involve health care facilities, territorial Centers for Disease Prevention; district, city, and/or regional State Sanitary and Epidemiological Surveillance; the Republican Center for Immunoprophylaxis; and the National Drug Regulatory Authority. The COVID-19 vaccination program began on 29 March 2021. As of 6 September 2021, 710,470 people have been vaccinated with at least one dose (490,322 have received two doses).

#### 4. Development Partner Coordination

16. The MOHSD is working closely with development partners through the health sector working group of the Development Partner's Coordinating Committee to mobilize funding and ensure close coordination to respond to the COVID-19 pandemic.<sup>14</sup> ADB's proposed project complements the assistance of other development partners. The Kyrgyz Republic is a member of the COVAX Advance Market Commitment (AMC), one of the four pillars of the Access to COVID-19 Tools Accelerator.<sup>15</sup> The priority 20% of the population will be financed through COVAX AMC for about \$18.3 million, and the initial delivery of vaccines (226,560 doses of AstraZeneca) was received on 30 July 2021. The government vaccination campaign also uses vaccines donated by and procured from the People's Republic of China (Sinopharm) and the Russian Federation (Sputnik V). COVAX supports the government with additional cold chain equipment funded through Gavi, and with technical assistance through UNICEF and WHO. In June 2021, the World Bank approved \$20 million of additional financing to support vaccine procurement and deployment.

17. **Lessons learned.** The proposed APVAX project draws on important lessons learned during the design and implementation of ADB's COVID-19 Pandemic Emergency Project in the Kyrgyz Republic (footnote 11). That project has demonstrated the importance of (i) collaborating closely with development partners to minimize overlap and coordinate key activities;

<sup>13</sup> More details are in the Vaccine Needs Assessment (accessible from the list of linked documents in Appendix 2).

<sup>14</sup> Development Coordination (accessible from the list of linked documents in Appendix 2).

<sup>15</sup> Launched in April 2020, the Access to COVID-19 Tools Accelerator is a groundbreaking global collaboration to accelerate the development and production of, and equitable access to, COVID-19 tests, treatments, and vaccines. It is organized into four pillars: diagnostics, treatment (therapeutics), vaccines, and health system strengthening (WHO. [COVAX](#)). Each pillar is vital to the overall effort and involves innovation and collaboration (WHO. [The Access to COVID-19 Tools Accelerator](#)).

(ii) partnering with technical experts, such as in UNICEF, who have extensive experience in vaccine deployment and procurement; and (iii) strengthening the capacity of the project implementation unit (PIU) through capacity building and regular training. The rollout of the current COVID-19 vaccination program in the Kyrgyz Republic and other countries has also underscored the need to address vaccine hesitancy aggressively through targeted communications and outreach once vaccination progresses, and the value of maintaining flexibility and adapting rapidly to the country context. Countries facing limited supplies also need to consider multiple channels for vaccine procurement; and the value of going through well-established channels such as COVAX and UNICEF, which may be able to negotiate better prices, terms, and delivery schedules because of economies of scale.

## **B. Project Description**

18. The project responds to the government's request for ADB support under APVAX to help meet the COVID-19 vaccine response challenges. Following the guidance in Appendix 5 of the APVAX policy, the rapid response component will support the procurement of vaccines and the project investment component will support project implementation. The rapid response component will be financed through a concessional loan and grant, while the project investment component will only be financed by the grant.

19. **Impacts and outcome.** The project is aligned with the following impact: the spread of COVID-19 reduced and confidence of citizens restored.<sup>16</sup> The project's outcome is priority populations vaccinated against COVID-19.<sup>17</sup> The project outputs are described in paras. 20–21.

20. **Output 1: COVID-19 vaccines procured and delivered to designated points.** Under the rapid response component, the project plans to finance vaccine procurement with UNICEF as the procurement agent, through a turnkey service either through COVAX or directly and, possibly, through bilateral agreements. The project will support the procurement of about 1.7 million doses, which will be sufficient to vaccinate more than 0.76 million people or about 12% of the population (assuming two doses per person). The expenditure items will include (i) vaccines that meet the eligibility requirements of the APVAX policy,<sup>18</sup> including advance payments; (ii) safety boxes, syringes, and other ancillary items required to administer the vaccines; and (iii) international and national logistics and related services required to transport vaccines from the place of purchase to national, regional, and district health facilities.

21. **Output 2: Vaccination program implementation capacity strengthened.** Under the project investment component, the output will help strengthen the MOHSD's capacity to manage the procurement and delivery of COVID-19 vaccines effectively and efficiently. The capacity-strengthening activities will be coordinated with the existing emergency assistance project and regional technical assistance under the CAREC framework to support information and knowledge sharing with other CAREC member countries.<sup>19</sup> Consultant support will be provided to strengthen the PIU in project management and coordination, procurement, financial management and disbursement, gender mainstreaming, monitoring and evaluation, performance and financial audits, and a satisfaction survey among vaccine recipients. Local logistics and the transport of vaccines may be covered as required.

<sup>16</sup> ADB. 2020. [ADB's Support to Enhance COVID-19 Vaccine Access](#). Manila.

<sup>17</sup> The design and monitoring framework is in Appendix 1.

<sup>18</sup> The eligibility of vaccines for APVAX financing will adhere to the criteria in para. 29, including footnotes 28, 29, and 30, of the APVAX policy paper (footnote 16).

<sup>19</sup> ADB. [Regional: Addressing Health Threats in Central Asia Regional Economic Cooperation Countries and the Caucasus](#).

22. **ADB value addition.** The project is integral to ADB's support for the Kyrgyz Republic's COVID-19 response. ADB provided \$50 million through the COVID-19 Active Response and Expenditure Support Program<sup>20</sup> and the \$20 million COVID-19 Pandemic Emergency Project in 2020 (para. 11 and footnote 11). For the immediate procurement of medical supplies and PPE for health care staff, ADB provided about \$1 million sourced from regional technical assistance.<sup>21</sup> A regional health security project in the pipeline for 2022 will build on ADB's health sector program and promote comprehensive sector-wide reforms. Since the Kyrgyz Republic is an open economy and serves as a key node in an international transport network in Central Asia, the project will generate significant regional public goods by reducing COVID-19 transmission and complementing efforts to contain the COVID-19 pandemic and support growth in the CAREC region, through addressing pandemic risks and cross-border health threats. The proposed project is aligned with the CAREC 2030 Strategic Framework and the upcoming CAREC Health Strategy.<sup>22</sup>

### C. Summary Cost Estimates and Financing Plan

23. The project is estimated to cost \$27.6 million (Table 2). Detailed cost estimates by expenditure category and by financier are included in the project administration manual (PAM).<sup>23</sup> The major expenditure items of the project are the purchase and delivery of COVID-19 vaccines, goods, and consulting services to strengthen the MOHSD's capacity.

**Table 2: Summary Cost Estimates**  
(\$ million)

Item	Amount <sup>a</sup>
<b>A. Base Cost<sup>b</sup></b>	
1. Output 1: COVID-19 vaccines procured and delivered to designated points	23.8
2. Output 2: Vaccination program implementation capacity strengthened	0.6
<b>Subtotal (A)</b>	<b>24.4</b>
<b>B. Contingencies<sup>c</sup></b>	<b>3.1</b>
<b>C. Interest charge during implementation period</b>	<b>0.1</b>
<b>Total (A+B+C)</b>	<b>27.6</b>

COVID-19 = coronavirus disease.

Note: Numbers may not sum precisely because of rounding.

<sup>a</sup> In prices as of 15 July 2021.

<sup>b</sup> Includes taxes and duties of \$2.22 million, fully covered by government counterpart finances through tax and duty exemptions. The amount does not represent an excessive share of the project cost.

<sup>c</sup> Physical contingencies computed at 8.0% for all cost categories. Price contingencies are computed at 4.6%.

Source: Asian Development Bank.

24. The government has requested (i) a concessional loan of \$12,500,000 from ADB's ordinary capital resources, and (ii) a grant not exceeding \$12,500,000 from ADB's Special Funds resources (Asian Development Fund) to help finance the project. The loan will have a 24-year term, including a grace period of 8 years; an interest charge of 1.0% per year during the grace period and 1.5% per year thereafter; and such other terms and conditions set forth in the draft loan agreement.

<sup>20</sup> ADB. 2020. [Report and Recommendation of the President to the Board of Directors: Proposed Countercyclical Support Facility Loan and Grant to Kyrgyz Republic for the COVID-19 Active Response and Expenditure Support Program](#). Manila.

<sup>21</sup> ADB. [Regional: Regional Support to Address the Outbreak of Coronavirus Disease 2019 and Potential Outbreaks of Other Communicable Diseases](#).

<sup>22</sup> Central Asia Regional Economic Cooperation Program. [CAREC 2030 Strategic Framework](#).

<sup>23</sup> Project Administration Manual (accessible from the list of linked documents in Appendix 2).

25. The summary financing plan is in Table 3. ADB will finance the expenditures in relation to COVID-19 vaccine procurement and delivery to designated vaccine administration points, goods, and consulting services. The government has provided an assurance that it will cover any shortfall in the finances required. The government has agreed to contribute \$2.6 million to cover taxes and duties through exemption and to provide office space and counterpart staff.

**Table 3: Summary Financing Plan**

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank		
Ordinary capital resources (concessional loan)	12.5	45.3
Special Funds resources (ADF grant) <sup>a</sup>	12.5	45.3
Government <sup>b</sup>	2.6	9.4
<b>Total</b>	<b>27.6</b>	<b>100.0</b>

ADF = Asian Development Fund, COL = concessional ordinary capital resources lending.

<sup>a</sup> The project will be funded by the ADF performance-based allocation of \$7.95 million, the Expanded Disaster and Pandemic Response Facility (DRF+) ADF of \$2.50 million, ADF savings of \$2.05 million, the COL-APVAX facility of \$11.94 million, and COL savings of \$0.56 million.

<sup>b</sup> Government in-kind contribution includes tax and duty exemptions for vaccines (including ancillary goods and transport costs), office space, and counterpart staff.

Sources: Asian Development Bank and the Government of the Kyrgyz Republic.

26. **Debt sustainability analysis.** The debt sustainability analysis indicates that despite the COVID-19 pandemic and the resulting rise in gross financing needs,<sup>24</sup> the Kyrgyz Republic's public debt remains sustainable and at moderate risk of debt distress for both external and domestic debt. With the gradual fading of the pandemic and economic recovery during 2021–2026, the present value of the public debt–GDP ratio will remain well below the debt threshold of 70% and stabilize around 51% of GDP by 2026. The analysis points out that while the Kyrgyz Republic's capacity to repay its external debt obligations remains adequate, public debt would continue to rise in the long run without consolidation measures. External debt ratios are also projected to remain well under their respective thresholds. Under the baseline scenario, the external debt remains at moderate risk of debt distress. It is, however, vulnerable to GDP growth and export shocks. Nevertheless, all the debt–GDP ratios under the baseline and alternative scenarios show a downward trajectory before 2031.

27. The proposed loan of \$12.5 million, on broadly concessional terms, represents only 0.2% of the country's outstanding public debt stock of \$6.8 billion in 2020. While providing critical countercyclical support to the economy, it will not significantly affect the debt ratio and will not add significantly to the annual debt service obligations facing the government.

#### **D. Implementation Arrangements**

28. **Project organization structure.** The MOHSD will be the executing agency. The implementing unit will be the current PIU under ADB's emergency assistance project, which will be augmented with consultants. The deputy minister of health will be the project director. The project director will be supported by the PIU, which will oversee day-to-day implementation. The key PIU staff will be selected competitively and financed by the project under the recurrent cost category. An auditing firm (financial and performance) will be engaged to ensure comprehensive fiduciary assurance to ADB on the overall project delivery. The roles, responsibilities, and draft

<sup>24</sup> Debt Sustainability Analysis (accessible from the list of linked documents in Appendix 2).

terms of reference for staff and consultants who will support the MOHSD and the PIU are described in the PAM. Implementation arrangements are summarized in Table 4.

29. **Governance structure.** The project will be guided by the directives of the Republican Headquarters for Prevention of the Spread of COVID-19. The MOHSD has the overall mandate to implement the NVDP. Development partners such as ADB, Gavi, UNICEF, WHO, and the World Bank will meet regularly to ensure timely implementation of the NVDP. Well-established countrywide institutional mechanisms will be used to execute the vaccination plan.

**Table 4: Implementation Arrangements**

Aspects	Arrangements		
Implementation period	30 November 2021–30 June 2023		
Estimated completion date	30 June 2023		
Estimated loan and grant closing date	31 December 2023		
<b>Management</b>			
(i) Oversight body	Republican Headquarters for the Prevention of the Spread of COVID-19 Prime Minister of the Kyrgyz Republic (chair) Representatives of all ministries and state agencies (members)		
(ii) Executing agency	Ministry of Health and Social Development		
(iii) Implementing agency	Ministry of Health and Social Development		
(iv) Implementing unit	Project implementation unit of the COVID-19 Emergency Response Project		
Procurement	Direct contracting to manufacturers, UNICEF, or COVAX Facility for vaccine supply and ancillary items	Multiple contracts	\$21.800 million
	RFQ (ICT equipment)	1 contract	\$0.100 million
Consulting services	Individual consultants (PIU staff)	Multiple contracts	\$0.100 million
	RFQ (public relations firm)	1 contract	\$0.025 million
	SSS (auditing firm: financial and performance audit)	1 contract	\$0.100 million
Retroactive financing and/or advance contracting	Loan and grant funds may be used to reimburse eligible expenditures incurred before effectiveness, subject to a maximum amount equivalent to 30% of the loan and grant amount, if expenditures are incurred before project effectiveness but after the declaration of the COVID-19 emergency or allocation of resources but not earlier than 12 months before the date of the loan and grant agreements, and disbursement conditions are met. Issuing (i) invitations for bids for RFQ, and (ii) consulting services recruitment notices under advance contracting and retroactive financing will be subject to ADB approval.		
Disbursement	Disbursement of the loan and grant proceeds will follow ADB's <i>Loan Disbursement Handbook</i> (2017, as amended from time to time) and detailed arrangements agreed between the government and ADB.		

ADB = Asian Development Bank, COVAX = COVID-19 Vaccines Global Access, COVID-19 = coronavirus disease, ICT = information and communication technology, PIU = project implementation unit, RFQ = request for quotations, SSS = single source selection, UNICEF = United Nations Children's Fund.

Source: Asian Development Bank.

### III. DUE DILIGENCE

30. ADB's standard due diligence requirements for processing sovereign operations have been applied.

#### A. Economic and Financial Analysis

31. The COVID-19 pandemic is both a health and an economic crisis, causing loss of lives and a major economic downturn arising from the introduction of containment measures that restrict economic activities and an economy-wide slowdown in investment and international trade.

Reducing morbidity and mortality will create an enabling environment for the return of normal cross-border activities, contributing to economic growth. A project financial viability assessment was not undertaken since project outputs are not meant to produce direct revenue and basic public health services are provided in Kyrgyz Republic free of charge.

32. The project team undertook an analysis of historical and projected health sector budget allocations, as well as their use by the MOHSD, to assess the financial capability of the MOHSD to implement, operate, and maintain the project in a financially sustainable manner. Annual health sector spending was relatively stable during 2016–2019, when measured as a share of the state budget. Government funding for the health sector increased marginally during this time. Health sector spending increased notably in 2020, reflecting government efforts to address the COVID-19 pandemic. While the government's health sector budget allocation for 2021 dropped to a level not seen since 2016 because of the fiscal impact of the pandemic, external funding in 2021 will enable total health sector spending to exceed pre-pandemic levels. The government's medium-term expenditure plan includes an increase in government funding for 2022–2024. Considering that the project does not involve the purchase of new assets, projected midterm expenditures show that adequate financing is expected to be available for the MOHSD to maintain existing service levels and ensure adequate asset maintenance. The current NVDP is fully funded. The MOHSD may update the NVDP to increase the number of people targeted for vaccination (e.g., students), authorize booster shots, and revise cost assumptions and commitments from development partners, which could result in a financing gap.

## **B. Governance and Anticorruption Measures**

33. The government has a relatively comprehensive anticorruption legal framework in place, comprising a dedicated law and the Criminal Code as well as laws on asset declaration and conflict of interest. The Law on State Civil Service and Municipal Service, 2016 (as amended) aims to ensure efficiency in the public service as well as the stability and independence of professional office activities; and the Law on the Protection of Persons Reporting Corruption Offenses, 2019 provides whistleblower protection. ADB's Anticorruption Policy (1998, as amended to date) was explained to and discussed with the government and the MOHSD. The risk assessment and risk management plan (Table 5) includes governance-related risks and mitigating measures, developed with inputs from ADB's Office of Anticorruption and Integrity.

## **C. Environment and Social Safeguards**

34. In compliance with ADB's Safeguard Policy Statement (2009), the project's safeguard categories are as follows.

35. **Environment (category C).** The COVID-19 vaccination will result in a temporary increase in hazardous health care waste (e.g., used syringes, needles, and PPE) at service points. The management of incremental waste generated from this activity will be monitored by the PIU to ensure adequate implementation of the standard operating procedure.<sup>25</sup>

36. **Involuntary resettlement and indigenous peoples (category C).** The project does not entail any physical intervention that would cause involuntary resettlement or affect indigenous peoples.

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<sup>25</sup> Environment Due Diligence Report (accessible from the list of linked documents in Appendix 2).



## D. Poverty, Social, and Gender

37. **Poverty and social considerations.** The project supports reducing poverty with measures to safeguard health to allow people to resume their livelihoods.<sup>26</sup> Overall food security deteriorated during the pandemic, with rising numbers of people reporting going hungry, reducing dietary diversity, worrying about obtaining enough food, being less able to pay for utilities, and coping by selling assets and reducing spending on medical care. The government recognizes the urgent need for vaccination, especially for vulnerable people, to reduce poverty, improve food security, and enable economic growth. By reducing the load on the health system, the project will improve COVID-19 management capacity and responsiveness, treatment quality, and survival rates.

38. **Gender.** Women have been disproportionately affected by the pandemic in the Kyrgyz Republic and globally. Slightly more men (73%) than women (69%) are aware of COVID-19 vaccines.<sup>27</sup> Misinformation, such as the impacts on fertility, can lead to reduced access to vaccination for women. The project is categorized *effective gender mainstreaming*. It will contribute to (i) improving access to information to address vaccine hesitancy and limited awareness of the safety and effectiveness of vaccines, the benefits of vaccination, and safe post-vaccination care procedures through a gender-sensitive communication plan; (ii) enhancing gender sensitivity in capacity-building activities for health care workers, staff of vaccination centers and mobile clinics, and other personnel involved in the vaccination program to help them administer the vaccines in a culturally appropriate way that respects beneficiaries' gender, class, and beliefs; (iii) developing a sex-disaggregated database of the priority groups for vaccination; (iv) updating the guidelines and budget for mobile teams to ensure access to vaccination services for people in remote areas and people with mobility restrictions; and (v) assessing gender-sensitive approaches to vaccination through a satisfaction survey on the vaccinated population. The services of mobile teams are valuable to women in remote areas; women providing home care for household members with disability; and older persons, most of whom are women. Vaccination can benefit women by allowing the resumption of social and economic activity.

## E. Financial Due Diligence

39. **Financial management.** The assessed pre-mitigation financial management risk of the project is *substantial* partly because of the risks associated with weaknesses in accounting and internal controls, the exclusion of the project from the Ministry of Economy and Finance's internal audit plan, fiduciary risks related to insufficient vaccine supplies, vaccine hesitancy, inefficient inventory and supply chain management, inadequate health sector staffing and cold chain capacity, and a paper-based vaccine supply chain management system. A time-bound financial management action plan has been agreed between ADB and the government to address these weaknesses. The ongoing emergency assistance project has been reporting regularly on the implementation of the previous financial management action plan, and the only concern is regarding the delayed submission of audited project financial statements. Risk mitigation measures mainly include the annual conduct of (i) a performance audit of vaccine inventory management activities, (ii) the preparation of a financial management manual, (iii) the preparation of an accountability policy, (iv) an internal audit of the project and strengthened monitoring and evaluation on an ongoing basis, and (v) digitalization of the vaccine logistics and management information system.

<sup>26</sup> Summary Poverty Reduction and Social Strategy (accessible from the list of linked documents in Appendix 2).

<sup>27</sup> CAREC Institute. 2021. [Analysis of Public Attitudes towards COVID-19 Vaccination in Selected CAREC Countries](#). Xinjiang.

## F. Procurement

40. Procurement will be undertaken in a manner consistent with the simplified and expedient procedures permitted under the ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).<sup>28</sup> Following the APVAX policy (footnote 1), universal procurement will apply. UNICEF is expected to be engaged through direct contracting as a turnkey procurement agent to handle all aspects of goods and logistics procurement either through COVAX or directly with manufacturers. Goods and logistics services will be procured following UNICEF's Supply Manual.<sup>29</sup> The use of direct contracting as the procurement method is justified since most vaccine contracts are being entered into globally through UNICEF under COVAX. UNICEF has the resources to provide services immediately through COVAX and is best positioned to navigate the quickly evolving vaccine market. UNICEF has been procuring for the routine immunization program of the Kyrgyz Republic and is well positioned to handle in-country logistics, and UNICEF's cold chain experience is critical for the safe handling of vaccines. Bilateral contracts with approved manufacturers may also be considered.

41. Procurement due diligence found that the procurement risk is *high*. To mitigate this risk, ADB will support the executing agency with market intelligence; assist the government to prepare for negotiations with vaccine manufacturers; and, as part of its normal procurement review mandate for vaccine contracts, identify legal risks in proposed contracts, support with price validation, and inform the government of any adjustments necessary to render the contracts acceptable to ADB. Value for money in procurement will be achieved by (i) selecting candidate vaccine types that are best suited to the domestic logistics supply chain and distribution mechanisms; (ii) identifying vaccines that will meet project disbursement conditions; (iii) engaging a procurement agent who has direct contact with manufacturers and who can ascertain vaccine availability and delivery timelines; and (iv) entering into agreements on terms and conditions that are reasonable, noting the currently constrained global market for vaccines. ADB will only provide financing for vaccine procurement once the APVAX vaccine eligibility criteria have been met (footnote 18).

42. WHO has prequalified all cold chain equipment, from the national to the district level. The MOHSD will handle all other procurement requirements (Table 4) following the approved procurement plan in the PAM.

## G. Summary of Risk Assessment and Risk Management Plan

43. Significant risks and mitigating measures are summarized in Table 5 and described in detail in the risk assessment and risk management plan.<sup>30</sup> Considering that risks and the required mitigation measures will evolve as vaccines are rolled out, ADB will work with the MOHSD and other development partners on monitoring the rollout of the vaccines and mitigation measures.

<sup>28</sup> APVAX Strategic Procurement Plan (accessible from the list of linked documents in Appendix 2).

<sup>29</sup> ADB. 2010. *Strengthening the Partnership between the Asian Development Bank and the United Nations Children's Fund: Procurement Arrangements*. Manila. Under this Board-approved paper, ADB agrees to the use of UNICEF's Supply Manual and UNICEF's Human Resources Manual for the procurement of associated goods, equipment, and services (including consulting services); and the procurement of goods, equipment, and services in a nonmember country or the procurement of goods, equipment, and services produced in a nonmember country. Administrative arrangements, including on procurement, for ADB–UNICEF project cooperation are spelled out in the memorandum of understanding between UNICEF and ADB dated October 2018. Apart from administrative arrangements, other modalities that have been or may be entered into with UNICEF, as appropriate, include outputs agreements and procurement of supplies agreements.

<sup>30</sup> Risk Assessment and Risk Management Plan (accessible from the list of linked documents in Appendix 2).

**Table 5: Summary of Risks and Mitigating Measures**

<b>Risks</b>	<b>Mitigation Measures</b>
Delays in access to and delivery of vaccines because of high global demand and manufacturing bottlenecks.	The government is resorting to diverse channels to increase access to vaccine supply through COVAX, UNICEF, and bilateral deals.
Fiduciary risks may increase because of insufficient vaccine supplies, vaccine hesitancy, inefficient inventory, and poor supply chain management as well as inadequate health sector staffing and cold chain capacity.	<p>The PIU will engage a monitoring and evaluation specialist to provide guidance on the management of the inventory and supply chain as well as to support the implementation of actions set out in the NVDP.</p> <p>The government will implement the vaccination campaign communications plan to increase trust in the vaccination program as well as in vaccines.</p> <p>A private audit firm will be engaged to conduct an annual performance audit of the design and operational effectiveness of the vaccination program.</p>
The PIU has not formulated accountability measures regarding conflict of interest and related party disclosure.	The PIU will prepare an accountability policy, including for conflict of interest and related party disclosure, which adheres to government rules and regulations as well as development partner requirements. The policy will be approved by the MOHSD and development partners.
No formal mechanism is in place for reporting alleged fraud, waste, or misuse of project resources or property.	The PIU will document the mechanism for reporting suspected fraud, waste, or misuse of project resources or property.
Vaccine inventory management is solely paper-based, and MOHSD is only using the inventory module of accounting software for stock management.	The MOHSD will continue the project with UNICEF to digitalize the process of the supply chain management system using the VLMIS.
The PIU does not have an FMM in place to guide the implementation of the ADB-financed projects.	The PIU will prepare an FMM for the ADB-financed project, which will be based on the project administration manual and will be approved by ADB.
The PIU is not included in the annual internal audit plan of the MOHSD's IAU or the MOEF's IAU.	The project will be included in the annual internal audit plan of MOHSD, and the result of the risk assessment will be shared with ADB.
The COA's external audits are not based on international audit standards, and the COA does not provide an audit opinion on financial statements.	The MOHSD will engage a private firm to conduct an annual audit of the project financial statements based on terms of reference approved by ADB and following the International Standards on Auditing.

ADB = Asian Development Bank, COA = Chamber of Accounts, COVAX = COVID-19 Vaccines Global Access, COVID-19 = coronavirus disease, FMM = financial management manual, IAU = internal audit unit, MOEF = Ministry of Economy and Finance, MOHSD = Ministry of Health and Social Development, NVDP = national vaccination deployment plan, PIU = project implementation unit, UNICEF = United Nations Children's Fund, VLMIS = vaccine logistics management information system.

Source: Asian Development Bank.

#### **IV. ASSURANCES AND CONDITIONS**

44. The government and the MOHSD have assured ADB that implementation of the project shall conform to all applicable ADB requirements, including those concerning anticorruption measures, safeguards, gender, procurement, consulting services, financial management, and disbursement as described in detail in the PAM and the loan and grant documents. The government and the MOHSD have agreed with ADB on certain covenants for the project, which are set forth in the draft loan agreement.

45. No withdrawals shall be made from the loan and grant accounts to finance contracts for the procurement of vaccines, ancillary items, and logistics services until ADB has received a letter from the government confirming (i) which COVID-19 vaccine(s) have been selected to be

procured using the proceeds of the grant and the loan; (ii) which of the eligibility criteria have been satisfied for such COVID-19 vaccine(s); and (iii) that such COVID-19 vaccines have received all necessary authorizations of the government, and have been authorized by the National Drug Regulatory Authority and any other relevant regulatory authorities for distribution and administration within the Kyrgyz Republic and, based on the information provided in this government letter, ADB has notified the government that the COVID-19 vaccine(s) to be procured are designated as eligible vaccines.

## **V. RECOMMENDATION**

46. I am satisfied that the proposed loan and grant would comply with the Articles of Agreement of the Asian Development Bank (ADB) and recommend that the Board approve

- (i) the loan of \$12,500,000 to the Kyrgyz Republic for the COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility, from ADB's ordinary capital resources, in concessional terms, with an interest charge at the rate of 1% per year during the grace period and 1.5% per year thereafter; for a term of 24 years, including a grace period of 8 years; and such other terms and conditions as are substantially in accordance with those set forth in the draft loan agreement presented to the Board; and
- (ii) the grant not exceeding \$12,500,000 to the Kyrgyz Republic from ADB's Special Funds resources (Asian Development Fund) for the COVID-19 Vaccine Support Project under the Asia Pacific Vaccine Access Facility, on terms and conditions that are substantially in accordance with those set forth in the draft grant agreement presented to the Board.

Masatsugu Asakawa  
President

5 October 2021

## DESIGN AND MONITORING FRAMEWORK

<b>Impacts the Project are Aligned with</b> The spread of COVID-19 reduced and confidence of citizens restored (ADB's Support to Enhance Access to COVID-19 Vaccine, 2020) <sup>a</sup>			
Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
<b>Outcome</b> Priority populations vaccinated against COVID-19	By 2023 a. At least 0.76 million people in priority groups, based on the NVDP, vaccinated (data disaggregated by sex) (2021 baseline: 0) (OP1.1)	a. Periodic progress reports prepared by the MOHSD, WHO, and UNICEF	A: Priority populations are willing to get vaccinated.  A: Vaccines are used before expiration.  A: Wastage rate is 10%.  R: Global supply challenges result in shortage or delay in the delivery of vaccines.
<b>Outputs</b> 1. COVID-19 vaccines procured and delivered to designated points  2. Vaccination program implementation capacity strengthened	By 2022: 1a. At least 1.7 million doses (2 per person) of COVID-19 vaccine (with syringes and safety boxes) delivered to designated points (2021 baseline: 0) (OP1.1.2)  By 2022: 2a. Budget and guidelines for mobile teams to reach marginalized groups, especially women, updated and approved (2021 baseline: NA) (OP2.2.2)  2b. At least 80% of all trainees (at least 80% of whom are women) demonstrated gender-sensitive skills in implementing the vaccine administration component of the vaccination program (2021 baseline: 0) (OP2.2.2)	1a. Periodic progress reports prepared by the MOHSD, WHO, and UNICEF  2a. and 2b. PIU progress reports	A: The national regulatory authority approves the vaccines in a timely manner.  R: Price and exchange rate fluctuations beyond project projections may raise costs.

<p><b>Key Activities with Milestones</b></p> <p><b>1. COVID-19 vaccines procured and delivered to designated points</b></p> <p>1.1 The MOHSD prepares the TOR and drafts the contract to engage UNICEF (Q3 2021)</p> <p>1.2 The MOHSD signs and/or awards the contract with UNICEF (Q4 2021–Q1 2022)</p> <p>1.3 UNICEF procures and delivers the vaccines to designated points (Q4 2021–Q3 2022)</p> <p>1.4 The MOHSD closely supervises and monitors the vaccine rollout in coordination with development partners, including ADB (Q4 2021–Q4 2022)</p> <p><b>2. Vaccination program implementation capacity strengthened</b></p> <p>2.1 The MOHSD prepares the TOR and engages and signs contracts with consultants (Q4 2021)</p> <p>2.2 Individual consultants (including PIU staff) and firms commence work to help the MOHSD implement the project (Q4 2021)</p> <p>2.3 PIU to ensure capacity-building programs are developed and delivered to the relevant MOHSD and PIU staff to deliver the vaccination program (Q4 2021–Q4 2022)</p> <p>2.4 PIU to conduct an impact assessment, including a satisfaction survey, for vaccine recipients (Q1–Q4 2022)</p> <p><b>Project Management Activities</b></p> <p>Recruit the PIU and consultants (Q4 2021–Q1 2022)</p> <p>Establish and use data collection systems to report on DMF indicators, including the collection of sex-disaggregated and gender-related information relevant to the gender equality and social inclusion action plan (Q4 2021–Q1 2023)</p> <p>Prepare annual audits (financial and performance) and quarterly progress reports (Q4 2021–Q4 2023)</p> <p>Conduct a midterm review (Q2 2022)</p> <p>Prepare a project completion report (Q2 2023)</p> <p><b>Inputs</b></p> <p>ADB: \$25,000,000 (\$12.5 million OCR loan, \$12.5 million ADF grant)</p> <p>Government: \$2,600,000 (in-kind contribution)</p>
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A = assumption, ADB = Asian Development Bank, ADF = Asian Development Fund, COVID-19 = coronavirus disease, DMF = design and monitoring framework, MOHSD = Ministry of Health and Social Development, NA = not applicable, NVDP = National Vaccination Deployment Plan, OCR = ordinary capital resources, OP = operational priority, PIU = project implementation unit, Q = quarter, R = risk, TOR = terms of reference, UNICEF = United Nations Children’s Fund, WHO = World Health Organization.

<sup>a</sup> ADB. 2020. [ADB’s Support to Enhance COVID-19 Vaccine Access](#). Manila.

**Contribution to Strategy 2030 Operational Priorities**

Expected values and methodological details for all OP indicators to which this project will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 2). In addition to the OP indicators tagged in the DMF, this operation will contribute results for OP7.3.3: Measures to improve regional public health and education services supported in implementation.

Source: Asian Development Bank.

**LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/RRPs/?id=55206-001-3>

1. Loan Agreement
2. Grant Agreement
3. Vaccine Needs Assessment
4. Project Administration Manual
5. Contribution to Strategy 2030 Operational Priorities
6. Development Coordination
7. Country Economic Indicators
8. Debt Sustainability Analysis
9. National Vaccination Deployment Plan for COVID-19 Vaccines
10. Financial Analysis
11. Governor's Letter
12. Summary Poverty Reduction and Social Strategy
13. Gender Action Plan
14. Risk Assessment and Risk Management Plan
15. Indicative Master List of Eligible Items, and Agreed List of Acceptable Expenditure Items ("Positive List"), for ADB Financing under the Rapid Response Component
16. APVAX Strategic Procurement Planning
17. Environment Due Diligence Report

**Supplementary Document**

18. Financial Management Assessment