Report and Recommendation of the President to the Board of Directors

Project Number: 48118-005
September 2021

Proposed Loan and Administration of Grant for Additional Financing
Kingdom of Cambodia: Greater Mekong Subregion Health Security Project

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 25 August 2021)

Currency unit	–	riel (KR)
KR1.00	=	$0.000245
$1.00	=	KR4,079.08

ABBREVIATIONS

ADB	–	Asian Development Bank
CARES	–	COVID-19 Active Response Expenditure Support
COVID-19	–	coronavirus disease
DALY	–	disability-adjusted life year
GAP	–	gender action plan
GDP	–	gross domestic product
GMS	–	Greater Mekong Subregion
IHR	–	International Health Regulations
IPC	–	infection prevention and control
JFPR	–	Japan Fund for Poverty Reduction
Lao PDR	–	Lao People's Democratic Republic
MOH	–	Ministry of Health
O&M	–	operation and maintenance
PAM	–	project administration manual
PMU	–	project management unit
SDR	–	special drawing right
WHO	–	World Health Organization

NOTE

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

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[a] Outposted to the Viet Nam Resident Mission.

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CONTENTS

PROJECT AT A GLANCE

1. Basic Data

Project Number: 48118-005

Project Name	Greater Mekong Subregion Health Security Project (Additional Financing)
Country	Cambodia
Borrower	Cambodia
Country Economic Indicators	https://www.adb.org/Documents/LinkedDocs/?id=48118-005-CEI
Portfolio at a Glance	https://www.adb.org/Documents/LinkedDocs/?id=48118-005-PortAtaGlance
Department/Division	SERD/SEHS
Executing Agency	Ministry of Health

2. Sector

	Subsector(s)	ADB Financing ($ million)
✓ **Health**	Disease control of communicable disease	20.00
	Health system development	5.00
	Total	**25.00**

3. Operational Priorities

- ✓ Addressing remaining poverty and reducing inequalities
- ✓ Accelerating progress in gender equality
- ✓ Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability
- ✓ Fostering regional cooperation and integration

Climate Change Information

GHG reductions (tons per annum)	1,967.000
Climate Change impact on the Project	Medium

ADB Financing

Adaptation ($ million)	0.00
Mitigation ($ million)	4.58

Cofinancing

Adaptation ($ million)	0.00
Mitigation ($ million)	0.00

Sustainable Development Goals

SDG 3.3, 3.8
SDG 13.a

Gender Equity and Mainstreaming

Effective gender mainstreaming (EGM) ✓

Poverty Targeting

General Intervention on Poverty ✓

4. Risk Categorization: Low

5. Safeguard Categorization

Environment: B **Involuntary Resettlement:** C **Indigenous Peoples:** B

6. Financing

Modality and Sources	Amount ($ million)
ADB	**25.00**
Sovereign Project (Concessional Loan): Ordinary capital resources	25.00
Cofinancing	**5.00**
Japan Fund for Poverty Reduction - Project grant (Full ADB Administration)	5.00
Counterpart	**5.00**
Government	5.00
Total	**35.00**

Currency of ADB Financing: US Dollar

I. THE PROPOSAL

1. I submit for your approval the following report and recommendation on a proposed loan to the Kingdom of Cambodia for the additional financing of the Greater Mekong Subregion Health Security Project.[1] The report also describes the proposed administration of a grant to be provided by the Japan Fund for Poverty Reduction (JFPR) for the Greater Mekong Subregion Health Security Project, and if the Board approves the proposed loan, I, acting under the authority delegated to me by the Board, approve the administration of the grant.

2. The original project is assisting Cambodia, the Lao People's Democratic Republic (Lao PDR), Myanmar, and Viet Nam in complying with the International Health Regulations (IHR).[2] It is developing core health system capacities to respond to public health threats of national and international concern. Investments under the original project support three outputs: (i) regional cooperation and communicable disease control in border areas improved, (ii) national disease surveillance and outbreak response system strengthened, and (iii) laboratory services and hospital infection prevention and control (IPC) improved. A fourth output, emergency preparedness and response capacity for coronavirus disease (COVID-19) strengthened, was added to the project under the additional financing for Lao PDR and Myanmar (footnote 1). The proposed additional financing of the Cambodia project will help the Government of Cambodia respond to the COVID-19 pandemic.[3] It will (i) support laboratory services and IPC in 8 provincial hospitals and 73 district referral hospitals; (ii) equip 14 provincial hospitals with the means to provide emergency clinical care for COVID-19 patients, including upgraded oxygen supply; and (iii) strengthen surveillance and response capacity for COVID-19 and other communicable diseases nationwide.[4]

II. THE PROJECT

A. Rationale

3. **Background.** The Asian Development Bank (ADB) approved the original project on 22 November 2016, for a total of $125 million equivalent to Cambodia, the Lao PDR, Myanmar, and Viet Nam (footnote 1). Additional financing of $20 million was approved for the Lao PDR on 22 May 2020 and of $30 million for Myanmar on 8 October 2020 to support their emergency response to the COVID-19 pandemic (under an added output 4). The completion date for the original project is 31 March 2022, and the loan closing date is 30 September 2022. As of 31 August 2021, against an elapsed implementation period of 82%, the original project in Cambodia is rated *on track*. Against the original approved loan amount of $21.00 million, cumulative contract awards for Cambodia are $15.38 million (73.24% of ADB financing) and $15.46 million (73.62% of ADB financing, including advances of $1.50 million). Of the 10 outcome and output indicators for

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[1] The original project comprises (i) loans to Cambodia (SDR15,012,000 [$21 million]), the Lao People's Democratic Republic (Lao PDR) (SDR2,856,000 [$4 million]), Myanmar (SDR8,616,000 [$12 million]), and Viet Nam (SDR56,946,000 [$80 million]); and (ii) a grant to the Lao PDR ($8 million). The Asian Development Bank (ADB) provided loans (additional financing) to the Lao PDR ($20 million) and Myanmar ($30 million). ADB also provided project preparatory technical assistance of $1.3 million to Cambodia, the Lao PDR, Myanmar, and Viet Nam. ADB. Greater Mekong Subregion Health Security Project; ADB. Greater Mekong Subregion Health Security Project (Additional Financing) (Lao PDR); ADB. Greater Mekong Subregion Health Security Project (Additional Financing) (Myanmar); and ADB. Technical Assistance: Greater Mekong Subregion Health Security Project.

[2] World Health Organization (WHO). 2016. *International Health Regulations (2005).* Third Edition. Geneva.

[3] Activities under the additional financing will be delivered through the existing project output 2, 3, and 4. Output 1 is not part of the additional financing project.

[4] The project sites under the original and the additional financing are described in linked document Project Locations (accessible from the list of supplementary documents in Appendix 2).

Cambodia, four have already been fully achieved, and six, partially. The delivery of the expected outputs is rated *successful.* All 7 actions in the gender action plan (GAP) are being implemented; 7 of 11 targets (64%) are on track; and 4 targets (36%) have not yet been met. Project covenants, including all safeguard covenants, are being complied with. The project implementation risks have been adequately mitigated, and the management of risks is rated *successful*.

4. **Coronavirus disease context.** As of 2 September 2021, Cambodia had recorded 93,510 confirmed cases of COVID-19, and 1,916 deaths.[5] Its early efforts to build response capacity for COVID-19 were guided by the Response Plan for COVID-19 of the Ministry of Health (MOH).[6] This plan prioritized nine focus areas for health system strengthening geared to COVID-19 response readiness.[7] Despite success in keeping confirmed COVID-19 cases low throughout 2020, an outbreak that began on 20 February 2021 resulted in a surge of new infections and sustained community transmission. The World Health Organization (WHO) has highlighted the risk of silent transmission, following reports that 66% of cases linked to the outbreak were asymptomatic.[8] Cambodia's highly mobile population is a driver of COVID-19 spread. Up to 4.1 million people per year migrate internally. Migrant workers face social and economic barriers in accessing health services, which increases the risk that COVID-19 cases remain undetected.[9]

5. **Remaining deficiencies in the health system.** In 2021, MOH made the rollout of COVID-19 vaccination a key pillar of the country's response.[10] As of 31 August 2021, Cambodia had administered 18.3 million COVID-19 vaccine doses (footnote 5). The rollout of vaccination is primarily through provincial and district hospitals that run COVID-19 vaccination clinics. Given the potential for new variants of the virus to impede vaccine efficacy, continued strengthening of the health system to prevent, detect, and respond to COVID-19 is needed.[11] Despite marked improvements in the capacity of Cambodia's health system since 2013, deficiencies remain. In 2020, MOH assessed Cambodia's compliance with the IHR benchmarks for core health system capacities as 50%.[12] Cambodia scored below average on the Global Health Security Index.[13] The COVID-19 pandemic highlighted the need to scale up successful ongoing investments in the health sector, in order to overcome remaining deficiencies in surveillance and outbreak response, laboratories, IPC, and health service provision.

6. **Surveillance and response.** The increase in COVID-19 cases and related community transmission have overwhelmed subnational surveillance and response capabilities. Gaps in provincial capabilities for data management, contact tracing, and quarantine impede efficient outbreak management. Rapid response teams lack appropriately trained standby staff to provide surge capacity.[14] Weak capability for risk communication hampers community adoption of protective practices.

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5 WHO. Coronavirus Disease (COVID-19) Dashboard (accessed 3 September 2021).
6 MOH. 2020. *Cambodia Response Plan for COVID-19 – March 2020 to February 2021*. Phnom Penh.
7 The plan aligns with WHO. 2020. *2019 Novel Coronavirus (2019 nCoV): Strategic Preparedness and Response Plan.* Geneva.
8 WHO. 2021. *Cambodia Coronavirus Disease 2019 (COVID-19) Situation Report #42*. Geneva.
9 M. Inkochasan et al. 2019. Access to health care for migrants in the Greater Mekong Subregion: policies and legal frameworks and their impact on malaria control in the context of malaria elimination. Bangkok.
10 MOH. 2021. *National Deployment and Vaccination Plan For COVID-19 Vaccines*. Phnom Penh.
11 WHO. 2021. The effects of virus variants on COVID-19 vaccines.
12 WHO. Electronic State Parties Self-Assessment Annual Reporting (accessed 28 April 2021).
13 Johns Hopkins Center for Health Security. Global Health Security Index (accessed 26 July 2021).
14 Provincial and district rapid response teams are groups of health staff formed to investigate outbreaks, support testing and contact tracing, and manage other outbreak response measures.

7. **Laboratory and infection prevention and control.** Laboratories and IPC facilities in 8 provincial hospitals and 73 district referral hospitals not supported under the original project are in urgent need of upgrades. Assessments found inadequate and outdated laboratory equipment for diagnosis and clinical management, including for COVID-19 comorbidities. Renovation of laboratory rooms is required in 62 of these hospitals. Supplies of antigen-detecting rapid diagnostic tests for COVID-19 are insufficient to support contact tracing efforts.[15] IPC equipment such as autoclaves, washing machines, and waste management systems requires replacement.

8. **Emergency preparedness.** Provincial and district hospitals nationwide lack clinical equipment and skilled health staff to manage severe COVID-19 cases, particularly for oxygen therapy. MOH's oxygen baseline assessment found that none of the provincial hospitals had the capacity to manage five or more critical COVID-19 cases. Noninvasive ventilation requires a high level of oxygen supply, and hospitals' overreliance on private oxygen providers was identified as a constraint.[16] A shortage of ambulances impedes the timely transfer of critically ill COVID-19 patients to hospitals. Fourteen provincial hospitals were selected for ADB support to strengthen emergency clinical care for COVID-19 patients, including upgraded oxygen supply. In parallel with the health impacts of COVID-19, there is mounting evidence of an increase in the incidence of gender-based violence and psychosocial issues linked to the pandemic.[17] Frontline hospital staff, who are often the first point of contact for affected individuals, are poorly equipped to identify and respond to these issues.

9. **Modality.** The project meets ADB's eligibility criteria for additional financing, which is an efficient modality for the expedited delivery of support to build subnational health system capacity for COVID-19 responses. The approach leverages MOH's experience under the original project in implementing targeted interventions with provincial and district referral hospitals, enabling a rapid nationwide scale-up. The proposed additional financing was determined to be technically feasible, economically viable, and financially sound. The project was prepared under COVID-19 fast-track processing but will follow regular Board consideration procedures.[18]

10. **Strategic alignment.** The project is consistent with the operational priorities of ADB's Strategy 2030 to (i) address remaining poverty and inequalities by achieving better health for all; (ii) accelerate progress in gender equality in human development; and (iii) foster regional cooperation and integration, including the promotion of regional public goods to mitigate cross-border risks of communicable disease.[19] The project contributes to ADB's country partnership strategy, 2019–2023 for Cambodia by strengthening human capital.[20] It also contributes to the collective goal of the Greater Mekong Subregion (GMS) countries to improve the GMS health system response to acute public health threats.[21]

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[15] The use of antigen-detecting diagnostic tests was incorporated into the national testing strategy alongside real-time polymerase chain reaction tests. Rapid tests are used to support timely outbreak investigation and contact tracing among high-risk populations.

[16] All 116 provincial and district referral hospitals in the country use cylinders as the primary source of oxygen for patients and are dependent on private sector suppliers for cylinder refills. Hospitals face the risk of interrupted or insufficient oxygen supply in an outbreak scenario because of supply chain constraints beyond the hospital's control.

[17] CARE International. 2020. *CARE Rapid Gender Analysis for COVID-19 Cambodia*. Phnom Penh.

[18] ADB. 2020. *Comprehensive Response to the COVID-19 Pandemic*. Manila. The project will enable the rapid scale-up of Cambodia's COVID-19 response by investing in equipment and human resource capacity critical to mitigating the spread and impacts of COVID-19.

[19] ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific.* Manila.

[20] ADB. 2020. *Country Partnership Strategy: Cambodia, 2019–2023—Inclusive Pathways to a Competitive Economy.* Manila.

[21] ADB. 2019. *Greater Mekong Subregion Health Cooperation Strategy 2019–2023.* Manila.

B. Project Description

11. The overall project is aligned with the following impact: GMS public health security strengthened.[22] It will have the following outcome: GMS health system performance with regard to health security improved.[23]

12. The impact and outcome remain unchanged from the original project. The additional financing will contribute to Cambodia's progress in complying with the requirements of the IHR and the Asia Pacific Strategy for Emerging Diseases, in line with the original project outcome indicators.[24] The outcome will be achieved through a nationwide scale-up of investment in subnational health systems in the priority areas of surveillance and risk communications, laboratory and IPC facilities, and health service provision. Activities under the additional financing will be delivered through the existing project outputs 2, 3, and 4 (footnote 3).

13. **Output 2: National disease surveillance and outbreak response systems strengthened.** The additional financing loan will finance (i) a nationwide training program for surveillance staff and rapid response teams to strengthen subnational capacity for communicable disease prevention, detection, and response; (ii) outbreak response vehicles for provincial and national agencies; and (iii) health education campaigns to enhance communities' preparedness for COVID-19 and other communicable disease threats.

14. The JFPR grant will finance digital technology to reinforce COVID-19 outbreak management and contact tracing. It will (i) upgrade computer hardware for central, provincial, and district health agencies; and (ii) train surveillance staff in these agencies on digital tools to support outbreak management.[25] The grant will further support the training of rapid response teams in field skills needed for outbreak control, and training of health and non-health staff in COVID-19 risk communications.

15. **Output 3: Laboratory services and hospital infection prevention and control improved.** The additional financing loan will support laboratory services and IPC in 8 provincial hospitals and 73 district referral hospitals not included under the original project. It will (i) equip the laboratories in these 81 hospitals for communicable disease diagnostics and clinical management, including COVID-19 rapid testing; (ii) renovate laboratories in 62 of these hospitals; (iii) install modern solid waste treatment systems in 42 hospitals; and (iv) supply autoclaves, washing machines, and other IPC equipment to hospitals where upgrades are required. Female and male hospital staff will be trained in laboratory and IPC practices.

16. **Output 4: Emergency preparedness and response capacity for coronavirus disease strengthened.** The JFPR grant will boost COVID-19-related clinical care capacity in 14 provincial hospitals. It will equip these hospitals with (i) oxygen plants for the onsite generation of oxygen supply, (ii) clinical equipment for the provision of oxygen therapy, and (iii) ambulances for the transportation of COVID-19 patients requiring emergency care. Female and male clinical staff will be trained in oxygen therapy and the management of COVID-19 patients. Staff will also be trained to identify and provide support and referral options to individuals affected by gender-based violence and mental health issues linked to the pandemic. Technicians will be trained in the operation and maintenance (O&M) of oxygen plants and ambulances.

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[22] Defined by the Greater Mekong Subregion Health Security Project.
[23] The revised design and monitoring framework is in Appendix 1.
[24] WHO. 2017. *Asia Pacific Strategy for Emerging Diseases and Public Health Emergencies.* Geneva.
[25] Including event monitoring and media screening systems, and WHO's Go.Data tool.

C. Value Added by ADB

17. Since 2011, ADB's support to Cambodia's health sector focused on projects to control communicable diseases.[26] These projects helped improve the capacity of Cambodia's national health system for preventing, detecting, and responding to public health threats. Leveraging ADB's experience in supporting national communicable disease control programs, the government requested ADB's support to scale up the health sector's response to COVID-19. ADB initially procured $1.7 million of personal protective equipment and assisted MOH's digital health initiatives.[27] This was followed by the COVID-19 Active Response Expenditure Support (CARES) Program under the Countercyclical Support Facility COVID-19 Pandemic Response Option that included $60 million in budget support for national health system strengthening under MOH's phase 1 COVID-19 Response Plan (para. 4).[28] The additional financing complements the CARES Program and aligns with the recommendations from CARES Program monitoring to strengthen subnational preparedness for responding to localized outbreaks. The additional financing will also complement the proposed Cambodia Rapid Immunization Support Project under the Asia Pacific Vaccines Access Facility to provide ADB financing for the procurement of COVID-19 vaccines and related international logistics.[29]

18. **Development partner coordination.** ADB coordinates with development partners through sector working groups to align support to the health sector's response to COVID-19.[30] The World Bank provided $34 million support for selected interventions under the MOH's phase-1 COVID-19 Response Plan.[31] The United Nations Children's Fund (UNICEF), WHO, the Government of Australia, and the World Bank are providing financing and technical support for the implementation of the government's vaccination plan. The Government of Japan is supporting the procurement of oxygen plants for 10 national and provincial hospitals through the United Nations Office for Project Services and will also provide 100 ambulances to be allocated to health facilities. The Government of Cambodia's submission to the Global Fund's COVID-19 Response Mechanism includes investments in surveillance and response systems; risk communications; and clinical care, including oxygen therapy. The World Bank, the Government of Republic of Korea, and the Government of Australia are preparing phase 2 of the Cambodia Health Equity and Quality Improvement Project (footnote 31).

D. Summary Cost Estimates and Financing Plan

19. The overall project is estimated to cost $220.9 million (Table 1), including taxes and duties, physical and price contingencies, and interest charges during implementation. In Cambodia, the original project is expected to cost $22.8 million and the additional financing project $35.0 million. Detailed cost estimates by expenditure category and by financier are included in the project administration manual (PAM).[32]

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[26] ADB. Greater Mekong Subregion Regional Communicable Diseases Control Project; ADB. Second Greater Mekong Subregion Regional Communicable Diseases Control Project; ADB. Regional: Malaria and Communicable Diseases Control in the Greater Mekong Subregion.

[27] ADB. Regional: Regional Support to Address the Outbreak of Coronavirus Disease 2019 and Potential Outbreaks of Other Communicable Diseases; ADB. Regional: Strengthening Regional Health Cooperation in the Greater Mekong Subregion. ADB. Regional: Support for Human and Social Development in Southeast Asia.

[28] ADB. COVID-19 Active Response and Expenditure Support Program.

[29] ADB. (Forthcoming). Cambodia Rapid Immunization Support Project under the Asia Pacific Vaccine Access Facility. Manila. The proposed loan amount is $95 million.

[30] These include the Health Technical Working Group and the Oxygen Therapy Working Group.

[31] Includes: World Bank. Cambodia COVID-19 Emergency Response Project ($20 million in new financing); and World Bank. Cambodia Health Equity and Quality Improvement Project ($14 million reprogrammed).

[32] Project Administration Manual (accessible from the list of linked documents in Appendix 2).

Table 1: Summary Cost Estimates
(in $ million)

Description	Current Amount[a]					Additional Financing			Total Amount
	CAM	LAO	MYA	VIE	Total	LAO	MYA	CAM[b]	
A. Base Cost [c]									
Output 1: Regional cooperation and communicable disease control in border areas improved	4.3	4.1	2.9	4.6	15.9	0.0	0.0	0.0	15.9
Output 2: National disease surveillance and outbreak response systems strengthened	8.6	3.0	4.0	21.9	37.5	0.0	0.0	7.8	45.3
Output 3: Laboratory services and hospital infection prevention and control improved	8.0	4.7	4.7	47.7	65.1	0.0	0.0	18.3	83.4
Output 4: Emergency preparedness and response capacity for COVID-19 strengthened	0.0	0.0	0.0	0.0	0.0	19.0	29.6	4.9	53.5
Subtotal Base Costs	**20.9**	**11.8**	**11.6**	**74.2**	**118.5**	**19.0**	**29.6**	**31.0**	**198.1**
B. Contingencies[d]	**1.3**	**0.7**	**0.8**	**7.2**	10.0	2.2	2.0	3.7	17.9
C. Financing Charges During Implementation[e]	**0.6**	**0.1**	**0.4**	**2.6**	3.7	0.40	0.54	0.3	4.9
Total Cost	**22.8**	**12.6**	**12.8**	**84.0**	**132.2**	**21.6**	**32.1**	**35.0**	**220.9**

CAM = Cambodia, COVID-19 = coronavirus disease, LAO = Lao People's Democratic Republic, MYA = Myanmar, VIE = Viet Nam.

[a] Refers to the original loan.

[b] The project costs are inclusive of taxes and duties of $4.88 million, of which $3.94 million will be financed through tax exemption by the government for imported medical equipment and consumables, information technology equipment, and vehicles. Domestic value-added tax and government service taxes of $0.94 million on civil works, training and workshops, community mobilization, and recurrent and project management costs may be financed by the Asian Development Bank loan and the Japan Fund for Poverty Reduction grant. The amount does not represent an excessive share of the project cost.

[c] In June 2021 prices.

[d] Includes physical and price contingencies and a provision for exchange rate fluctuation.

[e] Includes interest charges.

Sources: Government of Cambodia, Ministry of Health; and Asian Development Bank estimates.

20. The government has requested a concessional loan of $25 million from ADB's ordinary capital resources and a grant of $5 million to be financed by JFPR to help finance the project. The ADB loan will have a 32-year term, including a grace period of 8 years, an interest rate 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. The JFPR will provide grant cofinancing equivalent to $5 million to be administered by ADB.

21. The summary financing plan is in Table 2. The loan will finance expenditures for the procurement of laboratory and IPC equipment for provincial and district referral hospitals, minor renovation works in hospital laboratories, vehicles for outbreak response, and consulting support for project implementation. The loan will also finance training, workshops and community

mobilization, project management, and project recurrent costs. The JFPR grant will finance oxygen plants, oxygen therapy equipment, and computers; ambulances; consulting services; and specified training, workshops, and community mobilization expenditure. The government will contribute $5.0 million of the total project cost. This comprises tax exemption for imported medical equipment, medical consumables, and vehicles. The government will also provide in-kind contributions for personnel and facility costs at projects sites and in-cash contribution to cover loan interest charges and annual audit fees.

Table 2: Summary Financing Plan
(in $ million)

	Current[a]		**Additional Financing**		**Total**	
	Amount ($ million)	**Share of Total** (%)	**Amount** ($ million)	**Share of Total** (%)	**Amount** ($ million)	**Share of Total** (%)
OCR (concessional loans)						
Cambodia	21.0	15.9	25.0	28.2	46.0	20.8
Myanmar	12.0	9.1	30.0	33.8	42.0	19.0
Viet Nam	80.0	60.5	0.0	0.0	80.0	36.2
Lao PDR	4.0	3.0	20.0	22.5	24.0	10.9
ADF Grant – Lao PDR	8.0	6.1	0.0	0.0	8.0	3.6
JFPR Grant – Cambodia[b]	0.0	0.0	5.0	5.6	5.0	2.3
Government of Cambodia	1.8	1.4	5.0	5.6	6.8	3.1
Government of Myanmar	0.8	0.6	2.2	2.5	3.0	1.4
Government of Viet Nam	4.0	3.0	0.0	0.0	4.0	1.8
Government of Lao PDR	0.6	0.5	1.6	1.8	2.2	1.0
Total	**132.2**	**100.0**	**88.8**	**100.0**	**221.0**	**100.0**

ADF = Asian Development Fund, JFPR = Japan Fund for Poverty Reduction, Lao PDR = Lao People's Democratic Republic, OCR = ordinary capital resources.
Note: Percentages may not total 100% because of rounding.
[a] Refers to the original loan, grant, and government financing.
[b] Administered by the Asian Development Bank.
Source: Asian Development Bank.

22. For the proposed additional financing, climate mitigation is estimated to cost $4.58 million. ADB will finance 100% of mitigation costs. Climate mitigation benefits primarily result from the promotion of non-incineration-based medical waste treatment systems.[33]

E. Implementation Arrangements

23. The implementation arrangements will remain consistent with the original project. MOH, through its Department of Planning and Health Information, will be the executing agency. The existing project management unit (PMU) will manage the implementation of the proposed additional financing. Implementing agencies are the Department of Communicable Disease Control, the Department of Hospital Services, the National Institute for Public Health, the National Center for Parasitology, Entomology and Malaria Control, and the health departments of Cambodia's 24 provinces and the Phnom Penh municipality.

24. All procurement of goods, works, and consulting services will be undertaken in accordance with ADB's Procurement Guidelines (2015, as amended from time to time) and ADB's Guidelines

[33] Climate Change Assessment (accessible from the list of linked documents in Appendix 2).

on the Use of Consultants (2013, as amended from time to time). As procurement will support the COVID-19 response, universal procurement will apply to any procurement under the loan, but not to the procurement under the JFPR grant.[34]

25. The implementation arrangements are summarized in Table 3 and described in detail in the PAM (footnote 32).

Table 3: Implementation Arrangements

Aspects	Arrangements		
Implementation period	October 2021–October 2023		
Estimated completion date	31 October 2023		
Estimated loan closing date	30 April 2024		
Management			
(i) Oversight body	MOH		
(ii) Executing agency	MOH, represented by DPHI		
(iii) Key implementing agencies	DCDC, DHS, NIPH, CNM, 24 PHDs, 1 MHD		
(iv) Implementation unit	Project management unit (under DPHI) supported by 1 international and 13 national consultants		
Procurement	ICB	7 contracts	$8.95 million
	NCB	10 contracts	$4.67 million
	Shopping	2 contracts	$0.11 million
	Direct contracting	2 contracts	$4.03 million
Consulting services	ICS	102 person-months	$0.29 million
	SSS (individual)	226 person-months	$0.51 million
	SSS (firm)	110 person-months	$0.23 million
Retroactive financing	None		
Advance contracting	Advance contracting will apply to all procurement of goods and consulting services in this project.		
Disbursement	The loan and JFPR grant proceeds will be disbursed following ADB's *Loan Disbursement Handbook* (2017, as amended from time to time) and detailed arrangements agreed between the government and ADB.		

ADB = Asian Development Bank, CNM = National Center for Parasitology, Entomology and Malaria Control, DCDC = Department of Communicable Disease Control, DHS = Department of Hospital Services, DPHI = Department of Planning and Health Information, ICB = international competitive bidding, ICS = individual consultant selection, JFPR = Japan Fund for Poverty Reduction, MHD = municipal health department, MOH = Ministry of Health, NCB = national competitive bidding, NIPH = National Institute for Public Health, PHD = provincial health department, SSS = single source selection.
Source: Asian Development Bank.

III. DUE DILIGENCE

A. Technical

26. MOH completed rapid assessments of the 81 provincial and district referral hospitals to determine the need for upgrades and equipment procurement. Equipment and works procured under the project align with each hospital's Complementary Package of Activities level.[35] The Department of Hospital Services completed an assessment of oxygen therapy needs in hospitals nationwide to determine the procurement requirements for oxygen plants and clinical equipment. The specifications for the equipment to be supplied to 14 hospitals under output 4 will be reviewed by the Department of Hospital Services and the National Institute for Public Health.

[34] ADB. 2020. *Comprehensive Response to the COVID-19 Pandemic*. Manila.

[35] The Complementary Package of Activities level defines the clinical activities to be delivered by the facility, the number of staff, the number of beds, and the standard drug and medical equipment list.

B. Economic Viability

27. The economic analysis was updated following ADB's Guidelines on Economic Analysis (2017).[36] The cost-effectiveness analysis of the additional financing project followed the benefit valuation method used in the economic analysis of the original project. An expanded target population of 9 million in 11 additional provinces and Phnom Penh municipality was applied as the basis for assessing cost effectiveness. Benefits from the project's activities were measured by the averted loss using disability-adjusted life years (DALYs).[37] The results show that the cost per DALY is substantially less than three times the gross domestic product (GDP) per capita, making the intervention very cost-effective.[38] The results are robust under various sensitivity scenarios. The cost–benefit analysis conducted for the original project was also updated. An economic internal rate of return of 31.8 % was estimated for the regional project as a whole. This is higher than that of the original project (28.1%) and is above the minimum required threshold of 6.0% for social sector investments.

C. Sustainability

28. The financial sustainability analysis will be completed within 3 months from the date of signing of the loan agreement.[39] It will assess the capacity of MOH to pay for the incremental recurrent costs of the project and the O&M of assets throughout their economic life. MOH receives annual budgetary appropriation from the national government for O&M. Historical and projected financial information on the budgetary appropriation, actual utilization, and O&M requirement will be analyzed. The analysis will further determine if MOH has sufficient residual budgetary allocation to pay for the incremental O&M costs.

D. Governance

29. A financial management assessment conducted in June 2021 concluded that the overall pre-mitigation financial management risk is moderate because the project will use the original project PMU. Key financial management risks are that (i) the potential for limited government financial resources for the health sector adversely impacts project sustainability, (ii) the large number of implementing agencies heightens the complexity of the project's financial management arrangements, (iii) weak government planning and budgeting capacity reduces the effectiveness of the budget process, and (iv) inadequate numbers and quality of financial management personnel at the project implementing agencies may impose limitations. In addition to the use of the original project PMU, risks will be mitigated by the provision of financial management training to project implementing agencies.

30. The project procurement risk was assessed to be low given the similarity of scope with the original project and the recent relevant procurement experience of the executing agency.

31. ADB's Anticorruption Policy (1998, as amended to date) was explained to and discussed with the government and MOH. The specific policy requirements and supplementary measures

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[36] ADB. 2017. *Guidelines for the Economic Analysis of Projects*. Manila.

[37] DALYs are the number of years lost because of ill-health, disability, or premature death.

[38] The project intervention will be deemed very cost-effective if the cost per DALY is less than GDP per capita. WHO Commission on Macroeconomics and Health & World Health Organization. 2001. Macroeconomics and health: investing in health for economic development: executive summary / report of the Commission on Macroeconomics and Health.

[39] ADB. 2020. *Guidance Note on Applying ADB's Financial Due Diligence Requirements in Response to the Covid-19 Pandemic*. Manila.

are described in the PAM (footnote 32). At the national level, an Anticorruption Council and an Anticorruption Unit exist, but their effectiveness is reduced by incomplete supporting legislation and a weak judiciary. Project-specific corruption risk is mitigated through government oversight bodies, development partner coordination, and MOH (through PMU staff responsible for enhancing the internal control of procurement and financial management). The corruption risk for the additional financing project is assessed as medium.

E. Poverty, Social, and Gender

32. **Key poverty and social issues.** The additional financing project is classified as a *general intervention*. The COVID-19 pandemic has put Cambodia's gains in poverty reduction at risk, potentially reversing 4 years of progress in the Human Development Index.[40] A slowdown in the garment, construction, and tourism industries has impaired the livelihoods of low-skilled and informal workers.[41] Migrant workers have also been impacted. Households are at high risk of being burdened financially by COVID-19–related illness, both because of loss of income and the preference of households to initiate care in the private sector, where out-of-pocket expenses are high.[42] Out-of-pocket payments constituted 58.6% of total health expenditure in 2016, driven by a preference to initiate care in the private sector. Households in the lowest two income quintiles are more vulnerable to out-of-pocket spending. The project will strengthen the capacity of the public health system to prevent and treat COVID-19, mitigating health and social impacts and indirectly contributing to poverty reduction.

33. **Gender.** The additional financing is categorized as *effective gender mainstreaming*. In Cambodia, female health care workers are overrepresented in frontline positions where the exposure to COVID-19 infection is the greatest.[43] In contrast, women are underrepresented amongst laboratory professionals.[44] An assessment of gender-related risk factors for workplace infection during pandemics is needed to improve IPC policy and practice. Prioritizing female laboratory staff for training will contribute to better career options. The pandemic led to an increase in the incidence of gender-based violence (footnote 17). An increase in the incidence of psychosocial conditions, including anxiety and depression among women, was also observed. The GAP for the original project was updated to incorporate additional gender actions and targets under outputs 2, 3, and 4: (i) an assessment of gender-related infection risks for frontline health care workers during pandemics completed and disseminated to MOH policy makers and hospitals administrators; (ii) equal representation of female and male staff in training in laboratory techniques; (iii) upskilling of female and male health care workers to provide support and referral options to persons affected by gender-based violence and mental health issues; (iv) provision of education materials to health care workers, patients, and their families on mental health and psychosocial support during times of crisis; and (v) collection and reporting of sex-disaggregated data on COVID-19. The PMU, with the support of a national gender specialist, will monitor GAP implementation. Progress in GAP implementation will be included in all progress and monitoring and evaluation reports. Project data will be disaggregated by sex.

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[40] United Nations Development Programme (UNDP). 2021. *Projected impacts of COVID-19 on the 2020 Human Development Index in Cambodia and its neighbors*. Phnom Penh.

[41] UNDP. 2020. *Policy Brief 1: COVID-19 Economic and Social Impact Assessment in Cambodia*. Phnom Penh.

[42] Out-of-pocket payments constituted 57% of total health expenditure in 2018. World Bank. World Development Indicators (accessed 25 August 2021).

[43] In Cambodia, 52% of the health workforce are women, most of whom hold lower-level positions, while 84% of the managers are men.

[44] There are 422 staff in the project's 81 target laboratories, of which 163 (39%) are female.

F. Safeguards

34. In compliance with ADB's Safeguard Policy Statement (2009), the project's safeguard categories are as follows.[45]

35. **Environment (category B).** Output 3 of the additional financing project will include minor renovation works in laboratories of existing hospital compounds. Output 4 will include the installation of oxygen plants at selected hospitals. Such works may cause temporary and localized adverse environmental impacts and pose minor risks to occupational and community health and safety. These impacts and risks will be highly localized and short in duration. Risks will be mitigated to acceptable levels by implementing standard environmental management and health and safety practices, including measures to mitigate COVID-19 risk. The project will provide modern medical waste treatment equipment to 42 hospitals.[46] The initial environmental examination and the environmental management plan prepared for the original project were updated to reflect the expanded project scope.[47] The overall project will remain category B for environment. The PMU, supported by the IPC and safeguard consultants, will coordinate the implementation of the environmental management plan, including safeguard monitoring and reporting to ADB, and consultation with project-affected people during project implementation.

36. **Involuntary resettlement (category C).** No land acquisition and resettlement impacts are envisaged. The overall project will remain category C for involuntary resettlement.

37. **Indigenous peoples (category B).** Ten provinces to be supported under the project have diverse indigenous populations.[48] They comprise 3.9% of the population served by the hospitals to be supported by the project in these 10 provinces. The project will bring positive benefits to indigenous peoples in the project areas, specifically with respect to improved health care. An indigenous peoples plan was developed to maximize these benefits. Meaningful consultations with indigenous people and their participation will help build awareness about the additional support provided by MOH during the COVID 19 pandemic. MOH will oversee the implementation of the indigenous peoples plan, with support from the PMU's national safeguard specialist. The overall project will remain category B for indigenous peoples. The scope of the grievance redress mechanism established for the original project will be extended to the additional financing. MOH will report project-related complaints to ADB through quarterly progress reports.

G. Summary of Risk Assessment and Risk Management Plan

38. Significant risks and mitigating measures are summarized in Table 4 and described in detail in the risk assessment and risk management plan.[49]

Table 4: Summary of Risks and Mitigating Measures

Risks	Mitigating Measures
Weaknesses in the country-level PFM system include low budget credibility, limited information provided in budget documentation, inadequate public access to fiscal information,	MEF and MOH to continue the implementation of PFM reforms in line with the PFM reform plan, including strengthening the policy and regulatory framework for expenditure and revenue management, enhancing

[45] ADB. Safeguard Categories.
[46] Non-incineration-based medical waste treatment systems will replace rudimentary on-site incinerators.
[47] Initial Environmental Examination (accessible from the list of linked documents in Appendix 2).
[48] These 10 provinces are Kampong Speu, Kampong Thom, Koh Kong, Mondul Kiri, Preah Vihear, Pursa, Ratanakiri, Siemreap, Preah Sihanouk, and Oddar Meanchey.
[49] Risk Assessment and Risk Management Plan (accessible from the list of linked documents in Appendix 2).

Risks	Mitigating Measures
and limited compliance with internal controls and financial reporting standards.	budgeting and expenditure management, and updating national financial reporting standards to align with international financial reporting standards.
Weak institutional capacity to enforce anticorruption legislation increases the risk of corrupt practices.	MEF and NAA to continue support for public sector management reforms, and oversight and assurance functions, including those at MEF, NAA, and internal audit units at MEF and line ministries.
Insufficient financial and administration support by the government for the health sector is exacerbated by the COVID-19 pandemic.	Development partners to advocate for greater health sector support by the government, including increases to budgetary allocations. PMU to support MOH in strengthening AOPs, including budgeting and staff requirements.
Program budgeting not fully embedded at all the implementing agencies, reducing the effectiveness of the budget process	PMU to prepare project budgets in accordance with the government's latest SOPs. PMU finance staff to support staff at project implementing agencies to ensure that sufficient funds, including counterpart funds, are available to implement project activities when required.
Health staff unable to participate in training because of COVID-19 restrictions, impacting the effectiveness of project investments	Training delivered online. PIUs to ensure post-training support of trainees through follow-up monitoring and on-site capacity development

AOP = annual operational plan, COVID-19 = coronavirus disease, MEF = Ministry of Economy and Finance, MOH = Ministry of Health, NAA = National Audit Authority, PFM = public financial management, PIU = project implementation unit, PMU = project management unit, SOP = standard operating procedure.
Source: Asian Development Bank.

IV. ASSURANCES

39. The government and MOH have assured ADB that project implementation 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 loan documents.

40. The government and MOH have agreed with ADB on certain covenants for the project, which are set forth in the draft loan agreement and grant agreement.

V. RECOMMENDATION

41. I am satisfied that the proposed loan would comply with the Articles of Agreement of the Asian Development Bank (ADB) and recommend that the Board approve the loan of $25,000,000 to the Kingdom of Cambodia for the additional financing of the Greater Mekong Subregion Health Security Project, from ADB's ordinary capital resources, in concessional terms, with an interest charge at the rate of 1.0% per year during the grace period and 1.5% per year thereafter; for a term of 32 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.

Masatsugu Asakawa
President

15 September 2021

REVISED DESIGN AND MONITORING FRAMEWORK

Below is based on the latest approved design and monitoring framework. It strikes out content for deletion and underlines content to be added.

<table>
<tr><td colspan="4">Impact the project is aligned with
GMS public health security strengthened[a]</td></tr>
<tr><td>Results Chain</td><td>Performance Indicators</td><td>Data Sources and Reporting Mechanisms</td><td>Risks</td></tr>
<tr><td>Outcome
GMS health system performance with regard to health security improved</td><td>By 2023:
a. Compliance with the 8 APSED focus areas increased

<table><tr><th>Country</th><th>Baseline[b]</th><th>2023</th></tr><tr><td>Cambodia</td><td>3 of 8 areas</td><td>6 of 8 areas</td></tr><tr><td>Lao PDR</td><td>3 of 8 areas</td><td>6 of 8 areas</td></tr><tr><td>Myanmar</td><td>3 of 8 areas</td><td>6 of 8 areas</td></tr><tr><td>Viet Nam</td><td>6 of 8 areas</td><td>7 of 8 areas</td></tr></table>
b. 194 of the 381 targeted district and/or township hospitals comply with national IPC criteria[c]

<table><tr><th>Country</th><th>Target[d]</th><th>Baseline[b]</th><th>2023</th></tr><tr><td>Cambodia</td><td>42</td><td>12</td><td>26</td></tr><tr><td>Lao PDR</td><td>82</td><td>16</td><td>35</td></tr><tr><td>Myanmar</td><td>12</td><td>5</td><td>8</td></tr><tr><td>Viet Nam</td><td>245</td><td>50</td><td>125</td></tr><tr><td>Total</td><td>381</td><td>83</td><td>194</td></tr></table>
c. 271 of the 381 targeted district and/or township laboratories achieve quality and biosafety standards[e]

<table><tr><th>Country</th><th>Target[d]</th><th>Baseline[b]</th><th>2023</th></tr><tr><td>Cambodia</td><td>42</td><td>16</td><td>28</td></tr><tr><td>Lao PDR</td><td>82</td><td>12</td><td>35</td></tr><tr><td>Myanmar</td><td>12</td><td>3</td><td>8</td></tr><tr><td>Viet Nam</td><td>245</td><td>75</td><td>200</td></tr><tr><td>Total</td><td>381</td><td>106</td><td>271</td></tr></table>
<u>Cambodia</u>
<u>By 2024</u>:

<u>d. An additional 20 provincial and district hospitals comply with national IPC criteria[c, s]</u></td><td>a. WHO APSED report and country APSED reports

b. <u>and d.</u> Cambodia, Lao PDR, Myanmar: IPC training and activity reports

Viet Nam:
Annual district hospital assessment reports against the National Standards on Hospital Quality (Decision No. 6858/QD-BYT dated 18/11/2016)

c. <u>and e</u>. Cambodia, Lao PDR, Myanmar: Laboratory quality and laboratory biosafety training and assessment reports

Viet Nam:
Annual district hospital assessment reports against the National Standards on Hospital Quality (Decision No. 6858/QD-BYT dated 18/11/2016)</td><td>Governments do not provide financial and administrative support to the health services.

Political and economic instability create conditions leading to higher incidence of outbreaks.</td></tr>
</table>

<table>
<tr><th>Results Chain</th><th>Performance Indicators</th><th>Data Sources and Reporting Mechanisms</th><th>Risks</th></tr>
<tr><td></td><td>e. An additional 30 laboratories in provincial and district hospitals achieve national quality and biosafety standards</td><td></td><td></td></tr>
<tr><td>Outputs
1. Regional cooperation and CDC in border areas improved</td><td>1a. By 2020, Cambodia, the Lao PDR, Myanmar, and Viet Nam apply harmonized standard case definitions, and reporting procedures for notifiable communicable diseases (baseline: NA), including disaggregation by sex and age

1b. By 2021, all border provinces,[g] states, or regions targeted by the project conduct two cross-border activities per year</td><td>1a. WHO standard case definition for infectious diseases[f] and International Health Regulations Annex 2 for standard reporting procedure for 7 priority notifiable diseases in the GMS

1b. Provincial, state, or regional reports</td><td rowspan="3">Provinces do not provide supplies and recurrent budget and staff to conduct the activities

Ministries do not allocate budget for staff and resources to implement regional cooperation

The large number of implementing agencies may pose a significant challenge during project implementation.

COVID-19 outbreak causes disruptions to project implementation</td></tr>
<tr><td>2. National disease surveillance and outbreak response systems strengthened</td><td>2a. By 2021, 213 districts and/or townships send sex-disaggregated electronic report on communicable diseases as per national regulations

<table><tr><th>Country</th><th>Target[d]</th><th>Baseline[b]</th><th>2021</th></tr><tr><td>Cambodia</td><td>42</td><td>20</td><td>28</td></tr><tr><td>Lao PDR</td><td>82</td><td>37</td><td>50</td></tr><tr><td>Myanmar</td><td>12</td><td>2</td><td>10</td></tr><tr><td>Viet Nam</td><td>245</td><td>50</td><td>125</td></tr><tr><td>Total</td><td>381</td><td>109</td><td>213</td></tr></table>
2b. By 2021, 80% of major outbreak response reports indicate appropriate measure conducted (2015 baseline estimate: 60%)[h]

Cambodia
2c. By 2023, electronic reporting system for COVID-19, with case data disaggregated by sex, established and in routine use in 24 provinces and Phnom Penh municipality as per national regulations (Baseline: NA; Q2 2021)[s]</td><td>2a. District and/or township disease surveillance electronic reports

2b. Annual provincial and/or township reports

2c. MOH monthly summary reports</td></tr>
<tr><td>3. Laboratory services and hospital IPC improved</td><td>3a. By 2021, all targeted laboratories have been audited at least once for quality and biosafety

3b. By 2022, 80% of targeted districts and/or townships have developed SOPs for collection, packaging, and transport of biological samples</td><td>3a. and 3d. Laboratory audit reports

3b. District and/or township reports</td></tr>
</table>

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks
	3c. By 2022, at least 2 staff members (one of them female) per targeted laboratory trained in national laboratory biosafety standards and practice. **Cambodia** 3d. By 2023, at least 50 target laboratories[t,u] have been audited once for quality and biosafety (Baseline: 0; Q2 2021) 3e. By 2023, 2 staff members (at minimum one of them female) in at least 50 target laboratories[u,v] trained in national laboratory biosafety standards and practice (Baseline: 0; Q2 2021)	3c. and 3e. Laboratory biosafety training and assessment reports	
4. Emergency preparedness and response capacity for COVID-19 strengthened	**Lao PDR** 4a. By Q4 2020, at least 80% of all provincial hospital health workers (at least 60% of whom are female) in the Lao PDR report having consistent adequate supply of PPE to manage incoming COVID-19 patients (Baseline: 0%, Q2 2020) 4b. By Q1 2021, the capacity for COVID-19 confirmation tests in Luang Prabang, Savannakhet, and Champasak, the Lao PDR, scaled up to 150 tests per day (Baseline: 0 tests per day, Q2 2020) 4c. By Q4 2021, COVID-19 clinical guidelines and protocols, with gender-sensitive risk communications guidelines, are in place and utilized in provincial and district hospitals in the Lao PDR (Baseline: NA) **Myanmar** 4d. By Q4 2021, 31 district and township hospitals have isolation capacity[l] for COVID-19 patients (Baseline: 0, Q2 2020)[m, n, o] 4e. By Q3 2021, 31 district and township hospitals have facilities that ensure the privacy of female and male patients and staff[p] (Baseline: 0, Q2 2020) 4f. By Q1 2022, at least 80% of doctors and nurses[q] in each of the 31 district and township hospitals have improved	4a.–4c. Project quarterly reports 4d.–4e. Health facility assessment checklist[r] 4f. Pre- and post-training assessments for all project trainings	Market conditions and restrictions on cargo transportation delay the delivery of goods

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks
	knowledge on clinical management and IPC for COVID-19, including the prevention of hospital-acquired infection among pregnant women and children (Baseline: NA, Q2 2020)		
	4g. By Q2 2022, at least 75% of health care workers in 31 district and township hospitals have increased knowledge on how to respond to persons affected by GBV, with appropriate support and referral options (Baseline: NA, Q2 2020)	4g. KAP survey for health care workers	
	Cambodia		
	4h. By Q3 2023, at least 50% of ICU doctors and nurses in 14 provincial hospitals have improved knowledge on clinical management of COVID-19 (Baseline: 0, Q2 2021)	4h. Pre- and post-training assessments	
	4i. By Q3 2023, 14 provincial hospitals meet their oxygen-supply requirement through on-site oxygen plants (Baseline: 0, Q2 2021)[w]	4i. Endline facility assessment tool in the 14 target hospitals	
	4j. By 2023, at least 50% of frontline health care workers in 14 provincial hospitals have increased knowledge on support and referral measures for survivors of GBV (Baseline: 0; Q2 2021)[x]	4j. Pre- and post-training assessments	

Key Activities with Milestones

1. Regional cooperation and CDC in border areas improved

1.1 Organize annual national and regional steering committee meetings and workshops for project review and guidance from Q4 2017 to Q4 2021
1.2 Conduct annual technical forums and draw up a country operation plan on GMS CDC priorities from Q4 2017 to Q4 2021
1.3 Conduct annual regional, cross-border, and intersectoral events such as joint outbreak investigations, technical assistance projects, and training consensuses on regional databases, and establish an information exchange of notifiable communicable diseases by Q2 2018
1.4 Conduct mapping and survey of MEVs in border areas by Q3 2017
1.5 Conduct participatory planning with target groups and local staff members to improve CDC coverage by Q4 2017
1.6 Design studies of innovative strategies to improve CDC among MEVs by Q4 2017
1.7 Mobilize national program resources for CDC and use project resources to extend services in hotspots using government services and community-based organizations by Q1 2018
1.8 Implement CDC extension program from Q2 2018 onwards[i]
1.9 Conduct specific disease control campaigns in border areas as needed from Q4 2017 to Q4 2021
1.10 Evaluate CDC among MEVs through survey and study by Q2 2020

2. National disease surveillance and outbreak response systems strengthened

2.1 Review surveillance and response systems by Q3 2017
2.2 Strengthen monitoring of surveillance and response systems by Q1 2018
2.3 Plan and prepare surveillance and response system improvements by Q4 2017
2.4 Procure or upgrade information technology (IT) equipment by Q1 2018[i]

2.5 Support geographic information system software application for surveillance in coordination with the Asia eHealth Information Network by Q1 2018[k]
2.6 Provide IT connection by Q1 2018[j]
2.7 Provide IT training to focal points, IT users, and field epidemiology training program scholars by Q1 2018
2.8 Harmonize surveillance indicators and systems for CDC by Q1 2019
2.9 Provide outbreak investigation funds from project and government sources by Q3 2017
2.10 Train outbreak response teams using simulation exercises in Q1 2018
2.11 Provide separate trainings for risk analysis and risk communication in Q3 2017
2.12 Procure vehicles and outbreak response gear by Q4 2017
2.13 Conduct public information campaigns in Q4 2017

Cambodia

2.14 Mobilize community awareness campaigns on COVID-19 and other communicable diseases by Q1 2022
2.15 Start training of rapid response teams on COVID-19 response by Q2 2022
2.16 Procure and deliver vehicles and computer equipment by Q4 2022

3. Laboratory services and hospital IPC improved

3.1 Procure laboratory supplies by Q1 2018
3.2 Review laboratory strategy, plan, guidelines, standards, and SOPs by Q3 2017
3.3 Conduct detailed assessments of laboratory staff development by Q4 2017
3.4 Conduct detailed assessment of laboratory performance by Q4 2017
3.5 Conduct workshops to review findings and develop standards by Q1 2018
3.6 Prepare comprehensive laboratory improvement plan for targeted laboratories as part of annual operational plans by Q2 2018
3.7 Improve in-service training of laboratory staff members by Q3 2018
3.8 Strengthen laboratory quality improvement program by Q3 2018
3.9 Procure equipment for laboratories in 2018 and 2019
3.10 Conduct laboratory studies during 2019–2020
3.11 Perform detailed hospital IPC and case management assessments by Q4 2017
3.12 Prepare detailed hospital IPC and case management plans by Q1 2018
3.13 Establish IPC focal point and committee by Q1 2018
3.14 Conduct training of hospital staff from Q2 to Q4 2018
3.15 Provide equipment and supplies in 2018 and 2019
3.16 Strengthen IPC monitoring in hospitals from Q1 2018 onward

Cambodia

3.17 Complete assessments for minor works in laboratories by Q2 2022
3.18 Deliver laboratory and IPC equipment by Q1 2023
3.19 Complete training for laboratory and IPC staff by Q3 2023

4. Emergency preparedness and response capacity for COVID-19 strengthened

Lao PDR

4.1 Engage the consultants (procurement, laboratory diagnostics, case management, gender, and social development) by June 2020
4.2 Engage the procurement agent by June 2020
4.3 Sign contract for PPE and disinfectants by June 2020, with due consideration of the needs of the frontline male and female health workers
4.4 Sign contract for supplies and equipment for screening, laboratory, and supportive treatment by July 2020
4.5 Assess training needs and develop an inclusive training plan for COVID-19 clinical guidelines and protocols by July 2020
4.6 Conduct training on COVID-19 testing and clinical management by Q4 2021
4.7 Develop gender-sensitive risk communication guidelines and conduct related activities by Q4 2021

Myanmar

4.8 Sign contract between the MOHS and UNOPS by Q4 2020
4.9 Assess training needs and develop an inclusive training plan for all project trainings by Q4 2020
4.10 Complete minor upgrade works in 31 facilities by Q1 2022
4.11 Conduct KAP survey and information campaign on GBV prevention by Q3 2022

4.12 Conduct training for female and male health staff members on clinical management for COVID-19, laboratory, IPC (including for pregnant women), and GBV by Q3 2022
4.13 Install equipment in target facilities by Q3 2022

Cambodia

4.14 Complete assessments for oxygen plants by Q1 2022
4.15 Procure oxygen plants for 14 target provincial hospitals by Q3 2022
4.16 Start operation of oxygen plants by Q4 2022
4.17 Complete training for ICU staff in 14 target provincial hospitals by Q1 2023

Project Management Activities

- Advertise the recruitment of chief technical advisor; deputy chief technical advisor; and experts for gender and social development, laboratory biosafety and quality management, project implementation, procurement, and financial management by Q4 2016
- Identify and track parameters of effectiveness, efficiency, integration, sustainability, and other qualities for results-based project management by Q3 2017
- Organize a workshop to plan for a results-based participatory project planning and implementation process to ensure project criteria are met by Q3 2017
- Conduct assessment of CDC baselines in border areas and identify and link milestones and actions to be taken to achieve implementation plans by Q4 2017
- Train all provinces, states, and regions in integrating investments in annual health plans by Q1 2018
- Provinces, regions, and states develop annual action plans and implementation plans by Q2 2018

Inputs

Asian Development Bank:
SDR15,012,000 (loan) for Cambodia
$25 million (loan) for Cambodia
SDR2,856,000 (loan) for the Lao PDR
$20 million (loan) for the Lao PDR
SDR8,616,000 (loan) for Myanmar
$30 million (loan) for Myanmar
SDR56,946,000 (loan) for Viet Nam
$8 million (grant) for the Lao PDR

Governments:
Cambodia: ~~$1.8 million~~ $6.8 million ($5.0 million additional)
Lao PDR: $2.2 million ($1.6 million additional)
Myanmar: $2.97 million ($2.17 million additional)
Viet Nam: $4.0 million

Japan Fund for Poverty Reduction: $5 million (grant) for Cambodia

Assumptions for Partner Financing: NA

APSED = Asia Pacific Strategy for Emerging Diseases; CDC = communicable disease control; COVID-19 = coronavirus disease; DCDC = Department of Communicable Disease Control; GBV = gender-based violence; GMS = Greater Mekong Subregion; ICU = intensive care unit; IPC = infection prevention and control; KAP = knowledge, attitude, and perception; Lao PDR = Lao People's Democratic Republic; MEVs = mobile populations, ethnic minorities, and other vulnerable groups; MOH = Ministry of Health; MOHS = Ministry of Health and Sports; NA = not applicable; PPE = personal protective equipment; Q = quarter; SDR = special drawing right; SOP = standard operating procedure; UNOPS = United Nations Office for Project Services; WHO = World Health Organization.

Note: The status of "Activities with Milestones" and "Project Management Activities" differ for each country and were therefore not reflected.

[a] Defined by the project.
[b] Baseline 2015. In Cambodia, the baseline was confirmed in 2017.
[c] Criteria for Cambodia, the Lao PDR, and Myanmar: (i) project-installed equipment functioning, (ii) SOPs defined and implemented, (iii) staff trained, and (iv) one IPC focal point and committee appointed. Criteria for Viet Nam: hospitals achieve three of the six criteria defined by the IPC national action plan (Ministry of Health. 2016. *Decision 2518 on Infection Prevention and Control Guidelines.* Hanoi).
[d] Targeted districts or townships.
[e] Defined nationally.
[f] WHO. 2005. Case definitions for the four diseases requiring notification in all circumstances under the International Health Regulations (2005). Geneva. Modified for the country context.
[g] For Viet Nam, 12 border provinces with project districts bordering project districts of neighbouring countries.
[h] Major outbreak response report includes detailed technical aspects, including risk assessment, risk communication, specimen collection, confirmation of diagnosis, mitigation measures, and community actions, among others.

[i] For Viet Nam, this includes study tours to observe the CDC systems of other countries to align with relevant government decisions (Joint Circular No.51/2015/TTLT-BYT-BNV dated 11 December 2015 and Circular No. 26/2017/TT-BYT dated 16 June 2017).
[j] Not applicable to Viet Nam.
[k] Not applicable to the Lao PDR and Viet Nam.
[l] "Isolation capacity" here refers to the availability of single rooms and/or areas to segregate patients, appropriately equipped with PPE for contact and droplet precautions. This indicator and its operational definition are aligned with the key performance indicators from WHO's Strategic Preparedness and Response Plan for COVID-19. WHO. 3 February 2020 (Draft). *2019 Novel Coronavirus (2019 nCoV): Strategic Preparedness and Response Plan*. Geneva.
[m] The indicator will assess OP1: Indicator 1.1.2—Health services established or improved by measuring the number of township and district hospitals with isolation capacity for COVID-19.
[n] The indicator will assess OP2: Indicator 2.2.2—Health services for women and girls established or improved by measuring number of township and district hospitals with isolation wards renovated to ensure privacy of female patients (at minimum, appropriate sectioning between beds and separate female and male hygiene facilities).
[o] The indicator will assess OP7: Indicator 7.3.3—Measures to improve regional public health and education services supported in implementation by measuring number of border area referral hospitals with triage and isolation capacity for COVID-19.
[p] Isolation wards have, at minimum, appropriate sectioning between beds and separate female and male hygiene facilities. Staff members have separate female and male changing rooms and hygiene facilities.
[q] 65% of health care workers in Myanmar are women.
[r] To be developed by the project.
[s] The indicator will assess OP7: Indicator 7.3.3—Measures to improve regional public health and education services supported in implementation by measuring number of border provinces with electronic reporting system for COVID-19, with case data disaggregated by sex, established and in routine use.
[t] The indicator will assess OP1: Indicator 1.1.2—Health services established or improved by measuring number of provincial and district referral hospitals with improved laboratory capacity.
[u] The 50 target laboratories will be from the laboratories in the 81 provincial and district hospitals to be supported under the additional financing project.
[v] As of Q2 2021, 422 staff, of which 163 were female, worked in the laboratories in the 81 provincial and district hospitals to be supported under the additional financing project.
[w] The indicator will assess OP1: Indicator 1.1.2—Health services established or improved by measuring number of provincial hospitals able to meet their oxygen-supply requirement through on-site oxygen plants.
[x] The indicator will assess OP2: Indicator 2.2.2—Health services for women and girls established or improved by measuring the number of hospitals with health staff trained to identify and respond to persons affected by gender-based violence.

Source: Asian Development Bank.

LIST OF LINKED DOCUMENTS

http://www.adb.org/Documents/RRPs/?id=48118-005-3

1. Loan Agreement
2. Grant Agreement
3. Sector Assessment (Summary): Health
4. Project Administration Manual
5. Summary of Project Performance
6. Updated Economic Analysis
7. Summary Poverty Reduction and Social Strategy
8. Risk Assessment and Risk Management Plan
9. Japan Fund for Poverty Reduction Grant
10. Climate Change Assessment
11. Revised Gender Action Plan
12. Initial Environmental Examination
13. Indigenous Peoples Plan
14. Contribution to Strategy 2030 Operational Priorities

Supplementary Documents

15. Approved Report and Recommendation of the President for the Original Project
16. Project Locations