



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 27-Jan-2021 | Report No: PIDA30920

**BASIC INFORMATION****A. Basic Project Data**

Country Cabo Verde	Project ID P175807	Project Name COVID-19 Emergency Response Project Additional Financing on Vaccines	Parent Project ID (if any) P173857
Parent Project Name Cabo Verde: COVID-19 Emergency Response Project	Region AFRICA WEST	Estimated Appraisal Date 14-Dec-2020	Estimated Board Date 11-Feb-2021
Practice Area (Lead) Health, Nutrition & Population	Financing Instrument Investment Project Financing	Borrower(s) Ministério das Finanças	Implementing Agency National Health Directorate

Proposed Development Objective(s) Parent

Project development objective is to prepare and respond to the COVID-19 pandemic in Cabo Verde

Components

Component 1: Emergency COVID-19 Prevention, Preparedness and Response

Component 2: Implementation Management and Monitoring and Evaluation (M&E)

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	5.00
Total Financing	5.00
of which IBRD/IDA	5.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Development Association (IDA)	5.00
IDA Credit	5.00



Environmental and Social Risk Classification

Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

1. This Project Paper seeks the approval of the World Bank’s Board of Executive Directors to provide a second Additional Financing (AF) in the amount of US\$5 million to support expanding activities of the Cabo Verde: COVID-19 Emergency Response Project (P173857) under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA) approved by the Board on April 2, 2020, and the vaccines AF to the SPRP approved on October 13, 2020.¹ The primary objectives of the AF are to further strengthen preparedness and response activities under the parent project and to enable affordable and equitable access to COVID-19 vaccines and help ensure effective vaccine deployment in Cabo Verde through enhanced vaccination system strengthening.

2. The economy has been severely affected by the COVID-19 crisis, with gross domestic product (GDP) expected to contract by 11 percent in 2020.² Tourism, which account for 25 percent of country’s GDP and around 40 percent of overall economic activity, has been particularly affected. Estimates point to a decrease in tourism revenues between 25 percent to 30 percent, with a contraction in the overall sectoral contribution to the country’s GDP and employment by an annual 11 percent and 9 percent (lower estimates) and 22 percent and 19 percent (worst case scenario).³ The young, economically active population (20-44 years old) are the most affected by the disease (in terms of number of cases), which may pose an additional risk for economic recovery without adopting an adequate, safe, and effective vaccination strategy. As observed in other countries, two thirds of deaths occurred among those over 65 years of age. Error! Bookmark not defined.

Sectoral and Institutional Context

3. The parent project responded to the initial COVID-19 emergency health response needs, which began when the first cases of COVID-19 in Cabo Verde were detected in mid-March 2020 in European tourists visiting Boa Vista Island. By the end of March 2020, local transmission was announced which triggered a series of local and national measures aimed at preventing the virus dissemination (culminating in a 20-day national emergency state on March 28, 2020). Since April 2020, the pandemic

¹ The Bank approved a US\$12 billion WBG Fast Track COVID-19 Facility (FTCF or “the Facility”) to assist IBRD and IDA countries in addressing the global pandemic and its impacts. Of this amount, US\$6 billion came from IBRD/IDA (“the Bank”) and US\$6 billion from the International Finance Corporation (IFC). The IFC subsequently increased its contribution to US\$8 billion, bringing the FTCF total to US\$14 billion. The Additional Financing of US\$12 billion (IBRD/IDA) was approved on October 13, 2020 to support the purchase and deployment of vaccines as well as strengthening the related immunization and health care delivery system.

² World Bank, 2020. Cabo Verde DPF proposal – Pre-Concept Note Stage, October 27, 2020.

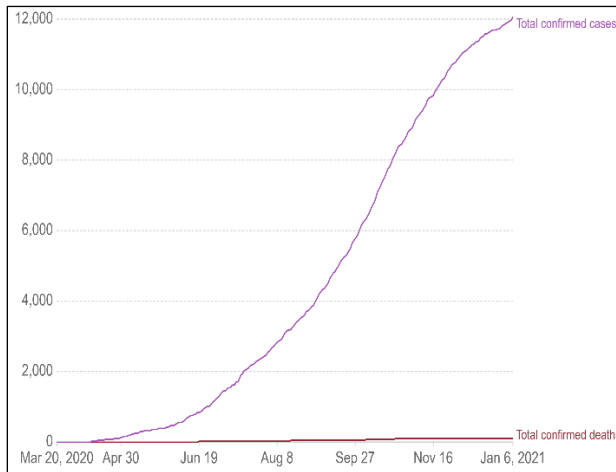
³ UNECA, 2020. Available at: https://www.uneca.org/sites/default/files/NewsCoverageFiles/artigo_-_impacts_of_covid_19_on_cabo_verde.pdf



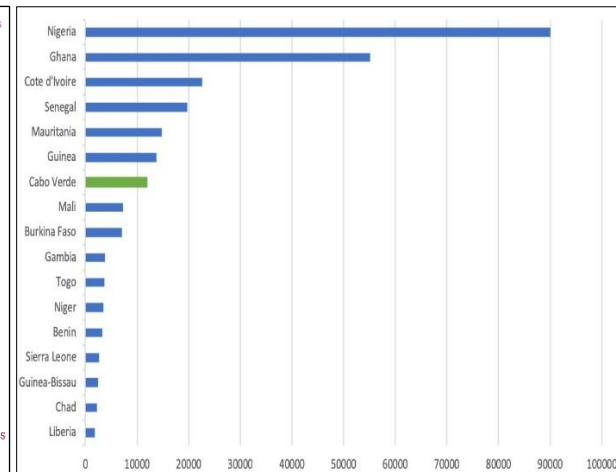
has spread across all Cabo Verde’s islands with 11,983 confirmed cases and 113 deaths by January 05, 2021. As of that date, Cabo Verde was the 7th country in West Africa in terms of number of cases and the 8th in the number of deaths. After a peak in COVID-19 transmission in mid-October of around 100 new cases per day, the country has presented a marked decreased in this daily number and is now seeing an average of 30 new cases.

Figure 1: COVID-19 Pandemic in Cabo Verde and West Africa

a) Total confirmed cases and deaths, Cabo Verde



b) Total confirmed cases, West African Countries



Source: a) COVID-19 Data Repository by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University, available at: <https://ourworldindata.org/coronavirus-data#cases-and-deaths>; b) European CDC, available at: <https://bit.ly/Nov12WA>.

4. The authorities have implemented accommodative fiscal and monetary policy measures to mitigate the economic impact of the shock and enhanced social programs to preserve the livelihoods of the poor. Fiscal measures included the extension of tax payment schedules, exemption of social contribution for three months, acceleration of tax refunds, and fast-tracked settlement of supplier invoices. Other fiscal measures to support firms included credit lines and loan guarantees amounting to nearly US\$30 million. The Government also activated the National Emergency Fund (US\$10 million) to finance prevention and response actions within the scope of the national health system and civil protection. Also, financial policies to increase banks' liquidity are being implemented. Interest rates were reduced across the board with the intention to provide a financing boost to the economy. The 2020 budget was revised and supplemented with US\$20 million, reaching 38.4 percent of GDP at US\$761 million. It gives priority to strengthening the National Health System to handle the COVID-19 pandemic, while also improving future health outcomes.

5. The World Bank has responded swiftly to the crisis through emergency operations and the repurposing of existing operations. Responding to the crisis has not resulted in substantial modification of the program agreed with the Government under the Country Partnership Framework (CPF) FY20 - FY25, as the pipeline operations remain extremely important for the economic recovery.⁴ The critical areas of intervention of the CPF - accelerating human capital development and strengthening the environment for a more diversified economy - and the pipeline of programs under preparation remain a priority. Ongoing operations were restructured to free up a combined US\$4.5 million to respond to the crisis. The social

⁴ Report No. 127164-CV.



response was provided through the Social Inclusion Project (P165267) which allocated US\$3 million to reach an additional number of vulnerable families and the Cabo Verde Education and the Skills Development Enhancement Project (P164294) which has repurposed US\$1 million for the purchase of tablets and televisions to respond to the urgent need from the Ministry of Education to ensure educational continuity remotely.

C. Proposed Development Objective(s)

Original PDO

6. Project development objective is to prepare and respond to the COVID-19 pandemic in Cabo Verde

Current PDO

7. The project development objective (PDO) of the parent project and the proposed AF is to prepare and respond to the COVID-19 pandemic in Cabo Verde. The parent project includes two complementary components, which supported the GoCV in the implementation of its National COVID-19 Preparedness Plan. Component 1 (Emergency COVID-19 Prevention, Preparedness and Response) is providing immediate support to Cabo Verde to prevent COVID-19 from spreading in the country by limiting and/or preventing person to person transmission through adequate personal protective equipment (PPE) for health and laboratory personnel. It included the following sub-components: (i) Prevention of new COVID-19 cases and propagation; (ii) Strengthen national and sub-national COVID-19 case detection; and (iii) Strengthen national system for public health preparedness and response (US\$2.6 million). Component 2 (Project Management and Monitoring and Evaluation) is providing support to coordination and management of project activities, including procurement of goods and their distribution across health facilities within Cabo Verde.

Key Results

8. PDO level Indicators: The PDO will be monitored through the following PDO level outcome indicators:

- Percentage of suspected cases of COVID-19 tested per approved protocol;
- Percentage of diagnosed cases treated per approved protocol;
- Percentage of priority population vaccinated, based on the targets defined in national plan (Share of females);
- National virology laboratory with COVID-19 diagnostic equipment, test kits, and reagents per Ministry of Health guidelines (Yes or No).

9. Intermediate indicators:

- Pharmacovigilance System (PVS) adapted to detect Adverse Events Following Vaccination (AEFI) for the COVID19 vaccine (Yes/No);
- Number of additional intermediary care beds equipped and operational in Sal and Boa Vista Islands;
- National COVID-19 Immunization Plan Developed and Approved (Yes/No);
- Essential and frontline health workers benefitting from the first phase of the vaccine who are women (as percentage of the total women among essential and frontline health workers);



- Percentage of health districts with pandemic preparedness and response plans per Ministry of Health Guidelines;
- Percentages of health facilities with personal protective equipment and infection control products and supplies, without stock-outs in preceding two weeks;
- Country has prepared a referral system to care for COVID-19 patients;
- Number of additional Intensive Care Units beds equipped and operational;
- Percentage of claims registered in the Project's grievance redress mechanism (GRM) resolved in a timely manner.

D. Project Description

10. Consistent with the original rationale and design of the parent project, the proposed AF for the Cabo Verde: COVID-19 Emergency Response Project (P173857) will support government efforts to further strengthen its response to COVID-19 pandemic by purchasing COVID-19 vaccines, preparing the immunization system for the deployment of the COVID-19 vaccine, and supporting the distribution of these vaccines. The AF will strengthen the national immunization and related health delivery system in a way that will promote an effective COVID-19 response and generate, as far as feasible, long-lasting resilience. Purchasing vaccines is just one step in a complex, multi-dimensional effort that involves detailed planning and implementation of a vaccine deployment program in Cabo Verde. This includes a variety of issues such as effective microplanning, safe and appropriate transportation, storage, training, ancillary materials, registration, and effective vaccine logistics and a suitable information management system. Political support, technical assistance services, training, social mobilization campaigns, and mechanisms that remove demand-side barriers to access are also essential to foster confidence and promote the early take-up of vaccines.

11. The AF is structured around the two original complementary components, which will support the government of Cabo Verde to continue mitigation measures to contain the spread of the pandemic in the country and to design and implement its National COVID-19 Vaccination Plan. The Plan is being developed by the National Health Directorate of the Ministry of Health and Social Security (MHSS), with inputs from relevant teams from within the Ministry (surveillance systems, laboratory network, pharmaceuticals, health promotion) and in collaboration with the Ministry of Tourism given the focus on creating the conditions for re-opening tourism safely in the country. Consistent with the policy waivers approved for the Global MPA, the following waiver applies for the AF: where retroactive financing is sought, a limited waiver of application of the Anti-Corruption Guidelines (ACGs) to losing bidders.

12. Component 1: Emergency COVID-19 Prevention, Preparedness and Response (AF: US\$4.7 million equivalent). Under Component 1, original activities will be maintained to ensure that national and sub-national health systems are equipped to continue to prevent, detect, and treat COVID-19 cases in the country while the national COVID-19 immunization plan is being implemented. These key health systems preparedness and response functions present in the three sub-components of the Parent Project have been merged into one new sub-component (*Strengthen national and sub-national COVID-19 case detection and clinical management capacities*). Considering the importance of the tourism industry for Cabo Verde, this sub-component will support strengthening health systems infrastructure in the two most popular tourist destinations in the country (the islands of Sal and Boa Vista) to support the country's



reopening to tourism. Other activities related to public health preparedness and response are to be included in the Western Africa Regional Disease Surveillance Systems Enhancement (REDISSE) Project Phase II (P159040), which Cabo Verde is expected to join during the current fiscal year (FY21). Finally, Component 1 will include a new sub-component to ensure that a comprehensive national immunization plan and related health delivery system is prepared to ensure an effective COVID-19 vaccination response.

13. Sub-component 1.1: Strengthen national and sub-national COVID-19 case detection and clinical management capacities (AF: US\$1.2 million). In accordance with the National COVID-19 Preparedness Plan, this sub-component would support: (i) the continued and uninterrupted supply of COVID-19 diagnostics tests and PPEs; and (ii) strengthen case management capabilities through small climate-smart civil works to rehabilitate and expand the capacity of some health facilities, and the procurement of medical equipment and supplies to designated health facilities in the islands of Sal and Boa Vista. This will enhance the ability of these health services to manage climate-related conditions in addition to their primary focus on COVID-19. These investments would expand and improve treatment capacity by increasing the number of available beds for in-patient and intermediary care (including but not limited to supplemental oxygen support, management of co-morbidities and diagnostic examination). The climate-smart expansion of these capabilities will include improving the insulation of the facilities against extreme heat by improving the energy efficiency of these buildings with improved thermal insulation and solar reflective roofs, temperature controls and monitoring which will reduce greenhouse gas emissions. Clean energy solutions such as solar + battery systems will also provide reliable 24/7 power to health facilities, whilst energy efficiency investments such as efficient space cooling/and low Global Warming Potential (GWP) air conditioning will reduce both operating costs and emissions. The resulting strengthened case management capabilities will also enable the system to better respond to future climate-related health impacts from extreme weather events. This will also strengthen the systems' capacity deal with the expected day to day increases in climate-related health burdens for example from increased cardiovascular and respiratory diseases.

Sub-Component 1.2: COVID-19 Vaccine purchasing, planning and distribution (AF: US\$3.5 million). This component would support the MHSS to develop its national COVID19 immunization plan and to ensure the necessary conditions are in place to implement it, and to strengthen Cabo Verde's ability to respond to outbreaks of climate-sensitive vaccine preventable diseases such as Dengue and Zika. The targeting of priority groups (see table 4 below) for immunization will include those most vulnerable to climate change, especially those with underlying conditions as well as older people over the age of 60. This will increase their resilience to climate sensitive diseases including NCDs. These priority groups also include essential individuals who are key to maintaining service delivery in the event of climate-related events including those working in the health system as well as first responders in other areas such as the police and fire departments and military. This sub-component will deliver vaccines to an estimated 35 percent of the population (of which COVAX will cover 16 percent and the Bank will finance coverage of 19 percent estimated at approximately US\$1,5 million. Targeting of these priority groups is fundamental to ensuring a resilient system which is ready to respond to future climate threats. The support to providing adequate waste management will also enhance climate resilience to flooding threats faced by the country. Key activities to be supported under the AF would include:



- (i) Program planning and management, including (a) support to the MHSS to develop the national deployment and vaccination plan and associated budget; (b) support to developing the legal regulatory documents and plans to ensure swift importation of the COVID-19 vaccines; and (c) training for health personnel for vaccine roll-out, including sensitization on the wider benefits of vaccination in particular for climate-related diseases such as malaria and zika;
- (ii) Procurement and distribution of vaccines, consumables and strengthening the immunization supply chain system, including (a) procurement, importation, storage, transportation and distribution of COVID-19 vaccines, including increased/equitable access to vaccines procured via mechanism selected by the country (e.g., COVAX facility and/or direct procurement options) and in accordance with criteria adopted under AF;⁵ which will additionally ensure climate-vulnerable groups are targeted by these vaccines (b) procurement and distribution of ancillary supply kits that may include needles, syringes, alcohol prep pads, COVID-19 vaccination record cards for each vaccine recipient, and PPEs for vaccinators; (c) adoption of global tools and adaptation of supply chain system with best practices, including cold chains such as Solar Direct Drive Refrigerators (SDDs) and WHO Performance, Quality, Safety (PQS) certified climate friendly refrigerators/freezers to reduce greenhouse gas (GHG) emissions, and sustainable end-of-life options for old or high-polluting Coordination Centre for Effects (CCE); and (d) strengthening of the remote temperature monitoring systems; and
- (iii) Program delivery, including (a) implementing a national risk-communication and community engagement plan for COVID-19; the development of these community level support systems for healthy behavior change messaging, community mobilization and vaccine logistics will contribute to wider population resilience to other predicted health impacts from climate change; (b) establishing a strong post-vaccination vigilance and monitoring system(s), to identify any adverse reactions on people and undertake corrective measures immediately, which includes strengthening and adapting the Pharmacovigilance System (PVS) to be sensitive to detect AEFI for the COVID-19 vaccine(s); and (c) ensuring adequate Medical Waste Management Plans, and financing of plans.

14. Priority groups for COVID-19 vaccination have been defined in accordance with WHO and the Strategic Advisory Group of Experts on Immunization (SAGE) values framework for the allocation and prioritization of COVID-19 vaccination for the 20 percent of the Cabo Verde's population.⁶

15. The identification of people belonging to the priority groups for vaccination will be carried out locally by the health centers, using the registration systems of the National Health Service (SNS) and, if necessary, through the collaboration of existing services outside the SNS. According to the respective institutional context, for frontline workers the identification of target population will be done by the managing entity or employer, in consultation with the health / police stations. Given the above context,

⁵ Given the unprecedented pace of vaccine development, the WBG will accept as the threshold for eligibility of IBRD/IDA resources for vaccine purchase either (i.e., approval by three Stringent Regulatory Authorities (SRAs) in three regions or WHO prequalification and approval by 1 SRA).

⁶ https://apps.who.int/iris/bitstream/handle/10665/334299/WHO-2019-nCoV-SAGE_Framework-Allocation_and_prioritization-2020.1-eng.pdf?sequence=1&isAllowed=y



a phased and evidence-based approach to COVID-19 vaccination will be critical, with focus on the following phases:

- **The planning phase**, already underway in Cabo Verde as explained above, will need to continue throughout the vaccination campaign. Planning phase accomplishments to-date include establishment of coordination and regulatory mechanisms and the start of the development of a national COVID-19 vaccination strategy and plan including determining priority populations for vaccination based on risk of exposure and risk of morbidity and mortality;
- **The implementation phase** will begin when the first, initially limited, vaccine doses are available, and will focus on the logistics required to receive and administer vaccines to prioritized populations;
- **The adjustment/transition phase** will begin when larger amounts of vaccines are available to immunize all those who want to be vaccinated through more established service delivery approaches (i.e., like annual influenza and other vaccination campaigns). It will focus on enhancing capacity of providers to deliver vaccines to meet increased demand, and to track and monitor who is receiving the vaccines.

16. Component 2: Project Management and M&E (AF: US\$0.3 million equivalent). The component would support the continued coordination and management of project activities, including procurement of goods and their distribution across health facilities within Cabo Verde. Further, this component will strengthen existing data and monitoring systems (immunization and public health). The strengthened data and monitoring systems will enable the system to adapt more quickly and effectively to future anticipated climate-related health impacts from extreme weather events as well as to deal with day to day increases in climate-related health burdens as described under sub-component 1.1 above. This component will accommodate for the monitoring of COVID-19 vaccines deployment and therefore improve data collection, analysis, reporting and use of data for action and decision-making. The existing project implementation unit (PIU), UGPE, will be responsible for overall administration, procurement, environmental and social aspects, FM and M&E of project activities.

Table 1: Project Cost and Financing (US\$ million)

Project Components	Parent Project Cost	AF II Cost	IDA Financing	Trust Funds (AF I)	Combined or Parallel Co-financing by other Regional Banks or Agencies
Component 1: Emergency COVID-19 Prevention, Preparedness and Response	4.85	4.70	9.55	0.94	10.49
<i>Sub-component 1.1: Strengthen national and sub-national COVID-19 case detection</i>	2.22	1.20	3.42	0.69	4.11
<i>Sub-Component 1.2: COVID-19 Vaccine purchasing, planning and distribution</i>	--	3.50	3.50	--	3.50
<i>Sub-component 1.3: Strengthen national system for public health preparedness and response</i>	2.63	--	2.63	0.05	2.68
Component 2: Project Management and M&E	0.15	0.30	0.45	--	0.45
Total Costs	5.00	5.00	10.00	0.94	10.94



Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

17. As for the parent Project, the anticipated overall environmental and social risks remain Substantial. Key social and environmental risks are those related to (a) medical waste management and disposal; (b) the spread of the virus among health care workers and the population at large; (c) occupational and community health and safety issues related to testing, handling, transporting, disposing of supplies and medical samples, and upgrading of designated health facilities/laboratories; (d) marginalized and vulnerable social groups being unable to access vaccines provision, facilities, and services designed to combat the disease; (e) social conflict, and risks to human security resulting from diagnostics testing, limited availability of vaccines and social tensions related to the difficulties of a pandemic situation; (f) SEA/SH risks among patients and health care providers, especially in relation to distribution of lifesaving vaccines; (g) labor influx, related to the rehabilitation of existing health facilities; (h) inappropriate data protection measures and insufficient/not effective stakeholder communication on the vaccine roll-out strategy; and (i) risks associated with Adverse Events Following Immunization (AEFI). With regards to risks related to the use of security personnel, at the current AF’s stage, the client is not planning to use security personnel for the implementation of the AF’s activities. Throughout the AF’s implementation, the Bank will continue assessing the possible use of security forces and ensure that E&S instruments will be updated accordingly in case security forces will be utilized in the future. The second AF will invest in small works to rehabilitate existing health facilities in two main islands, and it will not finance new construction or expansion of existing ones. As such, no new land will be acquired or accessed. Possible risks and impacts are considered mostly temporary, predictable and/or reversible, but they could become widespread given the highly infective nature of the COVID-19 virus. These risks are covered by ESS 1, ESS 2, ESS 3, ESS 4 and ESS 10. To mitigate these risks the MHSS is currently updating the SEP, ESMF and LMP prepared for the PP, which will be consulted upon, finalized, and disclosed by Effectiveness. The ESMF will contain provisions for storing, transporting, and disposing of contaminated medical waste and will outline guidance (in line with international good practice and WHO standards on COVID-19 response) on limiting viral contagion in health care facilities. The MHSS will also update the SEA/SH Prevention and Response Action Plan (SEA/SH AP) originally prepared for the PP and currently included in the ESMF to properly address SEA/SH risks related to the AF activities. The MHSS is also updating the PP’s ESCP to reflect the AF activities. The ESCP will be finalized and disclosed by Negotiation. The National COVID-19 Vaccination Plan, whose finalization will be supported through this proposed AF will include measures and/or policies to ensure voluntary consent for vaccination. In addition to the ESMF, the Client will implement and supervise the activities listed in the ESCP.

E. Implementation



Institutional and Implementation Arrangements

18. Project implementation is under the responsibility of the Special Project Management Unit (*Unidade de Gestão de Projectos Especiais*, UGPE), including fiduciary management (procurement and financial management (FM)), within the Ministry of Finance, which has implemented several development projects since being established in 1999. The UGPE is currently implementing the ongoing IDA Credit for Competitiveness for Tourism Development Project (P146666), the Education and Skills Development Enhancement Project (P164294), [Access to Finance for Micro, Small, and Medium Sized Enterprises Project \(P155200\)](#), the Social Inclusion Project (P165267), the State-Owned Enterprises Related Fiscal Management Project (P171528), and the Regional Harmonizing and Improving Statistic (P169265). The National Health Directorate has primary technical responsibility in carrying out the Project and plays a role in the implementation of the components and their various activities, in accordance with the existing roles and responsibilities assigned to them within the ministry.

19. The UGPE has coordinated Project planning and procurement effectively. The Project provided immediate support to purchase PPE for health, laboratory personnel, and general population; procured laboratory equipment to strengthen disease surveillance systems through the National Virology Laboratory, and diagnostic supplies to enhance case finding capacity. The country requested Hands-on Expanded Implementation Support (HEIS) under the World Bank's procurement framework to support the Ministry of Finance in the context of the procurement of items described above. The World Bank also provided proactive assistance in accessing existing supply chains through Bank Facilitated Procurement (BFP) under HEIS.

20. In line with the guidelines as stated in the FM Practices Manual issued by the FM Sector Board on March 1, 2010, an FM assessment was conducted for the parent project. The FM arrangements for the proposed AF will be the same as those under the parent project. The National Health Directorate within the MHSS will have primary technical responsibility in carrying out the project and UGPE will be responsible for the coordination and fiduciary management (procurement and financial management). The FM arrangements will be based on the existing arrangements in place within UGPE which has the fiduciary responsibility of five active World Bank financed projects. The overall FM performance of the UGPE is Satisfactory. Proper books of accounts and supporting documents have been kept in respect to all expenditures. The UGPE is familiar with the World Bank FM requirements. The interim un-audited financial reports (IFRs) for the ongoing projects are also submitted on time, acceptable to IDA and the external auditors issued an unqualified (clean) opinion on the 2019 Financial Statements of the active projects.

21. The speed of disbursements of the AF will be significantly influenced by the availability of vaccines. The World Bank will provide financial and risk assurances to manufacturers under advance purchase mechanisms. Disbursement arrangements applicable to the parent project will apply.

22. In order to accommodate the project in the existing FM system and ensure readiness, the following measures should be taken: (i) the customization of the existing accounting software to include the bookkeeping of the AF no later than one month after effectiveness; and (ii) sign an addendum to the current auditor's contract to include this financing in the scope of his audit no later than 6 months after effectiveness.



23. The overall FM risk is Substantial. As mitigating measures have been implemented for the parent project to address FM capacity constraints, the FM system satisfies the World Bank's minimum requirements under Bank Policy and Directive on Investment Project Financing (IPF) effective in 2017 and the residual risk is moderate.

24. Procurement under the AF will be carried out in accordance with the World Bank's Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated July 1, 2016 (revised in November 2017 and August 2018). As with the parent project, the AF will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and as of July 1, 2016. The Project will use the Systematic tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions.

25. Major procurement activities were identified as: (i) COVID-19 diagnostics tests and PPEs; (ii) medical equipment and supplies to designated health facilities in the islands of Sal and Boa Vista (including but not limited to supplemental oxygen support, management of co-morbidities and complimentary diagnostic examination); (iii) consulting services to support the MHSS to develop the national deployment and vaccination plan and associated budget as well as the legal regulatory documents and plans to ensure swift importation of the COVID19 vaccine; (iv) COVID-19 vaccines, to be procured via mechanism selected by country (e.g., COVAX and/or direct procurement options) and in accordance with criteria adopted under AF; and (v) procurement of ancillary supply kits (that may include needles, syringes, alcohol prep pads, COVID-19 vaccination record cards for each vaccine recipient, PPEs for vaccinators, and cold chain equipment). The Borrower will develop a Project Procurement Strategy for Development (PPSD) and finalize procurement plan prior to the negotiations. The UGPE will follow the POM approved by the World Bank, which will be updated within 30 days of Project effectiveness.

26. In terms of procurement of vaccines and in accordance with the various options being offered in terms of accessing vaccines, the country will follow the Advance Purchase Mechanisms through COVAX AMC co-payment arrangements. The country also expressed interested to access direct purchases options to procure vaccines beyond what is offered by COVAX facility. The Project will support the country to access direct purchases options, as approved in the Board paper, including: (i) from vaccine manufacturers, either individually or jointly with other countries; (ii) purchase of excess stocks from other countries that reserve excess doses; and/or (iii) advance purchase mechanisms such as participating in COVAX facility.

27. As under the parent project, the procurement risk is **Substantial**. Procurement of COVID-19 vaccines is subject to high level of uncertainties in terms of prices and quantities that will be made available through different purchasing options. The substantial risk will be mitigated through the hands-on support, including arranging practical trainings on World Bank's New Procurement Framework for UGPE staff, hands-on support throughout procurement processes and using BFP, and other supporting other needs as they arise.



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