



Project Summary Information

Date of Document Preparation: June 11, 2020	
Project Name	COVID-19 Active Response and Expenditure Support Program
Document Code	TBD
AIIB member	Kingdom of Thailand
Sector/Subsector	Others / Exceptions
Status of Financing	Under preparation
Project Description	<p>This Loan is proposed to be made under the COVID-19 Crisis Recovery Facility (the Facility) of the Bank and co-financed with a policy-based loan to be extended by the Asian Development Bank (ADB) under ADB's Countercyclical Support Facility COVID-19 Pandemic Response Option (CPRO).</p> <p>To support the healthcare sector, the economy, and those affected by COVID-19, the Government of Thailand (GoT) has announced three relief and stimulus packages covering both fiscal and monetary measures, totaling USD72.7 billion. The key fiscal measures would: (i) provide social assistance to individuals including informal workers and farmers; (ii) support economic and social recovery; and (iii) strengthen the healthcare sector (Program).</p> <p>The proposed Loan will provide critically needed support to this Program. The Program would promote social protection and economic resilience to prevent long-term damage to the productive capacity, including human capital, of the Thai economy. Lastly, the Program is central in enabling GoT to pursue the path towards recovery of its economy as forecasted by the international community including the IMF and ADB.</p>
Objective	The Program's objective is to mitigate the adverse impacts of COVID-19 on the health of the Thai population as well as on the country's overall economy by providing urgently needed social expenditures and expanding GoT's social assistance programs for the poor and vulnerable to reduce the adverse social and economic impacts of COVID-19.
Expected Results	<p>Expected outputs include:</p> <ol style="list-style-type: none"> i. measures to prepare the healthcare system for future pandemic surges implemented; ii. support to the poor and the vulnerable people impacted by COVID-19 expanded; and iii. measures to support SMEs impacted by COVID-19 implemented.

	<p>Expected outcomes include:</p> <ul style="list-style-type: none"> i. healthcare system's preparedness for future pandemic surge improved; and ii. macroeconomic conditions normalized. 								
Environmental and Social Category	ADB Category C for environment, C for involuntary resettlement and C for Indigenous Peoples (similar to Category C if AIIB's ESP were applicable).								
Environmental and Social Information	<p>This Loan will be co-financed with the ADB as lead co-financier, and the program's environmental and social (ES) risks and impacts have been assessed in accordance with the provisions of ADB's Safeguard Policy Statement (SPS) applicable to policy-based lending (PBL).¹</p> <p>AIIB's ESP was designed to apply to investment projects and has no provisions for its application to PBL operations. Therefore, as permitted by a decision of the AIIB's Board of Directors, the provisions of the SPS applicable to PBL will apply to this operation in lieu of AIIB's Environmental and Social Policy (ESP). This will ensure a harmonized approach to addressing the ES risks and impacts of the Program.</p> <p>Under its SPS, ADB has categorized the Program as Category C for environment, involuntary resettlement, and Indigenous Peoples on the basis of an assessment of the countercyclical expenditures to be supported by the Program. These focus on expanding and strengthening social safety nets for the most vulnerable groups and are not expected to have any adverse environmental or social impacts. ES monitoring will be conducted based on guidelines and check lists determined by ADB.</p>								
Cost and Financing Plan	<p>The total cost is expected to be USD 2,000 million.</p> <table border="1" data-bbox="504 1042 1563 1203"> <thead> <tr> <th>Loans</th> <th>Amount (USD million)</th> </tr> </thead> <tbody> <tr> <td>AIIB</td> <td>500</td> </tr> <tr> <td>ADB</td> <td>1,500</td> </tr> <tr> <td>Total</td> <td>2,000</td> </tr> </tbody> </table>	Loans	Amount (USD million)	AIIB	500	ADB	1,500	Total	2,000
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AIIB	500								
ADB	1,500								
Total	2,000								
Borrower	Kingdom of Thailand								

¹ See, <https://www.adb.org/documents/safeguard-policy-statement>

Implementing Entity	Ministry of Finance		
Implementation Period	Start Date: July 15, 2020 End Date: June 30, 2021		
Expected Loan Closing Date	December 31, 2021		
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Date of Concept Decision	June 2020		
Date of Appraisal Decision	June 2020		
Date of Financing Approval	July 2020		

Independent Accountability Mechanism	AiIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AiIB's ESP, which does not apply to this operation. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. ADB's independent accountability mechanism addresses issues raised by persons adversely affected by an ADB-assisted operation and allows them to report alleged noncompliance with ADB's operational policies and procedures, including the SPS.
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