

Uzbekistan : Healthcare Emergency Response Project

1. Project Information

Project ID:	P000402	Instrument ID:	L0402A
Member:	Uzbekistan	Region:	Central Asia
Sector:	CRF-Public Health	Sub-sector:	N/A
Instrument type:	<input checked="" type="checkbox"/> Loan:100.00 US Dollar million <input type="checkbox"/> Guarantee	Co-financier(s):	Asian Development Bank
ES category:	B	Borrowing Entity:	Ministry of Finance, Uzbekistan
Implementing Entity:			
Project Team Leader:	Igor Popkov (Responsible DG: Gregory Liu; Responsible Department: INF2)		
Project Team Members:	Christopher Damandl, Project Counsel; Liu Yang, Alternate Counsel; Yogesh Malla, OSD - Financial Management Specialist; Yang Shuai, OSD - Environment & Social Development Specialist; Yangzom Yangzom, OSD - Procurement Specialist; Komron Rajabiyon, Back-up PTL		
Completed Site Visits by AIIB:	Nov, 2021 From November 22 to 24, a mission to Uzbekistan was held to inspect ambulance procurement under the Healthcare Emergency Response Project. AIIB team consisted of Giacomo Ottolini, Consultant, OSD and Igor Popkov, Private Sector Operations Specialist, INF2. Jun, 2022 PTL held meeting with SES and ADB URM Mar, 2022 On the sidelines of attendance to Tashkent Investment Forum, PTL Igor Popkov have held meetings with SES and MoH Seniors.		
Planned Site Visits by AIIB:			
Current Red Flags Assigned:	1		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:	1		
Previous Red Flags Assigned Date:	2022/04		

2. Project Summary and Objectives

The Project's objective is to strengthen the public health emergency response and preparedness in Uzbekistan to address the on-going COVID-19 pandemic and enhance country's resilience to future public health disasters. The project has three main interlinked components: (1) strengthening the National Laboratory System; (2) establishing a National Surveillance and Response System; and (3) capacity building for COVID-19 treatment and case management. The project components and scope were developed in consultation with the Government and the co-financier, Asian Development Bank (ADB).

The total cost of the project is USD257 million. Government of Uzbekistan has requested Asian Infrastructure Investment Bank (AIIB) and Asian Development Bank (ADB) to help co-finance the Project in amount of USD200

million. The loan is financed by ADB and AIIB USD100 million each, on a 50:50 ratio. The remainder will be covered by the Government of Uzbekistan, and will mostly consist of contributions in the form of taxes and duties.

The expected project beneficiaries will be the population at large given the nature of the disease, but importantly those infected, and at-risk populations, particularly the elderly and people with chronic conditions, and medical and emergency personnel.

3. Key Dates

Approval:	Aug. 13, 2020	Signing:	Dec. 31, 2020
Effective:	Jun. 14, 2021	Restructured (if any):	
Orig. Closing:	Jan. 31, 2023	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	12.50	Most recent disbursement (amount/date):	12.25/Jun. 13, 2022
Undisbursed:	87.50	Disbursement Ratio (%) ¹ :	12.50

5. Project Implementation Update

Implementation provider

- The Government is working on involving a turnkey implementation provider which will have positive implications on the timeline, quality and accountability of the Project. This work would strengthen Uzbekistan's public health standards by means of its infrastructure and procurement expertise. The selected company will apply dedicated infrastructure, procurement, biomedical and public health experts (among other areas) to support the conduct of this assessment. The Feasibility Study is planned to be completed in 5 months after signing the contract. The Feasibility Study will result in determination of priority equipment to be procured and priority infrastructure works to be undertaken under the Project.
- The Government is currently in negotiations with one of the UN agencies (UNOPS) to provide such turnkey service. Principal agreement has been reached, contract to be signed in November 2022. The project team will process a 2-year project extension needed for the turnkey contractor to implement the project.
- The discussions between the Government and UNOPS (with close involvement of AIIB and ADB) on the project scope, implementation schedule, UNOPS' cost (indirect service charge and the direct support cost) and contract terms lasted until November 2022. The total amount for the UNOPS Outputs Agreement is expected to be about USD 161 million. This will cover the remaining scope of the Project excluding the procured ambulances under the Component 3, project management costs incurred, and rehabilitation of treatment centers.
- In April 2022, a fund misuse case at UNOPS led IIB and ADB to seek additional governance assurance from UNOPS. Following the discussions between AIIB, ADB and UNOPS, UNOPS has agreed to additional governance assurances with regard to the compliance of UNOPS procurement decision-making to the Banks' standards, independent procurement audit, establishment of project oversight board, and sanctions screening of third parties. The additional governance assurances will be included in the UNOPS Outputs Agreement.
- The draft UNOPS Outputs Agreement was reviewed by the Banks. Following the respective approval of ADB and AIIB of the Loan Closing Date extension and related non-material project change, SES will formally submit the

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

UNOPS Outputs Agreement to ADB (lead financier) for no-objection.

Ambulance procurement

- On a separate procurement lot, the Government has contracted Jizzakh Auto to supply 1,000 ambulance vehicles for emergency needs.
- To ensure that the procurement of 1,000 ambulances will be delivered in a timely manner, the ambulances are of good quality and to verify the reasonableness of the contract price in comparison to existing market prices for comparable ambulances, Crown Agents was hired by AIIB on December 23, 2021 to provide independent assessment service. Based on the reports of the independent review conducted by Crown Agents and explanations provided by the Ministry of Health, the findings do not indicate any major deviations from the agreed contract scope.
- After receiving remaining details on the payment arrangements, the first withdrawal for the ambulance contract in amount of USD 12,250,000 was made in June 2022.
- Due to the consequences of escalation in geopolitical tensions since March 2022 in the Euro area, the client is in process of changing the supply arrangements from Russian supplied VW Caddy to European ones. The amendment specifies the new Delivery Schedule and upgrades the VW Caddy model to 2021 version with the same fixed price.

E&S aspects

- An Environmental Assessment and Review Framework has been prepared for the Project. A project consultant will be engaged for feasibility study and the preparation of E&S instruments for project activities involving civil works.
- AIIB agreed that the ADB SPS would apply to the project in lieu of AIIB's ESP.

Components	Physical Progress	Environmental & Social Compliance	Procurement
(1) strengthening the National Laboratory System	Physical implementation started not	No issues	No issues
(2) establishing a National Surveillance and Response System	Physical implementation started not	No issues	No issues
(3) capacity building for COVID-19 treatment and case management	Physical implementation started not	No issues	No issues

Financial Management:

Financial activities under the project are limited at the moment because the main part of works are yet to start upon onboarding of UNOPS.

6. Status of the Grievance Redress Mechanism (GRM)

The GRM will be established as soon as the project implementing agency is set up. It will operate in compliance with the ADB safeguard requirements and Uzbek regulations as specified in the Environmental Assessment and Review Framework.

7. Results Monitoring

The project implementation is not in active phase yet, hence no results to be reported.

Project Objective Indicators #1

Increase capacity for PCR tests per day.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	15,000	15,000	
Dec. 31, 2021	20,000	N/A	
Dec. 31, 2022	25,000	N/A	

Project Objective Indicators #2

Surge capacity for functional intensive care units attended by trained medical staff.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	1,000	1,000	
Dec. 31, 2021	2,000	N/A	
Dec. 31, 2022	3,500	N/A	

Intermediate Result Indicators #1

1-a. Number of laboratories renovated to Biosafety Level II equipped with COVID-19 and other related disease diagnostic equipment.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	0	0	
Dec. 31, 2021	10	N/A	
Dec. 31, 2022	30	N/A	

Intermediate Result Indicators #2

1-b. Number of PCR tests conducted to detect COVID-19.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	830,000	830,000	
Dec. 31, 2021	1,000,000	N/A	
Dec. 31, 2022	1,330,000	N/A	

Intermediate Result Indicators #3

2-a. Number laboratories providing real-time sex and age disaggregated COVID-19 test results to surveillance and monitoring system.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	N/A	N/A	
Dec. 31, 2021	15	N/A	
Dec. 31, 2022	38	N/A	

Intermediate Result Indicators #4

3-a. Number of project-supported COVID-19 treatment centers refurbished and upgraded with diagnostic equipment.

Year	Target	Actual	Comments, if any
Jun. 30, 2020	N/A	N/A	
Dec. 31, 2021	8	N/A	
Dec. 31, 2022	16	N/A	

Intermediate Result Indicators #5

3-b. Share of medical and support staff in sixteen project hospitals trained in infection prevention control and patient management to treat COVID-19 cases and other infectious respiratory diseases (in percentage).

Year	Target	Actual	Comments, if any
Jun. 30, 2020	0	N/A	
Dec. 31, 2021	50	N/A	
Dec. 31, 2022	100	N/A	

Remarks:
