

Project Administration Manual

Project Number: 54173-001
Loan Number: {LXXXX}
April 2020

People's Republic of Bangladesh: COVID-19
Response Emergency Assistance Project

ABBREVIATIONS

| | | |
|----------|---|--|
| ADB | – | Asian Development Bank |
| APFS | – | audited project financial statements |
| COVID-19 | – | Coronavirus Disease 2019 |
| DGHS | – | Directorate General of Health Services |
| EMP | – | environmental management plan |
| EMOP | – | environmental monitoring plan |
| ERD | – | Economic Relations Division |
| FM | – | financial management |
| GOB | – | Government of Bangladesh |
| GRM | – | grievance redress mechanism |
| HSD | – | Health Services Division |
| IEDCR | – | Institute for Epidemiology, Disease Control and Research |
| IEE | – | initial environmental examination |
| IPC | – | infection prevention and control |
| MIS | – | management information system |
| MOF | – | Ministry of Finance |
| MOHFW | – | Ministry of Health and Family Welfare |
| NGO | – | nongovernment organization |
| PAM | – | project administration manual |
| PD | – | project director |
| PIU | – | project implementation unit |
| PPE | – | Personal protective equipment |
| PSC | – | project steering committee |
| SPS | – | Safeguard Policy Statement |
| SOE | – | statement of expenditure |
| TOR | – | terms of reference |
| UN | – | United Nations |
| WHO | – | World Health Organization |

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SUPPLEMENTARY APPENDIX:

Terms of Reference for Communicating Critical Risk and Event Information to All Communities and Counter Misinformation for COVID-19

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with the policies and procedures of the government and Asian Development Bank (ADB). The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Health Services Division (HSD) of the Ministry of Health and Family Welfare (MOHFW), through the project implementation unit, is wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the policies and procedures of the government and ADB. ADB staff is responsible for supporting implementation including compliance by executing and implementing agencies of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At loan negotiations, the borrower and ADB shall agree to the PAM and ensure consistency with the loan agreement. Such agreement shall be reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the PAM and the loan agreement, the provisions of the loan agreement shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP), changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Staff Instructions) and upon such approval, they will be subsequently incorporated in the PAM.

I. PROJECT DESCRIPTION

1. The Coronavirus Disease (COVID-19) Response Emergency Assistance Project (the project) will support the Government of Bangladesh in addressing the immediate and urgent needs for financial, logistical and systemic support to deal with the COVID-19 outbreak. The proposed project follows a request to Asian Development Bank (ADB) from the Ministry of Finance, and the project is an integral and vital part of the National Preparedness and Response Plan for containment, mitigation and management of COVID-19. The project will support the procurement of equipment and supplies, the upgrading of health and testing facilities, and build system and community capacities for surveillance, prevention and response to COVID-19.

2. The project is aligned with the following impact: *Accelerated social and economic recovery of the COVID-19 affected population in Bangladesh*, which is the overall goal of the government's National Preparedness and Response Plan (NPRP). The project will have the following outcome: *Health and wellbeing of COVID-19 affected persons improved*. This outcome will be measured through the indicator: 65% of suspected domestic cases of COVID-19 reported and investigated as per Ministry of Health and Family Welfare (MOHFW) guidelines. The outcome will be achieved through three outputs.¹

3. **Output 1. Immediate and medium-term equipment needs for testing and managing COVID-19 met.** The project will help meet the government's immediate and medium-term needs to prevent the spread of COVID-19, by supporting emergency procurement and the provision of the most crucial medical equipment and supplies. The supplies will enable (i) affected people and health care workers to be treated and protected from infection; and (ii) selected health facilities to be equipped with essential IPC supplies. The supplies will include personal protection gear, biohazard bags, disinfecting materials, ventilators, oxygen meters, and other equipment.

4. **Output 2. Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered.** The project will support the modification and rehabilitation of infrastructure to provide (i) at least 80% of points of entry with screening facilities for passengers coming into the country via air, land, and water; (ii) at least 17 medical college hospitals with critical care units and isolation units to reduce secondary infections among contacts and health care workers; and (iii) at least 19 microbiological diagnostic facilities with capability to apply real-time and advanced diagnostics, as well as other emergency response infrastructure as needed.²

5. **Output 3. Health system and community capacities in combatting COVID-19 strengthened.** The project will support measures to strengthen the health system's response capacities and provide short- and medium-term capacity development, including (i) recruitment and training of 3,500 health and other technical staff to optimize the use of the new or upgraded facilities; (ii) provision of adequate incentives to staff to go to remote areas; (iii) development of preparedness and response capacity for incidence management; (iv) support for operational research to inform policy briefs and decisions; and (v) development and implementation of a COVID-19 communication strategy.

¹ The design and monitoring framework is in Appendix A.

² Activities financed under this component will satisfy the selection criteria in Appendix B and comply with all associated due diligences, as applicable.

II. IMPLEMENTATION PLAN

A. Project Readiness Activities

Table 1: Project Readiness Activities

| Indicative Activities | Months | | | | Responsibility |
|---|--------|-------|-----|------|----------------|
| | March | April | May | June | |
| Establish project implementation arrangements | x | | | | MOHFW |
| Advance contracting actions | | x | | | DGHS |
| Loan negotiation | | x | | | ADB/ERD/MOHFW |
| ADB Board approval | | | x | | ADB |
| Loan signing | | | x | | ADB/GOB/MOHFW |
| Government legal opinion provided | | | x | | ERD |
| Government budget inclusion | | | x | | ERD/MOHFW |
| Loan effectiveness | | | | x | ADB |
| Retroactive financing actions | x | x | x | | ADB/DGHS |

ADB = Asian Development Bank, DGHS = Directorate General Health Services, ERD = Economic Relations Division
 GOB = Government of Bangladesh, MOHFW = Ministry of Health and Family Welfare.
 Source: Asian Development Bank.

B. Overall Project Implementation Plan

6. The project will be implemented over a period of 3 years and the loan will close on 31 October 2023. The project implementation chart recording key implementation activities on a quarterly basis is provided in Table 2. The activities will be updated annually and submitted to ADB with contract and disbursement projections for the following year.

Table 2: Gantt Chart of Implementation Activities

| S. N. | Activities | 2020 | | | | | | | | | | | | 2021 | | | | | | | | | | | | 2022 | | | | | | | | | | | | 2023 | | | | | | | | | | | |
|----------|--|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|--|--|--|--|
| | | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | | | | |
| A | DMF | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Output 1 | Immediate and medium-term equipment needs for testing and managing COVID-19 met | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Procure and deliver immediate and medium-term equipment for first response, as identified by MOHFW | [Blue bar from Mar 2020 to Mar 2021] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Output 2 | Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Prepare bid documents and commence bidding for infrastructure and logistics | [Blue bar from Mar 2020 to Jul 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Put supervision and monitoring measures in place | [Blue bar from Mar 2020 to Sep 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Ensure technical norms and guidelines set by MOHFW are met | [Blue bar from Jul 2020 to Oct 2022] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Output 3 | Health system and community capacities in combatting COVID-19 strengthened | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Prepare bid documents and commence bidding | [Blue bar from Mar 2020 to Jul 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Put supervision and monitoring measures in place | [Blue bar from Mar 2020 to Sep 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | Management Activities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Establish PIU at DGHS | [Orange checkered bar from Mar 2020 to Apr 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Recruit necessary consultants for construction supervision and project management | [Orange checkered bar from Apr 2020 to Jun 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Establish monitoring and evaluation system | [Orange checkered bar from May 2020 to Jun 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | Establish a mechanism of regular reviews | [Orange checkered bar from May 2020 to Jun 2020] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | Environment management plan key activities | [Orange checkered bar from Mar 2020 to Apr 2023] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Semi-annual and/or midterm review | [Orange checkered bars at Dec 2020, Jun 2021, Dec 2021, Jun 2022, Dec 2022, Jun 2023] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Communication strategy key activities | [Orange checkered bar from Mar 2020 to Apr 2023] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Project completion report preparation | [Orange checkered bar from Oct 2022 to Apr 2023] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | Loan closing | [Orange checkered bar at Oct 2023] | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

COVID-19 = Coronavirus Disease 2019, DGHS = Directorate General Health Services, MOHFW = Ministry of Health and Family Welfare, PIU = project implementation unit.

Source: Asian Development Bank.

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations: Roles and Responsibilities

Table 3: Implementation Roles and Responsibilities

| Project Implementation Organizations | Management Roles and Responsibilities |
|--|--|
| Executing agency Health Services Division, Ministry of Health and Family Welfare | (i) Oversight of overall project implementation (ii) Provide guidance and policy directions (iii) Provide guidance to the project implementation unit (iv) Monitor project progress (v) Recommend course corrections as needed |
| Implementing agency Directorate General of Health Services | (i) Day-to-day project preparation and supervision of project implementation activities (ii) Procurement of goods and equipment contracts (iii) Recruitment and administration of consulting services (iv) Project sustainability at post implementation stage (v) Preparation and submission of withdrawal applications (vi) Submission of the audited annual report and financial statements (vii) Submission of semiannual monitoring reports on resettlement plan implementation (viii) Submission of semi-annual monitoring reports on environment (ix) Maintaining project accounts and loan financial records (x) Keeping supporting documents for project financial statements and project accounts (xi) Preparing regular progress reports, monitoring reports and a project completion report and their timely submission to ADB (xii) Administration of goods and equipment contracts (xiii) Quality assurance of contracts and services of consultants and counterpart staff (xiv) Compliance with safeguards requirements (xv) Involving beneficiaries, affected persons and their representatives in all stages of project development and implementation (xvi) Information disclosure (xvii) Implementation of gender action plan (xviii) Compliance with loan covenants social and environment safeguards, financial, economic, others) (xix) Preparing regular progress reports, monitoring reports |
| ADB | (i) Monitoring and review of the overall implementation of the project in consultation with the executing agency, including, but not limited to, progress toward the achievement of project outputs, progress of contract award and disbursements, procurement and performance audits, and compliance with loan covenants (ii) Posting on the ADB website of updated project data sheets and safeguards documents as per the disclosure provision of the ADB's Safeguard Policy Statement (2009) (iii) Ensuring compliance with loan covenants (social and environment safeguards, financial, economic and others) (iv) Timely processing of withdrawal applications and release of eligible funds |

ADB = Asian Development Bank.
 Source: Asian Development Bank.

B. Key Persons Involved in Implementation

Executing Agency

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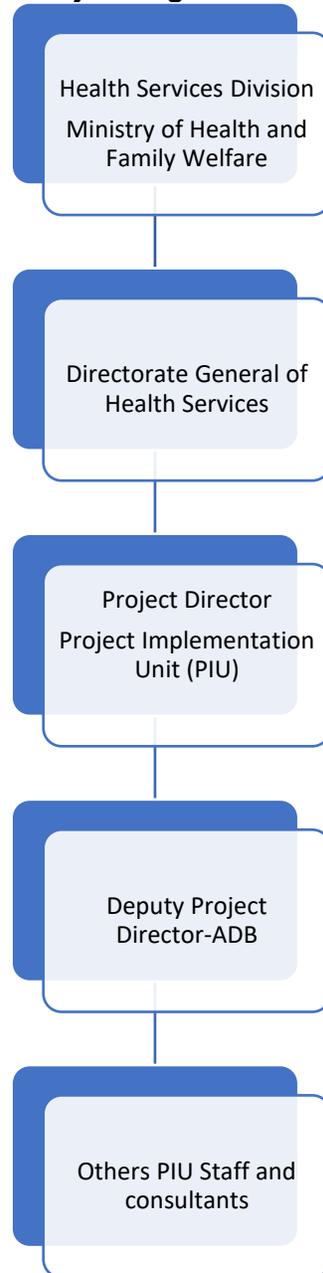
C. Project Organization Structure

7. The Health Services Division (HSD) of the MOHFW will be the executing agency and the Directorate General Health Services (DGHS) will be the implementing agency of the project. A project implementation unit (PIU) will be established within the DGHS. The PIU will provide the technical, administrative, and logistical support required for implementation. A project steering committee will be established by the Health Services Division (HSD), chaired by the Secretary of the HSD of the MOHFW comprising relevant government officials, to provide guidance to the PIU and oversee the overall project implementation. The project steering committee will meet at least twice a year, or more frequently if required. For technical oversight and hands-on supervision support, a project implementation committee will be set-up, chaired by the Director General of DGHS, which will meet at least once every quarter or more frequently if needed.

8. The PIU will comprise a full-time dedicated project director at the central-level who will manage the ADB and World Bank projects, with separate full-time deputy project directors for ADB and World Bank, eight divisional project coordinators at the divisional-level, posted from within the MOHFW/DGHS, as well as technical experts/consultants hired from the open market including procurement expert; financial management expert; social safeguard and environmental expert; monitoring and evaluation expert; and technical experts with relevant technical qualification and experience (e.g. epidemiologists). In addition, necessary support staff will be recruited by the government. The staff working for the PIU will have specific terms of reference identified. The PIU will work directly with the government entity involved in each component: the COVID-19 Emergency Operation Center in preparedness and response, the various coordination committees at divisional, district, city corporation and upazila levels; and the Institute for

Epidemiology, Disease Control and Research in contact tracing support and surveillance strengthening activities.

Figure 1: Project Organization Structure



^a PIU will comprise of Deputy Project Director, and Financial Management, Procurement and other essential staff and consultants.

ADB = Asian Development Bank; PIU = project implementation unit.

Source: Asian Development Bank.

IV. COSTS AND FINANCING

9. The project is estimated to cost \$113.38 million, inclusive of taxes and duties, physical and price contingencies, interest and other charges during implementation (Table 4).

Table 4: Summary Cost Estimates
(\$ million)

| Item | Amount ^a |
|---|---------------------|
| A. Base Cost^b | |
| 1. Immediate and medium-term equipment needs for testing and managing COVID-19 met | 66.47 |
| 2. Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered | 32.10 |
| 3. Health system and community capacities in combatting COVID-19 strengthened | 5.85 |
| Subtotal (A) | 104.42 |
| B. Contingencies^c | 6.80 |
| C. Financial Charges during Implementation^d | 2.16 |
| Total (A+B+C) | 113.38 |

COVID-19 = coronavirus disease.

Notes: Numbers may not sum precisely because of rounding.

^a Includes taxes and duties of 12.56 million. Such amount does not represent an excessive share of the project cost.

^b In March 2020 prices.

^c Physical contingencies computed at about 5%. Price contingencies computed at average of 2.8% on foreign exchange costs and 7.6% on local currency costs.

^d Includes only interest. Interest during construction for concessional ADB loans from ordinary capital resources has been computed at 1% per annum.

Source: Asian Development Bank.

10. The government has requested a loan of \$100 million from ADB's concessional ordinary capital resources loan to help finance the project. The loan will have an interest charge at the rate of 1.0% per annum; a term of 40 years, including a grace period of 10 years; repayment of principal at 2% per annum for the first 10 years after the grace period and 4% per annum thereafter, and such other terms and conditions set forth in the draft loan agreement. ADB will finance the expenditures in relation to (i) emergency medical supplies; (ii) civil works and equipment for the points of entry, health facilities, diagnostic facilities and labs; and (iii) services required to strengthen the capacity of health system and general communities. The Government of Bangladesh will cover taxes and duties, and the shortfall of finances, if required.

11. Cost-effectiveness analysis will be conducted to determine economic viability of project interventions as soon as sufficient data is collected.³ Cost-effectiveness for health projects requires estimating a quantitative measure of health impact and comparing it with the project costs of achieving this impact.⁴ The health impact will be measured through disability adjusted life years (DALYs). The project intervention will be deemed very effective if the cost per DALY is less than three times Bangladesh's GDP per capita, cost-effective if cost per DALY is less than GDP per capita, and not cost-effective if cost per DALY exceeds GDP per capita.⁵

A. Cost Estimates Preparation and Revisions

³ Given the nature of the emergency project and the time constraints, a flexible approach to economic analysis during implementation was agreed with ADB's Economic Research and Regional Cooperation Department. An in-depth analysis will be conducted as soon as sufficient data is collected.

⁴ ADB. 2017. *Guidelines for the Economic Analysis of Projects*. Manila.

⁵ WHO. Cost Effectiveness Thresholds: Pros and Cons. <https://www.who.int/bulletin/volumes/94/12/15-164418/en/>

12. The cost estimates were prepared by MOHFW with interventions considered to combat COVID-19 in the immediate, medium, and longer term. The project cost will be reviewed and updated during implementation.

B. Key Assumptions

13. The following key assumptions underpin the cost estimates and financing plan:

- (i) Exchange rate: Tk84.95 = \$1.00 (as of 17 March 2020). Price contingencies based on expected cumulative inflation over the implementation period are as follows:

Table 5: Escalation Rates for Price Contingency Calculation

| Item | 2020 | 2021 | 2022 | Average |
|----------------------------------|-------|-------|-------|---------|
| Foreign rate of price inflation | 1.10% | 1.60% | 1.60% | 1.43% |
| Domestic rate of price inflation | 4.40% | 5.80% | 5.80% | 5.33% |

Source: Asian Development Bank estimates.

C. Detailed Cost Estimates by Expenditure Category

Table 6: Detailed Cost Estimates by Expenditure Category

| | Foreign Exchange | Local Currency | Total Cost (\$ million) | % of Total Base Cost |
|---|------------------|----------------|-------------------------|----------------------|
| A. Investment Costs | | | | |
| 1. Emergency and medium-term medical supplies | 53.06 | 13.26 | 66.32 | 63.51 |
| 2. Strengthened ports of entry | 2.45 | 1.76 | 4.21 | 4.03 |
| 3. Isolation unit | 8.88 | 5.26 | 14.14 | 13.54 |
| 4. Critical care unit | 2.03 | 1.52 | 3.54 | 3.39 |
| 5. Modern microbiology laboratory with PCR | 8.07 | 2.07 | 10.14 | 9.71 |
| 6. Risk communication | 0.18 | 0.41 | 0.59 | 0.56 |
| 7. Human resources contracting and training | 0.90 | 2.10 | 3.00 | 2.87 |
| 8. Public Health Emergency Operations Center | 0.25 | 0.58 | 0.82 | 0.79 |
| 9. Operational research | 0.22 | 0.52 | 0.74 | 0.70 |
| 10. Implementation support consultant | 0.00 | 0.69 | 0.69 | 0.66 |
| Subtotal (A) | 76.02 | 28.17 | 104.19 | 99.78 |
| B. Recurrent Costs | | | | |
| Project Management Costs ^a | 0.00 | 0.23 | 0.23 | 0.22 |
| Subtotal (B) | 0.00 | 0.23 | 0.23 | 0.22 |
| Total Base Cost | 76.02 | 28.40 | 104.42 | 100.00 |
| C. Contingencies | | | | - |
| 1. Physical | 3.80 | 1.41 | 5.21 | 4.99 |
| 2. Price | 1.13 | 0.46 | 1.59 | 1.52 |
| Subtotal (C) | 4.93 | 1.87 | 6.80 | 6.51 |
| D. Financial Charges During Implementation | | | | - |
| Interest during construction | 2.16 | 0.00 | 2.16 | 2.07 |
| Subtotal (D) | 2.16 | 0.00 | 2.16 | 2.07 |
| Total Project Cost (A+B+C+D) | 83.11 | 30.27 | 113.38 | 108.58 |

^a Project management costs will cover the cost of office rental and office support staff.

Note: Numbers may not sum precisely because of rounding.

Source: Asian Development Bank estimates.

D. Allocation and Withdrawal of Loan Proceeds

14. Table 7 sets forth the categories of expenditure items to be financed out of the proceeds of the loan and the allocation amounts of the loan to each category.

Table 7: ADB Concessional Ordinary Capital Resources Loan

| Category | | | ADB Financing |
|----------|---------------------------|----------------------------------|--|
| No. | Item | Amount Allocated (\$ million) | Percentage and Basis for Withdrawal from the Loan Account |
| 1 | Goods, Works and Services | 91.63 | 100.0% of total expenditure claimed* |
| 2 | Project Management | 0.23 | 100.0% of total expenditure claimed* |
| 3 | Interest | 2.16 | 100.0% of amount due |
| 4 | Unallocated** | 5.98 | |
| | Total | 100.00 | |

* Exclusive of taxes and duties imposed within the territory of the Borrower.

** Unallocated amount is equal to the physical and price contingencies covered under the ADB loan.

ADB = Asian Development Bank.

Source: Asian Development Bank.

E. Detailed Cost Estimates by Financier

Table 8: Detailed Cost Estimates by Financier

(\$ million)

| Item | ADB - Loan | | GOB | | Total Cost | Taxes and duties |
|---|---------------|--------------------|--------------|--------------------|---------------|------------------|
| | Amount | % of Cost Category | Amount | % of Cost Category | Amount | |
| A. Investment Costs | | | | | | |
| 1. Emergency and medium-term medical supplies | 58.69 | 88.50 | 7.63 | 11.50 | 66.32 | 7.63 |
| 2. Strengthened ports of entry | 3.72 | 88.48 | 0.48 | 11.50 | 4.21 | 0.48 |
| 3. Isolation unit | 12.51 | 88.49 | 1.63 | 11.50 | 14.14 | 1.63 |
| 4. Critical care unit | 3.14 | 88.49 | 0.41 | 11.51 | 3.54 | 0.41 |
| 5. Modern microbiology laboratory with PCR | 8.97 | 88.49 | 1.17 | 11.50 | 10.14 | 1.17 |
| 6. Risk communication | 0.46 | 78.61 | 0.13 | 21.22 | 0.59 | 0.13 |
| 7. Human resources contracting and training | 2.36 | 78.73 | 0.64 | 21.27 | 3.00 | 0.64 |
| 8. Public Health Emergency Operations Center | 0.65 | 78.76 | 0.18 | 21.24 | 0.82 | 0.18 |
| 9. Operational research | 0.58 | 78.78 | 0.16 | 21.22 | 0.74 | 0.16 |
| 10. Implementation support consultant | 0.54 | 78.70 | 0.15 | 21.30 | 0.69 | 0.15 |
| Subtotal (A) | 91.63 | 87.95 | 12.56 | 12.05 | 104.19 | 12.56 |
| B. Recurrent Costs | | | | | | |
| Project Management Costs | 0.23 | 100.00 | - | - | 0.23 | - |
| Subtotal (B) | 0.23 | 0.00 | - | - | 0.23 | - |
| Total Base Cost | 91.86 | 87.97 | 12.56 | 12.02 | 104.42 | 12.56 |
| C. Contingencies | | | | | | |
| 1. Physical | 4.58 | 87.91 | 0.63 | 12.09 | 5.21 | 0.63 |
| 2. Price | 1.40 | 88.05 | 0.19 | 11.95 | 1.59 | 0.19 |
| Subtotal (C) | 5.98 | 87.94 | 0.82 | 12.06 | 6.80 | 0.82 |
| D. Financial Charges During Implementation | | | | | | |
| Interest during construction | 2.16 | 100.00 | - | - | 2.16 | - |
| Subtotal (D) | 2.16 | 100.00 | - | - | 2.16 | - |
| Total Project Cost (A+B+C+D) | 100.00 | 88.20 | 13.38 | 11.80 | 113.38 | 13.38 |

Note: Numbers may not sum precisely because of rounding.

Source: Asian Development Bank estimates

F. Detailed Cost Estimates by Outputs and/or Components

Table 9: Detailed Cost Estimates by Output
(\$ million)

| Item | Total Cost | Output-1 | | Output-2 | | Output-3 | |
|---|----------------|---------------|--------------------|---------------|--------------------|--------------|--------------------|
| | | Amount | % of Cost Category | Amount | % of Cost Category | Amount | % of Cost Category |
| A. Investment Costs | | | | | | | |
| 1. Emergency and medium-term medical supplies | 66.321 | 66.321 | 100.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 2. Strengthened ports of entry | 4.209 | 0.000 | 0.000 | 4.209 | 100.000 | 0.000 | 0.000 |
| 3. Isolation unit | 14.138 | 0.000 | 0.000 | 14.138 | 100.000 | 0.000 | 0.000 |
| 4. Critical care unit | 3.544 | 0.000 | 0.000 | 3.544 | 100.000 | 0.000 | 0.000 |
| 5. Modern microbiology laboratory with PCR | 10.139 | 0.000 | 0.000 | 10.139 | 100.000 | 0.000 | 0.000 |
| 6. Risk communication | 0.589 | 0.000 | 0.000 | 0.000 | 0.000 | 0.589 | 100.000 |
| 7. Human resources contracting and training | 3.000 | 0.000 | 0.000 | 0.000 | 0.000 | 3.000 | 100.000 |
| 8. Public Health Emergency Operations Center | 0.824 | 0.000 | 0.000 | 0.000 | 0.000 | 0.824 | 100.000 |
| 9. Operational research | 0.735 | 0.000 | 0.000 | 0.000 | 0.000 | 0.735 | 100.000 |
| 10. Implementation support consultant | 0.690 | 0.000 | 0.000 | 0.000 | 0.000 | 0.690 | 100.000 |
| Subtotal (A) | 104.189 | 66.321 | 63.655 | 32.030 | 30.742 | 5.838 | 5.603 |
| B. Recurrent Costs | | | | | | | |
| Project Management Costs | 0.230 | 0.146 | 63.655 | 0.071 | 30.742 | 0.013 | 5.603 |
| Subtotal (B) | 0.230 | 0.146 | 63.655 | 0.071 | 30.742 | 0.013 | 5.603 |
| Total Base Cost | 104.419 | 66.467 | 63.655 | 32.101 | 30.742 | 5.851 | 5.603 |
| C. Contingencies | | | | | | | |
| 1. Physical | 5.210 | 3.316 | 63.647 | 1.601 | 30.729 | 0.292 | 5.605 |
| 2. Price | 1.590 | 0.805 | 50.629 | 0.683 | 42.956 | 0.096 | 6.038 |
| Subtotal (C) | 6.800 | 4.121 | 60.603 | 2.284 | 33.588 | 0.388 | 5.706 |
| D. Financial Charges During Implementation | | | | | | | |
| Interest during construction | 2.160 | 1.479 | 68.472 | 0.575 | 26.620 | 0.105 | 4.861 |
| Subtotal (D) | 2.160 | 1.479 | 68.472 | 0.575 | 26.620 | 0.105 | 4.861 |
| Total Project Cost (A+B+C+D) | 113.379 | 72.067 | 63.563 | 34.960 | 30.834 | 6.344 | 5.595 |

Note: Numbers may not sum precisely because of rounding.
Source: Asian Development Bank estimates.

G. Detailed Cost Estimates by Year

Table 10: Detailed Cost Estimate by Year
(\$ million)

| Item | Total Cost | 2020 | 2021 | 2022 | 2023 |
|---|---------------|--------------|--------------|--------------|-------------|
| A. Investment Costs | | | | | |
| 1. Emergency and medium-term medical supplies | 66.32 | 33.16 | 33.16 | 0.00 | 0.00 |
| 2. Strengthened ports of entry | 4.21 | 0.84 | 2.32 | 1.05 | 0.00 |
| 3. Isolation unit | 14.14 | 2.83 | 7.78 | 3.53 | 0.00 |
| 4. Critical care unit | 3.54 | 0.71 | 1.95 | 0.89 | 0.00 |
| 5. Modern microbiology laboratory with PCR | 10.14 | 2.03 | 5.58 | 2.54 | 0.00 |
| 6. Risk communication | 0.59 | 0.29 | 0.24 | 0.03 | 0.03 |
| 7. Human resources contracting and training | 3.00 | 1.50 | 1.20 | 0.15 | 0.15 |
| 8. Public Health Emergency Operations Center | 0.82 | 0.41 | 0.33 | 0.08 | 0.00 |
| 9. Operational research | 0.74 | 0.00 | 0.37 | 0.33 | 0.04 |
| 10. Implementation support consultant | 0.69 | 0.34 | 0.29 | 0.04 | 0.04 |
| Subtotal (A) | 104.19 | 42.11 | 53.19 | 8.63 | 0.25 |
| B. Recurrent Costs | | | | | |
| Project Management Costs | 0.23 | 0.04 | 0.07 | 0.07 | 0.04 |
| Subtotal (B) | 0.23 | 0.04 | 0.07 | 0.07 | 0.04 |
| Total Base Cost | 104.42 | 42.15 | 53.27 | 8.71 | 0.29 |
| C. Contingencies | | | | | |
| 1. Physical | 5.21 | 2.11 | 2.66 | 0.43 | 0.01 |
| 2. Price | 1.59 | 0.17 | 1.08 | 0.33 | 0.02 |
| Subtotal (C) | 6.80 | 2.27 | 3.74 | 0.76 | 0.03 |
| D. Financial Charges During Implementation | | | | | |
| 1. Interest during construction | 2.16 | 0.10 | 0.64 | 0.93 | 0.49 |
| Subtotal (D) | 2.16 | 0.10 | 0.64 | 0.93 | 0.49 |
| Total Project Cost (A+B+C+D) | 113.38 | 44.52 | 57.65 | 10.40 | 0.81 |
| % Total Project Cost | | 39.26 | 50.85 | 9.17 | 0.71 |

Note: Numbers may not sum precisely because of rounding.
Source: Asian Development Bank estimates

H. Contract and Disbursement S-Curve

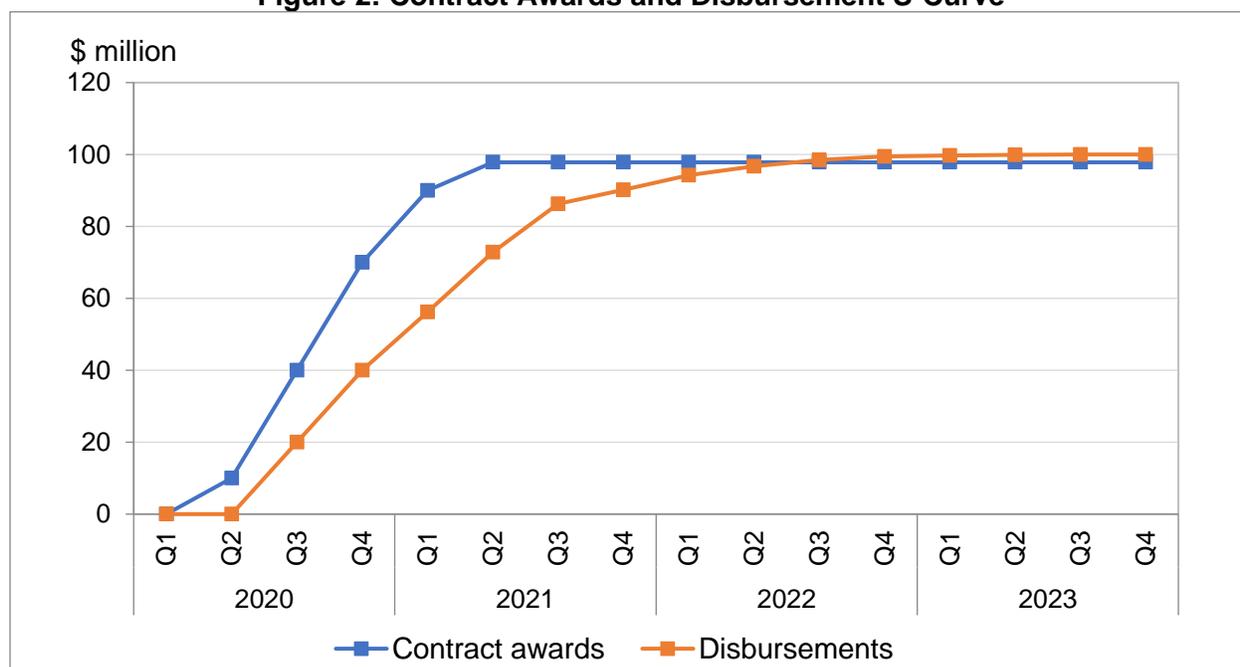
Table 11: Contract Awards and Disbursement Baseline Projections
(\$ million)

| | Contract Award | | | | | | Disbursement | | | | | |
|------|----------------|------|------|------|-------|-------|--------------|------|------|------|-------|--------|
| | Q1 | Q2 | Q3 | Q4 | Total | Cum | Q1 | Q2 | Q3 | Q4 | Total | Cum |
| 2020 | - | 10.0 | 30.0 | 30.0 | 70.0 | 70.00 | - | - | 20.0 | 20.0 | 40.0 | 40.00 |
| 2021 | 20.0 | 7.8 | - | - | 27.8 | 97.84 | 16.2 | 16.6 | 13.5 | 3.9 | 50.2 | 90.20 |
| 2022 | - | - | - | - | - | 97.84 | 4.0 | 2.5 | 1.8 | 1.0 | 9.3 | 99.50 |
| 2023 | - | - | - | - | - | 97.84 | 0.2 | 0.2 | 0.1 | - | 0.5 | 100.00 |

Q = quarter.

Source: Asian Development Bank estimates.

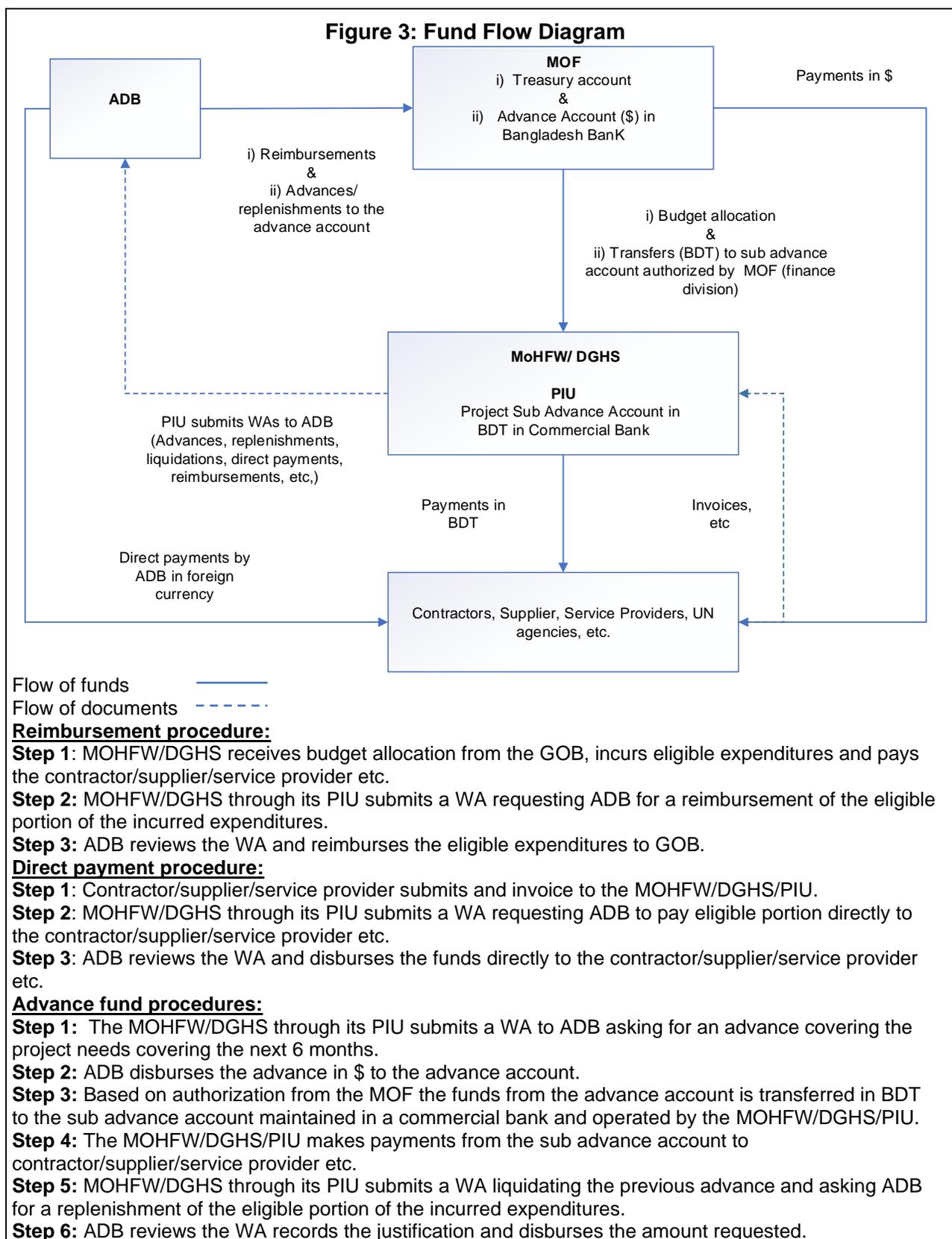
Figure 2: Contract Awards and Disbursement S-Curve



Q = quarter.

Source: Asian Development Bank.

I. Fund Flow Diagram



V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

15. The financial management assessment (FMA) was conducted in March–April 2020 in accordance with ADB’s Guidelines for the Financial Management and Analysis of Projects and the Financial Management Technical Guidance Note (2015). The FMA considered the capacity of the MOHFW and DGHS, including funds-flow arrangements, governance, staffing, budgeting, accounting and financial reporting systems, internal control procedures, financial information systems, and internal and external auditing arrangements.

16. The FMA found that MOHFW/DGHS has adequate financial management capacity to (i) record the required financial transactions, (ii) provide reliable annual financial statements and audit reports in a timely manner, (iii) safeguard the financial assets, and (iv) use the advance payment procedure as well as the statement of expenditure (SOE) procedure up to a threshold of \$50,000 for each expenditure item. However, the financial management risk is assessed as Substantial, due to the weaknesses in the existing country financial management systems, capacity constraints of the implementing agency, as well as the complex nature of the project characterized by a wide range of activities in scattered locations and a tight implementation schedule.

17. These risks will be mitigated by the following: (i) assigning dedicated and qualified financial management staff for the PIU, (ii) building the capacity of the PIU staff in ADB financial management requirements and disbursement procedures and systems, (iii) requiring comprehensive financial information to be included in quarterly progress reports, (iv) assigning an internal auditor for the project, and (v) strengthening of the existing internal controls and record keeping practices. Furthermore, a financial management expert will be funded by the ADB technical assistance to provide financial management support capacity to the project and monitor the financial management risk, during the first 6 months of the project. As per ADB requirements, the project will maintain separate books of account in accordance with accounting standards acceptable to ADB and the detailed project financial statement will be audited annually by an independent auditor acceptable to ADB in accordance with International Standards on Auditing. The key financial management risks and mitigation actions identified are shown in Table 12.

Table 12: Financial Management and Internal Control Risk Assessment and Management Plan

| Risk Description | Risk Assessment | Mitigation Measures or Risk Management Plan |
|------------------------------|---|--|
| Inherent Risk | | |
| 1. Country Specific | <u>Substantial</u> Partly weak PFM systems and financial management capacity. The current COVID-19 crisis and potential lockdown may cause disruptions to financial activities | The proposed project is part of the government’s response to the crisis. |
| 2. Entity-specific | <u>Substantial</u> The executing agency has partly weak financial management capacity and no previous financial management experience in implementing ADB projects. | A PIU will be established by the GOB with dedicated government staff supported by consultants from ADB and World Bank, which will implement the project. This will allow the use of joint stand-alone financial management arrangements, seamless coordination and sharing of training events. |
| Overall Inherent Risk | Substantial | |

| Project Risk | | |
|---------------------------------------|--|---|
| 1. Implementing entity | <u>Substantial</u> There might be delays in setting up the PIU and weak initial financial management capacity. | A PIU to be established by the GOB supported by consultants of ADB. |
| 2. Funds flow | <u>Substantial</u> Government counterpart financing may not be released on time which may cause delays in project implementation. | Firm commitment from the MOF for the timely release of counterpart fund Direct Payment mechanism is to be used for major foreign currency payments for contractors and suppliers for ADB share. |
| 3. Staffing | <u>Substantial</u> High and urgent financial management workload, weak capacity, and lack of experience with ADB's systems and procedures. | -A separate account officer to be appointed full time for the ADB project. -A financial management expert hired full time to the PIU for the ADB project. Training in ADB -Training to be provided in ADB's financial management requirements and systems |
| 4. Accounting policies and Procedures | <u>Substantial</u> Accounts are maintained according to national accounting standards. Asset management practices in the various entities receiving equipment may be inadequate. | Entities receiving equipment under the project to maintain sound asset management practices including an asset register and conduct periodic inventories. |
| 5. Internal Audit | <u>High</u> Weak capacity at DGHS/MOHFW to conduct internal audit. | Ensure the project is subject to a regular internal audit. The internal audit function can be performed by an external firm or by the internal audit function of MOHFW as agreed by ADB. The audit committee of MOHFW to follow-up on the status of internal and external audit observations. |
| 6. External Audit | <u>Substantial</u> Minor delays in submission of APFS Missing audit opinion on the use of funds Audit observations may be pending for a long time | The project must liaise with FAPAD to ensure the proposed project is part of FAPAD's annual audit plan and that ADB's audit requirements are strictly followed. The audit observations to be resolved in a timely manner. The status of audit observations to be included in the periodic progress reports. |
| 7. Reporting and Monitoring | <u>Substantial</u> Delays and inadequate financial reports | Comprehensive financial information to be part of the quarterly progress reports in a format agreed with ADB within 45 days after the end of each quarterly. Reports to include a reconciliation of project records with ADB disbursement records, status of external audit observations and status of the agreed financial management action plan. |
| 8. Information Systems | <u>Substantial</u> IBAS++ records payments done through the government treasury while direct payments and payments from the advance account will have to be recorded manually. | -Use of ADB client portal for disbursement to submit and track withdrawal applications to ensure timely availability of funds. -Use of LFIS to reconcile ADB disbursement records with project records on a quarterly basis to ensure all withdrawal applications have been correctly reflected in the PFS. |
| Overall Project Risk | Substantial | |
| Overall (Combined) Risk | Substantial | |

ADB = Asian Development Bank, APFS = audited project financial statements, GOB = Government of Bangladesh, FAPAD = Foreign Aided Project Directorate, HSSP = Health Sector Support Project, LFIS = loan financial information system; MOF = Ministry of Finance, MOHFW = Ministry of Health and Family Welfare, PFS = project financial statement; PIU= project implementation unit.

Notes: H= High; S= Substantial; M= Moderate; L= Low.

Source: Asian Development Bank.

18. To mitigate the risks above, the following action plan has been discussed and agreed with the government.

Table 13: Financial Management Action Plan

| Key Risk Area | Risk Mitigating Activity | Timeline | Entity |
|---|---|--|-------------------------------------|
| Staffing and FM capacity support | Appoint a full-time accounts officer for the ADB project. An FM expert with an accounting qualification to be recruited to provide full time support to the ADB project. | Within 2 weeks of loan effectiveness. | PIU/DGHS/ MOHFW |
| Training in ADB's policies and procedures | Training to be provided to PIU staff (accounting, technical) who are involved in the ADB project covering ADB's FM and disbursement procedures and systems including proper record keeping. | Continuous. | ADB and PIU/DGHS/ MOHFW |
| Financial reporting | Include comprehensive FM information in the quarterly progress reports in a format agreed with ADB. | Within 45 days from the end of each quarter. | PIU/DGHS/ MOHFW |
| Internal audit | Ensure the project is subject to a regular internal audit. The internal audit function can be performed by an external firm or by the internal audit function of MOHFW as agreed by ADB. The Audit Committee of MOHFW to follow-up on internal and external audit observations | Within 2 weeks of loan effectiveness. Continuous. | MOHFW |
| External audit | Liaise with FAPAD to ensure the project is part of FAPAD's annual audit plan and that ADB's audit requirements are followed including the audit opinion on the use of funds for intended purpose. FAPAD to issues as separate APFS for the ADB project in the format acceptable to ADB. Audit observations are to be addressed in a timely manner. | Within 2 weeks of loan effectiveness. Annually within 6 months after the end of the fiscal year Annually within 3 months after the audit report has been issued. | PIU and HSD's FMA Unit, MOHFW |
| Accounting | Entities receiving equipment under the project to maintain sound asset management practices including an asset register and conduct periodic inventories | Continuous. | MOHFW |
| Information systems | Active use of both ADB systems LFIS and CPD to reconcile project accounts and ADB disbursement records and keep track of direct payments as well as advances, replenishments and liquidations to the advance account. Explore and implement IT solutions to fully computerize all accounts and automate financial reporting to the extent possible considering the | Continuous. | PIU/DGHS/ MOHFW |

| Key Risk Area | Risk Mitigating Activity | Timeline | Entity |
|---------------|---|----------|--------|
| | rollout of IBAS++ for donor projects and/or other suitable initiatives. | | |

ADB = Asian Development Bank, APFS= audited project financial statement, CPD = Client Portal for Disbursements, DGHS = Directorate General Health Services, FM= financial management; MIS= management information system; MOHFW= Ministry of Health and Family Welfare, PIU = project implementation unit.

Source: Asian Development Bank.

B. Disbursement

1. Disbursement Arrangements for ADB Funds

19. The loan proceeds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time),⁶ and detailed arrangements agreed upon between the government and ADB. Online training for project staff on disbursement policies and procedures is available.⁷ Project staff are encouraged to avail of this training to help ensure efficient disbursement and fiduciary control.

20. ADB's disbursement procedures (direct payment, reimbursement, commitment and/or advance fund procedure) will be used for withdrawal of project funds.

- (i) Direct payment procedure will be used for foreign currency payments to suppliers and consultants.
- (ii) Reimbursement will be used for any eligible payments pre-financed by the government, including all expenditures financed under retroactive financing.
- (iii) Advance fund (liquidation or replenishment) procedures will be mainly utilized for payments to suppliers, contractors when government pre-financing is not feasible.
- (iv) Under the commitment procedure, ADB, at the borrower's request, provides an irrevocable undertaking to reimburse a commercial bank for payments made or to be made to a supplier against a letter of credit financed from the loan account.

21. **Advance fund procedure.** A separate advance account is to be established and maintained by MOHFW/DGHS for the ADB loan in the Bangladesh Bank. The currency of the advance account is the United States dollar. In addition, a sub-account in Bangladesh Taka will be established in a commercial bank and maintained by the PIU. The advance account and the sub-account are to be used exclusively for ADB's share of eligible expenditures. MOHFW/DGHS is accountable and responsible for proper use of advances to the advance account including advances to any sub-account.

22. The total outstanding advance to the advance account should not exceed the estimate of ADB's share of expenditures to be paid through the advance account for the forthcoming 6 months. The MOHFW/DGHS through its PIU may request for initial and additional advances to the advance account based on an Estimate of Expenditure Sheet⁸ setting out the estimated expenditures to be financed through the accounts for the forthcoming 6 months. Supporting documents should be submitted to ADB or retained by DGHS in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time) when liquidating or replenishing the advance account.

⁶ ADB. 2017. *Loan Disbursement Handbook*. Manila.

⁷ Disbursement eLearning: http://wpqr4.adb.org/disbursement_elearning

⁸ Estimate of Expenditure Sheet is available in Appendix 8A of ADB's *Loan Disbursement Handbook 2017* (2017, as amended from time to time).

23. **Statement of expenditure procedure.**⁹ The SOE procedure may be used for reimbursement of eligible expenditures or liquidation of advances to the advance account. The ceiling of the SOE procedure is the equivalent of \$50,000 per individual expenditure paid. Supporting documents and records for the expenditures claimed under the SOE should be maintained and made readily available for review by ADB's disbursement and review missions, upon ADB's request for submission of supporting documents on a sampling basis, and for independent audit. Reimbursement and liquidation for individual payments in excess of the SOE ceiling should be supported by full documentation when submitting the withdrawal application to ADB.

24. Before the submission of the first withdrawal application, the borrower should submit to ADB sufficient evidence of the authority of the persons who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is stipulated in the *Loan Disbursement Handbook* (2017, as amended from time to time). Individual payments below such amount should be paid (i) by the DGHS and subsequently claimed to ADB through reimbursement, or (ii) through the advance fund procedure, unless otherwise accepted by ADB. The borrower should ensure sufficient category and contract balances before requesting disbursements. Use of ADB's Client Portal for Disbursements (CPD)¹⁰ system is mandatory for submission of withdrawal applications to ADB.

2. Disbursement Arrangements for Counterpart Funds

25. The government counterpart funds will be sufficiently allocated in the budget annually. MOHFW/DGHS through its PIU will be responsible for preparing disbursement projections and requesting budgetary allocations for counterpart funds to the Ministry of Finance. MOHFW/DGHS through its PIU will submit to ADB annual project contract awards and disbursement projections at least a month before the start of each calendar year.

C. Capacity building

26. In order to ensure sufficient knowledge in ADB's financial management requirements, including procedures and related systems, the DGHS will ensure that each PIU financial staff assigned to the project undertake the following actions within the first month after being appointed to the project:

- (i) Become aware of the ADB and national anticorruption policy and whistle blowing mechanisms;
- (ii) Master loan/grant agreement including the loan covenants and the relevant sections of the Project Administration Manual (PAM), as well as the ADB loan disbursement handbook
- (iii) Obtain user/reader rights (as required) to ADB's systems including the CPD and the Loans and Grants information Service (L/GFIS).

⁹ SOE forms are available in Appendix 7B and 7D of ADB's *Loan Disbursement Handbook 2017* (2017, as amended from time to time).

¹⁰ The CPD facilitates online submission of Withdrawal Applications to ADB, resulting in faster disbursement. The forms to be completed by the Borrower are available online at <https://www.adb.org/documents/client-portal-disbursements-guide>.

27. In addition, the PIU should liaise with ADB to take advantage of other financial resources¹¹ and training events organized by ADB.

D. Accounting

28. The MOHFW/DGHS will maintain, or cause to be maintained, separate books and records by funding source for all expenditures incurred on the project following the Government of Bangladesh's accounting laws and regulations. The MOHFW/DGHS through its PIU will prepare consolidated project financial statements in accordance with the Bangladesh Financial Procedures and Accounting Procedures – cash basis of accounting, which are consistent with International Accounting Standards. The financial statement will include at least the following:

- (i) Statement of cash receipts and payments; showing the funds received by each funding source (ADB loan, Government of Bangladesh, etc.) and expenditures incurred by expenditure category for the current year, prior year and cumulative from inception to date;
- (ii) Statement of budget vs. actual expenditures; Any significant variance must be sufficiently explained in the notes;
- (iii) Statement of Advance account reconciliation for the advance account;
- (iv) Statement of disbursement with a breakdown for each funding source;
- (v) Detailed notes to the financial statements including significant accounting policies. The notes of the financial statements must provide a detailed breakdown of at least the following:
 - (a) Funds received from the government during the current year, previous year and cumulative to date,
 - (b) A list of withdrawal applications submitted to - and the amounts paid by ADB as follows: (i) financing source, (ii) withdrawal application number, (iii) the amount claimed and currency, (iv) period when expenditures were incurred, (v) date submitted, (vi) disbursement method, (vii) the amount disbursed by ADB, and (viii) the exchange rate as applicable.

29. The expenditure categories and outputs used in the financial reports will be aligned with the structure outlined in the PAM.¹² Moreover, to allow for timely and efficient monitoring, MOHFW/DGHS through its PIU, will ensure that comprehensive financial information is included in the quarterly progress reports to be submitted to ADB within 45 days after the end of the quarter. The information will include at least the following:

- (i) Cumulative contract awards financed by the ADB loan, and counterpart funds (commitment of funds to date), and comparison with time-bound projections (targets – for ADB financing compare the actual contract awards with the contract award curve included in the PAM). Any significant variances between planned and actual contract awards are to be explained;
- (ii) Cumulative disbursements from the ADB loan, and counterpart funds (expenditure to date), and comparison with time-bound projections (targets – for the ADB financing compare the actual disbursement with the disbursement projections as per the S curve included in the PAM). Any significant variances between planned and actual disbursements are to be explained;

¹¹ ADB e-learning courses include: ADB Disbursement eLearning course and Cash Basis IPSAS for ADB Project Financial Reporting.

¹² The PIU to explore mapping of GOB economic codes against the PAM cost categories to facilitate financial reporting.

- (iii) Re-estimated costs to completion, need for reallocation within ADB loan categories, and whether an overall project cost overrun is likely.
- (iv) Reconciliation of project records and ADB disbursement records (LFIS/GFIS) for the financial year to date and cumulative from project inception to end of the reporting period. Any discrepancies and outline follow-up actions required are to be explained
- (v) Analysis of budget vs actual expenditures and physical vs financial progress, with significant deviations explained.
- (vi) Summary of the status of financial covenants (if any) as outlined in the loan and project agreement.
- (vii) Summary of the status of financial management in the project including: (a) any problems in the existing financial management arrangements and /or flow of funds; and (b) any significant changes occurred during the reporting period (e.g. financial management staff turnover, implementation of new financial systems, emerging financial management-related risks, etc.);
- (viii) Summary of the status of the (a) financial management action plan outlined in the PAM, (b) recommendations and actions raised by ADB as part of the audited project financial statement (APFS) review (if any), and (c) financial management-related recommendations agreed during ADB review missions (if any); and
- (ix) Summary of the status of status of past audit observations (resolved/ pending).

30. The following detailed schedules will be attached to the quarterly progress reports as annexes:

- (i) Statement of Cash Receipts and Payments by Category;
- (ii) Physical vs Financial progress report by output;
- (iii) List of signed contracts;
- (iv) Detailed reconciliation (by withdrawal application) of project records and ADB disbursement records (LFIS/GILFIS) for the fiscal year to date and cumulative;
- (v) Status of external audit observations (resolved/ pending); and
- (vi) Status of financial management action plan (complied/ongoing).

31. **Variance analysis.** As part of the variance analysis, MOHFW/DGHS through its PIU will examine the differences between budgeted vs. actual expenditures as well as financial vs. physical progress. The variance analysis will pay particular attention to:

- (i) Significant deviations from the budgeted engineer's estimate;
- (ii) Significant deviations between financial and physical progress;
- (iii) Significant delays on (planned vs. reported) physical and/or financial progress; and
- (iv) Inconsistent and/or delayed progress reporting.

32. Any significant delays or deviations etc. shall be promptly followed-up on and explained in the financial reports.

33. **Periodic reconciliations.** To ensure the correctness and completeness of the project's books of accounts and financial reports, MOHFW/DGHS through its PIU/district offices shall conduct:

- (i) Monthly reconciliations of the advance account and sub-accounts; and
- (ii) Quarterly reconciliation of the project book of accounts, and ADB's disbursement data available in the LFIS.

34. Any discrepancies and/or reconciliation items will be followed up on to ensure these are resolved in a prompt manner, and that there are no misstatements in the financial reports or long outstanding advances. The differences between amounts claimed from ADB and the amounts disbursed by ADB will be disclosed and explained in the withdrawal application register to be included in the financial reports.

E. Internal Audit

35. The project will be covered by a regular internal audit by an external firm or MOHFW/DGHS as agreed with ADB. The PIU will actively liaise with the internal audit function to ensure that the recommendations related to the project (if any) are addressed in a timely manner. The status of the internal audit recommendations will also be regularly monitored by MOHFW/DGHS through its audit review committee.

F. Auditing and Public Disclosure

36. The MOHFW/DGHS will cause the detailed project financial statements to be audited in accordance with International Standards on Auditing, by an independent auditor¹³ acceptable to ADB. The indicative statement of audit needs (auditor's terms of reference) is in Appendix C. The APFS together with the auditor's opinion will be presented in the English language to ADB within 6 months from the end of the fiscal year by the MOHFW. The MOHFW/DGHS through its PIU will ensure that total amount in the APFS will reconcile with ADB's disbursement amount during the respective fiscal year.

37. The audit report for the project financial statements will include a management letter and auditor's opinions, which cover (i) whether the project financial statements present an accurate and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the loan were used only for the purpose of the project; and (iii) whether the borrower or executing agency was in compliance with the financial covenants contained in the legal agreements. The management letter will include from the second year onwards, a follow-up on previous years audit observations. In case the auditor does not issue a management letter, the auditor must issue a written confirmation that no internal control issues were identified as part of the audit.

38. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

39. The government and MOHFW/DGHS have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.¹⁴ ADB reserves the right to require a change in the auditor (in a

¹³ The project is expected to be audited by Foreign Aided Project Directorate (FAPAD).

¹⁴ ADB's approach and procedures regarding delayed submission of audited project financial statements:

- (i) When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- (ii) When audited project financial statements are not received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (a)

manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

40. Public disclosure of the APFS, including the auditor's opinion on the project financial statements, will be guided by ADB's Access to Information Policy 2018.¹⁵ After the review, ADB will disclose the APFS and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.

VI. PROCUREMENT AND CONSULTING SERVICES

41. Due to emergency and urgent delivery needs, executing and implementing agencies will carry out the procurement of goods, works, and consulting services in a manner consistent with the simplified and expedient procedures under the ADB Disaster and Emergency Assistance Policy (2004) and ADB Procurement Policy and Procurement Regulations for ADB Borrowers (2017, as amended from time to time).

42. Key measures to expedite the procurement activities include, as appropriate: (i) use of simplified procurement and selection methods fit for the current emergency situation where there is substantial constraint in securing supply, even through UN partners, to meet the demand of urgently needed goods; (ii) including direct contracting; (iii) streamlined competitive procedures with shorter bidding time; (iv) goods needed immediately may be procured using international and/or national request for quotations subject to prior review by ADB; (v) use of framework agreements; (vi) procurement using UN agencies, (vii) force account, as needed; (viii) minimal prior review for emergency procurement and post review sampling with a larger sample of transactions; (ix) use of consultant's qualification based selection; (x) provision of bid securing declaration instead of bid security or no bid security; (xi) no requirement of performance security for small contracts; and (xii) increased advance payment. These provisions will be used on a case-by-case basis depending on the value and complexity of the scope of procurement and prevailing market conditions.

43. Civil works and most goods contracts will be awarded through open competitive bidding (OCB) method advertised nationally. The construction market in Bangladesh is highly developed and competitive and implementing agencies are using an approved electronic procurement system. To ensure efficiency under this emergency project, the bidding period will be 14 days; use single-stage one-envelope bidding procedures; a time-bound action plan to award contracts will be developed that includes the contract management plan. Some civil works and goods contracts may be procured using direct contracting, where appropriate, following procedures acceptable to ADB. When using the electronic procurement system (www.eprocure.gov.bd), the implementing agencies will use the standard bidding documents e-PW3-D and ePG3 approved by ADB (<https://cptu.gov.bd/standard-documents/standard-tender-document.html>), using the

inform the executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.

(iii) When audited project financial statements are not received within 12 months after the due date, ADB may suspend the loan.

¹⁵ ADB. Access to Information Policy: <https://www.adb.org/documents/access-information-policy>

open tendering method in the e-GP system for procurement of works and goods, respectively. Manual or off-line bidding may be used where appropriate.

44. The PIU to be set up in the DGHS will carry out procurement with the assistance of procurement expert(s) to be hired. Relevant UN agencies will be engaged to procure medical equipment, medicines, and other medical consumables as per their comparative advantages, and technical specifications for such goods will be jointly developed. The UN agencies will be contracted by the MOHFW using appropriate standard form(s) of agreement(s) designed for use by the government to contract the specific UN agency. PIU may take support from the Central Medical Stores Depot (CMSD) of the MOHFW for procurement of selected goods and the Public Works Department (PWD) of the Ministry of Housing and Public Works for civil works. Streamlined procedures for approval of emergency procurement to expedite decision making and approvals by the government have been agreed.

45. Consultants under the loan shall be recruited in accordance with ADB Procurement Policy and Procurement Regulations for ADB Borrowers (2017, as amended from time to time). To support project implementation, individual consultants will be recruited using the individual consultant selection method with international and/or national advertisements, based on the project's requirements. Consultants who are already engaged in ADB-financed projects and provide similar services as those required for the project may be recruited directly, subject to their satisfactory performance. This arrangement will provide an efficient way to recruit consultants under the circumstances. Consulting firms will be recruited through OCB procedures, local advertisements, and/or limited competitive bidding using a quality- and cost-based selection procedure, a simplified technical proposal, or a biodata technical proposal. Other methods, such as the consultants' qualifications selection, may also be used where appropriate. The option to have a direct contract or a memorandum of understanding with nongovernment organizations and/or UN agencies already engaged in the project area may also be explored where appropriate. Terms of reference, input and selection method shall be further reviewed and agreed upon with the implementing agencies, as needed.

46. Procurement risk is "high" based on the project procurement risk assessment carried out during the preparation. The major risks include: (i) unsuccessful procurement due to lack of sufficient global supply of essential medical consumables and equipment needed to address the health emergency as there is significant disruption in the supply chain, especially for PPEs; (ii) delay in procurement processing and decision making with potential implementation issues; (iii) lack of familiarity in dealing with such a novel epidemic; (iv) the high fiduciary risks that the sector is susceptible to; (v) multiple agencies involved in procurement (PIU, Central Medical Stores Depot, and Public Works Department); and (vi) lack of familiarity with ADB procurement procedures in the MOHFW.

47. A market assessment was carried out quickly to check the overall scenario of securing goods, especially the medical equipment, under this project. The severe and mounting disruption to the global supply of medical equipment and supplies, caused by rising demand, panic buying, hoarding and misuse, is putting lives at risk. There is a 5 to 6-month backlog of supply orders globally with manufacturing at 60% capacity currently. Countries are imposing export bans to protect their stocks. With so many countries in need of scarce resources and limited capacity of producers, global supply chains are constrained. It is important to recognize the asymmetrical buying power of the countries. Governments across the world are making available hundreds of billions of dollars to combat COVID-19. Based on the initial assessment, the procurement approach may follow a strategy to leverage the knowledge and experience of existing players such as procurement through UN agencies and further explore contracts with reputable

wholesalers and procurement agents through government's own channels. Direct contracting of UN agencies and with manufacturers, wholesalers, potential private suppliers may be used subject to price checks and quality control surety and speedy supply. The borrower's existing framework agreements and supplier networks may also be justified. While several challenges are unresolved, these procurement options may address the market limitations at this stage.

48. ADB's procurement oversight will be ensured through increased implementation support. As there will be minimal prior review, procurement post review will be conducted on a larger sample size than usual. To prevent delays and disruption in payments, payments relating to international or limited bidding and direct selection contracts can be made through direct payment.

A. Advance Contracting and Retroactive Financing

49. All advance contracting and retroactive financing will be undertaken in conformity with the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended from time to time). The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. MOHFW has been advised that approval of advance contracting and retroactive financing does not commit ADB to finance the project.

50. **Advance contracting.** ADB allowed advance contracting for recruitment of consultants and procurement of goods, related services and civil works including inviting and receiving bids, evaluation of bids; and recruitment of consultants for contracts that might be approved for implementation prior to loan effectiveness. The issuance of invitations to bid under advance contracting will be subject to ADB approval.

51. **Retroactive financing.** Retroactive financing will be allowed for up to 30% of the loan amount for eligible expenditures incurred under the project, provided that such expenditures have been incurred after the emergency occurred but not earlier than 8 March 2020 and prior to signing of the financing agreement.

52. All expenditures, for which retroactive financing is sought, will be submitted to the ADB to verify their eligibility as per the project description and disbursement table, safeguards policies and procurement requirements: (i) the activities financed by retroactive financing are related to the development objectives and are included in the project description; (ii) the payments are for items procured in accordance with procurement practices acceptable to ADB the applicable ADB's procurement policy and procurement regulations; (iii) the total amount of retroactive financing is up to 30% of the loan; and (iv) the payments are made by the government during the period between 8 March 2020, and the date of the signed Financing Agreement. In general, retroactive financing for supplies and equipment will be subject to ADB review establishing: (i) the soundness of the procurement process and use of extreme urgency under the Public Procurement Rules Amendment 2008, (ii) technical requirements and after sales services of all contracts and price verification of awarded contracts against market norms, (iii) documentary evidence of the payments made, and (iv) random physical sampling on supplies and equipment procured and delivered retroactively.

B. Procurement of Goods, Works, and Consulting Services

53. The major procurement packages include emergency equipment (thermal scanner, laboratory equipment, medical equipment for intensive care units, etc.), PPE; renovation of health facilities for establishing isolation units; capacity building and training; community outreach; and

support to the project implementation and monitoring. The procurement plan has been prepared in the ADB Procurement Review System.

54. Once the contract packages are finalized, cost estimates shall be updated and bid documents will be prepared. Bids shall be invited, evaluated, and contracts will be awarded and implemented within the timeline for internal approvals. The terms of reference shall be developed before inviting expression of interest and issuance of request for proposal (RFP). ADB shall review short-listing and draft RFP before issuance of RFP and proposal evaluation. In case of works and goods contracts, first contract per bidding method shall be prior reviewed by ADB and rest of the transactions shall be post reviewed (sampling). The government may modify the detailed arrangements set forth in the procurement plan only with the prior agreement of ADB, and such modifications must be set out in updates to the procurement plan.

C. Procurement Plan

55. An initial procurement plan has been prepared in the ADB Procurement Review System, indicating various packages with cost estimate, type of procurement method, bidding documents, bidding procedures and review requirements for goods, works, and consulting services. The information in the procurement plan is indicative only. The procurement plan shall be revised once contract packages are selected, and cost estimates are updated. The changes may also involve change in selection or procurement method, type of bid documents, including review requirements. The initial tentative procurement plan covering the scope of the project is detailed in Appendix D.

56. **Regulation and reference documents.** Before the start of any procurement, ADB and the government will review the public procurement laws of the government to ensure consistency with ADB's Procurement Policy and Procurement Regulations for ADB Borrowers (2017, as amended from time to time). The procedures to be followed for OCB, national advertisement, for works and goods, shall be those set forth for the National Open Tendering Method in *The Public Procurement Rules, 2008* (as updated and pursuant to *The Public Procurement Act, 2006* issued by the Government of Bangladesh) with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Regulations for ADB Borrowers (2017, as amended from time to time)

- (i) **Eligibility.** The eligibility of bidders shall be as defined under Section-I "Introduction" of the Procurement Regulations; accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in Section-I of the Procurement Regulations, as amended from time to time.
- (ii) **Location of bid submission.** Submission of bids to 'primary' and 'secondary' locations, or 'multiple droppings' of bids, shall not be required or allowed. Advertisements and bidding documents shall specify only one location for delivery of bids.
- (iii) **Bid price as percentage of estimate.** Bids shall not be invited on the basis of percentage above or below the estimated cost, and contract award shall be based on the lowest evaluated bid price of responsive bid from eligible and qualified bidder.
- (iv) **Lottery.** A lottery system shall not be used to determine a successful bidder, including for the purpose of resolving deadlocks.
- (v) **Rejection of all bids and rebidding.** Bids shall not be rejected, and new bids solicited without ADB's prior concurrence, irrespective of review requirements.
- (vi) **Bidding documents.**

- (a) **Anticorruption.** Definitions of corrupt, fraudulent, collusive and coercive practices shall reflect the latest ADB Board-approved Anticorruption Policy definitions of these terms and related additional provisions (such as conflict of interest, etc.).
- (b) **Qualification requirements.** Qualification criteria and specific requirements must be explicitly stated in the bidding documents and applied consistently during bid evaluation.
- (c) **Rejection of bids.** A bid shall not be rejected on the grounds that its bid price is not within a percentage range above or below the contract estimate.
- (d) **ADB policy clauses.** Provisions shall be included in all OCB, national advertisement, civil works and goods contracts financed by ADB requiring:
 - (i) suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, and to have them audited by auditors appointed by ADB;
 - (ii) that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question; and
 - (iii) that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract.

D. Consultant's Terms of Reference

57. An estimated 125 person-months of consulting services inputs (national, individual) are required to (i) facilitate procurement and contract management; (ii) monitor and supervise, including safeguards and project management; and (iii) strengthen the institutional and operational capacity of the executing and implementing agencies, including in financial management. The required input and expertise of the consulting services will be further confirmed during implementation. Indicative terms of reference for consulting services are in Appendix E. It is envisaged that six individual consultants will be engaged to assist the PIU. An operational research firm will also be engaged, with details to be finalized with government during implementation.

VII. SAFEGUARDS

58. The safeguards requirements of the Emergency Assistance Loans for COVID-19 pandemic ensure fast implementation while ensuring compliance with the ADB's Safeguard Policy Statement (SPS) (2009). The project is categorized as B for environment, C involuntary resettlement (IR), and B for indigenous peoples (IP) safeguards. An environmental assessment and review framework (EARF) and a resettlement and indigenous peoples planning framework (RIPPF) were prepared and disclosed. The project will contribute to reducing the risks of communicable disease by meeting immediate and urgent needs for prevention and control of COVID-19. Therefore, overall impact of the project is expected to be beneficial.

A. Environment

59. The project will require minor civil works for construction or upgrade at points of entry, up to 603 healthcare facilities and 37 medical colleges and hospitals across the country, as well as equipment and capacity building in three research centers to upgrade laboratories to BSL 3 and 4. These activities are expected to have some minor to moderate, reversible, and temporary negative impacts. The potential environmental impacts will include (i) during construction, dust and noise disturbances, local traffic congestion, drainage congestion, and construction waste management; and (ii) during operation, occupational and community health and safety risks due to improper handling and unsafe disposal of hazardous medical waste and PPE, unsafe storage of fuel, and unsatisfactory social distancing and hygiene practices at the healthcare facilities, hospital premises and points of entry.

60. Environmental safeguards auditing will be carried out prior to civil works and will be performed based on a representative sample of existing facilities of each type¹⁶ along with an environmental screening of proposed interventions (horizontal/vertical extension). For all facilities where environmental risks are confirmed by the audit, an initial environmental examination (IEE) will be developed following the guidelines of ECR 1997 and EARF. The environmental risks will be effectively addressed through adoption of proper and adequate environmental management plans (EMPs) and Environmental Code of Practices (ECOPs) at the design, construction, and operation phases as set out in the EARF and strict compliance to relevant national regulations, WHO relevant guidelines, and the WB/IFC EHS Guidelines 2007. Special attention will be given to the management of hazardous medical waste generated due to pandemic of COVID-19 and other infectious disease. Handling, storage, and disposal of medical waste will follow the Medical Waste Management Framework (MWMF) prepared under the project, following the Solid Waste Management Rules 2010 and other relevant laws, to ensure proper community and occupational health and safety at the healthcare premises during construction and operation. For each site, a Medical Waste Management Plan (MWMP), Occupational and Community Health and Safety Management Plan (OCHSMP) for COVID-19 will be prepared and implemented following guidelines provided in the EARF and MWMF.

B. Involuntary Resettlement and Indigenous Peoples

61. No land acquisition nor any permanent physical or economic displacement is anticipated in this project, as interventions with associated civil works shall be within the existing premises of up to 603 health facilities and 37 medical colleges covered under Output 2. The locations of all health facilities to be upgraded is yet unknown and may include such parts of the country home to indigenous people;¹⁷ moreover, the community surveillance and communication strategy work is nationwide and indigenous peoples communities are expected to feature among beneficiaries; the RIPPF will therefore guide project activities development so as to avoid and minimize any adverse impacts on indigenous communities, maximize beneficial impacts on indigenous communities, and ensure inclusion of indigenous peoples in the design and implementation of any project activity that may affect them. As referred, civil works will be primarily in existing health facilities, hence negative impacts of civil works on indigenous peoples are not anticipated to be

¹⁶ Considering the levels of healthcare services provided by MOHFW in various administrative units (Metropolitan city, divisional towns, districts, and upazila), health care facilities will be categorized and a sub-set of at least five facilities in each category will be audited. A simple screening format is presented in the EARF for assessing the risks of small civil works and preparation of Environmental Code of Practices (ECOPS). The detailed auditing methodology and sampling approach will be developed by the Environmental Safeguards Specialist during early implementation and agreed upon with ADB prior to the audits taking place.

¹⁷ Such as, but not limited to, Chittagong Hills Track.

significant. Communications strategy and information dissemination activities (Output 3) will be designed to be inclusive and culturally appropriate, gender-sensitive, and considerate to the needs of indigenous peoples, disadvantaged, and vulnerable groups to ensure an inclusive approach, and thus are expected to be beneficial to all citizens.

62. Given the urgency of project processing under the emergency assistance lending modality, screening and social due diligences will be undertaken during early implementation stage,¹⁸ as per detailed guidance of the RIPPF. This framework will guide the borrower in screening sites for involuntary resettlement impacts¹⁹ and impacts on indigenous peoples²⁰ and provides clear eligibility criteria. In the event that any involuntary resettlement impacts or impacts on indigenous peoples are identified for a site, ADB's SPS (2009) requirements on social safeguards will be followed including preparation and implementation of a resettlement plan or indigenous peoples plan respectively. Monitoring will be conducted throughout implementation and semiannual social monitoring reports will be prepared, the requirements for which are detailed in the RIPPF.

C. Implementation Arrangement

63. The MOHFW, through the PIU, is responsible for ensuring the project's safeguards compliance by (i) ensuring that the EARF, MWMF, and RIPPF are followed throughout implementation; (ii) performing safeguards due diligences and preparing the respective safeguard documents (corrective action plans, EMPs, MWMPs, OCHSMPs, resettlement plans, indigenous peoples plans [IPPs] as applicable); (iii) overseeing their implementation; (iv) ensuring that any grievance received are addressed in a timely manner; (v) monitoring project activities for safeguards issues; and (vi) reporting on safeguards compliance to ADB.

64. In the current crisis context, MOHFW may not have sufficient capacity and resources available to effectively oversee safeguards issues; the project will therefore support MOHFW by recruiting an environmental safeguards specialist and a social safeguards specialist²¹ within the

¹⁸ According to ADB's SPS Appendix 4.

¹⁹ All sites will be screened based on involuntary resettlement screening checklists provided in the RIPPF, to establish whether the facilities are on government owned land or whether any land has been acquired for the specific facilities within the last 3 years. For the facilities where there was no land acquisition, no further action would be required. For the facilities where recent land acquisition had taken place a compliance audit by a third party (Social Safeguards consultant to be recruited as part of this project) will be needed to establish that there are no issues that could be non-compliant with SPS, SR II. Supporting documentation such as legal documents, maps, photos, Google Earth images, etc. can be used. For such sites where this rapid audit indicates issues non-compliant to SPS, SR II, such legacy issues as non-payment of compensation, forceful eviction, on-going legal cases etc. a comprehensive audit will be required that would assess the overall involuntary resettlement policy compliance. Such compliance audit will be undertaken by the social safeguards expert contracted for the project. In such cases, following the compliance audit outcomes, corrective action plans are prepared and implemented. In case, there are unanticipated involuntary resettlement impacts requiring land acquisition and/or physical displacement, a resettlement plan compliant to SPS will be prepared and implemented.

²⁰ A first screening will be performed at national level to demarcate areas with indigenous people communities for further due diligence for indigenous peoples safeguards. Subsequently, any project existing facility within indigenous peoples areas will be screened based on indigenous peoples screening checklists provided in the RIPPF, to assess the significance of impacts. Where presence of indigenous peoples within the project's area of influence is confirmed, site-specific audits of the existing facilities will be performed by a third party (Social Safeguards consultant recruited within this project). In case of non-compliance with SR III, a satisfactory corrective action plan will be prepared and implemented. As it is anticipated that the main indigenous peoples issues during implementation will be related to ensuring equal access to the project facilities and services and inclusive targeting by the communication campaigns (including communication in local languages, cultural sensitivity etc.), an IPP commensurate to impacts will be prepared that will include an Action Plan with budget support.

²¹ Terms of reference can be found in Appendix D.

PIU to manage all environmental and social safeguards issues, reporting to the project director. These two specialists will have overall responsibility for safeguards screening, implementation, monitoring and reporting, while the project director will be accountable for the project's overall compliance during implementation. Safeguards documents will be reviewed and approved by the executing agency/implementing agency and ADB. The PIU will also obtain all clearances and fulfill any government safeguards-related requirements as applicable. The safeguards specialists will work in close collaboration with the 8 division-level project coordinators, as well as government representatives within the various coordination committees at divisional, district, city corporation and *upazila* levels, and defined project focal points at each site covered by the project and will coordinate with other relevant government departments to consult and/or obtain endorsement if necessary. Institutional roles and responsibilities are further detailed in the EARF and RIPPF.

65. The project will make necessary budget available²² to fully implement all safeguards management plans and the safeguards specialists within the PIU will ensure that appropriate plans are incorporated into the bidding documents. Construction contractors, communications service providers, etc., will be responsible for implementing the stipulated mitigation measures defined in the EMPs, MWMPs, OCHSMPs, ECOPs, IPPs during the construction period.

D. Public Consultation and Dissemination of Information

66. MOHFW and DGHS will engage stakeholders through meaningful consultations during the preparation of the IEEs, EMPs, resettlement plans, IPPs, as applicable, and the process of consultations will continue, as appropriate, during project implementation. A stakeholder engagement plan will be finalized during implementation. Considering limited mobility due to the highly contagious nature of COVID-19, further guidance on means to ensure meaningful public consultations for safeguards screenings and information dissemination is provided in the EARF and RIPPF.²³ Public concerns will be exhaustively documented and duly addressed during implementation by the contractors and the government, and will be documented through thorough monitoring.

67. For consultations involving indigenous peoples, locally available, suitable persons will be sought to support or undertake such consultations and adopt a culturally sensitive communication approach, in a language that is easily understandable by the communities. The same will apply for information dissemination regarding COVID-19 screening, health practices, and access to treatment as well as community surveillance activities.²⁴ A grievance redress mechanism (GRM) will be put in place, easily accessible, transparent, understandable to all beneficiaries including indigenous peoples, culturally-appropriate, gender-responsive and specifically tailored to the

²² In particular, regarding the MWMP, capacity building, development of waste management processes following international good practices, and procurement of waste treatment equipment such as autoclaves or incinerators is included under the project. Regarding the IPP, budget support will have to be allocated to preparing community awareness programs on preventive measures, building community capacity for community surveillance, resource persons/ communication facilitators etc.

²³ Organization of consultations in smaller groups observing social distancing and the use of modern communications technology are explored in further details in the EARF and IRPPF.

²⁴ The project will ensure that any communication strategy on COVID-19 screening, health practices, and access to treatment, will be inclusive, in particular communicated to indigenous peoples through means of communication readily available to them and commonly used by them, as well as in a language readily understandable to them. Similarly, for community surveillance activities, a communication strategy will be prepared to explain why surveillance is necessary, what it involves, how it should be done and how community can use its own authority to make community members comply.

context of this emergency situation,²⁵ to receive and resolve complaints in a time-bound and transparent manner. Affected peoples will be made aware of the existence of the GRM and how it works through consultations as well as a broader communication strategy; the safeguard specialists will monitor and report on grievances received and ensure that they are duly addressed. Further guidance for setting up the GRM is detailed in the EARF and RIPPF.

E. Capacity Building

68. The government's capacity on safeguards will be strengthened by environmental and social safeguards specialists within the PIU. Under Output 3, training will be provided to relevant personnel of project-supported facilities on medical waste management, including waste segregation at source and proper disposal, storage and treatment. Capacity building on community surveillance and stakeholder communication are also provided under Output 3.

F. Prohibited Investment Activities

69. Pursuant to ADB's SPS (2009), ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Appendix 5 of the SPS (2009).

VIII. GENDER AND SOCIAL DIMENSIONS

70. **Gender.** The project is categorized as effective gender mainstreaming (EGM) based on the Guidelines for Gender Mainstreaming Categories of ADB Projects (2012). Given that majority of health workers are women, COVID-19 puts women at a higher risk. Furthermore, women are affected more as primary care givers of family members including patients. They will continue to carry the burden of unpaid care work and the additional stress will put women in a more vulnerable position vis-à-vis their families and communities at large. Furthermore, female health workers and frontline response workers will be affected more as they will have specific needs beyond protective gear such as menstrual hygiene and transportation needs that will have to be considered. Even though the current numbers of infected are not pointing towards any disproportionate effect on women patients, there will be issues of women patients needing special care. A pandemic such as COVID-19 is bound to cause additional stress, anxiety and fear. Sources of stress at the household level may arise as children stay at home and create competing demands for time and income decrease due to job loss or wage cuts. The pandemic can also increase fear from lack of information. Furthermore, with school closures, and family members falling sick, the burden of care is likely to fall on women. Domestic violence may increase with stress and anxiety. The gender action plan is in Table 14.

²⁵ In particular through the use of modern technology and leveraging existing platforms.

Table 14: Gender Action Plan

| Activity | Indicator/Targets | Responsibility | Timeline |
|---|---|---|-----------------|
| Output 1: Immediate and medium-term equipment needs for testing and managing COVID-19 met | | | |
| 1. Ensure personal protective equipment (PPE) and other protective and hygiene products and gears are designed to address women's sizes and needs | <ul style="list-style-type: none"> PPE of women and men include products or gears responding to their distinct sizes Other products identified based on needs of female health workers will be considered at project onset [incl. menstrual hygiene products (e.g., sanitary napkins, disposable sanitized underwear)]. | Directorate General of Health Services (DGHS) | Q3 2020 onwards |
| 2. Provide protective gear to emergency response teams and health workers. | <ul style="list-style-type: none"> All women health workers and all women emergency response team workers | | |
| Output 2: Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered | | | |
| 3. Designate isolation sections for women | <ul style="list-style-type: none"> Separate isolation units for women and men to be established | DGHS | Q3 2020 onwards |
| Output 3: Health system and community capacities in combatting COVID-19 are strengthened | | | |
| 4. Recruit equitable number of women health professionals and technical staff | <ul style="list-style-type: none"> 30% of all health professional and staff recruited are women. | DGHS | Q3 2020 onwards |
| 5. Women health professional trained and practicing acquired skills and knowledge ²⁶ . | <ul style="list-style-type: none"> 50% of all health professional trained are women | | |
| 6. Develop gender sensitive monitoring and evaluation (M&E) tools. | <ul style="list-style-type: none"> Data on COVID-19 outbreak and beneficiaries of emergency response disaggregated by sex and age;²⁷ | | |
| 7. Develop a COVID-19 Risk Communication Strategy. | <ul style="list-style-type: none"> Gender sensitive Risk Communication Strategy developed;²⁸ Information on COVID-19 infections, prevention measures, healthy parenting, stress and anger management, and constructive conflict resolution provided to communities (through social media and radio) in Bangla. | | |
| 8. Develop and implement: (a) community participation plan; and (b) media plan for combatting COVID-19. | <ul style="list-style-type: none"> Community participation plan with gender-related activities developed in consultation with identified stakeholders²⁹ Media plan developed and implemented CBOs, women's organizations, and NGOs actively participated in combatting COVID-19 | | |

Source: Asian Development Bank.

²⁶ Gender target to be confirmed during the inception mission.

²⁷ Suspected cases of COVID-19 reported and investigated per approved protocols; mortality rates, disaggregated by sex.

²⁸ Gender considerations will inform the following five steps for the development of the risk communication strategy: analysis; strategic design; message and material development, pre-testing and production; management, implementation, monitoring; and evaluation.

²⁹ Community-based and women's non-government organizations (CBOs/NGOs).

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A. Project Design and Monitoring Framework

71. The design and monitoring framework for the project is in Appendix A.

B. Monitoring

72. **Project performance monitoring.** Overall monitoring of each project component in terms of progress will be undertaken by the government, which will review monthly progress reports submitted by the PIU. The concerned line ministries, acting on behalf of the government, will monitor progress, procurement, quality, and contract management. In addition, ADB will undertake regular site visits and provide guidance to the project director, and to project consultants. ADB and the PIU will conduct semiannual reviews throughout the implementation of the project and will regularly monitor the (i) project output quality, (ii) implementation arrangements, (iii) implementation progress, and (iv) disbursements. Performance will be monitored based on indicators and targets stipulated in the design and monitoring framework. Disaggregated baseline data for output and outcome indicators gathered during project processing will be updated and reported quarterly through the PIU's quarterly progress reports to ADB and after each ADB review mission. These quarterly reports will provide information necessary to update ADB's project performance reporting system.³⁰ An indicative progress report format is attached at Appendix F.

73. **Compliance monitoring.** The loan agreement specifies the undertakings and covenants that will be monitored through regular review missions and on a quarterly basis in discussion with the executing/implementing agency. Compliance with undertakings and loan covenants, social and environmental safeguards, and financial and economic aspects will be jointly monitored by ADB and the executing agency/implementing agency.

74. **Safeguards monitoring.** MOHFW, through the environmental and social safeguards specialists recruited in the PIU, will be the responsible for environmental and social safeguard monitoring to ensure the requirements set forth in the EARF, MWMF, and RIPPF are complied with. The effectiveness of the mitigation measures will be evaluated through monitoring and reporting, and periodic review missions of ADB. The monitoring shall also reflect any grievances received and ways they were addressed. PIU will prepare the semiannual environmental monitoring reports (EMR) and combined semiannual monitoring report on IR/IP safeguards and submit them to ADB for appraisal and disclosure until the issuance of project completion report. The requirements for EMR are provided in the EARF while requirements for the combined IR/IP monitoring report are found in the RIPPF. During construction, contractors will conduct internal environmental management monitoring and submit monthly site-specific EMP implementation reports to the PIU.

75. **Gender and social dimensions monitoring.** Gender and social data will be monitored, collated and analyzed to provide an indication of change in the life of beneficiaries, which in turn will be important for recording the outputs and performance of the project. In addition, the inclusion and compliance with labor standards, health and gender aspects will be monitored through review of bidding documents, contract awards, and progress reports.

³⁰ ADB's project performance reporting system is available at <http://www.adb.org/Documents/Slideshows/PPMS/default.asp?p=evaltool>

C. Evaluation

76. An ADB inception mission will be fielded within 3 months after the loan and project agreements for the project are declared effective; thereafter ADB will conduct regular semiannual review missions to review, discuss progress, and report on the project performance. As necessary, special loan administration missions and a midterm review mission will be fielded, under which any changes in scope or implementation arrangement may be required to ensure the achievement of project objectives. Within 6 months of physical completion of the project, the MOHFW will submit a project completion report to ADB.³¹

77. A consolidated midterm analysis report will be prepared and disseminated during the midterm review mission, expected in April 2021.

D. Reporting

78. The MOHFW will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system, no later than 45 days after end of each quarter. The quarterly progress reports should include financial and disbursement report, deviation analysis of physical and financial progress, details of utilization of funds and reconciliation with ADB loan financial information system (LFIS); (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) updated procurement plan, and (d) updated implementation plan for the next 12 months; and (iii) a project completion report within 6 months of physical completion of the project. To ensure that projects will continue to be both viable and sustainable, project accounts and the executing agency audited financial statement, together with the associated auditor's report, should be adequately reviewed.

E. Stakeholder Communication Strategy

79. The project will be informed by the principles of transparency and accountability set out in the ADB Public Communications Policy, 2011 and adopt a communications strategy to ensure that: (i) information on the project reaches all people concerned; and (ii) opportunities for stakeholders to contribute to project design and implementation are maximized. Special attention will be paid to indigenous peoples. Despite the emergency nature of the project, the ADB reached out to relevant government agencies, executing agency/implementing agency, development partners (including nongovernment organizations). Consultation and participation approaches have been incorporated, as feasible in the relevant Gender Action Plan and social safeguards documents, which will be available to the public and posted online.

80. Project information will be shared with relevant stakeholders using appropriate tools and language. Information bulletin boards, leaflets, project briefs in Bangla, including timetable, status, and implementation progress, will be posted -as needed- on relevant websites and disseminated. The project progress, benefits and lessons learnt will be shared. Specifically, the stakeholder communications strategy of the project will include the following approaches:

- (i) The government will cause the executing agency/implementing agency to ensure that all project staff are fully aware of—and capable of explaining to stakeholders—the ADB procedures, including, but not limited to, procedures for implementation,

³¹ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>

- procurement, use of consultants, disbursements, reporting, monitoring, and prevention of fraud and corruption;
- (ii) The implementing agency will disclose key project information on their website, including the scope, cost, and financial and institutional arrangements of the project, project safeguard reports such as IEE and resettlement plans, and project progress such as procurement, contract award and disbursement and disclose the audited financial project financial statements. The website will provide the contact details of PIU staff in English and Bangla and will link to ADB's Integrity Unit website at <http://www.adb.org/Integrity/complaint.asp> for reporting grievances or allegations of corrupt practices arising out of the project and/or project activities.

X. ANTICORRUPTION POLICY

81. ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the project.³² All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all project contractors, suppliers, consultants, and other service providers. Individuals and/or entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the project.³³

82. To support these efforts, relevant provisions are included in the loan agreement and the bidding documents for the project.

83. Project-specific measures to enhance governance and prevent corruption, designed with the stages of project implementation and the disbursement chain in mind, include (i) the requirement for the PIU to follow government's procedure for all expense and revenue items including cash and the proper and accurate maintenance of financial records; (ii) establishing a project website to provide transparency on project details; and (iii) adhering to the risk assessment and risk mitigation plan.

XI. ACCOUNTABILITY MECHANISM

84. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make an effort in good faith to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.³⁴

XII. RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

85. The first draft of the PAM was agreed upon at loan negotiations in May 2020. All revisions/updates including the revision to contract awards and disbursement S-curves during the course of the project implementation will be recorded as below.

³² Anticorruption Policy: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>

³³ ADB's Integrity Office web site: <http://www.adb.org/integrity/unit.asp>

³⁴ Accountability Mechanism: <http://www.adb.org/Accountability-Mechanism/default.asp>.

| | Date | Revisions |
|-----------------|-------------|------------------|
| First revision | | |
| Second revision | | |

APPENDIX A
DESIGN AND MONITORING FRAMEWORK

Impact the Emergency Assistance Loan is Aligned with: Accelerated social and economic recovery of the COVID-19 affected population in Bangladesh. (*National Preparedness and Response Plan for COVID-19, Bangladesh, Version 5, March 2020*).^a

| Results Chain | Performance Indicators with Targets and Baselines | Data Sources and Reporting Mechanisms | Risks |
|---|---|---------------------------------------|--|
| Outcome: Health and wellbeing of COVID-19 affected persons improved. | a. By 2023, 65% of suspected domestic COVID-19 cases reported and investigated ^b as per MOHFW guidelines, with sex- and age disaggregated data (March 2020 baseline: 0) | a. MOHFW/ DGHS/IEDCR and PIU | Disease transmission patterns or severity could suddenly accelerate, which could overwhelm system capacity and invalidate all reasonable planning assumptions. |
| Output 1. Immediate and medium-term equipment needs for testing and managing COVID-19 met. | 1a. By May 2023, emergency equipment and personal protective equipment for managing COVID-19 outbreak procured and distributed to national and district health facilities ^c (March 2020 baseline: 0). | 1a. MOHFW/ DGHS and PIU | The pandemic's prolonged impact on supply chains could delay procurement and installation of infrastructure and equipment. |
| Output 2. Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered. | For screening 2a. By May 2022, at least 80% of selected points-of-entry ^d upgraded and fully functional for screening and identifying cases of COVID-19 as per MOHFW guidelines/standards. (March 2020 baseline: 0 points-of-entry) | 2a–2c. MOHFW/ DGHS and PIU | |
| | For prevention 2b. By December 2021, at least 17 of 37 medical college hospitals equipped with isolation units. (xx isolation units for women; and xx isolation units for men) ^e (March 2020 baseline: 0 facilities) | | |
| | For treatment 2c. By May 2021, at least 17 of 37 medical college hospitals equipped with critical care units. (March 2020 baseline: 0 facilities) | | |
| | For testing 2d. By May 2022, at least 19 laboratories upgraded with COVID-19 microbiological diagnostic facilities with testing capacity of xx per day ^f per facility, as per MOHFW guidelines (17 April 2020 baseline: 17 laboratories for testing but not upgraded, ^g) | 2d. MOHFW/ IEDCR and PIU | |
| Output 3. Health system and community capacities | 3a. By April 2021, at least xx health professionals and technical staff recruited (including at least 30% eligible women) ^h | 3a. MOHFW/ DGHS and PIU | Potential unrest may cause disruption of |

| Results Chain | Performance Indicators with Targets and Baselines | Data Sources and Reporting Mechanisms | Risks |
|--------------------------------------|---|---|-------------|
| in combatting COVID-19 strengthened. | (March 2020 baseline: 0) | | activities. |
| | 3b. By May 2022, at least 3,500 health professionals (including at least 50% eligible women) trained and practicing acquired skills and knowledge (March 2020 baseline: 0 staff trained) | 3b. MOHFW/ DGHS and PIU, Post training skills test for trainees | |
| | 3c. By April 2021, at least 2 operational researches completed on COVID-19 testing and case treatment. (March 2020 baseline: research not in place) | 3c. MOHFW/ IEDCR and PIU | |
| | 3d. By May 2023, inclusive and gender responsive COVID-19 risk communication strategy and plan developed and implemented in at least x% districts. ⁱ (March 2020 baseline: not developed or implemented) | 3d. MOHFW/ DGHS and PIU | |

Key Project Activities:
1. Immediate and medium-term equipment needs for testing and managing COVID-19 met:

1.1. Procure and deliver immediate and medium-term equipment for first response, as identified by MOHFW (March 2021).

2. Infrastructure and related equipment for supporting and sustaining prevention and management of COVID-19 delivered:

2.1. Prepare bid documents and commence bidding for infrastructure and logistics (July 2020).

2.2. Put supervision and monitoring measures in place (August 2020).

2.3. Ensure that technical norms and guidelines set by MOHFW are met (July 2020—October 2022).

3. Health system and community capacities in combatting COVID-19 strengthened:

3.1. Prepare bid documents and commence bidding (July 2020).

3.2. Put supervision and monitoring measures in place (August 2020).

Project management activities:

Establish PIU at DGHS (April 2020).

Recruit necessary consultants for construction supervision and project management (June 2020).

Establish monitoring and evaluation system (June 2020).

Establish a mechanism of regular reviews (June 2020).

Financing Plan

ADB: \$100 million (OCR concessional loan)

Government: \$13.38 million

Assumptions for Partner Financing

Not applicable.

ADB = Asian Development Bank; COVID-19 = coronavirus disease; DGHS = Directorate General of Health Services; IEDCR = Institute of Epidemiology, Disease Control and Research; MOHFW = Ministry of Health and Family Welfare; OCR = ordinary capital resources; PIU = project implementation unit.

^a Government of Bangladesh. 2020. Ministry of Health and Family Welfare. *National Preparedness and Response Plan for COVID-19, Bangladesh, Version 5, March 2020*. Dhaka.

^b Investigation of COVID-19 cases means contract tracing, management of cases and contacts, and collection and testing of specimen as defined by World Health Organization.

^c The list of national and district health facilities to be determined during the inception mission.

^d Points of entry to be selected during inception mission.

^e To be determined during inception.

^f Testing capacity per day to be defined during the inception mission.

^g Source for number of laboratories: Government of Bangladesh, 17 April 2020.

^h The number health professionals and other staff to be recruited and gender targets to be confirmed during the inception mission.

ⁱ Target districts to be determined during the inception mission.

Contribution to the ADB Results Framework (to be determined).

Source: Asian Development Bank.

APPENDIX B ACTIVITIES SELECTION CRITERIA

Each activity will be appraised and selected by the Executing Agency. The activities will fulfill the following selection criteria:

- (i) Will have direct impact on the lives of the people;
- (ii) Will not duplicate activities funded by other partners;
- (iii) Will address the needs identified under the following pillars of the Country Preparedness and Response Plan (CPRP) for COVID-19: (i) surveillance and laboratory support; (ii) contact tracing and points of entry (POE); (iii) case management and infection prevention and control; (iv) risk communication and awareness and community engagement; and (v) logistics and procurement;
- (iv) Will be technically and economically viable;
- (v) Will comply with ADB's SPS 2009 safeguards requirements for the environment, involuntary resettlement and indigenous people as well as with the detailed safeguards selection criteria provided in the environmental assessment and review framework (EARF) and the resettlement and indigenous peoples planning framework (RIPPF)¹;
- (vi) Will have an implementation period not extending beyond the project closing date.

¹ Activities ranked as category A for environmental impacts, category A and B for resettlement impacts, and category A for impacts on indigenous peoples will be excluded. Activities described in ADB's Prohibited Investment Activities List will also be excluded. Activities selection will comply with the selection criteria and guidelines provided in the environmental assessment and review framework (EARF) and the resettlement and indigenous peoples planning framework (RIPPF).

APPENDIX C
AUDITED PROJECT FINANCIAL STATEMENTS (APFS)
INDICATIVE STATEMENT OF AUDIT NEEDS (AUDITOR'S TERMS OF REFERENCE²)

I. Introduction

1. The COVID-19 Response Emergency Assistance Project will be implemented over a period of 2 years and the loan will close by October 2022. The Health Services Division (HSD) of the Ministry of Health and Family Welfare (MOHFW) will be the executing agency and the Directorate General of Health Services (DGHS) will be the implementing agency. A project implementation unit (PIU) will be established within DGHS. A project director and a deputy project director will be appointed to oversee the ADB project. The PIU will provide the technical, administrative, and logistical support required for implementation, supported by consultants, as necessary. A project steering committee (PSC), comprising relevant government officials, will be established by the MOHFW, and chaired by the Secretary of the Health Services Division (HSD) of MOHFW.

2. The DGHS/MOHFW through its PIU will prepare consolidated project financial statements in accordance with the *Bangladesh Financial Procedures and Accounting Procedures – cash basis of accounting*, which are consistent with *International Accounting Standards*. The financial statement will include at least the following:

- (i) Statement of cash receipts and payments; showing the funds received by each funding source (ADB loan, Government of Bangladesh, etc.) and expenditures incurred by expenditure category for the current year, prior year and cumulative from inception to date;
- (ii) Statement of budget vs actual expenditures; Any significant variance must be sufficiently explained in the notes;
- (iii) Statement of Advance account reconciliation for the advance account;
- (iv) Statement of disbursement with a breakdown for each funding source;
- (v) Detailed notes to the financial statements including significant accounting policies. The notes of the financial statements must provide a detailed breakdown of at least the following:
 - a. Funds received from the government during the current year, previous year and cumulative to date,
 - b. A list of withdrawal applications submitted to - and the amounts paid by ADB as follows: (i) financing source, (ii) withdrawal application number, (iii) the amount claimed and currency, (iv) period when expenditures were incurred, (v) date submitted, (vi) disbursement method, (vii) the amount disbursed by ADB, and (viii) the exchange rate as applicable.

3. The expenditure categories and outputs used in the financial reports will be aligned with the structure outlined in the Project Administration Manual. According to ADB's audit requirements, the project must be audited annually and the audit report and the management letter must be submitted to ADB within 6 months after the end of each fiscal year. The final audit

² This statement of audit needs was developed to guide project teams and executing and implementing agencies in communicating the Asian Development Bank's (ADB) auditing requirements to private auditors. This statement of audit needs may also be used as a guide when communicating auditing requirements with supreme audit institutions, where applicable.

must cover all project expenditures up to the loan closing date and all withdrawal applications submitted to ADB.

II. Management Responsibility for Preparing Project Financial Statements

5. Management is responsible for preparing and fairly presenting the project financial statements, and for maintaining sufficient internal controls to ensure that the financial statements are free from material misstatement, whether due to fraud or error. In addition, management is responsible for ensuring that funds were used only for the purpose(s) of the project, for compliance with financial covenants (where applicable), and for ensuring that effective internal controls, including over the procurement process, are maintained. *[In this regard, management must:*

- (i) Prepare and sign the Project Financial Statements.
- (ii) Prepare and sign a Statement of Compliance.

6. Management must include the following in the Statement of Compliance:

- (i) That project financial statements are free from material misstatements including omissions and errors, and are fairly presented;
- (ii) That the borrower or executing agency has utilized the proceeds of the loan only for the purpose(s) of the project;
- (iii) That the borrower or executing agency was in compliance with the financial covenants of the legal agreement(s) (where applicable);
- (iv) That the advance fund procedure, where applicable, has been operated in accordance with the Asian Development Bank's (ADB) Loan Disbursement Handbook;
- (v) That adequate supporting documentation has been maintained to authenticate claims stated on the statement of expenditures (SOE), where applicable, for reimbursement of eligible expenditures incurred and liquidation of advances provided to the advance account; and
- (vi) That effective internal control, including over the procurement process, was maintained.

III. Objectives

9. The objectives of the audit of the project financial statements is to enable the auditor to (i) express an independent and objective opinion as to whether the project financial statements present fairly, in all material respects, or give a true and fair view of the project's financial position, its financial performance and cash flows, and (ii) provide a reasonable assurance opinion over certain specific representations made in the Statement of Compliance. *(please refer to para. 10).*

IV. Auditing Standards

8. The audit is required to be conducted in accordance with *International Standards on Auditing (ISA)*. These standards require that the auditor comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the project financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the project financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the project financial statements whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation and fair presentation of the project financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the project financial statements.

9. The standards to be applied will be documented in the project/loan documents, and will include *Standards promulgated by the International Auditing and Assurance Standards Board (IAASB)*:

1. *International Standards on Auditing (ISA); and*
2. *International Standards on Assurance Engagements (ISAE).*

10. In complying with ISA, the auditor will pay particular attention to the following standards:

- (i) ISA 240/ISSAI 1240 – The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements.
- (ii) ISA 250/ISSAI 1250 – Consideration of Laws and Regulations in an Audit of Financial Statements.
- (iii) ISA 260/ISSAI 1260 – Communication with Those Charged with Governance.
- (iv) ISA 265/ISSAI 1265 – Communicating Deficiencies in Internal Control To Those Charged with Governance and Management.
- (v) ISA 330/ISSAI 1330 – The Auditor's Responses to Assessed Risks.

V. Project Financial Reporting Framework

11. The auditor will verify that the project financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) cash basis or national equivalent accounting standards. The executing agency and/or implementing agency are responsible for preparing the project financial statements, not the auditor.

VI. Audit Deliverables

A. Audited Project Financial Statements

12. An auditor's opinion providing reasonable assurance over the project financial statements, and project financial statements comprising the following:

- (i) Statement of cash receipts and payments; showing the funds received by each funding source (ADB loan, Government of Bangladesh, etc.) and expenditures incurred by expenditure category for the current year, prior year and cumulative from inception to date;
- (ii) Statement of budget vs actual expenditures; Any significant variance must be sufficiently explained in the notes;
- (iii) Statement of Advance account reconciliation for the advance account;
- (iv) Statement of disbursement with a breakdown for each funding source;
- (v) Detailed notes to the financial statements including significant accounting policies. The notes of the financial statements must provide a detailed breakdown of at least the following:

- a. Funds received from the government during the current year, previous year and cumulative to date,
- b. A list of Withdrawal applications submitted to - and the amounts paid by ADB as follows: i) financing source ii) WA number, iii) the amount claimed and currency, iv) period when expenditures were incurred, v) date submitted, vi) disbursement method, vii) the amount disbursed by ADB and viii) the exchange rate as applicable.

B. Reasonable Assurance Opinion over the Use of Loan Proceeds and Compliance with Financial Covenants

13. The auditor will provide a reasonable assurance opinion following *[ISAE 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” or ISSAI 4200 “Compliance Audit Related to the Audit of Financial Statements”]* for the following confirmations provided by Management in the Statement of Compliance:

- (i) That the proceeds of the loan were used only for the purpose(s) of the project; and
- (ii) That the borrower or executing agency was in compliance with the financial covenants of the legal agreement(s), where applicable.

14. The auditor will outline the degree of compliance for each of the financial covenants in the loan agreement.

C. Management Letter

15. The auditor will provide a management letter containing, at a minimum, the following:
- (i) Any weaknesses in the accounting and internal control systems that were identified during the audit, including any irregularity in the use of the advance fund and statement of expenditures (SOE) procedures (where applicable);
 - (ii) Any identified internal control weaknesses related to the procurement process such as, over the bidding, evaluation and contract management domains;
 - (iii) Recommendations to rectify identified weaknesses;
 - (iv) Management’s comments on the audit recommendations along with the timeframe for implementation;
 - (v) The status of significant matters raised in previous management letters;
 - (vi) Any other matters that the auditor considers should be brought to the attention of the project’s management; and
 - (vii) Details of any ineligible expenditure³ identified during the audit. Expenditure is considered ineligible if it refers to (i) expenditures incurred for purposes other than the ones intended under the legal agreement(s); (ii) expenditures not allowed under the terms of the legal/financing agreements; and (iii) expenditures incurred in violation of applicable government regulations.

D. Specific Considerations

16. The auditor will, during the course of the audit, pay particular attention to the following:

³ If the auditor reports any ineligible expenditure in the management letter, the details of the findings should include the funding source to which the observation relates.

- (i) The use of external funds in accordance with the relevant legal and financing agreements;
- (ii) The provision of counterpart funds in accordance with the relevant agreements and their use only for the purposes intended;
- (iii) The maintenance of proper books and records;
- (iv) The existence of project fixed assets and internal controls related thereto;
- (v) Where the audit report has been issued under ISA 800 or ISSAI 1800, it shall include the mandatory Emphasis of Matter paragraph alerting users of the audit report that the project financial statements are prepared in accordance with a special purpose framework and that, as a result, the project financial statements may not be suitable for another purpose. The auditor shall include this paragraph under an appropriate heading;
- (vi) Where reasonable assurance has been provided using ISAE 3000 or ISSAI 4200, the assurance report must contain, among others:
 - A statement that the engagement was performed in accordance with ISAE 3000 or ISSAI 4200;
 - Subject matter;
 - Criteria for measurement;
 - A summary of the work performed; and
 - The auditor's conclusion.
- (vii) On the advance fund procedure (where applicable), audit procedures are planned and performed to ensure (a) the advance account (and any sub-accounts) has been managed in accordance with ADB's Loan Disbursement Handbook, (b) the cash balance of the advance account (and any sub-accounts) is supported by evidence, (c) the expenditures paid from the advance account (and any sub-accounts) comply with the approved project purpose and cost categories stipulated in the loan agreement, and (d) the amount of expenditures paid from the advance account (and any sub-accounts) comply with disbursement percentages stipulated in the loan agreement;
- (viii) Adequate supporting documentation has been maintained to authenticate claims stated in the SOE for reimbursement of eligible expenditures incurred and liquidation of advances provided to the advance account (where applicable);
- (ix) On the SOE procedure (where applicable), audit procedures are planned and performed to ensure that (a) the SOEs have been prepared in accordance with ADB's Loan Disbursement Handbook, (b) the individual payments for expenditures stated in the SOE are supported by evidence, (c) the expenditures stated in the SOEs comply with the approved project purpose and cost categories stipulated in loan agreement, and (d) the amount of expenditures stated in the SOEs comply with disbursement percentages stipulated in the loan agreement; and
- (x) Any weaknesses in internal controls over the procurement process.

17. All reports must be presented in the English language within 6 months following the end of the fiscal year.

18. Public disclosure of the project financial statements, including the auditor's opinion on the audited project financial statements, will be guided by ADB's Public Communications Policy (2018). After review, ADB will disclose the audited project financial statements and the opinion of the auditor on the audited project financial statements no later than 14 calendar days of ADB's

confirmation of their acceptability by posting them on ADB's website. The management letter and the additional auditor's opinions will not be disclosed⁴.

VII. Other Matters

A. Statement of Access

19. The auditor will have full and complete access, at all reasonable times, to all records and documents including books of account, legal agreement(s), bank records, invoices and any other information associated with the project and deemed necessary by the auditor.

20. The auditor will be provided with full cooperation by all employees of [XYZ] and the project implementing units, whose activities involve, or may be reflected in, the annual project financial statements. The auditor will be assured rights of access to banks and depositories, consultants, contractors and other persons or firms hired by the employer.

B. Independence

21. The auditor will be impartial and independent from any aspects of management or financial interest in the entity or project under audit. In particular, the auditor should be independent of the control of the entity. The auditor should not, during the period covered by the audit, be employed by, or serve as director for, or have any financial or close business relationship with the entity. The auditor should not have any close personal relationships with any senior participant in the management of the entity. The auditor must disclose any issues or relationships that might compromise their independence.

C. Auditor Experience

22. The auditor must be authorized to practice in the country and be capable of applying the agreed auditing standards. The auditor should have adequate staff, with appropriate professional qualifications and suitable experience, including experience in auditing the accounts of projects or entities comparable in nature, size and complexity to the project or entity whose audit they are to undertake. To this end, the auditor is required to provide curriculum vitae (CV) of the personnel who will provide the opinions and reports, together with the CVs of managers, supervisors and key personnel likely to be involved in the audit work. These CVs should include details of audits carried out by these staff, including ongoing assignments.

⁴ This type of information would generally fall under public communications policy exceptions to disclosure. ADB. 2011. *Public Communications Policy*. Paragraph 97(iv) and/or 97(v).

APPENDIX D PROCUREMENT PLAN

| Basic Data | | |
|--|--|--------------------------|
| Project Name: COVID-19 Response Emergency Assistance | | |
| Project Number: 54173-001 | Approval Number: TBD | |
| Country: Bangladesh | Executing Agency: Health Services Division (HSD), Ministry of Health and Family Welfare (MOFHW) | |
| Project Procurement Classification: A | Implementing Agency: | |
| Procurement Risk: High | Directorate General Health Services (DGHS), Ministry of Health and Family Welfare (MOFHW) | |
| Project Financing Amount: \$100,000,000 ADB Financing: \$100,000,000 Co-financing (ADB Administered): \$0 Non-ADB Financing: \$13,380,000 | Project Closing Date: 31 October 2023 | |
| Date of First Procurement Plan {loan approval date}: | Date of this Procurement Plan: 9 April 2020 | |
| Procurement Plan Duration: 18 months (1 May 2020–31 Oct 2021) | Advance contracting: Yes | e-GP: Yes (as indicated) |

A. Methods, Review and Procurement Plan

Except otherwise the Asian Development Bank (ADB) may agree, the following methods shall apply to procurement of goods, works, non-consulting and consulting services. Procurement following direct contracting (DC) method will be subject to prior review by ADB; first package of all other methods of procurement will be prior reviewed by ADB and subsequent packages will be subject to post-review sampling unless otherwise indicated and agreed in the procurement plan by revision/update during implementation.

| Procurement of Goods, Works, Non-consulting Services | |
|---|---|
| Method | General Guidance |
| Open Competitive Bidding (OCB) with national or international advertisement for Goods | Significant numbers of local suppliers particularly Medical equipment suppliers available in the country and the market is competitive. First package and some selected high value contracts subject to prior review. All other packages are subject to post-review sampling. |
| Limited Competitive Bidding (LCB) for Goods | For urgently needed goods, such as: PPEs, medical equipment/ supplies etc. |
| Framework Agreements (FA) for Goods | For engaging multiple contractors, suppliers, or service providers, when appropriate. |
| Request for Quotation (RFQ) for Goods | For high value RFQ: Goods needed immediately may be procured using international and/or national request for quotations subject to prior review by ADB. For readily available goods of small value and standard specifications. First package will be prior reviewed. All other packages are subject to post review sampling. |
| Open Competitive Bidding (OCB) with national advertisement for Works | Adequate number of construction firms exist in the country with the required 'know-how' and expertise in construction of building and execution of large value contracts. The construction materials are also locally available, and the market is competitive. First package and some selected high value contracts subject to prior review. All other packages are subject to post-review sampling. |
| Request for Quotation (RFQ) for Works | For refurbishing, renovation of small value construction works. First package will be prior-reviewed, and all other packages are subject to post-review sampling. |
| Direct Contracting (DC) | Due to emergency, direct contracting with manufacturer and supplier with stock (ready to deliver within 2-4 weeks) and direct contracting with UN Agencies, when |

| Procurement of Goods, Works, Non-consulting Services | |
|--|---|
| Method | General Guidance |
| | available, will be considered. Subject to ADB's prior review. |
| Force Accounts (FC) for Works | For urgent refurbishing and renovation of facilities done by IAs or any other government agency with delegation of EA. Subject to ADB's prior review. |
| Open Competitive Bidding (OCB) with national advertisement for non-consulting services | Adequate number of service providers exist in the country with skilled manpower, resources and experiences in providing services. First package will be prior-reviewed, and all other packages are subject to post-review sampling. |
| Request for Quotation (RFQ) for non-consulting services | For delivery of small value services, such as: developing mobile apps, short term services, broadband internet connectivity, networking services, safety and security services, support services during project period etc. |

| Procurement of Consulting Services | |
|--|--|
| Method | General Guidance |
| Open Competitive Bidding (OCB) with national or international advertisement for consulting services by Firm(s): QCBS (Quality and Cost-Based Selection), CQS (Consultants' Qualifications-based Selection) | A number of service providers available in the country with the required know-how and expertise in providing services. Firms with international experience may also be needed. Subject to ADB's prior review. |
| Single Source Selection | All other contracts, Prior review |
| Individual Consultant Selection (ICS) with international or national experience | For intellectual services to support implementation of the project. Subject to ADB's prior review. |

| Package Number | General Description | Estimated Value (\$) | Procurement Method | Review | Bidding Procedure | Advertisement Date | Comments |
|--|---|-------------------------------------|--|--------|-------------------|--------------------|---|
| Procurement of Goods and Related Services | | | | | | | |
| G-01 | Procurement of essential personal and protective equipment (PPEs) and supplies etc. | \$12.000 million | DC with UN Agency(ies) | Prior | - | April/May 2020 | Advertising: No No. contracts: Multiple Prequalification of bids: N Domestic preference: N Bidding document: MoU e-GP: N <u>Project Sub-component 1.1(d)</u> Advance action recommended. Retroactive financing, if eligible |
| G-02A and G-02B | Procurement of emergency medical supplies | \$30.000 million (multiple package) | OCB-I or OCB/N or RFQ DC with existing Supplier(s)/ Manufacturers | Prior | 1S-1E | April/May 2020 | Advertising: International or National (as applicable) No. contracts: Multiple Prequalification of bids: N Domestic preference: N Bidding document: MoU e-GP: N (OCB-I), Y (OCB-N) DC with existing Supplier(s)/ Manufacturers will require prior approval from ADB <u>Project Sub-component 1.1(d)</u> Advance action recommended. Retroactive financing, if eligible |

| Package Number | General Description | Estimated Value (\$) | Procurement Method | Review | Bidding Procedure | Advertisement Date | Comments |
|---|---|---|--------------------|--------|-------------------|--------------------|---|
| Procurement of Works | | | | | | | |
| W-01 | Construction/ renovation / remodelling and supply/installation of equipment at designated land ports, construction of isolation units and critical care units | \$15.156 million (multiple lots) | OCB-N/RfQ | Prior | 1S-1E | May/June 2020 | Advertising: National No. contracts: Multiple Prequalification of bids: N Domestic preference: N Bidding document: e-GP e-GP: Y *Locations for ADB funding to be confirmed. <u>Project Sub-component 1.1(c)</u> Advance action recommended. |
| Procurement of Non-consulting Services | | | | | | | |
| NCS-1 | Communicate critical risk and event information to all communities and counter misinformation for COVID-19; | \$0.589 million | RFQ | Post | 1S-1E | April 2020 | Advertisement: National No. contracts: 1 Prequalification of bids: N Domestic preference: N Bidding document: RFQ e-GP: Y (if available) <u>Project Sub-components 1.3(f), 1.3(q) & 1.3(h)</u> |
| NCS-2 | Contracting in/ Recruit all necessary HR and Training of facility support staffs | \$3.000 million (multiple lots) | OCB-N | Prior | 1S-1E | May 2020 | Advertisement: National No. contracts: 1 Prequalification of bids: N Domestic preference: N Bidding document: ADB's NCS e-GP: N <u>Project Sub-component 2.2(g)</u> |
| NCS-3 | Capacity building of Public Health Emergency Operations Center (PHEOC) following the Incidence Management System (IMS) structure at the national and sub-national level | \$0.824 million | OCB-N/RFQ | Prior | 1S-1E | May 2020 | Advertisement: National No. contracts: 1 Prequalification of bids: N Domestic preference: N Bidding document: ADB's NCS e-GP: N <u>Project Sub-component 3(a)</u> |

| Consulting Services | | | | | | | |
|---------------------|---|----------------------|------------------|--------|------------------|--------------------|--|
| Package Number | General Description | Estimated Value (\$) | Selection Method | Review | Type of Proposal | Advertisement Date | Comments |
| S-01 | Operational research | \$0.735 million | QCBS/CQS | Prior | BTP | | Multiple packages |
| IC-1 & IC-2 | Procurement Specialists (2 Persons, 20 Person-Months each) | \$0.200 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |
| IC-3 | Financial Management Consultant (1 Person, 24 Person-Months) | \$0.086 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |
| IC-4 | Social Safeguards (IP and IR) and Gender Specialist (1 Person, 5 Person-Months) | \$0.030 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |
| IC-5 | Project Management Coordinator (1 person, 20 Person-Months) | \$0.160 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |
| IC-6 & IC-7 | Civil Engineer (2 Persons, 12 Person-Month each) | \$0.154 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |
| IC-8 | Environmental Safeguards Specialist (1 person, 12 Person-Months) | \$0.060 million | ICS | Prior | Not applicable | April 2020 | Type: Individual Assignment: National |

B. List of Indicative Packages (Contracts) Required under the Project

The following table lists goods, works, non-consulting, and consulting services contracts for which the procurement activity is expected to commence beyond the procurement plan duration and over the life of the project (i.e. those expected beyond the current procurement plan's duration).

| Goods, Works and Non-consulting Services | | | | | | |
|--|--|----------------------|--------------------|--------|-------------------|----------|
| Package Number | General Description | Estimated Value (\$) | Procurement Method | Review | Bidding Procedure | Comments |
| | To be decided during project implementation. | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

APPENDIX E
OUTLINE TERMS OF REFERENCE OF CONSULTANTS

A. Consultants

The terms of reference briefly indicate the qualification and experience requirements of experts and the tasks to be performed. It is envisaged that six (6) individual consultants and one (1) firm will be engaged to assist the project implementation unit. Individual consultants will be recruited following individual consultant selection method. Firms will be recruited following Quality Cost Based Selection (90:10) or Consultant Qualification Selection method. An overview of the consultancy inputs and type of expertise required by the project is shown in Table 1. Tentative detailed TOR will be discussed in subsequent paragraphs of this Appendix.

Table 1: Summary of Consultant Positions

| Position | Person-Months |
|---|----------------------|
| A. Individual Consultants (National) | |
| Procurement Specialist(s) | 40 |
| Financial Management Specialist | 24 |
| Social Safeguards (IP and IR) and Gender Specialist | 5 |
| Project Management Coordinator | 20 |
| Civil Engineer(s) | 24 |
| Environmental Safeguards Specialist | 12 |
| Total | 125 |
| B. Consulting Firm (national) | |
| Operational Research (multiple packages) | |

**Terms of Reference for
Procurement Specialist (2 positions, National, 40 person-months)**

Qualification

The procurement expert should have a master's degree in project management, law, contracts/procurement, management or equivalent, and 10 years of general work experience. In addition, s/he should have at least 8 years of procurement related experience in development projects funded by ADB and/or other international financial institutions, preferably in the health sector. The specialist should have experience in preparing bidding documents for international financial institutions, and preferably for ADB.

Reporting

The expert will report to the project director or equivalent.

Scope of work

The purpose of the assignment is to support the EA/IA in procurement activities during project implementation. The consultant will undertake the tasks with the counterpart staff of EA/IA in their activities of procurement (goods, works, and consulting services) and project implementation.

The specific tasks include, but are not limited to, the following:

- (i) conduct a detailed needs assessment of the critical medical supplies stockpiling, procurement, distribution, management, inventory tracking, and current information system if any, in consultation with PIU, relevant government departments and agencies.
- (ii) prepare a detailed action plan to (i) develop and maintain stockpiling of critical medical supplies based on forecasting and distribution channels to the sub-national level, and (ii) develop an inventory system
- (iii) develop and maintain stockpiling of critical medical supplies as needed based on forecasting and strengthened distribution channels to the sub-national level
- (iv) support implementation of the procurement plan prepared during project preparation;
- (v) identify the capacity, procedural and organizational constraints that could hinder effective project implementation and agree on an action plan with the EA/IA to address these constraints;
- (vi) process and accelerate the procurement of necessary medical supplies, equipment, and other items needed for strengthening health facilities' capacity in accordance with ADB Procurement 4 Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions;
- (vii) assist EA/IA with verification of bids submitted by consultants, contractors and suppliers and in management of related procurement processes to assure compliance with ADB regulations and procedures; and
- (viii) assist EA/IA with preparation of internal and external procurement audits as required; and (v) implement appropriate review and supervision processes to mitigate overall project procurement risks.

The consultant will submit progress reports and working papers in each project assigned monthly and as required.

**Terms of Reference for
Financial Management Expert (1 position, National, 24 person-months)**

Qualification

The Financial Management (FM) expert will preferably have:

- (i) a recognized professional accountancy qualification (e.g., CPA, CA or equivalent) or equivalent in related fields
- (ii) an overall 10 years of working experience with 5 years of experience in project/program financial management and training/ capacity building; and
- (iii) experience in similar capacity and sound knowledge of ADB procedures/policies and working on externally funded projects/programs financed by ADB or WB shall have added advantage.

Reporting

The position will report to the project director or equivalent.

Scope of Work

The objective of the services is to provide support the financial management capacity of the DGHS/ MoHFW implementing the ADB's assisted Project to ensure:

- i) all project funds are used for the intended purpose and with due attention to considerations of economy and efficiency;
- ii) full compliance with ADB's financial management and disbursement requirements as outlined in the relevant sections of Loan/Grant agreements, Project Administration Manual (PAM), and ADB's loan disbursement handbook, minutes of the loan negotiations, etc.; and
- iii) ADB loan funds are made available for the project in a timely manner through timely preparation and submission of withdrawal applications in accordance with ADB disbursement handbook and collection and filing of all supporting documentation, as required.

Expected Tasks

The FM expert will support the DGHS/ MOHFW through the following tasks:

A. Accounting

- (i) Support the DGHS/ MOHFW in ensuring that separate accounts for the project are duly maintained and that receipts and expenditures are duly segregated by financing source (e.g. ADB and Government funding);
- (ii) Support the DGHS/ MOHFW in improving the FM systems including adjusting the Chart of Account and automating the financial reporting to the extent possible; and
- (iii) Support the DGHS/ MOHFW in ensuring that all payments are duly prepared, reviewed, authorized, and recorded in the accounting system correctly and in a timely manner, and all expenditure items meet the eligibility criteria as defined in the ADB financing agreement, and are supported by adequate documentation (invoice, contracts, evidence of payments etc.) as outlined in the ADB disbursement handbook;

B. Disbursement and flow of funds

- (i) Assist the DGHS/ MOHFW in preparing withdrawal applications in a timely manner and in collection and filing of all supporting documentation in accordance with the relevant procedures outlined in the ADB loan disbursement handbook, including expenditure reports from other entities and UN agencies if applicable; and
- (ii) Support DGHS/ MOHFW in using the optimal disbursement procedures and identifying and resolving disbursement bottlenecks in the flow of funds (if any).

C. Financial reporting and analysis

- (i) Conduct periodic analysis of the execution of the procurement and disbursement projections and provide analysis of the any significant variances between planned vs actual expenditures; Analyze and document any significant variations;
- (ii) Support the DGHS/ MOHFW in conducting (a) monthly reconciliations of all project accounts (including advance accounts and sub advance account etc.) and (b) quarterly reconciliation of the project disbursement records and ADB's disbursement data available in the LFMS to ensure the correctness and completeness of the project records and financial reports/statements, and follow-up on any discrepancies to ensure these are resolved in a prompt manner;
- (iii) Assist the DGHS/MOHFW in preparing financial information and analysis to be included in the quarterly progress reports in an agreed format to be submitted to ADB; and
- (iv) Assist the DGHS/MOHFW in preparing separate project financial statements annually covering the activities financed under all the funding sources (e.g. ADB and Government funding) in a format agreed with ADB;

D. Internal and external audit

- (i) Support the DGHS MOHFW in ensuring that the project financial statements are audited and that the audit report, the audited consolidated financial statements and the management letter(s) are submitted to ADB in a timely manner;
- (ii) Support the DGHS/MOHFW in the follow-up of internal and external audit recommendations to further improve the internal controls of the project; and
- (iii) Support the DGHS/MOHFW in ensuring that all financial records are orderly filed and stored physically safe location and an electronic back up is conducted regularly.

E. FM capacity building

- (i) Support the DGHS/MOHFW in understanding ADB's FM and disbursement procedures and requirements and advising them on the exiting ADB FM resources available; and
- (ii) Assist the DGHS/MOHFW in other tasks as assigned by the PIU director or equivalent.

Terms of Reference for Social Safeguards and Gender Specialist (1 position, National, 5 person-months)

Qualification

The Social Safeguards and Gender Specialist is expected to have an advanced degree in social development or related field, experience in resettlement and indigenous peoples, and gender for internationally funded projects and a good understanding of ADB and Government of Bangladesh social and gender policies and legislation. Experience in the health sector and/or emergency response / disaster risk management will be an advantage. Master's degree and experience in safeguards work with ADB projects is also preferable.

Minimum General Experience: 10 Years

Minimum Specific Experience: 5 Years

(relevant to assignment)

Regional/Country Experience: Desired

Reporting

The position will report to the project director or equivalent.

Scope of work

The Specialist will provide support in implementing safeguards frameworks and plans for the Project, processed under the Emergency Assistance Loan modality (cf. Appendix 4 of the SPS) and ensuring that the Project complies with ADB's Safeguards Policy Statement, 2009 (SPS) for involuntary resettlement safeguards and indigenous peoples, safeguards frameworks, activity selection criteria for the project, and national laws and regulations, while allowing implementation in the shortest possible timeframe.

During implementation, the specialist will support executing and implementing agencies (EA/IAs) and their project implementation units (PIUs) in screening activities (in particular construction/rehabilitation of facilities – at port of entry, healthcare facilities, medical colleges and hospitals, and potential waste treatment facilities) for involuntary resettlement (IR) and indigenous peoples (IP) impacts in accordance with categorization based on SPS and elaborated in the resettlement and indigenous peoples planning framework (RIPPF). If IR or IP impacts are identified, specific arrangements should be devised and submitted for ADB validation, to ensure compliance with SPS 2009 requirements, while adopting innovative ways to perform stakeholder and community consultation given the current circumstances. Besides the above, special attention will be dedicated to ensuring social inclusion, in particular of IP, for all project components. The Specialist shall perform appropriate screening, consultations and ensure IPs get equal access to the project facilities and services and are inclusively targeted in any communication campaigns (including communication in local languages and cultural sensitivity). The Specialist will also be responsible for preparing semiannual social safeguards monitoring reports to be provided to ADB.³⁹

³⁹ An important task of the Specialist is to carefully screen activities for IR and IP impacts in accordance with SPS. The Specialist will follow the procedure set out in the combined ESRF consistent with the SPS.

If and where screening compliant with the activity selection criteria shows non-significant IR/IP impacts (Category B), the specialist will guide the EA/IAs in the preparation of a resettlement plan (RP) or Indigenous Peoples Plan (IPP) for these activities. The specialist will review the RP and IPP ensuring compliance with ADB's Safeguards Policy Statement, 2009 (SPS) for involuntary resettlement / indigenous peoples safeguards, the RIPPF and national laws and regulations. The reviewed RPs/IPPs will also be sent to ADB for concurrence. The specialist will guide the EA/IAs in incorporating safeguards plan requirements in bidding documents.

The specialist will supervise and monitor safeguards implementation ensuring compliance with the safeguards plans and framework, SPS, loan agreement, and national laws and regulations. The specialist will guide EAs/IAs in conducting monitoring, assist with the preparation of monitoring reports—reviewing and providing these reports to ADB.

Detailed Tasks and Expected Outputs

The specialist will carry out the following tasks.

- (i) Conduct tailored capacity building training session on social safeguards and prepare guides/forms/checklists/training proceedings to ensure EA/IAs comply with safeguards framework, SPS, and national laws and regulations. Documentation will be included in monitoring reports;
- (ii) Carry out full screening for IR and IP impacts of proposed activities, based on screening checklists, which shall include, but not be limited to, the information provided in the IR/IP checklist templates annexed to the RIPPF. Prior to the screenings, the final screening checklist prepared by the Specialist is to be submitted to ADB for concordance. Given the current circumstances, whenever screening cannot be performed on site, the EA/IAs and facilities' focals will provide all required supporting information and the Specialist will review completed screening forms for all activities and ensure that the screening complies with the activity selection criteria, the ESRF, SPS, loan agreement, and national laws and regulations. Findings of all screenings shall be included in the monitoring reports to be submitted to ADB;
- (iii) In particular, given the context, the Specialist will guide EA/IAs to screen activities for voluntary land donation. Where applicable, ensure that implementation of such voluntary donation is in strict accordance with the ESRF and SPS;
- (iv) For the sites where the initial screening/rapid audit indicates issues non-compliant to SPS, SR II, legacy issues such as non-payment of compensation, forceful eviction, on-going legal cases etc. the Specialist shall perform a comprehensive audit that would assess the overall IR policy compliance. Likewise, in case of non-compliance with SR III, the Specialist will prepare a satisfactory Corrective Action Plan.
- (v) For any activity for which IP or IR impacts are identified, the Specialist will prepare respective RP/IPP as applicable (and shall update existing RPs/IPPs: based on detailed design and/or due to any change in design, location, unanticipated impact/s identified during project implementation) as required or, for Category C projects, undertake the required social due diligence to confirm land is government owned or voluntarily donated, to ensure that EA/IAs are compliant with the RIPPF, SPS, loan agreement, and national laws and regulations;
- (vi) The Specialist will collect sufficient baseline data for RPs/IPPs, in particular taking into account the challenges of current pandemic context, including restrictions of movement and of gatherings. The Specialist will compile baseline data for each activity with social safeguards impacts and ensure these are included in the RPs/IPPs to be provided to ADB;

- (vii) In view of the movement restrictions and in order to limit any public gathering, the Specialist, in preparing any RPs or IPs, shall devise innovative ways to ensure meaningful consultation and information disclosure, such as but not limited to through the use of technology such as websites/online portals, FAQ system, a toll free hotline, newspaper, community bulletin, local/FM radio station, public address systems, etc. The method(s) to be employed will have to be agreed with ADB to ensure compliance with ADB policies and guidelines despite the circumstances. According to how the situation evolves and if alternative methods were not possible, consultations may also be done in small groups, following all safety and health protocols, only when and as allowed by local and national guidance;
- (viii) Where RPs / IPPs are concurred by ADB, the Specialist will guide EA/IAs and ensure that safeguards are incorporated in bidding documents in accordance with the loan agreement and SPS;
- (ix) In view of urgency of situation, resettlement shall be avoided as much as possible. Whenever resettlement cannot be avoided, the Specialist will guide the EA/IAs in determining compliance with the loan agreement with regard to ensuring prompt compensation and assistance prior to displacement, ensuring compliance while minimizing delays to implementation and project response. The Specialist should devise a checklist or report that the EA/IAs should promptly provide completed documentation to the Specialist for review prior to displacement. The documentation will be included in monitoring reports;
- (x) The Specialist will supervise and monitor safeguards implementation ensuring compliance with the safeguards plans and frameworks, SPS, loan agreement, and national laws and regulations. If and when possible, according to how the situation evolves in the coming months and abiding to all health and safety measures as well as local and national guidance, field visits may be conducted for activity sites/locations/alignments verification, ensuring meaningful consultations, discussions with PIUs, technical experts, other consultants, and/or design engineers;
- (xi) The Specialist will guide EA/IAs in conducting monitoring, including the preparation of monitoring reports—and providing these reports reviewed to ADB. The Specialist should prepare, in coordination with the EA/IAs, monitoring reports with detailed information on ongoing Project implementation, flag non-compliance, and recommend corrective actions agreed by the EA/IAs;
- (xii) In accordance with the RIPPF and SPS—prepare a consultation and participation plan including required communication materials targeted to specific audiences, including indigenous groups—on safeguards and safeguards implementation;
- (xiii) The Specialist will ensure project activities are designed and implemented so that IPs get equal access to the project facilities and services and are inclusively targeted in the communication campaigns (including communication in local languages, cultural sensitivity etc.). In particular, the awareness raising done at project level on the virus must be done in an IP sensitive way (e.g. posters in local languages) in IP areas;
- (xiv) Ensure and oversee the effective implementation of the Grievance Redress Mechanism, as per IEE, to receive and facilitate resolution of affected people's concerns and grievances regarding the Project's IR / IP performance. This includes but not limited to appropriate monitoring and reporting of all grievances received and how they were addressed;
- (xv) The Specialist will supervise and monitor safeguards implementation ensuring compliance with the safeguards plans and frameworks, SPS, loan agreement, and national laws and regulations. Field visits may be conducted for activity

- sites/locations/alignments verification, ensuring meaningful consultations, discussions with PIUs, technical experts, other consultants, and/or design engineers⁴⁰;
- (xvi) The Specialist will conduct monitoring of all project activities activities for IP and IR impacts and will prepare the semiannual social safeguards monitoring reports. The monitoring reports shall provide detailed information on ongoing project implementation, flag non-compliance, and recommend corrective actions agreed by the EA/IAs;
 - (xvii) Provide support to PIU on implementing the gender action plan, and monitoring and reporting on its progress; and
 - (xviii) Perform other activities as required by ADB, EA/IAs on mutually agreed arrangements.

Deliverables

The specialist will provide ADB with the following documents:

- (i) Inception Report and Timebound Work Plan
- (ii) Draft screening checklist for activity sites
- (iii) Screening and categorization reports for each activity
- (iv) Social due diligence report for Category C activities as required
- (v) RPs/IPPs and updated RPs/IPPs as necessary for Category B activities
- (vi) Updated RIPPF, if found necessary during implementation
- (vii) Social safeguards monitoring reports
- (viii) Gender action plan monitoring reports
- (ix) Training plan and training materials

Given the rapid evolution of the situation, both in terms of context and implementation challenges, these terms of reference and related activities may come to require light adjustments over the course of this consultancy. Any such limited modification in scope, activities, methodology or practical arrangements will be mutually agreed between the consultant and reporting staff at ADB in writing and reflected in the Inception Report and Timebound Work Plan or any update thereof.

⁴⁰ If and when possible, according to how the situation evolves in the coming months and abiding to all health and safety measures as well as local and national guidance.

Terms of Reference for Project Management Coordinator (1 position, National, 20 person-months)

Qualification

The consultant will have at least a MBBS or Master's degree in social science including public health, health management, or any related field, and at least seven (7) years of relevant operational work experience in Bangladesh. Experience working on similar complex development partner funded projects is preferred. The consultant needs to have demonstrated history of effective coordination and policy dialogue with senior level government officials.

Reporting

The consultant shall report to the project director or equivalent.

Scope of Work

The consultant, based in Dhaka, will provide coordination and technical advisory support for effective and efficient implementation of the Bangladesh COVID-19 emergency assistance project. The consultant will support the Project Implementation Unit (PIU), Directorate General of Health Services, Ministry of Health and Family Welfare (MOHFW), Government of Bangladesh and the Asian Development Bank (ADB) to implement the Bangladesh COVID-19 emergency assistance project.

Detailed Tasks and or Expected Outputs

- (i) Implementation progress. Support monitoring of project implementation progress with focus on supporting PIU with technical and management advice, expediting procurement and consulting selection, and troubleshooting bottlenecks by liaising with relevant government departments and agencies.
- (ii) Coordination. Regularly coordinate with PIU, relevant government agencies/officials, development partners, local governments, and various consultants, contractors, and service providers engaged under the relevant project and technical assistance, among others to ensure smooth and sustained project implementation progress.
- (iii) Monitoring and evaluation: The consultant will undertake monitoring and evaluation of project activities to ensure effective implementation per the implementation schedule, in consultation with the Public Health Specialist as appropriate.
- (iv) Communication. Ensure regular visibility and public stakeholders' understanding of the ADB-supported project.
- (v) Synergy. Keep up-to-date and ensure synergy and harmonization of efforts with other projects, programs, and initiatives related to COVID-19 by MoHFW and various ministries, development partners, private sector, and NGO/not-for-profit sectors.
- (vi) Other tasks and outputs.
 - (a) Represent the ADB-supported project as requested in meetings and conferences.
 - (b) Participate, coordinate, and provide support to ADB's missions, including but not limited to regular review missions and midterm review missions.
 - (c) Provide biweekly update reports to ADB throughout the assignment period.
 - (d) Any other tasks as requested by ADB from time to time.

**Terms of Reference for
Civil Engineer (2 positions, National, 24 person-months)**

Qualification

The consultant will have at least a graduate degree in Civil Engineering from any recognized university or equivalent qualification with a minimum of 10 years of professional experience in civil engineering. The consultant must have experience working on tender documents for civil works. Work experience in similar complex donor-funded projects is preferred.

Reporting

The consultant shall report to the project director or equivalent.

Scope of work and detailed tasks

The Civil Engineer will support preparation and timely implementation of civil works required under the Project.

Detailed tasks are as follows.

- (i) Identify and conduct baseline information for all activities. For each activity, prepare architectural and structural drawings (standard drawings if applicable), prepare detailed design and specification (standard specification if applicable), prepare schedule of rates, bill of quantity, and cost estimates considering environmental and social safeguards impacts and development impact of construction;
- (ii) Prepare a measurement book, bill of quantity, and maintain all records related to the civil works of the project;
- (iii) Liaise with project implementation unit (PIU), relevant government departments and agencies to ensure prioritization and expediting quality civil works design and implementation;
- (iv) Ensure that civil works are carefully synchronized and coordinated with civil works of other donor supported projects;
- (v) Conduct routine supervisory oversight and monitoring visits to activities to ensure quality of construction as per the specification and completed on time;
- (vi) Handle budgeting and cost control of all civil works of the project;
- (vii) Prepare monthly and quarterly progress reports and submit them to PIU and ADB for follow-up action; and
- (viii) Perform other relevant tasks as requested by ADB from time to time.

**Terms of Reference for
Environmental Safeguards Specialist (1 position, National, 12 person-months)**

Qualification

The Environmental Safeguards Specialist will have a Bachelor's or Master's degree in Environmental Management, Natural Resources Management, Environmental Engineering, or related field with at least 5 years' experience in environmental safeguards, particularly preparation of Initial Environmental Examination (IEE) and Environmental Management Plan (EMP). Good knowledge of the medical sector including on the ground in local hospitals and clinics in urban and rural contexts in Bangladesh is required as well as infectious waste management arrangements. Good understanding of ADB and Government of Bangladesh environmental policies and legislation is required. Previous experience in safeguards work with ADB or donor-funded projects is preferable. Experience on environmental management of emergency interventions and health sector will add value as will good understanding of the Management of Infectious Waste, Occupational and Community Health and Safety related to health care facilities.

Minimum General Experience: 10 Years

Minimum Specific Experience: 5 Years (relevant to assignment)

Regional / Country experience: Required

Reporting

The specialist will report to the project director or equivalent.

Scope of work

The Environmental Safeguards Specialist will provide support in ensuring that the Project complies with ADB's Safeguards Policy Statement, 2009 (SPS) for environmental safeguards, the environmental assessment and review framework (EARF), activity selection criteria for the project, and national laws and regulations, while allowing implementation in the shortest possible timeframe. The consultant will be engaged to oversee site audits, support with data gathering at national level and prepare activity screening reports, Initial Environmental Examination (IEE) reports with associated Environmental Management Plans (EMPs) and Corrective Action Plans (CAPs) for any activities categorized as B, carry out supervision and monitoring of the proposed activities identified and prepare semiannual social safeguards monitoring reports.

The expected works under the Project involve the establishment of quarantine rooms at ports of entry, construction / rehabilitation of WASH areas and isolation / intensive-care units in 525 healthcare facilities across the country, reinforcement of microbiological diagnostic facilities at 37 medical colleges and hospitals across the country, and support to medical/clinical waste management nationwide, through capacity building, development of guidelines, and potentially the construction of waste management areas (adequate facilities for safe waste segregation, storage on site, and disposal on site and or via transport to adequate treatment plant off-site) as required.

As all facilities supported by the project will be existing government facilities, an audit will be required for all healthcare facilities, medical colleges, hospitals, and ports of entry, as well as any associated waste treatment plants under the project.^{31F⁴¹}

The Specialist will guide the EA/IAs in the screening of activities for environmental safeguards, and ensure activities follow the activity selection criteria set out in the combined EARF and in accordance with SPS 2009. In this emergency context, a fast track process should be followed to ensure screening and compliance with the activity selection criteria, EARF, and SPS. Where screening compliant with the activity selection criteria shows likely minimal environmental impacts (Category C), the Specialist will support the EA/IAs in ensuring that all required guidelines are followed, and adequate training and equipment is provided to ensure effectively minimal environmental impacts. Where screening compliant with the activity selection criteria shows likely existence of some non-significant environment impacts (Category B), the Specialist will guide the EA/IAs in the preparation of an Initial Environmental Examination (IEE) with an Environmental Management Plan (EMP) for all such activities. Environmental due diligence will be undertaken at facility-level, and each individual facility assessment will then be combined into a single IEE and EMP. The Specialist will support the EA/IAs in incorporating the IEE, EMP, and relevant environmental clauses in bidding documents.

The Specialist will monitor EMP implementation ensuring compliance with the IEE and ESRF; SPS; loan agreement; and national laws and regulations. The Specialist will guide EAs/IAs in conducting monitoring and will prepare semiannual project as required in the PAM.

Detailed Tasks and Expected Outputs

The Specialist will carry out the following tasks:

- (i) Review the EARF, screening forms and checklists and PAM, and list of activities/packages and prepare a plan for environmental safeguard implementation;
- (ii) Assist with the data gathering and performance of screenings, audits and monitoring activities as required. Coordinate with the Social Safeguards Consultants for any support they may also require.
- (iii) Perform and oversee the auditing of all existing and associated facilities within the project scope as required by the SPS ensuring innovative ways to adapt to the circumstances at hand while ensuring compliance to the SPS and sound environmental management. Any protocol for auditing will have to be submitted to ADB team for review before implementation;
- (iv) Assist the EA/IAs in preparing IEE (or updating existing IEE: based on detailed design and/or due to any change in design, location, unanticipated impact/s identified during project implementation) as required, including leading preparation in the initial stages of project implementation to ensure that EA/IAs are compliant with the PAM, the EARF, SPS, loan agreement, and national laws and regulations. When devising the IEE and EMP, Specialist will ensure that mitigation has been considered and properly costed;
- (v) As part of the IEE, the Specialist will assist the EA/IAs in preparing all required EMPs, with specific attention to Management of Infectious Waste, Occupational and Community Health and Safety;

⁴¹ Given the tight timeline as well as continued potential restriction of movement in the context of the COVID-19 pandemic, the specialist shall provide detailed and clear checklists directly to each facility head for completion under the specialist's close supervision, and review and approve the completed checklist.

- (vi) Carry out meaningful consultation and ensure information disclosure as per SPS 2009. In view of continued movement restrictions and in order to limit any public gathering, the Specialist, in preparing IEEs, shall devise innovative ways to ensure meaningful consultation and information disclosure, such as but not limited to through the use of technology such as websites/online portals, FAQ system, a toll free hotline, newspaper, community bulletin, local/FM radio station, public address systems, etc. The method(s) to be employed will have to be approved by ADB to ensure compliance with ADB policies and guidelines despite the circumstances. According to how the situation evolves and if alternative methods were not possible, consultations may also be done in small groups, following all safety and health protocols, only when and as allowed by local and national guidance.
- (vii) Where IEEs are concurred by ADB, the Specialist will guide EA/IAs and ensure that environmental safeguards are incorporated in bidding documents in accordance with the loan agreement and SPS.
- (viii) Guide the EA/IAs in determining compliance with the loan agreement with regard to ensuring contracts award. The Specialist will devise a checklist for EAs/IAs and their PIUs to ensure activities comply. The documentation will be included in monitoring reports.
- (ix) The Specialist will supervise and monitor safeguards implementation ensuring compliance with the EMPs and EARF, SPS, loan agreement, and national laws and regulations. Such innovative methods as referred above may be required to ensure efficient monitoring and be in close contact (through phone, videos and other modern technologies as available) to implementation activities on the ground despite any required confinement measures. If and when possible, according to how the situation evolves in the coming months and abiding to all health and safety measures as well as local and national guidance, field visits may be conducted for activity sites/locations/alignments verification, discussions with PIUs, technical experts, other consultants, and/or design engineers.
- (x) The Specialist will conduct monitoring of environmental safeguards throughout project and activities implementation, including the preparation of semiannual monitoring reports to be submitted to ADB. The Specialist shall prepare, in coordination with the EA/IAs, monitoring reports with detailed information on ongoing Project implementation, flag non-compliance, and recommend corrective actions agreed by the EA/IAs.
- (xi) Conduct tailored capacity building training session on environmental safeguards specifically on Management of Infectious Waste, Occupational and Community Health and Safety and prepare guides/forms/checklists/training proceedings to ensure EA/IAs comply with the EARF, SPS, IFC General and industry-specific EHS Guidelines and national laws and regulations. Documentation will be included in monitoring reports.
- (xii) Ensure and oversee the effective implementation of the Grievance Redress Mechanism, as per EARF and IEE, to receive and facilitate resolution of affected people's concerns and grievances regarding the Project's environmental performance. This includes but is not limited to appropriate monitoring and reporting of all grievances received and how they were addressed.
- (xiii) Prepare environmental awareness materials and organize environmental awareness workshop/training for EAs/ contractor/community.
- (xiv) Perform other activities as required by ADB, EA/IAs on mutually-agreed arrangements.

Deliverables

The Specialist will provide ADB with the following documents:

- (i) Inception Report and Timebound Work Plan
- (ii) Draft audit checklist for existing facilities
- (iii) Screening and categorization reports for each activity
- (iv) IEEs with all EMP covering all activities, and updated IEE if applicable
- (v) Updated EARF, if found necessary during implementation
- (vi) Environmental awareness materials
- (vii) Environmental monitoring reports
- (viii) Training plan and training materials

Given the rapid evolution of the situation, both in terms of context and implementation challenges, these terms of reference and related activities may come to require light adjustments over the course of this consultancy. Any such limited modification in scope, activities, methodology or practical arrangements will be mutually agreed between the consultant and reporting staff at ADB in writing and reflected in the Inception Report and Timebound Work Plan or any update thereof.

Terms of Reference for Operational Research Firm (National, 4 packages)

Packages

1. Epidemiological study on various clinical treatment options for COVID-19 cases
2. Development of COVID-19 test kits including but not limited to RT-PCR test and antibody test
3. Evaluation on operationalization of formation and training of rapid-response teams to investigate cases and clusters, and conduct contact tracing
4. Process evaluation and before-after assessment

Qualification

Firm should have at least eight (8) years of relevant work experience in medicine and the public health sector in Bangladesh. Experience working on similar complex development partner funded projects in the health sector is required. The consultant must also have demonstrated history of peer-reviewed publications in medicine and public health.

Reporting

The firm will report to the project director or equivalent.

Detailed Tasks and Expected Outputs (for each package)

Detailed tasks include, but are not limited to, the following.

- (i) Conduct review of literature and conduct consultations with various stakeholders to understand the background and latest development on the operational research topic
- (ii) Formulate the operational research question and strategy in alignment with the priorities of the emergency project
- (iii) Determine required key indicators and sources of information, data, material, reagents, etc.
- (iv) Design and develop the research methodology and protocol, sampling techniques, and research instruments
- (v) Conduct data collection, research, field work, etc. and analysis of the data
- (vi) Ensure proper and secure data management
- (vii) Liaise, collaborate, and consult with PMU, ADB, different government and donor agencies, all project partners and beneficiaries, project consultants and contractors.
- (viii) Operational research in medicine must ensure compliance with applicable biomedical ethics and patient consent and anonymity laws and guidelines for biomedical research in Bangladesh and provide ADB copies of their clearances prior to issuance of consultant's notice to proceed
- (ix) Submit quarterly progress reports to PMU and ADB
- (x) Prepare a mid-term policy or research paper (maximum 3,500 words) for public dissemination or journal publication summarizing the results of the analysis, achievements, lessons learned, and contribution or value addition
- (xi) Prepare a final policy brief (maximum 6,000 words) (or research paper (maximum 3,500 words) for biomedical research) summarizing the results of the analysis, achievements, lessons learned, and contribution or value addition
- (xii) Disseminate findings in two stakeholder workshops at baseline and endline
- (xiii) Any other tasks as requested by ADB from time to time

APPENDIX F OUTLINE QUARTERLY PROGRESS REPORT FORMAT

General Instructions

The quarterly progress reports (QPRs) should follow the format outlined below and are to be submitted to ADB within 45 days after each quarter. In case of delays or incomplete information, ADB will submit a reminder to the EA/IA. Repeated delays or incomplete information may have a negative impact on the project performance ratings and may be discussed during review missions and TPRMs.

Section A. Introduction and Basic Data

- i. ADB loan number, project title, borrower, executing agency, implementing agency(ies)
- ii. total estimated project cost and financing plan;
- iii. status of project financing including availability of counterpart funds;
- iv. dates of approval, signing, and effectiveness of ADB loans;
- v. original and revised (if applicable) ADB loan closing date and elapsed loan period based on original and revised (if applicable) loan closing dates; and
- vi. date of last ADB review mission.

Section B. Utilization of Funds (ADB Loan, and Counterpart Funds)

- i. cumulative contract awards financed by the ADB loan, and counterpart funds (commitment of funds to date), and comparison with time-bound projections (targets – for ADB financing compare the actual contract awards with the contract award curve included in the PAM). Include an analysis of significant variances between planned and actual contract awards;
- ii. cumulative disbursements from the ADB loan, and counterpart funds (expenditure to date), and comparison with time-bound projections (targets – for the ADB financing compare the actual disbursement with the disbursement projections as per the S curve included in the PAM), Include an analysis of significant variances between planned and actual disbursements; and
- iii. re-estimated costs to completion, need for reallocation within ADB loan categories, and whether an overall project cost overrun is likely.
- iv. Reconciliation of project records and ADB disbursement records (LFIS/GFIS) for the reporting period and cumulative from project inception to end of the reporting period. Explain reasons for discrepancies and outline follow-up actions required (if any). Attach a detailed reconciliation by WA as per Appendix 3.

Section C. Project Purpose

- i. status of project scope/implementation arrangements compared with those in the Report and Recommendation of the President (RRP), and whether major changes have occurred or will need to be made;
- ii. an assessment of the likelihood that the immediate development objectives (project purpose) will be met in part or in full, and whether remedial measures are required based on the current project scope and implementation arrangements; and
- iii. an assessment of changes to the key assumptions and risks that affect attainment of the development objectives.

Section D. Implementation Progress

- i. provide a brief summary assessment of progress or achievements in implementation since the last progress report;
- ii. assessment of the progress of each project component, such as (a) recruitment of consultants and their performance,(b) procurement of goods and works (from preparation of detailed design and bidding documents to contract awards); and (c) the performance of suppliers, manufacturers, and contractors for goods and works contracts;
- iii. assessment of progress in implementing the overall project to date in comparison with the original implementation schedule—quantifiable and monitorable target, (include simple charts such as bar or milestone to illustrate progress, a chart showing actual versus planned expenditure, S-curve graph showing the relationship between physical and financial performance, and actual progress in comparison with the original schedules. Include an analysis of significant variances between physical and financial progress; and,
- iv. an assessment of outcome/output achievements versus targets – based on project performance monitoring system (PPMS) developed from design and monitoring framework of the project.

Section E. Major Project Issues and Problems

Summarize the major problems and issues affecting or likely to affect implementation progress, compliance with covenants, and achievement of immediate development objectives. Recommend actions to overcome these problems and issues (e.g., changes in scope, changes in implementation arrangements, and reallocation of loan proceeds).

Section F. Compliance with Safeguards and Covenants

- i. review the borrower's compliance with policy loan covenants, and, where relevant, provide any reasons for any noncompliance or delay in compliance;
- ii. provide a summary assessment of compliance with resettlement and environmental safeguards; and,
- iii. Summarize the status of financial covenants (if any) as outlined in the loan and project agreement.

Section G. Financial Management

- i. Summarize the status of Financial management in the project including: a) any problems in the existing FM arrangements and /or flow of funds and b) any significant changes occurred during the reporting period (e.g. FM staff turnover, implementation of new financial systems, emerging FM related risks etc.);
- ii. Summarize the status of: a) the FM action plan outlined in the PAM, b) recommendations and actions raised by ADB as part of the APFS/AEFS review (if any) and c) FM related recommendations agreed during ADB review missions (if any); and
- iii. Summarize the status of Status of past audit observations (resolved/ pending)

Appendixes

Attach the following appendixes to the QPR when submitting it to ADB:

1. Summary Loan Covenant Review
2. Summary Gender Action Plan Progress (separate format available)
3. Statement of Cash Receipts and Payments by Category

4. Detailed reconciliation (by Withdrawal application) of project records and ADB disbursement records (LFIS/GILFIS) for the fiscal year to date and cumulative;
5. List of signed contracts
6. Status of past audit observations (resolved/ pending);
7. Status of FM action plan (complied/ongoing)
8. Status of FM related actions agreed during ADB review missions (if any).

QPR APPENDIXES

Appendix 3: Statement of Cash Receipts and Payments by Category

| | Reporting Period (Quarterly/Semi- annually) | Year to date | Cumulative | Hard commitments (contracts signed not paid) |
|---|---|-----------------------|-----------------------|--|
| In the currency of the financial statements | | | | |
| Cash receipts | | | | |
| ADB Advance/Replenishments | Q | Q* | Q^ | |
| ADB Direct Payments | P | P* | P^ | |
| ADB Reimbursement/Retroactive Financing | U | U* | U^ | |
| Government | S | S* | S^ | |
| Total | T=Q+P+S+U | T*=Q*+P*+S*+U* | T^=Q^+P^+S^+U^ | |
| Payments | | | | |
| Civil works | A | A* | A^ | A** |
| Consultancy services | B | B* | B^ | B** |
| Project administration | C | C* | C^ | C** |
| Maintenance | D | D* | D^ | D** |
| Total expenditures | E=A+B+C+D | E*=A*+B*+C*+D* | E^=A^+B^+C^+D^ | E**=A**+B**+C**+D** |
| Opening cash balance | H | H* | H^ | |
| Closing cash balance | K=H+T-E | K*=H*+T*-E* | K^=H^+T^-E^ | |

Appendix 6: Status of External Audit Observations – Cumulative from Inception to End of Reporting Period

| Recommendation/ Audit Observation | External Audit Recommendation | Date of the Recommendation | Planned Actions to Address the Recommendation | Responsibility | Current Status of the Planned Action (pending /resolved) | Remarks |
|--|--|---------------------------------------|--|-----------------------|---|----------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Appendix 7: Status of Financial Management Action Plan

| Key Risk | Risk Mitigating Activity | Timeline | Responsible Entity | Current status (implemented/Pending) | Remarks (including an action plan in case of noncompliance) |
|-----------------|---------------------------------|-----------------|---------------------------|---|--|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

SUPPLEMENTARY APPENDIX
Terms of Reference for Non-Consulting Firm
Communicating Critical Risk and Event Information to All Communities and Counter
Misinformation for COVID-19 (National)⁴²

Qualification

Firm should have at least 10 years of experience in undertaking risk communication and marketing program; must have worked for at least two similar assignments in Bangladesh or a country with similar socioeconomic status as Bangladesh.

Reporting

The firm will report to the project director or equivalent.

Scope of work

The firm shall be responsible for preparing and implementing the overall communication strategy related to proper information dissemination on COVID-19 risk and countering misinformation; and promoting proper behavior to contain the transmission of covid-19 and protect all communities including refugees, disadvantaged groups, and other vulnerable communities, including Small Ethnic Communities in the three hill districts, through targeted awareness campaigns. The strategy shall also include a gender-sensitive communication approach.

Detailed tasks and expected outputs

Detailed tasks include, but are not limited to, the following.

- (i) Conduct formative communication assessments by seeking out all available studies, including data from in-depth assessments or rapid ethnographic assessments, behavioral surveillance surveys, and other related studies;
- (ii) Synthesize the information collected and develop a formative assessment protocol;
- (iii) Segment populations on the basis of formative assessment, defining behavior change objectives including knowledge change, attitude change, and environmental change;
- (iv) Develop targeted messages and media materials for dissemination and the right mix of approaches to promote and enable behavior change across different populations including girls, women, returning migrant workers and other vulnerable groups;
- (v) The communication campaign will analyze the key issues of elderly and include these in the design of the communication campaign so that communication materials and media plan include the needs of the elderly;
- (vi) Develop themes and messages that will appeal to and attract target populations; the theme should stem from the formative assessment and further consultations;
- (vii) In developing the communications strategy and materials, women-specific needs and interests shall be incorporated;
- (viii) Produce reliable and correct media materials on COVID-19 and other infectious and communicable diseases;
- (ix) Provide training to media on preparing insightful and reliable information on COVID-19 and other infectious and communicable diseases;
- (x) Select communication channels that can most effectively reach particular target populations;

⁴² The firm will be recruited through Request for Quote (RFQ) method.

- (xi) Create partnerships with civil society organizations and local authorities in developing and implementing BCC programs for various target groups concerned;
- (xii) Develop communication products including print materials for peer educators, such as flipcharts and picture codes, print materials to support health workers on specific care issues, television spots for general broadcast, promotional materials about the project for advocacy, scripts for theater and street theater; and radio or television soap opera scripts;
- (xiii) Conduct pretesting to ensure that themes, messages, and activities reach the intended target populations and implement and monitor by ensuring links among critical program elements, such as supply and demand; and
- (xiv) Evaluate project implementation and its success in achieving predetermined objectives.