



Technical Assistance Report

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Transaction Technical Assistance (TRTA)
April 2020

India: Building Capacity for Improved Implementation of Government's COVID-19 Response and Pro-Poor Economic Package

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Asian Development Bank

CURRENCY EQUIVALENTS

(as of 8 April 2020)

Currency unit	–	Indian rupee/s (₹)
₹1.00	=	\$0.0132
\$1.00	=	₹75.743

ABBREVIATIONS

ADB	–	Asian Development Bank
CARES	–	COVID-19 Active Response and Expenditure Support
COVID-19	–	coronavirus disease 2019
DEA	–	Department of Economic Affairs
MOHFW	–	Ministry of Health and Family Welfare
MOF	–	Ministry of Finance
PMGKY	–	Pradhan Mantri Garib Kalyan Yojana
QCBS	–	quality and cost-based selection
TA	–	technical assistance
TASF	–	Technical Assistance Special Fund

NOTE

In this report, “\$” refers to United States dollars.

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I. THE PROPOSED PROJECT

1. The *coronavirus* outbreak was declared a public health emergency of international concern by the World Health Organization (WHO) on 30 January 2020, and thereafter declared a pandemic on 11 March 2020.¹ The first cases were detected in December 2019 in Wuhan, Hubei Province, the People's Republic of China. Since the beginning of March 2020, the number of cases outside of the People's Republic of China has grown thirteenfold, and the number of countries impacted has tripled. The COVID-19 infection has spread to 213 countries, areas, or territories, reaching 2,074,529 confirmed cases and 139,378 deaths within three months (as of 17 April 2020).² The first COVID-19 case reported in India on 30 January 2020 was a student returning from Wuhan to Kerala. Since then it has continued to spread across the country. By 18 April 2020, India has reported 16,115 confirmed cases, 2,301 cured and discharged cases, and 519 deaths.³

2. The COVID-19 outbreak has significantly added to the challenges affecting economic and social outcomes in the country. The 21-day nationwide lockdown from 25 March 2020 to contain the outbreak has disrupted economic activities, adversely impacting businesses and livelihoods. The economic disruptions have disproportionately affected poor and vulnerable populations as well as the informal sector and self-employed workers, a vast majority of whom are women.

3. The outbreak is not gender-neutral. Men and women's vulnerability to infection and mortality would vary, depending on access to healthcare services; experiences of quarantine and lockdown; experiences of loss of jobs, income and increasing food insecurity; indebtedness and the experience of those just above the poverty line of being pushed back into the vicious cycle of poverty. Women health care workers face several specific challenges.

4. Among other measures to manage the pandemic, the government has launched the COVID-19 Response Program, which includes two key interventions:

- (i) COVID-19 Response and Health Systems Preparedness Project of \$2 billion to (a) carry out emergency responses through provision of personal protective equipment, enhanced surveillance, improved health facilities, health workers training, testing and tracking for containment of COVID-19; (b) strengthen national and state health system to support prevention and preparedness; (c) strengthen pandemic research; and (d) enhance risk communication and community engagement.
- (ii) A pro-poor relief package of \$23 billion under the Pradhan Mantri Garib Kalyan Yojana (PMGKY) to provide temporary social security net for the low-income and vulnerable population, including women. It includes insurance cover to healthcare workers, food subsidy, cash transfers to women and farmers and employment protection. More precisely, the program will support (i) providing free health insurance for all levels of health workers to recognize their sacrifice and contribution and providing funds from the district mineral funds for health-related expenditures; (ii) measures to provide social assistance for compensating

¹ World Health Organization. 2020. Rolling updates on coronavirus disease (COVID-19). Geneva. Available at <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/events-as-they-happen>

² WHO. [Coronavirus Disease \(COVID-19\) Outbreak Situation](#) (accessed on 17 April 2020).

³ Government of India, Ministry of Health and Family Welfare (MOHFW). 2020. [COVID 19 State-wise Status](#). New Delhi. (accessed on 18 April 2020)

economic loss to vulnerable population, including cash transfers to farmers, women, senior citizens, and differently abled people, free food and gas distribution for the poor;⁴ and (iii) social security measures for affected workers in both organized and informal sectors, including government's contribution to the employers' share of contribution to the Employee Provident Fund (EPF) for 3 months benefitting small businesses, and allowing employees to withdraw up to 75% of their EPF balance or 3-month salary whichever is less. PMGKY will provide immediate and direct support to the most vulnerable groups to the pandemic and the national lockdown. The target beneficiaries include the poor, informal sector workers, migrants, health workers, farmers, and women.

5. The proposed COVID-19 Active Response and Expenditure Support (CARES) Program is a \$1.5-billion budget support program. It will support the government in implementing the government's COVID-19 response program (para. 4). The CARES program will target last mile beneficiaries such as health workers, informal workers, particularly migrants in urban and peri-urban areas, women and other disadvantaged groups who require immediate support due to the economic shocks from COVID-19.

II. THE TECHNICAL ASSISTANCE

A. Justification

6. India is facing formidable challenges in containing the social and economic loss amidst the COVID-19 crisis. There is a need for swift and coordinated response to limit the effects on the vulnerable sections of the society. Further, institutional and policy reforms are also required to strengthen program monitoring and implementation. The TA will develop the operational framework and strengthen the efficiency in targeting, delivery and monitoring and evaluation of the select schemes under PMGKY. For this, the TA will build new or strengthen existing technological platforms or digital systems for select schemes for efficient targeting of existing beneficiaries and COVID-19 induced new beneficiaries. It will support policy advice on further economic restoration planning and scheme design, identification of affected people not covered in any of the sub-schemes (e.g., migrant workers), better incentives for certain category of people (e.g., construction workers, health workers, and women within all such categories), and knowledge sharing of other country's good practices for economic stimulus and health sector strengthening interventions. For the health sector, the TA would extend support towards (i) strengthening public health emergency contingency planning; (ii) strengthening institutional and staff capacity in infectious disease control including community engagement; (iii) improving surveillance through strengthening an integrated health information system; and (iv) strengthening innovations for effective prevention and response including behavioral changes. Further, the TA will help the executing and implementing agencies build capacity for effective and gender responsive implementation. Capacity development is proposed as an associated TA because the tasks are specialized and require targeted, independent, and intensive inputs from highly skilled specialists.

⁴ The pro-poor program will provide additional benefits to existing beneficiaries which are registered under each sub-program. These are categorized as the economically weakest section of the population and are most affected. The program will provide additional amount on top of the existing benefits. The attached TA will support the government in identifying COVID induced new beneficiaries which comprises of economically vulnerable section of the population.

B. Outputs and Activities

7. The major outputs and activities are summarized in Table 1.

Table 1: Summary of Major Outputs and Activities

Major Outputs	Delivery Dates	Key Activities with Milestones
1. Capacity and tools for PMGKY pro-poor programs' efficient targeting and delivery developed	April 2020–April 2021	<p>1.1 Assess PMGKY and other pro-poor programs targeting and delivery efficiency gaps against COVID-induced vulnerable women, elderly, widows, migrants, urban workers, rural landless, youth, and other groups</p> <p>1.2 Assess the constraints in the public financial management systems across multiple implementing agencies of schemes under the PMGKY that affect efficient delivery of services to the beneficiaries, and outreach and impact on vulnerable women and groups of the schemes covered under PMGKY.</p> <p>1.3 Develop improved gender-responsive targeting and/or delivery strategies and tools (including digital banking, portable benefits, etc.) to enhance PMGKY-COVID measures coverage efficiency and impact on vulnerable women and groups</p> <p>1.4 Train selected staff of concerned implementing agencies in the use of improved strategies and/or tools (target: at least 30% female staff trained)</p> <p>1.5 Develop gender-responsive manuals and reports for the schemes under CARES program with sex- and age-disaggregated data</p> <p>1.6 Innovate using entry points in social protection systems to engage with vulnerable groups including women in community on health prevention, promotion and monitoring activity, and improving health outcomes through social protection</p>
2. Capacity and systems of selected PMGKY implementing agencies in program M&E increased	April 2020–April 2022	<p>2.1 Review the M&E systems of PMGKY pro-poor programs and identify opportunities for improvements, including sex-disaggregated beneficiary registration and tracking.</p> <p>2.2 Assess whether the delegation of approval authority at operational level is appropriate for efficient delivery of services to the beneficiaries of PMGKY schemes</p> <p>2.3 Recommend measures and training proposals to improve the performance of the program M&E</p> <p>2.4 Support the recruitment of and supervise service providers which will be tasked to upgrade the existing program M&E system and train staff (target: at least 30% female staff trained)</p> <p>2.5 Support the implementing agencies to ensure that the indicative targets under the PMGKY are delivered, including social and gender-related targets set under the CARES program</p> <p>2.6 Submit progress and final reports with sex-and age disaggregated data on program implementation to ADB</p>

Major Outputs	Delivery Dates	Key Activities with Milestones
3. Reforms for strengthening economic resilience identified, including follow-on macroeconomic measures	June 2021–April 2022	<p>3.1 Undertake an inventory of the current policies and programs of the union for social assistance, employment generation, and enterprise promotion. Assess their performance, implementation modalities, and gender-differentiated features and impacts</p> <p>3.2 Identify duplication, antagonism/contradiction, opportunities for synergies between the various policies and programs</p> <p>3.3 Assess limitations in the implementation and monitoring mechanisms of selected schemes and identify opportunities for efficiency improvement and more impactful gender targeting.</p> <p>3.4 Develop a gender-sensitive reform proposal to improve economic resilience by improving the effectiveness and sustainability of the existing programs targeting enterprise promotion, access to services, and social assistance and protection</p> <p>3.4 Present the reform proposal to the executing agency and ADB and prepare a report detailing the reform proposal and the intended targeting of vulnerable women and groups, and agreements reached with the concerned government authorities</p>
4. Health system capacity for COVID-19 response strengthened	April 2020–April 2022	<p>4.1 Build capacity in contingency planning for epidemics including the development of (i) state-level emerging infectious disease contingency plans for high-prevalence states and (ii) guidelines for sustaining essential health services for women and children during epidemic/pandemic situations</p> <p>4.2 Strengthen healthcare staff capacity in responding to and managing infectious diseases with community engagement through (i) conducting trainings on IPC in selected state, (ii) improving risk communication and community engagement, and (iii) rolling out programs for psychosocial wellbeing of medical personnel and frontline health workers, especially targeting women, using digital tools</p> <p>4.3 Improve capacity in surveillance and M&E through integrated health information system by (i) supporting better implementation of IDSP for infectious diseases response (this will continue with necessary training at state level and build capacity of state officials) and (ii) reviewing the utilization of integrated disease surveillance system, etc.</p> <p>4.3 Support innovations in infectious diseases control through development of digital tools and innovative mechanisms for improved response, preparedness and community engagement</p>

ADB = Asian Development Bank, COVID = coronavirus disease; IDSP = Integrated Disease Surveillance Programme; IPC = infection, prevention and control; M&E= monitoring and evaluation, MSME= micro small and medium enterprises; PMGKY = Pradhan Mantri Garib Kalyan Yojana (Prime Minister poor welfare scheme).

Source: Asian Development Bank.

C. Cost and Financing

8. The TA is estimated to cost \$2,094,000, of which \$2,000,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-Others). The key expenditure items are listed in Appendix 1. The government will provide counterpart support in the form of counterpart staff, office space, workshop venues, office and logistics support, and other in-kind contributions. The government was informed that approval of the TA does not commit ADB to finance any ensuing project.

D. Implementation Arrangements

9. ADB will administer the TA. The Public Management, Financial Sector, and Trade Division and Human and Social Development Division of South Asia Department will select, supervise, and evaluate consultants. The Department of Economic Affairs (DEA), Ministry of Finance will be the executing agency. The implementing agencies will be MOHFW including the Department of Health and Family Welfare and the Department of Health Research (for output 4) and Department of Financial Services and various agencies involved with PGMKY pro-poor programs implementation for outputs 1 to 3. A project coordination unit headed by a nodal officer will be established under the Ministry of Finance to support the TA consultants and coordinate their activities with the implementing agencies. Another nodal officer will be designated at MOHFW to coordinate health sector related TA activities. A national project coordinator will be engaged as an individual consultant to support the unit and do advanced works until the consulting firm is recruited. A gender specialist will also be recruited to support the TA activities for a strengthened gender focus. A government project focal person and other relevant government representatives will guide the TA activities. Disbursement under the TA will be in line with the ADB's Technical Assistance Disbursement Handbook (2010 as amended from time to time). The implementation arrangements are summarized in Table 2.

Table 2: Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	April 2020–April 2022		
Executing agency	Department of Economic Affairs, Ministry of Finance		
Implementing agencies	MCAFPD, DFS, DOE, MRD, MAFW, MPNG, MLE, MOF, MOHFW		
Consultants	To be selected and engaged by ADB		
	Individual selection	Social protection: two experts (19.5 person- months, national)	\$ 150,000
		Health: ten experts (48 person-months, national and international)	\$ 577,000
	Firm 1: social protection	QCBS	\$ 850,000
	Firm 2: health	QCBS	\$ 262,000
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2010, as amended from time to time).		

ADB = Asian Development Bank, DFS= Department of Financial Services, Ministry of Finance; DOE= Department of Expenditure, Ministry of Finance MAFW = Ministry of Agriculture & Farmer Welfare, MCAFPD = Ministry of Consumer Affairs, Food & Public Distribution, MLE = Ministry of Labour & Employment, MOF = Ministry of Finance, MOHFW = Ministry of Health and Family Welfare; MPNG = Ministry of Petroleum and Natural Gas, MRD = Ministry of Rural Development, QCBS = quality- and cost-based selection.

Source: Asian Development Bank.

10. **Consulting services.** ADB will engage the consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.⁵

⁵ Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 2).

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
A. Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (33 person-months)	613.8
ii. National consultants (91 person-months)	798.3
b. Out-of-pocket expenditures	
i. International and local travel	116.2
ii. Training, seminars, and conferences ^b	174.8
iii. Reports and communications	5.0
iv. Good rental (vehicles and equipment)	21.6
v. Miscellaneous administration and support costs ^c	7.8
2. Others ^d	134.0
3. Contingencies	128.5
Total	2,000.0

Note: The technical assistance (TA) is estimated to cost \$2,094,000, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office space, workshop venues, and other in-kind contributions. The value of government contribution is estimated to account for 4.7% of the total TA cost.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-Others).

^b The health sector-focused trainings, seminar and conferences account for \$161,000 of allocation under this line item

^c Includes office stationery, printing and office managers.

^d This is for developing digital applications for M&E and targeting. The firm consultant will design it and outsource the coding/application development work to application developers, which will be sourced through shopping by the firm consultant.

Source: Asian Development Bank estimates.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=54182-001-TARreport>

1. Terms of Reference for Consultants