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Report No: PCBASIC0257375

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED LOAN

IN THE AMOUNT OF US$120 MILLION

TO THE

REPUBLIC OF COSTA RICA

FOR THE

COSTA RICA COVID-19 VACCINES PROJECT

UNDER THE
COVID-19 STRATEGIC PREPAREDNESS AND RESPONSE PROGRAM (SPRP)

USING THE MULTIPHASE PROGRAMMATIC APPROACH (MPA)
WITH A FINANCING ENVELOPE OF
UP TO US$ 6 BILLION APPROVED BY THE BOARD ON APRIL 2, 2020
AND
UP TO US$12 BILLION ADDITIONAL FINANCING APPROVED BY THE BOARD
ON OCTOBER 13, 2020

Health, Nutrition & Population Global Practice
Latin America And Caribbean Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective May 5, 2022)

Currency Unit =	Costa Rica Colon (₡)
₡655,385=	US$1
US$1 =	₡ 0.00155764

FISCAL YEAR
January 1 - December 31

Regional Vice President:	Carlos Felipe Jaramillo
Country Director:	Michel Kerf
Regional Director:	Luis Benveniste
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Task Team Leader(s):	Eleonora Cavagnero, Carolyn J. Shelton

ABBREVIATIONS AND ACRONYMS

AEFI	Adverse Event Following Immunization
AF-V	Additional Financing for Vaccines
AMC	Advance Market Commitment
CABEI	Central American Bank for Economic Integration
CCSS	Costa Rican Social Security Fund (*Caja Costarricense de Seguro Social)*
CDC	Disease Control and Prevention
CNE	National Commission for Risk Prevention and Emergency Response (*Comisión Nacional de Emergencias)*
CNVE	National Commission for Vaccination and Epidemiology (*Comisión Nacional de Vacunacion y Epidemiología)*
COVAX	COVID-19 Vaccines Global Access Facility
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
DA	Designated Account
DCO	Directorate of Organizational Communication (*Dirección de Comunicación Organizacional)*
DFIL	Disbursement and Financial Information Letter
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESMF	Environmental and Social Management Framework
EUL	Emergency Use Listing
FM	Financial management
FTCF	Fast Track COVID-19 Facility
GDP	Gross Domestic Product
GoCR	Government of Costa Rica
GRM	Grievance Redress Mechanism
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFC	International Finance Corporation
IFRs	Interim Financial Reports
IP	Indigenous People
IPF	Investment Project Financing
LAC	Latin America and the Caribbean
NCDs	Noncommunicable diseases
NSVP	National Strategic Vaccination Plan
M&E	Monitoring and Evaluation
MOH	Ministry of Health
MPA	Multiphase Programmatic Approach
OECD	Organization for Economic Cooperation and Development
OHS	Occupational Health and Safety
PAD	Project Appraisal Document
PAHO	Pan-American Health Organization
PDO	Project Development Objective

PforR	Program-For-Results
PIU	Project Implementation Unit
POM	Project Operational Manual
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
SARS-CoV-2	2019 novel coronavirus
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SEP	Stakeholder Engagement Plan
SIVA	Integrated Vaccine System
SIGES	Supply Management System (*Sistema de Gestión de Suministros)*
SPRP	Strategic Preparedness and Response Program
SRA	Stringent Regulatory Authorities
STEP	Systematic Tracking of Exchanges in Procurement
UNICEF	United Nations Children's Fund
VAC	Vaccine Approval Criteria
VIRAT	Vaccine Introduction Readiness Assessment Tool
VRAF	Vaccine Readiness Assessment Framework
WB	World Bank
WBG	World Bank Group
WHO	World Health Organization

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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Costa Rica	Costa Rica COVID-19 Vaccines Project	
Project ID	**Financing Instrument**	**Environmental and Social Risk Classification**
P178320	Investment Project Financing	Substantial

Financing & Implementation Modalities

[✓] Multiphase Programmatic Approach (MPA)	[ ] Contingent Emergency Response Component (CERC)
[ ] Series of Projects (SOP)	[ ] Fragile State(s)
[ ] Performance-Based Conditions (PBCs)	[ ] Small State(s)
[ ] Financial Intermediaries (FI)	[ ] Fragile within a non-fragile Country
[ ] Project-Based Guarantee	[ ] Conflict
[ ] Deferred Drawdown	[✓] Responding to Natural or Man-made Disaster
[ ] Alternate Procurement Arrangements (APA)	[ ] Hands-on Enhanced Implementation Support (HEIS)

Expected Project Approval Date	Expected Project Closing Date	Expected Program Closing Date
10-Jun-2022	10-Jun-2024	31-Mar-2025

Bank/IFC Collaboration

No

MPA Program Development Objective

The Program Development Objective is to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness

MPA Financing Data (US$, Millions)

MPA Program Financing Envelope	18,000.00

Proposed Project Development Objective(s)

The objective of the Project is to increase COVID-19 vaccination coverage among the population of the Republic of Costa Rica.

Components

Component Name	Cost (US$, millions)
Component 1: COVID-19 Vaccines and ancillary products	119.00
Component 2. Project Management and Monitoring	1.00

Organizations

Borrower:	Republic of Costa Rica
Implementing Agency:	National Commission for Risk Prevention and Emergency Response (CNE)

MPA FINANCING DETAILS (US$, Millions)

Board Approved MPA Financing Envelope:	18,000.00
MPA Program Financing Envelope:	18,000.00
of which Bank Financing (IBRD):	9,900.00
of which Bank Financing (IDA):	8,100.00
of which other financing sources:	0.00

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	120.00
Total Financing	120.00
of which IBRD/IDA	120.00

Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	120.00

Expected Disbursements (in US$, Millions)

WB Fiscal Year	2022	2023	2024
Annual	0.00	90.00	30.00
Cumulative	0.00	90.00	120.00

INSTITUTIONAL DATA

Practice Area (Lead)

Health, Nutrition & Population

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	Substantial
2. Macroeconomic	Moderate
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Moderate
6. Fiduciary	Moderate

7. Environment and Social	Substantial
8. Stakeholders	Moderate
9. Other	
10. Overall	Substantial
Overall MPA Program Risk	High

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No

Does the project require any waivers of Bank policies?

[✓] Yes [ ] No

Have these been approved by Bank management?

[✓] Yes [ ] No

Is approval for any policy waiver sought from the Board?

[ ] Yes [✓] No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

Schedule 2, Section I.C.1. of the Loan Agreement: Operational Manual. The Borrower shall cause the Project Implementing Entity to, no later than sixty (60) days after the Effective Date, prepare and adopt a Project operational manual ("Operational Manual") containing detailed guidelines and procedures for the implementation of the Project.

Conditions

Type	Financing source	Description
Effectiveness	IBRD/IDA	Article IV, Section 4.01. of the Loan Agreement: The

		Subsidiary Agreement has been executed on behalf of the Borrower, through MOF, and the Project Implementing Entity, and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled.
Type Disbursement	Financing source IBRD/IDA	Description Schedule 2, Section III.B.1. of the Loan Agreement: Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed $90,000,000 may be made for payments made prior to this date but on or after December 21, 2021 (but in no case more than one year prior to the Signature Date), for Eligible Expenditures under Category (1), provided, however, that no such withdrawal shall be made under this paragraph for Eligible Expenditures consisting of purchases of Project COVID-19 Vaccines the deployment of which occurred before the ESMF has been updated in accordance with the ESCP, until a Rapid E&S Assessment has been carried out and finalized in accordance with the ESCP and in form and substance acceptable to the Bank.

I. PROGRAM CONTEXT

1. This Project Appraisal Document (PAD) seeks the approval of the World Bank's Board of Executive Directors to provide a loan in the amount of US$120 million to the Government of Costa Rica (GoCR) to support the country's emergency response to the Coronavirus Disease 2019 (COVID-19). The proposed operation will be processed under the Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank Group (WBG) Board of Executive Directors on April 2, 2020 (PCBASIC0219761), and the vaccines Additional Financing to the SPRP for vaccines approved on October 13, 2020.[1] The primary objective of the proposed Project is to increase COVID-19 vaccination coverage in the Republic of Costa Rica.

2. The purpose of the proposed Project is to provide upfront financing for the purchase of COVID-19 vaccines that meet the WBG's vaccine approval criteria (VAC). The proposed Project will provide financial support to enable the continuation and expansion of a sustained and comprehensive pandemic response that will now include vaccination of children in Costa Rica. As of May 12, 2022, 85.7 and 79.8 percent of Costa Rica's population has received one and two doses of the vaccine, respectively. The proposed Project will help vaccinate around 48 percent of the country's population, focusing on increasing vaccination coverage among children aged 5-11 years old and, administering third and fourth[2] doses to boost immunity among the eligible population who received two doses in the past six months of vaccines procured thorough bilateral contracts signed with Pfizer/BioNTech.[3] World Bank financing for the COVID-19 vaccines and deployment will follow the WBG's VAC. As of April 16, 2021, the World Bank will accept as threshold for eligibility of IBRD/IDA resources in COVID-19 vaccine acquisition and/or deployment under all World Bank-financed projects: (i) the vaccine has received regular or emergency licensure or authorization from at least one of the Stringent Regulatory Authorities (SRAs) identified by the World Health Organization (WHO) for vaccines procured and/or supplied under the COVID-19 Vaccines Global Access (COVAX) Facility, as may be amended from time to time by WHO; or (ii) the vaccine has received WHO Prequalification or WHO Emergency Use Listing (EUL).The GoCR provides free of cost vaccination to all residents five years of age or above, including nationals and non-nationals.

A. MPA Program Context

3. An outbreak of the COVID-19 caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China. Since the beginning of March 2020, the number of cases outside China increased rapidly worldwide and on March 11, 2020, the WHO declared a global pandemic. As of May 12, 2022, there have been

[1] Strategic Preparedness and Response Program (SPRP), also known as Global COVID-19 MPA. The WBG approved a US$12 billion WBG Fast Track COVID-19 Facility (FTCF or "the Facility") to assist IBRD and IDA countries in addressing the global pandemic and its impacts. Of this amount, US$6 billion came from International Development Association (IDA)/International Bank for Reconstruction and Development (IBRD) and US$6 billion from the International Finance Corporation (IFC). The IFC subsequently increased its contribution to US$8 billion, bringing the FTCF total to US$14 billion. The Additional Financing of US$12 billion (IBRD/IDA) was approved on October 13, 2020, to support the purchase and deployment of vaccines as well as strengthening the related immunization and health care delivery system.

[2] Since May 2, 2022, the Government authorized the booster with the fourth dose for population older than 50 years or immunosuppressed older than 12 years. More information: https://www.ministeriodesalud.go.cr/index.php/prensa/52-noticias-2022/1279-comision-aprueba-aplicacion-de-cuarta-dosis-contra-covid-19-para-casos-especificos

[3] More contracts may be agreed between the GoCR and vaccine manufacturers for vaccine purchase as needed as the emergency evolves.

over 516 million confirmed cases of COVID-19, including 6.259.945 deaths, reported to WHO.[4]

4. The Global COVID-19 MPA provides a critical and highly effective operational programmatic framework for the World Bank's emergency health response to COVID-19. The program development objective (PDO) of Global COVID-19 MPA is "to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness." At the time of the approval of the Global COVID-19 MPA, and in the absence of a safe and effective COVID-19 vaccine, immediate needs were focused on early detection, diagnosis, confirmation, and treatment of patients (including those afflicted with other chronic conditions that increase the risk of COVID-19 severity and mortality). The Global COVID-19 MPA provided a common operational framework to support individual countries' specific needs in preventing the spread of the disease and limiting immediate socioeconomic losses, as well as strengthening public health and essential medical care structures and operations to build resilience and reduce the risk from emerging and re-emerging pathogens.

5. As of April 18, 2022, the World Bank has approved 91 operations to support vaccine procurement and rollout in 72 countries amounting to US$8 billion. The 91 Additional Financing for Vaccines (AF-V) operations approved, include 6 operations that involved restructuring of parent projects (Bhutan, Cameroon, North Macedonia, Philippines, and Pakistan) and in the case of Lebanon, restructuring of the Health Resilience Project. Of the 91 approved operations: (i) 50 are in Africa – 24 in Africa East (AFE) and 26 in Africa West (AFW); (ii) 8 in East Asia and the Pacific; (iii) 10 in Europe and Central Asia; (iv) 8 in Latin America and the Caribbean; (v) 7 in Middle East and North Africa; and (vi) 8 in South Asia. Fifty (50) projects are disbursing. Twenty-seven (27) new operations are under various stages of processing. Total disbursements as of April 18, 2022, under these projects amount to US$2.85 billion or 36 percent of overall commitments. Disbursements under MPA-V operations are included in this total while disbursements under the six restructured projects are not included in this total as they are counted under parent projects. As with the MPA operations, streamlined procedures, delegated approval, coupled with flexible project design, and intensified efforts across the Bank have contributed to the rapid design and processing of the operations. Eighty-three (83) loan/financing agreements have been signed. Also, seventy-three (73) loan/financing agreements have become effective; several others are expected to become effective in the coming weeks. Implementation of the AF-V operations, as with MPA operations is facing challenges as several countries are still under different levels of lockdown or mobility restrictions and counterparts and Bank teams are operating from home. Countries are dealing with new waves of infections, as the Omicron variant and its mutations are spreading rapidly among populations.

B. Updated MPA Program Framework

6. The MPA Program framework for the proposed Project is as follows:

Table 1. MPA Program Framework

Phase #	Project ID	Sequential or Simultaneous	Phase's Proposed DO*	IPF, DPF or PforR	Estimated IBRD Amount (US$ million)	Estimated IDA Amount (US$ million)	Estimated Other Amount (US$ million)	Estimated Approval Date	Estimated Environmental & Social Risk Rating
2	P178320	Simultaneous	Increase COVID-19	IPF	120.00	0.00	0.00	June 10, 2022	Substantial

[4] https://covid19.who.int/

			vaccination coverage among the population of the Republic of Costa Rica						
Total					120.00	0.00	0.00		

7. All projects under SPRP are assessed for Environmental and Social Framework risk classification following the Bank procedures and the flexibility provided for COVID-19 operations.

C. Learning Agenda

8. The Project under the MPA Program will support adaptive learning throughout the implementation, as well as from international organizations including WHO/Pan-American Health Organization (PAHO), International Monetary Fund (IMF), United States Centers for Disease Control and Prevention (CDC), United Nations Children's Fund (UNICEF), and others. It will adjust to emerging technical, social, and economic evidence, as applicable, and incorporate lessons learned from the ongoing global vaccine rollout and COVID-19-related service delivery. The need for interchange of experiences across countries is essential as Costa Rica and other countries struggle with a pandemic that is still relatively new. Like other affected countries, Costa Rica will have to deal with questions such as how to deal with the surge of new variants and, at least temporarily, the unknown implications of vaccine efficacy; how to engage in appropriate communication strategies to increase vaccination rates when a relatively high vaccination rate has been achieved and hard-to-reach populations are still left uncovered; and how to capture newly covered populations for vaccination, such as children; among others. In this regard, the World Bank and other key partners will provide continuous support to facilitate learning on best practices coming from other countries.

II. CONTEXT AND RELEVANCE

A. Country Context

9. As an upper middle-income country, Costa Rica has shown steady economic growth over the past 25 years. With a US$12,047 income per capita and a population of over 5.1 million, this growth resulted from an outward-oriented strategy, based on an openness to foreign investment and gradual trade liberalization. Costa Rica was an early adopter of equitable public sector policies characterized by continuous expansion of social services, including education and universal health coverage. The combination of political stability, a solid social contract and steady growth has resulted in a country with one of the lowest poverty rates in the Latin America and the Caribbean (LAC) region, where the proportion of the population with incomes below US$5.5 purchasing power parity decreased from 12.9 to 10.6 percent between 2010 and 2019, but then increased to 16.1 percent in 2020. The success of the country in recent decades is also reflected in its strong human development indicators. Costa Rica’s Human Development Index value of 0.810 for 2019 placed the country in a high human development

category, at 62 out of 189 countries and territories, and above the average of 0.766 for LAC countries.[5]

10. Costa Rica's strong economic performance in 2021 and spending discipline enabled a fast recovery from the impacts of the COVID-19 pandemic. The Gross Domestic Product (GDP) increased 7.6 percent in 2021 after reaching the largest drop in four decades in 2020 (-4.1 percent). A solid rebound in manufacturing, particularly of medical equipment, and a gradual recovery in services and agriculture lifted GDP above pre-crisis levels. GDP is projected to grow by 3.4 percent in 2022 and is expected to remain strong in 2023 and 2024, gradually converging to its potential (around 3.2 percent).[6] While growth has translated into job creation and increased household income, unemployment and poverty rates remain above pre-pandemic values and inequality is yet to recede.

11. The COVID-19 pandemic increased poverty and unemployment rates in Costa Rica, thus intensifying pre-existing social challenges. Despite robust mitigation measures, incomes of the bottom 40 percent of the population declined by about 15 percent in 2020. Poverty (US$5.5 line) increased from 10.6 to 16.1 percent of the population from 2019 to 2020. Unemployment increased especially among women, people with incomplete secondary education, and the young, partly due to the impact of the health emergency on tourism and trade, plus a contraction in the transport and construction sectors. The vaccination campaign and the strong economic performance in 2021 enabled a faster than expected recovery that started to improve labor market and social outcomes. However, at the end of 2021, unemployment still exceeded the pre-pandemic rate (13.7 percent in Q4-21 versus 11 percent in Q4-19), with female unemployment remaining high at 17.3 percent. Poverty had declined to an estimated 11.1 percent, still slightly above pre-pandemic levels. Further poverty reduction will require efforts to include less-educated workers in economic development**.**

12. Costa Rica's vulnerability to extreme climate events and natural hazards, exacerbated by climate change, underscores the need to improve the country's resilience to multiple shocks and avoid jeopardizing its development and health gains. The country's vulnerability is due to a combination of geographic variations and economic factors: 8 percent of Costa Rica's population and 80.1 percent of the country's GDP reside in areas at high risk of multiple hazards, prone to volcanic eruptions and in unstable lands, degraded by wide-spread cattle ranching, or in poorly planned settlements prone to landslides and flooding.[7] Temperatures have increased every decade with a prolonged and hottest dry season since 1960 and are projected to increase by 1°C to 2°C by 2050, and between 2°C and 4°C higher in 2080. Although Costa Rica has built an efficient disaster response system and managed to limit vulnerabilities by mainstreaming disaster risk management in its national development program, an increase in temperatures may have direct consequences on the health of the population. A rise in temperature, and potential decreased water quantity and quality may affect crop yields and contribute to food shortages – these challenges are intensified by the COVID-19 pandemic. An increase in temperatures is known to be a direct cause of death, especially in the elderly community who may suffer from strokes or heart attacks in extreme heat environments and who are also highly vulnerable to the COVID-19 virus.

[5] Information available in the United Nations Development Program – UNDP. Human Development Report 2020 The Next Frontier: Human Development and the Anthropocene Briefing note for countries on the 2020 Human Development Report. Retrieved from: https://hdr.undp.org/sites/default/files/Country-Profiles/CRI.pdf

[6] Macro Poverty Outlook Spring Meetings 2022: *https://thedocs.worldbank.org/en/doc/e408a7e21ba62d843bdd90dc37e61b57-0500032021/related/mpo-cri.pdf*

[7] Global Facility for Disaster Reduction and Recovery (GFDRR) and International Strategy for Disaster Reduction (ISDR). Costa Rica Disaster Risk Management Programs for Priority Countries, 2010

B. Sectoral and Institutional Context

13. Costa Rica's health outcomes are among the best in LAC[8] and the country's social policies are credited for many of the social outcomes as they have resulted in sustained investments in human capital. Costa Rica's signature universal public health insurance provides access to health care for its entire population and is considered one of the key reasons for its positive health outcomes.[9] The CCSS manages Costa Rica's public health insurance system and is the largest health care provider in the country.[10] CCSS services are used by most of the population at substantially high rates across all income groups.[11] The CCSS, as a provider of public health services, has an important team of human resources deployed throughout the country, whose well-being has been prioritized by the CCSS during the pandemic.

14. As in other upper middle- income countries, the demographic and epidemiological transition imposes a sizable burden on the financial sustainability of Costa Rica's health system and makes the country more vulnerable to COVID-19. Infant mortality rates per 1,000 live births have fallen from 11 in 2000 to 8 in 2020, and fertility rates declined from 2.36 to 1.75 births per women over the same period. At the same time, life expectancy is 78 years for men and 83 years for women, comparable to many Organizations for Economic Cooperation and Development (OECD) countries.[12] With reduced mortality and fertility rates, and growing life expectancy, Costa Rica's population is rapidly aging; the population over 65 years of age constituted 6 percentage in 2008, 8.9 percentage in 2020, and according to the National Institute of Statistics and Census's population projections, it is estimated that it will reach 13 percentage by 2030 and more than 20 percentage in 2050.[13] Costa Rica's demographic transition is also reflected in changes in morbidity and mortality patterns with an increased burden of disease and percentage of deaths caused by non-communicable diseases (NCDs). Moreover, these demographic and epidemiological transitions are significant for the country in that the elderly and those living with NCDs are predominantly more vulnerable to the COVID-19 pandemic.

15. Costa Rica is well prepared to respond to health-related emergencies and has strong, coordinated institutions created for such purposes. International assessments suggest that Costa Rica's ability to prevent, detect and respond to infectious disease outbreaks is above the regional and global averages.[14,15] Furthermore, the historically robust, universal health care system has allowed the country to timely respond to infectious disease outbreaks, such as the COVID-19 pandemic. The prevention and control of vaccine-preventable diseases, implemented by the CCSS as the main provider of free-of-charge immunization services in the country and coordinated by the National Commission for Vaccination and Epidemiology (*Comisión Nacional de Vacunación y*

[8] Health outcomes comparison can be found in Core Indicators 2019: Health Trends in the Americas p. 14-18. Retrieved from: https://iris.paho.org/bitstream/handle/10665.2/51542/9789275121290_eng.pdf?sequence=6&isAllowed=y
[9] Analisa Bala. March 2022. Finance & Development, IMF.https://www.imf.org/en/News/Articles/2022/03/09/cf-costa-rica-prioritizes-public-health
[10] The Ministry of Health transferred all health care facilities to the CCSS in the 1990s.
[11] World Bank. 2015. Costa Rica - Central America Social Sector Expenditure and Institutional Review.
[12] Indicators of 2020 can be found in several documents and dashboards: *https://opendata.paho.org/es/indicadores-basicos/tablero-de-los-indicadores-basicos and, https://www.oecd-ilibrary.org/docserver/6089164f-en.pdf?expires=1652407561&id=id&accname=guest&checksum=D95B94CF317100AF5A4496618B4703CF*
[13] MIDEPLAN. Demográficamente, población costarricense se encuentra en proceso de envejecimiento. November 18, 2021. Retrieved from: https://www.mideplan.go.cr/index.php/demograficamente-poblacion-costarricense-se-encuentra-en-proceso-de-envejecimiento#:~:text=De%20acuerdo%20con%20el%20porcentaje,envejecimiento%20y%2013%2C41%20envejecidos.
[14] WHO. State Parties Self-Assessment Annual Reporting Tool. 2019.
[15] Global Health Security Index (GHSI) 2021. URL: *https://www.ghsindex.org/* .

Epidemiología, CNVE), is one of the main public health priorities in Costa Rica. In addition, the National Law of Emergencies and Risk Prevention established the National Commission for Risk Prevention and Emergency Response (*Comisión Nacional de Prevención de Riesgos y Atención de Emergencias,* CNE) as the lead entity for risk management and emergency prevention, response and recovery, including disease outbreaks. Following the confirmation of the first cases of COVID-19 in Costa Rica. On March 6, 2020, the GoCR extended the declaration of a health emergency to respond to cases of COVID-19 through Decree N° 42227-MP-S,[16] which is still in force. Since then, the CNE has coordinated all aspects of the national COVID-19 response. The CNE, CCSS, Ministry of Health (MOH), other public institutions and non-governmental organizations are represented through the Emergency Operations Center which meet periodically to coordinate their work. Given the CNE's leading role in the national emergency response to COVID-19, the CNE administers the budget and procurement of COVID-19 vaccines. Upon arrival in the country, vaccine deployment is entirely implemented by the CCSS. The MOH serves as the policy making entity that determines the norms and procedures for specific vaccines.

Costa Rica's COVID-19 Epidemiological situation and response to the pandemic

16. The GoCR has implemented timely, well-targeted public health measures to contain the spread of COVID-19 infections since early-March 2020. Implemented measures included mandatory quarantines, closures of schools, public offices, and most public spaces, travel restrictions, border closures, and construction of a specialized hospital for COVID-19 treatment. The country initially managed to contain the pandemic, but after a first peak in December 2020 and two waves in May and September 2021, Costa Rica is now threatened by the rapid spread of new variants. As of May 12, 2022, over 866,164 confirmed COVID-19 cases and over 8,444 deaths, i.e., a cumulative rate of 168,545 cases per 1 million people, have been reported. [17] While the number of COVID-19 cases remained relatively low until June 2020, the number of new cases picked up quickly. New confirmed cases remained high from August 2020 through January 2021 and picked up again between February and September 2021, resulting in one of the highest rates of confirmed cases per population in LAC. After a subsequent sharp drop and stabilization of cases at a low level, incidence has been on the rise since the appearance of the Omicron variant in Costa Rica, which perpetuated with unusual force yet another wave of COVID-19 infections, the highest since the beginning of the pandemic in the country.[18, 19]

17. Costa Rica has diligently worked to increase its testing and case management capacity for COVID-19. The pandemic has required the CCSS to adapt to maintain the delivery of basic and essential services to its users, while ensuring that people infected with COVID-19 receive the required care. The CCSS has implemented a strategy of reorganizing the level of care process by categorizing cases from the first level of care to the most complex, increasing hospital beds for each case type (mild, moderate, severe, and critical) while referring non-COVID-19 patients to private hospitals, to safeguard the safety and protection of patients and staff. These measures have helped reduce the COVID-19 fatality rate over time, from a peak of 8.4 percent in mid-April 2021 to 0.6 percent in early May 2022.[20] As in other countries, the pandemic has also put overwhelming pressure on the laboratory testing capacity of Costa Rica. In mid-2020, with the rapid increase in COVID-19 cases, demand for tests soon exceeded the testing capacity of the CCSS and led the institution to procure new testing equipment

[16] And its modificatory decree N° 42630-MP-S.
[17] Source: https://ourworldindata.org/
[18] Ministry of Health, Costa Rica. URL: https://www.ministeriodesalud.go.cr/index.php/centro-de-prensa/noticias/741-noticias-2020/1725-situacion-nacional-covid-19
[19] Our World in Data. URL: https://ourworldindata.org/
[20] *https://ourworldindata.org/* (accessed it on May 4, 2022)

and introduce the use of regional or peripheral hospitals to analyze COVID-19 diagnostic tests samples.

18. On December 24, 2020, Costa Rica began vaccinating against COVID-19 as one of the first ten countries in the world to receive the vaccines. Since then, the vaccine has been provided for free and is universally available for all adults and children up to 5 years old, through their Basic Teams of Comprehensive Health Care (*Equipos Básicos de Atención Integral en Salud,* EBAIS) managed by the CCSS. On January 11, 2021, the GoCR confirmed its intention to vaccinate all adults over 18 years of age against COVID-19, beginning with the most vulnerable groups. Costa Rica organized early vaccination efforts around five priority groups, categorized according to their health risks and starting with first responders, as well as older adults and employees of long-term care settings (Table 4). Considering the increased availability of vaccines, on July 16, 2021, Costa Rica transitioned to a vaccination strategy based on age groups, regardless of risk (all priority groups), beginning with the group of 40 years and older and decreasing in age. Following the approval of Pfizer/BioNTech vaccines against COVID-19 for children, the GoCR authorized in October 2021 the vaccination for everyone 12 years and older, and for children 5-11 years old starting in January 2022. In addition, booster doses became available on December 13, 2021, for individuals who received their second dose at least six months prior, starting with employees of first response institutions (e.g., CCSS and private hospital personnel, MOH employees, firefighters, police force, and others), employees and residents of long-stay residence facilities and people 65 years old and older. Costa Rica has approved a COVID-19 vaccine mandate for all public sector officials, private-sector employees whose employers choose to require the vaccine,[21] and all children 5 to 18 years old, to prevent labor interruptions, promote continued education and protect unvaccinated children under 5 years old. On May 2, 2022, the GoCR authorized the fourth dose for eligible population. As of May 12, 2022, Costa Rica has administered over 10.7 million doses of the COVID-19 vaccine (79.80 percent of the population, including children aged 5 and older, are vaccinated with two doses).

National Capacity and COVID-19 Vaccination Plan

(i) Vaccine Readiness Assessment

19. Costa Rica completed the COVID-19 Vaccine Introduction Readiness Assessment Tool/Vaccine Readiness Assessment Framework (VIRAT/VRAF 2.0)[22] for the first time in September 2020 and has adequately filled identified gaps prior to starting vaccine deployment and immunization. The latest assessment available, carried out in January 2021, reflected an adequate level of readiness to roll out the national vaccination strategy, with 45 out of a total of 50 indicators reported as "completed" (Table 2). The Inter-institutional Technical

[21] Mandated by Executive Decree No. 43249-S, signed by the President of the Republic of Costa Rica and the Minister of Health, effective October 15, 2021. This Executive Decree also complements Executive Decree No. 42889-S published on March 11, 2021, which approved the obligation to apply the COVID-19 vaccine to employees of the Ministry of Health, the Costa Rican Social Security Administration, the National Insurance Institute, the Costa Rican Red Cross, and all employees of the public health sector, as well as the mandatory application of the vaccine to health personnel of the private sector who are in the same risk conditions as the public health sector personnel. This Executive Decree also amended article 18 of the National Vaccination Law, to include subsection 15, granting the COVID-19 vaccine the status of official vaccine in the universal basic public health scheme of Costa Rica. COVID-19 vaccinations for population 5-18 were included in the basic vaccination schedule established by the CNVE, which is mandatory among the population under 18 years old. URL: https://www.jdsupra.com/legalnews/costa-rica-supports-mandatory-9542814/

[22] A multi-partner effort led by WHO and UNICEF developed the VIRAT to support countries in developing a roadmap to prepare for vaccine introduction and identify gaps to inform areas for potential support. Building upon the VIRAT, the WBG developed the VRAF to help countries obtain granular information on gaps and associated costs and program financial resources for deployment of vaccines. To minimize burden and duplication, in November 2020, the VIRAT and VRAF tools were consolidated into one comprehensive framework, called VIRAT-VRAF 2.0.

Coordination Committee for the acquisition of COVID-19 vaccines, under the stewardship of the MOH, oversees working towards readiness in key areas such as service provision, cold chain and logistics, demand generation and communications, prioritization of groups, targeting and surveillance of COVID-19, and monitoring and evaluation (M&E).

Table 2: Vaccination readiness findings from the VIRAT/VRAF 2.0 assessment

As of latest assessment available in January 2021

Readiness domain	Readiness of government	Key gaps addressed
Planning and coordination	Completed	No gaps remaining as per self-assessment
Budgeting	In progress – Maturity stage	The CCSS periodically develops investment plans for vaccination acquisition. The Ministry of Finance is responsible for presenting the extraordinary budget from the Legislative Assembly for approval.
Regulatory	Completed	No gaps remaining as per self-assessment
Prioritization, targeting, surveillance	Completed	No gaps remaining as per self-assessment
Service delivery	Completed	No gaps remaining as per self-assessment
Training and supervision	Completed	No gaps remaining as per self-assessment
Monitoring and evaluation	Completed	No gaps remaining as per self-assessment
Vaccine, cold chain, logistics, infrastructure	Completed	No gaps remaining as per self-assessment
Safety surveillance	In progress – Maturity stage	The National Pharmacovigilance Center of the MOH has developed a pharmacovigilance plan. Adverse events following immunization can be reported on the Noti-FACEDRA[23] Digital Platform, and an active monitoring program is under design.
Demand generation and communication	Completed	No gaps remaining as per self-assessment

20. The GoCR has leveraged its established systems to timely record COVID-19 immunizations and monitor adverse events following vaccination. The MOH's Integrated Vaccine System (SIVA) is an electronic health information system for which vaccination data is entered daily, is accessible to public health facilities and was updated to accommodate COVID-19 immunization data. Once data on vaccines administered is entered, it can be seen in near real-time. Costa Rica makes use of an established regional Adverse Event Following Immunization (AEFI) surveillance system, the Noti-FACEDRA Digital Portal. Persons receiving COVID-19 vaccines can also report suspected AEFIs by means of a Yellow Card and submit it in local pharmacies and health centers, which are then sent to the National Pharmacovigilance Center. Persons receiving COVID-19 vaccines are provided relevant information before, during and after immunization. AEFI cases must be notified immediately to be addressed in a timely manner using the corresponding clinical approach by the team defined for this purpose.

21. The supervision, verification, evaluation, and monitoring of vaccines deployment is critical for the success of COVID-19 vaccination as well as for all other immunizations in Costa Rica. Since COVID-19 vaccinations are carried out under the declaration of a health emergency through Decree N° 42227-MP-S, both the CNE and the MOH, together with the CNVE, have an oversight role. Furthermore, the CCSS monitors compliance with good

[23] An online platform where health professionals and citizens of Central America and the Dominican Republic can report suspected adverse events following immunization: www.notificacentroamerica.net

practices in the service network and deploys corrective measures as appropriate. As with every medicine or vaccine that enters the CCSS, COVID-19 vaccines are inventoried in the Supply Management System (*Sistema de Gestión de Suministros,* SIGES), which registers the entry and exit of vaccine doses. The SIGES allows for the verification of inventory of vaccine doses, thus ensuring the traceability of vaccines from the point at which they enter the country, to the distribution to health establishments. The CCSS also uses a Supervision Instrument for Control and Monitoring[24] of the COVID-19 Vaccine that is carried out quarterly at the local, regional, and central levels to verify the implementation of good practices in vaccination management. At the local level, implementation of procedures established in the National Strategic Vaccination Plan (NSVP, *'Manual de Procedimientos para la ejecución de vacunación contra COVID-19 en los establecimientos de salud de la Caja Costarricense de Seguro Social'*), is monitored daily. The Project will rely on the existing manuals and institutional tools and procedures to provide oversight and assurance during the deployment of vaccines.

22. Communication campaigns and involvement of civil society have been key to achieve high vaccination rates. The CCSS's Directorate of Organizational Communication (*Dirección de Comunicación Organizacional*, DCO) developed an information plan, based on the NSVP objectives aimed at increasing the understanding of the importance of COVID-19 vaccination to stop community spread as well as the benefits and risks, and motivating vaccination. Key messages have been adapted to target audiences, taking into consideration their attitude towards vaccination (in favor, neutral or resistant). Mass communication campaigns have been accompanied by communications and outreach efforts implemented by immunization teams within their community networks, to ensure hard-to-reach populations are captured. Work with different organizations, church and civil society leaders have allowed greater social awareness about the importance of vaccination.

(ii) National Strategic Vaccination Plan

23. Acknowledging that purchasing vaccines is one step in a complex, multi-dimensional effort that involves detailed planning and implementation of a vaccine deployment program, the country developed an NSVP. The Plan was first developed in December 2020 and is now in its sixteenth revision. The NSVP is led by the CCSS and the MOH, endorsed by the CNVE, and considered a key instrument for efficient and effective vaccination rollout. The Plan includes the principles of the vaccination strategy and institutional arrangements, population prioritization, requirements for vaccination, vaccine delivery, procedures for storage, cold chain and waste management, vaccine surveillance, data collection and monitoring arrangements, safety surveillance, and stakeholder engagement and communication plans, among others. The NSVP is being implemented in CCSS health facilities in all Regional Directorates and Local Teams, with support and stewardship from MOH. Furthermore, the NSVP has benefited from the technical and financial support of partner agencies as shown in Box 1.

[24] An example of the instrument can be found here:
https://www.ccss.sa.cr/web/coronavirus/assets/materiales/personal/lineamientos/653.pdf

Box 1: Supportive Roles for Partner Agencies in COVID-19 Response and Immunization

WHO/PAHO role	Financing amount
Technical leadership for vaccine introduction and implementation of VIRAT/VRAF 2.0	Not applicable
COVAX role	
Procurement of 2,037,600 COVID-19 vaccines doses (Government financed)	US$6.3 million
Central American Bank for Economic Integration (CABEI)	
COVID-19 Immunization: financing for the acquisition, equipment, and application of COVID-19 vaccines with an impact on more than 3.7 million inhabitants	US$80 million
Foreign governments (United States, Canada, Austria, Spain, Dominican Republic, others)	
Vaccine donations from other national governments (3,033,720 doses as of February 16, 2022)	Not applicable

24. Together with its NSVP, the GoCR developed a vaccine coverage and purchase plan. The country has agreed to purchase a total of 12.5 million vaccine doses and secured another 3.7 million doses through donations for the calendar year 2022. As of May 2022, a total of 13.15 million doses have arrived in the country. Specifically, Costa Rica has sourced vaccines through four main sources: COVAX,[25] bilateral agreements signed with Pfizer/BioNTech and AstraZeneca (financed by CABEI or to be financed by the World Bank), and donations from other countries (Table 3). On September 25, 2020, the GoCR signed an agreement to join COVAX, through which it will have access to approximately 2 million COVID-19 vaccine doses, enough to cover 20 percent of the country's population with two doses. As of May 12, 2022, 968,370 of these COVAX doses had been delivered. In addition, the GoCR has received 1 million vaccine doses procured from AstraZeneca, 7.5 million doses procured from Pfizer/BioNTech, and 3.7 million doses in donations from other countries.[26] Out of the 7.5 million doses received from Pfizer/BioNTech so far, 1,449,350 doses (of which 1,048,400[27] were pediatric doses) correspond to a new contract for 3.5 million doses, signed in October 2021[28] (for US$90 million). These doses will be used to cover Stage 2 of GoCR's NSVP (see Table 3 for more details). More contracts may be agreed between the GoCR and vaccine manufacturers for vaccine purchase as needed as the pandemic evolves. Boosters and additional doses will be deployed following WHO guidance, beginning with people 65 years old and older, first responders, and residents and employees of long-stay residence facilities in which elderly and persons with disabilities reside.

[25] COVAX is co-led by Gavi, the Coalition for Epidemic Preparedness Innovations (CEPI) and WHO.
[26] Source: https://www.cne.go.cr/covid/ADQUISICION_VACUNAS.aspx
[27] The new contract with Pfizer/BioNTech comprises 1,048,400 million pediatric doses delivered to date to cover the full population in the corresponding age group, plus booster doses and other vaccines for adults as needed. Retrieve from: *https://www.cne.go.cr/covid/ADQUISICION_VACUNAS.aspx* checked on May 12, 2022.
[28] The need to enter into a new agreement with the mentioned manufacturer was in addition motivated by the delays in the delivery of vaccines from the COVAX facility, as well as the need to procure the pediatric doses, which due to their different formulation from adult doses, require to be procured as a different product.

Table 3: Costa Rica´s National Vaccine Coverage and Acquisition Plan

Based on currently available estimates as of May 12, 2022.

The information in Table 3 shows all sources of vaccines and will be updated as more information becomes available.

Source of financing (IBRD Govt, Other)	Population Targeted (Out of 5.1 million total population)		Vaccines				Number of doses agreed	Estimated total US$ (millions)	WBG's VAC Status	Contract Status	Vaccines already arrived in the country	
	%	Number	Source	Name	Price (US$/ dose)	Cost of shipping					Name	Doses
Stage 1: Groups 1, 2, 3, 4, 5 (population 12 years old and older) plus initial booster shots[29]												
GoCR/CABEI	59%	3,001,082	Bilateral	Pfizer/BioNTech	US$12	Included in the price	6,002,165	US$72	Approved	Signed and delivered	Pfizer/ BioNTech	6,002,165
GoCR/CABEI	10%	500,000	Bilateral	AstraZeneca	US$4	U$85,782	1,000,000	US$4	Approved	Signed and delivered	AstraZeneca	1,000,000
GoCR/CABEI	20%	1,018,800	COVAX	Pfizer/BioNTech, AstraZeneca, others	US$3.1 (on average)	This cost is covered by CCSS	2,037,600	US$6.3	Approved	Signed-Delivery in progress	Pfizer/ BioNTech, others	259,350
Donations	10%	515,115	Countries[30]	Pfizer/BioNTech, AstraZeneca, others	NA	NA	NA	NA	Approved	NA	Pfizer/ BioNTech, AstraZeneca, others	1,030,230
Stage 1 total	99%	5,034,997										8,291,745
Stage 2: Population between 5 and 11 years of age, booster doses and adult doses for primary vaccination												
GoCR + IBRD	11% or	525,494	Bilateral	Pfizer/BioNTec	US$15	Included in	1,630,000	US$90	Approved	Signed-	Pfizer/	1,048,400

[29] 2,221,366 third doses applied and 24.076 fourth doses applied as booster as of May 12, 2022. Source: CCSS (URL: *https://www.ccss.sa.cr/web/coronavirus/vacunacion*)

[30] United States, Canada, Austria, Spain, Dominican Republic, others

Source of financing (IBRD Govt, Other)	Population Targeted (Out of 5.1 million total population)		Vaccines				Number of doses agreed	Estimated total US$ (millions)	WBG's VAC Status	Contract Status	Vaccines already arrived in the country	
	%	Number	Source	Name	Price (US$/ dose)	Cost of shipping					Name	Doses
	over[31]			h (pediatric doses for children 5-11 years old)		the cost				Delivery in progress	BioNTech	
GoCR + IBRD	Up to 37%*	Up to 1,867,000*	Bilateral	Pfizer/BioNTech (adult doses)	US$15	Included in the cost	1,870,000		Approved	Signed-Delivery in progress	Pfizer/ BioNTech	400,950
Donations	Up to 39%* more may be receive d (TBC)	Up to 2,703,560*; more may be received (TBC)	Spain, United States, others	Pfizer/ BioNTech, and around 1 million of Moderna	--	--	NA	--	Approved	NA	Pfizer/ BioNTech, Moderna	2,703,560
			COVAX	Pfizer (adult doses – booster)								709,020
Stage 2 total	Up to 87%	Up to 4,395,984										4,861930
NATIONAL TOTAL												**13,153,675**

TBC: To be confirmed; NA: Not applicable.

[31] Assuming most of the pediatric doses received will be used for first and second doses in the 5-11 population. However, the GoCR is anticipating that a booster shot may be needed for children ages 5-11 years. Thus, the total pediatric vaccines contracted with Pfizer/BioNTech are 1.63 million, slightly above the number of doses required to vaccinate the group 5-11 with two doses.

* Assuming most of the doses received will be used as booster shots for adults.

25. As part of the vaccine procurement and deployment, the GoCR has addressed liability and indemnity issues, as described in Box 2 below.

Box 2: Liability and Indemnification Issues in Vaccine Acquisition and Deployment[32]

General:

- The rapid development of vaccines increases manufacturers' potential liability for adverse effects following immunization.
- Manufacturers want to protect themselves from this risk by including immunity from suits and liability clauses, indemnification provisions, and other limitation of liability clauses in their supply contracts.
- Contractual provisions and domestic legal frameworks can all operate to allocate that risk among market participants, but no mechanism will eliminate this risk entirely.

For the vaccines acquired through COVAX:

- COVAX has negotiated model indemnification provisions with manufacturers for vaccines purchased and supplied under the COVAX Vaccines Advance Market Commitment (AMC).
- In providing vaccines through COVAX AMC, COVAX requests COVAX AMC participants to have in place an indemnity agreement directly with manufacturers, and the necessary indemnity and liability frameworks for that purpose – either in the form of the COVAX model indemnification arrangements or prior bilateral arrangements with manufacturers.
- The COVAX Facility will have a no-fault compensation scheme for AMC countries as part of its risk mitigation strategy. This will cover vaccines supplied only through COVAX AMC.
- Costa Rica will have to consider what it will take to implement these indemnification provisions (including statutory implementation) and how they can avail of the benefits of the no-fault compensation scheme.

For vaccines purchased outside of COVAX:

- Costa Rica will need to enter direct indemnification arrangements with manufacturers.
- Costa Rica has legislation in place to provide statutory immunity for manufacturers. Costa Rica does not have a national no fault compensation scheme.
- Adoption of any such indemnification provisions or compensation scheme would have to be in accordance with Costa Rica's own national strategy and framework
- The Project operational documents make clear that Cost Rica's regulatory authorities are responsible for its own assessment of the Project COVID-19 Vaccines' safety and efficacy and is solely responsible for the authorization and deployment of the vaccines in the country.

(iii) Rationale for Vaccine Financing

26. Building on a successful response to the COVID-19 outbreak, the GoCR requested WBG support to further expand its ongoing vaccination efforts and lay the pathway to build back better. COVID-19 vaccination is at the center of Costa Rica's national strategy to protect lives and enable the country to sustain its safe reopening

[32] Various regulations consider the care of adverse effects in Costa Rica. Including Regulation 35244-S "Regulation of the National Pharmacovigilance System" and 39417-S "Regulation of Good Pharmacovigilance Practices". The AEFIs can be notified at the medical center where immunization was received or through the Noti-Facedra portal (www.notificacentroamerica.net). AEFIs cases are permanently analyzed by a technical interinstitutional team formed by the National Pharmacovigilance Center of the MOH and the CCSS, and other ad hoc specialists as needed. Cases are then remitted to the CNVE for analysis' validation and assessment of second dose appropriateness. Additionally, medical assessment of patients and care is coordinated with the CCSS. Indemnification provisions are not considered in said regulations.

and mitigate the negative socioeconomic impact of the pandemic on its population. The proposed Project will support the procurement of vaccines and ancillary materials, and up to 75 percent of the loan proceeds ($90 million) will allow for the retroactive financing of vaccine payments made between December 2021 and the signature of the Loan Agreement, but in no case more than one year prior to the Signature Date. The proposed financing would play an important role in continuing to provide affordable, safe, and equitable access to vaccines nationwide and contribute to the GoCR's vision, principles, and strategy outlined in their NSVP.

27. The rationale for supporting the country's ongoing efforts to advance national COVID-19 vaccination coverage is well justified. The proposed Project will support the GoCR's COVID-19 vaccine efforts and serve as a key contribution to the World Bank 's overall COVID-19 response. Not only will the continuation and scale up of the country's successful vaccination efforts contribute to reducing the socio-economic and fiscal burden of the pandemic in Costa Rica, but other countries will also benefit from the lessons learned in the process. Given the global public good nature of vaccination, significant positive externalities benefiting other countries in LAC and beyond are expected to emerge from the proposed Project. Costa Rica is in a favorable situation of expanding its vaccination coverage well beyond the previously recommended target for full vaccination (from 70 to 88 percent), the proposed Project will set an example for other countries that are also in an advanced stage of the implementation of their vaccination programs, and in the process of expanding their vaccination efforts to younger populations, including the rollout of boosters. The knowledge generated from the proposed Project may also be useful for other vaccine preventable diseases.

Table 4. Priority groups for vaccination in Costa Rica
Data as of May 12, 2022

Priority group	***Definition of priority group***	***Number of people***	***% of population*** [33]
First	• *Health care workers in direct contact with COVID-19* • *First responders* • *Long-term care settings, residents, and staff*	*120,000*	*2%*
Second	• *People 58 and older, with or without high-risk medical conditions*	*840,000*	*16%*
Third	• *People 12-57 years old with high-risk medical conditions (e.g., hypertension, diabetes, cardiopathies, obesity, chronic renal disease, cancer)*	*1,560,000*	*30%*
Fourth	*Workers of other defined institutions, such as:*	*150,000*	*3%*

[33] To calculate the share of the total population, the official population data (5,163,021) of the government was used. For more information: https://www.ccss.sa.cr/web/coronavirus/vacunacion

	• *Ministry of Education staff, public and private education sector staff, and staff of integrative care centers* • *Staff working in shelters for children and youth* • *Judiciary system staff and the incarcerated population* • *911 staff* • *Others*					
Fifth	• *Population without risks contemplated in the previous groups*	*330,000*	*6%*			
Recently added group	• *Population 5-11 years old*	*525,494*	*11%*			
				1st Dose Coverage (%)	***2nd Dose Coverage (%)***	***3rd Dose Coverage (%)***
Number of people (by age group)	*5 to 11 years old*	*525,494*	*10.17%*	*68*	*57.7*	*0*
	12 to 19 years old	*598,102*	*11.58%*	*94.8*	*85.8*	*32.3*
	20 to 39 years old	*1,733,462*	*33.57%*	*93.9*	*86.6*	*41.3*
	40 to 57 years old	*1,124,234*	*21.77%*	*95.1*	*91.5*	*56.5*
	58 years old and older	*818,546*	*15.85%*	*96.7*	*96.6*	*77.5*
	Total	*4,799,835*	*93%*	*89.7*	*83.64*	*41.52*

C. Relevance to Higher Level Objectives

28. The proposed Project is well aligned with the WBG's Country Partnership Framework (CPF) for Costa Rica FY16-FY20 discussed by the World Bank's Board of Executive Directors on May 27, 2015 and the Performance and Learning Review (PLR) of the CPF considered by the Board on January 13, 2020, which extended the CPF period to FY22.[34] The proposed Project contributes to the second pillar of the CPF aimed at bolstering fiscal, social and environmental sustainability, and specifically to the achievement of objective 5, *improve efficiency and quality of the health insurance system to improve results*. The proposed Project will help ensure that government investments address the urgent needs posed by the COVID-19 pandemic and boost economic recovery, thus increasing fiscal and economic efficiency. The proposed project is also aligned with the WBG COVID-19 Crisis Response Approach Paper, as it follows its proposed operational approach to provide exceptional support to countries as they tackle the unprecedented threats posed by the COVID-19 crisis.[35] The Project would also support the World Bank's Green, Resilient and Inclusive Development Approach in Costa Rica as it would simultaneously improve the overall resilience of the health sector – and therefore of the people of

[34] CPF Report No. 94686-CR, PLR Report No. 143466-CR.
[35] WBG COVID-19 Crisis Response Approach Paper. URL: https://documents1.worldbank.org/curated/en/136631594937150795/pdf/World-Bank-Group-COVID-19-Crisis-Response-Approach-Paper-Saving-Lives-Scaling-up-Impact-and-Getting-Back-on-Track.pdf

Costa Rica - to natural and man-made disasters, focusing on the most vulnerable population groups. Currently, widespread vaccination in Costa Rica is the most effective strategy to mitigate the pandemic's negative impacts on human capital losses and productive inclusion, and in the process, addressing the rising inequality gap, generating more balanced opportunities for different segments of society and fostering social sustainability. The proposed Project is also linked with the objectives of Costa Rica's National Development and Public Investment Plan 2019-2022, and the National Health Plan 2016-2020. The National Development and Public Investment Plan proposes among its objectives to improve the healthy years of life for the population by expanding health service coverage and promoting healthy behaviors to guarantee quality of life with equality of opportunity for all citizens.

29. The proposed Project is also aligned with WBG strategic priorities, particularly the WBG's mission to eliminate extreme poverty and boost shared prosperity. The proposed Project contributes to achieving the WBG's global twin goals by helping the GoCR respond to the ongoing public health emergency which has elevated the priority of protecting health and human capital, especially for the poor and vulnerable population in a sustainable manner. The proposed project would also contribute to the implementation of the WBG LAC Strategy by providing support to building human capital and strengthening resilience.

III. PROJECT DESCRIPTION

A. Development Objectives

30. The Project objectives are aligned to the results chain of the COVID-19 SPRP.

31. Project Development Objective (PDO) statement: The objective of the Project is to increase COVID-19 vaccination coverage among the population of the Republic of Costa Rica.

32. PDO Level Indicators:

- Population vaccinated, which is included in the priority population targets defined in national plan (percentage, disaggregated by sex).
- Population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan (percentage, disaggregated by sex).

B. Project Components

33. The proposed Project is part of the Global COVID-19 MPA (SPRP) and will support the implementation of Costa Rica's NSVP to respond to the COVID-19 pandemic. The proposed Project focuses on the financial support to further implement the COVID-19 vaccination in Costa Rica and will build on experiences and achievements of similar projects under implementation in the region and around the world. The proposed Project is designed around two components as described below:

34. Component 1: COVID-19 Vaccines and ancillary products (US$119 million). This component will support the purchase of COVID-19 vaccines and vaccination ancillary products, such as needles, syringes, alcohol, up to 75 percent of which will retroactively finance the payments made between December 2021 and the signature of the Loan Agreement, but in no case more than one year prior to the Signature Date. Specifically, this will include the

purchase of at least 3.5 million doses of COVID-19 vaccines that meet the WBG's VAC, for Stage 2 (see Table 3), including 1.63 million pediatric doses, of which 1.05 million of doses for children ages 5-11 years have been received.[36] While the focus will continue to be increasing vaccination coverage of two doses, especially among the younger population, a significant proportion of the adult doses are expected to be used as a third-dose to boost immunity in the population that has already received two doses at least six months ago, thus, potentially covering up to 2 million people. The implementation of booster shots will follow WHO guidelines. Component 1 may also finance the purchase of other COVID-19 vaccine doses that meet the WBG's VAC, which may be purchased by the government during the life of the Project. Given the significant investments implemented to support vaccine deployment at the beginning of the vaccination campaign, it is not expected that investments are needed to support the cold chain and non-vaccine related medical supplies (other than for vaccinators). This component will not directly finance specific interventions such as communication campaigns, however, the component will allow the reimbursement of funds used by the CNE to secure vaccine contracts, and the CNE will in turn use those resources to ensure the continued financing of NSVP-related activities. This component will solely finance goods, and only goods will be considered as eligible for retroactive financing under this component.

35. Component 2. Project Management and Monitoring (US$1.0 million). This component will finance the required project management activities, and administrative resources including operating costs, training, and external audits to manage the Project. The CNE is the implementing entity for the proposed Project and will rely on an already established Project Implementation Unit (PIU) that will carry out the functions of financial management (FM), procurement, disbursement, environmental and social (E&S) standards, and M&E of project activities. These responsibilities will be carried out in accordance with World Bank guidelines and procedures. The CNE will take advantage of the existing internal administrative structure of the CNE. At the same time, CNE may hire additional staff for specific areas such as the preparation and supervision of ESS instruments implemented under the Project. This component will finance minimal operating costs of the CNE and external audits to be carried out during the project implementation period. No costs are expected to be covered retroactively under this component.

[36] The total population of children 0-11 years old is 888,691, of which 525,494 are children 5-11. So far, the Pfizer/BioNTech vaccine is only authorized for those ages 5-11 years old, but the GoCR is anticipating that a booster shot may be needed for children ages 5-11 years and that authorization for children ages 0-4 may become available in spring 2022. Thus, the total pediatric vaccines contracted with Pfizer/BioNTech are 1.63 million, above the number of doses required to vaccinate the group 5-11 with two doses. The remaining could be used for boosters on 5-11 years old or for children ages 0-4 when it is authorized.

Table 5: Summary of COVID-19 Vaccine Financing Sourcing and WBG Financing

National plan target (pop. %)	Source of vaccine financing and population coverage					Donations	Specific vaccines & sourcing plans	No. of Doses purchased with WBG finance	Estimated allocation of WBG financing
	COVAX Grant	WBG-financed (US$ million)			GoCR+ CABEI				
		Through COVAX	Through AVAT	Through direct purchase					
Stage 1: Groups 1, 2, 3, 4, 5 (population 12 years old and older) plus initial booster shots	-	-	-	-	89%	10%	AstraZeneca Pfizer/ BioNTech	0	0
Stage 2: Population between 5 and 11 years of age, booster doses and adult doses for primary vaccination	-	-	-	48%	-	39%	Pfizer/ BioNTech	> 3.5 million	Purchase of vaccines & ancillary products*: US$119M* Other*:US$1M project management*

C. Project Beneficiaries

36. The proposed Project will benefit the entire population of Costa Rica. Vaccination is universal in Costa Rica, and beneficiaries include women and vulnerable population such as Indigenous Peoples (IP), migrants, refugees, and homeless people regardless of nationality.[37] While it is anticipated that the direct project beneficiaries will be up to 2.4 million inhabitants or 48 percent of Costa Rica's population,[38] it is expected that the entire population of Costa Rica and beyond will benefit from the Project as the successful development, production, and delivery of vaccines has the best potential to prevent new infections and deaths from existing COVID-19 variants, while guarding against their resurgence and the development of new variants, generating benefits to the entire population. COVID-19 vaccination is needed to achieve herd immunity in Costa Rica, thus contributing to the economic recovery of the country as well as a global public good.

Addressing gender gaps

37. There is no strong evidence of gender inequalities nor the existence of a gender gradient in terms of access to health care, including immunization, in Costa Rica. The latest data suggests good access to care by women: about 98 percent of pregnant women in 2018 received prenatal care from a skilled provider and 99

[37] This is especially important for the irregular migrants that can access to the vaccine without any other proof of identity. More information: https://www.confidencial.com.ni/migrantes/costa-rica-continuara-vacunando-a-extranjeros-sin-que-deban-demostrar-su-arraigo

[38] Assuming the 1.63 million pediatric doses procured through the contract signed with Pfizer/BioNTech in October 2021 will be used to vaccinate all children between 5-11 years old and the remaining approximately 1.87 million doses in the contract will be used for booster doses. Furthermore, the country may source more vaccines through other contracts not yet signed that may be eventually financed by the proposed project.

percent of births were delivered by a skilled provider in 2018. The percentage of children 24-35 months old fully immunized is higher for girls (79 percent) than for boys (68 percent).[39] Women hold 45.6 percent of seats in parliament and males and females have similar access to education (55.4 percent of the female population with at least some secondary education versus 53.3 percent in males). However, the labor force participation rate is significantly higher among males, about 76.2 percent, as compared to females, about 48.1 percent. Since most health care providers are female,[40] especially at primary and community care levels, they may be at a higher risk of being infected with the COVID-19 virus. The CCSS prioritized its personnel in the NSVP and made vaccination mandatory for all CCSS personnel. Additionally, the occupational health offices in the CCSS have developed a Technical Guide for the management of psychosocial risk factors at all three levels of care including a psychosocial care protocol for human resources in health, specifically related to the COVID-19 pandemic.

38. Costa Rica made important advances to safeguard the health and integrity of Indigenous women during the pandemic but efforts to narrow existing gaps are still required. According to the 2010-2011 Census, 104,143 people in Costa Rica self-identified as Indigenous. Of these, 52,434 are men and 51,709 women, corresponding to about 2 percent of the total population.[41] Indigenous women traditionally take on the bulk of care and housework responsibilities, including physically demanding work such as water fetching and storing. At home, they are at higher risk of infection because of their role as main caregivers for the sick. Moreover, they face the effects of the disease in the short, medium, and long term, including restricted access to health services in general and, mainly, sexual, and reproductive health.[42] Although there is no sex-disaggregated data on the number of Indigenous Peoples (IP) infected with COVID-19, recent reports indicate that the pandemic has disproportionately affected this historically vulnerable group, particularly women.[43] IP are less likely to be vaccinated because they live in rural areas of difficult access, and this is compounded for women, who face specific barriers to access health services areas due to traditional norms and family responsibilities. Vaccine hesitancy is also common; although the CCSS has made important efforts to vaccinate Costa Rican IP, significant efforts are still required. To address specific issues faced by IP, the GoCR prepared the "Technical Guidelines for the Prevention of COVID-19 in Indigenous Territories" and the "Action Plan for Addressing COVID-19 in Indigenous Territories."[44] In addition, to achieving greater vaccination rates, improving cultural understanding and addressing gender norms that may prevent indigenous women from getting vaccinated, the CCSS has a Normalization Program for Health Care of IP, which establishes strategies such as including ethnicity in the Unique Digital Health File and the designation of Indigenous community assistants.[45] These assistants are mostly Indigenous women who act as a link between the health professionals and the community in the periodic visits made every three months. This Project aims to support and boost the CCSS' efforts to increase vaccination among IP with a focus on Indigenous women through

[39] Includes BCG, Hepatitis, Pentavalent, MMR, Varicella, Pneumococcal according to the Costa Rican vaccination scheme. Source : ENMA-MICS6 2018. URL : https://www.inec.cr/encuestas/encuesta-mujeres-ninez-adolescencia

[40] Currently the CCSS has 54,024 officials, 32,048 of whom are women,40 which indicates a slight majority of the total number of officials.

[41] They are eight Indigenous Peoples in Costa Rica: Bribri, Cabécar, Terraba, Brunca, Gnäbe, Chorotega, Huetar, and Maleku, and they live in 24 indigenous territories recognized by the State.

[42] WHO. Fortaleciendo la comunicación de riesgos en comunidades indígenas de Costa Rica. Agosto, 2021. URL: *https://www.paho.org/es/historias/fortaleciendo-comunicacion-riesgos-comunidades-indigenas-costa-rica*

[43] Allison Quintanilla Hernandez, Rebeca Arguedas-Ramirez. Indigenous and rural women in Costa Rica work and social justice Multiple pandemics and violence in times of Covid-19. P. 6. URL: *http://library.fes.de/pdf-files/bueros/fesamcentral/16960.pdf*

[44] "LOS PUEBLOS INDÍGENAS ANTE LA PANDEMIA DE LA COVID-19. TERCER INFORME REGIONAL. COMUNIDADES RESILIENTES. BUENAS PRÁCTICAS DE LOS PUEBLOS INDÍGENAS ANTE LA PANDEMIA © 2020. FILAC Y FIAY. At: *https://www.filac.org/wp-content/uploads/2021/02/FILAC_FIAY_tercer-informe-PI_COVID19_final-3.pdf* (accessed May 4, 2022).

[45]CCSS. CCSS brinda servicios de salud con pertinencia cultural en pueblos indígenas. Source : *https://www.ccss.sa.cr/noticias/salud_noticia?ccss-brinda-servicios-de-salud-con-pertinencia-cultural-en-pueblos-indigenas*

activities carried out by Indigenous community assistants during their periodic visits, vaccination information in the indigenous language (a key constraint for women who have lower levels of literacy) to boost vaccination uptake, as well as targeted visits of health teams to communities to address mobility constraints, particularly for women. An indicator has been included in the Results Framework to measure this gap in coverage - Female Indigenous Peoples vaccinated, which are included in the priority population targets defined in national plan (percentage). The COVID-19 vaccination coverage of two doses for IP women in December 2021, used as a baseline for this indicator, was 48 percent. In contrast, the same vaccine coverage indicator for the total female population was around 71 percent, for the same period. The target for the coverage of two doses for IP women (5 years and older) is set at 85 percent, very close to the 88 percent target set for the same coverage indicators for the total female population, as the activities described above are expected to help to close the coverage gap in IP women vaccination rate.

Citizen Engagement

39. Stakeholder engagement has been a central feature of Costa Rica's vaccination campaign to date. The high rate of COVID-19 vaccination in Costa Rica is due to the implementation of significant communication actions detailed in the NSVP. This document has served as a guide to inform the vaccination campaign and the communication and dissemination activities linked to it. Based on the objectives of the NSVP, the DCO developed an information and persuasion plan with the purpose of raising understanding of COVID-19 vaccines, motivating vaccination, explaining population prioritization during the early stages of vaccination deployment, and describing the importance of compliance with the two doses in the suitable times. This massive communication effort accompanies the call for vaccination made by the immunization teams in the country with their networks in the communities. Concrete actions taken to engage with IP and other vulnerable groups (i.e., transitory migrants working in coffee plantations and their families, sex workers, elderly people, and the homeless), as a subset of all those eligible for vaccination, have included engaging with national organizations that represent a number of priority vulnerable groups (e.g., National Council on Elderly Persons, national coffee entities, Christian churches, and organizations that provide support to homeless people called "*dispositivos*") and traditional authorities on the ground. The draft Stakeholder Engagement Plan (SEP) developed for the Project and adopted by CNE takes account of these and related efforts in outlining a systematic approach to stakeholder engagement during project implementation.

40. To track levels of engagement by those who stand to benefit directly from the Project and improve project financed interventions, an annual citizen vaccination feedback survey will be undertaken. A proposed indicator, specifically "vaccine user satisfaction survey conducted, and findings used to adjust the NSVP (Yes/No)", will record the feedback provided by people who received a COVID-19 vaccination service which the GoCR will use to adjust the deployment of the NSVP.

IV. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

41. As the lead coordinating entity of Costa Rica's COVID-19 response, the CNE will be responsible for project implementation as defined in a Subsidiary Agreement between the GoCR and CNE. The GoCR has

confirmed that the loan funds would be transferred from the Ministry of Finance to the CNE, which is attached to the Presidency of the Republic of Costa Rica. An already established PIU in CNE will carry out the required project implementation functions of procurement, FM, disbursement, E&S standards, and M&E, taking advantage of the existing personnel and administrative structure of the CNE. As the implementing agency, the CNE will take the lead on such functions, although it will closely coordinate with the CCSS to ensure compliance with WBG regulations, meet data requirements, and others as needed. Through the Subsidiary Agreement, the GoCR will ensure that the PIU based in CNE coordinates with the CCSS for social and environmental requirements and M&E aspects. In addition, there is also an existing national structure that formalizes the relationship between CNE and CCSS through an agreement by CNE's Board of Directors, which designates the CCSS as the executing unit of the COVID-19 vaccine deployment.

B. Results Monitoring and Evaluation Arrangements

42. To measure overall project progress, the PDO indicators will monitor the percentage of population that are vaccinated, which is included in the priority population targets defined in the national plan. Two main PDO indicators will be monitored, separating between the population that is receiving their first vaccination doses (mainly children 5-11 years old) and the population that has already been fully vaccinated and receives booster shots. Two sub-indicators will be monitored for each of the two main PDO-level indicators, to track progress by sex. In addition, the Results Framework includes intermediate results indicators which will monitor intermediate progress towards achieving the PDO.

43. M&E activities will be the responsibility of the CNE. The CNE will monitor and evaluate the progress of activities supported by the Project and report on the progress of the Results Framework. As and when necessary, the CNE will coordinate with the CCSS to: (i) compile and collect data on the PDO and intermediate results indicators; and (ii) report results to the World Bank and evaluate them prior to each semiannual implementation support mission. The Project will mainly rely on the Costa Rica's existing data collection tools, such as Integrated Vaccine System -SIVA. The only additional data collection effort will be for the implementation of the vaccine user satisfaction survey.

C. Sustainability

44. There is solid political commitment in Costa Rica to undertake a robust COVID-19 response, including for vaccine purchase and deployment. This is evidenced by the high immunization rate already achieved in the country among the 12+ years old population, as well as the fact that the country has already secured sufficient vaccines to immunize all children 5-11 years old and to ramp up booster vaccinations. Having the funds through the proposed Project mainly for vaccine purchase will establish an enabling environment for the GoCR to further scale up efforts to increase immunization coverage and achieve the desired high immunization targets. As the economy recovers, the GoCR is expected to have additional domestic resources that could be dedicated to the COVID-19 immunization program or to invest in other areas of COVID-19 response.

V. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

45. The pandemic has had a devastating effect on income growth, poverty, and inequality, which will linger for a protracted period. The rapid spread of the Omicron variant has brought renewed attention and a new urgency to the worldwide COVID-19 vaccination effort as a critical intervention to prevent virus mutations and new variants. Following a 3.5 percent contraction caused by the COVID-19 pandemic in 2020, global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022. As in many other countries, the pandemic intensified the fiscal and social challenges in Costa Rica. Fiscal consolidation efforts, launched in 2018 by the GoCR, were interrupted as revenues collapsed amid increasing expenditures as the GoCR sought to mitigate the impact of the pandemic. As a result, the debt-to-GDP ratio increased from 56.1 percent in 2019 to 67.4 percent in 2020. Unemployment rates nearly doubled -surpassing 20 percent in mid-2020- and family income declined despite the GoCR's emergency response. Women, youth, migrants, and less educated workers were the most heavily affected.[46] Although real GDP growth in emerging market and developing economies is projected to be 4.8 percent in 2022, it will be only 2.4 in LAC countries, [47] hence the need to increase vaccination efforts and accelerate a safe reopening of key sectors that have been impacted. This is especially important for services, particularly tourism, that are expected to add momentum to the recovery in 2022-2023 as the pandemic is brought under control and travelers regain confidence.[48]

46. The successful development, production, and delivery of a vaccine however has the best potential to reverse these trends, generating benefits that will far exceed vaccine-related costs. The economic rationale for investment in a COVID-19 vaccine is clear, considering the massive and continuing health and economic losses due to the pandemic. Indeed, a rapid and well-targeted deployment of a COVID-19 vaccine can help reduce the increases in poverty and accelerate economic recovery. Even at levels of imperfect effectiveness, a COVID-19 vaccine that is introduced and deployed effectively to priority populations can assist in significantly reducing mortality and the spread of the coronavirus and accelerating a safe reopening of key sectors that are impacted. It can also reverse human capital losses by ensuring schools are reopened. The effective administration of a COVID-19 vaccine will also help avoid the associated health care costs for potentially millions of additional cases of infection and associated health-related impoverishment. Global experience with immunization against diseases shows that by avoiding these and other health costs, vaccines are one of the best buys in public health. For the most vulnerable population groups, the potential health-related costs of millions of additional cases of COVID-19 infection in the absence of a vaccine represent a significant or even catastrophic financial impact and risk of impoverishment. The pandemic is also having dire effects on other non-COVID health outcomes. Increased morbidity and mortality due to interruption of essential services associated with COVID-19 containment measures hinder access to care for other health needs of the population, including maternal and childcare services, routine immunization services have been affected, threatening polio eradication and potentially leading to new outbreaks of preventable diseases and deaths, illnesses, and long-term costs.

[46] World Bank. MOP. April 2022. Retrieved on : https://thedocs.worldbank.org/en/doc/e408a7e21ba62d843bdd90dc37e61b57-0500032021/related/mpo-cri.pdf
[47] International Monetary Fund. World Economic Outlook Update. January 2022. URL: https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022
[48] World Bank. MOP. April 2022. Retrieved on: https://thedocs.worldbank.org/en/doc/e408a7e21ba62d843bdd90dc37e61b57-0500032021/related/mpo-cri.pdf

47. While the uncertainty around the costs and effectiveness of a COVID-19 vaccine makes it difficult to calculate its cost-effectiveness, COVID-19 vaccinations will have direct benefits in terms of averted costs of treatment and disability, as well as strengthened health systems. In 2020, Costa Rica allocated the equivalent to 0.5 percentage points of the GDP for public health care due to COVID-19, equal to US$279 million.[49] Yet, the COVID-19 treatment costs in low- and middle-income countries is estimated at US$50 for a non-severe case and US$300 for a severe case. This excludes costs of testing of negative cases, as well as the medical costs associated with delayed or forgone care-seeking, which usually results in higher costs. Even if the vaccine helps avert 2.4 million non-severe cases, and no severe cases, and no other benefits are considered; the US$120 million investment in this Project would break even. Further, investments in vaccine delivery systems generate health and economic benefits beyond solely delivering the COVID-19 vaccine. First, investments in last-mile delivery systems to administer the COVID-19 vaccine to remote communities will require strengthening community health systems, which can have spillover effects to effective delivery of other services, helping close the significant urban-rural gap. Second, as the COVID-19 vaccine is introduced and lockdowns and movement restrictions are eased, patients can continue to access care for other conditions, prevention services and early detection of high-cost diseases. Third, the economic benefits of slowing down the economic downturn are likely to significantly exceed the US$120 million investment needed to advance deployment of booster shots and pediatric vaccines in Costa Rica, leaving aside the immediate health benefits. Given both the economic and health system benefits, an effective deployment of COVID-19 vaccines present significant benefits.

B. Fiduciary

48. Financial Management. A Financial Management Assessment[50] (FMA) was carried out from January 28 to 31, 2022 for the Costa Rica COVID-19 Vaccines Project, to evaluate the adequacy of the FM for the implementation of the Project. Project implementation will be led by CNE which will be solely responsible for the fiduciary aspects. CNE's Financial Resources Unit will be responsible for FM tasks: budget, accounting, financial reports, flow of funds and disbursement arrangements, and audit. While the CNE is staffed with qualified professionals experienced in the public sector; the institution does not have previous experience implementing WBG projects. The CNE will use existing dedicated staff and structure for additional tasks that may be required to support the new activities. CNE will use its Integrated Financial Management System (Wizdom) for recording financial transactions and internal control and flow of funds. Flexibility has been applied in key aspects of the proposed FM arrangements. Project funds will be disbursed through advances to the Designated Account (DA), Direct Payments, and Reimbursements. The DA will have a variable ceiling (based on expenditure forecast for six-month periods), and the minimum value of applications for direct payment will be US$200,000. Retroactive financing of up to 75 percent of the total loan amount will be eligible for financing. Semi-annual interim financial reports (IFRs) will be prepared and submitted to the World Bank; project financial statements will be required on annual basis, which will be audited by a private firm under terms and conditions acceptable to the World Bank. The Project's annual audit reports will be submitted to the World Bank no later than six months after the end of each audited period.

49. The FM residual risk is assessed as Moderate. The Project entails FM risks such as: (i) complex implementation arrangements (CNE will be responsible for fiduciary aspects, and the technical aspects will be

[49] PAHO News Release. November 2021. URL: https://www.paho.org/es/noticias/26-11-2021-estudio-ministerio-salud-opsoms-revela-que-gasto-atencion-salud-por-covid-19

[50] In accordance with Bank Policy/Directive IPF, the Financial Management Manual for World-Bank IPF Financing Operations, effective on March 2010 and Bank Guidance Note on FM in Rapid Response to Crisis and Emergencies.

implemented through CCSS) which may cause delays in implementation; (ii) untimely availability of funds or lack of liquidity; (iii) inventory misinformation, as the vaccine inventory is controlled by a different entity; (iv) deficiencies in controls over reception, storage and deployment of the vaccine; and (v) limited experience with the World Bank's FM requirements and procedures, potentially impacting the availability of reliable financial information for project monitoring during implementation. These risks will be mitigated by: (i) the adoption of a Project Operational Manual (POM) defining the roles and responsibilities of each entity, that will include a FM section; (ii) flexibility on advance payments to vaccine contractors, eliminating the bank guarantee requirement (any amounts paid for "advances" to vaccines contracts, and not received and deployed by the project closing date, should be refunded to the World Bank); (iii) variable ceiling of advances to the DA, based on expenditure forecast for six-month period subject to World Bank's approval; (iv) internal controls over reception, storage and deployment of the vaccine will be detailed in the POM, which is included in the Loan Agreement as a dated covenant and is required to be prepared and adopted by the GoCR no later than 60 days after project effectiveness; (v) channeling of beneficiary concerns and claims of fraud and corruption through the CCSS's Health Care Services Oversight Unit (created by Law 8329); (vi) an expanded audit scope to include review of procedures for deployment of vaccines; and (vii) provision of training on World Bank FM policies and procedures to CNE FM staff.

50. On the basis of the assessment performed, the FM team concludes that overall CNE has adequate FM arrangements in place to carry out project implementation. CNE is required to document project FM arrangements in the POM. The arrangements to ensure control, recording and reporting are detailed in Annex 2.

51. Procurement. Procurement under the Project will be carried out in accordance with the World Bank Procurement Regulations for Investment Policy Financing Borrowers, dated November 2020 (Procurement Regulations) and is subject to the World Bank Anticorruption Guidelines dated October 15, 2006, revised on January 2011 and July 2016. A Project Procurement Strategy for Development (PPSD) to better define the procurement arrangements, appropriate selection methods, including market analysis approach, and type of review to be conducted by the World Bank, was agreed on May 3, 2022. Based on the results stipulated in the PPSD, a procurement plan will be agreed upon with the GoCR and made available through Systematic Tracking of Exchanges in Procurement (STEP) by effectiveness of the Project.

52. The major procurement activities planned under this project include financing of: (i) COVID-19 vaccines including retroactive financing of 3.5 million doses (1.63 million pediatric doses); (ii) vaccination ancillary products; and (iii) consulting services and procurement of goods to support project management activities. For the approval of the retroactive financing, the World Bank has prior reviewed the contracts and amendments entered into, for the purchase of the vaccines, as well as the documentation accrediting the payment, delivery, and acceptance of such vaccines, among other documentation.

53. Retroactive Financing. It is expected that retroactive financing of vaccines acquisition related to payments made on or after December 21, 2021, but in no case exceeding 12 months prior to the signing of the Loan Agreement will be provided under the Project. The percentage for retroactive financing is up to 75 percent of the total loan amount (US$90 million). An exception to finance more than 20 percent of the standard limit was processed and approved by the World Bank on April 14, 2022. For expenditures to be eligible for retroactive financing, all contracts/agreements procured before the signing of the Loan Agreement (Advanced Contracting), and the procurement procedures followed by the GoCR must be consistent with Sections I, II, and III of the

Procurement Regulations. The World Bank's due diligence on eligibility of expenditures will be carried out during project supervision including through procurement post reviews and review of independent financial audits. For the approval of the retroactive financing of vaccines, the World Bank will review the contracts and amendments entered into by the GoCR and the pharmaceuticals for the purchase of the vaccines, as well as the documentation accrediting the payment, delivery, and acceptance of such vaccines, among other documentation. Contracts for vaccines purchase financed by the World Bank will be subject to the World Bank's prior review irrespective of value and procurement approach. The Project is being processed using the following waiver granted through the MPA: a partial waiver relating to the application of the World Bank Anti-Corruption Guidelines to unsuccessful bidders in the context of retroactive financing and of framework agreements in place between the borrower and suppliers and financed under retroactive financing or advanced procurement. The MPA-specific waiver was approved by the Board as part of the MPA approval.

54. The key procurement risk associated with the procurement of vaccines relates to: (i) the complexity of the vaccines market given the significant market power enjoyed by vaccine manufacturers; (ii) inability of the market to supply adequate quantities of vaccines to meet the demand; (iii) the limited market access due to advance orders by developed countries; (iv) weak bargaining; and (v) delays in delivery of vaccines and contract implementation, including payments. These risks are mitigated by using most of loan proceeds for the retroactive financing of vaccines. In addition, the ongoing established relationship between the country and the pharmaceutical will likely facilitate some aspects of the future purchase of vaccines, such as contract implementation, including payments.

55. The World Bank's prior and post-reviews will be carried out based on thresholds. The standard post procurement reviews by the World Bank should cover at least 10 percent of contracts subject to post-review. But based on risk, all contracts for vaccines, aside from those contacted in advance, will be subject to the World Bank's prior review.

C. Legal Operational Policies

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

D. Environmental and Social Standards

56. The Environmental and Social Risk Classification (ESRC) for this Project is rated Substantial. This is due to the occupational and community health and safety risks and the management of medical waste under a sanitary emergency context, where existing resources and capacity of health facilities continue to be stretched as a result of the COVID-19 pandemic, and the spread of new variants remain significant. The following E&S Standards are relevant to the Project: ESS1 Assessment and Management of Environmental and Social Risks and Impacts; ESS10 Stakeholder Engagement and Information Disclosure; ESS2 Labor and Working Conditions; ESS3 Resource Efficiency and Pollution Prevention and Management; and ESS4 Community Health and Safety; and ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.

57. The Project will support Costa Rica's ongoing vaccination efforts. Key potential environmental risks and impacts include: (i) environmental, health and safety risks from inadequate storage, transportation, and disposal of medical waste and expired and used vaccination materials; (ii) occupational health and safety (OHS) issues related to the availability, supply and appropriate use of PPE for healthcare workers, including vaccination workers; (iii) community health and safety exposure risks in the immediate vicinity of health centers and vaccination set-up locations; and (iv) ambient pollution and health and safety risks stemming from the use of chemical and other hazardous substances for cleaning and disinfection products (e.g. chlorine and other hazardous byproducts), as well as those associated with cold chain storage for the ultra-cold vaccine requirements. From a social perspective, some social risks could emerge as new variants spread and the general unpredictability of the virus forces health authorities to adapt and reassess current strategies. Although vaccination rates remain high across the country, it is important for disadvantaged and vulnerable groups (including rural communities, Indigenous Peoples, LGBTI people, persons with disabilities, migrants, and those living in poverty) to continue receiving timely, accurate and targeted information on the availability and safety of vaccines, particularly on boosters.

58. The Borrower is preparing E&S instruments to properly manage and mitigate these risks and impacts. These include (i) an Environmental and Social Management Framework (ESMF), which will outline comprehensive procedures and requirements for the safe handling, transportation, storage, treatment and disposal of COVID-19 vaccination related materials, the safety of medical workers, hospital staff, workers involved in vaccination activities and communities, an Infection Control and Waste Management Plan (ICWMP) for the vaccination program, a Medical Waste Management Plan (MWMP) for vaccination centers, as well as safe management of biohazardous wastes resulting from project activities, any Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risks and mitigating measures, and, the elements of an IP Planning Framework to ensure that consultations and vaccination campaigns are conducted in a culturally sensitive, respectful, and inclusive manner; (ii) Labor Management Procedures (LMP), which will outline key national laws and regulations protecting workers' rights, including a code of conduct and a worker-specific grievance redress mechanism (GRM) to allow project workers to quickly inform management of labor issues, such as a lack of PPE or unreasonable overtime; and (iii) a SEP that builds on the communications strategy of the GoCR for vaccine roll-out, ensuring the adequate inclusion of vulnerable groups and the establishment of a culturally appropriate and inclusive GRM to respond to complaints throughout the project lifecycle. The Project also includes an Environmental and Social Commitment Plan (ESCP) outlining the material actions and commitments regarding E&S management, including their expected timeframes and corresponding responsibilities. Draft versions of the ESCP and SEP were disclosed on March 25, 2022, on CNE's project website[51] and on March 29, 2022, by the World Bank. The ESMF and LMP, as well as an updated SEP, will be disclosed and adopted no later than 60 days after the Project effectiveness date.

59. A significant percentage of the loan (75 percent) will be allocated for the retroactive financing of vaccines in accordance with the E&S requirements outlined in the ESMF. The ESMF will also include an exclusion list detailing goods, services or works that will not be eligible for financing under the Project. To manage risks under the retroactive financing, due diligence via an E&S Rapid Assessment would be conducted to confirm (i) biomedical waste management practices; (ii) presence and effectiveness of a GRM; (iii) inclusion; and (iv) Occupational Health and Safety. An action plan will be prepared and implemented by the Borrower if the E&S Rapid Assessment identifies any gaps. The TORs for the E&S Rapid Assessment have been shared with the client, and it will be completed and cleared by the World Bank prior to any disbursement for expenditures eligible for

[51] Available at: https://www.cne.go.cr/covid/creditos_internacionales.aspx

retroactive financing.

VI. GRIEVANCE REDRESS SERVICES

60. Communities and individuals who believe that they are adversely affected by a WBG supported project may submit complaints to existing project-level GRMs or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's corporate Grievance Redress Service (GRS), please visit: http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. For information on how to submit complaints to the WBG Inspection Panel, please visit *www.inspectionpanel.org*.

VII. KEY RISKS

61. The overall risk rating is Substantial. The acquisition and deployment of COVID-19 vaccines entails numerous risks, given that the safe and effective deployment of a COVID-19 vaccine to a large share of the population is an unprecedented endeavor with challenges in every step of the process. Specific risks are discussed below.

62. The political and governance risk is rated as Substantial. The new administration took office on May 8, 2022, and this could imply a risk to the GoCR's priorities which could impact the implementation of the Project, or the rollout of COVID-19 vaccination. To mitigate this risk, the World Bank will engage relevant authorities and stakeholders to build consensus on project objectives and facilitate the prompt implementation of agreed activities. The World Bank will continue to emphasize the relevance of continuing vaccination efforts. Costa Rica has a well performing health sector with a strong immunization system that is advancing favorably with the implementation of the NSVP, as evidenced by an immunization rate of approximately 80 percent, and the acquisition of enough vaccines to fully vaccinate all children aged 5-11 and administer boosters to 1.8 million people. This shows that achieving a high vaccination rate is a priority for the GoCR as it pursues critical socio-economic recovery, and that the vaccine rollout is likely to continue as planned. However, even with these mitigation measures, the risk is still considered Substantial as GoCR priorities could change and impact the vaccination roll out.

63. The overall E&S risks are Substantial. Environmental Risk and Social Risk are both rated Substantial. Key potential E&S risks are (i) occupational and community health related risks from inadequate handling, storage, transportation and disposal of infected medical waste and expired and used vaccine vials; (ii) community health and safety exposure risks in the immediate vicinity of health care facilities and vaccination centers; (iii) limited vaccine access or uptake for disadvantaged and vulnerable groups, which may hamper the immunization target of the proposed Project. To mitigate these risks, the CNE will prepare an ESMF for the Project, describing measures to be taken regarding waste management, vaccine access, and social inclusion, which will be consulted on, finalized, and disclosed within 60 days following project effectiveness. To increase vaccine uptake, the Project's SEP outlines engagement strategies, stakeholder participation and dedicated measures for vulnerable groups,

including an assessment of the existing grievance redress mechanisms. The NSVP information plan developed by the CCSS's DCO, combined with communication campaigns, outreach and messaging tailored to target populations, will continue to increase the understanding of the importance of COVID-19 vaccination and mitigate vaccine hesitancy. In addition, national organizations that represent several priority vulnerable groups (e.g., National Council on Elderly Persons, national coffee entities, Christian churches, and organizations that provide support to homeless people) and traditional authorities have also been engaged to support the transmission of information to these vulnerable groups. .

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework
COUNTRY: Costa Rica
Costa Rica COVID-19 Vaccines Project

Project Development Objective(s)

The objective of the Project is to increase COVID-19 vaccination coverage among the population of the Republic of Costa Rica.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	End Target
To increase COVID-19 vaccination coverage among the population of the Republic of Costa Rica			
Population vaccinated, which is included in the priority population targets defined in national plan (Percentage)		68.90	88.00
Female population vaccinated, which is included in the priority population targets defined in national plan (Percentage)		70.60	88.00
Male population vaccinated, which is included in the priority population targets defined in national plan (Percentage)		67.20	88.00
Population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan (Percentage)		7.40	60.00
Female population that received booster vaccination (3rd		7.40	60.00

Indicator Name	PBC	Baseline	End Target
dose or more), which is included in the priority population targets defined in national plan (Percentage)			
Male population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan (Percentage)		7.40	60.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
COVID-19 Vaccines and ancillary products			
COVID-19 vaccines that meet the VAC procured (Number)		0.00	3,500,000.00
Vaccine user satisfaction survey conducted and findings used to adjust the NSVP (Yes/No)		No	Yes
Female Indigenous Peoples vaccinated, which are included in the priority population targets defined in national plan (Percentage) (Percentage)		48.00	85.00
Population 5-11 years old vaccinated, which is included in the priority population targets defined in national plan (Percentage)		0.00	12.00

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	**Definition/Description**	**Frequency**	**Datasource**	**Methodology for Data Collection**	**Responsibility for Data Collection**
Population vaccinated, which is included in the priority population targets defined in national plan	Numerator: Number of people aged 5 and older who are vaccinated with 2nd dose (excluding boosters). Denominator: Costa Rica's total population.	Quarterly	SIVA - Integrated Vaccine System	Routine health information system	CNE and CCSS
Female population vaccinated, which is included in the priority population targets defined in national plan	Numerator: Number of female people aged 5 and older who are vaccinated with 2nd dose (excluding boosters). Denominator: Costa Rica's female population.	Quarterly	SIVA	Routine health information system	CNE and CCSS
Male population vaccinated, which is included in the priority population targets defined in national plan	Numerator: Number of male people aged 5 and older who are vaccinated with 2nd dose (excluding boosters). Denominator: Costa Rica's male population.	Quarterly	SIVA	Routine health information system	CNE and CCSS
Population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan	Numerator: Population that received booster vaccination (3rd dose or more) that is included in the priority population targets defined in national	Quarterly	SIVA	Routine health information system	CNE and CCSS

	plan. Denominator: Costa Rica's total population.				
Female population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan	Numerator: Female population that received booster vaccination (3rd dose or more) that is included in the priority population targets defined in national plan. Denominator: Costa Rica's female population.	Quarterly	SIVA	Routine health information system	CNE and CCSS
Male population that received booster vaccination (3rd dose or more), which is included in the priority population targets defined in national plan	Numerator: Male population that received booster vaccination (3rd dose or more) that is included in the priority population targets defined in national plan. Denominator: Costa Rica's male population.	Quarterly	SIVA	Routine health information system	CNE and CCSS

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
COVID-19 vaccines that meet the VAC procured	Number of COVID-19 vaccines that meet the VAC criteria financed through the project	Quarterly	Administrative data	Fiduciary reports	CNE and CCSS

Vaccine user satisfaction survey conducted and findings used to adjust the NSVP	Vaccine user satisfaction survey to collect beneficiary feedback conducted and findings used to adjust the NSVP.	Annually	Survey	Survey	CNE and CCSS
Female Indigenous Peoples vaccinated, which are included in the priority population targets defined in national plan (Percentage)	Numerator: Number of female Indigenous Peoples aged 5 and older who are vaccinated with 2nd dose (excluding boosters). Denominator: Costa Rica's female Indigenous Peoples.	Quarterly	Routine health information system	SIVA	CNE and CCSS
Population 5-11 years old vaccinated, which is included in the priority population targets defined in national plan	Numerator: Number of people aged 5 to 11 years old who are fully vaccinated (excluding boosters) Denominator: Costa Rica's total population	Quarterly	SIVA - Integrated Vaccine System	Routine health information system	CNE and CCSS

ANNEX 1: Project Costs

COUNTRY: Costa Rica
Costa Rica COVID-19 Vaccines Project

COSTS AND FINANCING OF THE COUNTRY PROJECT

Project Components	Project Cost (US$M)	IBRD or IDA Financing (US$M)	Trust Funds (US$M)	Counterpart Funding (US$M)
Component 1: COVID-19 Vaccines and ancillary products	119	119		
Component 2. Project management and monitoring	1	1		
Total Costs	120	120		
Total Costs	120	120		
Front End Fees	0	0		
Total Financing Required	120	120		

ANNEX 2: Implementation Arrangements and Support Plan

COUNTRY: Costa Rica
Costa Rica COVID-19 Vaccines Project

1. **The proposed Project will be implemented by the CNE, in close coordination with the CCSS.** As the lead coordinating entity of Costa Rica's COVID-19 response, the CNE will be responsible for the project management and oversight of the World Bank Project. A PIU will be established at the CNE, taking advantage of the existing CNE personnel and administrative structure. The PIU will carry out the required project management functions of FM, procurement, disbursement, E&S standards, and M&E. As the implementing agency, the CNE will take the lead on such functions, and closely coordinate with the CCSS to ensure compliance of World Bank regulations and standards, meet data requirements, and others as needed. The coordination flow between the CNE and the CCSS will be detailed in the POM and will outline the responsibilities of each institution, as well as the technical and operational roles of the PIU members at the CNE.

Financial Management

2. **Financial Management** functions will be implemented under the CNE existing administrative structure. The key FM staff will be the head of the Financial Resources Unit, the chief of accounting, treasury operations, and budget, who will have specific staff dedicated to the Project; no additional personnel is deemed necessary to support incremental volume of project implementation. The staff is qualified and experienced in the public sector, however, they lack experience implementing World Bank projects.

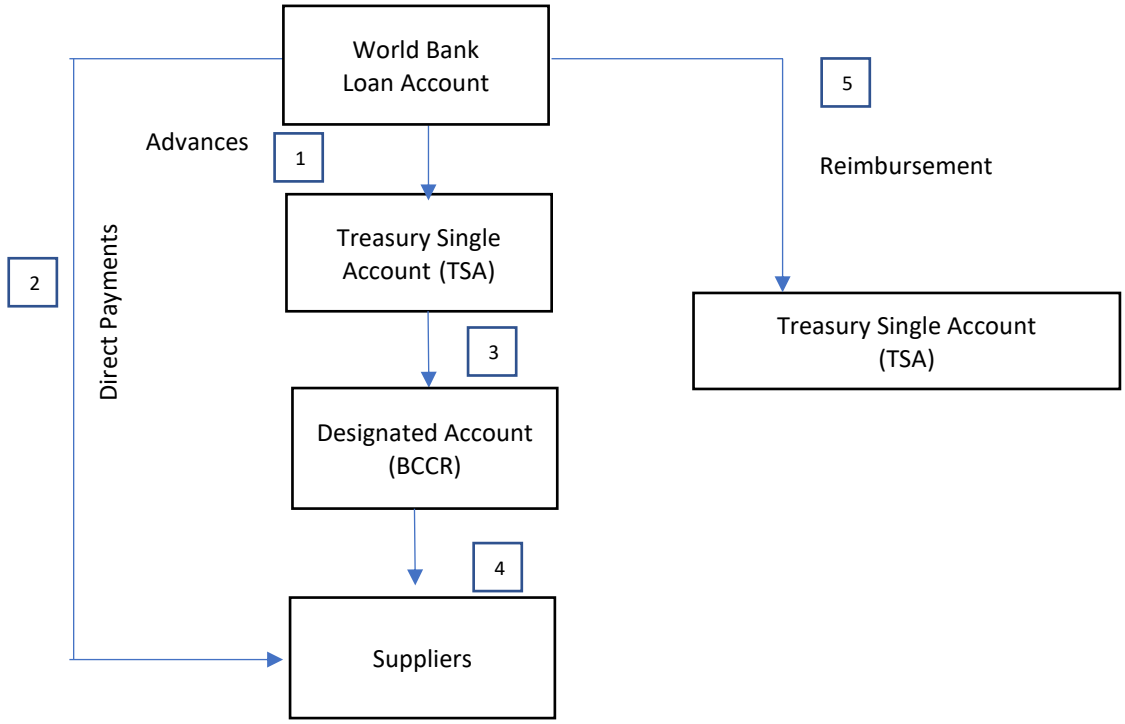
3. **Budgeting**. The resources will be incorporated into Costa Rica's budget through the approval of an extraordinary budget by the Congress and executed as budget transfer. CNE will be responsible for: (i) preparing and monitoring the project's budget, being the main input, the project operational (investment) plan prepared by MOH and CCSS, and approved by the CNE's Board; (ii) proper recording of the approved budget in their information system, following classification by project component; (iii) timely recording of commitments, accruals, and payments, to allow adequate budget monitoring and the provision of accurate information on project commitments for programming purposes. For project budget formulation and implementation, the CNE will follow the GoCR's budget classifier and the institutional Procedures Manual. The budget will be recorded at cost center level and monitored in CNE's FM system.

4. **Internal Controls**. The main regulatory framework for the Project will consist of: (i) the country's Financial Management Law (Law 8131), Internal Control Law (Law 8292) and other regulations issued by regulatory body; (ii) CNE's procedures manual; (iii) Loan Agreement, Disbursement and Financial Information Letter (DFIL), and the Project Appraisal Document (PAD); and (iv) the POM. The FM section of the POM would make specific reference to: (i) roles and responsibilities of CNE and the CCSS; (ii) content and formats of the IFRs, and annual financial reports; and (iii) specific internal control procedures on purchase orders at CNE, and for reception, storage, and deployment of vaccines at CCSS. CCSS has issued a regulatory framework that includes guidelines for reception, storage, conservation, and deployment of the COVID-19 vaccines in the health care centers, and procedures manual for implementing the COVID-19 vaccination in the health care centers. The vaccines inventory control will be administered by the CCSS in its SIGES system which allows for the traceability of vaccines from the distribution center to health centers. Overall CNE and CCSS both have adequate internal controls in place.

5. **Accounting and Financial Reporting**. Project accounting will be managed through CNE's administrative information system, which is an integrated Information Technology (IT) system that comprises budgeting, procurement, accounting, and treasury modules. Project accounting will be recorded on accrual basis in accordance with the GoCR's accounting policies. Supplementary records will be maintained in Excel in US dollars to be used to prepare the project financial statements. The CNE will prepare and submit semi-annual IFRs within 45 days after the end of each semester. The IFRs will contain at least: (i) a statement of sources and uses of (with expenditures classified by component) and a cash balance; (ii) a statement of budget execution for each component; and (iii) a reconciliation of the DA. On annual basis, CNE will prepare project financial statements including cumulative figures for each fiscal year of the financial statements, along with notes to the statements, and will be submitted to the World Bank.

6. **Disbursement and Flow of funds.** Direct Payments, Reimbursements and Advances to a DA may be used to withdraw funds following the World Bank´s disbursement policies and procedures described in the Loan Agreement and Disbursement and Financial Information Letter (DFIL). The DA will be opened at the Central Bank of Costa Rica in United States dollars to be used exclusively for deposits and withdraws of loan proceeds for eligible expenditures. The Treasury Single Account will be applied, whereby CNE will have a sub account. As needed, the CNE will withdraw funds from the DA for payments to be made. The DA will have a variable ceiling (based on expenditure forecasts for six-month periods) subject to the World Bank's approval. Following current practices, advances made to the DA and request for reimbursements will be documented through use of Statements of Expenditures and supporting documents defined in the DFIL. Reimbursements will be made to the Treasury Single Account.

Figure A.2. Flow of Funds



1. The World Bank advances funds to the Treasury Single Account
2. The World Bank makes Direct Payments to goods and services providers
3. Funds are transferred from the TSA to the Designated Account.
4. Payments are made to goods and services providers from the DA in USD.
5. The World Bank reimburse payments of eligible expenditures to the TSA

7. **External Audit Arrangements.** The Project's annual financial statements will be audited by a private firm under terms and conditions acceptable to the World Bank, and the scope of the audit will be expanded to include review of procedures for deployment of vaccines. The Project's annual audit reports will be submitted to the World Bank no later than six months after the end of each audited period. The audit costs will be financed from the loan proceeds. Audited financial statements will be disclosed on CNE's website, and the World Bank will make them available to the public in accordance with the World Bank Policy on Access to Information.

8. **Internal Audit.** During its regular audit activities, the CNE's internal auditor may include project activities in its annual work plan whenever possible. If such audits occur, CNE would provide the World Bank with copies of internal audit reports covering project activities and financial transactions.

9. **Implementation Support Plan**. The following reflects the preliminary estimates of requirements for skills, timing, and resources over the life of the Project. This plan will be reviewed periodically to ensure that it continues to meet the needs of the Project.

Table A.2.1. Implementation Support Plan and Skills Mix

Time Needed	Focus	Skills
0–24 months	• Building capacity and expertise on fiduciary, E&S standards, and M&E and project management systems. • Staff capacity building of the PIU as needed	• Core team, particularly FM, procurement, and E&S.

10. **Skills mix.** The skills mix and team composition for supporting project implementation is proposed below.

Table A.2.2 Skills Mix and Team Composition

Skills Needed	No. of Staff Weeks	Number of Missions[52]	Comments
Task team leaders (2)	12	Three per year	Staff in Washington, DC
Operations Officer	4	Two per year	Staff in Washington, DC
Health consultant	4	Two per year, including field travel	Staff in Washington, DC
Procurement specialist	3	Two per year, including field travel	Staff in Panama and Washington, DC
FM specialist	3	Two per year, including field travel	Staff in El Salvador
Social and environmental specialists	6	Two per year, including field travel	Staff in El Salvador and Washington, DC

[52] Virtual missions will be implemented while travel restrictions are in place.

ANNEX 3: Summary Table on Vaccine Development and Approval Status

(As of April 14, 2022)

	Manufacturer / WHO EUL holder	Name of Vaccine	SRA approval received	WHO EUL [53]		
				Platform	NRA of Record for WHO EUL	Status of assessment
1.	Pfizer BioNTech BioNTech Manufacturing GmbH	BNT162b2/COMIRNATY Tozinameran (INN)	United Kingdom: December 2, 2020 Canada: December 9, 2020 United States of America: December 11, 2020 European Union: December 21, 2020 Switzerland: December 19, 2020 Australia: January 25, 2021	Nucleoside modified mNRA	EMA	▪ **Finalized: December 31, 2020** ▪ **Additional sites:** – Baxter Oncology GmbH Germany (DP). June 30, 2021 – Novartis Switzerland. July 08, 2021 – Mibe (Dermapharm) Germany (DP). July 16, 2021 – Delpharm, Saint-Remy FRANCE (DP). September 17, 2021 – Siegfried Hameln GmbH, Germany (DP). November 11, 2021 – Patheon Italia S.p.A, Italy (DP). December 07, 2021 ▪ **Shelf life extension:** 09 months at -70 to - 90°C. September 20, 2021 – Sanofi-Aventis Deutschland GmbH Germany October 06, 2021 ▪ **Diluent suppliers:** – Pfizer Perth, AustraliaFresenius Kabi, USA June 18, 2021

[53] https://extranet.who.int/pqweb/sites/default/files/documents/Status_COVID_VAX_23Dec2021.pdf

	Manufacturer / WHO EUL holder	Name of Vaccine	SRA approval received	WHO EUL [53]		
				Platform	NRA of Record for WHO EUL	Status of assessment
						Fresenius Kabi, USA September 20, 2021 Pfizer Manufacturing Belgium November 30, 2021 ▪ **Booster dose** approved for adults 18 years of age and older. December 17, 2021 ▪ **Age extension** to children 5-11 years of age February 12, 2022
					USFDA	▪ **Additional sites:** – Pharmacia & Upjohn, Kalamazoo (DP)PGS McPherson (DP) July 16, 2021 – Exelead, Inc. Indianapolis USA September 30, 2021
2.	AstraZeneca AstraZeneca, AB	AZD1222 Vaxzevria	UK: December 30, 2020 EU: January 29, 2021 Australia: February 16, 2021 (overseas manufacturing); March 21, 2021 (for local manufacturing by CSL – Seqirus) Canada: February 26, 2021	Recombinant ChAdOx1 adenoviral vector encoding the Spike protein antigen of the SARS-CoV-2.	EMA	▪ **Core data finalized. April 16, 2021** ▪ **Additional sites:** – SK-Catalent – Wuxi (DS). April 16, 2021 – Chemo Spain. April 30, 2021 – Amylin Ohio US (DP). July 23, 2021 – WuXi Biologics, Germany (DP) March 8, 2022
					MFDS KOREA	▪ **Finalized. February 15, 2021**
					Japan MHLW/PMDA	▪ **Finalized. July 9, 2021** ▪ **Additional site:** – Nipro Pharma Corporation Ise, Japan. October 11, 2021
					Australia TGA	▪ **Finalized. July 9, 2021**

	Manufacturer / WHO EUL holder	Name of Vaccine	SRA approval received	WHO EUL [53]		
				Platform	NRA of Record for WHO EUL	Status of assessment
						▪ **Additional site:** – Siam Bioscience Co., Ltd Thailand. October 11, 2021
					COFEPRIS (Mexico) ANMAT (Argentina)	▪ **Finalized. December 23, 2021**
3.	SERUM INSTITUTE OF IND Cyrus Poonawalla Gr Serum Institute of India Pvt.Ltd	Covishield (ChAdOx1_nCoV-19)		Recombinant ChAdOx1 adenoviralvector encoding the Spike protein antigen of the SARS-CoV-2.	DCGI	▪ **Finalized. February 15, 2021** – DS and DP Manjari Bk Pune. December 11, 2021
4.		COVOVAX™ COVID-19 vaccine (SARS-CoV-2 rS Protein Nanoparticle [Recombinant])		Recombinant nanoparticle prefusion spike protein formulated with Matrix-M™ adjuvant	DCGI	▪ **Finalized. December 17, 2021**
5.	moderna	mRNA-1273	USA: December 18, 2020 Canada: December 23, 2020 EU: January 6, 2021 Switzerland: January 12th, 2021 UK: January 8, 2021	mNRA-based vaccine encapsulated in lipid nanoparticle (LNP)	EMA	▪ **Finalized. April 30, 2021** **Shelf-life extension** to 09 months - 20±5°C. February 14, 2022
					USFDA	▪ **Additional Sites. August 6, 2021** – ModernaTx. Norwood (DS)

	Manufacturer / WHO EUL holder	Name of Vaccine	SRA approval received	WHO EUL [53]		
				Platform	NRA of Record for WHO EUL	Status of assessment
						– Catalent Indiana, LLC (DP) – Lonza Biologics, Inc. Portsmouth, USA (DS) – Baxter, Bloomington, USA (DP)
					MFDS	▪ **Finalized. December 23, 2021**
6.	**Sinopharm / BIBP**[1] Beijing Institute of BiologicalProducts Co., Ltd. (BIBP)	SARS-CoV-2 Vaccine (Vero Cell), Inactivated (InCoV)		Inactivated, produced in Vero cells	NMPA	▪ **Finalized. May 7, 2021** ▪ *2 and 5 dose presentation (new manufacturing site) -- TBC after ongoing inspection*
7.	sinovac Sinovac Life Sciences Co., Ltd. Sinovac Life Sciences Co., Ltd.	COVID-19 Vaccine (Vero Cell), Inactivated/ Coronavac™		Inactivated, produced in Vero cells		▪ **Finalized. June 1, 2021** ▪ **2-dose presentation. September 30, 2021**
8.	Janssen Infectious D & Vaccines Janssen–Cilag International NV	Ad26.COV2.S	USA: February 27, 2021 Canada: March 5, 2021 EU: March 11, 2021 Switzerland: March 22, 2021 UK: May 28, 2021 Australia: June 25, 2021	Recombinant, replication-incompetent adenovirus type 26 (Ad26) vectored vaccine encoding the (SARS-CoV-2) Spike (S) protein	EMA	▪ **Core data finalized (US +NL sites). March 12, 2021** ▪ **Additional sites:** – Aspen RSA (DP). June 25, 2021 – Catalent Agnani Italy (DP). July 2, 2021 – Grand River Aseptic Manufacturing Inc., USA. November 5, 2021

	Manufacturer / WHO EUL holder	Name of Vaccine	SRA approval received	WHO EUL [53]		
				Platform	NRA of Record for WHO EUL	Status of assessment
						– MSD (Merck(, West Point/PA, USA (DP). November 5, 2021 – Sanofi Pasteur France (DP). January 27, 2022 – **Storage conditions extension:** at 2-8°C from 4.5 months to 11 months within the 24 months of shelf-life at -25°C to -15°C. March 16, 2022
9.	Bharat Biotech, India	SARS-CoV-2 Vaccine, Inactivated (Vero Cell)/ COVAXIN		Whole-Virion Inactivated Vero Cell	DCGI	▪ **Finalized. November 3, 2021** **Suspension of supply** due to outcomes of post EUL inspection (March 14 – 22, 2022). April 2, 2022
10.	NOVAVAX Creating Tomorrow's Vaccines Today	NVX-CoV2373/Nuvaxovid		Recombinant nanoparticle prefusion spike protein formulated with Matrix-M™ adjuvant	EMA	▪ **Finalized. December 20, 2021**