

Concept Note

Webinar on the Role of Multilateral Development Partners in Response to Covid-19 in CAREC region: Water, Sanitation, and Hygiene

29 May 2020

15:00-16:50 (Beijing time, UTC+8)

Background

The CAREC Institute and the Asia-Pacific Finance and Development Institute (AFDI) have launched a webinar series to share knowledge and experiences in relation to the coronavirus disease (Covid-19) pandemic, and economic and health consequences it inflicted on the world.

Three webinars were held in April 2020. The **first webinar** hosted Professor Chen Mingquan, a Chief Physician of the Department of Infectious Diseases and Director of the Emergency Department of Huashan Hospital, Fudan University, to share measures and experiences of the People's Republic of China (PRC) in fighting the Covid-19. In the **second webinar**, the CAREC Institute's Chief Economist Dr. Hans Holzhaecker covered analysis of the economic impact of Covid-19 globally and, specifically, in CAREC countries, and discussed measures taken by the CAREC governments to mitigate consequences for their economies and the populations. During the **third webinar**, Michael Taylor, the Association of Chartered Certified Accountants (ACCA) Chief Economist, discussed the ACCA 2020 Q1 Global Economic Conditions Survey (GECS) and shared his views on the outlook for the global economy, severity of the current contraction in output across the world, global policy responses, recovery prospects, and main indicators of GECS which provide insights into the views of finance professionals on investment, employment, and costs.

The webinar series are scheduled to continue in May 2020 to explore **topics of e-commerce development in CAREC region**, particularly harmonization of its legal framework and use of e-commerce opportunities in times of lockdowns, movement restrictions, and curtailed production.

A webinar on the role of **Multilateral Development Partners (MDP)** in response to Covid-19 in CAREC region with emphasis on water, sanitation, and hygiene, will be held on 29 May 2020. The topic emerged from the ongoing CAREC Institute and UNICEF partnership which has ventured to undertake a comparative analysis of water resource management policies and practices in CAREC region. This webinar will aim at enhancing understanding of the role of MDPs in combating Covid-19; how MDP programs help improve resilience to epidemics; and linkages among sanitary services and water accessibility during and after Covid-19 pandemic. The CAREC Institute, as a knowledge arm of the CAREC Program, will also focus to identify areas of potential research to add to the body of knowledge on regional cooperation and integration.

Rationale

Recognizing that countries with fragile infrastructure and outdated approaches have less capacity to handle the health crisis, it is the time for international development partners and research institutions to propose practical recommendations for resource mobilization and other policy measures to help build up economic resilience and mitigate the impact of current and future health and economic crises.

Measures Taken

In the 26 April 2020 economic brief, the CAREC Institute analyzed a range of measures, both fiscal and monetary, adopted by the CAREC countries. All 11 members increased spending on healthcare; undertook tax deferrals or reductions, and waived social security contributions along with the extension of loan repayment periods (eight countries); issued state loans, guarantees, interest subsidies to firms, support for MSMEs, and expanded or prolonged unemployment benefits (seven countries); made transfers and cash handouts to the population (seven countries); and five countries engaged also in mutual help within the region.

At this stage, it is difficult to estimate how much money under these and other measures is already disbursed, and how much more is available under current programs. There is also a multitude of complex issues for their practical application. It will become clear only later how efficient these measures were. New programs are still worked out and existing ones are being revised. Overall, it is obvious that altogether this is a huge and impressive effort by the CAREC countries to overcome the crisis.

Outstanding issues

Despite tremendous efforts, CAREC countries face a host of short- medium- and long-term challenges from pandemic containment to fiscal policies, most of which require voluminous sustainable funding and region-wide approach and cooperation, e.g. re-capitalizing healthcare systems with radical reforms of the programs for professional development, improvement in infrastructure and greater coverage of population; design of a region-wide information exchange and response system to deal with pandemics; improvement of investment climate and preparation to attract foreign investment when risk-aversion on global markets recedes; strengthening sustainable and green investment, including in the health systems to be more resilient in case of epidemics in future.

Multilateral Development Partners

A large number of International Financial Institutions (IFI) and Multilateral Development Partners (MDP) are making financing available to fight the Covid-19 pandemic.

Afghanistan and Tajikistan applied for debt relief under the IMF's Catastrophe Containment and Relief Trust (CCRT) facility. Afghanistan has also requested emergency financing under the Rapid Credit Facility (RCF). Tajikistan and Georgia received support from IMF Extended Credit Facility (ECF). The IMF approved disbursements under the Rapid Financing Instrument (RFI) to Pakistan and under the Rapid Credit Facility (RCF) to the Kyrgyz Republic.

Globally, the World Bank (WB) Group is deploying up to USD 160 billion in long-term financial support over the next 15 months, including a USD 14 billion fast-track package. The EBRD announced that it targets coronavirus financing of EUR 21 billion through 2021. The Islamic Development Bank committed USD 2.3 billion. The Asian Infrastructure Investment Bank (AIIB) provides funds under its Covid-19 Crisis Recovery Facility up to USD 10 billion.

On 13 April 2020, Asian Development Bank (ADB) announced a USD 20 billion package to address the needs of its developing member countries (DMCs) as they respond to the COVID-19 pandemic. The package tripled the USD 6.5 billion assistance announced on 18 March 2020. It includes about USD 2.5 billion in concessional and grant resources. Some USD 2 billion will be made available to the

private sector. ADB has provided more than \$5.5 billion in sovereign projects as of 20 May, including seven COVID-19 Pandemic Response Option financing packages of \$5.2 billion, examples in CAREC countries include:

- Afghanistan: \$40 million grant, Emergency Assistance for COVID-19
- Afghanistan: \$2.7 million grant, Technical Assistance for medical supplies
- Azerbaijan: \$455,000 grant, Technical Assistance for medical supplies
- Kyrgyz Republic: \$25 million loan, COVID-19 Countercyclical Support Program
- Kyrgyz Republic: \$25 million loan, COVID-19 Countercyclical Support Program
- Kyrgyz Republic: \$200,000 grant, Technical Assistance for medical supplies
- Kyrgyz Republic: \$746,000 grant, Technical Assistance for medical supplies
- Pakistan: \$300 million loan, Emergency Assistance for COVID-19
- Pakistan: \$5.28 million grant, Emergency Assistance for COVID-19
- Pakistan: \$2 million grant, COVID-19 Emergency Response
- Peoples Republic of China: \$20 million, COVID-19 Emergency Energy Project
- Peoples Republic of China: CNY130 million, COVID-19 Emergency Project
- Mongolia: \$100 million loan, COVID-19 Rapid Response Program
- Mongolia: \$30 million loan, Emergency Assistance for health project
- Mongolia: \$1 million grant, COVID-19 Emergency Response
- Mongolia: \$225,000 grant, Technical Assistance for response to COVID
- Uzbekistan: \$1.36 million grant, COVID-19 Response for medical supplies

Beyond that, ADB has provided technical assistance and quick-disbursing grant resources to 40 developing member countries totaling \$79 million, including \$4 million in technical assistance co-financing. ADB's response has included quick-disbursing grants from the Asia Pacific Disaster Response Fund (APDRF) of up to \$3 million each to meet immediate expenses. So far, 10 countries have received grants totaling \$11.5 million. Country-specific support for medical equipment, management, and surveillance of diseases is also being given via reallocation of resources within ongoing projects or through new projects.

UNICEF launched its Humanitarian Action for Children as the Covid-19 global response. As of 18 May 2020, UNICEF has secured \$294.2 million of funding and has approximately \$314 million in commitments from, and partnerships with, public and private sector actors to enable millions of children to benefit from strengthened risk communication and community engagement, improved critical medical and Water, Sanitation and Hygiene (WASH) supplies and services, data collection and social science research for public health decision-making, support for continued access to essential health and nutrition services, as well as access to continuous education, social protection and psychosocial support. With an increased appeal for US\$1.6 billion, UNICEF will continue to build upon results already achieved which include:

- Over 1.67 billion people reached with COVID-19 prevention messaging around hand washing and cough and sneeze hygiene;
- Over 12 million people reached with critical water, sanitation and hygiene supplies;
- UNICEF has shipped more than 6.6 million gloves, 1.3 million surgical masks, 428,000 N95 respirators, 291,000 gowns, 13,000 goggles, 63,500 face shields, 200 oxygen concentrators and 34,500 diagnostic tests for COVID-19, in support of 52 countries as they respond to the pandemic;
- Nearly 80 million children reached with distance or home-based learning;
- Over 10.9 million children and women receiving essential healthcare services in UNICEF supported facilities; and
- Over 830,000 children, parents and caregivers provided with community-based mental health and psychosocial support.

Now the question is how the MDP assistance gets prioritized, how the programs complement one another, and if the coordinated effort will create resilience to future health emergencies and bring systemic changes, improve population welfare, and create favorable investment climate.

Water, Sanitation, and Hygiene

The importance of water and hygiene in times of Covid-19 pandemic could not be overestimated. Many CAREC countries, especially their rural areas, remain vulnerable in this regard. Some preliminary findings of the CAREC Institute water infrastructure research indicate that the demand for infrastructure investment in Central Asia is estimated at around 5-7% of the GDP annually. Although, economic growth in the region was attractive for FDI, the current economic downturn, growing public debt and structural problems make infrastructure financing risky. Thus, irregular financing prevents the water sector from long-term planning, and leads to serious delays in operation and maintenance. Almost 70% of irrigation infrastructure and 50% of water supply systems in Central Asia are outdated, in need of rehabilitation or replacement.

Echoing the CAREC Institute research, the World Bank's Regional Director for Central Asia wrote in December 2019 that some 22 million people in Central Asia, or 31 percent of the region's population, still lack access to safe water.

Webinar Objectives

The webinar is designed to achieve the following objectives:

- Better understand the role of MDPs in combating Covid-19 and how their programs help improve resilience to epidemics.
- Explore potential synergies among MDPs to improve response and resilience to epidemics in water, sanitation & hygiene, public health, social, and economic aspects.
- Discuss linkages among sanitary services and water accessibility during and after Covid-19 lockdowns, and potential application of different innovative approaches.

Focus

The webinar topics will focus on the questions below:

Session 1: Strategies and plans of ADB and UNICEF

This session will discuss plans and recommended actions in terms of technical and financial support on the part of ADB and UNICEF to address health, water, sanitation, hygiene, economic and social challenges in the coming years in CAREC region. Questions may include:

- What are the strategic priorities and response actions of ADB, UNICEF to support the CAREC countries for livelihood improvement?
- What are ADB, UNICEF and CAREC's regional strategic arrangements for continued support to Central Asian countries in water pillar, public health, social and economic aspects to ensure improved resilience and sustainable development? Are there innovative ideas to ensure benefits for the vulnerable population, boost sustainable infrastructure investment and financing modalities?
- Current state of access to water, sanitation, and hygiene in CAREC region.

Session 2: Response of water, sanitation, and hygiene to Covid-19

This session will discuss approaches and actions taken by ADB and UNICEF at regional and country levels in health, water, sanitation & hygiene, and financing to mitigate consequences of Covid-19 in CAREC region and beyond. Questions may include:

- What are the linkages between water, sanitation, and hygiene and COVID-19?
- What response actions have taken by ADB and UNICEF? What are the good practices and lessons learned?
- What are the estimated challenges if the pandemic is prolonged? Are there any suggested solutions from the multilateral development partner perspective?
- Support from UNICEF, ADB and other MDPs during the COVID-19 to CAREC countries on WASH

Target Participants

Officials from the CAREC Think Tanks Network, UNICEF and ADB's clients and partners who are directly involved in policymaking, policy advice, program design, and project planning.

Connection Details

All participants shall have internet access, and access to Zoom conference software. The webinar will be in English.

Agenda

29 May, 2020	
15:00-15:10 (10 min, 3min for each)	<p>Welcome and Opening Remarks</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Syed Shakeel Shah, Director of CAREC Institute • Ms. Lyaziza Sabyrova, Principal Regional Economist, Central and West Asia Department (CWRD), ADB • Mr. Douglas Noble, Deputy Representative, UNICEF China <p>Moderator: Dang Haipeng, Chief of Knowledge Management Division, CAREC Institute</p>
15:10-15:40 (30min)	<p>Session 1: Strategies and plans of ADB and UNICEF</p> <p>This session will discuss plans and recommended actions in terms of technical and financial support on the part of ADB and UNICEF to address pandemic health, water, sanitation, hygiene, economic and social challenges in the coming years in CAREC and beyond.</p> <p>Format: Speakers are invited to present (for 15 minutes each) on the given topic.</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Yong Ye, Director of Urban Development and Water Division, CWRD, ADB • Ms. Annmarie Swai, Regional Advisor for emergency, UNICEF Europe and Central Asia Regional Office
15:40-16:00 (20 min)	<p>Discussion Participants invited from UNICEF, ADB, CI, CAREC members and MDPs</p>
16:00-16:30 (30 min)	<p>Session 2: Response of water, sanitation and hygiene to Covid-19</p> <p>This session will discuss approaches and actions taken by ADB and UNICEF at regional and country levels in health, water, sanitation, and hygiene, also financing available to mitigate consequences of Covid-19 in CAREC and beyond.</p> <p>Format: Speakers are invited to present (for 10 minutes each) on the given topic.</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Ms. Coral P. Fernandez Illescas, Principal Water Resources Specialist and Lead for WASH Activities, ADB • Mr. Evariste Kouassi Komlan, Regional Advisor for WASH, UNICEF East Asia and Pacific Regional Office • Mr. Iskandar Abdullaev, Deputy Director Two, CAREC Institute
16:30-16:50 (20 min)	<p>Discussion Participants invited from UNICEF, ADB, CI, CAREC members and MDPs</p>
16:50-16:55	<p>Closing</p>