



Initial Poverty and Social Analysis

November 2017

KAZ: Integrated Health Care Development Project

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CURRENCY EQUIVALENTS

(as of 24 November 2017)

Currency unit	–	tenge (KZT)
KZT1.00	=	\$0.0030
\$1.00	=	KZT330.05

ABBREVIATIONS

ADB	–	Asian Development Bank
CPS	–	country partnership strategy

NOTE

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

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INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Kazakhstan	Project Title:	Integrated Health Care Development
Lending/Financing Modality:	Project Loan	Department/ Division:	Central and West Asia Department/ Social Sector Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

The ADB's CPS 2017–2021 and country operations business plan for Kazakhstan aims to support economically diversified, socially inclusive, and environmentally sustainable growth. While focusing on infrastructure development and institutional reforms, the CPS is demand driven and selective, yet adaptive to evolving circumstances. It is also consistent with the priorities set out in ADB's Midterm Review of Strategy 2020, and aligned with the government's *Nurly Zhol* state program for infrastructure development, 2015–2019; the third modernization of Kazakhstan; and the state programs on housing, agriculture, and health sector development.^a

The 2018–2020 lending program will promote strategic agendas of the CPS and will focus on improving primary healthcare services and other sectors. All projects of the 2018–2020 lending program will contribute to financing Kazakhstan infrastructure investment needs, promoting structural reforms, and supporting private sector development.

The Government of Kazakhstan recognizes the important role health plays in promoting economic and social inclusion of the poor and vulnerable groups in the country's development. The current Healthcare Development Program for 2016–2019 ('Densaulyk') focuses on developing a mandatory social health insurance scheme and integrating and modernizing health services. It prioritizes the development of PHC, which will become central to the system, and enhancing the quality and financial sustainability of health service delivery. Like the country's previous health strategy, it actively explores private sector participation including public-private partnerships, and increasing the use of innovation and modern technologies to more effectively develop and deliver health services.^b

B. Poverty Targeting:

General intervention Individual or household (TI-H) Geographic (TI-G) Non-income MDGs (TI-M1, M2, etc.)

The country's strong economic growth between 2010 and 2013 reduced poverty to 2.8% in 2014 and the unemployment rate to 4.9%, before deteriorating slightly in 2015 because of the economic slowdown (with unemployment rising to 5% in December).^c However, spatial disparities persist (rural poverty was 4.7% against 1.4% in urban areas) and the current macroeconomic instability could add to poverty. Health system reforms have led to significant changes in health service provision but the results were varied. While some health indices improved (e.g., reduced maternal and infant mortality), but they have not improved at the same rate as the country's economic growth.^d Improvements in health have a multiplicative effect in reducing poverty, improving learning and productivity, and uplift economic growth.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. Kazakhstan faces complex public health challenges, including escalating health-care costs, and a changing disease profile. The government recognizes inclusive growth, sustainable economic development and national and regional health aims are important policy objectives but they cannot be achieved without a healthy population. Effectively addressing these priorities is not possible without strengthening the health system and creating reliable PHC services across the country. The government have identified the need for further reforms and improvement, including the need for more comprehensive services, and to increase efficiency and quality of care.

2. Impact channels and expected systemic changes. The major barriers to accessing affordable quality health care (especially for vulnerable population segments such as rural women and men, low-income households and those headed by a single person, and mothers with young children) are long distances to available health care, out-of-pocket expenditures, and lack of quality services. By strengthening health service delivery, the project provides an opportunity to overcome these barriers and address some of the key health indices. The project will contribute to a more equitable distribution of the health workforce, reduce the irrational use of drugs via better diagnosis, reduce inappropriate hospital admissions, and increase the availability and the quality of health services in the Almaty and Astana.

3. Focus of (and resources allocated in) the transaction TA or due diligence. The transaction technical assistance (TA) will (i) review the government policies and strategies for poverty reduction and gender development, (ii) conduct the poverty (impact) and social analysis of the project in accordance with ADB requirements, and (iii) prepare the Summary Poverty Reduction and Social Strategy in accordance with ADB policies.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector and/or subsector that are likely to be relevant to this project or program? Gender is a significant variable for understanding the impact of disease and ill health. Women and girls have specific health needs compared with men and boys particularly in the context of reproductive, maternal, and

<p>neonatal health. Men and women may also have different vulnerability to diseases and may have different levels of access to, or understanding of, information about disease prevention and treatment.</p> <p>To ensure the effectiveness of gender mainstreaming and gender-related outcomes of the project, the transaction TA will discuss with stakeholders and prepare project GAP, key features of which are mirrored in the project design and monitoring framework, loan assurances, and project administration manual. The GAP will be aligned with national and health sector gender equality commitments in Kazakhstan.</p> <p>2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The project has significant scope to address gender, inclusion, and social protection by improving access to health services. A GAP will be prepared during transaction TA.</p> <p>3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. Indicate the intended gender mainstreaming category: <input checked="" type="checkbox"/> GEN (gender equity) <input type="checkbox"/> EGM (effective gender mainstreaming) <input type="checkbox"/> SGE (some gender elements) <input type="checkbox"/> NGE (no gender elements)</p>
III. PARTICIPATION AND EMPOWERMENT
<p>1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. The Project will potentially impact all the population in Astana and Almaty. During project preparation, consultation and participation will include: (i) group discussions with (potential) beneficiaries, health workers, and community-based organizations; (ii) consultation of health staff, regional and district health managers, sub-national level government, central ministries, and partners; and (iii) where appropriate workshop with ministries, partners, and nongovernment organizations.</p> <p>2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable, and excluded groups? What issues in the project design require participation of the poor and excluded? The transaction TA will review, through a participatory process, the risk factors and the specific vulnerability of the poor, migrant, and mobile populations. Based on this analysis, the project design will include features to address the specific needs and characteristics of these groups.</p> <p>3. What are the key, active, and relevant CSOs in the project area? What is the level of civil society organization participation in the project design? <input checked="" type="checkbox"/> Information generation and sharing (H) <input checked="" type="checkbox"/> Consultation (M) <input checked="" type="checkbox"/> Collaboration (M) <input checked="" type="checkbox"/> Partnership (L)</p> <p>4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how should they be addressed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
IV. SOCIAL SAFEGUARDS
A. Involuntary Resettlement Category <input type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI
<p>1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The project will involve some health facility construction, which may create a need for land acquisition. However, all efforts will be made to use land owned and occupied by the Government of Kazakhstan. Sites and potential involuntary resettlement impacts will be better identified during project preparation.</p> <p>2. What action plan is required to address involuntary resettlement as part of the transaction TA or due diligence process? <input checked="" type="checkbox"/> Resettlement plan <input type="checkbox"/> Resettlement framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input type="checkbox"/> None</p>
B. Indigenous Peoples Category <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C <input type="checkbox"/> FI
<p>1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>3. Will the project require broad community support of affected indigenous communities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>4. What action plan is required to address risks to indigenous peoples as part of the transaction TA or due diligence process? <input type="checkbox"/> Indigenous peoples plan <input type="checkbox"/> Indigenous peoples planning framework <input type="checkbox"/> Social impact matrix <input type="checkbox"/> Environmental and social management system arrangement <input checked="" type="checkbox"/> None</p>

V. OTHER SOCIAL ISSUES AND RISKS
<p>1. What other social issues and risks should be considered in the project design?</p> <p><input type="checkbox"/> Creating decent jobs and employment <input type="checkbox"/> Adhering to core labor standards <input type="checkbox"/> Labor retrenchment</p> <p><input type="checkbox"/> Spread of communicable diseases, including HIV/AIDS <input type="checkbox"/> Increase in human trafficking <input type="checkbox"/> Affordability</p> <p><input type="checkbox"/> Increase in unplanned migration <input type="checkbox"/> Increase in vulnerability to natural disasters <input type="checkbox"/> Creating political instability</p> <p><input type="checkbox"/> Creating internal social conflicts <input type="checkbox"/> Others, please specify _____</p> <p>2. How are these additional social issues and risks going to be addressed in the project design? None</p>
VI. TRANSACTION TA OR DUE DILIGENCE RESOURCE REQUIREMENT
<p>1. Do the terms of reference for the transaction TA (or other due diligence) contain key information needed to be gathered during transaction TA or due diligence process to better analyze (i) poverty and social impact, (ii) gender impact, (iii) participation dimensions, (iv) social safeguards, and (v) other social risks. Are the relevant specialists identified?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social, and/or gender analysis, and participation plan during the transaction TA or due diligence?</p> <p>The preparation transaction TA will engage an environment specialist (2 months), a gender and social development specialist (2 months), and social safeguards specialist (2 months) will be engaged for project preparation. Data required for analysis will be provided by the Ministry of Health and data collected during the health sector assessment. All issues will be addressed during project preparation workshops.</p>

ADB = Asian Development Bank, CPS = country partnership strategy, CSO = civil society organizations, GAP = gender action plan, PHC = Primary health care, TA = technical assistance.

- ^a The program comprises an economic stimulus package to improve transport and logistics, energy, housing and utilities infrastructure, and support to small and medium-sized enterprises; N. Nazarbayev. 2017. *Third Modernization of Kazakhstan: Global Competitiveness*. National Address to the People of Kazakhstan. Astana; and ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila.
- ^b *Salamatty* Kazakhstan the country's previous strategy (2011–2015) fostered the development of private providers while supporting the transformation of public institutions to increase competitiveness, transparency and accountability.
- ^c National Statistics Office of Kazakhstan.
- ^d Government of Kazakhstan. *The National Programme for Health Care Reform and Development 2005–2010* and the *State Health Care Development Programme for 2011–2015 Salamatty*. Astana.