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Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 26-May-2023 | Report No: PIDA35937

Public Disclosure Authorized

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Pakistan	P180707	Khyber Pakhtunkhwa Citizen Centered Service Delivery Project	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
SOUTH ASIA	26-May-2023	05-Jul-2023	Social Protection & Jobs
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Islamic Republic of Pakistan	National Database and Registration Authority (NADRA)	

Proposed Development Objective(s)

To promote access to child health services and enhance citizen-centered service delivery in selected districts of Khyber Pakhtunkhwa Province

Components

Promoting Access to Child Health Services
Enhance Citizen Centered Service Delivery & Program Management

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	50.00
Total Financing	50.00
of which IBRD/IDA	46.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	46.00
IDA Credit	46.00

Non-World Bank Group Financing	
Trust Funds	4.00
MDTF for Crisi Affected Areas of NWFP/FATA/Balochistan	4.00

Environmental and Social Risk Classification

Moderate

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Over the past two decades, Pakistan significantly reduced poverty, but human development outcomes have lagged, and severe economic challenges put past gains at risk.** Pakistan made significant progress towards reducing poverty between 2001 and 2018 when the expansion of off-farm economic opportunities and increased inflow of remittances allowed over 47 million Pakistanis to rise out of poverty. However, this rapid poverty reduction has not fully translated into improved socio-economic conditions, as human capital outcomes have remained poor and stagnant, with high levels of stunting at 38 percent and learning poverty at 75 percent. Pakistan has also experienced frequent macroeconomic crises due to a growth model based on private and government consumption, with productivity-enhancing investment and exports contributing relatively little to growth. Growth of per capita gross domestic product (GDP) has been low and volatile, averaging under two percent in the last two decades. Recent unprecedented floods are likely to have serious impacts on poverty, human development outcomes, and economic growth.

2. **Khyber Pakhtunkhwa (KP), Pakistan's third largest province, has seen sharp poverty reduction in recent years, though parts of the province remain vulnerable**. Poverty rates in the Newly Merged Districts (NMDs) and their adjacent KP districts and Frontier Regions are some of the highest in the country.[1] This indicates a structural disadvantage and lack of physical and human capital endowments of households. Pakistan's overall poverty rate is 21.9 percent, with an estimated rural poverty rate of 28.2 and urban poverty rates of 10.9 percent. KP has the second highest poverty rate in the country at 29.5 percent, following Balochistan (42.7 %) and followed by Sindh (24.1%) and finally Punjab (16.2%). However, within KP, the estimated poverty rate for just the NMDs is 47 percent, the highest poverty rates in the country. Educational outcomes are particularly low in the NMDs and extremely gendered, suggesting extreme deprivations in growth and development opportunities for children and youth,

[1] World Bank, Pakistan Poverty and Equity Team (2022): KP's Newly Merged Districts – A spatial analysis of living standards, access to utilities and services, and climate risks. *Mimeo*.

especially for girls. Overall, the NMDs are among the poorest performing districts in KP and Pakistan in terms of living standards, measured against a diverse set of variables.

3. **The 2022 floods have placed additional fiscal constraints on the KP Province to manage the development needs in the merged areas and the province**. KP is especially vulnerable to climate related weather shocks, flash floods and extreme weather events.[2] A total of 17 of 36 districts in KP were impacted by the floods in 2022, affecting an estimated 4.35 million people, and pushing around 720,000 people into poverty. In addition to the direct impact on monetary poverty, losses to human capital and loss of land productivity could set in motion more durable declines in welfare and will require specific attention. Estimated damages sustained to infrastructure in the province were severe, with significant damages to public infrastructure, including irrigation canals, roads and bridges, power generation equipment and transmission, schools, and water supply and sanitation.

Sectoral and Institutional Context

4. **Poor health outcomes affect both women and children Pakistan, particularly in KP.** According to the most recent maternal mortality survey in 2019, the country's maternal mortality ratio was 186 deaths per 100,000 live births with pregnancy related deaths at 251 per 100,000 live births. Twenty-two percent of the children born have low birth weight with variations across provinces.[3] Children born to mothers who have poor antenatal health and nutrition have low chances of surviving to age 5. Forty two percent of women of reproductive age in Pakistan have iron deficiency/anemia due to poor nutrition.[4] Pakistan's Total Fertility Rate (TFR) is still relatively high, particularly in KP (including NMDs), where the TFR is 4.4 births per woman, above the national average of 3.9.[5] Prevalence of polio, malnutrition, stunting, and wasting in the KP and more specifically former FATA region, had made child health and nutrition a priority area for the Government. This issue is exacerbated due to climate induced food insecurity, a significant risk due to KP's high vulnerability to climate change and climate induced disasters.

5. **Improvement on infant and under-5 mortality rates (35 and 39 deaths per 1,000 live births respectively) continue to lag in KP.**[6] About 55 percent of pregnant women do not receive the recommended four or more ante-natal care (ANC) visits essential for a safe and healthy pregnancy as per KP-MICS 2019, which is close to the national average of around 51 percent women not receiving the recommended ANC visits (PDHS 17-18). While only 67.8 percent of women delivered in health facilities, the majority (77.8 percent) were from urban areas in KP, showcasing an improvement from the last PDHS survey in 2017-18. Whereas the trend has remained more or less similar to the national average (66.2 percent women delivered in a health facility).

6. **Public service delivery in the NMDs, including in the health sector, has been weak with many areas having little or no access to basic services.** Until 2018, FATA consisted of seven tribal agencies that were directly governed by the federal government through a special set of laws.[7] In 2018, Pakistan passed

[2] Khyber Pakhtunkhwa Climate Change Financing Framework. Rep. Islamabad: Government of Khyber Pakhtunkhwa, 2018. Print.
[3] PDHS 2017-18
[4] Pakistan National Nutrition Survey 2018
[5] Pakistan Maternal Mortality Survey 2019
[6] Pakistan 2019 MICS (Khyber Pakhtunkhwa)
[7] This British era Frontier Crimes Regulation persisted through the establishment of Pakistan and stipulated self-governance and justice through tribal councils (*jirgas*) and established a special set of rights of judicial appeal and due process outside of the

its 25th Constitutional Amendment, integrating the former FATA areas into the province of Khyber Pakhtunkhwa. The announcement of the merger into the neighboring province of Khyber Pakhtunkhwa came alongside a major reforms package which included an expected increased financial outlay from both the federal and provincial governments for social and economic development support. Nearly four years after the merger, the NMDs continue to suffer from lack of services and poor local administration. Targets related to local governance and institutional reforms, local capacity to deliver basic services, and financial investment in the region continue to lag.

7. **To facilitate delivery of Child Wellness Grant (CWG), and other services aimed at improving maternal and child health, fifteen One Stop Shops, later converted to Citizen Facilitation Centers, were established across the NMDs.** Over time, there has been a consistent increase in uptake of services such as delivery of vaccines and growth monitoring and health awareness sessions. A total of 1.3 million families (women and children) have benefited from the CWG and attended at least one health awareness session in the project districts, compared to a target of 1.19 million. Of these, families of 99% children opted for routine immunization. Between 2016 and 2022, there has been a consistent increase in the share of women who attend health awareness sessions: in 2016, 16 percent of mothers reported attending only one health awareness session whereas in 2022, 97 percent mothers reported so. By 2022, there was a significant increase in the share of women that attended all 5 health awareness sessions (from 0 percent to 76 percent). There has also been a significant drop in percent of children who were reported severely malnourished (SAM) and moderately malnourished (MAM): in 2016, 15 percent of children were diagnosed with MAM whereas by 2022, less than 1 percent of children were MAM. Approximately 68,000 cases of child malnutrition were also identified and referred to a higher-level facility for treatment. The program started with 100% men registering for the program and bringing mothers and children for the CWG but in the last year 93% of the newly registered CWG applicants are women.

8. **In addition to delivering health services, the CFC has proven itself as a very good model for citizen centric service delivery.** Over recent years, the number of CFCs established across the NMDs and four districts of KP through the support of the on-going TDPERP [8] expanded to 40. Citizens can avail a variety of services at CFCs, such as obtaining a Computerized National Identity Card (CNIC), a Child Registration Certificate, and a Family Registration Certificate. To date, citizens have accessed services at the CFC a total of 1,640,762 times. Additionally, 42% of the registered children in CWG are girls.

9. **The proposed project is built on the Highly Satisfactory performance of the TDPERP**. It builds on the achievements of the project and supports the transition of service delivery from the federal to the provincial domain including by providing necessary fiscal space during the two years required for the KP government to absorb the program. An effective phased transfer of the program requires covering the funding gap for the TDPERP program by the Government of Pakistan for the transition period.

C. Proposed Development Objective(s)

The PDO is to promote access to child health services and enhance citizen-centered service delivery in selected districts of Khyber Pakhtunkhwa Province. Enhanced citizen-centered service delivery refers to more frequent use of services, an

country's judicial system.

[8] Temporarily Displace Persons Emergency Recovery Project (P154278)

increase in the types of services available, especially ones under the provincial mandate, as well as the transition to management under KP.

Key Results

PDO Level Indicators

The project will support the following key indicators:

Component 1: Promoting Access to Child Health Services

(a) Children benefitting from Child Wellness Grant package (Number)
(b) Female children availing the Child Wellness Grant package (Percentage)
(c) Mothers attending all five awareness sessions (Percentage)

Component 2: Enhance Citizen-Centered Service Delivery and Program Management

(a) Citizen Facilitation Centers transitioned to the Government of Khyber Pakhtunkhwa for their management (Number)
(b) Services in the provincial domain introduced at the Citizen Facilitation Centers (Number)

D. Project Description

10. **Component 1: Promoting Access to Child Health Services.** A selection of child health services (child health awareness and counseling, screening of children for malnutrition using growth monitoring, immunization services, and referral of complicated cases to pre-identified stabilization centers and pediatricians) will be offered to mothers with children aged 0-24 months. To create demand for the visit, the CWG (PKR 12,500 spread over 5 visits) will be provided against attendance of health awareness sessions and growth monitoring of the child. Uptake of the immunization services will remain voluntary. This component will be offered to all families with children aged 0-2 years irrespective of whether they are from Temporarily Displaced families. The proposed project will cover 300,000 additional beneficiaries availing the complete cycle of CWG. Project design take into account the recent Nashonuma program launched by BISP[9] which has similar features as the CWG. Project design will ensure the elimination of any overlap with the program's design and coverage. BISP will target the poorest 40% of the population while the proposed project and the ongoing TDPERP will provide universal support, given the broader need for mother and child health services in KP. In addition, the two programs will link up their respective programs MIS (currently both are being managed by NADRA) to prevent overlaps between beneficiaries. An MoU will be signed between the project PMU and BISP to reach a formal agreement to complement and avoid duplication between the two programs.

11. **Component 2: Enhanced Citizen-Centered Service Delivery and Program Management.** This component will provide technical assistance to enhance citizen centered service delivery and program management, transparency, and accountability at the federal, provincial, and local level administration through capacity building, stakeholder consultation, social mobilization, strategic communication and awareness, and monitoring. Under the TDPERP, Citizen Facilitation Center (CFC) services were expanded by NADRA to include Vital Registration Services (VRS), Civil Registration Management System (CRMS), and NADRA E-Sahulat platform (an e-commerce and payment services platform). The VRS included all services pertaining to the issuance or modification of Computerized National Identity Cards (CNICs) and Child Registration Certificates (CRCs). The introduction of CRMS in collaboration with the local government/administrative offices enabled citizens, particularly women, to receive birth certificates, marriage certificates, and death certificates. Three new CFCs will be established through this component and the adoption of this model in other settled districts as an administrative tool can further enhance service delivery efficiencies. The proposed project will continue to strengthen program management and oversight through this component as well as extending these additional services. It is estimated that during the life of the project an additional 350,000 VRS (at least 50% women), CRMS & E-Sahulat applicants will be entertained at the CFCs.

Legal Operational Policies

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

[9] Nashonuma is a H&N CCT Program initiated by the Benazir Income Support Programmme which is now expanding to all provinces.

Summary of Assessment of Environmental and Social Risks and Impacts

12. Environmental standards risk is **Moderate**. Some of the risks identified through the on-going TDPERP include burning of waste in unlined pits, indiscriminate waste collection without segregation at source, merely visual monitoring of water and soil quality nearby CFCs and non-availability of a dedicated Environmental and Social Development (E&S) Specialist. The project team has proactively and progressively managed and mitigated most of these risks by taking appropriate measures. The limited rehabilitation works in CFCs will pose minor Occupational Health and Safety (OHS) and waste generation issues. These risks and impacts are however temporary, site-specific, reversible, and easy to manage by adopting simple mitigation measures.

13. Social Standards risk is **Moderate**. In terms of adverse social impacts, the main risk is that of exclusion of disadvantaged, vulnerable groups and security and safety concerns for women. These risks are mainly related to social inclusion and access, especially of vulnerable and disadvantaged groups, inclusive public outreach and safety and security of project staff in NMDs. Other social risks may include social barriers caused by misconceptions about vaccination. However, these risks are reversible, limited in scope, and may be addressed through citizen engagement, communication campaigns and outreach and employing other mitigating measures. The proposed project will ensure that interventions are accessible and address the needs of persons with disabilities.

14. At concept stage, the following Environmental and Social Standards (ESSs) are assessed as relevant: ESS1, ESS2, ESS3, ESS4 and ESS10. As a part of project preparation, the client will conduct a brief environmental and social assessment in line with ESS1 and lessons learned during the implementation of TDPERP, to identify the risks and impacts resulting from project interventions and the existing ESMP of TDPERP will be updated accordingly. A Stakeholder Engagement Plan (SEP) and Labor Management Procedures (LMP) will be developed to ensure inclusion of the vulnerable population, and to ensure social tensions are anticipated, avoided, and managed. The SEP will also include a Grievance Redress Mechanism (GRM) to receive and facilitate the resolution of concerns and grievances.

E. Implementation

Institutional and Implementation Arrangements

15. **Both Ministry of Economic Affairs (MEA) and NADRA have been instrumental in the effective delivery of TDPERP.** Both organizations have been assessed over the TDPERP implementation and have been rated as extremely effective in delivering good results. The convening power of MEA as the apex implementing agency has been instrumental in achieving effective coordination for the project. The Steering Committee and Review Committee structures have provided a solid base for collective and collaborative decision making. NADRA has proved to be the ideal implementing entity for the project area which is remote and underserved. The TDPERP's tested implementation design would be adopted for the proposed project as well.

16. **No changes in the financial management arrangements are envisaged.** The MEA PMU will be responsible for managing the financial flows of cash transfers to eligible beneficiaries under Components 1 and 2. NADRA will manage all agreed implementation, procurement, and operational requirements,

including capacity enhancement support for MEA, NADRA, Planning and Development Department (P&DD), Department of Health (DoH), Local Government and Rural Development Department (LG&RDD) and Relief and Reconstruction Department (R&RD) under Component 2. Financial management arrangements were rated **Satisfactory** in the last ISR, and the FM risk is assessed as **Moderate** for the proposed project.

17. **No changes in the procurement implementation arrangements are envisaged.** NADRA will manage all procurements under the project as an implementing entity. Procurement for the project will be carried out in accordance with the World Bank's Procurement Regulations for IPF Borrowers, Goods, Works, Non-Consulting and Consulting Services dated July 1, 2016 [revised November 2017, August 2018, and November 2020 (Procurement Regulations)]. Initial procurement profile has been identified and the Borrower is preparing a Project Procurement Strategy for Development (PPSD). Given the prior experience of the project agency in the TDPERP and the recently conducted procurement risk assessment, the procurement risk is assessed as **Moderate**.

18. **The implementing entity (IE) has gained sufficient experience and demonstrated impressive skills to manage the E&S aspects in implementing TDPERP.** The capacity of the IE has been further assessed in terms of staff, resources, skills in the context of employing ESF/ESSs requirements and two new specialists have been included as part of the ESCP, i.e., one Environmental and Social Specialist and a Gender Specialist.

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APPROVAL

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