

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC1161

Date ISDS Prepared/Updated: 19-Feb-2015

Date ISDS Approved/Disclosed: 20-Feb-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Philippines	Project ID:	P153446
Project Name:	Philippines Cross-Sectoral Public Health Enhancement Project (P153446)		
Task Team Leader(s):	Bukhuti Shengelia		
Estimated Appraisal Date:	22-Jun-2015	Estimated Board Date:	17-Dec-2015
Managing Unit:	GHNDR	Lending Instrument:	Investment Project Financing
Sector(s):	Health (60%), Sanitation (25%), Public administration- Health (15%)		
Theme(s):	Child health (40%), Nutrition and food security (20%), Injuries and non-communicable diseases (15%), Decentralization (10%), Population and reproductive health (15%)		
Financing (In USD Million)			
Total Project Cost:	300.00	Total Bank Financing:	300.00
Financing Gap:	0.00		
Financing Source		Amount	
Borrower		0.00	
International Bank for Reconstruction and Development		300.00	
Total		300.00	
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The Project Development Objective (PDO) will be to improve the health and nutritional status of women and children by preventing, through cross-sectoral actions, the major avoidable health conditions that disproportionately affect the poor. Intermediate objectives will include: (i) improving nutrition-related maternal and child feeding and caring practices; (ii) improving the population's access to and use of safe sanitation facilities and uptake of better hygienic practices; (iii) improving

the performance of primary and secondary schools in health promotion and disease prevention; and (iv) increasing childhood immunization coverage and women's access to quality maternal health services.

The PDO results will be tracked at the level of the provinces participating in the project rather than at the national level.

C. Project Description

The operation will focus on improving the health of the poor through strengthening health promotion and disease prevention. To this end the operation will support the scale-up of effective public health interventions at the sub-national level in order to tackle, among others, malnutrition among children and pregnant women; lack of access to proper water and sanitation facilities; unhealthy dietary practices leading to non-communicable diseases; low child immunization rates; high maternal and reproductive health risks; and the lack of preparedness of health services to natural disasters. As these health issues predominantly affect the poor, the proposed operation is expected to have a strong pro-poor impact, thereby contributing to the Government's goal of shared prosperity and poverty reduction.

The proposed project will enable the Central Government to transfer funds directly to the LGU level; link financing to performance; achieve convergence of relevant national programs into locally designed and driven sub-national action plans; and facilitate their implementation through multiple sectoral channels.

Through the proposed operation the Government will be in a better position to achieve, among other things, reduction in the number of malnourished children; the number of pregnant women nutritionally at risk of maternity complications; the number of schools and households without access to safe water and sanitation facilities; and the number of communities which can continue provision of basic public health services even when affected by natural disasters. The operation will contribute to increasing the number of women who undergo antenatal and postnatal health services, have facility-based deliveries, and the number of schools offering a comprehensive program of health promotion interventions to students.

The proposed operation will be designed as an Investment Project Financing (IPF) with a total funding envelope of US\$300.00 million for the duration of 7 years.

The project team initially pursued the Program for Results (P4R) instrument. However this proved to be less feasible for various reasons:

- (a) There is no cross-sectoral public health program with a medium-term expenditure framework currently in place, and it would be very time-consuming and difficult to define the scope of a program from the existing separate vertical programs. The cross-sectoral nature of the project was likely to add extra complexity to the identification of the program scope;
- (c) The current Government, which will only manage the first year of the project implementation, expressed strong preference against disbursement linked indicators as it would create a risk of budget deficit.
- (d) The planned general elections in 2016 with the imminent change of the Government would aggravate the political risks if the project were designed as P4R. The new Government may not agree to the principles P4R and the project implementation could be stalled.
- (d) The preparation time of a P4R operation, requiring extensive technical, institutional and fiduciary

reviews was deemed less predictable compared to that of IPF. The likelihood of delays in the project preparation and approval would put the entire operation at risk.

The design will be guided by the following principles:

- Program Support - the project will finance specific programs in the General Appropriations Act;
- Convergence at the subnational level - The project will facilitate the convergence of national priority programs across different sectors at the level of local government units (LGU), which is currently impeded by the prevailing practice of separate funding streams flowing through separate line agency channels.
- Decentralized planning and management - The proposed operation will support local level planning and implementation of cross-sectoral public health programs. The content of the local plans will be guided by the relevant national programs/policies which are already in place. The national government line agencies will provide technical guidance and oversight.
- Performance-based financing - The project will establish a performance-based financing mechanism through which LGUs will receive significant financial incentives for achieving the targets set in their cross-sectoral public health plans.
- Phased implementation and targeting – The project will initially involve a limited number of provinces. The project will be gradually scaled up to cover at least 50% of the total 81 provinces. The selection of provinces will be based on their potential to reach the most disadvantaged and vulnerable populations, the magnitude of the health problem in question, and the province’s implementation capacity.

The project will have two components: (i) LGU performance-based grants, and (ii) technical assistance, monitoring and evaluation.

Component 1 (95% of the project amount, i.e. US\$285.00 million). The component will co-finance two specific budget programs: (a) Local Government Support Fund (LGSF), under the DBM; and (b) Performance Challenge Fund (PCF), under the DILG. The project funds flowing through the LGSF will finance the implementation of locally planned cross-sectoral public health plans. The project funds flowing through the PCF will be used as performance incentives for LGUs in attaining the targets set in their cross-sectoral public health plans. While the project funds channeled through the LGSF should be used only for cross-sectoral public health programs, the funds channeled through the PCF, as performance rewards, can be used for other development needs of the LGU in the area of health, education and social protection subject to appropriate planning, budgeting and approval process. Detailed rules regarding the use of funds through the LGSF and PCF, and the eligible expenditures shall be further elaborated during the project preparation (see Annex 3).

Component 2 (5% of the project amount, i.e. US\$15.00 million). The main purpose of this component will be: (a) to develop governance and program implementation capacities of LGUs and prepare them for participation in Component 1; (b) to provide technical support and guidance to LGUs in the preparation of local cross-sectoral public health enhancement plans; and (c) to conduct an independent verification of results at the local and national level through 3rd party monitoring. The independent verification agent will be contracted by the DBM. This component will also support strengthening LGU accountability for health by revising the methodology of the Seal of Good Governance instrument, which is currently used for rating LGU performance on a multidimensional governance scale. The component will also support improving the availability, reporting and the use of health information at the local level.

Overall duration of the project shall be at least 7 years, which is longer than the average of 4-5 years for the majority of the World Bank supported health projects. However such a longer duration is warranted by the project design. The minimum time-lag between the execution of the cross-sectoral plan by an LGU and the performance rewards is one year, which means that at least 3 years are needed for an LGU to complete one full cycle (2 years - for the implementation of the cross-sectoral public health action plan, and 1 year for utilization of the performance reward fund) in the project. Also with the phased implementation of the project it would take a minimum of 3 years to enroll 50% of all provinces. Because of the performance-reward time-lag, one design challenge that needs to be addressed during the preparation is how to pay the performance rewards to the provinces whose last performance year ends together with the project (Y7).

The LGUs will be selected based on explicit multidimensional criteria, ensuring prioritized targeting of those that are already prioritized by the national development plan, demonstrate worse health outcomes, and have acceptable public resource management and implementation capacity (e.g. “seal of good housekeeping”). It would be too cumbersome to carry out prioritization at the municipal LGU level given that there are more than 1600 municipal LGUs. Therefore prioritization will be carried out at the province and city level.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in different provinces. While the project will cover the both rural and urban areas, it is expected that the share of rural settings will be greater some of which are likely to have presence of indigenous groups. Most, if not all, the locations will be in built-up areas and it is unlikely to result in any land use conversions nor promote any encroachment into critical habitats. The project does not plan any construction of new health care facilities. Although the project plans to increase the population's access to safe water and sanitation facilities by supporting improvements or installation of toilets in schools, poor communities and other existing public structures (e.g. day care center), this will be constructed as part of existing facilities or in existing sites thus no land acquisition will be required.

The project will target mostly the poor and marginalized population, especially women and young children. No negative social impact is expected from the project.

E. Borrowers Institutional Capacity for Safeguard Policies

As one of the oversight agencies of the PH government, DBM is familiar with World Bank Safeguards Policies. The DOH, which will be primarily responsible for the technical guidelines for project implementation, is likewise very familiar with World Bank safeguards policies through their previous Bank-supported projects such as the Second Women’s Health and Safe Motherhood Project and the National Sector Support for Health Reform Project both of which sufficiently complied and implemented an indigenous peoples participation framework (IPPF). Notably, the DOH has adopted an agency-wide policy for promoting health among indigenous peoples through the issuance of Administrative Order No. (Establishment of GIDA) which defines the strategic guidelines for reaching Geographically Isolated and Disadvantaged Areas (GIDA) that includes IP communities. Thus, the GIDA served as critical guidelines that enhanced geographic reach of health services and facilities among IPs that are more culturally-responsive and appropriate. Subsequently, the DOH, the National Commission on Indigenous Peoples and the Department of the Interior and Local Government jointly issued Memorandum Circular 2013-01, defining the guidelines for the LGU delivery of health services for indigenous communities. All these demonstrate the health sector commitment and enabling institutional arrangements for IP-responsive health services. All the

aforementioned policies will be reviewed as basis for developing an updated IPPF.

The DOH has collaborated closely with the Department of Environment and Natural Resources (DENR) in improving the health sector's key environmental aspect particularly healthcare waste management. The DOH, collaborating with DENR, has formulated the technical guidelines for the management of healthcare waste covered under the Joint Administrative Order No 2 Series of 2005. This has guided the formulation of the Environmental Code of Practice (ECOP) for the GPOBA Philippine Public Health Project. The DOH has also established Environmental Health Unit that oversees the implementation of these guidelines. These guidelines are incorporated the Technical Guidelines on Toxic and Hazardous Waste Management of the DENR.

F. Environmental and Social Safeguards Specialists on the Team

Leonardo Jr. Batugal Paat (GENDR)

Maria Loreto Padua (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>OP 4.01 is triggered because of minor works (refurbishment or installation in existing facilities or within existing sites) and some sub-projects may likely be located in areas with IPs. Even with such activities, the environmental impacts are anticipated to be less adverse, localized, temporary, and easily mitigated. Nevertheless, an Environmental Code of Practice (ECOP) will be developed and adopted by the Project to mitigate and respond to any likely environmental impact of the aforementioned refurbishment/construction. The ECOP will be included in all civil work contracts. DOH, as provider of technical oversight for the project, is familiar with the safeguards requirements of the Bank.</p> <p>The ECoP will include a screening of sub-projects/activities at the local level to make sure that these sub-projects or activities are screened for environment and social impacts and appropriate measures are included in sub-projects/activities.</p> <p>The team is proposing the project as a Category B, based on an assessment of the potential impacts.</p> <p>The team is proposing the project as a Category B, based on an assessment of the potential impacts.</p>
Natural Habitats OP/BP 4.04	No	There are no anticipated impacts on natural habitats.

		The activities supported by the project are in built-up areas.
Forests OP/BP 4.36	No	The project is not expected to directly lead to or promote any encroachment of forest or conversion of land uses.
Pest Management OP 4.09	No	The project will not use pesticides.
Physical Cultural Resources OP/BP 4.11	TBD	There may be schools and other public structures that can be considered old and have heritage/cultural value e.g. Gabaldon school buildings. Although the scope of potential works is considered minor, an assessment maybe needed before any refurbishments/civil works are done on identified structures. This initial screening will be done as part of the ECOP. If there are potential PCR issues, specific measures to minimize or avoid potential impacts on PCR during construction will be included in ESMP such as minimizing vibration and preventing vandalism. Additional measures may be put in place including minimizing compaction and earth moving activities as maybe needed. If this policy is triggered, a Chance Find Procedure will be made mandatory for any civil works contract requiring excavation and will be incorporated in the ECOP. Procedures for Chance finds are mandated under Republic Act 100661. The agencies which need to be informed are the National Museum and the National Historical Institute.
Indigenous Peoples OP/BP 4.10	Yes	Indigenous communities remain to be among the poorest and disadvantaged areas particularly in terms of human development outcomes, including health. Thus, while the target provinces are yet to be selected, it is likely that some of them will have presence of indigenous peoples. An updated IPPF will be prepared based on the results of a social assessment and a review of the GIDA.
Involuntary Resettlement OP/BP 4.12	No	The project will only be supporting the refurbishment or installation of sanitary facilities in existing facilities or sites that will not require acquisition of new land.
Safety of Dams OP/BP 4.37	No	The project will not finance dams.
Projects on International Waterways OP/BP 7.50	No	Not applicable

Projects in Disputed Areas OP/ BP 7.60	No	Not applicable
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III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 01-Apr-2015

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

By end of March 2015 – completion of the review of the implementation of GIDA and its implications to the proposed project with particular focus on the implementation arrangements to ensure compliance of partner PLGUs to safeguards policies. The results of the review would serve as basis for updating/enhancing the IP safeguards instruments and/or GIDA. The Environmental Code of Practice (ECOP) will be drafted and finalized by April 2015. The ECOP provides the specifications of the measures to prevent harm and nuisance and mitigate the impacts of any civil works and refurbishments on the environment.

IV. APPROVALS

Task Team Leader(s):	Name: Bukhuti Shengelia	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Peter Leonard (RSA)	Date: 19-Feb-2015
Practice Manager/ Manager:	Name: Toomas Palu (PMGR)	Date: 20-Feb-2015

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.