Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 07-Dec-2017 | Report No: PIDISDSA22948

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Nicaragua	P164452	NI - INTEGRATED PUBLIC PROVISION OF HEALTH CARE SERVICES	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
LATIN AMERICA AND CARIBBEAN	06-Dec-2017	27-Feb-2018	Health, Nutrition & Population
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Republic of Nicaragua	Ministry of Health - Nicaragua	

Proposed Development Objective(s)

The objective of the Project is to improve the quality of care for the most prevalent health conditions with an emphasis on vulnerable groups.

Components

Results based financing for quality improvement in prevention and provision of health care services to the poorest 66 municipalities
Support to the implementation of National Health Strategies for the provision of quality health services under the MOSAFC
Provision of contingency financing in the case of an eligible Public Health Alert, a Public Health Emergency or National Emergency
Project management

Financing (in USD Million)

Financing Source	Amount
International Development Association (IDA)	60.00
Total Project Cost	**60.00**

Environmental Assessment Category

B - Partial Assessment

Decision

The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Nicaragua remains one of the poorest countries in Latin America and the Caribbean (LAC), but recent strong economic growth has contributed to the most notable poverty reduction in Central America and slowed down the growth of inequality in the country.** While Nicaragua was one of the countries in the LAC region most affected by recent global food, fuel, and the 2008 financial crises and saw its Gross Domestic Product (GDP) declining by 3.3 percent in 2009 (WDI, as all other GDP growth data), GDP growth has picked up again, averaging 5.3 percent over the 2010 to 2015 period (compared to an average of 2.9 percent in the LAC region). Between 2005 and 2009, the poverty headcount declined from 42.5 to 24.9 percent[1]. This reduction included rural and urban areas alike. Rural poverty showed a substantial decline from 70 to 50 percent, while urban poverty was cut in half, declining from 31 to 15 percent. Nevertheless, inequality grew slightly during this period (the Gini coefficient increased from 0.44 in 2009 to 0.47[2] in 2014, but at a slower pace than in all other Central American countries apart from El Salvador. While incomes in the bottom 40 percent of the population grew significantly (5.7 percent per year from 2009-2014), they did so by 1.1 percentage points less than the average income[2].

2. **The country's economic growth has sustained increased public spending on the social sectors in general and - in particular - the health sector, which accounts for a little more than half of all public social spending[2].** Public social spending increased from 10 percent in 2007 to 13.5 percent in 2014, approaching the average Central American level of 13.9 percent (all as a share of GDP). In per capita terms, though, it is still among the lowest in the LAC region (US$145 dollars). From 2007 to 2014, total public health expenditure increased from 3.8 to 5.1 percent of GDP (a 34 percent increase), placing the country just behind Costa Rica in Central America. Public health expenditure accounted for 52 percent of all public social expenditure in 2013 (up from 38 percent in 2007), making Nicaragua the country that allocates the highest share of its total social expenditure to the health sector in Central America. The country however lags behind in terms of the quality of essential services, especially water, electricity, and sanitation. Poor access to these services results in greater health risks, especially among children under five. Fiscal policy in general, and social assistance programs in particular, have played a modest role in addressing income inequality. In addition, the country's vulnerability to climate shocks and natural disasters puts the achieved gains in poverty reduction and shared prosperity at risk.

Sectoral and Institutional Context

3. **Nicaragua has reduced maternal mortality in the last five years, although despite these efforts, it is still high in some areas of the country[3].** The maternal mortality rate declined from 63 to

[1] Country Brief – Poverty Assessment, September 2017.
[2] All data in paragraphs 2 and 3 if not stated otherwise: Central America Social Expenditure and Institutional Review, 30th August 2016.
[3] All data in paragraph 4 and 5 if not stated otherwise: Encuestas Nicaragüense de Demografía y Salud and MOH, National Statistics Office.

38 maternal deaths per 100,000 live births between 2009 and 2014. Millennium Development Goals and now Sustainable Development Goals (SDG)-related efforts included improving institutional births, providing immediate postdelivery checkups, and implementing a multi-sectoral strategy to provide women from rural areas with 'maternal houses' as places to have safe and assisted delivery and postnatal care. Despite this progress, Nicaragua has the fourth highest maternal mortality in LAC and the highest in Central America.[4] Challenges related to the quality of care and inequities also persist across different Local Systems for Integral Health Care (*Sistema Local de Atención Integral en Salud*, SILAIS).

4. **Nicaragua's achievements in the reduction of under-five maternal mortality have still striking differences across geographical locations and age subgroups**. Under-five mortality rate declined from 42 to 17 per 1,000 live births between 1998 and 2011–2012. However, under five mortality rates in rural areas remain more than ten percentage points higher than those in urban settings and mortality is greater in the neonatal period. While reduction of under-five mortality rates responded to the influence of several factors including the improvement of living conditions, the quality of water, access to health care and preventive measure such as vaccinations, the disparities respond also in part to the persistent high share of babies born to adolescent mothers, which ranged from an average of 19 to 37 percent among municipalities between 2005 and 2016. Consistently, neonatal mortality remains high due to its association with adolescent pregnancy[5]. Adolescent pregnancy affects the school education of girls: many young girls either drop out of school and become pregnant or drop out of school due to pregnancy, thus facing a vicious cycle of poverty[6].

5. **In addition, the country faces a so-called triple burden of disease including injuries (11%), communicable diseases (such as the climate-sensitive[7]-diseases - 28%), and non-communicable diseases (61%).** Climate-sensitive diseases such as malaria, dengue and yellow fewer have been present in Nicaragua for long time but in recent years and thanks to the globalization, chikungunya and Zika have become endemic in the country representing additional challenges due to the complexity of the secondary effects of the diseases in the population. At the same time, development has brought a modernization of lifestyles, disorganized urbanization, pollution on the environment and with that a change in the pattern of morbidity and mortality in the population. All these reflected in an increased number of deaths related to vascular diseases, cancer, and major traumas.

6. **The Government's flagship health program is the MOSAFC**. The Family and Community Health Care Model (*Modelo de Salud Familiar y Comunitario* – MOSAFC) provides free access to health care services, serving the poor and most vulnerable segments of the population and protecting them from falling further into poverty because of catastrophic health expenditures. The MOSAFC has been a pillar of the reform program of the Government of Nicaragua to better reach rural and remote areas**.** The model is based on the community participation as agents of change, and builds on respect to natural

[4] World Health Organization (2016).
[5] PAHO. 2016 at http://vision2017.csis.org/addressing-adolescent-pregnancy-and-maternal-mortality-in-nicaragua/
[6] The national issue of adolescent pregnancy prompted MOH to support the preparation and implementation of the National Strategy for Integral Health and Development of Adolescents 2012-2015.
[7] Climate-sensitive diseases refer to vector-borne diseases, since for instance mosquitoes transmitting the disease thrive under warm temperatures.

medicine with the incorporation of the western knowledge and advance medicine. The proposed Project supports the implementation of the MOSAFC model which seeks the increase in coverage, quality and efficiency on the delivery of health care.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The objective of the Project is to improve the quality of care for the most prevalent health conditions with an emphasis on vulnerable groups.

Key Results

- Number of health centers certified on hypertension screening.
- Percentage of adolescents (< 20 years of age) with institutional delivery.
- Number of municipal health units implementing traditional medicine.

D. Project Description

7. **Component 1: Results based financing for quality improvement in prevention and provision of health care services to the poorest 66 municipalities. (US$14.0 million).** The purpose of this Component is to ensure quality on the prevention and provision of care for communicable and non-communicable diseases at the primary health care level in the public sector for the 66 most vulnerable municipalities of the country including Alto Wanky and Bockay and the municipalities of the Atlantic Coast. Targeted interventions include: (a) early identification of health risk factors; and (b) monitoring the provision of quality health care services. Activities will include: (i) promotion, (ii) prevention, (iii) provision of care for the country's major causes of mortality and morbidity This Component will finance results based capitation payments to support the improvement of Maternal and Child Care Services and to promote the delay of Non-Communicable diseases. Capitation payments are the marginal financial resources transferred by the Ministry of Health (MOH) to selected municipalities to ensure population access to quality health care services and widespread coverage of health promotion, secondary prevention of disease, and prevention of risk factors. The SILAIS will maintain annual performance agreements with the municipal health networks (*Acuerdos sociales por la salud y el bienestar con el nivel municipal*) for **the provision of services.** The agreements will include the Quality Health Care Plan and performance indicators, which will be used to measure the performance of each network.

8. **Component 2: Support to the implementation of National Health Strategies for the provision of quality health services under the MOSAFC (US$ 44.5 million).** This Component will support the implementation of national strategies aimed at improving the quality of health care provision nationwide, and the expansion of coverage in the Atlantic Autonomous Region (RAAM). This Component will finance goods, consulting and non-consulting services, minor works, training and operation costs to implement the strategies. The National Health Strategies are the backbone for the implementation of public policies to influence the most effective way to protect the health of the population within the framework of the MOSAFC model under implementation in Nicaragua. These strategies are described in detail below:

a. **Implementation of the national chronic disease strategy to promote good health practices and prevent and control major chronic diseases and risk factors.**
b. **Strengthening the capability of the MOH for the preparation and response to epidemics and epidemiological alerts in the country.**
c. **Implementation of the national program for the inclusion of holistic medicine and traditional therapeutic medicines.** This subcomponent will continue the support of the National program of Natural medicine by integrating the Western and traditional medicines, which are in line with Indigenous Peoples Plan.
d. **Implementation of the national intersectoral adolescent health strategy for the prevention or delay of adolescent parenthood with emphasis on the concepts of Agency and Gender Based Violence**.
e. **Expansion of health care provision to the RAAM.** In an effort to reduce differences on the quality and readiness of the care provided to distant areas of the country, this investment will fund the structural design and procurement of equipment for the Hospital in SIUNA in the SILAIS Las Minas.
f. **Cross-strategy investments for the implementation of the National Strategies.** Activities under this subcomponent will include: (i) provide all levels of training programs for health workers at the central and local levels; (ii) support the implementation of the national plan for the maintenance and repair of medical and non-medical equipment in the country by strengthening the Medical Equipment Maintenance Center (*Centro de Mantenimiento de Equipos Médicos* - CEMED); and (iii) Strengthen the connectivity of information systems of the MOH at all levels of care.

9. **Component 3. Provision of contingency financing in the case of an eligible Public Health Alert, a Public Health Emergency or National Emergency (US$ 0.00 million).** The objective of this component is to facilitate the use of critical resources, in the event that a public health alert or a public health emergency or a National Emergency is officially declared through a Health Ministerial Resolution or Presidential Decree. There are no funds allocated to this component. Funds will be re-allocated and disbursed only once an alert or emergency has been declared and the Government has provided a letter to the World Bank that includes: (a) legal evidence, satisfactory to the World Bank, of the declaration of a public health alert or public health emergency or National Emergency; (b) a list of the required goods, minor rehabilitation works, consultants' and other services, and operating costs (including a procurement plan) acceptable to the World Bank; (c) the clear indication of the activities affected by the reallocation of funds; and (d) any assessments and plans that the World Bank may require.

10. **Component 4. Project management (US$1.50 million).** This Component will finance the strengthening of the MOH capacity for administering, implementing, supervising, and evaluating Project activities, including support to carry out external financial certifications.

E. Implementation

Institutional and Implementation Arrangements

11. **The MOH will be responsible for the implementation of the proposed Project through its various National Directions and Technical units**. Implementation will be overseen by a Project Technical Committee (PTC), which is operational under the ongoing Project. The PTC will be responsible for (i) coordinating Project activities, including those carried out by the SILAIS and the municipal health networks; (ii) monitoring the Project's results indicators at the macro level; (iii) coordinating with the Procurement Division and the General Division of Financial Management within the MoH and with Pan-American Health Organization (PAHO) on the procurement of vaccines; (iv) overseeing the implementation of the Indigenous Peoples Planning Framework (IPPF) and the Environmental Management Framework; (v) preparing technical and financial progress reports; and (vi) ensuring that technical reports are presented to the Technical and Citizen Councils for certification. The PTC is led by the MOH's Division of External Cooperation and is made up of technical staff from each participating technical and administrative directorate and division within the MOH. Technical oversight of activities implemented by the municipalities will be undertaken by the Technical Council (TC). At the SILAIS level, the Citizen Council will be responsible for monitoring the provision of care, the achievement of health indicator targets, the judicious use of funds, and other related issues. Finally, the Project Verification Commission (PVC) will continue working for the verification and certification of capitated payments and output based disbursements.

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F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

Component 1 will cover the population in 66 municipalities in 10 selected Local SILAIS and the indigenous territory of Alto Wangky-Bocay that have the largest amount of poor and vulnerable population, including indigenous peoples and rural population. The MoH has adapted the standard set of basic health and nutrition services as defined under the Community and Family Health Model (MOSAFC) to ensure that they are culturally appropriate to these communities, based on a study that described the traditional health practices and customs and how these could be integrated in the public health systems. Components 2 and 3 will focus on the institutional strengthening of the MOH and have a national scope. The project is not expecting the construction of new infrastructure that could affect the physical environment in sensitive or critical areas.

G. Environmental and Social Safeguards Specialists on the Team

John R. Butler, Social Safeguards Specialist
Marco Antonio Zambrano Chavez, Environmental Safeguards Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This policy is triggered because the Project will support minor rehabilitation works in health care facilities or minor pre-installment works for the medical and non- medical equipment to be purchased by the Project. While the effects of these activities are localized, minor and reversible, they still, nonetheless, warrant certain care and the appropriate mitigation measures are presented in the Environmental Management Framework (EMF). The MOH has also developed a Plan of Action to implement environmental safeguard measures. In this regards the project was classified as Category B according with the OP/BP 4.01. The Environmental Management Framework (EMF) was prepared in the previous Bank's Projects (P106870 and P152136) and has been updated. This up-dated version of the EMF and the MOH Action Plan was disclosed in-country on December 6, 2017 and in the World Bank's website on December 7, 2017. Nine Hospitals Dangerous Waste Management Plans (HDWMP) are currently under implementation and additional ones (tbd) will be implemented in the new Project. These instruments will be disclosed as available according with the Bank's policy. These Plans include the WBG EHS Guidelines for Medical Facilities; and procedure to manage radioactive waste associated to the medical equipment acquired under the projects. Finally, the capacity building effort includes comprehensive occupational health and safety training, including exposure to diseases, medical waste and the use of certain equipment with radiation.
Natural Habitats OP/BP 4.04	No	This policy is not triggered given that the project's interventions are not located within or in the proximity of natural habitats; hence no conversion or degradation of natural habitats is expected.

Forests OP/BP 4.36	No	This policy is not triggered since the project activities are not expected to impact forested areas, forest dependent communities or involve changes in management of forests.
Pest Management OP 4.09	No	This policy is not triggered given that the project's activities do not include the use of pesticide.
Physical Cultural Resources OP/BP 4.11	No	This policy is not triggered given that the projects activities do not affect any physical or cultural resources.
Indigenous Peoples OP/BP 4.10	Yes	There are indigenous peoples as defined by the policy present in the Project area. The activities in component 1 are a continuation of the activities in the on-going Strengthening the Public Health Care System Project (P152136) for which IPPs were consulted, disclosed and implemented. These IPPs have been reviewed, updated and consulted to ensure that there is continued broad community support for this project in the ten SILAIS and the indigenous territory of Alto Wangky-Bocay. The updated IPP will be disclosed prior to Project Appraisal. When preparing the Nicaragua Community and Family Health Care Project (P106870) an Indigenous Peoples Framework and Indigenous Peoples Plan were prepared, consulted and disclosed. The Framework and the IPP were updated during the preparation of the on-going Project (P152136). The implementation of the IPPF and IPP are being managed by the Directorate of Health, and supervised by the National Coordination of Indigenous Peoples and Traditional Medicine (as part of the Ministry of Health). The country is moving towards the integration of traditional ancestral medicine with the western health systems. The IPP for the on-going Project is currently under implementation. Consultations and activities undertaken during Project implementation in response to indigenous peoples could be shared as models with other countries. In addition the Institute for Alternative Therapy in Managua provides training to medical staff on key aspects of the integration of traditional and western health systems including the use of medicinal plants for

		medical treatment. Furthermore, implementation of the current IPP ensures that all indigenous communities also broadly support the project activities. The IPP was also consulted at national level to ensure that the measures related to Maternal, Adolescent, Child and Reproductive Care take into account the cultural practices of Indigenous Groups.
Involuntary Resettlement OP/BP 4.12	No	This policy should not be triggered given that the project will focus on strengthening the access and improving the quality of health care services. The project will, however, finance minor pre-installment works for medical and nonmedical equipment, for which no land acquisition will be required and for which no impacts covered under OP 4.12 are expected.
Safety of Dams OP/BP 4.37	No	This policy is not triggered given that the project will not support the construction or rehabilitation of dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered given that the project will not affect international waterways as defined under the policy.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered given that the project will not affect disputed areas as defined under the policy.

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:
There are no safeguards issues at this time. Environment and Population safeguards are part of the project implementation activities in pro of the improvement of the delivery of health care services.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
Long term impacts are: the reduction of complications among patients with chronic diseases, and the delay on the onset of chronic diseases among the adult population. Both elements will bring savings to the health sector.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
n/a

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
n/a

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
The Ministry of Health is the institution responsible for the implementation of the Project. The Government has installed complaint collection boxes in the health facilities to directly monitor any irregularities. These boxes are collected and revised by technical officials from the Vice-presidency level.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
06-Dec-2017	07-Dec-2017	

"In country" Disclosure

Nicaragua
06-Dec-2017

Comments

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank	Date of submission for disclosure
06-Dec-2017	07-Dec-2017

"In country" Disclosure

Nicaragua
06-Dec-2017

Comments

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?
Yes
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?
Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?
Yes

OP/BP 4.10 - Indigenous Peoples

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?
Yes
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?
Yes
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?
NA

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?
Yes
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?
Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?
Yes
Have costs related to safeguard policy measures been included in the project cost?
Yes
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?
Yes
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?
Yes

CONTACT POINT

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APPROVAL

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