



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 06/04/2024 | Report No: ESRSA03518

**I. BASIC INFORMATION****A. Basic Operation Data**

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P500764	Investment Project Financing (IPF)	Indonesia-SeHaT	2024
Operation Name	Indonesia Supporting Health Transformation Project (I-SeHat)		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Indonesia	Indonesia	EAST ASIA AND PACIFIC	Health, Nutrition & Population
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Republic of Indonesia	Directorate for Community Health Management, Ministry of Health Republic of Indonesia, Bureau of Planning and Budgeting, Ministry of Health Republic of Indonesia	21-Jun-2024	27-Jun-2024
Estimated Decision Review Date	Total Project Cost		
06-Jun-2024	41,000,000.00		

Proposed Development Objective

To enable coordinated partner support to the Government of Indonesia's health system transformation agenda with a special focus on the pillars for primary healthcare and digital health

B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

[Description imported from the PAD Data Sheet in the Portal providing information about the key aspects and components/sub-components of the project]

The grant Project supports the Ministry of Health's health transformation agenda that is centered around six key pillars: (i) primary care service delivery capacity, population education, and prevention; (ii) equitable access to secondary care;



(iii) health system resilience to prevent and ready for health crises; (iv) health financing, focusing on equitable allocation and efficient utilization of resources; (v) health workforce in production, distribution, and quality; and (vi) improvements in health technology, especially a more integrated and efficient health information system and biotechnology. The Project will enable access to appropriate technical expertise and critical support to analytics, monitoring and evaluation, and technical assistance across all six pillars. This will include focus on primary care and digital transformation, both of which are at the heart of frontline health service delivery and data-driven, evidence-based policymaking which can guide the efficient targeting of resources, transparency and monitoring and evaluation. The funding for the Project will be coming from the RETF component of the Multi Donor Trust Fund on Health Transformation. The grant Project have two components that include: Component 1: Building knowledge, Evidence, and Iterative learning for a Sustainable Health System Transformation. Through this component the grant Project will support activities focusing on knowledge and learning, capacity building, generation of evidence and helping translate such evidence into policy, tailored to help GoI invest in the capacity and the evidence needed to achieve Indonesia's Health System Transformation Agenda. This includes: - Analytical work contributing to the policy and research agenda to inform the health system transformation. - Operational and analytical support to the ongoing project portfolio linked to each of the six pillars of the Health System Transformation Agenda with stronger emphasis on Primary Health Care, and Digital Transformation pillars. - Monitoring, supervision, evaluation, and other rigorous evidence generation from ongoing activities carried out by GoI. Component 2: Effective Stewardship and Program Management and Administration. These activities will be implemented by a program management unit as a set of limited and well-defined tasks and activities in agreement with the Steering/Partnership Committee and will be funded by the grant Project. The project management structure foreseen is a Project Secretariat, Project Management Unit (PMU) as well as multiple smaller Project Implementation Units (PIUs), tasked with the following centralized roles across different projects and activities within MOH: - Centralized capacity to undertake procurement processes required under international funding, - Helping build capacity for fiduciary and operational practices that help the MOH projects adhere to guidelines and standards such as the World Bank anti-corruption and Environmental and Social Framework standards. - Bringing in specific areas of expertise that can be utilized in a cross-cutting manner across MOH, including expertise in social and environmental issues, gender, climate change and the like. - Expertise in management information systems as well as in data analytics to improve the completeness and quality of data as well as effective use of the data to generate meaningful information - Regular monitoring & evaluation of operations, including the organization of and participation in joint implementation support missions. The above will include activities such as (i) recruitment of firms or individuals with expertise in procurement and fiduciary management, and information system and digital health to provide technical advisory services and administrative support, (ii) capacity building activities including training, and learning exchange, (iii) regular monitoring and evaluation activities including organization and participation in implementation support missions as well as other coordination meetings.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

[Description of key features relevant to the operation's environmental and social risks and opportunities (e.g., whether the project is nationwide or regional in scope, urban/rural, in an FCV context, presence of Indigenous Peoples or other minorities, involves associated facilities, high-biodiversity settings, etc.) – Max. character limit 10,000]

Indonesia is currently undergoing a public health transformation with the target as set for 2030 Sustainable Development Goals to reduce the maternal mortality ratio; ending preventable deaths in newborns and toddlers; reduce neonatal mortality; and reducing under-five mortality. Healthcare is a priority on Indonesia's national agenda,



and the central and regional governments continue to build and upgrade healthcare facilities. Understanding that the transformation in health sector become important agenda for GoI, the development partners is expected to provide support in term of TA and funding, including the World Bank through Health System Strengthening (HSS) Project and becoming partner in Indonesia's Health System Transformation Agenda (HSTA).

The project is designed to supplement MoH's HSS Project (P180811), an IPF project funded by the Bank, that is currently in implementation stage. The Project will be implemented in national scope and designed as TA type of activity categorized as Type 2 and 3 of the OESRC Advisory Note on TA and the ESF 2019. Through the project's components, the grant will be used to ensure operational practices of the project and the HSS Project adhere to the World Bank' ESSs, including ensuring consideration of gender, people with disabilities, and climate as well as their intersectionality for the knowledge creation, capacity building, and health sector reforms to reduce barriers towards care for vulnerable groups and to ensure no-one is left behind. Typical activities of the grant Project are analytical works, document review, recruitment, development of sustainable health reform program design, technical guidelines, communication materials, capacity building, project management, training delivery and traveling to several projects for monitoring and evaluation. The TORs for the technical guidelines, ES trainings, technical firms/individual experts recruitment and policy analytics will be shared to the ES specialist for review and this process will be included in the Environmental and Social Commitment Plan (ESCP). No infrastructure investments involving any civil work activities are being proposed under this Project. Considering the type of project activities, overall environmental and social impacts are low since no major risks and impacts expected from project activities.

D.2 Overview of Borrower's Institutional Capacity for Managing Environmental and Social Risks and Impacts

[Description of Borrower's capacity (i.e., prior performance under the Safeguard Policies or ESF, experience applying E&S policies of IFIs, Environmental and social unit/staff already in place) and willingness to manage risks and impacts and of provisions planned or required to have capabilities in place, along with the needs for enhanced support to the Borrower – Max. character limit 10,000]

The implementing agency for Indonesia HSS MDTF Project is Ministry of Health (MoH) and will be managed under Directorate for Community Health Management and Bureau of Planning and Budgeting. MoH will be supported by Central Project Management Unit who will be overseeing and responsible for the day-to-day coordination and implementation of project activities, Central Procurement Unit, and three Project Management Units, also will involve relevant Directorates within the MoH.

The MoH has prior experience in implementing Bank financed projects. MoH is currently implementing six WB funded projects in the health sector; of which five are through Program for Result mechanism: (i) Indonesia - Supporting Primary Health Care Reform; (ii) Investing in Nutrition in Early Years; (iii) COVID-19 Strategic Preparedness and Response Program; (iv) Indonesian national health insurance system Reforms and Results Program; and (v) Strengthening National Tuberculosis Response; and one is through IPF, Indonesia HSS Project that is currently under implementation stage. MoH capacity staff in term of E&S aspect especially with regards to medical waste management and grievance mechanism is satisfactory. However, implementing ESF in the lending project is new for them and MoH understands there are gaps between the country system and ES requirements for the projects that received funding from WB. MoH will appoint personnel with expertise in E&S risk management to support day-to-day management of the project when project effectives, and a dedicated ESF introduction and training will be provided for them. MoH will develop a Project



Operation Manual (POM), which include guidelines on safeguards for managing E&S risks of the Project. An agreed timeline for appointing personnel with expertise in E&S risk management as ES focal point, who will provide a monitoring report of E&S performance are included in ESCP.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Low

A.1 Environmental Risk Rating

Low

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 4,000]

The environmental risk rating for the project is classified as low. The IHST's technical assistance project will support Gol's Health System Transformation Agenda (HSTA) with special focus on the establishment of the IHST grant Project Secretariat to better coordinate support from several development partners to HSTA. The "TA activities and outputs" such as hiring staff and consultants, equipment lease and purchase, conducting studies, arranging workshop/conference, engagement with media, and establishing dialogues with expertise and government partners and producing technical papers, analytical works for policy recommendation and producing regular MDTF reports are categorized as Type 2 and 3 of the OESRC Advisory Note on Technical Assistance and the Environmental and Social Framework (2019). The project will focus on strengthening borrower's capacity (type 3) and supporting the formulation of policies and plans (type 2). The "TA activities" will not have direct physical footprint as no construction of new buildings or expansion of facilities are envisaged so the project is expected not to have any direct environmental impacts and risks. The outcomes of the TA will not have negative environmental implications. The project will not assist the preparation for the future construction of physical infrastructure (feasibility studies, detailed technical designs, bid documents) with potentially significant physical impacts. So there will be no downstream environmental implications from the specific subsequent physical investment as per OESRC guidance in term of specificity, timing and directness. The project, under Component 2, will use the MDTF funds for the PMU and PIU operational practices adhere to the World Bank Environmental and Social Framework standards. Thus, the potential adverse risks and impacts to the environment are likely to be low.

A.2 Social Risk Rating

Low

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 4,000]

The overall social risk rating is low. The project aims to support the Indonesia's Health System Transformation Agenda through analytical work to the policy framework, capacity building and training, and research which will inform the strategy for the health system transformation. No physical investments, nor direct community engagement, including with vulnerable groups are envisaged under the operation. The project is designed to supplement MoH's Health System Strengthening (HSS) Project, an IPF project funded by the Bank. The project does not finance feasibility or design of any future investments in specific footprints with potential downstream adverse impacts. Through Project's component, the Project will use the grant to ensure operational practices of the project and the HSS Project adhere to the World Bank' Environmental Social Standards (ESSs), including bringing in specific areas of expertise in disability, equity, inclusion aspects. Social risk may involve health and safety risks of project workers, as the project will hire small number of project workers to perform mostly office-based works and may visit health center for conducting



analytical works and/or research, which is low to negligible. Based on this assessment, social risks are rated low. Proportionate to the risk level, no additional social assessment necessary after preliminary screening and relevant measures to meet the ESSs, such as requirements on health and safety prevention measures, assigning ES specialists, feedback and grievances mechanisms provision is included in the Environmental and Social Commitment Plan (ESCP) and the POM.

[Summary of key factors contributing to risk rating. This attribute is only for the internal version of the download document and not a part of the disclosable version – Max. character limit 8,000]

B. Environment and Social Standards (ESS) that Apply to the Activities Being Considered

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts

Relevant

[Explanation - Max. character limit 10,000]

ESS1 is applicable for the operation. Application of ESS1 is to set out relevant roles and responsibilities for environmental and social management, particularly concerning to labor management and stakeholder engagement as further elaborated in ESS2 and ESS10 sections. The project is classified as Type 2 and 3 Technical Assistance (TA) comprised of operational and analytical support including recruitment of individual experts and firms, conducting analytical works, capacity building, and establishing policy dialogues, media engagement etc., thus, the potential environmental and social impacts of project activities are assessed to be low with minimal or no adverse impacts. No physical investments, nor activities requiring direct engagement with communities are envisaged under the operation. Both environmental & social risk ratings are low. TORs for the above activities will be shared to the ES specialist for review to be consistent with ESS. The POM will be prepared including ES aspect.

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

[Explanation - Max. character limit 10,000]

ESS10 is relevant. Since the Project's ES risks are low to negligible level, proportionate to the risk level, the project does not prepare a separate Stakeholder Engagement Plan (SEP), however elements under ESS10 to provide a project feedback and grievance mechanism (FGRM) is included in the ESCP. Series of stakeholder engagement have been carried out by MoH during April 2024 regarding the MDTF grant involving relevant parties within MoH, other ministries, and donors such as DFAT, USAID, etc. The meetings elaborated the aim of I-SEHAT is to provide coordinated support for GoI HSTA with a particular focus on the pillars of primary care and digital health services. The meetings also discussed the technical support provided funded I-SEHAT through capacity building, evidence-based learning, and knowledge management to achieve sustainable health system transformation. The project prepared a draft ESCP that will be disclosed as early as possible in the MoH website. To meet the requirements of ESS10 regarding GRM, the grant Project will use the existing MoH's grievance system, in which the system has been assessed in five WB funded projects through Program for Result and currently also is used for HSS Project.

ESS2 - Labor and Working Conditions

Relevant



[Explanation - Max. character limit 10,000]

ESS2 is relevant. Labor and working condition risks are assessed as low. The project will involve staffing and hiring of consultants and researchers/experts as direct workers, and as contracted workers if the workers are hired through third parties. Potential risks related to project workers may include health and safety risks during travels to health centers at subnational level by assuming for conducting analytical works/research will visit health centers, which is considered low to negligible. The health and safety risks of project workers will be addressed through relying on the existing MoH's health and safety guideline, including protocols on Infection Prevention and Control (IPC) as precautionary measures for COVID-19 and other infectious diseases. Additional measures will be provided in the Project Operation Manual (POM) in terms of standard behavior/code of conduct on respectful behaviors covering prevention and management of Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) and grievance redress mechanism for project workers, as well as environmental and social incident report.

ESS3 - Resource Efficiency and Pollution Prevention and Management

Not Currently Relevant

[Explanation - Max. character limit 10,000]

ESS3 is not relevant as the TA activities and outputs are mostly office-based works that will not generate significant amount of waste or pollution that will directly cause adverse impacts the environment. There is no downstream implications or concerns related to ESS3 from this IHST MDTF as the project will not involve the preparation for the future construction of physical infrastructure.

ESS4 - Community Health and Safety

Not Currently Relevant

[Explanation - Max. character limit 10,000]

ESS4 is not applicable as the project activities will not present health and safety risks to communities. No direct community engagement is envisaged for the purpose of project implementation.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Not Currently Relevant

[Explanation - Max. character limit 10,000]

ESS5 is not relevant as the project activities will not require land or result in any access restrictions. No physical investments are envisaged under the project and no analytical and/or research will be financed that would lead to land taking requirements.

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Not Currently Relevant

[Explanation - Max. character limit 10,000]

ESS6 is not relevant as the project activities will not involve physical investments that would lead to direct conversion and degradation of natural habitats. The potential downstream implications from the TA activities and output to environment and biodiversity from this IHST MDTF is not envisioned.



ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Not Currently Relevant

[Explanation - Max. character limit 10,000]

ESS 7 is not relevant, as the project activities focus on analytical support to policy and research of Indonesia's HSTA for a better and improved health system in the country and are not expected to impact way of life, livelihoods, land or assets of indigenous communities.

ESS8 - Cultural Heritage

Not Currently Relevant

[Explanation - Max. character limit 10,000]

This standard is not considered relevant. None of the project activities will result in any impacts on cultural heritage, either tangible or intangible. Activities will be limited to technical assistance and community facilitation with no infrastructure and procurement of goods that may result in adverse impacts on cultural heritage.

ESS9 - Financial Intermediaries

Not Currently Relevant

[Explanation - Max. character limit 10,000]

This standard is considered not relevant, as none of the project activities will involve Financial Intermediaries (FIs) nor support establishment of FIs.

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

In Part

[Explanation including areas where "Use of Borrower Framework" is being considered - Max. character limit 10,000]

Due to low environmental and social risk rating of the grant project, the project risk that may include low to negligible health and safety risks of project workers, will be addressed through relying on the existing MoH's health and safety guideline, including protocols on Infection Prevention and Control (IPC) as a precautionary measure for COVID-19 and other infectious diseases, that is considered sufficient. Additional measures will be provided in the Project Operation Manual (POM) in terms of standard behavior/code of conduct on respectful behaviors covering prevention and management of SEA/SH and grievance redress mechanism for project workers to meet the ESSs as well as environmental and social incident report. To meet the requirements of ESS10 regarding FGRM, the grant Project will



use the existing MoH's grievance system, in which the system has been assessed in five WB funded projects through Program for Result.

Use of Common Approach

No

[Explanation including list of possible financing partners – Max. character limit 4,000]

NA

B.4 Summary of Assessment of Environmental and Social Risks and Impacts

[Description provided will not be disclosed but will flow as a one time flow to the Appraisal Stage PID and PAD – Max. character limit 10,000]

The environmental and social risk rating for the project is classified as low. The Indonesia Supporting Health Transformation Project (I-SEHAT)'s technical assistance project will support GoI's Health System Transformation Agenda (HSTA) with special focus on enabling coordinated partner support for GoI HSTA. The TA activities and outputs such as hiring staff and consultants, capacity building, financing project management, conducting analytical works for policy recommendation, supporting activities focusing on knowledge and learning, including monitoring, supervision, and evaluation to generate evidence and translate it into policy, are categorized as Type 2 and 3 of the OESRC Advisory Note on Technical Assistance and the Environmental and Social Framework (2019). The Project will focus on strengthening borrower's capacity (type 3) and supporting the formulation of policies and plans (type 2). The TA activities will not have direct physical footprint as no construction of new buildings or expansion of facilities are envisaged so the Project is expected not to have any direct environmental impacts and risks. The outcomes of the TA will not have negative environmental and social implications. The Project will not assist the preparation for the future construction of physical infrastructure (feasibility studies, detailed technical designs, bid documents) with potentially significant physical impacts. So there will be no downstream environmental implications from the specific subsequent physical investment as per OESRC guidance in term of specificity, timing and directness. The project activities will not have direct community engagement, including with vulnerable groups are envisaged under the operation. The Project's grant will be used to ensure operational practices of existing WB financed projects adhere to the World Bank Environmental and Social Framework standards, including ensuring issue on gender, people with disabilities, and climate are central to the knowledge creation, capacity building, and health sector reforms to reduce barriers towards care for vulnerable groups. Social risk may involve health and safety risks of project workers, as the Project will hire small number of project workers to perform mostly office-based works and may visit health center for conducting analytical works and/or research, which is low to negligible. The health and safety risks of project workers will be addressed through relying on the existing MoH's health and safety guideline, including protocols on Infection Prevention and Control (IPC) with additional measures such as standard behavior/code of conduct on respectful behaviors covering prevention and management of Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) will be provided in the POM that is expected to be completed within the first three months of effectiveness. Environmental and Social Commitment Plan (ESCP) was prepared to outline project's commitment adhering the Bank's Environmental and Social Standards by the appraisal.



C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by implementation?

[Description of expectations in terms of documents to be prepared to assess and manage the project's environmental and social risks and by when (i.e., prior to Effectiveness, or during implementation), highlighted features of ESA documents, other project documents where environmental and social measures are to be included, and the related due diligence process planned to be carried out by the World Bank, including sources of information for the due diligence - Max. character limit 10,000]

Action to be required during project implementation:

- Prepare Project Operation Manual (POM) within the first three months of effective that include: (i) LMP: standard behavior/code of conduct on respectful behavior, worker's grievance mechanism, and (ii) SEP: stakeholder engagement, including FGRM provision and information disclosure.
- Appoint ES Focal point at PMU before the commencement of project activities
- The TORs of the Technical Assistance activities (consultant recruitments, workshop, analytical works etc.) are reviewed by the ES Focal point and cleared by the Bank's ES specialist.
- Reporting and as necessary training or capacity building

III. CONTACT POINT

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V. APPROVAL

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