

**INTEGRATED SAFEGUARDS DATA SHEET  
ADDITIONAL FINANCING**

**Report No.: ISDSA1113**

**Date ISDS Prepared/Updated:** 20-Jan-2015

**Date ISDS Approved/Disclosed:** 20-Jan-2015

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Honduras	<b>Project ID:</b>	P152266
		<b>Parent Project ID:</b>	P115592
<b>Project Name:</b>	HN AF Social Protection (P152266)		
<b>Parent Project Name:</b>	Social Protection (P115592)		
<b>Task Team Leader(s):</b>	Pablo Ariel Acosta		
<b>Estimated Appraisal Date:</b>	23-Jan-2015	<b>Estimated Board Date:</b>	31-Mar-2015
<b>Managing Unit:</b>	GSPDR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Public administration- Other social services (22%), Other social services (78%)		
<b>Theme(s):</b>	Social safety nets (100%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	25.00	Total Bank Financing:	25.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			25.00
Total			25.00
<b>Environmental Category:</b>	C - Not Required		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

### **A. Original Project Development Objectives – Parent**

The Project's development objectives are to (a) strengthen the institutional capacity of the MoP and PRAF to administer and manage the Bono 10.000 Program (the "Program"), through the development of transparent mechanisms and instruments for targeting Program beneficiaries, monitoring compliance with Program co-responsibilities, and making payments to Program beneficiaries; and (b) increase: (i) school attendance among students in grades 1 to 6; and (ii) the use of preventive health services among families participating in the Program.

### **B. Current Project Development Objectives – Parent**

The objectives of the Project are to: (a) improve the institutional capacity of Recipient's institutions to manage the Conditional Cash Transfer (CCT) Program, by strengthening transparent mechanisms and instruments for targeting Program beneficiaries, monitoring compliance with Program co-responsibilities, and making payments to Program beneficiaries; (b) provide income support to Eligible Beneficiaries; (c) increase the use of preventive health services and school attendance in grades 1 to 6 among Program beneficiaries in rural areas; and (d) improve the Recipient's capacity to respond promptly and effectively to an Eligible Emergency.

### **C. Proposed Project Development Objectives – Additional Financing (AF)**

The proposed revised PDO is to: (a) improve the institutional capacity of Recipient's institutions to manage the CCT Program, by strengthening transparent mechanisms and instruments for targeting Program beneficiaries, monitoring compliance with Program co-responsibilities, and making payments to Program beneficiaries; (b) provide income support to eligible beneficiaries; (c) increase the use of preventive health services and school attendance in grades 1 to 9 among Program beneficiaries in rural areas; and (d) improve the Recipient's capacity to respond promptly and effectively to an eligible emergency.

## **3. Project Description**

The proposed AF would be in the amount of SDR17.5 million (approximately US\$25 million), and would follow the same structure of components and activities as the parent Project, with exception of Subcomponent 1.1 that would not receive additional funds, since the Secretary of Presidency no longer plays a role in the Program:

a) Component 1 (increased by SDR2.7 million, about US\$3.9 million): The allocation of this component will be increased to include new activities related to strengthening the Program's operation in the Secretary of Development and Social Inclusion SEDIS, including finalization of the MIS upgrading including the grievance and complaints module; improved beneficiary support at the local level; a new communication campaign for awareness of changes in Program rules, benefits, and eligibility criteria, rights and responsibilities, and payment methods; a new social audit; and the activities agreed under the Indigenous and Afro-Hondurans Peoples Plan (IAPP). This revised component will also finance the data collection process to update information of existing beneficiaries (already covered in the parent Project, but now expanded to cover additional areas), and register new beneficiaries in areas not previously covered by the Program. These areas include those: (a) with high extreme poverty, as identified by the latest poverty map from the National Statistical Institute (INE); (b) remote areas with a high incidence of indigenous population; and (c) areas prone to severe draught, such as Corredor Seco; and (d) areas with high incidence of migration (in response to the surge in 2014 of undocumented and unaccompanied child migrants into the US). It will also finance the piloting and evaluation of card or account based and electronic payment mechanisms and use of non-bank agents in the delivery, as well as support for the full redesign of the payment mechanisms. It will also comprise the designing and implementation of modules for financial

literacy, and options for linking Program beneficiaries to existing productive inclusion interventions in their communities. Finally, it will support the continuous upgrading of the information technology platform of Unique Registry of Participants (RUP) of social programs and its linkages with existing social programs.

b) Component 2 (increased by SDR14.8 million, about US\$ 21.1 million): The allocation for this component will be increased to extend financing of cash transfers until end of 2016, in current Project areas (rural areas in Atlántida, Colon, Copan, and Cortes Departments), and in newly expanded Program areas, as well as financial commissions.

c) Component 3. Immediate Response Mechanism (SDR 0; US\$ 0): The component which will continue to have a zero allocation, only to be activated in the event of an eligible disaster.

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

The Project is national in scope, though only finances transfers in rural areas. The AF will expand Project activities to areas that are prone to drought.

**5. Environmental and Social Safeguards Specialists**

Ximena B. Traa-Valarezo (GSURR)

<b>6. Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	No	The proposed AF Project does not finance any civil works or other investments that have environmental implications. The operation therefore is rated as an environmental risk category C, and no environmental safeguard instrument is required.
Natural Habitats OP/BP 4.04	No	The proposed AF Project will not finance any activities which affect natural habitats.
Forests OP/BP 4.36	No	The proposed AF Project will not finance any activity which affects the use, management or status of any forest areas.
Pest Management OP 4.09	No	The proposed AF Project will not finance any activities which require the use or procurement of pesticides.
Physical Cultural Resources OP/BP 4.11	No	The proposed AF Project will not finance any activities which could affect physical or cultural resources as defined under the policy.
Indigenous Peoples OP/BP 4.10	Yes	Given the presence of indigenous peoples in the Project area, the Project triggers the Indigenous Peoples safeguards (OP/BP 4.10). In May 2010, an Indigenous and Afro-Honduran Peoples Plan (IAPP) was prepared by the Recipient to seek broad community support for the Project, and to ensure the services rendered by the Project fully respect the dignity, human rights, and culture of indigenous and Afro-Honduran peoples. This IAPP was revised in December 2010 together with

		<p>representatives of 9 ethnic groups represented at the Intercultural Bilingual Education Program (PRONEEAAH) at the Secretary of Education. The revised IAPP was published in Honduras and the World Bank Infoshop.</p> <p>For the Additional Financing, the above IAPP was updated to reflect new institutional arrangements in the Program (as per the revised Operational Rules, the new Program implementing agency is the Secretary of Development and Social Inclusion, SEDIS) and the expansion of coverage in remote areas with high presence of indigenous population (e.g., Gracias a Dios Department) where approximately 90 percent are Miskitos, and the remainder population is: Pech, Tahwaka, Garifuna, English-speaking Black, and mestizos. The revised IAPP was publicly disclosed in Honduras on December 11, 2014 through SEDIS website, and in the Bank’s InfoShop on December 30, 2014.</p> <p>For the Additional Financing operation, the Protocol for Entering Ethnic communities and Implementing the Bono Vida Mejor Program in those communities, previously approved by the Government in 2010 is being revised and should be approved by Government prior to implementation The inclusion of the ethnicity variable in the information systems (previously done) and RUP has been key for the disaggregation of data regarding coverage of ethnic groups by the Program and it will continue to be maintained in the systems and Registration forms. Previous coordination with the Programs dealing with the Indigenous and Afro-Honduran peoples at the Secretaries of Education (presently DIGEIM – Directorate of Intercultural Multilingual Education) and Health (presently Office of Intercultural Health) resumed at the end of 2014.</p> <p>Given that the implementation of the IAPP has been only intermittently implemented in the past 10 months, the social safeguards rating is downgraded to Moderately Satisfactory (MS).</p>
Involuntary Resettlement OP/BP 4.12	No	The proposed AF Project will not finance any activities requiring the acquisition of land or involuntary resettlement.
Safety of Dams OP/BP 4.37	No	The proposed AF Project will not finance any dams nor will any activity of the project rely on the performance

		of an existing dam.
Projects on International Waterways OP/BP 7.50	No	The proposed AF Project will not finance activities which affect international waterways as defined under the policy.
Projects in Disputed Areas OP/BP 7.60	No	No Project activities are located in Disputed Areas as defined under the policy.

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b>
OP 4.10 in Indigenous Peoples is triggered, since many of the proposed Project's beneficiaries self-identify as indigenous or afro-Honduran.
<b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b>
The Project is expected to have positive impact on the Indigenous and Afro-Honduran participants, as it will allow them to go to school and have the health controls needed to be eligible for the CCT. The Program is targeted to households in extreme poverty, particularly to children 0 to 18 years of age, pregnant and lactating women. It is expected that the majority of Indigenous and Afro-Honduran peoples with those characteristics will be potential beneficiaries of the program. The IAPP has been designed to ensure access of Indigenous and Afro-Honduran peoples to the benefits of the Program.
<b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b>
Not relevant as this AF will continue activities identified under the parent project.
<b>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.</b>
The following measures have been taken by the borrower: <ol style="list-style-type: none"> <li>1. The Ethnic “variables” have been included in the Information system and the registration forms, to ensure all eligible Indigenous and Afro-Honduran peoples are included.</li> <li>2. A Protocol for entering ethnic communities and for implementation of the Program in ethnic communities (approved under the previous Government) will be revised for implementation given recent Program changes.</li> <li>3. Inter-institutional coordination is being formalized between SEDIS and the Secretaries of Education (Directorate of Intercultural Multilingual Education- DIGEIM), Health (Office of Intercultural Health), National Registration of Persons (RUP), the National Directorate of Indigenous and Afro-Honduran Peoples (DINAFROH), and the Indigenous Federations for the implementation of the Program with Indigenous and Afro-Honduran families.</li> <li>4. Socialization Workshops of the Bono Vida Mejor with the institutional partners mentioned above is included in the IAPP.</li> <li>5. A culturally and linguistically-adequate communication strategy will be implemented for the program.</li> <li>6. An Indigenous and Afro-Honduran Peoples Roundtable is being planned, to include all the federations’ representatives in key decisions regarding the Program. The Committee will be chaired by the Vice-Minister of SEDIS.</li> </ol>

7. A Grievance and Redress Mechanism consistent with the Operational Norms, is part of the Protocol mentioned above.
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>
<p>Key stakeholders are:</p> <p>The Secretary of Development and Social Inclusion (SEDIS), the Directorate of Intercultural Multilingual Education (DIGEIM), the Office of Intercultural Health, the National Information Center for Social Sectors (CENISS), the National Directorate of Indigenous and Afro-Honduran Peoples (DINAFROH), and the Indigenous Federations.</p> <p>The original IAPP of 2010 was consulted with 12 Indigenous Federations representing the Lencas, Chortí, Tolupán, Garífuna, Miskitu, Negros de Habla Inglesa, Pech, Nahoas and Tawahkas. The revised IAPP was consulted with representatives of 8 ethnic groups at the DINAFROH on December 12, 2014, and with the representatives of 9 ethnic groups representing the Indigenous Federations at the DIGEIM (Secretary of Education) on the same date but in a different Assembly.</p> <p>Permanent Consultations: Consultations with representatives of the Ethnic Federations will be done through the Indigenous and Afro-Honduran Peoples Roundtable. At the personal level of the beneficiaries, the first consultation takes place at registration in the Program, through the Socioeconomic survey. At the community level, the first Informed Consultation takes place through the first Assembly, where the community is consulted about their living conditions, access to education and health facilities, etc. A Committee gets established to represent the community.</p> <p>The Committee is responsible at the local level to receive the existing grievances about the Program, and to report those to the accompanying promoters.</p>

**B. Disclosure Requirements**

<b>Indigenous Peoples Development Plan/Framework</b>	
Date of receipt by the Bank	11-Dec-2014
Date of submission to InfoShop	30-Dec-2014
"In country" Disclosure	
Honduras	11-Dec-2014
<i>Comments:</i> First date of disclosure	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	
N/A	

**C. Compliance Monitoring Indicators at the Corporate Level**

<b>OP/BP 4.10 - Indigenous Peoples</b>	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
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?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
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 [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

### III. APPROVALS

Task Team Leader(s):	Name: Pablo Ariel Acosta	
<b><i>Approved By</i></b>		
Practice Manager/ Manager:	Name: Margaret Ellen Grosh (PMGR)	Date: 20-Jan-2015