



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 02/14/2023 | Report No: ESRSC03303



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Indonesia	EAST ASIA AND PACIFIC	P180491	
Project Name	INVESTING IN NUTRITION & EARLY YEARS PHASE 2		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Health, Nutrition & Population	Program-for-Results Financing	4/17/2023	5/30/2023
Borrower(s)	Implementing Agency(ies)		
Republic of Indonesia	Secretariat of the Vice President, Ministry of Finance		

Proposed Development Objective

To increase simultaneous utilization of nutrition interventions by 1,000-day households in priority districts.

Financing (in USD Million)	Amount
IPF Component	24.00
<b>Total Project Cost</b>	<b>21243.00</b>

**B. Is the project 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 [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

In 2018, the Bank mobilized a multi-sectoral cross-global practice task team under the joint leadership of the Social Sustainability and Inclusion (SSI) and Health, Nutrition, and Population (HNP) global practices to prepare the Indonesia Investing in Nutrition and Early Years (INEY) Program-for-results (PforR) in the amount of US\$400 million with additional Investment Project Financing (IPF) component of US\$20 million grant from the Global Financing Facility (GFF). The focus of the INEY Program is on strengthening leadership and the convening power of the Office of the Vice President with results-based management tools, service delivery outcomes, annual national and district stunting



rates, as well as debottlenecking capabilities. It aims to incentivize 10 implementing agencies, hundreds of local governments, and tens of thousands of villages to collaborate to converge a multi-sectoral package of priority nutrition-specific and -sensitive interventions on priority households at the village level. The PforR has been restructured four times to date, with the fourth restructuring accompanied by an additional financing of US\$6 million grant from the GFF to the IPF component. This PforR with IPF financing hereinafter referred to as the original program or INEY Phase 1.

The new INEY Phase 2 PforR loan (hereinafter referred to as The Program or INEY Phase 2) builds on the experience of the original INEY PforR. The Program of US\$600 million is combined with an IPF component in the amount of US\$24 million from the Global Financing Facility (GFF) and the Global Vaccine Alliance (GAVI). INEY Phase 2 retains the Program Development Objective (PDO) of the original program: to increase simultaneous utilization of nutrition interventions by 1,000-day households in priority districts. INEY Phase 2 is intended to fill gaps in the INEY Phase 1 and reinforce support for the frontlines through high impact, essential health and nutrition interventions at the community and household levels.

This ESRS is prepared specifically for the IPF component of the INEY Phase 2. The IPF component serves to: (i) strengthen multisectoral coordination by the Secretariat of the Vice President (SoVP); (ii) strengthen the capacity of Bappenas (National Planning Development Agency) and the Ministry of Finance (MoF) to implement their planning and budgeting functions and enhance the use of results-based approaches; (iii) provide technical support to sector line agencies and subnational governments that are responsible for nutrition intervention delivery; and (iv) strengthen the systems for monitoring, evaluation, and continuous learning at the Team for the Acceleration of Stunting Prevention Secretariat and Bappenas.

There will be four sub-components under the IPF component. (i) Sub-component 1 will focus on institutional Strengthening for National Leadership and Delivery. Activities include strengthening coordination, nutrition program delivery monitoring, and debottlenecking capacity of SoVP, strengthening capacity of implementation agencies, strengthening results-based synchronized planning, budgeting, and technical convening; SoVP will lead the first two activities while the third activity will be led by National Planning Agency (Bappenas). (ii) Sub-component 2 will strengthen capacity for district convergence and will be led by Ministry of Home Affairs. (iii) Sub-component 3 will focus on strengthening capacity for village convergence and will be led by Ministry of Village (MoV). (iv) Sub-component 4 will strengthen household level convergence and support the implementation team for stunting reduction to be led by BKKBN. These sub-components of the IPF are existing under the INEY Phase 1 and will continue in the second phase.

#### D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The IPF component seeks to complement the PforR operation designed to increase simultaneous utilization of nutrition interventions by 1,000-day households in priority districts. The Program implementation began in 100 stunting priority districts in 2018, expanded to an additional 60 districts in 2019, and added an additional 100 districts each year in 2020 and 2021, bringing the total to 360 districts in 2021. National Strategy Stunting implementation expanded nationwide in 2022 and all 514 districts/cities had signed commitments, ahead of the previous plan for nationwide expansion by 2024.



The IPF component is not envisaged to involve any civil works nor purchase of equipment with environmental and social implications. Financed activities include capacity building; development and implementation of performance systems; piloting and rolling out innovative digital technology systems and tools; and analytics, evaluation and learning. Capacity strengthening activities may benefit national and sub-national stakeholders. No physical footprints are envisaged as a result of the IPF component activities and no context-specific information pertaining to the salient geographic, environmental and social characteristics is available nor considered relevant for the environmental and social assessments during program preparation. Overall environmental and social impacts are assessed as low to negligible.

#### D. 2. Borrower's Institutional Capacity

The SoVP at the Ministry of State Secretariat is the executing agency for the INEY Program. There are five implementing agencies under the original INEY Phase 1, which also the responsible agencies for the IPF component; SoVP, Bappenas, Ministry of Home Affairs (MoHA), MoV, and BKKBN. The SoVP, Bappenas, and MoHA have been the PIU since the inception of the Program in 2018. A Steering Committee was established, chaired by SoVP and co-chaired by the Bappenas, responsible for providing guidance throughout Program implementation and carrying out semi-annual monitoring reviews. The existing (from INEY Phase 1) relevant agencies' capacity to plan and implement effective measures for managing environmental and social risks and impacts has been assessed in the Environmental and Social Systems Assessment (ESSA) for the original INEY Phase 1 (P164686) and IPF Additional Financing (P178559) of the original INEY Phase 1. The currently ongoing implementation support mission undertaken for the INEY Phase 1 reported that the IPF component support to SoVP has strengthened national leadership in stunting prevention; SoVP has initiated monitoring and convening of its 2 priority provinces. The allocated grants for MoHA have been able to finance the existing Technical Assistance Pool to oversight and monitoring of local governments. MoV capacity building also continues with the addition of a data coordinator role in the village level to coordinate with other village actors. In the meantime, BKKBN has moved very quickly to respond to the new regulation mandate as key technical lead of the national stunting prevention program, by collecting field data and carrying out analytics, contributing to updated Convergence Action guidelines in coordination with MoV and MoHA.

Moving forward, with the issuance of the Presidential Regulation number 72 of 2021 (Perpres), the SoVP continues to play a central role, as the Chair of the Steering Committee and Bappenas was assigned to play a central role in monitoring and evaluation for the program. The Coordinating Ministry for Human Development and Cultural Affairs (Kemenko PMK) is the Deputy Chair on implementation supervision and the MoHA is the Deputy Chair for oversight and monitoring of local governments. One important addition from the Perpres being the introduction of a new entity, BKKBN as the technical lead for the program implementing team. BKKBN is expected to be the coordinator of the acceleration of stunting prevention at the family level, in coordination with the SoVP, MoV, and subnational task forces.

INEY Phase 2 will add the Ministry of Health (MoH) to the implementation arrangements for posyandu strengthening, including revised governance, financing, accountability, health resources. Previously under the INEY Phase 1, institutional support to the MoH at the central level has been deployed through SoVP. However, there is a need for substantial increase in the financing toward MoH objectives, requiring additional, intensified TA resources to support the agenda to be agreed with new leadership. MoH will be the lead agency tracking and conducting performance evaluation of national spending on priority nutrition interventions and priority districts implementation, and the implementation of behavior change communication activities.



MOH has prior experience in implementing Bank financed projects, namely the Indonesia – Supporting Primary Health Care Reform Program (I-SPHERE), Indonesia Emergency Response to COVID19 Program and Indonesia Strengthening National Tuberculosis Response.

Overall, environmental and social risk management capacity of the is moderate, considering the existing system and national regulations in place for managing potential issues during program implementation. Further reviews of the performance to date of these implementing agencies will be undertaken for the Appraisal ESRS, also through the new ESSA which will be prepared for the overall INEY Phase 2 assessment.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Low

#### Environmental Risk Rating

Low

The environmental impacts are minimal. Nature of the investments under this IPF component will be limited to TA type of activities. The component will not support any physical works or other activities that generate downstream adverse environmental impacts. There will be no direct impacts. At the PforR program level, the environmental risk is related to the implication of supporting posyandu strengthening, outreach and monitoring of zero dose immunization children, which is increase of medical waste due to vaccination. This risk is indirect for the IPF component, and considering that current measures are in place as stipulated in the national regulations, the increase in medical waste is not expected to overwhelm the existing system. Pharmaceutical/medical waste is regulated under the Ministry of Environment and Forestry Regulation (Permen-LHK) No. 56/2015 on procedure and technical requirement for hazardous waste management from healthcare facilities. In addition, the Ministry of Health had also issued several implementing regulations such as for PUSKESMAS (Permenkes no 43/2019) which include handling of medical waste, subnational-based medical waste management from healthcare facilities (Permenkes No. 18/2020), and Provision of Hospital Environmental Sanitation (Permenkes No. 7/2019). At the PforR program level, key direct environmental risks have been addressed in the original INEY Phase 1 and Phase 2 Environmental and Social Systems Assessment (ESSA) screening exercise (new ESSA will be prepared to assess the overall environment risk of the INEY Phase 2 program, for the appraisal stage)

#### Social Risk Rating

Low

Social risk rating is low. The IPF component will help to intensify focus on activities of the Ministry of Health (MoH) as a new PIU focusing on nutrition-specific stunting reduction interventions, including immunization, strengthen multisectoral coordination by the SoVP and the capacity of Bappenas, provide technical support to sector line agencies and subnational governments that are responsible for nutrition intervention delivery, as well as strengthen the systems for monitoring, evaluation, and continuous learning. The financing under the IPF component of the INEY Phase 2 is limited to technical assistance, capacity building, development and implementation of performance systems, piloting and rolling out innovative digital technology systems and tools, and analytics, evaluation and learning. Thus, downstream implications of the key program results are expected to be positive. It is noted that no physical investments, nor direct community engagement, including with vulnerable groups are envisaged under the operation. The program does not finance feasibility or design of any future investments in specific footprints with potential downstream adverse impacts. On the basis of this assessment, social risks are rated low. Public participation



will be sought through stakeholder engagement to promote transparency, citizen feedback, and equitable access to participation for activities related to government capacity building. Relevant measures to promote public participation will be addressed as part of program implementation, guided by a SEP to be prepared by the SoVP as the lead implementing agency. At the PforR program level, key direct social risks have been addressed in the INEY Phase 1 and Phase 2 Environmental and Social Systems Assessment (ESSA) screening exercise. New ESSA will be prepared to assess the overall social risk of the INEY Phase 2 for the appraisal stage.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

The main objective of the IPF component of the PforR is to strengthen the capacity of program agencies to monitor, coordinate and implement the Stunting Reduction Acceleration Strategy (SRAS). In line with the OESRC Advisory Note on Technical Assistance and the Environmental and Social Framework (May 21st, 2019), the program is classified as a Technical Assistance (TA), involving activities categorized as Type 3 (capacity building activities). The IPF component of the Program does not support any physical civil works or other activities that generate downstream adverse environmental and social impacts.

National regulations are already in place to manage the indirect impacts of the IPF, such as handling and disposal of medical waste which is regulated under the Ministry of Environment and Forestry ministerial regulation (Permen-LHK No. 56/2015) on Procedure and Technical Requirement for Hazardous Waste Management from Healthcare Facilities. In addition, the Ministry of Health had also issued several implementing regulations such as for PUSKESMAS (Permen 75/2014), specifically on handling of medical waste from PUSKESMAS (Permenkes No. 43/2019), subnational-based medical waste management from healthcare facilities (Permenkes No. 18/2020), and Provision of Hospital Environmental Sanitation (Permenkes No. 7/2019). In addition, the waste management in the healthcare system has been demonstrated in the successful implementation of the Covid-19 project by MoH. Assessment of overall environmental and social risks of the INEY Phase 2 at the PforR program level will be detailed in the ESSA, which will be prepared for the appraisal stage.

##### **Areas where “Use of Borrower Framework” is being considered:**

Not relevant.

#### **ESS10 Stakeholder Engagement and Information Disclosure**

Stakeholder engagement represents the backbone of the whole program planning and implementation since it seeks to support relevant capacity improvement of the program implementing agencies in supporting the nutrition-specific stunting reduction interventions program. Program activities will involve stakeholder engagement including with the main PforR implementing agencies, i.e., the Secretariat Office of Vice President (SoVP) as the executing agency, the National Planning Development Agency (Bappenas), the National Population and Family Planning Board (BKKBN), the Ministry of Home Affairs (MoHA), the Ministry of Village (MoV), and the Ministry of Health (MoH) as the newly added implementing agency as part of the program. The program will also promote coordination and interaction between



the program team or technical-level representatives from implementing agencies where collaboration is required to obtain technical guidance for implementing DLIs and achieve the proposed results areas. These involve engagement with the MoEC, MoSA, MoF, the Central Bureau of Statistics (BPS), as well as with district and village governments which are involved in the implementation arrangements of the program. No direct engagement with communities is envisaged for the purpose of the TA.

Broader public engagement will be sought as part of the implementation of overall PforR for nutrition intervention for stunting reduction. This includes system enhancement within the INEY PforR program to facilitate citizen engagement, grievance handling, stakeholder consultations for policy reforms, disclosure of information as further elaborated in the PforR social action plans. With regards to grievance mechanism for the overall PforR project, it was agreed under the INEY Phase 1 that existing national complaint handling management system for public services (called as "LAPOR!") is used as the Program's grievance handling mechanism. The system is integrated with most of government institutions, thus was expected to enable complaints resolution effectively. Feedback or concerns related to stunting program was expected to be channeled and handled by relevant ministries and institutions, in coordination with the SoVP. INEY Phase 2 project is planned to use the same system, however the assessment identified that further improvement on coordination among the relevant ministries is still required to ensure that all grievances are documented, reported, followed up, and appropriately resolved. Further assessment on the project's grievance mechanism will be undertaken as part of the ESSA for the overall PforR.

A Stakeholder Engagement Plan (SEP) is proposed to be prepared by the SoVP as the lead implementing agency, as basis to undertake the proposed coordination and collaboration as part of the TA activities, to ensure that the TA promotes good practice in stakeholder engagement and that such principles are integrated in the capacity building activities delivered to the relevant PIUs. The plan should also include mechanism for the program to receive inputs for program improvement. SEP to be prepared prior to project appraisal to include a high-level framework and approach for stakeholder engagement along with its institutional arrangement, budget and proposed time plan for implementation. Alternative approaches and good practices to minimize COVID-19 transmission during stakeholder engagement implementation will also be considered.

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

ESS2 is considered relevant. The program will involve direct workers i.e. employees of the implementing agencies, mostly civil servants and contracted workers such as consultants who will provide technical assistance (TA) and/or trainings. No community workers and no primary suppliers to be involved in this IPF component. Potential risks related to workers may include discrimination on the basis of gender, status, disability and/or other during the participants selection process; health and safety risks during travels to the program locations (air and land travel); and other risks related to working conditions such as no mechanism for raising concerns or providing input on the program. The PforR operation will involve BKKBN facilitators and family assistance team/Tim Pendamping Keluarga (TPK), with 2-3 teams per villages. Labor risks related to community workers for the overall PforR will be assessed in the ESSA.



It is noted that human resources aspects in the MoH and other involved agencies would be managed in accordance with the existing Indonesia law which is mostly consistent with the Banks standards. The main labor legislation in Indonesia is Law No. 13/ 2003 on Manpower, which sets out the primary rules for establishing employment relationships, employment terms and conditions. These include working hours and over time arrangements, workers organization and collective bargaining/labor agreements, and employment termination. Indonesia has also ratified all ILO fundamental conventions include Forced Labor Convention, Freedom of Association and Protection of the Right to Organize Convention, Right to Organize and Collective Bargaining Convention, Equal Remuneration Convention, Abolition of Forced Labor Convention, Discrimination (Employment and Occupation) Conventions, Minimum Age Convention, and Worst Forms of Child Labor Convention.

A Labor Management Procedure (LMP) is proposed to be prepared as part of the POM, to include a code of conduct that follows the Good International Industrial Practice (GIIP), as relevant, e.g., health and safety risks mitigations during travels and provisions of health and safety induction. The procedure will be specifically for the proposed program to guide management of workforces who will be involved in the program, including personal safety measures and other provisions in compliance with ESS2 provisions and the national law where relevant and/or equivalent, such as fair and equal opportunity for selection process and participation in capacity building program, also grievance redress mechanisms at the workplace. The LMP will be developed as per Indonesia regulations and adopt ESS2 and relevant international best practices standards.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

ESS3 is considered not relevant for the IPF component involving technical assistance and capacity building activities. The IPF component does not involve any physical activities and therefore is not directly associated with any resource efficiency or pollution issues and will not contribute to new or current natural resources use or energy use. 7/2019.

### **ESS4 Community Health and Safety**

ESS4 is not relevant as for the IPF component as activities will not present health and safety risks to communities. No direct implications of the proposed TA on community is envisaged for the purpose of program implementation.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

ESS5 is not relevant as the program will not involve acquiring new areas, hence issues relating to land acquisition, land use restriction, physical and/or economic displacement are not envisaged.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

ESS6 is not relevant. The activities that shall be carried out under the program are intended to take place in existing premises or established Primary Health Care Facility (Posyandu and Puskesmas). The program will not have direct physical footprint, as it does not involve acquiring new areas. Therefore, ESS6 is currently considered not relevant





given that the program does not involve any activities that would affect natural habitats of biodiversity importance or depend on biodiversity to achieve the program objectives. The program will be undertaken in modified habitats.

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

ESS 7 is not relevant. The proposed TA activities will not have implications, nor engagement with communities, including Indigenous Peoples. Public participation measures will be sought through implementation of a SEP in line with ESS10.

**ESS8 Cultural Heritage**

ESS8 is not relevant as the program will not directly impact any cultural sites tangible nor intangible cultural heritage.

**ESS9 Financial Intermediaries**

ESS9 is not relevant for this program. The program does not involve any financial intermediaries.

**C. Legal Operational Policies that Apply**

<b>OP 7.50 Projects on International Waterways</b>	No
<b>OP 7.60 Projects in Disputed Areas</b>	No

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?** No

**Financing Partners**

GFF; GAVI

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

- a) Preparation of an Environmental and Social Commitment Plan (ESCP) for the proposed operation;
- b) Stakeholder Engagement Plan (SEP), as part of the ESCP.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

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- a) A Labor Management Procedure (LMP) to be prepared prior to recruitment of consultants, expert staff, and trainers, will include Code of Conduct for all program’s workers that follows GIIP, and will be embedded in the Project Operations Manual (POM); and
- b) Environmental and social management implementation report, covering actions in the ESCP, SEP, LMP.

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

01-Apr-2023

**IV. CONTACT POINTS**

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**Borrower/Client/Recipient**

Borrower: Republic of Indonesia

**Implementing Agency(ies)**

Implementing Agency: Secretariat of the Vice President

Implementing Agency: Ministry of Finance

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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Public Disclosure



Practice Manager (ENR/Social)

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