

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 05/01/2008

Report No.: AC3559

**1. Basic Project Data**

Country: Nepal	Project ID: P110731	
Project Name: Nepal - Health Sector Program Project Additional Financing		
Task Team Leader: Jagmohan S. Kang		
Estimated Appraisal Date: March 25, 2008	Estimated Board Date: May 6, 2008	
Managing Unit: SASHD	Lending Instrument: Sector Investment and Maintenance Loan	
Sector: Health (86%);Central government administration (12%);Compulsory health finance (1%);Sub-national government administration (1%)		
Theme: Health system performance (P);Population and reproductive health (S);Other communicable diseases (S);Child health (S);Administrative and civil service reform (S)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	50.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>BORROWER/RECIPIENT</u>		0.00
		0.00
Environmental Category: B - Partial Assessment		
Simplified Processing	Simple <input type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

**2. Project Objectives**

The project development objective remains to expand access to, and use of, essential health care services, especially by underserved populations. Higher targets have been set for the extended and expanded health sector program. Contraceptive Prevalence Rare and immunization coverage will increase beyond the initially planned levels. Further, to reflect the renewed focus on the inclusion agenda, specific targets are set for the poor which aim at bringing their health status closer to that of the population average.

**3. Project Description**

The additional financing will support further investment in the health sector along the eight areas of work initially planned. These outputs remain consolidated under two components: (a) Strengthened Service Delivery, including the expansion of essential services (output 1), increased involvement of local authorities in service delivery (output 2), public private partnerships (output 3) and (b) Institutional capacity and management development through improved sector management in the context of the SWAp (output 4) increased funding for the sector (output 5), improved availability of drugs, supplies and equipment (output 6), human resources development (output 7), and monitoring and

evaluation (output 8). More specifically, the program will be expanded in two key directions: first, enhanced availability of and access to essential health care services, and second, accelerated progress on key stewardship functions such as monitoring and evaluation, accountability and transparency.

In essential health care services (output 1), MOHP will scale up interventions presently implemented in selected districts, e.g., community-based integrated management of childhood illnesses, obstetric care, and the prevention and treatment of uterine prolapse (prevalent among the poorest women). A neo-natal health plan will be introduced initially in 10 districts, 7 of which with low human development index. To address malnutrition among children under 2 years of age, MOHP will carry out pilot interventions in three districts and evaluate these for scaling up under NHSP-II. In communicable disease control, the control of Japanese Encephalitis and Leishmaniasis will be expanded and the health system's response to HIV/AIDS strengthened.

To improve the use of essential services by the disadvantaged, two recent initiatives are expected to benefit the poor: the removal of some user fees and the introduction of the Safe Delivery Incentive Program, a conditional cash incentive to increase institutional deliveries and health professional attendance. MOHP will strengthen the implementation and monitoring of these policies and ensure that (i) conditions are in place for the system to be able to meet increased demand and (ii) these policies translate into increased access for and service use by the poor and socially-excluded groups. For example, human resources for maternal health will be deployed as a priority to increase skilled birth attendance (output 7), and the availability of essential drugs in public health facilities will be ensured through adequate procurement and effective logistics management (output 6).

Public Private Partnerships (output 3) contribute substantially to improving the availability, quality and access to health services in Nepal, but a systematic PPP strategy is needed and the dialogue with the private sector needs to be better institutionalized. A Private Health Sector Assessment is currently under way and will be used to engage the private sector to achieve the essential services delivery targets, with a focus on underserved areas.

Monitoring and evaluation will be improved through the use of additional surveys (output 8), as well as governance and accountability at the sector level. Lastly, building on the agenda described above, and other elements of the sector program, MOHP will elaborate the NHSP-II strategy in consultation with all stakeholders (output 4).

#### **4. Project Location and salient physical characteristics relevant to the safeguard analysis**

The project would cover the entire country (75 districts). The geographical context ranges from mountainous areas to the foothills and plains of Nepal.

#### **5. Environmental and Social Safeguards Specialists**

Ms Samjhana Thapa (ARD)

Mr Drona Raj Ghimire (SASDN)

<b>6. Safeguard Policies Triggered</b>	<b>Yes</b>	<b>No</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	<b>X</b>	
<b>Natural Habitats (OP/BP 4.04)</b>		<b>X</b>
<b>Forests (OP/BP 4.36)</b>		<b>X</b>
<b>Pest Management (OP 4.09)</b>		<b>X</b>
<b>Physical Cultural Resources (OP/BP 4.11)</b>		<b>X</b>
<b>Indigenous Peoples (OP/BP 4.10)</b>	<b>X</b>	
<b>Involuntary Resettlement (OP/BP 4.12)</b>		<b>X</b>
<b>Safety of Dams (OP/BP 4.37)</b>		<b>X</b>
<b>Projects on International Waterways (OP/BP 7.50)</b>		<b>X</b>
<b>Projects in Disputed Areas (OP/BP 7.60)</b>		<b>X</b>

## **II. 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:  
 Indigenous People: The social assessment prepared under OD 4.20 for the original project found that there would be no adverse impact on indigenous people (Janajatis and Dalits).

Environmental Assessment: The program supported by the Bank does not envisage any significant construction activities. The Environmental Impact Assessment of the initial project completed in June 2004 identified Health Care Waste Management (HCWM) as the most significant environmental challenge of the health sector and suggested that appropriate regulation on HCW management and systems should be put in place.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:  
 Indigenous People: No adverse impact expected on Indigenous people.

Environmental Assessment: In the long term, and if widespread, the lack of health care waste management can have adverse environmental as well as health consequences as it exposes healthcare workers, waste handlers and the communities to infections, toxic effects and injuries.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.  
 Not relevant in the context of a sector-wide program.

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.  
 Indigenous People: Although it was not required, a specific Vulnerable Community Development Plan (VCDP) was developed by the government to ensure a more inclusive implementation. Much of the progress registered so far under the health sector program

relates to health conditions which predominantly affect the poor, and additional inclusive policies are being implemented, such as the removal of user fees. Yet specific progress on the VCDP has been slow and needs to be accelerated. An MOHP staff has been assigned as a focal point for the implementation of VCDP and progress is now being monitored every two months. A pro-poor policies monitoring system under development as well as an expansion of the health management information system currently pilot-tested will allow for a better monitoring of data disaggregated along socio-economic dimensions including ethnicity and caste.

**Environmental Assessment:** A HCWM Action Plan was prepared for implementation during 2005-2009: actions identified by this plan included development of institutional framework for HCWM; preparation of National HCWM Guidelines, its dissemination and orientation/ training on its use; conducting feasibility study on appropriate technical options for HCWM in different types of HCFs and in different environmental settings of Nepal (e.g. hills, plains); training on appropriate HCWM practices; preparation and introduction of HCWM Regulation; and gradually bring HCFs under proper HCWM. In the first 3 years of NHSP, MOHP has taken steps to improve HCWM. The Management Division has been identified as focal division and an officer has been assigned to work full time on waste management issues. A HCWM orientation book has been developed and piloted; HCWM Guidelines for public and private facilities are under preparation. Despite these efforts, at mid-term, implementation of the HCWM Action plan remains partial and actual impact on the ground limited. Implementation will be pursued in the next phase.

Progress on safeguards during the first three year should be seen against the country context of continuing political instability.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. At the onset of the project, the government disclosed the Environmental Assessment, the VCDP and other supporting documents on their website, as well as in public places for wider dissemination. Community and other stakeholder are an integral part of the overall program. Many local communities are involved in the management of health facilities, and efforts are continuously made to encourage a more bottom-up planning approach, adapted to communities needs. Civil society is also involved in the annual reviews of the program. In the coming phase of the project, in the context of the governance and accountability action plan, new tools will be put in place to increase accountability towards communities. For instance, the MOHP will introduce annual social audits with a focus on underserved areas and socially excluded population, and Health facilities will post prominently on their premises the services available, prices, staff accountable and budgets received and used. These mechanisms should also help ensure that any concerns of safeguards issues can be brought to the attention of MOHP and dealt with.

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***B. Disclosure Requirements Date***

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**Environmental Assessment/Audit/Management Plan/Other:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	03/22/2004
Date of "in-country" disclosure	03/22/2004
Date of submission to InfoShop	03/22/2004
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
<b>Resettlement Action Plan/Framework/Policy Process:</b>	
Was the document disclosed <b>prior to appraisal?</b>	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	
<b>Indigenous Peoples Plan/Planning Framework:</b>	
Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	05/18/2004
Date of "in-country" disclosure	06/10/2004
Date of submission to InfoShop	06/10/2004
<b>Pest Management Plan:</b>	
Was the document disclosed <b>prior to appraisal?</b>	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	
<b>* If the project triggers the Pest Management and/or Physical Cultural Resources, 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>	
The initial Environmental Assessment and VCDP were disclosed and submitted to Infoshop in 2004, at the dates given above, and no new ones were required for this additional financing.	

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

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes
<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
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes
If the whole project is designed to benefit IP, has the design been reviewed	Yes

and approved by the Regional Social Development Unit or Sector Manager?

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**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? 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

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**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

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***D. Approvals***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Mr Jagmohan S. Kang	04/29/2008
Environmental Specialist:	Mr Drona Raj Ghimire	04/29/2008
Social Development Specialist Additional Environmental and/or Social Development Specialist(s):	Ms Samjhana Thapa	04/29/2008
<b><i>Approved by:</i></b>		
Sector Manager:	Mr Cornelis P. Kostermans	04/29/2008
Comments: This ISDS is approved by SASHD-HNP.		