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

Appraisal Stage | Date Prepared/Updated: 29-Nov-2018 | Report No: PIDISDSA22936
### BASIC INFORMATION

#### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Project Name</th>
<th>Parent Project ID (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peru</td>
<td>P163255</td>
<td>Peru Integrated Health Networks</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Project Financing</td>
<td>Government of Peru</td>
<td>Ministry of Health</td>
</tr>
</tbody>
</table>

#### Proposed Development Objective(s)

The objectives of this project are to (i) improve the resolutive capacity and quality of public first-level health services in selected areas and (ii) increase the capacity of the health information system and the public sector’s pharmaceutical products and medical supplies provision system.

#### Components

- Improving the organization and supply of health services using an Integrated Health Networks model in Metropolitan Lima and prioritized regions
- Improving the Capacity of the Single Health Information System at national level
- Improving the management of pharmaceutical products and medical supplies in Lima Metropolitan Area and prioritized regions
- Project management

### PROJECT FINANCING DATA (US$, Millions)

#### SUMMARY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project Cost</td>
<td>157.83</td>
</tr>
<tr>
<td>Total Financing</td>
<td>157.83</td>
</tr>
<tr>
<td>of which IBRD/IDA</td>
<td>125.00</td>
</tr>
<tr>
<td>Financing Gap</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### DETAILS

World Bank Group Financing
### B. Introduction and Context

#### Country Context

1. **Peru's sound macroeconomic and structural policies, supported by favorable external conditions have rendered significant growth.** Income per capita at market exchange rates more than tripled over the past fifteen years, reaching US$6,571 in 2017 from US$2,059 in 2002. **Between 2001 and 2016, Peru's growth resulted in a drastic lowering of poverty from 54.8 to 20.7 percent** and a substantial increase in the public budget for health. Government health expenditure grew from 2.3 percent to 3.2 percent of GDP between 2000 and 2015, while per capita Government expenditure on health grew from US$123 to US$414. In this context, Peru launched a public health insurance system for the poor (Seguro Integral de Salud - SIS) that covered 44 percent of the population as of 2015. Nevertheless, with the drop in commodity prices and the resulting fall in revenues, Peru is under pressure to maximize efficiency in the allocation of public expenditure while continuing to improve equity and service quality for the poor and vulnerable.

#### Sectoral and Institutional Context

2. **Peru made solid progress in maternal and child health outcomes under the Millennium Development Goals.** In particular, Peru reached the goal of reducing infant mortality by two-thirds between 1990 and 2015: in 2013, the national average was 17 deaths for every 1,000 live births, down from 55 in 1992. At the same time...

---

1 Instituto Nacional de Estadística e Informática, “Evolución de la Pobreza al 2010” (Lima, Peru, 2011).
3 Purchasing Power Parity, current international $.
time, the rate of chronic child malnutrition in children under five fell from 34 percent in 1991 to 14.4 percent in 2015. Per national estimates, maternal mortality fell from 265 to 157 deaths per 100,000 live births between 1997 and 2011. However, these achievements are now followed by renewed challenges. Peru’s demographic transition is characterized by greater life expectancy and an aging population in tandem with an epidemiological transition Between 1990 and 2015, noncommunicable diseases overtook, by a large margin, communicable, maternal, neonatal, and nutritional diseases in terms of burden of disease. Despite the progress in maternal and child health indicators, the poor and vulnerable also continue to face challenges in gaining effective access to health services. Similar to other Latin American countries, Peru’s health system is fragmented between the public, social security and private sectors.

**Health service delivery model: current situation and challenges**

3. **Health services in facilities owned by MINSA and the Regional Governments (Gobiernos Regionales or GOREs) are currently organized in three levels of care.** The public sector currently includes 7,830 first-level health facilities (Instituciones Prestadoras de Servicios de Salud – IPRESS) and 175 second- and third-level hospitals nationwide. In the case of the Lima Metropolitan Area, these services are organized in four Integrated Health Networks Directorates (Dirección de Redes Integradas de Salud or DIRIS) that fall directly under MINSA’s authority. In the remainder of the country service delivery is organized in 25 Regional Health Directorates (Dirección Regional de Salud - DIRESA or Gerencia Regional de Salud - GERESA) that fall under each regional government, in line with the country’s administrative decentralization.

4. **The first level of care is still focused on maternal and child health issues which, although important, leaves an unmet but increasing demand for care of chronic and noncommunicable diseases.** Hospitals face a disproportionate demand for services that should be provided at the first level of care: prevention, secondary prevention and curative care for noncommunicable diseases such as diabetes, hypertension, and cancer screening. This results in inefficient use of resources, as care for very prevalent chronic conditions is provided in high-cost, low access environments (hospitals) instead of lower-cost, higher-access environments (primary care clinics). The first level of care faces many challenges to be able to provide a wider range of high-quality services. In terms of infrastructure, most first level health facilities have grown in a disorganized manner, without due consideration to the safe and efficient flow of patients. Management of health centers tends to be weak and lack patient focus. Another challenge is the absence of effective patient appointment systems.

5. **To effectively respond to the population’s health needs, Peru needs to build and implement a new service delivery model.** The model should include a strengthened and optimized network of first-level IPRESS that can respond to a wider range of health needs, refocused hospitals, efficient medical support services, and strong relationships between providers that facilitate continuity of care for patients. To provide services in a continuous and efficient way, providers at all level should have clarity about the expected content and location of care for the specific condition of the patient. Also, primary care providers must be able to refer

---

8 World Bank, “World Development Indicators | DataBank.”
patients up to the next level when required by the patient’s condition (referral). Second- and third-level IPRESS should focus on cases that require their services as specified in the patient care pathways or complicated cases and should be able to confidently return patients to primary care for ongoing follow-up (counter-referral). Also, medicines and medical supplies need to be selected, purchased and distributed in an effective and efficient way to ensure adequate access and quality of care. To make all this possible, clinical and administrative management needs to be modernized using modern information and communication technology.

**Government Program**

6. The Ministry of Health of Peru is preparing an investment program denominated "Integrated Health Networks" (Redes Integradas de Salud - RIS). This program aims to contribute to the provision of timely, appropriate, efficient and high-quality services in first level IPRESS owned by MINSA and the GOREs. The ultimate goals of the program are to improve the health of the Peruvian population that does not have access to health services through social security or private insurance, and to strengthen the health sector’s governance, efficiency, and equity.

7. The GoP plans to reorganize service delivery in Integrated Health Networks that would include strengthening first-level IPRESS, providing them with improved clinical guidelines and clear patient pathways, stronger communication and information systems, an articulated network of medical support services (including laboratories, emergency transportation, diagnostic imaging, blood bank), and an optimized logistics system for pharmaceutical products and medical supplies (Error! Not a valid bookmark self-reference.). The Government’s US$315.65 million program is to be financed by the proposed US$125 million World Bank project, a parallel US$125 million project financed by the Interamerican Development Bank (IADB), and US$65.65 million from the public budget. The Bank projects and the Government funds will support the implementation of the GoP model.

Table 1: The GoP’s Organization of Integrated Health Networks Program: Objective and Structure

<table>
<thead>
<tr>
<th>Objective:</th>
<th>Contribute to the adequate provision of timely, appropriate, efficient and high-quality services in first-level IPRESS owned by MINSA and the GOREs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision:</td>
<td>Integrated Health Networks consist of first-level IPRESS with higher resolutive capacity that are articulated through improved clinical guidelines and standardized patient pathways, stronger communication and information systems, an efficient network of medical support services (including laboratories, emergency transportation, diagnostic imaging, blood bank) and an optimized logistics system for pharmaceutical products and medical supplies.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GoP program components and subcomponents</th>
<th>External financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Improving the model for organizing IPRESS in Integrated Health Networks in Metropolitan Lima and prioritized regions</td>
<td>WB Component 1 and IADB</td>
</tr>
<tr>
<td>1.1 Redesign of the model of care with an emphasis on the new disease burden pattern</td>
<td></td>
</tr>
<tr>
<td>1.2 Adjustment of the organization, management, and financing models</td>
<td></td>
</tr>
<tr>
<td>1.3 Strengthening clinical guidelines and management</td>
<td></td>
</tr>
<tr>
<td>1.4 Plan for development of competencies of human resources in health</td>
<td></td>
</tr>
</tbody>
</table>

---

10 MINSA, “Programa de Inversión Pública: ’Redes Integradas de Salud’: Estudio a Nivel de Perfil” (Lima, Peru, 2018).
1.5 Coordination and management of the Project

II. Improving the capacity of first-level IPRESS in Lima Metropolitan Area and prioritized regions.
   2.1 Investment in first-level IPRESS in Lima Metropolitan Area and prioritized regions, using the RIS model approach
   2.2 Investment in first-level IPRESS in Lima Metropolitan Area and prioritized regions, using the RIS approach

III. Improving the capacity of the Single Health Information System (SUIS) at national level
   3.1 Governance and standards for data and ICT\textsuperscript{11} processes
   3.2 Technological and network infrastructure suitable to support the roll-out of the SUIS
   3.3 Strengthening of human competencies for the registration, management, and use of information
   3.4 Integrating user engagement as a fundamental axis in the development and implementation of the SUIS.

IV. Improving Medical Support Services in Lima Metropolitan Area
   4.1 Establishment of centralized support services for the RIS: central laboratory, diagnostic images reading center, central blood and tissue bank, coordinated prehospital medical emergency care system.
   4.2 Equipment for first-level IPRESS

V. A. Improving the management of pharmaceutical products and medical supplies in Lima Metropolitan Area

V. B. Improving the management of pharmaceutical products and medical supplies in prioritized regions

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The objectives of this project are to: (i) improve the resolutive capacity and quality of public first-level health services in Lima Metropolitan Area and prioritized regions; and (ii) increase the capacity of the single health information system and the public sector’s pharmaceutical products and medical supplies provision system.

\textsuperscript{11} Information and Communication Technology
### Key Results

**Figure 1: Results chain of the GoP program**

<table>
<thead>
<tr>
<th>Activities</th>
<th>Outputs</th>
<th>Expected outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Develop a new model of organization care based on the network concept,</td>
<td>• IPRESS rehabilitated/updated/rebuilt to higher quality standards</td>
<td>• Updated first level IPRESS use clinical practice guidelines, patient pathways, medical support services, ICT tools, and improved logistics systems to provide integrated care to patients, including care for prevalent non-communicable diseases</td>
</tr>
<tr>
<td>including standardized clinical practice guidelines and patient care</td>
<td>• Increased number of clinical protocols for prevalent health problems updated, disseminated</td>
<td>• Improve the resolutive capacity and quality of public first level IPRESS in prioritized areas</td>
</tr>
<tr>
<td>pathways</td>
<td>and in use</td>
<td>• Population increasingly uses first level IPRESS to receive services for prevalent non-communicable diseases</td>
</tr>
<tr>
<td>• Strengthen selected RIS: Build/expand/rehabilitate and equip first level</td>
<td>• The data center and platform for the Single Health Information System is fully operational</td>
<td>• Increase the capacity and effectiveness of the single health information system and of the public sector’s pharmaceutical products and medical supplies provision system</td>
</tr>
<tr>
<td>IPRESS in selected RIS</td>
<td></td>
<td>• First-level IPRESS use Single Health Information System modules to manage appointments, admissions and patient records in the intervention networks.</td>
</tr>
<tr>
<td>• Strengthen the Single Health Information System</td>
<td></td>
<td>• MINSA plan purchases of pharmaceutical products and medical supplies using registered usage data and tracks the usage data in real time</td>
</tr>
<tr>
<td>• Strengthen and streamline Medical Support Services</td>
<td></td>
<td>• Pharmaceutical products and medical supplies are bought efficiently (at lower prices), are available where needed - reducing waste and diversion of pharmaceutical products and medical supplies</td>
</tr>
<tr>
<td>• Improve management of pharmaceutical products and medical supplies</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### D. Project Description

The proposed project has four components:

8. **Component 1: Improving the organization and supply of health services using an Integrated Health Networks model in Metropolitan Lima and prioritized regions (US$45.72 million: US$38.74 million IBRD and US$7.00 million GoP).** This component will introduce a new model of service delivery based on the concept of Integrated Health Networks (RIS) in select geographical areas. The component aims to improve the quality,
efficiency, appropriateness, and timeliness of the public health system’s response to the new health needs of the population and reduce the current inequities in access and quality of care. The expected benefits of this component are an improvement in the resolutive capacity, quality, and coordination of care and a reduction in waiting times.

9. The project will support the organization of RIS and upgrading of first-level facilities in Lima Metropolitan Area and prioritized regions. In the first year of Project implementation, MINSA will carry out a complete assessment of the selected geographical areas’ situation and identify the optimal locations and levels of infrastructure investment (such as rehabilitation, expansion, tear-down/reconstruction or new construction) as well as equipment. The proposed project will intervene in prioritized facilities that will be converted in Up-to-12 Hours IPRESS and 24-Hour IPRESS. In some geographical areas, the existing stock of facilities may be located too far away from new population centers, and entirely new up-to-12 Hour and 24-Hour IPRESS may be needed.

10. Component 2: Improving the capacity of the Single Health Information System at the national level (US$71.66 million: US$60.73 million IBRD and US$10.93 million GoP). This component’s main objective is to generate adequate access to, and management of information for the clinical and administrative decision-making process in the health system. Adequate access encompasses the notions of quantity, quality, and timeliness of information. To achieve this objective, the component will focus on: (i) Strengthening governance and standardization of data and ICT processes; (ii) Providing a technological and network infrastructure suitable to support the roll-out of the SUIS; (iii) Strengthening human competencies for the registration, management and use of information; and (iv) Integrating user engagement as a fundamental axis in the development and implementation of the SUIS.

11. As part of the investment in the technological and network infrastructure suitable to support the roll-out of the SUIS, the GoP plans to construct a distributed data center with sufficient capacity to ensure storage, processing, security and data availability. The identified locations include buildable lots in Lima, Trujillo, and Huancavelica that fulfill technical considerations of the Ministry of Transport and Communications regarding connectivity, as well as requirements of distribution of physical hazards, availability of buildable land and access to services. The Lima location of the data center will be installed in a new building that will be financed by the project and will include the necessary office space for the daily work of the staff of the General Office for Information Technology (Oficina General de Tecnología de la Información - OGTI). The project also includes equipment and works to provide internal and external connectivity to first-level health facilities in the geographical areas selected for support under by component 1.

12. Component 3. Improving the management of pharmaceutical products and medical supplies in Lima Metropolitan Area and Prioritized Regions (US$30.1 million: US$25.5 million IBRD and US$4.6 million GoP). This component seeks to improve access in terms of quantity, quality, timeliness, and affordability to pharmaceutical products, medical devices and medical supplies in facilities belonging to the Minister of Health and the Regional Governments. The component will support (i) improvement of the the management model; (ii) improvement of the financing model; (iii) improvement of the the listing and planning processes (timely definition of items needed and quantities); (iv) improvement of procurement processes; (v) improvement of storage and distribution processes; and (vi) Improvement of practices in the use of pharmaceuticals and

---

12 MINSA has compiled a preliminary list of first level facilities where the project would intervene. However, they are subject to confirmation depending on the parameters of the new networks.

13 Includes medical devices.
medical supplies. This component will also finance the construction and equipment of a new central warehouse in Lima and the rehabilitation of several warehouses in prioritized regions. The new warehouse in Lima will be located in an adjacent lot to the one that used to build the Data Center building, within the perimeter of the Sergio Bernales hospital site (Comas district). The warehouses will be built and equipped in line with the BPA guidelines, as well as with current seismic resistance, fire protection and security requirements. The component will also support the implementation of a traceability and stock management system for pharmaceutical products and medical supplies that will be running on the platform that will be developed under component 2.

13. Component 4: Project management (US$10.33 million: US$0M IBRD and US$10.33 million GoP). The Government’s Program (including the WB and IADB projects) will be implemented by the National Health Investment Program (Programa Nacional de Inversiones en Salud – PRONIS), a unit within the Ministry of Health. As the Project Implementation Unit (PIU), PRONIS will include some project specific staff (some for WB’s project and some for IADB’s project) and some staff that will support the entire Government’s Program. This component will finance the related operating expenses, equipment, furniture, vehicles and personnel necessary for the execution of the WB project in the areas of contract management, procurement, financial management, technical and monitoring and evaluation, including project financial audits. This component will also finance technical assistance needed to complete the formulation of the Government Program in invierte.pe. This component will also finance selected operational expenses and staff to implement common activities under the Government’s program.

E. Implementation

Institutional and Implementation Arrangements

14. MINSA will be in charge of the implementation and oversight of the project. Within MINSA, the PIU will be PRONIS. The PIU will be responsible for Project management under the direct supervision of the Vice Minister for Health Services and Health Insurance. PRONIS is the unit currently in charge of the implementation of most investment projects of the Ministry of Health. It has the required experience and technical capacity to formulate, evaluate and execute investments within the framework of Invierte.pe. A dedicated management team will be created to coordinate and manage the WB- and IADB-financed projects.

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

Given its geographic, economic and cultural diversity, Peru will require flexibility in its care model to adjust to urban, peri-urban and rural realities and the requirements of different ethnic groups. The initial stage of implementation would be geared toward urban and peri-urban settings. Metropolitan Lima was chosen because it represents a large share of the population of Peru (31.7 percent in 2015 per INEI (nd)) . The Huancavelica, San Martin and Ica regions were chosen because they represent the three distinct geographies of Peru (Andes mountains, Amazon basin, and Coastal region respectively). The locations of the Lima, Trujillo and Huancavelica data centers and the central warehouse in Lima are in urban settings. The Lima data center and warehouse will be located in the perimeter of the Sergio Bernales hospital in the Comas District of the Lima Metropolitan Area. In Huancavelica the data center will be located in the current
Regional Zacarías Correa Valdivia Hospital. In Trujillo the location of the data center will be in an open area to the East of the Especial Chavimochic Project

G. Environmental and Social Safeguards Specialists on the Team

Mariana T. Felicio, Social Specialist
Ximena Rosio Herbas Ramirez, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
</tr>
</thead>
</table>
| Environmental Assessment OP/BP 4.01 | Yes        | The Project is classified as Category B under OP/BP 4.01. This classification is based upon the temporary and non-significant nature of most of its anticipated impacts. The potential negative impacts can be grouped into two categories: those associated with typical small to medium civil works during construction and refurbishing of infrastructure, and those associated with the operation of the health centers that will be reconstructed and the operation of the medical equipment, being the main impact here the medical waste. The Environmental and Social Management Framework (ESMF) will provide the guidelines for developing the Environmental and Social Management Plans (ESMPs) which will provide standard mitigation measures. Best Management Practices (BMPs) and standard contract clauses for civil works will be included in the ESMPs. The latter should be addressed by developing standards for the management of healthcare waste. The ESMF covers the project sites in Lima, Trujillo, and Huancavelica, where data centers will be constructed with sufficient capacity to ensure storage, processing, security and data availability. The ESMF refers to some of the identified locations that include buildable lots and complied with technical considerations regarding connectivity, requirements of distribution of physical hazards and access to services. Site specific Environmental and...
Social Assessments (EASs) including Environmental and Social Management Plan (ESMP) will be prepared in accordance with World Bank and national policies and standards. Greater specificity will be provided in the Lima site specific ESIA and ESMP will also incorporate the information of the new warehouse for Lima located in an adjacent lot to the one that will be used to build the Data Center building, within the perimeter of the Sergio Bernales hospital site (Comas district).

Given that the scope of investments for: i) Civil works for refurbishment, renovation, expansion, relocation and tear-down/reconstruction of new or existing health centers to serve as Up-to-12-Hour and 24-Hour Clinics including medical equipment and multimodal transportation systems and; ii) civil works for the rehabilitation of regional warehouses are not yet fully defined, an Environmental and Social Management Framework (ESMF), has been prepared by the Ministry of Health (MINSA) incorporating: i) environmental screening of the existing conditions and initial assessment of standard potential environmental impacts and required mitigation measures; ii) a review of applicable national policies and regulations as well as World Bank Safeguard Policies and their requirements for the Project; iii) feedback from stakeholders, including but not limited to affected communities, user groups and beneficiaries, and government and officials at municipal level; and iv) assessment of institutional capabilities and implementation arrangements for the project. The ESMF outlines the type of site specific Environmental and Social Assessments and Environmental and Social Management Plans to be carried out once the scope of work is fully defined for the subprojects. It will also describe the processes, responsibilities, institutional arrangements and budget to comply with applicable national legislation and World Bank safeguards policies. The preparation of these instruments follows the General World Bank Group Environmental, Health, and Safety (EHS) Guidelines and the specific industry World Bank Group EHS Guidelines for Health Care Facilities.
<table>
<thead>
<tr>
<th>Performance Standards for Private Sector Activities OP/BP 4.03</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>No</td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>Yes</td>
</tr>
<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>Yes</td>
</tr>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>Yes</td>
</tr>
</tbody>
</table>

- **Performance Standards for Private Sector Activities OP/BP 4.03**: No
- **Natural Habitats OP/BP 4.04**: No
  - Construction of new primary care facilities, warehouses and data center would not take place in recognized natural habitats.
- **Forests OP/BP 4.36**: No
  - The Project does not support any commercial logging.
- **Pest Management OP 4.09**: No
  - The Project does not intend to finance any pesticide purchases nor activities that will increase pesticide use.
- **Physical Cultural Resources OP/BP 4.11**: Yes
  - This policy was triggered as the proposed location of the Lima data center and warehouse is on the land of the Sergio Bernales hospital, which is located next to the Fortaleza de Collique. The project activities will not affect this archeological site, nevertheless the ESMF will have guidelines to avoid any type of impacts on this site.
  - A chance find procedure should also be prepared and be part of the ESMPs for all the other sites that have excavation activities once prepared.
- **Indigenous Peoples OP/BP 4.10**: Yes
  - OP/BP 4.10 was triggered because some of the people living in the participating regions (Lima, Ica, Loreto) are considered indigenous.
  - The Project has conducted a Social Assessment and consultation process with likely Project beneficiaries in Trujillo and Huancavelica. The client has prepared the necessary Indigenous Peoples Policy Framework (IPPF) has been prepared to ensure a multicultural approach. The IPPF documents the results of the social assessment and covers both the data centers and other potential subprojects. Specific Indigenous People's Plans (IPPs) will be prepared if needed.
- **Involuntary Resettlement OP/BP 4.12**: Yes
  - An RPF has also been prepared covering all project components including where warehouses and prioritized networks will be built but for which specific sites are yet be determined. Land acquisition will be the responsibility of the GoP and will not be financed by the Project. For the identified project sites (Sergio Bernales - Lima, Trujillo and Huancavelica), the Regional Governments own the land required for the project. They have agreed to transfer this land to MINSA and the legal procedure to do this is underway in accordance with the
<table>
<thead>
<tr>
<th>Project Description</th>
<th>Answer</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peruvian national laws. Voluntary land donation (VLD) will therefore not be needed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety of Dams OP/BP 4.37</td>
<td>No</td>
<td>There are no dam-related activities in the Project.</td>
</tr>
<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
<td>No</td>
<td>There are no activities related to international waters in the Project.</td>
</tr>
<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
<td>No</td>
<td>The Project is not located in a disputed area as defined by the policy.</td>
</tr>
</tbody>
</table>

**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:

   The project is considered as environmental risk Category B, given that the proposed Project is not likely to result in significant negative, irreversible and/or large-scale impacts on human populations and/or the environment. It is also expected to have positive social impacts in the communities that will benefit from the Project. The potential negative impacts can be grouped into two categories: those associated with typical small to medium civil works during construction and refurbishing of infrastructure, and those associated with the operation of the health centers that will be reconstructed and the operation of the medical equipment, being the main impact here the medical waste. The former are short-term and manageable through standard mitigation measures, and are addressed within the ESMF already prepared which will provide the guidelines for preparing the ESMP, (including the Best Management Practices (BMPs) and standard contract clauses for civil works). The latter should be addressed by developing standards for the management of healthcare waste.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

   Improved access and quality to health care will result in long-term benefits to the population. Improved waste management may result in long-term benefits to the environment, to health care workers, and to the surrounding communities.

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

   In order to avoid impacts, the locations of the Lima, Trujillo and Huancavelica data centers and the central warehouse in Lima are in urban settings, in already intervened and disturbed areas. The Lima data center and warehouse will be located in the perimeter of the Sergio Bernales hospital in the Comas District of the Lima Metropolitan Area. In Huancavelica the data center will be located in the current Regional Zacarías Correa Valdivia Hospital. In Trujillo the location of the data center will be in an open area to the East of the Especial Chavimochic Project.

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.

   The Ministry of Health (MINSA), through PRONIS has prepared an ESMF which will be the basis for the development of site specific ESMPs. For the investments not defined yet, an ESMF was prepared outlining the type of site specific Environmental Assessments and Environmental and Social Management Plans to be carried out once the scope of work is fully defined. It will also describe the processes, responsibilities, institutional arrangements and budget to
comply with applicable national legislation and World Bank safeguards policies. The preparation of these instruments follows the General World Bank Group Environmental, Health, and Safety (EHS) Guidelines and the specific industry World Bank Group EHS Guidelines for Health Care Facilities. The Project Implementation Unit (PIU) will be PRONIS. A dedicated management team will be created to coordinate and manage the WB and IADB financed projects. The dedicated unit will include safeguards specialists.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders include the associations grouping the local communities, the neighboring hospitals, medical centers, and municipalities. A series of consultations have taken place in coordination with PRONIS, MINSA and the project team. They took place on October 26th in Lima (Sergio Bernales) and November 17th in Trujillo. The consultation included a tailored workshop at each location that presented: i) Project overview, components and objectives; ii) social and environmental impacts and mitigation measures; and iii) feedback and follow-up actions.

B. Disclosure Requirements

<table>
<thead>
<tr>
<th>Environmental Assessment/Audit/Management Plan/Other</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
<th>For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>28-Nov-2018</td>
<td>28-Nov-2018</td>
<td></td>
</tr>
</tbody>
</table>

"In country" Disclosure
Peru
28-Nov-2018

Comments
https://www.pronis.gob.pe/tipo/impacto-ambiental/

<table>
<thead>
<tr>
<th>Resettlement Action Plan/Framework/Policy Process</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>28-Nov-2018</td>
<td>28-Nov-2018</td>
</tr>
</tbody>
</table>

"In country" Disclosure
Peru
28-Nov-2018

Comments
https://www.pronis.gob.pe/tipo/impacto-ambiental/
Indigenous Peoples Development Plan/Framework

<table>
<thead>
<tr>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>28-Nov-2018</td>
<td>28-Nov-2018</td>
</tr>
</tbody>
</table>

"In country" Disclosure

Peru

28-Nov-2018

Comments

https://www.pronis.gob.pe/tipo/impacto-ambiental/

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?
No
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?
No

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?
Yes
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?
NA

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?
Yes
OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?  
Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?  
Yes

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

World Bank

Carlos Marcelo Bortman  
Lead Health Specialist

Christel M. J. Vermeersch  
Senior Economist
Borrower/Client/Recipient

Government of Peru
Betty Armida Sotelo Bazán
Vice Ministra de Hacienda
bsotelo@mef.gob.pe

Implementing Agencies

Ministry of Health
Diego Rolando Venegas Ojeda
Vice-Minister of Health Services and Health Insurance
dvenegas@minsa.gob.pe

Demóstenes Fernandez Gonzales
Head, Pre-investment Unit, PRONIS
dfernandez@pronis.gob.pe

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

APPROVAL

Task Team Leader(s):
Carlos Marcelo Bortman
Christel M. J. Vermeersch

Approved By

Safeguards Advisor:

Practice Manager/Manager: Daniel Dulitzky 29-Nov-2018

Country Director: Boris Enrique Utria 30-Nov-2018