



Additional Financing Appraisal Environmental and
Social Review Summary
Appraisal Stage
(AF ESRS Appraisal Stage)

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BASIC INFORMATION

A. Basic Project Data

Country	Region	Borrower(s)	Implementing Agency(ies)
Panama	LATIN AMERICA AND CARIBBEAN	Republic of Panama	Ministry of Health
Project ID	Project Name		
P178011	Additional Financing to the Panama COVID-19 Emergency Response Project		
Parent Project ID (if any)	Parent Project Name		
P173881	Panama COVID-19 Emergency Response		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Health, Nutrition & Population	Investment Project Financing	2/9/2022	3/31/2022

Proposed Development Objective

To prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of Panama.

Financing (in USD Million)	Amount
Current Financing	20.00
Proposed Additional Financing	100.00
Total Proposed Financing	120.00

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]

An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei



Province, China. Since the beginning of March 2020, the number of cases outside China has grown exponentially and the crisis has reached global scale. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spreads across the world. COVID-19 is one of several emerging infectious diseases (EID) outbreaks in recent decades that have emerged from animals in contact with humans, resulting in major outbreaks with significant public health and economic impacts.

The COVID-19 Emergency Response Project for the Republic of Panama is financed under the he COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank’s Board of Executive Directors on April 2, 2020.

Panama’s economy has demonstrated impressive growth over the years, however, the COVID-19 outbreak’s effects on trade will significantly impact economic growth. Between 2010 and 2018, Panama’s annual GDP growth averaged 6.5%, triple the average annual growth for the LAC region. However, COVID-19 has emerged during a slowdown in major economies like China and the U.S., Panama’s largest trading partners. Global growth of 2.4% in 2019 was the lowest observed since the 2008/09 financial crisis, and Panama’s 3.0% growth in 2019 was also the lowest in the decade since the crisis. As the effects of COVID-19 are felt more deeply in Panama and around the world, the Government will need to implement ambitious measures to mitigate the pandemic’s impact on health and on economic growth.

The proposed Project components are aligned with the objectives of the COVID-19 Strategic Preparedness and Response Program (SPRP) and will support the Government’s capacity to detect and respond to the threat posed by COVID-19. The specific activities financed by the Project fit into the GoP’s COVID-19 Action Plan to contain and mitigate the damage of the coronavirus epidemic; specifically it will support the identification and treatment of patients with COVID-19 to minimize disease spread, morbidity and mortality. The proposed Project will attempt to implement climate-change adaptation measures when possible, and to address gender issues, as necessary.

Component 1: Strengthening the response to COVID-19 and national systems for public health preparedness [US\$19.5 million]. This component would provide immediate support to the national COVID-19 Action Plan. Specifically, it aligns with the Action Plan by providing support for the procurement of key medical equipment and supplies for the prevention, detection and treatment of COVID-19. It would support prevention and containment by financing critical inputs for infection control in health facilities as well as investigation of suspected cases and contacts tracing. It would strengthen disease detection capacities through the provision of laboratory equipment and supplies to ensure prompt testing and diagnosis. The project would also support critical aspects of health service provision in order to mobilize surge response capacity, particularly the provision of intensive care. Thus, this component would include two subcomponents centered around prevention, detection and health service provision.

Sub-component 1.1: Support measures to prevent the spread of COVID-19 This subcomponent will support measures to prevent the spread of COVID-19 in health service facilities and among health workers, the frontline workers critical to the COVID-19 response. This will finance the procurement of key prevention and infection control inputs including cleaning and sanitation supplies, autoclaves and sterilization equipment and medical supplies, and supplies to ensure safe hospital waste management practices. The Ministry of the Presidency is leading national communication efforts geared toward informing the public about COVID-19 and ensuring their participation in social distancing and prevention measures.



Sub-component 1.2: Strengthen case detection capacity and support critical aspects of health service provision. Case detection and tracing are critical elements of the COVID-19 response, ensuring that potential cases are identified and referred to treatment as appropriate, and that potential contacts are traced in order to prevent further spread of the disease. This subcomponent will finance the procurement of key case detection inputs and supplies, including laboratory supplies for COVID-19 diagnostics, testing booths that protect health workers during COVID-19 testing, and other equipment and supplies as needed. In addition, this subcomponent will strengthen the capacity of public health services to cope with the additional demand associated with COVID-19. Specifically, it will finance the procurement of key health service delivery inputs, including medicines, equipment and supplies. This will include equipment for hospitals and intensive care units (ICUs), such as emergency carts, personal protective equipment (PPE) and medical supplies, as well as other equipment, supplies and ancillary services as needed.

Component 2: Project Management and Monitoring [0.5 Million]. This component would finance: i) required staff and operational costs of the Project Implementation Unit (PIU) at the Health, Administrative, and Financial Management Unit (UGSAF) at MINSA, and ii) monitoring and project reporting.

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 Parent Project, the COVID-19 Emergency Response Project for the Republic of Panama, was prepared under the World Bank's Multiphase Programmatic Approach (MPA), approved by the Board on April 2, 2020. The parent project focuses on preventing, detecting, and responding to the threat posed by COVID-19, by strengthening the national systems for public health preparedness. No major civil works are expected under the parent project. The parent Project in an amount of US\$ 20 million – was approved on June 11, 2020 prepared under the Strategic Preparedness and Response Program (SPRP).

The AF would support the costs of expanding activities of the Panama COVID-19 Emergency Response Project (P173881) under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the Board on April 2, 2020, and the vaccines AF to the SPRP approved on October 13, 2020. The primary objectives of the AF are to enable affordable and equitable access to COVID-19 vaccines, and to further strengthen preparedness and response activities under the parent project. The Panama COVID-19 Emergency Response Project in an amount of US\$ 20 million – was approved on June 11, 2020 prepared under the SPRP. Subcomponent 1.2 focuses on case detection, tracing and proper care provision, which are critical elements of the COVID-19 response, ensuring that potential cases are identified and referred to treatment as appropriate. It will be expanded to address expected climate change impacts to improve the resilience of the health system in the event of future emergencies and climate related disasters and to provide support to the immunization campaign and to the delivery of basic services during the pandemic, the expansion and upgrading of the current telemedicine services in support of patients who recovered from the acute phase of COVID-19 illness and patients with chronic conditions and provision of ambulance services to expand transportation of critical and non-critical patients, to meet the increased needs during the pandemic.

Under Subcomponent 1.2, the project will also contribute to the design, implementation, and start-up of a system of management of medical solid waste, with a focus on rationalization and optimization of resources and continuous



improvement of hospital waste management in three pilot health regions: San Miguelito, Darien and Colon. The project will help address the important public health issue of integrated hospital waste management, including addressing the conditioning, adequate segregation of waste at the point of origin, internal collection and transportation, temporary storage, external collection, treatment, and final disposal as a basis for its adequate management.

Prompt support to vaccine purchase and deployment are critical for Panama to reduce the disease burden from COVID 19, allow the country to resume economic activity, and improve the system’s preparedness to cope with future disasters, including those that are stemming from climate risks. The epidemiological situation indicates the importance of prompt action, with the number of confirmed daily infections reaching a peak since the start of the. Expedient actions for vaccine deployment in Panama are necessary due to the global spread of COVID-19 variants and the lack of capacity in the country to identify and manage new variants, which have the potential to spread faster and lead to more deadly outcomes.

Panama has prepared a National Vaccination Plan (NVP), which sets out the institutional frameworks for the safe and effective deployment of vaccines, including the phased prioritization of vaccination groups. A COVID-19 National Vaccination Plan (i.e., the Continuous Strategy of Vaccination) was developed and has been periodically updated over the course of the pandemic. It was established the National Operational Center for Vaccines (CONVACUNAS, for its acronym in Spanish), an inter-governmental technical group responsible of and guarantor for the Operation PanavaC 19. Operation PanavaC-19 refers to the process of implementing, monitoring, and updating the Continuous Strategy of Vaccination. The Executive Committee of CONVACUNAS includes, among others, the President of the Republic of Panama and representatives from the Ministry of Health, the Social Insurance Fund, the Expended Program on Immunization, the National Authorities for Governmental Innovation.

Panama’s vaccination campaign has been articulated in different phases, prioritizing the most vulnerable groups in line with the WHO guidelines. For example, health workers, essential groups on the front line, and care-dependent people were eligible starting from phase 1; people older than 60 years old, people with chronic conditions, teachers, staff of early childhood care centers, and pregnant women were eligible from phase 2; general population in the Comarcas (indigenous) and in areas of difficult access, transport drivers, people deprived of liberty, and people with risky occupations were eligible from phase 3. The eligible population currently includes all people from 12 years old. Booster vaccines are also being delivered in different phases, starting from priority groups. On November 24, 2021, the GoP started applying booster doses to people over 55 years of age and to vulnerable groups (people 18-54 years old with chronic conditions or occupations at risk). Vaccine distribution and administration does not discriminate against non-resident or migrant populations, as they are regularly included in the different eligible groups. Personal identifications and proof of residence and citizenship are not required to receive COVID-19 vaccines.

As of November 23, 2021, 89 percent of the population older than twelve has received a first vaccine dose and 79 percent has received 2 doses. Nonetheless, geographic disparities persist; a number of regions report coverage with 2 vaccine doses above 90 percent of the eligible population (Cocle, Los Santos, Veraguas and Panamá Metro) while less than 50 percent of the eligible populations of Guna Yala, Ngabe-Bugle and Panamá Norte have received 2 doses.

All activities under the AF will take place within existing facilities and footprints with no new land acquisition or involuntary resettlement and no impacts on natural habitats or cultural sites expected. Panama’s population is disproportionately at risk to the effects of natural disasters – aspects which may impact vaccination roll-out. Among



the more vulnerable groups are Indigenous People, who are distributed across all regions in the country. IP groups have been historically discriminated against. This discrimination is critical in the health sector, where traditional health practices are disregarded or misunderstood.

D. 2. Borrower’s Institutional Capacity

The parent project and the Additional Financing (AF) will be implemented by the Ministry of Health (MINSa) of Panama. MINSa assigned the Health, Administrative, and Financial Management Unit (Unidad de Gestion de Salud, Ambiental y Financiera, UGSAF) to serve as the PIU for both the parent Project and its AF. The PIU will coordinate with the specific Units within the Ministry who will be responsible for the implementation, management, monitoring and reporting of project activities as well as for the environmental and social compliance measures.

Two (2) environmental specialists and two (2) social specialists responsible for the implementation and monitoring of the measures contained in the E&S instruments are to be hired by the PIU to support the implementation. These specialists will initially be hired with parent project funds and will be in charge of implementing the E&S instruments in parent project activities, as well as updating them for the AF, and developing an Indigenous Peoples Plan (IPP), prior to the AF effective date. Thereafter, they will support implementation of the instruments in the context of both parent and AF projects. UGSAF will be supported by the General Sub-Directorate of Environmental Health to address all environmental requirements. Similarly, the Directorate of Indigenous Health Affairs and National Directorate for Health Service Provision within the MINSa will provide support for social aspects. The Environmental and Social audit of vaccines already deployed and proposed for reimbursement through retroactive finance will be carried out by qualified consultants hired by UGSAF.

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

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Substantial

The Environmental risk rating is considered substantial given the emergency context and the fact that existing resources and capacity of health facilities continue to be stretched as the pandemic evolves. The risk rating considers the additional burden vaccine deployment has put on this already stretched capacity for proper environmental, health and safety management, resulting in additionalities in terms of environmental risks and potential impacts. The main environmental risks associated with the AF activities are those related to the handling, use and disposal of medical supplies and wastes (including sharps from vaccination campaigns); cleaning and disinfection chemicals; and other chemicals and reagents; as well as health and safety associated aspects for workers and the community. In this sense, AF activities will require attention to particular risks and impacts: (i) management and disposal of medical waste (MW) produced during and after the acquisition, transport, storage and administration of vaccines procured retroactively under the project ; (ii) occupational health and safety issues related to the availability, supply and appropriate use of protective equipment (PPE) for healthcare workers, including vaccination workers; (iii) community health and safety exposure risks in the immediate vicinity of health care facilities and vaccination centers; and (iv) the generation of solid waste from residual construction materials, together with nuisance related to dust generation, vibrations, noise and occupational health and safety hazards at the sites of small works and upgrades to support the management of Hospital Waste Disposal and telemedicine. The Project will have positive environmental and social impacts by reducing the spread of COVID-19 as well as severity of disease through vaccination, as well as improving the surveillance, monitoring, and response capacity of Panama’s

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health system to respond to the COVID-19 pandemic and other emergencies. The adverse environmental, health and safety risks and impacts are likely to arise from exposure to the virus itself, following the inadequate provision and use of PPEs by healthcare workers, increased risk of exposure to communities in the immediate vicinity of healthcare facilities and vaccination centers, and health and pollution impacts associated with the inadequate handling, treatment and disposal of cleaning products, biomedical waste and expired or open vaccine vials, including risks and impacts associated with incremental waste volumes resulting from large scale vaccination activities.

Social Risk Rating

Substantial

The Social Risk Rating under the additional financing, as with the parent project, will remain Substantial. The AF will have mostly positive impacts in preventing, detecting, and responding to the threat posed by COVID-19 and strengthening national systems for public health preparedness in the Republic of Panama. The main risk of the project is unequal access to Project-supported services including vaccination and the expansion of telemedicine services, Existing inequalities in access to quality health services exacerbate this risk, particularly for areas of difficult access and the poor living in overcrowded slums, migrants and refugees, and ethnic minorities, including IPs and ADs, living in indigenous territories or other dispersed communities. In addition, such groups could potentially be subject to discrimination or lack of cultural pertinence in the service delivery and could be excluded from communications and outreach material if this is not disseminated through the proper channels or if it is not in the language of use. Risks associated to GBV may also be present in community facing services. s. In addition, activities to be implemented under Additional Financing, especially the pilot activity in San Miguelito, Darien and Colon regions regarding Hospital Waste Management may generate impacts on workers and community health and safety and labor conditions.

Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Rating

Low

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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:

This standard is relevant.

The proposed additional financing will retroactively help vaccinate 80% of the country’s population with 2 doses of the Pfizer vaccine. This activity accounts for 85% of the budget (retroactive financing). The other 15% of the budget will be used to support: (i) a pilot project for Hospital Waste Disposal in three health regions: San Miguelito, Darien and Colon, together with an expansion of the telehealth services. Currently hospital waste management in Panama is inadequate and a danger to human health and the environment, increasingly so due to additional COVID-19 waste (protective clothing, syringes, waste resulting from tests, amongst others). This activity includes purchase of equipment (for health centers, medical personnel), purchase of technology (a refrigerated truck and a trituration and sterilizing system); upgrading of infrastructure (temporary storage facilities), institutional strengthening which includes training and the development of procedures for disaggregation of waste at point of origin, internal recollection and transport, temporary storage, external recollection, treatment and final disposal; (ii) improve telemedicine services adding a video conference system to the current telephone services for post-COVID-19 patients, especially those with chronic diseases and who remain most vulnerable after COVID-19 recovery; and (iii)



purchase of ambulances (water and land based) for health centers according to a needs assessment carried out by MINSA and in response to the increased demand of these services due to COVID-19.

The AF will include funds allocated for retroactive financing of COVID-19 vaccine purchases. Before the AF effective date, MINSA will carry out an Environmental and Social Audit of the acquisition and deployment of the vaccines subject to retroactive financing based on terms of reference acceptable to the Bank. The audit shall be carried out by qualified environmental and social consultants. At a minimum, the audit will consider: (i) the implementation of social inclusion measures, in accordance with the prioritization schedule set out in the national vaccination plan and based on vaccine availability; (ii) proper waste management, including medical waste; (iii) the effective operation of grievance redress mechanisms in connection with the vaccination program; and (iv) the protection of the workers involved in vaccine transport, handling, and deployment (application of occupational health and safety measures and the use of protective equipment). The audit will include recommendations, where relevant, to inform activities financed under the Project, as well as the national vaccination strategy more generally.

To address E&S risks and impacts associated with the AF, UGSAF will (a) carry out an Environmental and Social Audit of acquisition and deployment of vaccines subject to retroactive financing, and, if necessary, implement any critical remedial measures identified by the E&S audit according to a timeline acceptable to the Bank; (b) update the Environmental and Social Management Framework (ESMF) prepared for the parent Project by the AF Effective Date, using the findings and recommendations of the E&S audit as a basis, as well as to cover all other activities under the AF, and subsequently implement it. While the vast majority of vaccines purchased that will be retroactively financed under the operation have already been deployed, there may be a small number that are still not deployed. Unless it is confirmed by the Effective Date that no vaccines or other medical supplies to be paid for with retroactive financing are still remaining to be deployed, the revised ESMF will outline comprehensive procedures and requirements for the safe handling, transportation, storage, treatment, and disposal of COVID-19 treatment, testing and vaccination materials, the safety of medical workers, hospital staff, workers involved in vaccination activities and communities, as well as safe management of biohazardous wastes resulting from Project activities, including the safe management of vaccination waste generated outside of health care facilities. The ESMF will also be updated to include an Infection Control and Waste Management Plan (ICWMP) for the vaccination program, including corresponding training and monitoring requirements, as well as a generic Medical Waste Management Plan (MWMP) for those vaccination centers located outside existing health facilities such as schools, in accordance with national requirements.

With respect to the pilot projects for Hospital Waste Disposal (San Miguelito, Colón, y Darién) to be financed under the Project, the ESMF will also be updated to include appropriate measures to manage any negative site-specific impacts and nuisances associated with the purchase, installation and use of equipment (such as a trituration and sterilizing systems) and the upgrading of infrastructure (temporary storage facilities). The ESMF for the parent Project already covers MWMP requirements for hospitals and health centers receiving goods and supplies under the Project; nonetheless, this will be updated where needed based on experience and lessons learned to date under the parent Project, as well as to account for the strengthened medical waste management systems expected to result from the AF. Where needed, site-specific Environmental and Social Management Plans (ESMPs) will be developed to address specific needs of the hospital waste disposal subprojects. The ESMF will include a generic ESMP identifying the potential risks and impacts that may be associated with the types of minor construction/retrofitting works expected as well as operation of the hospital waste management areas and infrastructure for the three subprojects.



For the adaptation of space and infrastructure to accommodate the installation of antennas in a few sites, as part of the expansion of telemedicine services, the ESMF will further include specific measures to mitigate the risks and impacts on community health from these hazardous materials, and to be included in the generic ESMP and any subsequent site-specific ESMPs. The construction stage elements of any site-specific ESMPs that are necessary as identified by the ESMF will be included as an annex to Construction Contracts.

In addition, as relevant for Project activities and unless it is confirmed by the Effective Date that no vaccines or other medical supplies to be paid for with retroactive financing are still remaining to be deployed,, the borrower will incorporate the recommendations of the Environmental and Social Audit of vaccine purchase and deployment activities associated with retroactive financing in the updated ESMF, as well as in the Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP), and the Indigenous Peoples Plan (IPP) that will be developed as part of the AF (see also ESS10, ESS2, and ESS7), as applicable.

Where relevant, unless it is confirmed by the Effective Date that no vaccines or other medical supplies to be paid for with retroactive financing are still remaining to be deployed, the WBG’s Environment, Health and Safety (EHS) Guidelines, the WHO’s specific COVID-19 guidelines on laboratory biosafety, the WHO’s Vaccine Management Handbook “How to Monitor Temperatures in the Vaccine Supply Chain” (2015) and other WHO and international good practice guidelines on COVID-19 medical waste management, diagnostic testing, administration of COVID19 health services, quarantine guidelines, handling of medical supplies, and healthcare occupational health and safety (OHS), including those requirements to support vaccination activities, will be referenced in the updated ESMF and LMP, as detailed further under ESS2.

In addition, the updated ESMF will also include provisions to support non-discrimination in provision of services and equal treatment to all Project beneficiaries, as well as identifying the barriers faced by poor, marginalized and ethnic minorities in accessing medical services covered by or associated with the Project. The ESMF will analyze the social risks and opportunities related to all activities under the Project, including the expansion of telemedicine services, the integrated management of hospital waste, the purchase of ambulances, , and develop specific mitigation measures for social risks as well as measures to ensure the inclusion of vulnerable groups. The ESMF will also describe the institutional and capacity building measures to be carried out to ensure such measures are implemented by the UGSAF and properly incorporated in terms of reference for any technical assistance activities under the Project.

ESS10 Stakeholder Engagement and Information Disclosure

This standard is relevant.

MINSa has prepared, consulted, disclosed, and adopted an SEP for the parent Project. The SEP is being updated in the context of the AF and will be finalized and disclosed by the AF effective date. MINSa has prepared a draft of the updated SEP, which is being disclosed before AF appraisal. The draft SEP identifies affected and interested parties, as well as vulnerable groups, and outlines an initial strategy for consultation of Project activities both in the context of the preparation and update of the Project instruments prior to Project effectiveness and throughout the Project lifecycle, which are based upon meaningful consultation and disclosure of information. Stakeholder engagement will minimize close contact and consider the Bank’s guidelines for carrying out public consultation meetings during the COVID-19 Pandemic.



The updated SEP describes the outreach carried out by the government as part of the National Vaccination Plan, which has included extensive communications campaigns aimed at informing about vaccination efforts and improving trust in the vaccines. Some of the key features of this engagement include an early and transparent engagement with mass media, regular information disclosure on case counts, deployment of vaccines, eligibility requirements, vaccination schedules, sites, and formal public releases with updates on the vaccination campaign, as well as a digital platform for COVID-19 vaccination monitoring (i.e., Vacunometro). This outreach has taken place through radio, television, printed press, and social media (Facebook, Twitter, Instagram) accounts.

The draft SEP also describes an initial consultation plan with key stakeholders to inform AF activities including the upgrading and expansion of telemedicine services, the integrated management of hospital waste, and the purchase of ambulances. As relevant, such consultations will involve health staff, disability organizations, and LGBTI groups, among others. Consultations will also involve communities surrounding the sites where the Project will support waste management activities. In addition, an outline of a consultation strategy for activities that may have indigenous peoples as direct beneficiaries has also been developed, including consultations with national and regional indigenous authorities from the comarcas and territories, as well as community health promoters. This will be done in coordination with MINSA's Directorate of Indigenous Health Affairs and the Regional Health Directorates working in indigenous territories. The results of these consultations will inform the updated SEP, Indigenous Peoples Plan (IPP), and the updated ESMF. One of the Project's proposed intermediate indicators will capture feedback on telemedicine services through community meetings, hotlines, the health volunteer networks, and other tools. This feedback will be used to improve the interventions. The draft SEP also includes basics on resources and responsible personnel to ensure its implementation as well as guidelines for monitoring and reporting. Further details on these arrangements, as well as on stakeholder engagement for Project implementation, will be further confirmed and developed in the final updated SEP, to be developed before Project effectiveness.

The Parent Project already has a Grievance Redress Mechanism (GRM) in place, and includes multiple reception channels, including an email address, phone number, and physical address, as well as an online form on KoBo toolbox. These reception channels have been published as part of the SEP and can also be found on MINSA's webpage. The Parent Project's SEP describes a process for managing complaints, including an escalation mechanism and arrangements for processing anonymous complaints. In addition, the Panama government's national grievance mechanism, known as "311", allows individuals to present concerns and grievances arising from the delivery of public goods and services by any government agency. Grievances and complaints related to the Project presented through this mechanism that are directed to Project activities would be directed to MINSA, and within MINSA, to the PIU. As part of the updates to the SEP, the UGSAF will improve the GRM to ensure it can properly respond to grievances on AF activities. The Social and Environmental Audit to be carried out for acquisition and deployment of the vaccines subject to retroactive financing will also assess the operation of grievance redress mechanisms and, where relevant, provide recommendations, which will inform the updated SEP.

The final SEP will be disclosed prior to the AF effective date.

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



This Standard is relevant. Labor provisions and requirements have been drafted in the parent Project’s LMP, which was disclosed on February 11, 2021. To reflect relevant labor aspects related to the AF, the LMP will be updated and disclosed within thirty (30) days of the AF Effective Date. Some of the activities supported by the parent Project and the AF will be conducted by publicly employed health and laboratory workers. Additional Project workers will include contracted suppliers (including those involved in transport, handling, and delivery of procured goods), as well as potentially other contract staff to support waste management activities. The key health risk associated with Project activities is exposure to COVID-19 (or other contagious illnesses, as patients taken seriously ill with COVID-19 may also suffer from other illnesses which compromise the immune system), which can lead to illness and death of workers. Emerging risks related to declining mental health and fatigue may impact Project workers’ capacity to carry out core functions. Staff of health facilities, workers involved in the procurement, delivery, training, use, supervision/monitoring, and/or handling and disposal of medical supplies, equipment, or waste products within the scope of the Project will receive necessary training on protecting themselves and others from COVID-19 infection, as well as other relevant OHS and mental health risks and management measures as part of project design.

Given the small scale of proposed minor works/adaptations, labor is likely to be available locally. However, the screening checklist to be included in the ESMF will identify the need for outside labor, and if this is the case, site-specific ESMPs will contain specific measures to mitigate the risks of labor influx.

The Project will ensure the application of OHS measures for all project activities as outlined in relevant WHO guidelines, which are already referred to in the disclosed ESMF. The Government has published the National Operations Plan for Preparedness and Response (Plan Operativo Nacional del Sistema de Salud para la Prevención y Control del Nuevo Coronavirus – 2019-nCoV). This encompasses procedures for entry into health care facilities; procedures for protection of workers in relation to infection control precautions; provision of immediate and ongoing training on the procedures to all categories of workers, and mandating hand hygiene and personal protective equipment (PPE); ensuring adequate supplies of PPE (particularly facemask, gowns, gloves, handwashing soap and sanitizer); and overall ensuring adequate OHS protections in accordance with the World Bank Group General EHSGs and following evolving international best practice in relation to protection from COVID-19. In the updating of the ESMF, it will be further specified that appropriate OHS provisions shall also apply to medical workers at locations such as schools, community centers, etc. if applicable; to workers involved in handling medical wastes or who may be exposed to medical wastes, including at the three pilot project locations for improvements to HWM systems; and construction workers involved in the minor civil works and retrofitting activities associated with the HWM pilots and the telemedicine program. During implementation, the ESMF will furthermore be regularly reviewed and updated to integrate the latest guidance by WHO as it develops over time and experience addressing COVID-19 globally. Staff of healthcare facilities and those involved in vaccination activities (as applicable, if there are any vaccines subject to retroactive finance which have not yet been deployed at the time of project effectiveness) will receive appropriate training under the project on how to use the medical equipment, supplies and vaccines financed through the Project in a way that protects their health and safety. The ESMF will identify and assess the new OHS risks to workers involved in project activities, including risks such as declining mental health and fatigue, and ensure that mitigation measures are in place.

The updated LMP will also outline key national laws and regulations protecting workers’ rights, include a code of conduct and a basic, responsive grievance mechanism to allow project workers to quickly inform management of



labor issues, such as a lack of PPE or unreasonable overtime. The use of child or forced labor will be forbidden in accordance with ESS2.

ESS3 Resource Efficiency and Pollution Prevention and Management

This Standard is relevant. Pollution prevention and management is an important activity under the parent Project and the AF. Medical wastes and chemical wastes (including reagents, infected materials, etc.) from healthcare facilities and vaccination sites (drugs, supplies, and medical equipment) can have an adverse impact on the environment and human health if not properly handled, transported, and disposed. These wastes could include liquid contaminated waste, chemicals, expired or used vaccine vials and other hazardous materials, and other waste from health facilities, vaccination centers and laboratories, including sharp items used in diagnosis, treatment, and vaccination. Despite recent efforts in selected hospitals (33 under the parent Project) to develop and implement waste management plans, existing capacity for ensuring proper medical waste management at hospitals across the country varies and will therefore be a key area of focus of training and supervision under the project, considering in particular the risks of further COVID-19 spread if waste is not handled properly.

The E&S Audit of vaccine acquisition and deployment for vaccines subject to retroactive finance will include a review of how medical waste associated with related vaccination campaigns has been handled. Based on the findings of the Audit and in line with WHO guidance and applicable Good International Industry Practice (GIIP), unless it is confirmed by the Effective Date that no vaccines to be paid for with retroactive financing are still remaining to be deployed, the ESMF for the parent Project will be revised to identify the risks and detail mitigation measures relating to the management of hazardous, infectious, non-hazardous, and non-infectious medical waste for vaccination centers spread across the country to ensure the adequate handling, storage, and disposal of waste. The ESMF will assess the bio-infectious waste measures detailed in the NVDP and document additional management measures where necessary, in keeping with GIIP.

For the AF, the ESMF will also be updated to include an Infection Control and Waste Management Plan (ICWMP) for the vaccination program, including corresponding training and monitoring requirements, as well as a Medical Waste Management Plan (MWMP) for those vaccination centers located outside existing healthcare facilities. With respect to the pilot projects (regions of San Miguelito, Darien, and Colon) for Hospital Waste Disposal to be financed under the project, the ESMF will also be updated to include appropriate measures to manage any negative site-specific impacts and nuisances associated with the purchase, installation and use of equipment (such as a trituration and sterilizing system) and the upgrading of infrastructure (temporary storage facilities). Extreme weather and seismic events may pose risks to the implementation of vaccination activities. If retroactively financed vaccines remain to be deployed at the time of project Effectiveness, the ESMF will detail the requirements for emergency preparedness and contingency plans to manage these risks. The E&S Audit will include an assessment of arrangements and infrastructure for MWM related with the vaccination program. Should vaccines be deployed at the time of project effectiveness, the ICWMP and MWMP will include criteria by which to evaluate the infrastructure, facilities, and specialized service providers, as applicable. UGSAF will provide training and carry out spot supervision to ensure such criteria are applied during vaccine deployment, or to identify gaps and gap filling measures, as applicable.



Construction material: All construction materials needed for the rehabilitation activities (sand, stones, timber, etc.) will be obtained from licensed quarries and certified timber suppliers.

Waste management: Construction waste will include mostly waste from debris and hazardous waste such as hydrocarbon oils from construction machinery and vehicles. Any waste generated by the construction activities will be disposed according to national regulations and relevant GIIP. Biomedical waste is also expected during the operational phase of the project specifically for health facilities and laboratories, as well as during the functioning of specific medical and laboratory equipment. The site-specific ESMPs that are necessary as identified by the ESMF (and included as an annex to Construction Contracts) will include specific measures and requirements for the management of construction and biomedical waste for all project activities as necessary. The ESMF will include screening processes to determine the type of waste that will be generated from the use of medical and laboratory equipment during the operation phase.

Air emissions and noise: These will be generated during the construction phase from the use of heavy vehicles, machinery, and construction activities. The ESMF will consider specific mitigation measures which include dust suppression and vehicle maintenance to minimize the impact of air emissions and noise.

Energy efficiency: The infrastructure to expand telemedicine services will use clean energy to operate (solar panels).

Greenhouse Gas (GHG) estimations will not be required for the project given that the project is not expected to be a significant source of emissions.

ESS4 Community Health and Safety

This standard is relevant. In line with occupational safety provisions in ESS2, it is equally important to ensure the safety of communities from infection with COVID-19 or diseases caused by other pathogens. Investments and activities under the AF may expose communities to health and safety risks. The communities around the health centers that will participate in the Hospital Waste Disposal pilot project in the regions of San Miguelito, Darien, and Colon are already exposed, given inadequate medical waste management at present; project investments should improve this situation. Nonetheless, it will be important for the ESMF to identify potential risks associated with the waste collection procedures, transportation arrangements as well as temporary collection and storage facilities before final treatment and disposal, to inform the ICWMP and a MWMP. Consultations with these communities to identify additional risks or concerns will also be carried out in the context of the project. The ESMF will include specific measures to mitigate the risks and impacts on community health from these hazardous materials, and to be included in the generic ESMP and any subsequent site-specific ESMPs.

To reflect the new project activities under the AF, additional waste management measures to be included in the ESMF, as described under ESS1, will build on international good practice and WHO protocols to describe: i) how Project activities involving the COVID-19 pathogen or waste generated in its identification, treatment and vaccination will be carried out in a safe manner, with low incidences of accidents or other incidents in line with Good International Industry Practice (such as WHO guidelines); ii) measures in place to prevent or minimize the spread of infectious diseases, and iii) emergency preparedness measures, including for those vaccination centers to be



established outside of medical facilities, such as in schools. The SEP will also detail MINSA's plans for dissemination of information on preventive health measures to communities surrounding health facilities and vaccination centers.

Sexual Exploitation and Abuse (SEA)/ Sexual Harassment (SH) risks will be assessed and addressed as part of the process of updating the project instruments before AF effectiveness, including screening and developing corresponding measures to prevent and mitigate any SEA/SH risks. The Project will promote the avoidance of SEA by relying on a code of conduct for project workers, to be applied to all workers under the project. In addition, the SEP includes mechanisms to manage SEA/SH related complaints.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This standard is not relevant. The project will not involve any land acquisition, restrictions on land use, or voluntary resettlement.

Minor works may be needed to adapt the space and infrastructure to accommodate for the installation of antennas in a few sites, as part of the expansion of telemedicine services, which will use clean energy to operate (solar panels). In addition, the project will finance the acquisition of an autoclave equipment with shredder for the correct handling of hospital solid waste, which will be installed in three pilot sites (likely San Miguelito, Colón, y Darién), as a collection, treatment, and final disposal center for the health facilities in the area. Minor works may be needed to adapt the space and infrastructure to accommodate for this equipment. The above activities will be carried out in existing sites and will not involve land acquisition or cause involuntary resettlement or restrictions on land use covered by ESS5.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS6 is not relevant. The Project will not support any construction activities that might jeopardize the integrity of biodiversity or living natural resources.

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

This standard is relevant. Since this is a national project, Indigenous Peoples are present within the project area. Activities under the AF will have indigenous peoples among direct beneficiaries. According to the XI National Population Census and the VII Housing Census of May 2010, the IPs consist of eight clearly defined groups and represent approximately 12.3 percent of the total population of the Republic. Working with IPs requires consultations and other measures under ESS7, which poses challenges for adequate implementation, including the direct involvement of the social specialist to be hired by the Borrower with experience working with IPs. It also calls for adjustments to the communications strategy and stakeholder engagement to ensure that they are culturally appropriate.

As of November 23, 2021, MINSA reports that 89% the Panamanian population of 12 years and older has received the first dose and 79% has received a second dose of the COVID-19 vaccine. With regard to the indigenous population in Panama, MINSA reports the following data: 86% and 73% of the population of 12 years and older in the Darien region, 51% and 42% of the population in the Kuna Yala region, and 60% and 31% of the population in the Gnabe



Bugle region have received a first and a second dose respectively. Though the National Vaccination Plan does not have specific measures to ensure that more vulnerable groups have access to vaccination, special efforts are being made to explain to the indigenous population in the Comarcas the benefits of vaccination and clarify any misinformation about possible harm caused by vaccines that may exist.

Access to health essential services is limited in the mostly rural Indigenous Comarcas and territories. In order to address some of these gaps, the project will include the expansion of the current teleconsultation program in remote areas where internet connection does not yet support video-consultations.

In order to meet the requirements of ESS7, MINSA will prepare an Indigenous Peoples Plan, which will be new under the project’s AF. The IPP will include, at a minimum, the following elements: i) a social assessment of the situation of indigenous peoples in relation to the health services that will be provided by the project, including access to telemedicine services, among other issues covered in the project; ii) an assessment of the social risks of project activities and development of culturally appropriate mitigation measures, as well as measures to enhance service delivery for IPs in relation to the expansion of telemedicine services iii) specific actions to ensure proper coordination and information dissemination with indigenous authorities and communities for activities carried out in indigenous comarcas and territories) the project’s grievance redress mechanism will be adapted to ensure access to indigenous peoples in a culturally sensitive manner; v) responsibilities, budget, and monitoring arrangements for the implementation of the IPP. The Indigenous Peoples Plan and its measures and actions will be developed by the UGSAF in coordination with the Directorate of Indigenous Health Affairs and the regional health directorates of the Comarcas, using existing secondary data sources and qualitative research techniques, and it will be consulted with relevant indigenous stakeholders including traditional authorities, as well as health promoters working in indigenous comarcas and territories.

The IPPF will be prepared, consulted, and disclosed prior to the AF effective date.

ESS8 Cultural Heritage

ESS8 is not relevant. Project activities will not have any adverse impact on tangible or intangible cultural heritage. No commercial use of cultural heritage is expected in the project.

ESS9 Financial Intermediaries

This standard is not relevant. The project will not involve financial intermediaries.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

Public Disclosure



B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework?

No

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

None

IV. CONTACT POINTS

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VI. APPROVAL

Task Team Leader(s):	Federica Secci
Practice Manager (ENR/Social)	Valerie Hickey Cleared on 20-Jan-2022 at 18:15:31 GMT-05:00

Public Disclosure