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

Appraisal Stage | Date Prepared/Updated: 01-Jun-2020 | Report No: PIDISDSA29302

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Cambodia	P173769	Additional Financing for Health Equity and Quality Improvement Project (H-EQIP)	P157291
Parent Project Name	**Region**	**Estimated Appraisal Date**	**Estimated Board Date**
Cambodia Health Equity and Quality Improvement Project (H-EQIP)	EAST ASIA AND PACIFIC	04-Jun-2020	30-Jul-2020
Practice Area (Lead)	**Financing Instrument**	**Borrower(s)**	**Implementing Agency**
Health, Nutrition & Population	Investment Project Financing	Kingdom of Cambodia-Ministry of Economy and Finance	Ministry of Health

Proposed Development Objective(s) Parent

To improve access to quality health services for the targeted population groups with protection against impoverishment due to the cost of health services in the Kingdom of Cambodia.

Components

Component 1: Strengthening Health Service Delivery
Component 2: Improving Financial Protection and Equity
Component 3: Ensuring Sustainable and Responsive Health Systems
Component 4: Contingent Emergency Response

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	14.00
Total Financing	14.00
of which IBRD/IDA	14.00
Financing Gap	0.00

DETAILS

World Bank Group Financing	
International Development Association (IDA)	14.00
IDA Credit	14.00

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Over the past two decades, economic growth in Cambodia has been impressive and remained robust.** Economic growth in Cambodia has been impressive and remained robust. The economy experienced and annual average growth rate of 7.9 percent over 1997-2017, ranking among the top seven fastest growing economies in the world. Growth was largely driven by exports of goods and services, which grew 14.6 percent a year over the same period. Cambodia's per capita Gross National Income increased almost fourfold, from US$320 in 1997 to US$1,390 in 2018.[1]

2. **The sustained economic performance has lifted a large proportion of the population above the national poverty line, but Cambodia is still one of the poorest countries in Southeast Asia**. Between 2007 and 2013, the incidence of poverty, as measured by the proportion of the population living below the national poverty line, declined from 47.8 percent to 13.5 percent of the population, leading the country to meet its Millennium Development Goal before the 2015 deadline. Most of the poverty reduction occurred between 2007 and 2009, when the headcount rate declined by 20 percentage points, driven by a significant hike in the price of rice, the main agricultural product of Cambodia. Despite this progress, the vast majority of the families that rose above the poverty line did so by a small margin, leaving them at risk in the event of an adverse shock. Poverty reduction in Cambodia has been accompanied by shared prosperity: the real consumption growth of the bottom 40 percent of the distribution was larger than that of the top 60 percent. This was accompanied by a decrease in inequality.

3. **The overall welfare of households described by non-monetary indicators has improved significantly throughout the 2004-2014 period**, nonetheless, several challenges remain. Cambodia achieved most of the MDG targets, including those related to poverty reduction, child mortality and maternal mortality. Targets in primary education

[1] World Bank. World Development Indicators.

have been nearly achieved, whereas areas such as gender equality and environmental sustainability have seen less progress. Moreover, the incidence of and death rate due to tuberculosis remain high. Cambodia's Human Development Index in 2015 (UNDP) was 0.56, well below the East Asia Pacific average of 0.72, and also lower than the medium income countries average of 0.63.

Sectoral and Institutional Context

4. **Cambodia has made significant progress in improving the health status of its population.** Key achievements include considerable reduced maternal and child mortality rates; decreased prevalence of communicable diseases such as malaria, tuberculosis, and HIV/AIDS; and increased access to essential health care services. These improvements can be attributed, in part, to long-term political stability, which has provided space for development to occur, and to strong and coherent collaboration between the Royal Government of Cambodia and its development partners.

5. **While Cambodia succeeded in decreasing its crude birth rate during the last decade, and the intervals between childbirth increased,** the country still faces high unmet need for family planning and particularly for long-term family planning methods. Teenage pregnancy has also seen an increase since 2010; in 2014 approximately 12 percent of women aged 15-19 became mothers or were pregnant with their first child. Associated with this is an alarmingly high rate of abortion: approximately 12 percent of women had at least 1 abortion in their lifetime and 7 percent have had an abortion in the past 5 years, this is an increase from 5 percent in 2010. The number of women reporting unsafe abortions also remains unacceptably high: among those who have had abortions, 30 percent did not receive any assistance from a health care professional[2].

6. **Health sector reforms began over 20 years ago with the extension of physical infrastructure**, continued through innovations in health financing and access to services, and now incorporate district health sector management and administration. One of the main achievements for which Cambodia is well known is the creation of health equity funds (HEFs) which currently cover more than three million people. While coverage has been expanded, there are design, management, and implementation bottlenecks that result in poor utilization of the scheme.

7. **To increase utilization and quality of care in underperforming locations**, the Ministry of Health (MOH) established special operating agencies (SOAs), either based in a provincial referral hospital or in an operational district. The SOA staff collectively and individually signed contracts, which set annual performance targets, and achievement of these targets triggered payments, known as Service Delivery Grants (SDGs). These supply-side inputs have helped increase deliveries in public facilities, allowed more staff to be employed, and reduced stock-outs of important drugs and supplies. They have also given facilities extra funds to improve service quality and have provided bonus payments to individual staff where targets have been achieved or surpassed.

8. **Cambodia faces a major challenge with the skills and competencies of its health workforce** and needs both pre-service and in-service training improvements and a renewed focus on competency-based training. In addition, the absence of a well-coordinated monitoring and evaluation mechanism and limited data quality have hampered the effective monitoring of health sector performance and evidence-based decision-making.

[2] Unless otherwise stated, all data in this paragraph are from Cambodia Demographic and Health Survey (CDHS) 2010 and 2014.

C. Proposed Development Objective(s)

Original PDO

To improve access to quality health services for targeted population groups with protection against impoverishment due to the cost of health services in the Kingdom of Cambodia.

Current PDO

To improve access to quality health services for targeted population groups, with protection against impoverishment due to the cost of health services in the Kingdom of Cambodia, and to provide immediate and effective response in case of an eligible crisis or emergency.

Key Results

- Increase in the number of health centers exceeding 60% score on the quality assessment of health facilities
- Reduction in the share of households that experienced impoverishing health spending during the year
- Reduction in out of pocket health expenditure as percentage of the total health expenditure
- Increase in the number of outpatient services (episodes) covered by HEF

D. Project Description

9. **The Health Equity and Quality Improvement Project (H-EQIP), with a total financing of US$174.2 million, was approved on May 19, 2016 and became effective on November 9, 2016.** The project was originally financed by a US$30 million IDA Credit; US$94.2 million from the Royal Government of Cambodia counterpart financing; and a US$50 million Multi-donor Trust Fund (MDTF) grant financed by Australia, Germany and Korea (pooled fund partners). The project has four components:
    - Component 1: Strengthening Health Service Delivery;
    - Component 2: Improving Financial Protection and Equity;
    - Component 3: Ensuring Sustainable and Responsive Health Systems; and
    - Component 4: Contingent Emergency Response.

10. **The H-EQIP builds upon the innovations and achievements supported and scaled up** in the previous World Bank supported Health Sector Support Project (2002-2008) and the Second Health Sector Support Program (2008-2016). In particular, it consolidates and scales up proven and potentially transformative interventions such as the HEFs and SDGs. The key evolutionary shifts in project design and implementation include: (a) mainstreaming implementation of project activities through the Royal Government of Cambodia systems; (b) increasing funding flows to the decentralized, implementation level; (c) building domestic capacity to take over project implementation support and monitoring roles; and (d) strengthening the results-based-focus of the project through the predominant use of output-based payments through the HEF, performance-based financing through the SDGs, and the use of disbursement-linked indicators. Through these initiatives, H-EQIP accelerates overall reforms in the health sector, improves social health protection for the poor and vulnerable groups and expands access to and coverage of health care services, while strengthening their quality and affordability, and creating sustainable government institutions for health care management.

11. **In June 2018, the first Additional Financing (AF1) to the H-EQIP was processed to add a US$6 million grant fromMDTF, bringing the total project cost to US$180.2 million.** The AF1 was prepared in combination with the project restructuring to add new activities under Component 3, to revise the Project Development Objective (PDO) from "To improve access to quality health services for targeted population groups, with protection against impoverishment due to cost of health services in the Kingdom of Cambodia" to *"To improve access to quality health services for targeted population groups, with protection against impoverishment due to the cost of health services in the Kingdom of Cambodia, and to provide immediate and effective response in case of an eligible crisis or emergency"* and to update the project results framework. New activities added under Component 3 included: (a) cervical cancer screening and treatment; (b) diabetes and hypertension screening and treatment; and (c) provision of long-term family planning services.

12. **Following the World Health Organization (WHO)'s declaration of the COVID-19 a pandemic on March 11, 2020** due to over 118,000 cases of the COVID-19 in over 110 countries and territories around the world and the sustained risk of further global spread. Cambodia detected positive COVID-19 cases, on March 23, 2020, and the Royal Government of Cambodia requested the World Bank to immediately activate the CERC and reallocate IDA credit from the other H-EQIP Components to support the implementation of Cambodia's National Emergency Action Plan. The reallocation of US$14 million to CERC resulted in a financing gap for the H-EQIP, requiring rapid replenishment without which the originally planned activities would not be completed, negatively impacting the attainment of the PDO. **The AF2 of the H-EQIP will provide funds to fill financing gaps of H-EQIP**, and it will be used to implement originally planned activities under the H-EQIP to achieve its PDO.

13. The project will undergo a restructuring concurrently with the preparation of the AF2 to extend the project closing date by 12 months, from June 30, 2021 to June 30, 2022, to allow for the completion of the delay civil works, especially the construction of the two provincial referral hospitals, reallocate funds across components, and add new intermediate results indicators.

E. Implementation

Institutional and Implementation Arrangements

14. Institutional arrangement will remain unchanged with the MOH as the implementing agency acting through its technical departments; national programs; and the provincial health departments, operational districts, referral hospitals, and health centers. Within the MOH, implementation of the project will continue to be managed by the Department of Planning and Health Information and the Department of Budget and Finance using mainstream MOH processes. Among the technical departments and programs, increased responsibility is expected for the Preventive Medicine Department and National Maternal and Child Health Centre reflecting the new disbursement linked indicators on non-communicable diseases and long-term family planning, while the Payment Certification Agency will continue to play a critical role in the monitoring and verification of the HEFs and SDGs. Similarly, the quality assurance office will maintain its integral role in driving quality improvements in service delivery.

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

The Additional Financing will provide additional funds to fill financing gaps of H-EQIP, which were created as a result of the activation of the CERC to finance the Cambodia COVID-19 Master Plan. All activities under the original components remain the same. As for the original project, the AF will be national in scope and coverage. However, no major civil works are expected in the AF project, only minor renovation or rehabilitation of laboratories within the boundary of the existing health facilities. Therefore, the AF project will not involve any land acquisition. It will affect neither physical cultural resources nor natural habitats. In response to COVID-19, all 25 provincial referral hospitals (which are the original project beneficiaries on Service Delivery Grants), and two national centers (Khmer-Soviet Friendship hospital and Chak Ang Re COVID-19 treatment center) are equipped with ventilators, personal protective equipment and medical supplies for treatment of COVID-19 patients. Additionally, 60 ambulances are purchased for hospitals at the sub-national level to transfer patients and samples including those for COVID-19 response. Such project investment will improve COVID-19 diagnosis and treatment service delivery and therefore, will increase generation of healthcare waste and wastewater, as well as occupational health risks.

G. Environmental and Social Safeguards Specialists on the Team

Sang Minh Le, Environmental Specialist
Monyrath Nuth, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	Yes	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	Yes	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	

Projects on International Waterways OP/BP 7.50	No
Projects in Disputed Areas OP/BP 7.60	No

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:
Environmental Safeguard Issues:

The project will have positive impacts as it should improve social health protection for the poor and vulnerable groups and expand access to and coverage of health care services, while strengthening their quality and affordability, and creating sustainable government institutions for health care management. The project should improve COVID-19 diagnosis and treatment capacity as well. However, the project could also cause substantial environmental, health and safety risks due to the dangerous nature of the pathogen as well as infectious waste and wastewater generated from COVID-19 treatment facilities.

Worker Health and Safety. Workers in healthcare facilities are particularly vulnerable to contagions like COVID-19. Healthcare-associated infections due to inadequate adherence to occupational health and safety standards can lead to health hazard to workers, and may present a risk of spreading to the communities. By the end of April 2020, more than 52,000 healthcare workers have been infected by COVID-19 globally, sharing about 1.6% of total COVID-19 infections.

Medical Waste Management and Disposal. The project will improve COVID-19 diagnosis and treatment capacity in the hospitals, therefore, increase generation of healthcare waste and relevant wastewater. Per World Health Organization assessment, about 20% of solid healthcare waste from hospitals is regarded as “hazardous waste,” including sharps, infectious wastes, anatomical waste, and small amount of pharmaceutical waste; and improper handling of health care waste can cause serious health problem for workers, community and the environment. Medical wastes have a high potential of carrying micro-organisms that can infect people who are exposed to it, as well as the community at large if it is not properly disposed of. Wastes may be generated from laboratory, isolation and treatment facilities to be supported by this operation. The COVID-19 treatment may generate liquid contaminated waste (e.g., blood, other body fluids and contaminated bodily fluids) and infected materials (e.g., water used; lab solutions and reagents) which requires special handling and awareness, as it may pose an infectious risk to healthcare workers in contact or handle the waste. Given that the medical waste generated by laboratories and hospitals is a potential vector for the contagion, improper handling of medical waste runs the risk of further spread of the disease. However, potential impacts on the environment are deemed to be site specific, and for which mitigation measures can be readily designed.

Environmental risks related to civil works. The AF project will finance minor repair or rehabilitation of laboratories within the boundary of the existing health facilities. The repair or rehabilitation activities, which are deemed to be small scale, may generate limited adverse environmental impacts, such as dust, noise, vibration, waste, solid waste and safety issues. Without proper design, basic environmental hygiene and safety facilities (hand washing facilities,

toilets and waste disposal facility) may be neglected. It is anticipated that the potential impacts of rehabilitation will be minor, site specific and manageable by mitigation measures.

Social safeguard aspects:

The social assessment conducted during the preparation of the original project is still applicable to ongoing and proposed new activities. No additional assessment is needed. The Indigenous Peoples Planning Framework (IPPF)/Environment Management Plan, coupled with the Addendum updated during the CERC activation, will continue to be applied to ensure that indigenous peoples access to health services continues to improve as a result of the project, as well as to ensure that social impacts as a result of Covid-19 activities as are appropriately addressed.

Other social risks may stem from the prevalent practice of child labor in Cambodia. So there is a possible risk of harm from unlawful under-age child labor. This risk is being mitigated through enhanced risk management and monitoring by construction contractor, supervision consultants, and project management (including health centers). So far checklists and monitoring tools have been updated to ensure that children under 18 will not perform any work or be present at any project construction site. While the additional financing will not fund any civil work, construction work under the original H-EQIP remains ongoing. Vigilant monitoring of child employment remains required.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
There is no other indirect and/or long-term impacts due to anticipated future activities in the project area.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Not applicable.

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 AF will remain Category B and will not trigger new safeguards policies. The Original Project (H-EQIP) is classified as category B. It triggered Environment Assessment (OP/BP 4.01), Pest Management (OP 4.09), Indigenous Peoples (OP/BP 4.10), and Involuntary Resettlement (OP/BP 4.12). All of these policies remain relevant and will be maintained under the AF. While it does not entail any additional risk of resettlement from the AF activities as it does not include any civil works, Involuntary Resettlement (OP/BP 4.12) remain relevant for the Original Project and will be maintained under the AF. MOH is the implementing agency for the AF project. Environmental and social risks and impacts from the AF could be managed by use of the EMF, IPPF and RPF prepared for the original project and Addendum to the EMF and IPPF prepared for CERC activation for COVID-19 response.

Environmental safeguards:

MOH has developed experience with implementing World Bank-financed project requirements regarding safeguard policies. Under the ongoing H-EQIP, MOH has been implementing an Environmental Management Framework (EMF) including (i) application of specific Environmental Code of Practices (ECOPs) to address potential adverse environmental impacts linked to planned renovation and refurbishment works, and (ii) deployment of Healthcare waste management (HCWM) plan to address solid and liquid wastes that will be generated by the healthcare facilities. The safeguard implementation of H-EQIP and this AF project is the responsibility of and supported by the Department of Preventive Medicine (PMD) under MOH. The current rating of environmental and social safeguard compliance is moderately satisfactory.

As part of the additional financing preparation, the MOH has prepared the Addendum to supplement the parent project's EMF and IPPF. The activities supported by the AF are similar to those supported under the parent projects which environmental and social risks and impacts are assessed to be moderate and limited to the sites. The contents of the parent project's EMF will also apply for the AF project supported activities. Impacts from AF project activities can be well covered by adoption of the parent project instruments and additional measures proposed for COVID-19 specific impacts. Each hospital and national center shall develop and implement an Infection Prevention and Control and Waste Management Plan (IPC&WMP), which set-forth procedures for preventing and controlling infections in the hospital environment and healthcare waste management. These procedures include standard precautions including waste management; transmission-based or additional precautions; specific procedures for managing patients in isolation room/unit. Generic procedures, which are in line with the National guidelines for infection prevention and control for healthcare facilities and take into account international guidelines, have been elaborated in in the Addendum to EMF. All activities financed through the AF project are subject to the WB's Environmental, Health and Safety (EHS) Guidelines including those on "healthcare facilities", "waste management", "hazardous materials management", and "construction and decommissioning". The Addendum to EMF was disclosed on MOH's website on March 20,2020 and on World Bank's website on March 28,2020.

Although the country has some experience in infection prevention and control, and healthcare waste management, and training, communication and public-awareness on emergency situations, its capacity to manage risks associated with COVID-19 is a major concern as the healthcare professionals may not have the detailed know-how on the infectious risk management in the labs to be used for COVID-19 diagnostic testing, quarantine and isolation centers for COVID-19 treatment. The project will provide considerable funding, training and capacity building to address these short-comings and it will be important that the project sources international expertise to achieve international best practices on these matters in line with WHO guidelines. A project component provides performance-based financing to different levels of the Cambodian primary and secondary health system based on achievement of service delivery results including infection prevention and control. It is also noted that the World Bank COVID-19 emergency response project is also undertaking parallel actions to improve COVID-19 infection prevention and control as well as medical waste management.

Social safeguards:

The AF does not propose any additional activities. Thus the existing safeguards instruments (i.e. EMF, the Indigenous Peoples Planning Framework (IPPF)) together with their Addendum (introduced during CERC activation) remain valid. The Addendum to EMF identified potential social risks and propose measures to mitigate those risks associated with CERC activities (i.e. Covid emergency responses). These social risks are related to safety of health workers in handling medical equipment/materials, and the equitable access to Covid-19 related services by disadvantaged group (the poor, indigenous/minority groups, elderly, covid infected patients, health care workers, disabled people etc.). These services include identification, diagnosis, treatment of Covid-19 patients and other quarantine measures. As for indigenous peoples, after almost two years of project implementation, health services available to indigenous people have increased, thanks to the project scorecards mechanism, which has offered small grants to health centers in provinces with concentration of indigenous peoples (IPs) in consideration of their improved service performance for IPs. However, reducing barriers to health services access by IPs (i.e. transport, language) remains a challenge, given some constrained resources within the responsible department. Closer monitoring of the implementation of the IPPF and Indigenous People's Plan (IPP) remains needed.

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

The primary stakeholders of the project are MOH policy makers, program planners and managers who will benefit from systems strengthening and capacity building activities. MOH's Provincial Health Departments, Operational Districts and Health Centers, as well as the Ministry of Economy and Finance play an important role in implementation and monitoring. The Ministry of Environment, civil society organizations with an interest in health sector, local communities, construction contractors and a construction supervision firm are also key stakeholders. Interviews with health facility clients will continue to be carried out which will further improve the accountability of service providers supported by the original project and this AF to the users of their services.

The EMF, IPPF and RPF prepared for the original project had been consulted with stakeholders and disclosed at the MOH website and the Bank external website between April and May 2016. These documents were re-disclosed on the MOH website on June 15, 2018 and on the World Bank website on June 21, 2018. The Addendum to EMF/IPPF for CERC activation were disclosed on the MOH's website on March 20, 2020 and on the World Bank's websites on March 28, 2020.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors

"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure

"In country" Disclosure

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank	Date of submission for disclosure

"In country" Disclosure

Pest Management Plan

Was the document disclosed prior to appraisal?	Date of receipt by the Bank	Date of submission for disclosure

"In country" Disclosure

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

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APPROVAL

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