

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 12/14/2007

Report No.: 43498

**1. Basic Project Data**

Country: Bolivia	Project ID: P101206	
Project Name: Health Sector Reform - Third Phase Adaptable Lending Program		
Task Team Leader: Carlos Marcelo Bortman		
Estimated Appraisal Date: December 10, 2007	Estimated Board Date: January 24, 2008	
Managing Unit: LCSHH	Lending Instrument: Adaptable Program Loan	
Sector: Health (80%);Sub-national government administration (20%)		
Theme: Health system performance (P);Child health (P)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	18.50	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>BORROWER/RECIPIENT</u>		6.00
		6.00
Environmental Category: B - Partial Assessment		
Simplified Processing	Simple <input checked="" type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

**2. Project Objectives**

1. The original purpose of the Health Sector Reform Program was to help reduce the infant mortality rate and the maternal mortality ratio by introducing several key sector reforms, including: i) the design and implementation of a basic health insurance program targeting the poor (SBS) that later was upgraded to become the SUMI program; ii) strengthening the immunization program and introducing new vaccines in the national schedule of vaccines that are being fully financed by the Government; iii) introducing new management and implementation instruments such as performance agreements, investment mechanisms to promote maternal and child interventions, an equitable system to finance municipal investments, and treatment protocols for mothers and babies and for children under five years old; iv) a National Program for the Expansion of Coverage of the SBS/SUMI (EXTENSA); and many other sector interventions. In parallel, the Health Sector Reform Program was designed to be complemented by many other interventions in education, rural productivity, and water and sanitation included in the equity pillar of the Bolivia 1998 CAS, and later in the 2001 CAS Update, and Bolivia's Poverty Reduction Strategy.

2. As in the previous two phases, the activities of APL III would have two primary goals: a) to increase coverage and quality of health services and related programs that would improve the health of the population (specifically, mothers and children) and to empower communities to improve their health status; and b) to strengthen national, regional and local capacities to respond to health needs. In addition, this phase would introduce a multi-actor targeting strategy to focus critical interventions on Bolivia's most vulnerable populations.

3. As a medium-term objective, the APL series pursued the reduction of the infant and maternal mortality rates by one-third, as per the proposed indicators for the Program. Progress is being made, as indicated in the table below:

#### APL Series Goals for Reducing Infant, Child and Maternal Mortality

Baseline:

Before

APL I Progress at End of

APL I \*\* Progress at End of

APL II Goal: End of

APL III

Year 1998	Year 2001	Year 2006	Year 2011	
Infant mortality rate (IMR)	67	54	52	39
Under five mortality rate (U5MR)	92	75	72	57
Maternal Mortality ratio (MMR)	390*	230	218	164

Sources: (\*) ENDSA 1994; (\*\*) ENDSA 2003, MSD

4. While the use of IMR/U5MR/MMR as PDOs seems the rational way to measure the final impact of any health program focusing on maternal and child health, later analysis identified a critical problem. These indicators are affected by a number of issues which are outside the control and scope of the project, making it nearly impossible to attribute changes in the indicators directly to project activities. This is compounded in Bolivia by the lack of accurate vital statistics systems (or difficulties obtaining precise and timely data from DHS/surveys) which would make it easier to identify precise origins of change. Finally, focusing on IMR/U5MR/MMR can distract stakeholders from focusing on mid-level indicators and goals that are very much within their control.

5. Accordingly, the Project Development Objectives for APL III are five: i) to reduce occurrence of critical risk factors affecting maternal and infant health in the targeted areas so that current gaps between regions are reduced; ii) to reduce chronic malnutrition among children under 2 years of age in the targeted areas; iii) to increase health insurance coverage in the targeted areas; iv) to implement a new incentive environment for providers and provider networks focused on changes in health indicators; and v) to upgrade the National Health Information System (Sistema Nacional de Información en Salud –SNIS) so that it will be integrated with Bolivia's new health insurance program.

6. The following indicators will be used as key performance indicators (for quantitative targets and definitions, see Annex 3 of the PAD):

- Ratio between the percentage of pregnant women receiving four pre-natal care check-ups in the target areas and the rest of the country
- Ratio between the percentage of institutional deliveries in the target areas and the rest of the country
- Percentage of children receiving exclusive breast feeding at 6 months in the target areas
- Percentage of children 2 years old taller than -2Z scores in the target areas
- Percentage of population enrolled in health insurance in target areas
- Percentage of providers successfully achieving goals to trigger maximum capitation payments
- Health insurance reports generated by software system include information about production of services

### **3. Project Description**

7. This APL III is being designed and proposed as the last phase of a 12-year Health Sector Reform Program. This third phase would have two scopes of intervention: first, nation-wide; and second, targeted on 166 of the most vulnerable municipalities and 6 peri-urban areas surrounding three cities. APL III would include the following four components:

#### **Component 1. Stewardship Role of Health Authorities - Essential Functions in Public Health**

8. This component would strengthen the capacity of national, regional and local health authorities so all can effectively perform the critical EFPH. Component One will focus on the need for robust information systems to improve the health sector's response, the need to increase disease prevention and good health promotion as key elements of reducing the disease burden among the poor, the need to strengthen capacity, regulation and monitoring to improve the quality of the health services, and measures to promote accountability of both providers (accountability for quality services) and users (awareness of their right to receive services) of the health system.

9. Activities under this component would focus on making the SNIS more robust, efficient and relevant. On the human resources side, management tools and processes would be upgraded, including extensive management training for health authorities at central, regional and local institutions. Donor coordination will also be a priority, as well as public outreach to local populations regarding health issues. Two new concepts would be launched under this component: a national program of quality for the health sector, and an environmental health unit within the MSD.

#### **Component 2. Family, Community and Intercultural Health**

10. This component would improve access to maternal and infant health services in the project's target areas. Activities would support the development of Intercultural Maternal and Infant Health Referral Networks, complementing the existing EXTENSA health brigade program. These networks would promote the demand for maternal and infant health care by focusing on the following three goals: 1) increasing the number of safe institutional childbirths; 2) increasing the numbers of referral of obstetric emergencies directly from the community; and 3) providing access to a referral system for children with acute respiratory and digestive diseases. The health challenges addressed by these goals disproportionately affect vulnerable communities. The component's activities would also focus on increasing community participation in health issues, and on increasing the management capacity of departmental and local health institutions.

11. Activities under this component would also focus on strengthening the referral networks that already exist in the project's target areas. Activities would build human resource capacities and physical infrastructure in the networks' institutions, including upgrading or purchasing equipment. Community participation in health issues would be encouraged under this component, via solicitation of participation in the planning phase of local activities, and via a coordinated public awareness campaign on disease prevention and good health practices.

#### Component 3. Health Insurance

12. Component Three would support the GOB's implementation of the new SU SALUD health insurance program through four project subcomponents. The three components would focus on strengthening implementation capacity: a) Strengthening of the enrollment system; b) Strengthening management practices; and c) Development of SU SALUD's monitoring and evaluation system.

#### Component 4. Project Administration (US\$1.04 million)

The fourth component would support project administration with equipment, technical assistance, training, and operating costs to finance the administration of the project, and financial and procurement audits.

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

The activities of component I and III will be carried out in the whole country while the activities of component II, which is the only component that envisioned rehabilitation civil works, will be carried out in 82 highly vulnerable municipalities and three peri-urban areas El Alto, Santa Cruz, Cochabamba.

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

Ms Ximena B. Traa-Valarezo (LCSHH)

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

## **II. Key Safeguard Policy Issues and Their Management**

### ***A. Summary of Key Safeguard Issues***

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: The two most relevant environmental issues resulting from the implementation of this project would be an increase in the production of Health Care Waste (HCW), and the impacts associated with the physical rehabilitation of health centers and other construction activities. As a part of the supervision of the APL II Project and the design process of this Project, an environmental assessment was undertaken to review and analyze: (i) Bolivia's public health policies associated with the environment; and (ii) the policies and specific standards related to HCW and its environmental impact. The assessment identified needs and recommendations, reflected on Annex 10.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:  
We do not anticipate any long term environmental impact due to the activities of the project. The Government already has norms and guidelines in place to manage the disposal of hospital waste and to avoid environmental impact of civil works on hospital rehabilitation.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.  
In order to avoid or minimize adverse impacts the project has prepared and Environmental Assessment and a Social Assessment.

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.  
Upon request of the Ministry of Health of Bolivia, and consistent with the WB Operational Policy 4.10, the Health Reform Project III will be treated as an Indigenous Project because (a) The targeted population is mostly Originary/Indigenous in the 17 health networks of the 82 municipalities and 3 peri-urban areas of El Alto, Santa Cruz and Cochabamba selected for intervention; and (b) The project is designed to deliver a culturally-appropriate health model.

The project uses an ‘intercultural health’ approach which requires that both bio-medicine and traditional medicine be practiced in an articulated, parallel but complementary manner to obtain best results on targeted population.

The Vice-Ministry of Traditional Medicine and Intercultural Health is the institution providing the norms of intercultural health. This institution is in the process of reorganization and strengthening, to be able to provide guidance and assistance to the units responsible for implementation.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. Key stakeholders are the Vice-Minister of Traditional Medicine and Intercultural Health at the MSD. Also, the medical SAFCI teams, the traditional health networks (including traditional authorities) existing in all rural contexts, the medical staff who speak the indigenous languages of their patients and carry on their traditions, and the indigenous communities themselves, particularly their health committees.

The borrower carried out free and informed consultations by means of the local multi-disciplinary firm Centro de Estudios y Proyectos (CEP). The assessment included consultations on a sample of 40 rural communities showing low health indicators in the Western highlands, Eastern lowlands and Chaco regions. The objectives of the consultations were to (a) provide a diagnosis of the present state of health care services (preventative and curative) offered to Indigenous and Afro-descendant peoples; (b) assess the use of intercultural approaches to health at primary, secondary and tertiary levels of care; (c) assess the cultural access of users to health units and hospitals, assess cultural barriers and preferences; (d) assess good practices (traditional and non-traditional); and (e) assess the relationship between the official health services and traditional therapists. The results of the social assessment provided lessons learned and recommendations to be used in the project design and implementation. Annex 10 articulates the intercultural health approach of the project in each one of the components. A separate assessment of the outreach program EXTENSA is being carried out by the MSD at this time with the purpose of improving the program during implementation.

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***B. Disclosure Requirements Date***

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

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	12/06/2007
Date of "in-country" disclosure	12/10/2007
Date of submission to InfoShop	12/10/2007
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

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**Indigenous Peoples Plan/Planning Framework:**

Was the document disclosed <b>prior to appraisal?</b>	N/A
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Date of receipt by the Bank	12/07/2007
Date of "in-country" disclosure	12/07/2007
Date of submission to InfoShop	12/07/2007

**\* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

**If in-country disclosure of any of the above documents is not expected, please explain why:**

Considering that the entire project is classified as an Indigenous Peoples Project and complies with O.P./B.P. 4.10, no separate Indigenous Peoples Development Plan (IPDP) is required.

***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?	No
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	N/A
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

**OP/BP 4.10 - Indigenous Peoples**

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	N/A
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	N/A
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Sector Manager?	Yes

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

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes

**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

***D. Approvals***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Mr Carlos Marcelo Bortman	12/07/2007
Environmental Specialist:	Ms Sarah Drew	12/07/2007
Social Development Specialist Additional Environmental and/or Social Development Specialist(s):	Ms Ximena B. Traa-Valarezo	12/07/2007
<b><i>Approved by:</i></b>		
Regional Safeguards Coordinator: Comments:	Mr Reidar Kvam	09/29/2007
Sector Manager: Comments:	Mr Keith E. Hansen	12/10/2007