

Integrated Safeguards Data Sheet (ISDS)	
Section I – Basic Information	
Date ISDS Prepared/Updated: July 9, 2004	Report No.: AC909
A. Basic Project Data	
A.1. Project Statistics	
Country: Lao People's Democratic Republic	Project ID: P074027
Project: Health Services Improvement Project	TTL: Jayshree Balachander
Total project cost (by component): Component 1: Improving the quality and utilization of basic health services: \$9.69 million Component 2: Strengthening institutional capacity for health services provision: \$ 8.61 million Component 3: Improving equity and sustainability of health care financing: \$2.40 million	
Appraisal Date: June 30, 2004	Loan/Credit amount(\$m): IDA Credit: \$17.20m ; IDA Grant: \$2.80m
Board Date: September 23, 2004	
Other financing amounts by source:	(\$m.)
Managing Unit: EASHD	Sector: Health (90%); Central government administration (10%)
Lending Instruments: Specific Investment Loan	
Is this project processed under OP 8.50 (Emergency recovery)? Yes? [] No? [X]	
Environmental Category: B	Safeguard Classification: S2
A.2. Project Objectives	
<p>The project objective is to contribute to GOL's goal of enhancing the health status of the population by (a) expanding access to and improving the quality of a core package of health services in 8 southern and central provinces; (b) building capacity, both technical and managerial, in the health workforce at all levels in order to improve health outcomes; and (c) improving the management of health expenditures and making basic health services affordable for the poor.</p>	
A.3. Project Description	
<p>The project has three components: (1) improving the quality and utilization of health services in 8 provinces; (2) strengthening institutional capacity for health services provision; and (3) improving equity and sustainability of health financing.</p> <p>Component 1. This component will support the development of operational health districts in each of the 60 districts in the 8 central and southern provinces, with extra support to 30 districts identified as poor/poorest in the NGPES. Each level, from village, to sub-district to district level, will deliver a core package of quality services comprising</p>	

the most essential services to be available at the respective levels of the health system, drawn from the MOH's Minimum and Complementary package of services. The core package of preventive and curative services at each level is enumerated in Annex 4. The package is designed to increase the demand for health services by supporting quality improvements and activities that inform clients through outreach activities, the maintenance of village health networks and community participation. HSIP funds will complement other funding available at the district level for such services, filling funding gaps and shortfalls identified through a district planning process. District allocations (pre-determined on the basis of agreed criteria) will be used to finance drugs and contraceptives; reagents and medical consumables; logistics support; local training, supervision and technical support; small equipment and furniture; and for operating costs, including spare parts and maintenance.

The component will also support the phased expansion of the model of Integrated Community Health Centers (ICHCs) in selected health centers of the 30 priority districts. The model was successfully developed with Belgian Technical Assistance under the first IDA funded project (HSR&MC). The ICHC model supports the provision of a range of health services discussed and agreed with the community, at agreed prices, and with fee exemptions for the poor. A functional ICHC operates with a minimum complement of trained staff and is open 24/7. The HSIP provides initial and refresher technical training for ICHC staff, training in health center management and training of trainers of village level staff. It will finance renovation of infrastructure and upgrading of utilities (water, electricity, toilets), and provide funds for small equipment, drugs and medical consumables. A detailed description of the ICHC model is presented in Annex 4.

Finally, the component will support the improvement of basic health infrastructure in the 30 priority districts, including 3 provincial hospitals, 3 inter-district hospitals¹, 7 district hospitals and 4 health centers. Decisions on the site and scope of the civil works is based on criteria including remoteness from existing facilities, ethnic minority population, and area health needs.

The component addresses the lack of access to quality health services in the rural and remote areas of Lao PDR, and the outputs are improved service delivery (see key indicators above) and better health outcomes.

Component 2. The component will build institutional capacity for health service delivery in Lao PDR. The project will adopt a multi-year, competency-based training approach which applies adult learning principles focused on developing and maintaining specific skills which can be assessed and monitored. The credit will finance the training of provincial/district health personnel, a Primary Health Care worker training for ethnic minorities and support to the Faculty of Medical Sciences (FMS) for medical education.

The focus of HSIP is on capacity building to improve service delivery, principally at the district and village levels. The training program is designed to assure appropriate, effective and well managed health programs which will have the greatest impact on health status of the communities served. It will include both technical and health management training. The HSIP would support short-term training through the district

¹ Provincial and inter-district hospitals in Laos correspond in Lao PDR, to district hospitals in the WHO framework and are needed to complete the operational district framework.

allocation) for, (a) core courses to train village, health center and district levels; and (b) training of trainers for the delivery of the core courses. Longer term specialized training (laboratory, X-ray and medical specialties) offered at central and large provincial hospitals, lasting between 3-9 months would also be financed under the credit. A summary of course sequence for the short-term training and course options for long term training may be found in Annex 4.

The project would support the Primary Health Care Worker training which would recruit students from communities comprising remote and minority populations, provide them 3 years of training and then employ the trainees in the health centers in their communities upon graduation. Nursing schools in Champassak, Savannakhet and Khammouane would deliver the training for which the development of the curriculum and training materials is currently underway with ADB support. A minimum of 90 students (30 from each school) will be supported under the project.

Support would be provided to the Faculty of Medicine for the implementation of a Family Medicine Intern Program, to enhance teaching skills through selected fellowships and provision of technical assistance, the purchase of pedagogical equipment and supplies, and for rehabilitative civil works. Investment will also be provided for upgrading training venues and equipping them, including at the Mahasot and Friendship Teaching hospitals.

The component would also finance Project Management including the Procurement and Financial management units (see C-2).

Component 3. The objective of the HSIP health-financing component is to prepare the district-level of the public health system to manage equity funds and/or subsidies for the purchase of community-based health insurance for the poor, that will be funded by the project and possibly other donors in the near term and eventually by the Government. In addition, the HSIP health-financing component is designed to complement and strengthen the project's other components. For example, the project's financial management system (FM) system and the MOH's new health management information system (HMIS) will be implemented in all 60 project districts during the first year of the project. Both systems will strengthen the project's district-level planning sub-component and provide a basis for effective monitoring of project activities at the village, sub-district, district and province levels.

The HSIP health-financing component will provide additional health financing support in selected pilot districts with one or more functioning Integrated Community Health Centers (referred to as "ICHC districts"). This assistance includes: (a) development of accounting systems that will track all health-related sources of income and expenditure in 10 pilot ICHC districts; (b) development and implementation in the same districts of transparent mechanisms for identifying and exempting the poor at public health facilities; (c) establishment and operation of equity funds in 5 of the 10 pilot districts to finance health care for the poor; and (d) purchase of health insurance cards for the poor in the remaining 5 additional pilot districts in which community health insurance schemes have been established. The comprehensive district-level accounting systems and transparent mechanisms for identifying and exempting the poor will be pre-conditions for implementing equity funds or for purchasing health insurance cards for the poor.

In addition, the HSIP health-financing component provides limited support for the further development of health financing policy in Lao PDR. Support is provided for four policy studies on important health-financing issues, (including revision of Decree 52 on cost recovery), for workshops disseminating the

studies' findings and for participation by MOH and project staff in international conferences, workshops, and short-term training courses, and for two study tours to neighboring countries.

A.4. Project Location and salient physical characteristics relevant to the safeguard analysis:

The project provinces are: Xaysomboun, Borikhamxay, Khammouane, Savannakhet, Saravanh, Champasak, Xekong, and Attapeu.

B. Check Environmental Category A , B , C , FI

Comments:

C. Safeguard Policies Triggered

	Yes	No
Environmental Assessment (OP/BP/GP 4.01)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Natural Habitats (OP/BP 4.04)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pest Management (OP 4.09)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cultural Property (draft OP 4.11 - OPN 11.03-)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Involuntary Resettlement (OP/BP 4.12)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Indigenous Peoples (OD 4.20)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Forests (OP/BP 4.36)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Safety of Dams (OP/BP 4.37)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Projects in Disputed Areas (OP/BP/GP 7.60)*	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Projects on International Waterways (OP/BP/GP 7.50)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

* By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas

Section II – Key Safeguard Issues and Their Management

D. Summary of Key Safeguard Issues.

D.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 Assessment

The Project is classified as a Category B activity where targeted environmental assessment (EA) is considered appropriate to address specific environmental issues. Potential environmental and human health impacts of the HSIP examined in completing the EA corresponded to: (i) planned renovation of and new construction at national, provincial and district health care facilities (HCF); and (ii) health care waste (HCW) management practices at HCF. Environmental issues relevant to the foregoing aspects were identified and recommendations made as to appropriate mitigation measures and monitoring programs with a view to guiding project design and incorporating appropriate management actions during project implementation. Mitigation measures corresponding to the abovementioned aspects of the HSIP are detailed in an EMP.

Future activities recommended included retaining a full-time staff in the Project Management Unit (PMU) with qualifications in water supply and sanitation and health care waste management (HCWM). However, if this is not possible, resources will be made available to ensure that needed functions are adequately carried out. The Project Implementation Plan (PIP) will include preliminary schedules and costs associated with: (i) PMU and health care facilities' implementation of the Environmental Management Plan (EMP), including provision of monitoring equipment and supplies, and training; (ii) adoption of the proposed HCWM practices; and (iii) procurement of EMP monitoring equipment and supplies, as well as training

Indigenous Peoples – Social Assessment

Project preparation included a Social Impact Assessment to address the social issues associated with the project, and in particular to assist in HSIP formulation by considering potential impact of proposed activities, how to improve the design of specific interventions and activities, and whether there are activities which should not be included because they are unlikely to work or would have undesirable social impacts; ensure there is an appropriate system for monitoring the impact of the HSIP and mechanisms for the collection of baseline data; carry out consultations and a participatory process to ensure views of relevant stakeholders (especially poor and ethnic groups) are taken into account; and review relevant parts of HSIP documentation to ensure they are appropriate and reflect the findings from social development inputs and stakeholder consultation. In most cases, the upland ethnic groups in the project areas are culturally, socially, and economically distinct from the lowland groups, and they are vulnerable to becoming disadvantaged in the development process. Measures to address this issue include the recruitment and training of Primary Health Care workers from ethnic minorities, who will return, after being trained, to provide services in the communities to which they belong. Overall, the project is anticipated to have a positive impact on ethnic groups living in the target districts.

The team will review the Ethnic Groups Development Plan (EGDP) recommendations with the government to agree on a Plan that is sufficient and feasible given the Lao PDR context. The EGDP can be improved in a number of key areas: a more focused implementation plan for addressing issues pertaining to ethnic groups as they relate to the project; a more detailed plan for the "informed participation" of ethnic groups; more details on monitoring and evaluation; more detailed implementation arrangements to

ensure that project will be able to implement EGDP activities. The District Operational Manuals under preparation should reflect the issues discussed in the EGDP. The PAD should detail the full scope of consultations undertaken during project preparation. For project monitoring and evaluation, the team should explore which performance indicators can be disaggregated by ethnicity. The PAD should confirm that the project will not directly support Focal Sites and Relocation, as the latter concern GOL practices of relocating remote villages, which have shown to have a number of adverse social and environmental impacts. It is noted that the Social Impact Assessment and EGDP define indigenous peoples more broadly than Bank policy. The team should confirm its willingness to do so and clarify this distinction in the PAD.

Involuntary Resettlement

The project includes the continued development of primary health care facilities by financing rehabilitation and new construction. Supported infrastructure projects will be small in scale and are expected to cause little or no significant adverse impacts. The government has confirmed in writing to the World Bank that there will not be any land acquisition or resettlement related to health facility renovation and construction.

The team will explicitly confirm with the government that all civil works, including external networks and facilities related to these buildings, will take place on existing, unoccupied land owned by MOH or relevant government authorities.

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

N/A

D.3. Describe the treatment of alternatives (if relevant)

N/A

D.4. Describe measures taken by the borrower to address safeguard issues. Provide an assessment of borrower capacity to plan and implement the measures described.

Environmental Assessment

For purposes of the project for which environmental impacts are expected to be limited and readily mitigated, attention is given in the EMP to specifying best management practices that will be put in place to ensure that environmental and human health concerns corresponding to planned HCF civil works and operations are fully addressed on an ongoing basis during project implementation. Mitigation measures contained in the EMP emphasize: (i) incorporation of environmentally safe technologies in civil works planning and design; (ii) adoption of best practices during renovation and construction to avoid or minimize adverse impacts to natural ecosystems and neighboring communities; (iii) adherence to strict occupational health and safety safeguards to protect construction

workers and the general public; (iv) application of best international practices corresponding to the removal and disposal of asbestos containing materials during building demolition and renovation; (v) meeting or exceeding international guidelines for drinking water supplied to HCF; and (vi) adoption of best accepted practices corresponding to handling, treatment and disposal of solid and solid wastes typically generated by HCF. Taken together the aforementioned measures address all environmental issues identified in undertaking the EA, and are expected to be successfully applied during HSIP implementation.

Monitoring of HCF operations will be undertaken under the HSIP to ensure full compliance with stipulated safeguards and other applicable regulatory requirements, and to demonstrate good environmental performance on an ongoing basis. Responsibility for fulfilling reporting requirements and timely submission of reports to the national regulatory agency will rest with individual HCF, with the HSIP Project Management Unit (PMU) acting in an oversight capacity. Funding will be allocated under the project to procure necessary equipment and consumable supplies, and to deliver appropriate training in support of monitoring activities. Satisfactory implementation of all recommended safeguards for the HSIP will be subject to external evaluation by the Bank both at project mid-term review and final evaluation.

Indigenous Peoples – Social Assessment

An Ethnic Group Development Plan (EGDP) has been prepared to provide a strategy and a programmatic approach to enhance the inclusion of different ethnic groups in the HSIP. The EGDP also includes a Monitoring Plan and the Beneficiaries' Consultation and Participation Plan. It furthermore aims to ensure compliance with policies of the Lao People's Democratic Republic concerning ethnic groups, as well as the World Bank's Operational Directive 4.20 on Indigenous Peoples. The EGDP describes the legal, cultural, and socioeconomic context surrounding ethnic groups in Lao PDR, particularly pertaining to the receipt of health service benefits, and describes measures, institutional arrangements, and budgetary needs that address the particular needs and circumstances of ethnic groups. Implementation of the EGDP will be monitored together with the other HSIP activities and evaluated both at mid-term and at final evaluation.

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

Environmental Assessment

Extensive consultation was sought with the Lao PDR Ministry of Health (MOH), and participating HCF at the national, provincial and district in completing the EA to ensure that potential project impacts are fully understood and appropriate conclusions and recommendations have been reached. The Science, Technology & Environment Agency (STEA), the national agency responsible for EA oversight, was also consulted with respect to existing environmental regulations pertaining to HCF, and corresponding monitoring and reporting responsibilities. Feedback was provided by the MOH and STEA in finalizing recommendations contained in the EMP to prevent, minimize or

mitigate any adverse impacts and to improve environmental performance. The final EA document has been submitted to the STEA for their approval. The Borrower has also publicly disclosed the same report immediately following Bank approval.

Indigenous Peoples – Social Assessment

The SIA was carried out by direct consultation with rural populations, district and provincial health personnel in target districts, which took the form of field studies undertaken by the social development consultant and a team of social researchers who traveled to each province, and by consulting relevant available existing documentation. The SIA Report and EGDP was publicly disclosed in Vientiane, Lao PDR on June 21, 2004.

<i>. Disclosure Requirements</i>	<i>Date</i>		
<i>Environmental Assessment/Audit/Management Plan/Other:</i>			
Date of receipt by the Bank	06/10/04	or Not Applicable	
Date of “in-country” disclosure	06/21/04	or Not Applicable	
Date of submission to InfoShop	06/17/04	or Not Applicable	
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	.../.../...	or Not Applicable	
<i>Resettlement Action Plan/Framework/Policy Process:</i>			
Date of receipt by the Bank	.../.../...	or Not Applicable	
Date of “in-country” disclosure	.../.../	or Not Applicable	
Date of submission to InfoShop	.../.../...	or Not Applicable	
<i>Indigenous Peoples Development Plan/Framework:</i>			
Date of receipt by the Bank	06/15/04	or Not Applicable	
Date of “in-country” disclosure	06/21/04	or Not Applicable	
Date of submission to InfoShop	06/22/04	or Not Applicable	
<i>Pest Management Plan:</i>			
Date of receipt by the Bank	.../.../...	or Not Applicable	
Date of “in-country” disclosure	.../.../...	or Not Applicable	
Date of submission to InfoShop	.../.../...	or Not Applicable	
<i>Dam Safety Management Plan:</i>			
Date of receipt by the Bank	.../.../...	or Not Applicable	
Date of “in-country” disclosure	.../.../...	or Not Applicable	
Date of submission to InfoShop	.../.../...	or Not Applicable	
If in-country disclosure of any of the above documents is not expected, please explain why.			
Section III – Compliance Monitoring Indicators at the Corporate Level (To be filled in when the ISDS is finalized by the project decision meeting)			
<i>OP/BP 4.01 - Environment Assessment:</i>		<u>Yes</u>	<u>No</u>
Does the project require a stand-alone EA (including EMP) report?		X	
If yes, then did the Regional Environment Unit review and approve the EA report?		X	
Are the cost and the accountabilities for the EMP incorporated in the		X	

credit/loan?		
<i>OP/BP 4.04 - Natural Habitats:</i>	<u>Yes</u>	<u>No</u>
Would the project result in any significant conversion or degradation of critical natural habitats?		X
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?		N.A.
<i>OP 4.09 - Pest Management:</i>	<u>Yes</u>	<u>No</u>
Does the EA adequately address the pest management issues?		N.A.
Is a separate PMP required?		
If yes, are PMP requirements included in project design?		
<i>Draft OP 4.11 (OPN 11.03) - Cultural Property:</i>	<u>Yes</u>	<u>No</u>
Does the EA include adequate measures?		N.A.
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on physical cultural resources?		
<i>OD 4.20 - Indigenous Peoples:</i>	<u>Yes</u>	<u>No</u>
Has a separate indigenous people development plan been prepared in consultation with the Indigenous People?	X	
If yes, then did the Regional Social Development Unit review and approve the plan?	X	
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit?		N.A.
<i>OP/BP 4.12 - Involuntary Resettlement:</i>	<u>Yes</u>	<u>No</u>
Has a resettlement action plan, policy framework or policy process been prepared?		N.A.
If yes, then did the Regional Social Development Unit review and approve the plan / policy framework / policy process?		
<i>OP/BP 4.36 – Forests:</i>	<u>Yes</u>	<u>No</u>
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?		N.A.
Does the project design include satisfactory measures to overcome these constraints?		
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?		
<i>OP/BP 4.37 - Safety of Dams:</i>	<u>Yes</u>	<u>No</u>
Have dam safety plans been prepared?		N.A.
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?		
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?		
<i>OP 7.50 - Projects on International Waterways:</i>	<u>Yes</u>	<u>No</u>
Have the other riparians been notified of the project?		N.A.
If the project falls under one of the exceptions to the notification requirement, then has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?		
What are the reasons for the exception?		

Please explain: Has the RVP approved such an exception?		
<i>OP 7.60 - Projects in Disputed Areas:</i>	<u>Yes</u>	<u>No</u>
Has the memo conveying all pertinent information on the international aspects of the project, including the procedures to be followed, and the recommendations for dealing with the issue, been prepared, cleared with the Legal Department and sent to the RVP? Does the PAD/MOP include the standard disclaimer referred to in the OP?		N.A.
<i>BP 17.50 - Public Disclosure:</i>	<u>Yes</u>	<u>No</u>
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	X	
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?	X ²	
<i>All Safeguard Policies:</i>	<u>Yes</u>	<u>No</u>
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of the safeguard measures?	X	
Have safeguard measures costs been included in project cost?	X	
Will the safeguard measures costs be funded as part of project implementation?	X	
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures?	X	
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	X	
<i>Signed and submitted by:</i>	<u>Name</u>	<u>Date</u>
Task Team Leader:	Jayshree Balachander	
Project Safeguards Specialist 1:	Bekir Onursal	
Project Safeguards Specialist 2:	Svend Jensby	
Project Safeguards Specialist 3:		
<i>Approved by:</i>	<u>Name</u>	<u>Date</u>
Regional Safeguards Coordinator:	Glenn Morgan	
Comments:		
Sector Manager:	Fadia Saadah	
Comments:		

² The English version has been disclosed. Translation into local languages on-going

July 14, 2004 9:47 AM