INTEGRATED SAFEGUARDS DATA SHEET
CONCEPT STAGE

Report No.: ISDSC171

Date ISDS Prepared/Updated: 29-Mar-2012

I. BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country:</th>
<th>Brazil</th>
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<tbody>
<tr>
<td>Project Name:</td>
<td>Rio de Janeiro Strengthening Public Sector Management Technical Assistance Project (P127245)</td>
</tr>
<tr>
<td>Task Team Leader:</td>
<td>Tarsila Ortenzio Velloso</td>
</tr>
<tr>
<td>Estimated Appraisal Date:</td>
<td>16-Apr-2012</td>
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<td>Managing Unit:</td>
<td>LCSPS</td>
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<tr>
<td>Lending Instrument:</td>
<td>Technical Assistance Loan</td>
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<tr>
<td>Sector:</td>
<td>Sub-national government administration (40%), Primary education (20%), Health (20%), Public administration-Other social services (20%)</td>
</tr>
<tr>
<td>Theme:</td>
<td>Managing for development results (20%), Public expenditure, financial management and procurement (20%), Education for all (20%), Health system performance (20%), Climate change (20%)</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Borrower</td>
<td>16.20</td>
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<tr>
<td>International Bank for Reconstruction and Development</td>
<td>16.20</td>
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<tr>
<td>Total</td>
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</table>

Environmental Category: C - Not Required

Is this a Repeater project? No

B. Project Objectives

The proposed Project Development Objective is to support the strengthening of institutional capacities in the Municipality of Rio de Janeiro to promote public sector efficiency and effectiveness in service delivery, including health, education and environmental management.

C. Project Description

The proposed project would be a US$16.2 million Technical Assistance Loan to support activities in four broad areas: (i) fiscal and public investment management; (ii) innovations in service provision; (iii) social governance and monitoring and evaluation; and (iv) environmental management. The government would provide US$16.2 million of counterpart funding towards the US$ 32.4 million total project cost.

Component 1: Improving Medium Term Fiscal and Public Investment Management (US$ 1.5 million). This component aims to provide support for the development and incremental institutionalization of (a) elements of Medium Term Expenditure Frameworks (MTEFs) and of (b) a system for the selection and appraisal of public investments. While the MoRJ has introduced initial steps to strengthen its medium term fiscal management, additional efforts are needed to strengthen both top-down and bottom-up elements of a MTEF process. Regarding top-down elements, the municipality aims to (i) develop criteria to assess and account for fiscal risks; (ii) further develop and build capacity for the formulation of macro-fiscal estimates for a multi-year period; and (iii) develop baselines and strengthen capacity for stipulating sector ceilings over a multi-year period. For each of these elements the consultancy would also assist the MoRJ to develop and implement the necessary processes to incorporate these into the budget planning and execution process.

Regarding bottom-up elements, the central concern is to develop costing methodologies to identify and estimate the cost of existing and future policies and programs. This would be done on pilot-basis for health and education programs, as well as for city maintenance activities. The municipality would like to develop a proposal for institutionalizing the MTEF process, in line with the Brazilian planning and budgeting procedures.

In the area of public investment management, building on the initial procedures for screening of investment projects introduced by the municipality, the activities to be supported aim at developing additional regulations for the screening process, including manuals (for project preparation and screening) and methodologies/criteria for costing of operation and maintenance (O&M) costs. An improved estimate of the O&M costs of the current investment portfolio of the municipality (e.g. World Cup and Olympics) would also be developed, using more rigorous parameters. Finally, the project would support capacity building activities for investment project preparation.

Component 2: Innovating in Service Provision (US$18.2 million, US$ 10.2 million of Bank financing). This component aims at providing further support to innovations introduced by the municipality over the past two years and that have proven effective in improving health and education service delivery.

Subcomponent 2.1: Health (US$ 16 million, US$ 8 million of Bank financing). The activities to be supported in the health sector focus mainly on promoting increased quality and efficiency in the use of the health network at a system level. They include activities in three areas:
a. Improving Information Technology (IT): The municipality asked the Bank's assistance to strengthen its IT systems to allow for improvements in the following aspects of the healthcare system: (i) Regulatory function and central health appointment scheduling unit; (ii) monitoring of chronic diseases; and (iii) supply chain logistics and medicine distribution.

b. Family Health Care Clinics Accreditation Program: Given the increased importance of Family Clinics in health service provision in the municipality, the government is committed to continuing this program, expanding if necessary, and it wants to develop a program to evaluate and certify the quality of service provision units. The Municipal Health Secretariat aims to develop a municipal accreditation program in line with international accreditation standards. The International Society for Quality in Health Care (ISQUA) accredits the accreditors and has as one of its underlying standards: Safety by providing safe work environments and complying with statutory requirements. Complying with this in conjunction with the need to follow ANVISA (Brazil's National Agency for Health Surveillance) directions vis-à-vis environmental requirements for public health units will guarantee the inclusion of environmental management of health care waste and associated efficiency measures. The municipality would provide counterpart funding for the continued operation and expansion, if necessary, of the program. The Bank would finance the development and initial implementation of the accreditation program.

c. Impact Evaluation Studies of Selected Health Sector Reform Elements: The municipality would like to design and implement evaluations of the following elements of its health reform program: (i) the implementation of the Family Health Program through the Family Health Care Clinics; (ii) the UPA model for urgent and emergency care; (iii) the reform of the hospital entrance procedures; and (iv) the home healthcare program.

Subcomponent 2.2: Education (US$ 2.2 million). The activities to be supported under this subcomponent aim at contributing to the development of the early-childhood and pre-school service programs as well as its monitoring and evaluation framework. Moreover, it aims at supporting advances in the municipal system for student performance evaluation.

a. Development and Implementation of the Early-Childhood and Pre-School Services: The project would support (i) the development of the Unified Protocol for Early-Childhood and Pre-School Services, integrating the education, health and social assistance services offered to children and their families from pregnancy to the age of 6 years-old; (ii) the development of a governance model for articulating the three sectors (health, education and social protection) at the central, regional and local levels, as to guarantee adequate coordination for service provision; (iii) the development of the Unified Management and Information System for Early-Childhood and Pre-School Services; and (iv) the development of the Monitoring and Impact Evaluation System for the program. Based on this, the program would start to be implemented on a pilot basis.

b. Development of a Monitoring and Evaluation System for Early-Childhood Programs: this activity relates to the M&E system described above, however, it would involve only the activities and services pertaining to the Education Secretariat. The information here would be provided in greater detail than in the system for the overall program. This system would provide information to assess, in a multidimensional manner, the quality of services provided (inputs/activities) and child development (outcomes), for those children enrolled in the municipal network (own and associated daycare units).

c. The Municipal Education Secretariat has a unified curriculum, divided by two-month periods and based on the abilities to be developed and content to be taught from 1st to 9th grades. In order to guide teachers work, Pedagogical Support Notebooks are prepared for each two-month period for mathematics and Portuguese. Moreover, in order to monitor student learning outcomes, common exams are applied every two-months to all students. The proposed activity aims to support this evaluation system by supporting (i) the consolidation and analysis of the data from these evaluations; (ii) develop a databank of exam questions, calibrated such as to be able to assess the student progress in each subject; and (iii) improve the written exams correction system.


Subcomponent 3.1: Social UPP Program (US$0.7 million, US$0.5 million of Bank financing). This component would focus on strengthening the management systems of Social UPP Program, as well as promoting innovations in the way sectoral policies deal with the integration of pacified favelas with the rest of the city.

a. Strengthening Social UPP management systems: The programs managerial and operational procedures are being developed as the program is rolled out across almost twenty favelas. By the time the TAL becomes effective, the program would have completed a first year of being fully operational across territories. The TAL would develop a strategic assessment of all operational procedures and managerial systems, and provide recommendations and customized training to improve its efficiency and effectiveness. Specific areas include: information, communication, and accountability flows between local management units, central management unit, and sector focal points in the secretariats; interagency coordination within municipal management plans; participation and oversight of favela residents and other stakeholders. The impact evaluation of this program would be financed through the second sub-component.

b. Promoting innovations in basic service provision to integrate pacified favelas with the rest of the city: The Social UPP Program requires traditional sectoral policies designed for regular service provision in the asfalto (a) to give priority attention to demands from pacified favelas, and (b) to adjust their technologies of service provision to the distinct realities of favelas. Therefore, the effectiveness of Social UPP lies to large extent in its capacity to mobilize other secretariats to act in a different way than they are accustomed to. The TAL would finance technical assistance services to help Instituto Pereira Passos (IPP) forge agreements with a core group of urban and social sectors about practices and procedures that could be modified in each sector to close the service gap that each favela has with the rest of the city. Technical experts will discuss and review current approaches being employed by sectors and make specific proposals for improving them.

It is important to highlight that the work under this subcomponent is highly participatory. One of the steps of the work of the UPPs Sociais in the pacified Favelas is to conduct consultations with the population to identify local demands for services. The program includes a highly participatory methodology for local planning; partly piloted though a grant from the World Bank that ensured that each Favela will have participatory mapping exercises to identify the social heterogeneity within the Favelas and will ensure that distinct groups have their voice adequately heard.

Subcomponent 3.2: Monitoring and Evaluation (US$10.8 million, US$2.8 million of Bank financing). This component would focus on strengthening the information and data system of the municipality, as well as the ability of the municipality to use the data to inform policy design and impact evaluations. On one hand, the activities would strengthen the supply side of M&E, by building capacity within IPP, which has a central role in the municipal M&E system. On the other hand, the activities would also provide for close engagement with line secretariats, building capacity to use the information generated, therefore creating additional demand for M&E. The activities may be divided in three broad areas:

a. Strengthening the Information and Data System of the Municipality: Support to activities to consolidate all pre-existing and new censuses into a single database; organize administrative data; and develop new survey instruments to collect data to evaluate selected programs. The municipality would provide counterpart funding for the development and undertaking of a new household survey. Among other activities, the Bank would potentially finance the development of supplementary questionnaires for this survey in support of program monitoring and impact evaluation.
b. Strengthening Capacity for Monitoring and Evaluation: The activities in under this item can be broadly divided into (i) monitoring: capacity building for using data for policy formulation and monitoring of program implementation, in support to the Chief of Staff Secretariat in the management of its data and monitoring achievement of its goals; and (ii) evaluation: design and implement selected impact evaluations.

c. Mapping: This set of activities aim to map the data collected and organized, as to provide territorially based information in support of policy design and monitoring.

Component 4: Innovations in Environmental Management (US$1.2 million).

Subcomponent 4.1: Development of a GHG Emissions Registry and Monitoring System. This subcomponent would consist in the implementation of the city-wide GHG emissions monitoring strategy and action plan that are being developed under the ongoing Environment Secretariat-COPPE-WRI partnership. The objective of this monitoring system is to track and report on the progress in meeting commitment made by Rio, as stated in the municipal climate change law, to avoid 20 percent GHG emissions with respect to the year of 2005, through the implementation of various mitigation actions in key sectors (e.g. energy, transportation, waste). Under the TAL, recommendations made by COPPE and WRI will be implemented, with the goal of developing an accurate, reliable and transparent GHG emissions monitoring system, which is consistent with international standards. This will involve:

a. Setting up the institutional framework for the implementation of this system, following the recommendations of the strategy currently under preparation, including: (i) confirming a scope, protocol and methodology for data collection and reporting; (ii) establishing roles and responsibilities of the various agencies and stakeholders involved; and (iii) instituting coordination mechanisms;

b. Financing the technological needs for the set up and operation of the system, including the purchase of software and equipment needed to set up and operate the monitoring system, as per recommendations of the COPPE-WRI strategy; and

c. Financing the capacity building needs across sectors to ensure accurate, timely and effective data collection, modeling, reporting, and M&E.

Subcomponent 4.2: Development of an Interactive Communication System for the Municipal Policy on Climate Change and Sustainable Development. The project would support the development and implementation of an information system to promote the disclosure of climate change information by the Rio municipality. The overall objectives of this sub-component are to: (i) raise public awareness on climate change; (ii) increase accountability on the part of the government for its policies to reduce GHG emissions; and (iii) promote GHG reductions as a result of community and market pressures generated by information disclosure.

The project would finance the development of an online portal that would compile all of the information available on climate change developments for the city of Rio. It would (i) be organized by sectors (i.e. solid waste management, transport, energy); (ii) include information on ongoing initiatives under implementation in each sector; (iii) present data collected through the monitoring system in a way that is accessible to the public; (iv) keep track of city progress relative to the emissions reduction targets established by the climate change law; and (v) provide options for the public to engage in activities coordinated by the city.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The Project will be implemented within the municipality of Rio de Janeiro. It will not be implemented nor will it affect any of the Protected Areas within these limits. There are no Indigenous Peoples in the Project Areas and no activities will be supported that could result in the involuntary taking of land. Most of the work will focus on improving efficiency of fiscal and public management. In the health sub-component the project will support the implementation of Emergency Health Units throughout the municipality which raises the issue of health care waste management. All Health Care Waste of the municipality of Rio de Janeiro is disposed of in the Improved Landfill of Gramacho in the Municipality of Duque de Caxias just outside of city limits. The landfill has a limited life and will close within the next twelve months. An alternative site will need to be identified and arrangements made for this change of venue.

E. Borrowers Institutional Capacity for Safeguard Policies

The Municipal Environmental Agency has a technically strong environmental staff however it is limited in numbers. So, while they are able to undertake sophisticated analysis they sometimes lack in manpower to deliver all that is demanded of them in a timely fashion.

Coordination amongst the different Municipal Secretariats is a concern, especially as it pertains to sharing and exchanging information. Considering the importance and significance that this exchange will have in Component 4 on Innovations in Environmental Management, support to strengthening these channels of communication will be important for the project achieving its goals.

Health Care Waste Management (HCWM) is weak in the Municipality and the State. Observed practices of HCWM within Health Care Facilities and at the landfill stand for improvement. The project will support capacity building to strengthen this aspect and thereby support the objective of the Project of increasing quality and efficiency in the use of the health network.

Regarding capacity for consultations, as explained above, the activities proposed to take place in the Favelas have a highly participatory methodology for local planning, partly piloted though a grant from the World Bank. The government has shown its ability to conduct this process and this will be further supported by the TAL. Given that the proposed project activities include an inbuilt consultation methodology, no additional consultations are deemed necessary.

F. Environmental and Social Safeguards Specialists on the Team

Gunars H. Platais (LCSEN)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

| Safeguard Policies | Triggered? | Explanation (Optional) |
The project will not support construction or any other activity that demands an Environmental Impact Assessment with exception of the Health Sub-Component which will focus mainly on promoting increased quality and efficiency in the use of the health network at the system level. One of the vehicles for this increased efficiency is the Primary Health Care Units which generate a modest amount of health care waste (HCW). Final disposal of health care waste is the responsibility of the generator. According to Brazilian legislation each Health Care Facility is obligated to prepare a Health Care Waste Management Plan (PGRSS) which is approved by the State Environmental Agency. Compliance with this aspect is a requirement for the Health Facility to obtain operating clearance from the Environmental Agency.

The collection of HCW is outsourced to a third party who collects in especially prepared trucks which is then delivered to the Improved Landfill in Gramacho. The site for HCW deposit is isolated and fenced with 24 hour guard. Once a day a tractor covers the daily deposit of HCW with a layer of earth.

Natural Habitats OP/BP 4.04 No No project activities have the potential to cause significant conversion (loss) or degradation of natural habitats, whether directly (through construction) or indirectly (through human activities induced by the project).

Forests OP/BP 4.36 No The project will not sponsor forest sector activities nor other interventions that have the potential to impact significantly upon forested areas.

Pest Management OP 4.09 No The project does not envisage the procurement of pesticides or pesticide application equipment. The project will not affect pest management in a way that harm could be done.

Physical Cultural Resources OP/BP 4.11 No Project activities are not envisaged as able to affect physical cultural resources.

Indigenous Peoples OP/BP 4.10 No There are no indigenous peoples in the project area nor are potential adverse impacts on indigenous peoples anticipated.

Involuntary Resettlement OP/BP 4.12 No The project will not induce physical relocation nor any loss of land or other assets resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; (iii) loss of income sources or means of livelihood, whether or not the affected people must move to another location. The project will also not impose the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

Safety of Dams OP/BP 4.37 No The project will not be involved in the construction of any dam nor is it dependent upon an existing dam.

Projects on International Waterways OP/BP 7.50 No The project is located totally within the municipality of Rio de Janeiro and does not have any international boundaries.

Projects in Disputed Areas OP/BP 7.60 No Project activities are confined to clearly defined areas such as existing infrastructure that does not have any dispute.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 02-Apr-2012

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing\(^1\) should be specified in the PAD-stage ISDS:

According to Brazilian legislation each Health Care Facility is obligated to prepare a Health Care Waste Management Plan (PGRSS) which is approved by the State Environmental Agency. Compliance with this aspect is a requirement for the Health Facility to obtain operating clearance from the Environmental Agency.

IV. APPROVALS

Task Team Leader: Name: Tarsila Ortenzio Velloso

Approved By:

Regional Safeguards Coordinator: Name: Glenn S. Morgan (RSA) Date: 30-Mar-2012

Sector Manager: Name: Roland N. Clarke (SM) Date: 02-Mar-2012

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\(^1\) Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.