Appraisal Environmental and Social Review Summary
Appraisal Stage
(ESRS Appraisal Stage)

Date Prepared/Updated: 05/14/2020 | Report No: ESRSA00762
BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran, Islamic Republic of</td>
<td>MIDDLE EAST AND NORTH AFRICA</td>
<td>P173994</td>
<td></td>
</tr>
</tbody>
</table>

Project Name: Iran COVID-19 Emergency Response Project

Practice Area (Lead): Health, Nutrition & Population

Financing Instrument: Investment Project Financing

Estimated Appraisal Date: 4/22/2020

Estimated Board Date: 5/26/2020

Borrower(s): The Islamic Republic of Iran

Implementing Agency(ies):

Proposed Development Objective(s):
To improve the availability of selected essential, life-saving medical equipment for COVID-19 response.

Financing (in USD Million)

<table>
<thead>
<tr>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Project Cost</td>
</tr>
</tbody>
</table>

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?
No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The project will have a single component “Procurement and distribution of selected, essential, life-saving medical equipment for COVID-19 response”. It will support the procurement and distribution of selected, essential, life-saving medical equipment for COVID-19 response, namely for (i) COVID-19 testing and (ii) case management.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]
The selected, essential, life-saving medical equipment for COVID-19 response will be provided to healthcare facilities all over the country. Those facilities are typically located in urban areas away from natural habitats, forests, greenfield assets, etc. Iran is a large country with the Caspian Sea and the Persian Gulf making up much of the northern and southern borders, respectively. To the west, Iran shares a large border with Iraq and a smaller border with Turkey. It also shares large borders with Turkmenistan to the northeast and Afghanistan and Pakistan to the east. It is the second-largest nation in the Middle East in terms of land size and the 17th largest country in the world in terms of population.

D. 2. Borrower’s Institutional Capacity

The implementation of the project will be outsourced entirely to WHO. The loan agreement will be signed between the World Bank and Islamic Republic of Iran (IRI, hereinafter the Borrower). WHO will enter into an agreement with the Government of Iran. The World Bank will also enter into a Project Agreement with WHO. The roles of WHO are as follows: (a) provision of technical assistance to: (i) determine quantities and specifications of the medical equipment; (ii) identify the eligible health facilities to receive the procured equipment as per agreed criteria; (b) procurement and distribution of the medical equipment; (c) monitoring and evaluation, verification and reporting; and supporting compliance with environmental and social standards.

The main environmental aspect impact of the distribution of the medical equipment is related to occupational health and safety issues and the handling of the resulting healthcare waste, in which the country’s current capacity (including available infrastructure for healthcare waste storage, transportation and disposal) could not be confirmed at this time due to accessibility of information. However, the Iran Statistical Yearbook of 2016-2017 indicates that the percentage of hospitals with appropriate solid waste management is more than 90% with an ascending pattern (from about 70%) during the previous 6 years. Due to the current lack of information, the ESCP will incorporate the need to develop - if not available in the country - protocols of transportation and storing of medical equipment, a protocol on Occupational Health and Safety and guidelines for handling healthcare waste according to Good International Industry Practice (GIIP).

Although the Borrower lacks experience working with the Bank’s ESF, WHO has previous experience with the Bank’s ESF, and in fact represents GIIP for managing medical waste and OHS issues. The following specialists will at least be required for WHO to recruit: a health and safety specialist and social specialist or communication specialist.

The WHO will be tasked with the distribution of the medical equipment and will also conduct post-delivery visits to all the beneficiary facilities to verify that the equipment is installed and used as intended and will prepare a quarterly progress report, in a format agreed to by the Bank. The report will summarize: (i) procurement and distribution of medical equipment; (ii) implementation of Environmental and Social Commitment Plan (ESCP); (iii) status of the indicators in the project results framework; and (iv) information on any problems or obstacles that WHO has faced in the implementation of the project. WHO will also engage a firm(s) to conduct quarterly independent ex-post verification review, including environmental and social performance.

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

A. Environmental and Social Risk Classification (ESRC)

Environmental Risk Rating

<table>
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<th>Substantial</th>
<th>Substantial</th>
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The environmental risks are considered substantial, however, the Project will have overall benefits in improving public health and controlling the COVID-19. The Project will not involve any civil works and will be limited to procurement and distribution of a positive list of essential, life-saving medical equipment for COVID-19 response. On the basis of health facility eligibility criteria, which will be developed with technical assistance support from WHO to the Borrower. The facility eligibility criteria and the list of eligible facilities are subject to World Bank’s agreement.

The main immediate anticipated environmental risk is occupational health and safety (OHS) issues related to the installation, operation, and disposal of procured equipment. To mitigate the immediate risk and in line with current proposed project design, the scope of works for WHO will include an assessment of the selected facilities to confirm that adequate OHS systems, waste management systems and GRM are in place in line with WHO standards, GIIP and any relevant standards, satisfactory to the World Bank. This assessment will take place two months after Project effectiveness.

Social Risk Rating

The social risks are considered substantial. The main social challenge at this stage is to ensure that goods are distributed in a transparent manner ensuring equity and reaching the most in need. To mitigate this risk, the WHO will support the Borrower to develop eligibility criteria to select health facilities to receive the medical equipment procured under the project based on the following principles: (i) all selected facilities must be civilian facilities; (ii) population’s needs related to COVID-19 will be taken into account; and (iii) equitable distribution of the equipment will be ensured to facilitate access by the poor and vulnerable. The facility eligibility criteria and the list of eligible facilities are subject to approval from the World Bank. These provisions will be included in the Environmental and Social commitment Plan (ESCP).

The Borrower will commit to undertake a program for stakeholder engagement. This includes the following measures: public information disclosure and outreach as part of the National Mobilization Plan Against COVID-19, consultation process with selected health facilities throughout the entire project cycle on COVID-19, and a mechanism by which people can raise concerns, provide feedback, or make complaints about project activities at the health care facilities, for instance, using the existing complaint boxes at hospitals and clinics.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

ESS1 is relevant to the Project as the utilization of COVID-19 testing kits, life-saving medical equipment and case management could be associated with negative environmental risks and impacts. The main impacts are related to occupational health and safety of the medical staff at healthcare facilities using those supplies and the potential increase of the healthcare waste in the country. Protocols for transporting, storing, utilizing the supplies and disposing of the generated healthcare waste in a safe manner will be applied. Also best practices to handle and safely
dispose of damaged or expired medicines, if any, will be applied. WHO will provide those protocols and will conduct an assessment of the OHS and waste management systems of the selected facilities to operate such medical equipment in line with WHO standards, Good International Industry Practice (GIIP) and any relevant standards, satisfactory to the World Bank. Healthcare facilities lacking minimum capacity in OHS and healthcare waste disposal guidelines should be excluded (if their capacity is unsatisfactory) or subject to an E&S action plan to be implemented (if their capacity could be effectively improved within the needed time frame).

WHO will engage a firm(s) to conduct quarterly independent ex-post verification including environmental and social performance. The ex-post verification will include, inter alia: (i) verification of eligible equipment procured, stock balances by storage locations, and distribution of eligible goods to beneficiary facilities; (ii) post-delivery visits to all beneficiary facilities to verify that the equipment is installed and used as intended; and (iii) environmental and social performances.

ESS10 Stakeholder Engagement and Information Disclosure

ESS 10 is relevant. The direct beneficiaries will be hospitals, health providers and patients. Due to the nature of stakeholder risk and project activities, a standalone Stakeholder Engagement Plan (SEP) will not be prepared, but key commitments will be incorporated into the ESCP. WHO will jointly with the Government adopt measures to ensure stakeholder engagement and information disclosure consistent with ESS10, and in a manner acceptable to the Bank. This includes a set of stakeholder engagement actions, including information disclosure and outreach on covid-19 interventions and safety protocols as part of the National Mobilization Plan Against COVID-19, and consultation with selected health facilities throughout the entire project cycle. The Borrower will establish a mechanism by which people can raise concerns, provide feedback, or make complaints mainly through the health care facilities about the project, for instance, using the existing complaint boxes at health facilities. If not available, WHO shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank. The direct beneficiaries to be considered for the outreach and communication programs are hospitals workers/health providers and patients as well as communities at large.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

ESS2 is relevant to the Project. The Project’s direct workers include WHO workers who will procure, ensure goods distribution and assess the capacity of healthcare facilities, and who will be responsible for supervising the implementation of key project activities on the ground. Both the Borrower and WHO will comply with ESS2 as well as relevant ILO provisions, World Bank Environmental, Health, and Safety (EHS) Guidelines, and WHO’s “Operational Planning Guidelines to Support Country Preparedness and Response. As the main immediate anticipated
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Iran COVID-19 Emergency Response Project (P173994)

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environemntal risk is occupational health and safety (OHS) issues related to installation, operation, and disposal of those goods, the scope of work for WHO will include an assessment of the selected facilities to confirm that adequate OHS systems and waste management systems are in place in line with WHO standards, GIIP and any relevant standards, satisfactory to the World Bank.

ESS3 Resource Efficiency and Pollution Prevention and Management
ESS3 is relevant to the Project. All essential, life-saving medical equipment for COVID-19 response will use energy. The Borrower will ensure that for the sustainable use of equipment procured under the project, the source of energy is available and used in an efficient manner. The used medical supplies, some of which may result in generating hazardous waste such as used test kits and wasted medications, would need to be adequately handled, stored, transported and disposed of. The WHO will ensure that healthcare facilities will use relevant protocols on healthcare waste management that should be based on the best practices, for safely transporting, storing, and disposal, including World Bank EHS Guidelines. Health facilities lacking minimum capacity against the use of OHS and healthcare waste disposal guidelines will be excluded (if their capacity is unsatisfactory) or subject to an E&S action plan to be implemented (if their capacity could be effectively improved within the needed timeframe).

ESS4 Community Health and Safety
ESS4 is relevant to the Project. The impact on community health and safety is expected to be positive, as the Project would improve the containment of COVID-19 and prevent/minimize further infections. However, the health care facilities’ communities could be exposed to communicable diseases, poor healthcare waste management, traffic accidents related to the project good transportation for distribution and other health hazards. The Borrower and WHO will ensure that WHO’s “Operational Planning Guidelines to Support Country Preparedness and Response” are followed in transporting health supplies and also that all selected facilities meet basic Occupational Health Safety/Community Healthy Safety mitigation hierarchy criteria. It is anticipate that, no security personnel or security forces will be used to procure, transport or deploy the goods. However, if during the project implementation, the use of security forces becomes necessary, the Borrower and WHO will fully comply with the World Bank guidance note on use of military forces to assist in CoVID-19 operations issued on March 23, 2020.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
ESS5 is not relevant. The Project is limited to procurement and distribution of good and will not involve any economic or physical displacement resulting from land acquisition or restriction to land use.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources
ESS6 is not relevant to the Project as per the preparation of the ESRS. The healthcare facilities would be in fully developed areas away from natural habitats or living natural resources. The project is not anticipated to affect or involve activities with impacts on biodiversity or natural resources. In addition, the project will not purchase natural resources commodities.
ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
ESS7 is not relevant.

ESS8 Cultural Heritage
ESS8 is not relevant.

ESS9 Financial Intermediaries
ESS9 is not relevant.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways
No

OP 7.60 Projects in Disputed Areas
No

III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

<table>
<thead>
<tr>
<th>DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED</th>
<th>TIMELINE</th>
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<tbody>
<tr>
<td>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts</td>
<td>06/2020</td>
</tr>
<tr>
<td>The Project Agreement to be signed between the World Bank and WHO will include a provision that WHO shall establish and maintain a Project Coordination Unit (PCU) with qualified staff and resources to support management of ESHS risks and impacts of the Project, including handling of Grievance Redress Mechanism (GRM) related issues. The following specialists will at least be required: a health and safety specialist and social specialist or communication specialist.</td>
<td>06/2020</td>
</tr>
<tr>
<td>The Borrower will ensure that UN Protocols on transporting, storing, and utilizing the supplies and disposing of the used ones in a safe manner are implemented in a manner consistent with the ESSs.</td>
<td>05/2020</td>
</tr>
<tr>
<td>WHO will conduct an assessment of the selected facilities regarding the occupational health and safety (OHS) systems and waste management systems to operate such medical equipment in line with WHO standards and Good International Industry Practice (GIIP), in a manner consistent with the ESSs and acceptable to the Bank, including an improvement plan to address the potential gaps.</td>
<td>07/2020</td>
</tr>
<tr>
<td>Healthcare facilities lacking minimum capacity and those against the use of OHS and healthcare waste disposal guidelines should be excluded or subject to an action plan to be implemented and followed.</td>
<td>06/2020</td>
</tr>
<tr>
<td>EXCLUSIONS: Exclude the following type of activities as ineligible for financing under the Project:</td>
<td>06/2020</td>
</tr>
</tbody>
</table>
- Activities that may cause long term, permanent and/or irreversible adverse impacts
- Activities that have high probability of causing serious adverse effects to human health and/or the environment not related to treatment of COVID-19 cases
- Activities that may have significant adverse social impacts and may give rise to significant social conflict

### ESS 10 Stakeholder Engagement and Information Disclosure

Adopt measures to ensure a set of stakeholder engagement actions, including information disclosure and outreach on COVID-19 interventions and safety protocols as part of the National Mobilization Plan Against COVID-19; and (see below) and consultation with selected health facilities throughout the entire project cycle, consistent with ESS10, and in a manner acceptable to the Bank.

Establish a mechanism by which people can raise concerns, provide feedback, or make complaints mainly through the health care facilities about the project, in consistent with ESS10.

### ESS 2 Labor and Working Conditions

The Project shall be carried out in accordance with the applicable requirements of ESS2, in a manner acceptable to the Bank.

### ESS 3 Resource Efficiency and Pollution Prevention and Management

The Borrower will ensure that for the sustainable use of equipment procured under the project, the source of energy is available and use in the efficient manner. Whereas possible a renewable source of energy will be promoted.

The Borrower will ensure that WHO uses its relevant protocols on healthcare waste management that should be based on the best practices for safely transporting, storing, and disposal of any relevant healthcare waste including World Bank EHS Guideline.

### ESS 4 Community Health and Safety

Relevant aspects shall be considered under ESS1 above.

### ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Not relevant

### ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

### ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

### ESS 8 Cultural Heritage

### ESS 9 Financial Intermediaries
B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework?  No

Areas where “Use of Borrower Framework” is being considered:
Borrower Framework is not considered

IV. CONTACT POINTS

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Borrower/Client/Recipient
Borrower: The Islamic Republic of Iran

Implementing Agency(ies)

V. FOR MORE INFORMATION CONTACT

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Web: http://www.worldbank.org/projects

VI. APPROVAL

Task Team Leader(s):  Son Nguyen
Practice Manager (ENR/Social)  Kevin Tomlinson Cleared on 23-Apr-2020 at 22:36:9 EDT
Safeguards Advisor ESSA  Nina Chee (SAESSA) Concurred on 14-May-2020 at 15:54:17 EDT