Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 04/23/2020 | Report No: ESRSA00760
### 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>
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<tbody>
<tr>
<td>Panama</td>
<td>LATIN AMERICA AND CARIBBEAN</td>
<td>P173881</td>
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**Project Name** Panama COVID-19 Emergency Response

<table>
<thead>
<tr>
<th>Practice Area (Lead)</th>
<th>Financing Instrument</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
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<tr>
<th>Borrower(s)</th>
<th>Implementing Agency(ies)</th>
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<tr>
<td>Republic of Panama</td>
<td>Ministry of Health</td>
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**Proposed Development Objective(s)**

To prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in the Republic of Panama.

**Financing (in USD Million)**

<table>
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<tr>
<th>Total Project Cost</th>
<th>Amount</th>
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<td>20.00</td>
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**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]**

An outbreak of the coronavirus disease (COVID-19) caused by the 2019 novel coronavirus (SARS-CoV-2) has been spreading rapidly across the world since December 2019, following the diagnosis of the initial cases in Wuhan, Hubei Province, China. Since the beginning of March 2020, the number of cases outside China has grown exponentially and the crisis has reached global scale. On March 11, 2020, the World Health Organization (WHO) declared a global pandemic as the coronavirus rapidly spreads across the world. COVID-19 is one of several emerging infectious diseases (EID) outbreaks in recent decades that have emerged from animals in contact with humans, resulting in major outbreaks with significant public health and economic impacts.
The COVID-19 Emergency Response Project for the Republic of Panama is financed under the COVID-19 Strategic Preparedness and Response Program (SPRP) using the Multiphase Programmatic Approach (MPA), approved by the World Bank’s Board of Executive Directors on April 2, 2020.

Panama’s economy has demonstrated impressive growth over the years, however, the COVID-19 outbreak’s effects on trade will significantly impact economic growth. Between 2010 and 2018, Panama’s annual GDP growth averaged 6.5%, triple the average annual growth for the LAC region. However, COVID-19 has emerged during a slowdown in major economies like China and the U.S., Panama’s largest trading partners. Global growth of 2.4% in 2019 was the lowest observed since the 2008/09 financial crisis, and Panama’s 3.0% growth in 2019 was also the lowest in the decade since the crisis. As the effects of COVID-19 are felt more deeply in Panama and around the world, the Government will need to implement ambitious measures to mitigate the pandemic’s impact on health and on economic growth.

The proposed Project components are aligned with the objectives of the COVID-19 Strategic Preparedness and Response Program (SPRP) and will support the Government’s capacity to detect and respond to the threat posed by COVID-19. The specific activities financed by the Project fit into the GoP’s COVID-19 Action Plan to contain and mitigate the damage of the coronavirus epidemic; specifically it will support the identification and treatment of patients with COVID-19 to minimize disease spread, morbidity and mortality. The proposed Project will attempt to implement climate-change adaptation measures when possible, and to address gender issues, as necessary.

Component 1: Strengthening the response to COVID-19 and national systems for public health preparedness [US$19.5 million]. This component would provide immediate support to the national COVID-19 Action Plan. Specifically, it aligns with the Action Plan by providing support for the procurement of key medical equipment and supplies for the prevention, detection and treatment of COVID-19. It would support prevention and containment by financing critical inputs for infection control in health facilities as well as investigation of suspected cases and contacts tracing. It would strengthen disease detection capacities through the provision of laboratory equipment and supplies to ensure prompt testing and diagnosis. The project would also support critical aspects of health service provision in order to mobilize surge response capacity, particularly the provision of intensive care. Thus, this component would include two subcomponents centered around prevention, detection and health service provision.

Sub-component 1.1: Support measures to prevent the spread of COVID-19 This subcomponent will support measures to prevent the spread of COVID-19 in health service facilities and among health workers, the frontline workers critical to the COVID-19 response. This will finance the procurement of key prevention and infection control inputs including cleaning and sanitation supplies, autoclaves and sterilization equipment and medical supplies, and supplies to ensure safe hospital waste management practices. The Ministry of the Presidency is leading national communication efforts geared toward informing the public about COVID-19 and ensuring their participation in social distancing and prevention measures.

Sub-component 1.2: Strengthen case detection capacity and support critical aspects of health service provision. Case detection and tracing are critical elements of the COVID-19 response, ensuring that potential cases are identified and referred to treatment as appropriate, and that potential contacts are traced in order to prevent further spread of the disease. This subcomponent will finance the procurement of key case detection inputs and supplies, including laboratory supplies for COVID-19 diagnostics, testing booths that protect health workers during COVID-19 testing, and other equipment and supplies as needed. In addition, this subcomponent will strengthen the capacity of public health
services to cope with the additional demand associated with COVID-19. Specifically, it will finance the procurement of key health service delivery inputs, including medicines, equipment and supplies. This will include equipment for hospitals and intensive care units (ICUs), such as emergency carts, personal protective equipment (PPE) and medical supplies, as well as other equipment, supplies and ancillary services as needed.

Component 2: Project Management and Monitoring [0.5 Million]. This component would finance: i) required staff and operational costs of the Project Implementation Unit (PIU) at the Health, Administrative, and Financial Management Unit (UGSAF) at MINSA, and ii) monitoring and project reporting.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

The project will be implemented nationwide and will include all health regions. However, particular health regions will be prioritized, due to their sudden increased in identified cases of COVID-19. The project aims to strengthen Panama’s capacity to prevent, detect and respond to the threat posed by COVID-19, as well as its national systems for public health preparedness.

As of mid-April, Panama had reported over more than 3,000 cases of COVID-19, including almost 100 deaths; the country with the highest number of cases in Central America, despite having the smallest population. The rate at which the number of cases has grown is high, duplicating the number of cases in just a week. Some of the reasons behind Panama’s significantly higher number of cases, compared to its Central America peers, include: i) Panama’s strategic location as an international logistic and transportation HUB, and ii) the government’s strategy to increase availability of testing and tracking and testing potential COVID-19 cases. The Government of Panama (GoP) has also enforced strict containment measures, which include quarantines that have forced businesses to temporarily close (except essential businesses) and the population to stay home.

Although all the population is equally at risk in this pandemic, socially excluded groups are more prone to have underlying conditions that aggravate the impact of the virus and have worse access to health care. The strict containment measures mandated by the government to reduce the spread of COVID-19 have also disproportionately impacted vulnerable groups. Women and children who face intimate partner violence or domestic abuse are forced to remain at home and, in many cases, with their aggressor. The Ministry of Health (MINSA, Ministerio de Salud), in coordination with other government entities have established a designated help line to report gender-based violence and domestic abuse cases. The line also offers the possibility of psychological assistance for victims and immediate assistance in critical conditions. Gender-based restrictions under the quarantine have also impacted other minority groups, such as members of the LGBT community who have experienced harassment by agents enforcing quarantine measures.

Overcrowded slums within and around Panama City are also vulnerable to the spread of the virus. Families and people living in areas such as San Miguelito lack regular access to basic public services, such as water or health centers. In some cases, water and other services are only available at communal areas, which pose transmission risks. In addition, the lack of income and low food and medicine supply has caused social unrest in some of these communities where residents are resorting to riots or violence. The presence of gang activities in these areas makes it more difficult for security forces to maintain the peace, and thus they are resorting to increased violence.
Access to health services in Indigenous Territories and other ethnic minority communities, such as afro descendants, is more limited than in the rest of the country. These gaps are partly due to the geographic dispersion of many ethnic minority communities, the low availability of health infrastructure, supplies and staffing in these communities and the poor communication channels between health care providers and the communities. As a result, during a pandemic, Indigenous Peoples (IPs) and Afro-descendants (ADs) are less likely to receive the necessary resources and attention needed to prevent the spread of diseases. In addition, the sudden influx of IPs and ADs who worked in urban areas and are returning to their communities as a result of the closing of non-essential businesses, elevates the risk of community transmission in these communities. The project will coordinate with an ongoing project to Support for the National Indigenous Peoples Development Plan (P157575), which has among its objectives to strengthen the delivery of healthcare services in indigenous territories. This Project will support these efforts and seek synergies with the IP project to prop up the country’s capacity to respond to the pandemic jointly with IP authorities.

Migrants and refugees are also particularly vulnerable during the pandemic. Given its strategic location, over 20,000 migrants cross Panamanian borders heading north each year. Many of them enter through Panama’s dense Darien rainforest. Not only there is limited access to healthcare facilities in border regions, but also, they are less likely to seek medical care when ill. The Government of Panama has strengthened surveillance and health attention in border areas and is working with humanitarian agencies, like UNHCR, to provide assistance to migrants and refugees.

Medical waste management in Panama is directed by Executive Decree No.111 of June 23, 1999, which establishes the regulations for the management and handling of solid waste from health facilities. It is treated as infectious waste as established by Resolution No. 510 of June 28 2019. In February 2020, Panama delineated the COVID-19 Action Plan which is the country’s strategy to address and mitigate the pandemic’s threat, and covers epidemiologic surveillance, health service provision, and safety. Also, as part of the response to the pandemic, hospitals in Panama have developed COVID-19 guidelines and protocols for waste management and corpse management. In addition, health authorities have developed guidelines to manage the waste generated in hotel-hospitals and homes inhabited by COVID-19 patients to avoid contagion. These guidelines and protocols follow WHO/PAHO guidelines.

D. 2. Borrower’s Institutional Capacity

The Ministry of Health (MINSA) has taken the lead in the response to the COVID-19 pandemic, working closely with the WHO/PAHO. In January 2020, the MINSA published the National Operations Plan for Preparedness and Response (Plan Operativo Nacional del Sistema de Salud para la Prevención y Control del Nuevo Coronavirus – 2019-nCoV), and in February 2020 this plan was followed by an Action Plan (Plan de Acción ante un Brote o Epidemia de COVID-19 en el Territorio Nacional) detailing the protocols and guidelines to be followed for containment and mitigation. Both plans follow WHO/PAHO guidelines and are in line with the global WHO Strategic Preparedness and Response Plan. Notwithstanding, Panama remains in Level 3 of preparedness given the limited capacity of the healthcare system and significant gaps in preparedness capacity for technical and operational implementation, according to WHO’s COVID-19 Preparedness and Response Status for Countries, Territories, and Areas, as of 30 March 2020. MINSA is also working closely with other government entities in a recently launched national plan (Protégete Panamá) which reinforces containment measures, provides clear and diverse channels for people to contact MINSA in case of symptoms, questions or testing needs, strengthens national hospitals, clinics/polyclinics and health centers’ capacity around the country, mandates the construction of a hospital ward specifically to attend COVID-19 patients in critical state, and enables the use of hotels to attend non-critical patients.
The proposed project will be implemented by MINSA. MINSA has prior experience in preparing environmental and social safeguards instruments, under the “Health Equity and Performance Improvement Project (P106445),” which closed in 2014. However, the client has no experience with the Environmental and Social Framework (ESF). The Health, Administrative, and Financial Management Unit (Unidad de Gestion de Salud, Ambiental y Financiera, UGSAF) will serve as the PIU for the proposed COVID-19 Response Project. The PIU will coordinate with the specific Units within the Ministry who will prepare, implement, manage, monitor and report on the Environmental and Social Standards relevant to the project. All members of the PIU as well as other relevant Units will receive adequate training on COVID-19 related guidelines and procedures for the management of environmental and social issues that may arise during project implementation. UGSAF will be support by the General Sub-Directorate of Environmental Health to address all environmental requirements. Similarly, the Directorate of Indigenous Health Affairs and National Directorate for Health Service Provision within the MINSA will provide support for social aspects. For each of these supporting directorates, one staff member will be assigned on a part-time basis to ensure implementation and follow up of the E&S standards and instruments. This capacity is already in place as both units are currently active within the ministry.

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

A. Environmental and Social Risk Classification (ESRC)

Environmental Risk Rating
Substantial

The Environmental risk rating is considered substantial given the emergency context and the likelihood that existing resources and capacity in health facilities will be stretched as the outbreak evolves. The main environmental risks include: (i) environmental and community health related risks from inadequate storage, transportation and disposal of infected medical waste; (ii) occupational health and safety issues related to the availability and supply of personal protective equipment (PPE) for healthcare workers and the logistical challenges in transporting PPE across the country in a timely manner; and (iii) community health and safety risks given close social contact and limited sanitary and hygiene services (clean water, soap, disinfectants) and isolation capabilities at health facilities across the country.

To mitigate these risks UGSAF will prepare an Environmental and Social Management Framework (ESMF). The ESMF will contain provisions for storing, transporting, and disposing of contaminated medical waste and outline guidance in line with international good practice and WHO standards on COVID-19 response on limiting viral contagion in healthcare facilities. The relevant parts of the WHO COVID-19 quarantine guidelines and COVID-19 biosafety guidelines will be reviewed so that all relevant occupational and community health and safety risks and mitigation measures will be covered. In addition to the ESMF, the client will implement the activities listed in the Environmental and Social Commitment Plan (ESCP). The Project will also support UGSAF in coordination with PAHO, UNICEF, US CDC, and other partners in overcoming logistical constraints in the timely provision of technical expertise, supplies, equipment and systems across the country.

Social Risk Rating
Substantial

The social risk rating for the project is considered Substantial. The proposed project is expected to generate important positive impacts, including strengthening the ability of the Government of Panama, through the Ministry of Health, to respond to the COVID-19 pandemic, through the acquisition of medical supplies and equipment, improved
ability to trace, detect and treat COVID-19 patients, and support communication efforts geared toward informing the public about COVID-19 and ensuring their participation in social distancing and prevention measures.

The main risk associated with the project is the possibility that procured supplies and equipment is biased for the benefit of urban or particular health regions. Historical and existing inequalities in access to quality health services exacerbate this risk, particularly for areas of difficult access and marginalized and vulnerable social groups, specifically the poor living in overcrowded slums, migrants and refugees, and ethnic minorities, including IPs and ADs, living in indigenous territories or other dispersed communities. In addition, such groups could potentially be subject to discrimination or lack of cultural pertinence in the service delivery and could be excluded from communications and outreach material if this is not disseminated through the proper channels or if it is not in the language of use. The project will coordinate with an ongoing project to Support for the National Indigenous Peoples Development Plan (P157575), which has among its objectives to strengthen the delivery of healthcare services in indigenous territories. This Project will support these efforts and seek synergies with the IP project to prop up the country’s capacity to respond to the pandemic jointly with IP authorities. No risks associated to GBV were identified during preparation, but SEA/SH risks will be assessed and addressed during implementation, including screening and putting in the corresponding measures to prevent and mitigate the SEA/SH risks.

Measures to mitigate risks related to elite capture have been identified and include the Ministry’s distribution channels and systems to ensure delivery and restock of supplies for all health regions of the country, particularly those regions prioritized. A Grievance Redress Mechanism in the Stakeholder Engagement Plan (SEP) will also ensure that medical personnel and the public have the channels to report on supply shortage or issues with distribution or quality of supplies and equipment purchased.

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:

This Standard is relevant. The Project will have overall positive environmental and social impacts in that it will contribute to epidemic preparedness, monitoring, surveillance and response, specifically with regard to combatting COVID-19. Nonetheless there are wide-ranging environmental and social risks and impacts that will need to be assessed and managed through a risk-based approach. The primary risks identified include: (i) environmental and community health related risks from inadequate storage, transportation and disposal of infected medical waste; (ii) occupational health and safety issues related to the availability and supply of personal protective equipment (PPE) for healthcare workers and the logistical challenges in transporting PPE across the country in a timely manner; (iii) community health and safety risks given close social contact and limited sanitary and hygiene services (clean water, soap, disinfectants) and isolation capabilities at health facilities across the country; (iv) possibility that procured supplies and equipment is biased for the benefit of urban or particular health regions given existing inequalities in access to quality health services particularly for areas of difficult access and marginalized and vulnerable social groups, which include the poor living in overcrowded slums, migrants and refugees, and ethnic minorities, including IPs and ADs, living in indigenous territories or other dispersed communities; and/or (v) discrimination or lack of cultural pertinence in service delivery and communications and outreach material in indigenous territories or afro-descendant communities.
To mitigate these risks and their related impacts, UGSAF will prepare an ESMF in accordance with the World Bank’s ESF and EHS Guidelines, the Bank’s ESMF Template developed for COVID-19 operations, and WHO’s COVID-19 guidelines, within 30 days of project effectiveness. The ESMF will specify the procedures for the safe handling, transportation, storage, and processing of COVID-19 treatment and testing materials as well as management of biohazardous wastes resulting from the project activities. The ESMF will follow relevant national regulations for hospital waste (Regulation 510), as well as WHO’s specific COVID19 guidelines on laboratory biosafety, and international good practice guidelines on COVID-19 medical waste management, diagnostic testing, administration of COVID19 health services, quarantine guidelines, handling of medical supplies, and Occupational Health and Safety Guidelines (OHS), as detailed further under ESS2. It will also include specific measures needed to be considered for the laboratory diagnostic work of COVID-19 to reduce risks of contagion.

Social exclusion risks have been highlighted above and merit the adoption of social inclusion measures through Project design, which include considerations of the MINSA’s distribution channels and mechanisms to ensure delivery of procured supplies and equipment to prioritized health regions, effective application of the SEP and the ESMF to ensure compliance with the Bank Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups. Indigenous Poeples, in particular, are amongst the most vulnerable groups during this crisis given the lack of access to healthcare facilities and services. The project will ensure IPs are equal beneficiaries of project activities, and that, in coordination with the ongoing bank operations, delivery of procured equipment and supplies reaches health facilities in or near indigenous territories. The Project will also coordinate with the ongoing project to Support for the National Indigenous Peoples Development Plan (P157575), which has among its objectives to strengthen the delivery of healthcare services in indigenous territories. The ESMF will include a description of MINSA’s existing mechanisms of monitoring and supply distribution, which the project will use to improve the targeting of supplies to these vulnerable groups, as mentioned in ESS7.

No major civil works are expected in this project. If the need to establish temporary health care facilities in areas experiencing temporary surge needs arises under the project, this too will be subject to provisions of the ESMF, which will include the guidelines set forth in the Bank’s ESF/Safeguards Interim Note “COVID-19 Considerations in Construction/Civil Works Project”. The ESMF will also include guidance for the general population on residential hazardous waste management to reduce the risk of contagion and on corpse management. The Project’s proposed interventions for improvements for the overall health system for patient treatment will be positive for the population that can access hospitals and health centers offering these services.

Through the procurement of essential goods, medical equipment and medicines, the project will not only support the timely identification and follow up of suspected and confirmed cases of COVID-19 but will also support healthcare workers who remain at the frontlines of the pandemic. The lack of protective equipment has made this group one of the most vulnerable groups during the crisis. To mitigate impacts related to OHS, UGSAF will work with relevant partners, including US? CDC, PAHO, and UNICEF to leverage all existing supply chain options and open new ones where possible to ensure that PPE and other relevant equipment, kits and material can be procured and dispatched nationwide in a timely manner, subject to the existing health PPE constraints in the global supply chain.

To mitigate any potential patient-centric risk, UGSAF with support from the World Bank will develop codes of conduct and training materials targeted at the healthcare sector and develop communication strategies (as part of the SEP) to
raise awareness around gender based violence (GBV) and sexual exploitation or abuse (SEA). Staff will also have access to the grievance and redress mechanisms through the SEP. These various actions and protocols will be captured in the ESMF as it is updated throughout implementation. This operation is being prepared as an emergency response using condensed procedures under the Fast Track COVID-19 Facility (FTCF).

ESS10 Stakeholder Engagement and Information Disclosure

Once approved, the project will implement a structured approach to stakeholder engagement and disclosure of appropriate information, considering the specific challenges associated with combating COVID-19.

UGSAF will prepare a SEP that will be updated within 30 days of project effectiveness, in line with the provisions of the ESCP. The SEP will be in line with guidelines set forth in the MINSA’s National Operations Plan to Preparedness and Response, as well as its Action Plan. The SEP will identify and analyze affected and interested parties as well as vulnerable groups and will presents a strategy that includes timeline and methods for consultations and continuous engagement throughout project implementation considering the realities of the strict quarantine measures. The SEP will identify resources and responsible personnel to ensure its implementation as well as guidelines for monitoring and reporting. The updated SEP will also include a more elaborate Grievance Redress Mechanism for addressing any concerns and grievances raised in relation to the project, including specific channels to report on supply shortage or issues with distribution or quality of supplies and equipment purchased.

The SEP will serve as a critical guide for the implementation of activities related to communication efforts geared toward informing the public about COVID-19 and ensuring their participation in physical distancing and prevention measures. The SEP will ensure that all communication methods employed under the Project and in the wider campaign to prevent the spread of COVID (that will be supported by the project), will be carried out via methods and in languages that respects the socially, culturally and linguistically diverse needs of the population.

Whereas face to face consultation processes are not safe within the current context, telephone interviews, electronic correspondence, written questionnaires to identified stakeholders, videoconference sessions, will be carried out with representatives of key stakeholder groups in order to inform Project design, the ESMF and the SEP. Social media and other traditional communication channels may also be used to provide project information. As quarantine and social distancing measures relax, the borrower will assess the level of risk and propose additional means of consultations such as small gatherings or meeting with small focus groups. All processes set forward will follow the Bank’s Technical Note “Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings”.

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

This Standard is relevant. Most activities supported by the project will be conducted by health and laboratory workers. Activities encompass thereby treatment of patients as well as assessment of samples. The key risk is contamination with COVID-19 (or other contagious illnesses as patients taken seriously ill with COVID-19 are likely to
suffer from illnesses which compromise the immune system, which can lead to illness and death of workers). The Project will ensure the application of OHS measures as outlined in WHO guidelines which will be captured in the ESMF. This encompasses procedures for entry into health care facilities, including minimizing visitors and undergoing strict checks before entering; procedures for protection of workers in relation to infection control precautions; provision of immediate and ongoing training on the procedures to all categories of workers, and post signage in all public spaces mandating hand hygiene and personal protective equipment (PPE); ensuring adequate supplies of PPE (particularly facemask, gowns, gloves, handwashing soap and sanitizer); and overall ensuring adequate OHS protections in accordance with General World Bank Group Environmental, Health, and Safety Guidelines (EHSGs) and industry specific EHSGs and follow evolving international best practice in relation to protection from COVID-19. Also, the project will regularly integrate the latest guidance by WHO as it develops over time and experience addressing COVID-19 globally.

It is likely private contractors will be required for handling, transport, and disposal of health management waste derived from the supplies purchased by the project, and the Project may outsource minor works to contractors. The envisaged works will be of minor scale and thus pose limited risks. However, workers will have access to necessary PPE and handwashing stations, and will follow national laws as well as WHO guidelines that will be outlined in the project ESMF on the collection, management and disposal of medical and construction waste.

UGSAF will develop procedures which respond to the specific health and safety issues posed by COVID-19 and protect workers’ rights as set out in ESS2. This shall include Labor Management Procedures (LMP), included in the ESMF, to establish a procedure for the protection of workers’ rights. The use of child labor will be forbidden in accordance with ESS2. Also, no large-scale labor influx is expected. In line with ESS2, the use of forced labor or conscripted labor in the Project is prohibited, both for construction and operation of health care facilities. The Project will also ensure a basic, responsive grievance redress mechanism to allow workers to quickly inform management of labor issues, such as a lack of PPE and unreasonable overtime.

ESS3 Resource Efficiency and Pollution Prevention and Management

This Standard is relevant. Pollution prevention and management – specifically medical waste management – will be a particularly important activity under the Project. Medical wastes and chemical wastes (including water, reagents, infected materials, etc.) from the health centers and home quarantine (drugs, supplies and medical equipment) can have an adverse impact on the environment and human health if not properly handled, transported and disposed. These wastes could include liquid contaminated waste, chemicals and other hazardous materials, and other waste from labs and quarantine and isolation centers including sharp items used in diagnosis and treatment. The requirements for adequate mitigation of the risks will be part of the ESMF as described under ESS1 and will include the adoption and implementation of the Infection Control and Waste Management Plan and Infection and Prevention Control Protocol included in the template ESMF specific to COVID-19 World Bank projects. The project will also promote the use of climate-smart technologies and the procurement and mobilization of energy efficient equipment will be considered where possible.

ESS4 Community Health and Safety
This Standard is relevant. In line with safety provisions in ESS2, it is equally important to ensure the safety of communities from infection with COVID-19. ESMF will identify risks related to the proximity of communities to healthcare centers and hospitals that will be receiving, testing and treating COVID-19 suspected and confirmed patients. Medical wastes and general waste from the labs, health centers, and quarantine and isolation centers have a high potential of carrying micro-organisms that can infect the community at large if they are not properly disposed of. There is a possibility for the infectious microorganism to be introduced into the environment if not well contained within the laboratory or due to accidents/emergencies e.g. a fire or natural disasters such as seismic event. Protocols to receive suspected cases will ensure the areas surrounding the facilities avoid overcrowding. Information on preventive health measures to communities surrounding health facilities will be provided periodically through continuous stakeholder engagement.

The ESMF will be developed to include further measures on medical waste including:
• How Project activities will be carried out in a safe manner with (low) incidences of accidents and incidents in line with Good International Industry Practice (WHO guidelines);
• Measures in place to prevent or minimize the spread of infectious diseases;
• Emergency preparedness measures.

Laboratories will have to follow respective procedures with a focus on appropriate waste management of contaminated materials as well as protocols, in line with WHO Guidance, on the transport of samples and workers cleaning before leaving the workplace back into their communities. These will be captured in the ESMF.

Sexual Exploitation and Abuse (SEA)/ Sexual Harassment (SH) risks will be assessed and addressed in implementation, including screening and putting in the corresponding measures to prevent and mitigate the SEA/SH risks. The Project will promote the avoidance of SEA by relying on the WHO Code of Ethics and Professional Conduct for all workers in the quarantine facilities as well as the provision of gender-sensitive infrastructure such as segregated toilets and enough light in quarantine and isolation centers. The project is not expected to rely on security personnel for implementation of project activities. If Panama’s security forces are mobilized as part of the government’s response to the emergency the Project shall take measures to ensure that, prior to deployment such personnel are: (i) screened to confirm that they have not engaged in past unlawful or abusive behavior, including sexual exploitation and abuse (SEA), sexual harassment (SH) or excessive use of force; (ii) adequately instructed and trained, on a regular basis, on the use of force and appropriate behavior and conduct (including in relation to SEA and SH), as set out in ESMF; and (iii) deployed in a manner consistent with applicable national law. In case security personnel is required, the ESMF will screen and identify the risks related to the use of security forces to support project activities, to ensure that the Borrower meets and follows the guidelines set forth in the Bank’s Technical Note for “Use of Military Forces to Assist in COVID-19 Operations”.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
This Standard is not currently relevant. The project will not support construction or rehabilitation works that will require land acquisition or will lead to physical or economic displacement.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources
This Standard is not currently relevant. The Project is not expected to support any significant construction activities that might jeopardize the integrity of biodiversity or living natural resources.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
This standard is relevant to the project because IPs as defined under ESS7 are among the project’s beneficiaries. These ethnic minorities are among the most vulnerable groups in terms of lack of access to timely and quality health and water services. Some of the reasons why these communities are particularly underserved are the lack of sufficient personnel, equipment, supplies and infrastructure investments; difficult access and, in many cases, dispersed population; and, the government’s limited capacity to plan, coordinate and implement successful interventions. In addition, the sudden influx of IPs who worked in urban areas and are returning to their communities as a result of the closing of non-essential businesses, elevates the risk of community transmission in these territories.

The Project will coordinate with an ongoing project to Support for the National Indigenous Peoples Development Plan (P157575), which has among its objectives to strengthen the delivery of healthcare services in indigenous territories. Project activities are not expected to cause negative risks or impacts which could threaten IPs’ unique cultural identities and well-being. The project will ensure IPs are equal beneficiaries of project activities, and that, in coordination with the ongoing project, delivery of procured equipment and supplies, as well as communications campaigns, reach tertiary health facilities in or near indigenous territories and afro-descendant communities. The specific measures to ensure that Indigenous Peoples are receiving proper information and being provided with equitable access to project supported care will be included in a specific section of the ESMF and SEP. This includes a description of MINSA’s existing mechanisms of monitoring and supply distribution, which will be used to improve targeting.

As outlined in the draft SEP, the Project will set up communication channels to appropriately inform IP communities of the risks posed by the project and its benefits, as well as recommended preventive measures to avoid COVID-19 transmission, and will provide information that is culturally sensitive, respectful and inclusive. The MINSA will ensure all consultations and participatory dialogues are culturally appropriate, consider traditional systems of community engagement and decision-making, and include participation of specific vulnerable groups within communities whose interests are traditionally underrepresented, such as women and youth.

ESS8 Cultural Heritage
The Standard is currently not relevant. Project activities will not have any adverse impact on tangible or intangible cultural heritage. However, some of the project beneficiaries will be IPs and Afro-descendants who might maintain distinct cultural health practices. Currently, through the World Bank-financed project, Support for the National Indigenous Peoples Development Plan (P157575), the Ministry of Governance, in coordination with the MINSA, has initiated a dialogue with IPs to improve the quality and cultural pertinence of health service delivery in Indigenous Territories. Activities financed by this project will be closely coordinated with activities under Indigenous Peoples Project to ensure health providers recognize traditional methods when working with IPs in health-related matters, which includes recognition of their own traditional governance structures and traditional medicine agents. The project will ensure these customs are taken into consideration when communicating with and treating these communities.

ESS9 Financial Intermediaries
The standard is currently 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>
</tr>
</thead>
<tbody>
<tr>
<td>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts</td>
<td>06/2020</td>
</tr>
<tr>
<td>The ESMF will be finalized within 30 days of Effectiveness. Some activities will not be eligible before the ESMF is in place.</td>
<td></td>
</tr>
<tr>
<td>ESS 10 Stakeholder Engagement and Information Disclosure</td>
<td>06/2020</td>
</tr>
<tr>
<td>The SEP will be finalized in 30 days after Effectiveness date. The SEP will then be continuously updated during project implementation.</td>
<td></td>
</tr>
<tr>
<td>ESS 2 Labor and Working Conditions</td>
<td>06/2020</td>
</tr>
<tr>
<td>The LMP will be part of the ESMF and finalized in 30 days after Effectiveness date.</td>
<td></td>
</tr>
<tr>
<td>ESS 3 Resource Efficiency and Pollution Prevention and Management</td>
<td>06/2020</td>
</tr>
<tr>
<td>The waste management plan as part of the ESMF, will integrate WHO guidance and other international good practice and will be finalized with 30 days following Project Effectiveness.</td>
<td></td>
</tr>
</tbody>
</table>
ESS 4 Community Health and Safety
Relevant provisions included under ESS1. 06/2020

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

ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
The project will comply with ESS 7 requirements and it will be supported by the standalone IP project P157575 in Panama 06/2020

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:
None

IV. CONTACT POINTS

World Bank
Contact: Ronald Eduardo Gomez Suarez  Title: Economist
Telephone No: +1-202-473-7991  Email: rgomezsuarez@worldbank.org

Borrower/Client/Recipient
Borrower: Republic of Panama

Implementing Agency(ies)
Implementing Agency: Ministry of Health

V. FOR MORE INFORMATION CONTACT
VI. APPROVAL

Task Team Leader(s): Ronald Eduardo Gomez Suarez

Practice Manager (ENR/Social) Valerie Hickey Cleared on 23-Apr-2020 at 09:38:2 EDT

Safeguards Advisor ESSA Nina Chee (SAESSA) Concurred on 23-Apr-2020 at 13:15:51 EDT