Project Information Document (PID)
# BASIC INFORMATION

## A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Project Name</th>
<th>Parent Project ID (if any)</th>
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<tbody>
<tr>
<td>El Salvador</td>
<td>P169677</td>
<td>Promoting Human Capital in Health in El Salvador</td>
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<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
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<th>Borrower(s)</th>
<th>Implementing Agency</th>
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<tr>
<td>Investment Project Financing</td>
<td>Republic of El Salvador</td>
<td>Ministry of Health</td>
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**Proposed Development Objective(s)**

The Project Development Objectives (PDO) are to: (i) strengthen health promotion behaviors among children aged 0-7 and their mothers during preconception and gestation; ii) strengthen the early identification of risks and developmental delays in children aged 0 to 7; and (iii) improve the provision of quality health care services.

**Components**

Component 1: Promoting Human Capital Accumulation in among children 0-7 years and their mothers during preconception and gestation of age
Component 2: Strengthening the stewardship of the Health System and the Capacity to respond to public health and national emergencies
Component 3: Project Management and Monitoring

# PROJECT FINANCING DATA (US$, Millions)

## SUMMARY

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<th>Description</th>
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## DETAILS

World Bank Group Financing
B. Introduction and Context

Country Context

1. **El Salvador is facing many economic and social challenges, and the Government’s policies aim to break the country’s current vicious circle of low growth, high migration, and high violence.** Economic growth has averaged just 2.3 percent annually over the last five years (2014-2018) and has been above 3 percent only twice in the last 20 years (1998-2018). Per capita GDP growth is expected to remain at around 3 percent over the medium term. Low levels of investment, weak terms of trade, and limited external demand are constraining growth. At the same time, El Salvador suffers from one of the highest crimes and violence rates in the world. Almost one-quarter of El Salvador’s population of 6.4 million live overseas, sending home remittances worth one-fifth of GDP.

2. **El Salvador’s low growth has been the result of a consumption-based economy, and this limited growth has achieved only mixed results in terms of reducing poverty and inequality.** Economic growth in El Salvador has been slow and stable since 2000, driven by high private consumption and services and fueled by remittances. However, it has been pro-poor. Since incomes at the top of the distribution have not risen as quickly as those lower down, inequality has declined. The poverty headcount — measured at the US$5.5 per day poverty line — declined from 39 percent to 29 percent between 2007 and 2017. Extreme poverty — per capita household income under the US$3.2 per day — declined from 15 percent in 2007 to 8 percent in 2017. The Government is expected to make substantial investments in the human capital sectors in the near future as well as adopting complementary social protection measures to sustain these social gains and increase productivity.

3. **El Salvador’s window of opportunity to promote human capital is today.** El Salvador is still a young country and is approaching the stage of the demographic bonus with a median age of 27.1 years. About 20 percent of the population is aged between 15 and 24 years old and 40 percent is aged between 25 and 54 years old. Life expectancy is 69 years for men and 78 years for women. This gap is explained by a high level of mortality among men due to external causes related to violence and crime. As a young country, El Salvador still has opportunities for growth and development, and therefore human capital investments in children will play an important role in ensuring the sustainable and equitable wealth of the population. On the 2018 World Bank’s Human Capital Index (HCI), El Salvador is among the lowest ranked countries in the Latin America and the
Caribbean (LAC) region, ranking 97 out of 157 countries globally. Safeguarding human capital throughout the lifecycle requires the promotion of healthy habits, specifically to improve the quality of life of children and mothers including actions to prevent the early onset of diseases, and continuous access to quality care.

**Sectoral and Institutional Context**

4. **In 2016, the Government of El Salvador issued its National Health Strategy 2015-2019 aimed at expanding and strengthening primary health care services and promoting multisectoral interventions to respond effectively to health challenges.** This plan guaranteed the health rights of the population by expanding health services and promoting an integrated public health network of service providers, strengthening the effective regulatory capacity of the Ministry of Health, and mobilizing sustainable sources of financing for the sector. The Government implemented the National Heath Strategy based on the provision of free health care within a multisectoral approach, and continuous financial resources will be needed to sustain the progress being made and to carry out reforms that target the poorest and most in need.

5. **El Salvador is the only country in Central America that successfully achieved MDG4 and lowered its maternal mortality ratio.** As of 2018, the under-5 mortality rate was 14 per 1,000 live births (compared to the SDG goal of 20), and the maternal mortality ratio was 46 deaths per 100,000 live births, with 19 percent of maternal deaths occurring among girls and adolescents. This ratio is better than the LAC average of 74 maternal deaths per 100,000 live births. El Salvador’s successes appear to be directly linked to the expansion in health care coverage for mothers and children over the last decade. The proportion of women aged 15 to 49 who received postnatal care within two days of giving birth reached 94 percent, and those who benefitted from at least four antenatal visits reached 90 percent, while 98 percent of births are now attended by skilled personnel. Out of the total number of deliveries in public facilities attended by medical personnel, 23 percent in 2015 involved adolescent girls. However, challenges remain in the quality of those services.

6. **There are several challenges in the health system in El Salvador.** Nutrition continues to be a challenge for El Salvador as a result of its high levels of overweight and obesity rather than for its levels of stunting or wasting. The national prevalence of under-5 stunting is 13.6 percent, which is less than the 25 percent average for low- and middle-income countries, and the under-5 wasting prevalence is 2.1 percent, which is also less than the 7.9 percent average for low- and middle-income countries. In addition, high rates of violence against women and children coupled with high murder rates are having a devastating impact on the quality of life and mental health of Salvadorians, especially children and adolescents. According to the Early Child Development Index, the percentage of Salvadoran children aged 36 to 59 months with adequate development is 9 percent lower among children who were disciplined violently than among children who were disciplined nonviolently. An additional factor that makes it difficult for the Ministry of Health to exercise its governance role over the health system is the lack of harmonization and coordination among the various institutions that provide health services throughout the country. El Salvador’s health care system is comprised of the Ministry of Health (MINSAL), the Salvadorian Social Security Institute (ISSS), the Salvadorian Teachers’ Welfare Institute (ISBM), the Military Health Group (COSAM), and the Solidarity Fund for Health (FOSALUD), which cover 96 percent of the population. The challenges to the health system in El Salvador are being exacerbated by the observed and anticipated impacts of climate change.
7. **In order to respond effectively to these health challenges, the Government is committed to allocating more resources to the health sector and promoting organizational changes to increase efficiency in the provision of health services.** The change in El Salvador’s epidemiological profile means that policymakers must address the remaining challenges in the area of child and maternal health, as well as ensuring that the health system has the capacity to adequately prevent chronic conditions by reducing risk factors, particularly in the formative years of life. An integrated health care delivery model that emphasizes early prevention and detection starting in early childhood is needed in El Salvador.

8. **In 2019, the Government of El Salvador defined investing in the human capital accumulation of the population in the early years of life as its flagship initiative.** The Government has been preparing a multisectoral national policy called *Crecer Juntos* that targets children aged 0 to 7 years old and their mothers nationwide. *Crecer Juntos* will begin to be progressively implemented in 2020 with each new cohort of newborns, while also covering current cohorts of infants and children. *Crecer Juntos* seeks to ensure that all domains of Early Childhood Development (ECD) will be promoted from pre-conception up to entry into elementary school through a basic package of services for these children as well as providing differentiated and specialized services to vulnerable groups and tracer subjects in the areas of nutrition, mental health, and violence prevention. The Ministry of Health has also began preparing its new Health Sector Plan 2019-2024, based on the current National Development Plan (*Plan Cuscatlán*), which will aim to promote health and prevent disease throughout the lifecycle.

9. **The proposed Project is part of the comprehensive support that the Bank is giving to the development and implementation of *Crecer Juntos, El Salvador’s national ECD policy*.** This Project will complement the El Salvador Early Childhood Care and Education Project (P171316) led by the Ministry of Education, which includes a component that strengthens and expands day care centers nationwide.

**C. Proposed Development Objective(s)**

**Development Objective(s) (From PAD)**

10. The Project Development Objectives (PDO) are to: (i) strengthen health promotion behaviors among children aged 0-7 and their mothers during preconception and gestation; ii) strengthen the early identification of risks and developmental delays in children aged 0 to 7; and (iii) improve the provision of quality health care services.

**Key Results**

11. The PDO indicators are:
### Project Beneficiaries

12. **The proposed Project will directly benefit children from 0 to 7 years of age (16.9 percent of the population) and women during preconception and gestation (33.5 percent of the population).** The Project is expected to improve the capacity of health facilities at the national, regional, and municipal levels that provide care to the targeted population groups by certifying their provision of care. The Project interventions will also benefit health sector staff by strengthening their capacity and making additional resources available to achieve the goals of *Crecer Juntos*. The staff at primary health care level and in hospitals (doctors, nurses, and other health facility staff) will also benefit from training, improved working conditions and additional resources to allow them to operate at a higher level and provide a better quality of care. In addition, some of the Project’s interventions have a public good intrinsic value and will benefit the entire population, such as the regulatory and system governance components, the communication campaigns to raise awareness about ECD and nutrition, and health promotion efforts aimed at preventing risk factors and developmental delays.

### D. Project Description

13. **Component 1. Promoting Human Capital Accumulation among 0-7 years of age.** This component seeks to promote interventions to strengthen human capital accumulation in children from the moment of conception to 7 years of age. The component will share health tracers that will include nutrition, health promotion, violence prevention, and provision of mental health care. In addition, climate change adaptation and mitigation measures will be incorporated, as applicable. This component has three subcomponents as follows: Subcomponent 1.1. Promoting Human Capital Accumulation during preconception, pregnancy, and safe and dignified delivery; Subcomponent 1.2. Promotion of Human Capital Accumulation from birth to 36 months of age; and Subcomponent 1.3. Promotion of Human Capital Accumulation from 4 to 7 years of age.

14. **Component 2: Strengthening the Governance of the Health System and the Capacity to respond to public health and national emergencies.** This component seeks to strengthen the governance and regulatory capacity of the Ministry of Health and improve the quality of the provision of public health care. Simultaneously, the proposed component will provide resources to finance activities to mitigate the negative impacts of climate change; and increasing occurrence of natural disasters and disease outbreaks with the aim of preserving human capital gains in health and reducing climate vulnerability. This component has two subcomponents: Subcomponent 2.1. Strengthening the Health System for the Provision of Maternal and Child Care Services; and Subcomponent 2.2. Provision of contingency financing for an eligible public health or epidemiological alert or a public health or national emergency.

15. **Subcomponent 2.2. is also defined as the Contingency Emergency Response Component (CERC).** It will facilitate the use of critical resources in the event of a public health alert, epidemiological alert, public health
emergency, or national emergency being officially declared through a Health Ministerial Resolution or a Presidential Decree. This subcomponent will finance the immediate purchase of medical equipment and medical and non-medical supplies as well as covering operational costs and other necessary expenses related to the early prevention of outbreak or to recovery efforts. Depending on the type of emergency, the existing plans will be adjusted accordingly. Funds will be allocated and disbursed only after an alert or emergency has been declared and the Government has provided a letter to the World Bank that includes: (i) legal evidence, satisfactory to the World Bank, of the declaration of a public health alert, public health emergency, or national emergency; (ii) a list of the required goods, minor rehabilitation works, consultancies or other services, and operating costs (including a procurement plan) acceptable to the World Bank; (iii) a clear indication of the activities affected by the reallocation of funds; and (iv) any assessments and plans that the World Bank may require. After two-thirds of the loan has been disbursed or after three years of Project implementation (whichever comes first), the Government may ask the World Bank for any remaining funds under this subcomponent to be re-allocated to other Project components.

16. **Component 3. Project Management and Monitoring.** This component will support the strengthening of the Ministry of Health capacity to administer, implement, supervise, and evaluate project activities. In addition, this component will include the hiring of the external verification entity and the auditing firm for the annual financial audits. This component will be financed using the IPF disbursement method.

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<tr>
<td>Projects in Disputed Areas OP 7.60</td>
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**Summary of Assessment of Environmental and Social Risks and Impacts**

17. The Project's overall environmental and social risk is Moderate. The Project is expected to have moderate environmental risks and impacts as most activities are related to training and capacity building to strengthen human capital in El Salvador. Some mostly small-scale civil works are expected for the rehabilitation and expansion of existing health facilities, laboratories, maternal houses, and schools across selected municipalities located in urban and rural areas. The exact locations of the infrastructure work and the type of civil works are yet to be determined. Civil works are not expected to involve land acquisition or restrictions on land use or have negative impacts on tangible or intangible cultural heritage, any critical or sensitive natural habitats, biodiversity areas, or living natural resources. Potential environmental and social impacts of construction are anticipated to be site-specific, manageable and temporary.

18. The Project’s social risk is considered Moderate. The Project is expected to have mostly positive social effects from improvements in maternal and child health services. Social risks include exacerbating existing inequalities if barriers to access to health services for vulnerable beneficiaries including indigenous peoples, personas with disabilities, those living in contexts of violence, and migrants are not properly mitigated. In addition, contextual crime and violence in the country, including high prevalence of GBV, can make project activities and access to project benefits more difficult.
19. Other risks include community health and safety impacts from management of medical equipment and construction impacts from civil works. The Borrower prepared, consulted, and disclosed, an Environmental and Social Management Framework (ESMF) including: (i) a project-level Environmental and Social Assessment (ESA) that identifies broad baseline environmental and social risks and impacts; (ii) screening procedures to classify specific subproject activities according to their environmental and social risks and impacts and determine the content of the environmental and social management instruments at sub to be developed based on the scope and scale of the activities to be financed; (iii) general guidelines for mitigation measures for subproject activities to be developed and incorporated in specific subproject ESMPs, if relevant, including considerations for the construction and operational phases; and (iv) description of how mitigation measures for working in vulnerable contexts and with vulnerable groups will be incorporated in specific Project activities.

20. The Government prepared a Labor Management Procedures (LMP) to identify the different types of project workers that are likely to be involved in the Project and set out the way in which they will be managed, in accordance with the requirements of national law and ESS2. To ensure health and safety of workers during the construction phase of the Project, the LMP will include a Health and Safety Plan in line with the World Bank Environment, Health and Safety Guidelines for construction activities. The LMP contains a description of a labor specific Grievance Redress Mechanism (GRM). As the Project is national in scope, Indigenous Peoples will be beneficiaries, and some of the selected municipalities may be in areas with indigenous peoples fitting the criteria of ESS7. The LMP will be disclosed by the borrower before Project effectiveness.

21. The Borrower has prepared and disclosed an Indigenous Peoples Planning Framework based on consultation with nationally representative indigenous organizations. The IPPF identifies barriers to access and develops measures to ensure Project benefits are culturally pertinent, including in relation to the intercultural health system in indigenous territories, the awareness of health staff working in indigenous territories about indigenous, rights, traditional and intercultural health, and the participation of traditional authorities and the communities. The IPPF also describes how measures to address these barriers and discriminatory practices against Indigenous Peoples within health services are integrated into project design. In addition, the IPPF includes procedures for the preparation of specific indigenous peoples plans for infrastructure subprojects that may be located in areas where there are indigenous peoples present.

22. The Government prepared and disclosed a Stakeholder Engagement Plan mapping stakeholders, describing the timing and methods of engagement with them throughout the life-cycle of the Project, and describing the project’s GRM.

23. The Borrower also prepared and disclosed an Environmental and Social Commitment Plan including the necessary measures that the project will need to address during preparation and implementation to ensure compliance with the ESSs and the Project’s social and environmental instruments.

E. Implementation

Institutional and Implementation Arrangements

24. The implementation of the Project will be overseen by the Ministry of Health through a Project Coordination Unit (PCU) that will report directly to the Minister of Health. Within this coordination, all of the relevant national directorates will take responsibility of the topic under their specialty. The PCU will be
responsible for the day-to-day management of Project activities, including: (i) preparing an annual operational plan, a Project procurement strategy for development (PPSD), and procurement plans; (ii) overseeing the technical aspects of implementation; (iii) ensuring the timely implementation of the operational plan, the PPSD, and the procurement plans; (iv) ensuring the efficient use of project funds and resources; and (v) preparing semi-annual technical progress reports. The PCU will be comprised of well-seasoned fiduciary staff with experience in projects financed by the Bank or other international development partners. Their roles and responsibilities will be detailed in the Project Operations Manual.

CONTACT POINT

World Bank

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Borrower/Client/Recipient

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APPROVAL

Task Team Leader(s): Amparo Elena Gordillo-Tobar
## Approved By

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