INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Papua New Guinea	Project Title:	Health Services Development Program
Lending/Financing Modality:	Sector Development Program	Department/ Division:	Pacific Department/Urban, Social Development, and Public Management Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

Vision 2050 aims to achieve inclusive economic growth by transforming the economy, improving infrastructure, and enhancing human development in Papua New Guinea (PNG).[a] The vision identifies a healthy population as a driver of development and calls for improved healthcare services. The Asian Development Bank (ADB) country partnership strategy for PNG, 2016–2020 identifies health as a priority area for helping the Government of PNG convert its resource wealth into higher human capital to drive inclusive and sustainable economic growth.[b]

The Health Services Sector Development Program (HSSDP) will significantly contribute to poverty reduction. The health of women and men is directly linked to their human capital development and productive capacity. Poor health (a) impedes individuals' opportunities for education and training, and their productive potential; (b) prevents individuals from earning a living; and (c), especially among women, causes high maternal and infant mortality rates and poor human capital development in children. As improved access to healthcare services will reduce the burden of disease, the HSSDP will significantly improve the health and economic circumstances of the largely rural population.

B. Poverty Targeting

☐General Intervention ☐Individual or Household (TI-H) ☐Geographic (TI-G) ☒Non-Income Sustainable Development Goals (TI-SDG3)

The HSSDP targets the achievement of Sustainable Development Goal 3, and aims to improve the health of the population. Poorer provinces and districts will prioritized under the project investment component where feasible. The program will be implemented nationally and sub-nationally. Poor and isolated communities will benefit from improved access to health services.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries. Evidence from the 1996 and 2009–2010 Household Income and Expenditure Surveys suggests that, despite more than 11 years of sustained high average rates of economic growth, poverty did not decline between 1996 and 2010. PNG maintains a national poverty rate of approximately 37%,[c] and health outcomes have also stagnated or even deteriorated.[d] Access from rural communities is often difficult, which in turn constrains access to basic health facilities and the referral system by large parts of the population. Where access is available, quality is often low due to poor infrastructure; lack of utilities, equipment, consultation privacy, or medical supplies; user fees; and staff absenteeism. This discourages people from seeking treatment at health centers. Women are particularly affected, since they bear the primary responsibility of childcare in PNG. The focus on health services will ensure that benefits to the poor, and to women and children.

2. Impact channels and expected systemic changes. Improvements in the allocation of public resources for health, funds flows, and accountability, as well as the technical aspects of the health service delivery system are expected to increase service quality and value-for-money in service delivery. The financing provided will help safeguard critical health spending from further cuts in the short and medium term, and will ensure the affordability of primary health services. Introduced system improvements will ensure increased access to and the affordability of healthcare services by improving the availability of funds, medical supplies, and health personnel at the facility level. This is expected to effect positive changes in human capital development and productive capacity for beneficiaries, and long-term inclusive growth. The project investment component will generate short-term employment for the construction and upgrading of health facilities.

3. Focus of (and resources allocated in) the transaction technical assistance or due diligence. The TRTA team will prepare poverty, social, and gender analyses, and will assess the health system, including constraints on access to and the quality of health services for the poor and excluded groups, and sustainable financing and service delivery bottlenecks in the delivery of healthcare services to the poor. Furthermore, the TRTA will facilitate coordination between government agencies and other stakeholders to identify the needs of the poor, as well as key policy reforms and priority project locations to best address these.

4. Specific analysis for policy-based lending. In the short term, safeguarding health sector budget allocations will allow continuous health service delivery during a period of fiscal consolidation. The short- to medium-term direct impact on the poor is expected to include improved access to and quality of services, as well as potentially more affordable services (e.g., if the amount of medical supplies, which patients previously needed to provide themselves, were to increase in health facilities). In the medium term, the program will indirectly benefit the poor

and vulnerable through more sustainable financing of services from increased value-for-money in procurement, and reduced funds leakage through better financial management systems. Strengthened partnerships with civil society organizations and the private sector may generate new employment in the medium term.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?
Poor and deteriorating health indicators in PNG are largely associated with women and their poor use of reproductive health services. High maternal and infant mortality rates result from the lack of reproductive healthcare (including women's poor nutrition), family planning, skilled professionals supervising deliveries, or proper postnatal care. Teen pregnancy and HIV/AIDS among young women are problems that require special attention. Sexual violence is prevalent, requiring intervention programs at various levels. Women usually have no control over family resources and only limited ability to influence decision making on healthcare. A woman's ability to access health services often depends on whether her husband recognizes the importance of healthcare and makes resources available for her to go to a healthcare facility and pay for healthcare. Men and women often want different numbers of children, with women desiring to limit family size and men desiring many male children. Men also regard bearing and rearing children as women's primary role. Domestic violence is common, including severe cases.

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women with access to and use of opportunities, services, resources, assets, and the ability to participate in decision making?
☒ Yes ☐ No The program will address gender issues by improving access to and the quality of maternal and child health services through health policy reform and systems strengthening, physical improvements to health facilities, and the provision of adequate medical equipment and better-trained healthcare staff. Healthcare workers will conduct outreach to improve awareness of maternal healthcare. Any community health programs will educate women and men on primary and reproductive healthcare, including family planning, antenatal care, safe birth, postnatal care, child immunization, sexually transmitted infections, HIV/AIDS, domestic violence, and gender awareness. A gender and community development specialist will be recruited as part of the program team, as needed, to monitor the implementation of gender action plans (GAPs) and report on their progress, together with the head of the project support unit. Gender-disaggregated data will be collected for activities under the program and GAP, the analysis of which will be included in project progress reports. A GAP should be prepared as part of the due diligence during TRTA.

3. Could the proposed project have an adverse impact on women and/or girls, or widen gender inequality?
☐ Yes ☒ No The program will neither adversely impact women and/or girls, nor widen gender inequality.

4. Indicate the intended gender mainstreaming category:
☐ GEN (gender equity) ☒ EGM (effective gender mainstreaming)
☐ SGE (some gender elements) ☐ NGE (no gender elements)

III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.
The program component is nationwide and will affect, through fiscal and sector policy changes, all PNG citizens. Main beneficiary groups include the poor, women, and children. Other main stakeholders include civil servants and other employees of central government and technical departments, provincial and district health agencies, and health posts. Further, civil society organizations and the private sector are stakeholders and may benefit from service delivery partnerships. Overall, the program is aligned with the government's strategic and sector plans, which are based on extensive stakeholder consultations. A program and reform steering committee will bring together key stakeholders from government institutions and development partners. Project component designs and individual policy reforms are based on or will incorporate feedback from consultations with identified stakeholder groups, led by the responsible implementing agencies. Participatory capacity, human resource development, and training needs assessments will be conducted at the institutional level.

2. How can the project contribute (systemically) to engaging and empowering stakeholders and beneficiaries, particularly the poor, vulnerable, and excluded? What issues in the project design require the participation of the poor and excluded?

Stakeholder and beneficiary consultations will be initiated during TRTA, which will lead to stakeholder engagement and participation plan(s). The policy reforms and design of the investment project will build upon the findings thereof, and further consultations will be integrated in the implementation plans as appropriate. The poor and vulnerable, as the ultimate beneficiaries, will be consulted with regard to health service gaps and needs, and constraints on accessing available health services.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?
[M] Information generation and sharing [M] Consultation [L] Collaboration [L] Partnership

4. Are there issues during the project design in which participation of the poor and excluded is important? What are they and how shall they be addressed? ☒ Yes ☐ No The increased use of health services by poor households at hospitals, health centers, and villages is essential for the HSSDP's success. Direct consultations with beneficiaries and civil society organizations, and awareness raising are essential to ensure that service needs and access obstacles for the poor and excluded are understood, and integrated in the program design.

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category ☐ A ☐ B ☒ C ☐ FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? ☐ Yes ☒ No No resettlement issues are expected, as most or all facility upgrades under the program's project component will be conducted at existing sites. If any new sites are included in the project, locations involving involuntary resettlement will be avoided.

2. What action plan is required to address involuntary resettlement as part of the TRTA or due diligence process?

☐ Resettlement plan ☐ Resettlement framework ☐ Social impact matrix
☐ Environmental and social management system arrangement ☒ None

B. Indigenous Peoples Category ☐ A ☐ B ☒ C ☐ FI

1. Does the proposed project have the potential to affect the dignity, human rights, livelihood systems, or culture of indigenous peoples, either directly or indirectly? ☐ Yes ☒ No

2. Does it affect the territories or natural and/or cultural resources owned, used, occupied, or claimed by indigenous peoples as their ancestral domain? ☐ Yes ☒ No

3. Will the project require broad community support of affected indigenous communities? ☐ Yes ☒ No

4. What action plan is required to address risks to indigenous peoples as part of the TRTA or due diligence process?

☐ Indigenous peoples plan ☐ Indigenous peoples planning framework ☐ Social impact matrix
☐ Environmental and social management system arrangement ☒ None

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

[L] Creation of decent jobs and employment [L] Adherence to core labor standards ☐ Labor retrenchment
[L] Spread of communicable diseases, including HIV/AIDS ☐ Increased human trafficking [L] Affordability
☐ Increased unplanned migration ☐ Increased vulnerability to natural disasters ☐ Creation of political instability
☐ Creation of internal social conflicts ☐ Others

2. How will the project design address these additional social issues and risks?

The HSSDPdesign will address issues and risks relating to the creation of decent jobs and employment and adherence to core labor standards. Core labor standards, including those relating to child protection and national labor laws, will be complied with during the upgrading and rehabilitation of health facilities. Where unskilled labor is required, contractors will be encouraged to hire men and women from project communities. Affordability should improve if policy reforms and project interventions strengthening (free primary) healthcare services are implemented. Better health systems and additional facilities will improve the provision of healthcare services for people, including services for people with HIV/AIDS.

VI. TRTA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the TRTA (or other due diligence) contain key information to be gathered during the TRTA or due diligence process to analyze more thoroughly (i) poverty and social impacts, (ii) gender impacts, (iii) participation dimensions, (iv) social safeguards, and (v) other social risks? Are the relevant specialists identified?

☒ Yes ☐ No

2. What resources (e.g., consultants, survey budget, and workshops) are allocated for conducting the poverty, social, and/or gender analysis, and participation plan during the TRTA or due diligence?

TRTA resources of $800,000 have been allocated to support the program design (Appendix 3). This includes a gender and social safeguards specialist, a resettlement/land acquisition specialist, and an environmental safeguards specialist. A workshop budget for initial stakeholder consultations to develop a participation plan has been allocated.

[a] Government of PNG. 2009. *Papua New Guinea Vision 2050*. Port Moresby.
[b] ADB. 2015. *Country Partnership Strategy: Papua New Guinea, 2016–2020*. Manila.
[c] Government of PNG. 2011. *Household Income and Expenditure Survey: Summary Tables and Statistics*. Port Moresby.
[d] Development Policy Centre. 2014. *A Lost Decade? Service Delivery and Reforms in Papua New Guinea 2002–2012*. Canberra; World Bank. World Development Indicators database. http://data.worldbank.org/data-catalog/world-development-indicators (accessed 10 January 2017).

Source: Asian Development Bank.