



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 12/20/2021 | Report No: ESRSA01671



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Micronesia, Federated States of	EAST ASIA AND PACIFIC	P177073	
Project Name	Federated States of Micronesia Strategic Climate-Oriented Road Enhancements		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Transport	Investment Project Financing	1/28/2022	5/30/2022
Borrower(s)	Implementing Agency(ies)		
Federated States of Micronesia	Department of Transportation, Communications & Infrastructure		

Proposed Development Objective

To improve the climate resilience of FSM’s secondary road network

Financing (in USD Million)	Amount
Total Project Cost	35.25

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]

SCORE will form part of the Pacific Climate Resilient Transport Program (PCRTP) Series of Projects (SOP) and build off the recent World Bank Board-approved Prioritized Road Investment and Management Enhancements (PRIME) Project. As part of PCRTP, SCORE will adopt a common PDO and a three-pillared component structure similar to that of PRIME, as follows:

a. The Project Development Objective is “To improve the climate resilience of FSM’s secondary road network”.



b. Component 1: Spatial and Sector Planning Tools. This Component involves technical assistance (TA) to support Federated States of Micronesia (FSM) in the way that climate change is addressed in the road sector through analytical and sector planning tools that enable policymakers to make informed decisions based on the most accurate and up-to-date sector information available.

c. Component 2: Climate Resilient Infrastructure Solutions. This Component involves feasibility studies, design and construction of identified priority strategic secondary road assets to improve their resilience to climate-related hazards and/or events. The integration of climate change considerations into infrastructure activities will help strengthen the resilience of assets and improve functionality of the road network. The Vulnerability Assessment (VA) and Climate Resilient Road Strategy (CRRS) under PRIME will help to guide the investments included within this Component.

d. Component 3: Strengthening the Enabling Environment. This Component will help to strengthen coordination among relevant institutions, will look at ways in which road sector management can be improved, and will address any emerging priority issues that can help support the Government in addressing climate change risks. Considering SCORE is an extension of the PRIME project, the current PRIME resources will be involved in the preparation and implementation of SCORE.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The Federated States of Micronesia (FSM) is the largest nation in the Micronesian sub-region, comprised of four semi-autonomous states: Kosrae, Pohnpei, Chuuk, Yap. FSM consists of more than 600 islands scattered over an area of about 2.6 million m². Each state has a main 'high' island where the majority of the population is based. Natural hazards, including typhoons, frequent heavy rains, flooding along with threats of tsunamis, storm surges, rising sea levels, can, and do, cause damage to the natural environment, infrastructure and livelihoods. Amongst the four states there is diversity in terms of language, culture, environmental and land tenure laws. Micronesians represent the overwhelming majority in FSM, with recent estimates putting them at 91% of the population. Each main state comprises unique ethnic groups and languages. The 2013-2014 Household Income and Expenditure Survey estimated 41.2 percent of the population lived below the basic needs poverty line. Poverty levels were highest in Chuuk (45.5 percent), the most populated State. Poverty is slightly lower in the States of Yap (39.4 percent) and Pohnpei (39.2 percent), and lowest in Kosrae (21.0 percent). Characteristics associated with poverty include households with more children and household heads that are female, lower-educated, and working outside the public sector.

The road network is vulnerable to climate change induced risks such as sea level rise, intensified storm surge, increased precipitation and flooding. The road network is critical for the movement of goods and services as well as access to social services. In general, there is only one primary, circumferential route on each main island. Most of the population live close to the coast, and critical infrastructure and services are located primarily in the coastal zones. Road easements are reported to range in width from 12-18m; created through voluntary legal agreements between the State Government and land owners with no compensation paid to land owners.



Technical studies and institutional strengthening will include: updating the PRIME-funded Vulnerability Assessment and Climate Resilient Road Strategy, Climate-informed Road Crash Database, Road Safety Program, Materials Testing Laboratory, Transport Sector Data Collection unit, Gender and Gender Based Violence (GBV) initiatives and Sustainable Motorisation Management; The physical works funded by SCORE Component 2 will be undertaken at spot locations on the secondary road network.

Adjacent to the road network are sensitive ecosystems - mangroves, sea grasses and corals as identified in the Environmental and Social Management Framework (ESMF). FSM has unique biodiversity which is under threat from invasive species and habitat degradation. Sensitive ecosystems, including Protected Areas, may be within the areas of influence under Component 2 and /or may be affected by project emissions and future stormwater drainage discharges.

FSM has land-based sources of aggregates but they are commonly imported for large-scale or specific purposes. All main islands have solid waste landfills. Sensitive social receptors identified in the ESMF include residences, schools, churches, hospitals, food gardens, grave sites and businesses. Encroachment into the road easements corridors is common. The nature of site-specific sensitive environmental and social receptors along the potential SCORE roads will be reassessed in more detail during preparation of individual works.

D. 2. Borrower's Institutional Capacity

FSM SCORE is the third World-Bank supported transport project in FSM, after the FSM Maritime Investment Project (FSMIP) and PRIME. The recipient is the Federated States of Micronesia. FSM Department of Finance and Administration (DoFA) will be the Executing Agency with the Department of Transportation, Communication and Infrastructure (DoTC&I) will be the Implementing Agency. However, as the roads fall under the jurisdiction of the relevant State Government, there will be separate Project Implementation Agreements with each of the States to ensure agreement between all relevant parties on implementation roles and responsibilities as well as to ensure that required coordination arrangements within the states are in place. The PIU and the States are required to establish PIAs prior to commencement of Component 2 activities.

DoFA and DoTC&I are familiar with the World Bank Safeguards Policies, the Environmental and Social Framework (ESF) and project-specific environmental and social risk management instruments from their experiences with the PRIME, FSMIP, Digital FSM and the Palau-FSM Connectivity Project. This is the second World Bank-funded road improvement project in FSM applying the ESF and the State transport authorities are becoming familiar with the ESF and Environmental and Social Standards through their engagement on PRIME. They do not have designated environmental and social staff; the Government of FSM, through DoFA, has set up a Central Implementation Unit (CIU) to provide environmental and social risk management support for World Bank projects.

The CIU Safeguards Team (one locally based Environmental Specialist and one Senior Environmental Specialist with international experience) have provided appropriate and timely environmental and social management support to DoTC&I and the respective State Road Authorities so far under PRIME. The CIU Safeguards Team is in the process of engaging a full-time internationally-experienced Social Specialist who will provide support for management of involuntary resettlement risks and land access requirements, including participatory design processes, as well as guiding stakeholder engagement and grievance management under the World Bank ESF.

The scale of SCORE and PRIME with respect to site specific consultations, environmental and social assessments and instruments, participatory design, site-specific Resettlement Plans means more resources are required in the CIU. The



CIU will recruit an additional social safeguards position and will engage additional environmental and social consultants as needed to support assessment and instrument preparation tasks as needed throughout project implementation to support the integration of environmental and social management into PRIME and SCORE at the Federal and State level.

The World Bank team will provide ESF training as well as ongoing direct support to DoTC&I, the State Road Authorities and CIU to ensure the requirements of the ESF are satisfied.

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

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Substantial

The overall environmental risk is assessed as Substantial. Component 1 technical advisory activities will cover future road improvements in the primary and secondary road network. Component 2 road works will take place at discrete locations within the existing secondary road corridor. Component 3 institutional strengthening will provide benefits across the public road network. Project risks are likely to be identifiable, localized, short term or small scale, not irreversible or unprecedented, and can be addressed through conventional mitigation and management measures. However, the the project investments are expected to be in fragmented locations being spread across four separate states. The length and location of the strategic secondary road network was mapped prior to appraisal and contains several hundred kilometers cumulatively across the states. One of the considered roads is in close proximity to Nan Madol, a UNESCO cultural heritage site. Others are close to sensitive coastal ecosystems and protected marine areas. The environmental risks relate primarily to road network rehabilitation and improvement activities and include the management of waste (demolition, road materials, hazardous, solid and liquid wastes), erosion and sedimentation from earthworks especially those that take place near waterways or sensitive environments (estuaries, lagoons, mangroves and streams). Greenfield investments will not be included. Further more, road workers and the public are at risk from traffic-related hazards. These impacts can be readily managed through Good International Industry Practice (GIIP) mitigation measures, ESHS measures prescribed within the standard procurement documents, good engineering designs informed by environmental and social risk assessments and good practices for civil construction and transport-related impacts. Traffic-related hazards and transport impacts along haul routes associated with heavy vehicles (noise, dust, road safety and road surface condition) can be managed through the establishment of a robust Traffic and Road Safety Management Plan (TRSMP), incorporated into Contractors’ Environmental and Social Management Plans (CESMP). Off-site activities include quarrying and (pending the actual method of road rehabilitation) concrete batching or asphalt plant operations, which if not managed properly, may cause localized adverse impacts. Coral rock and coastal sand mining will be avoided in this project but environmental assessments and due diligence will be carried out on other sources of local or imported aggregates. The project applies to all four states of FSM. Environmental management and permitting is at the state level though enforcement of environmental and occupational health and safety (OHS) laws is weak. The CIU Safeguards Team will engage additional resources (staff and / or consultants) to screen and prepare instruments. The CIU Safeguards Team are based in Pohnpei and therefore, there are logistical challenges for managing construction-related risks. This capacity gap will be filled by training the State focal points with key skills for environmental, social, health and safety (ESHS) construction supervision. Ongoing World Bank support and capacity building will be needed to mitigate these risks.

Public Disclosure



Social Risk Rating

Substantial

The overall social risk is assessed as Substantial. Social risks relating to road construction and maintenance activities include involuntary resettlement impacts, inadequate engagement with local communities, the health and safety risks for workers and the community (noise, dust, traffic) as well as the management of imported workforce with the associated potential increased risk of GBV, sexual exploitation and harassment. These types of risks can be managed through effective codes of practice for road works, training of workers and good supervision and oversight of mitigation measures. It is expected that special attention will be needed to monitor and enforce compliance in the application of ESS2 (Labor and Working Conditions) and ESS4 (Community Health and Safety), since minor to moderate worker influx are expected. Early engagement with land owners, local communities, vulnerable groups and traditional/local leaders would be critical to ensuring their support in agreeing to the removal of property encroaching in project works areas. Gender-based violence is prevalent: 33 percent of women have experienced physical and/or sexual violence by a partner and 8 percent by someone other than a partner. Sexual exploitation of locals has occurred in the past by foreign work forces. The risk of sexual exploitation and abuse/sexual harassment is screened as moderate using the World Bank ‘major civil works’ screening tool.

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 applies to the project due to the environmental and social risks associated with strategic planning and institutional strengthening in the road sector and with the physical road improvements. CIU (with the support of consultants) have undertaken a field review of sensitive environmental and social receptors and values along the secondary road networks in Pohnpei, Chuuk, Yap and Kosrae, updating the PRIME baseline completed along primary and secondary roads in 2020.

The specific location and nature of works is not known because they will be identified in the next 12 months as outputs from the Vulnerability Assessment and Climate Resilient Road Strategy being prepared under PRIME, but the typology of works are: pavement and surface strengthening, drainage improvements, slope stabilization, culvert and bridge strengthening or improvements and causeway repairs. The strategic secondary road network has been confirmed and mapped, but is still subject to change pending the outcomes of the technical advisory studies.

Potential environmental risks and impacts from construction activities are expected to be temporary and reversible, low in magnitude, and site specific. These impacts most commonly include possible temporary disruption of current traffic circulation, traffic safety, dust nuisance, and gaseous emissions, potential pollution of soil and water resources from sediment discharges and hazardous waste, disturbances to foreshore and riverbanks from heavy machinery and momentary interference of noise and dust to neighboring settlements through various operation activities. Temporary social impacts related to the construction phase are expected to include temporary land use such as for diversion roads and laydown areas, disruptions to commercial activities as well as moderate risks related to GBV due to influx of modest number of overseas workers or workers from other states. Permanent land acquisition resulting in marginal losses as well as loss of non-land assets adjacent to the existing road corridors are possible impacts associated with the road improvements.



Many roads are located close, or adjacent to, the coast, waterways and mangroves, and cultural heritage. Any resulting contamination, sedimentation, spills, etc. will potentially have adverse consequences for fragile coastal ecosystems, including mangrove and estuarine areas, seagrass beds and reefs. Robust sediment and erosion control procedures will be extremely important during road works, especially any works on the causeways. The Environmental and Social Management Plans (ESMPs) will provide the key mitigation measures and the CESMP will contain the detailed methodologies for these procedures that will be the responsibility of the Contractor. Off-site activities may include quarry, concrete batching and asphalt plant operations which may cause localized adverse impacts relating to dust, noise and contaminated stormwater discharges. Aggregate supply was assessed in the PRIME baseline study and based on the risk assessment, land based local quarries or imported aggregates will be used for SCORE road works to avoid the risks associated with the use of local coral and sand dredging. Impacts will be managed through ESMPs, with controls such as strict biosecurity precautions and clearance for imported aggregates and machinery, as well as adherence to ESS2 and the World Bank Group EHS Guidelines for construction material extraction. The potential long-term impacts including habitat degradation from sedimentation and disturbances of foreshore, seabed and waterways, ongoing drainage discharges to ground/waterways impacting water quality and drinking water sources were assessed in the ESMF with the conclusion that, with the proposed improvements, the long-term impacts are anticipated to be similar to baseline conditions.

Contractor's site offices, accommodation and work places can be potential sources of noise, disruptions to locals and, in severe cases, harmful conduct such as sexual exploitation or harassment. Construction impacts will be mitigated using industry-standard techniques and by trained and experienced Contractors through good construction practice, and through implementation of CESMP and Codes of Conduct for workers.

The social benefits of an improved road network include reduction in travel time to schools, health, and other public service centers; expanded access to markets and work opportunities; reductions in the risk that connectivity is affected during or after typhoons, seasonal high tides and heavy rain events; and improved road safety and climate resilience.

Given that location of most road segments to be rehabilitated, and the nature of rehabilitation works at those locations, will not be known before project appraisal, the DoTC&I, with assistance from the CIU, prepared an ESMF (based on the PRIME ESMF, now called the PRIME-SCORE ESMF) to facilitate screening, assessment, instrument preparation and management of environmental and social issues of activities during project implementation. The ESMF defines screening criteria for activities to guide the preparation of site specific environmental and social assessment and the appropriate mitigation measures within the ESMPs. Sensitive sites or large scale works, or where cumulative impacts are possible, Environmental and Social Impact Assessment (ESIA) may be required. Contractors will be required to prepare and implement CESMPs.

An Environmental and Social Commitment Plan (ESCP) sets out the substantive measures and actions that will be required for the project to meet environmental and social requirements over the project's lifetime. The ESMF and ESCP have been discussed with stakeholders and will be disclosed prior to appraisal, along with the Labor Management Procedures, Stakeholder Engagement Plan (SEP) and Resettlement Framework (RF). Site-specific ESIAs, ESMPs and other ESS1 instruments prepared during implementation will also be consulted, cleared by the World Bank and disclosed prior to the tender documents being finalized. The requirement for site specific ESIAs rather than



only ESMP will be dependent on the nature of the expected impacts and will be determined at the time of subproject screening using the process in the ESMF. Works with more potentially complex impacts such as those near areas of cultural heritage significance or significant slope stabilization may prompt preparation of site specific ESIA's.

The spatial and sector planning tools under Component 1 may contribute to longer-term priority works not funded by the Project. Therefore, there is the potential for indirect E&S impacts from the recommended works; this could include terrestrial and marine ecological disturbances, erosion and sedimentation and disturbances to surface water flow. All technical advisory (TA) will be consistent with the Project instruments and the ESF and this requirement will be explicit in Terms of Reference (TOR). Recommendations to avoid or mitigate significant harm will be provided for incorporation in the final TA reports to minimize the future downstream impacts from the studies. The ESMF included instructions for TOR to be reviewed and cleared by the World Bank. Approaches and outputs from technical advisory work will be reviewed by the World Bank for consistency with the ESF and Project instruments.

ESS10 Stakeholder Engagement and Information Disclosure

A SEP has been prepared to guide how communication will be managed during project implementation and includes a Grievance Mechanism (GM) that includes a sensitive channels for grievances related to GBV, sexual harassment and sexual abuse. Given the commonality of approaches of PRIME and SCORE as well as similar stakeholders and communication needs, a combined PRIME-SCORE SEP has been prepared. The SEP and GM reflect the requirements of ESS7 to ensure culturally-relevant consultation methods and methods for grievance resolution. The SEP and GM will support all activities under the Project, including the project's participatory design approach and arrangements for land access.

Similar to PRIME, the direct project beneficiaries of SCORE are communities using relevant roads for access to social services, business or other activities. State governments are the beneficiaries on the institutional dimension as they are directly responsible for the maintenance of the road infrastructure that will be improved through the project. State and National governments will be the beneficiaries of the developed spatial and sectoral planning tools under Component 1. Project-affected people include those who may be affected by removal of property from the road corridor, bystanders, the vulnerable, road users and neighbors experiencing nuisances and hazards from the road works. Distinct vulnerable or disadvantaged groups and their specific needs will be identified during the environmental and social assessments for works. The SEP assessed and provides guidance for the engagement of various stakeholders during three phases: (i) project preparation, including the environmental and social instruments, vulnerability assessment and the strategic planning tools (ii) engagement during the design of works as well as (iii) prior to and during the construction works period.

During project preparation, the environmental and social consultants assisted DoTC&I and the CIU to present the project and draft environmental and social instruments to government, civil society and community representatives in each state. This was done through a combination of face-to-face and virtual meetings, in local languages and in culturally appropriate formats (as is possible using internet-based technology). Consultations during project preparation were hampered by travel restrictions between States and internationally due to the Covid-19 pandemic. The project adopted a responsive communication approach such as stakeholder meetings facilitated by state-based Government focal points and local consultants, along with methods such as video-conferencing, email, phone and other on line and mass communication tools to provide information on the project and to seek feedback, and to



disclose environmental and social management instruments. The SEP, ESMF and RF will be publicly disclosed by the Borrower and the World Bank.

The GM for SCORE will be managed similar to other projects across the World Bank portfolio in FSM including PRIME. It will be administered centrally by the CIU safeguards team who will record, monitor and report on grievances and outcomes. The GM will be set up so complaints can be received and managed as local as possible to the physical works, by the State Road Authorities, PIU focal points and the contractor. The CIU will support the contractors, State Road Authorities and the PIU to resolve issues and otherwise elevate the grievances to the Project Steering Committee. The GM process and contact details will also be published online and communicated during consultation activities and publicized in works areas from before the commencement of works. The PRIME GM has been established but no grievances or complaints have been received to date.

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 will require the use of contractors, contracted workers and subcontractors for the road improvement works. The project will also require direct worker consultants as well as primary suppliers for materials. Labor will be imported or local (to be determined on a State by State and case by case basis) and that labor influx has been assessed as a moderate risk in the social assessment and impact mitigation provided in the ESMF . An LMP has been prepared to manage these risks. Given the similar of risks and implementation arrangements between PRIME and SCORE, a combined PRIME-SCORE LMP has been prepared. The number of workers, and the local or overseas percentage of the contracted work force will not be known until the tendering is complete and the Contractor's bids have been received.

The labor risk assessment for the road sector was completed for PRIME and reviewed to confirm appropriateness for SCORE and documented in the ESMF and LMP.

Occupational health and safety risks are greatest during construction, where workers will be exposed to harm from traffic, heavy machinery, weather exposure, risk of slope destabilisation and exposure to noise and dust. The ESMF and LMP refer to the use of the Contractor's ESMP to contain a risk-based approach to identifying, avoiding and managing hazards. Interisland and international travel is severely restricted due to COVID-19. There is no COVID-19 in FSM and the importance of following quarantine and any other protocols set by GoFSM and to have a plan for any such outbreak while they are in country. Otherwise, the community may be at risk if FSM COVID-19 protocols are not followed for all workers entering islands.

Child Labor is not considered a likely risk, but the LMP will provide measures to prohibit child labor on the project. An assessment of labor rights and laws as well as occupational health and safety legislation and implementation arrangements was undertaken during preparation of the PRIME and SCORE ESMF and LMP. There are similar labor rights provisions in national law but the OHS laws are weak. Another project labor requirement is for the consultants (either individuals or firms) who will provide technical advisory services. Quarries operated by third parties will be 'primary suppliers' under ESS2 and due diligence will be required on the occupational health and safety risk



management, child labor and forced labor as part of the Contractors' CESMP procedures and the Contractor, to the extent possible, will need to require mitigation measures to be implemented.

The LMP will be disclosed by project appraisal. The LMP proposes how to overcome aspects that do not meet the objectives of the Standard and describes national and state labor policies and practices, the types of project workers that are likely to be involved, the procedures to apply ESS2, and a labor grievance mechanism. Labor influx issues and community health and safety (as described under ESS4), and the EHS requirements for quarries as primary suppliers, are also included in the LMP.

ESS2 OHS requirements are also mandated through the ESMF and will be enforced through the ESHS clauses of Contractors contracts and will be supervised by the CIU Safeguards Team.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is relevant to the project. Road reconstruction and rehabilitation works will include the use of a range of materials such as aggregates, asphalt and cement. Through the implementation of procedures and measures stated in the ESMF and ESMPs, DoTC&I and State Road Authorities will be required to avoid or minimize the release of pollutants and assure compliance with World Bank Group Environmental, Health and Safety (EHS) Guidelines and good construction practice. Mitigation measures will be required in the CESMP to also ensure the appropriate handling, storage, use and disposal of hazardous and non-hazardous materials and wastes under their control, using GIIP. Only licensed and permitted land-based quarries or imported aggregates will be considered and environmental and social assessments will be carried out on these potential sources of aggregates. No coral rock or coastal sand will be used in this project. Quarries operated by third parties are considered primary suppliers and due diligence will be carried out on their EHS risk management. EHS improvements for third party operators will be managed through the Contractor's CESMP. Quarries and borrow pits operated by the Contractor will require EHS risk management under the Contractors CESMP and mitigation measures implemented in accordance with the World Bank Group EHS Guidelines and quarry EHS best practice. Measures to mitigate and improve occupational health and safety of quarry workers will also be managed under the LMP for ESS2 labor and working conditions standards.

If not well managed, there is the risk that the project could become a significant user of water and/or energy. The ESMF provides requirements for designers and contractors to take into account water and energy efficiency. This will be elaborated into design guidance in the terms of reference and will be monitored in the review of concept and detailed designs.

Large quantities of construction and demolition waste could be generated, as asphalt and basecourse will be removed from current roads, bridges, culverts and other structures. Previous environmental and social assessments under PRIME identified that there are safe options for waste disposal in each State but the specific waste management practices will be developed in the ESMP and CESMP for each physical works activity to reflect the specific waste types and reuse, recycling and disposal opportunities on island. This will include the reuse of materials in the project.

Other issues relating to pollution prevention and management specific to construction and operation of roads (including quarry sites, dredging sites, concrete plants and asphalt plants) include stormwater, waste, noise, air emissions and waste water. These risks may be substantial without mitigation, particularly where there are sensitive



habitats that will receive stormwater and run off from exposed sites. SCORE road designers and contractors will be required to apply GIIP for road works, including WBG EHS Guidelines. The climate change adaptation measures identified by the engineering designs will be assessed under ESS3 as part of the site specific impact assessment during Project implementation.

No estimation is made of greenhouse gas (GHG) emissions because the works are not considered to be a significant source of GHG emissions.

ESS4 Community Health and Safety

ESS4 is relevant to the project because there will be construction occurring in public space, contributing to potential health and safety issues, and also potential to affect (and improve) future road safety. In accordance with GIIP and the World Bank Good Practice Note for Road Safety, Traffic and Road Safety Assessments (TRSA) will be undertaken for each road works activity and mitigation will be included in ESMPs as well as the design of road improvements. The TRSA will identify, evaluate and monitor the potential traffic and road safety risks to workers, affected communities and road users throughout the project life-cycle and the opportunity to integrate road safety measures into the road and infrastructure design to improve the safety of road users. This includes risks relating to people with disabilities. Interventions may include opportunities to improve lighting, calming measures, road signage and pedestrian access and improved mobility and safety for people with disabilities.

Construction activities will require materials to be brought to site, necessitating management of safety risks arising from construction traffic, particularly to project workers, road users and local communities. Construction activities may also lead to closures of footpaths, necessitating safe alternative pedestrian facilities and lower speeds. The Contractors will be required to prepare Road Safety and Traffic Management Plans (RSTMPs) with measures to ensure the safety and well-being of nearby affected communities and road users during construction will be prepared together with the Emergency Response Plans with procedures to respond to accidental leaks, spills, emissions, fires, and other unforeseen crisis events. General guidelines for RSTMP are included in the ESMF to guide contractors to prepare site specific plans.

The Contractors may bring in workers from overseas, but likely to also engage locals for skilled and unskilled labor. The LMP has assessed the potential scale of workforce, but the actual number of workers, the source(s) of the work force and percentage of overseas workers for this project will not be known until the Contractor's bids are received. The ESMF concludes that the need for workers camps are unlikely as there are local accommodation options in each State. Based on general risks with imported labor to remote islands, there is a potential risk of gender-based violence, demand for sex workers and sexual harassment of local people. The project will use worker Codes of Conduct, training and awareness raising (including information and education materials at the work sites and local communities), incident management and grievance management to prevent and address such issues. Workplaces will be required to have details of GBV survivor support services for referrals and information. In addition, the CIU is funding a portfolio-wide review of GBV support services and this will support the SCORE project to identify appropriate processes, services with which to connect and gap filling measures where necessary.

Imported labor, or labor from other States may bring the risk of communicable diseases, including sexually transmitted diseases and COVID-19. FSM currently does not have COVID-19 and the inward international travel is



significantly restricted. When borders reopen there will be Government-enforced infection prevention and control criteria for the movement of people into and around the States. Contractors will be required to include COVID-19 emergency management procedures in their CESMP and will be required to educate the workforce and communities on the risks of transmission of disease and preventative measures. Contractors' COVID-19 emergency management procedures will be consistent with the national and State response and management regulations and procedures such as immigration controls, isolation and quarantine, testing, immunizations and sanitary requirements for work places.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is relevant because removal of non-land assets from within existing road corridors is expected and there is the potential for acquisition of marginal portions of land. Land tenure in FSM is a mix of private, customary or communally owned land. The Government does not have a formal grievance mechanism for land issues. Much of the rural and outer island land is under customary ownership with no title and in some areas boundary conflicts are common. State governments can acquire land for public interest without consent but with compensation following national and state laws and regulations. Where customary land is to be acquired, consultations with traditional or customary leaders will be included as part of the process of assessment of land take requirements and mitigation measures. Any acquisition of customary land requires that the associated Sale and Purchase Agreement be forwarded to the Council of Chiefs for its Board's approval.

The project will finance activities to improve the climate resilience of existing secondary roads, such as drainage, road, causeway and bridge improvements, all of which are expected to be located within existing road corridors. Minor structures such as fences, walls and stalls as well as some trees and crops are typically found immediately adjacent to, as well as encroaching in to the road corridors. There may be narrow linear impacts or site impacts for spot widening or drainage installation which may affect these structures though land needs will be minimized where possible. Additional land may be permanently required for coastal protection works / enhancements, road widening at critical locations, drainage infrastructure, etc., and temporary land required for lay-down areas, offices, etc.

An RF has been prepared for SCORE given that specific works and their locations are to be identified during project implementation following the completion of the VA and CRRS assessment. An RF was prepared for PRIME under very similar conditions. The RF sets out principles governing assessment and mitigation of involuntary resettlement impacts as well as provide guidelines on screening, due diligence, consultation and preparation of site-specific instruments. Given the similarities of the two projects, approaches, expected typology of impacts a combined PRIME-SCORE RF has been prepared, and adjusted as required to incorporate the outcome of due diligence and consultations conducted during the preparation of SCORE.

The potential for involuntary resettlement impacts, including impacts on property and livelihoods of affected people will be screened during preparation of planned works under Component 2 and site-specific resettlement instruments will be prepared prior to approval. Guidelines on the application of Voluntary Land Donation in line with ESS5 are included in the RF. A number of envisioned interventions would likely be in discrete sites (such as spot improvements for drainage) and provide direct benefits to those in the immediate vicinity which could potentially suit Voluntary Land Donation (VLD) as an option. Acquisition of new road easements using VLD is not envisioned and works that would induce severe involuntary resettlement impacts such as relocation of housing or severe permanent



impacts on livelihoods will be screened out. Where VLD involves customary land, agreement will be required from both the land users and persons authorized to make decisions over the land.

Activities that would require permanent acquisition of private land would likely require more time to identify and negotiate with land owners and potentially increase the social risk for the project from additional resettlement. The road works design process will seek to minimize the requirement for land acquisition outside the existing road corridor unless agreed by the land owners.

Under PRIME appraisal, a review was undertaken to identify the extent of existing road easements on the primary network under Government control. Road easement agreements were entered into between GoFSM and relevant individual land owners prior to the creation of primary roads in each State. However, documentation of the individual easement agreements has not been consistently maintained. Furthermore, the road easement boundaries are typically not demarcated and the easement corridor not closely managed. In some road sections there has been encroachment in to the general road easement area, typically with secondary structures, such as fences, and crops. Preliminary due diligence undertaken indicates a similar situation for secondary roads considered during the preparation of SCORE. In order to ensure local community and land owner support for the Project works, the SCORE RF will require the adoption of a 'participatory design approach', as per the approach adopted for PRIME. Accordingly, local communities and land owners will be consulted through the design phase in an iterative process to ensure that the design, along with any modifications to the road footprint and associated mitigation and restorative measures, are agreed. Cut off dates will be clearly communicated during participatory consultation activities where applicable. Acquisition of land within existing road easements will be avoided.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The proposed physical works will mostly occur within existing road corridors and therefore impacts on habitats are expected to be limited. Nevertheless, as the location of works are not identified, some of the rehabilitation works and ancillary works such as drainage infrastructure or coastal protection works could be carried out in or near protected areas and natural habitats. Foreshore, seabed, estuaries, mangroves and waterways may be within the project area of influence and receive stormwater run off. The ESMF baseline report identifies a network of protected areas and other sensitive habitats, some of which are near the strategic secondary road network.

Kosrae State is mostly forested with subsistence farming and has significant mangrove communities. The State has 8 Protected Managed Areas and 12 areas of biological significance, which cover marine, coastal, freshwater and terrestrial habitats. Pohnpei State is predominantly agricultural land use and some forest, including mangroves, as well as the capital and the largest urban center in FSM. Pohnpei has 12 proposed and 12 existing Protected Managed Areas and 35 areas of biological significance, covering marine, coastal, terrestrial and freshwater habitats. The main island of Weno, Chuuk State, has the second-largest urban centre and most of the island is developed for agriculture. There are some coastal Protected Managed Areas, including Pou Bay and North Weno Marine area of biological significance. Yap State has a small urban areas, with most of the population living rurally. There are 8 marine Protected Managed Areas, no terrestrial Protected Managed Areas and 32 areas of biological significance.

Across the Pacific there is growing awareness of the impacts of coastal sand mining and rock mining. These activities can destroy biodiversity and reduce the coastal protection from storms and high tides. For example, in Pohnpei State



there are 12 active and 33 inactive permitted sand dredging locations, indicating the permissive legal environment for this activity. Local aggregates will not be used unless they are from sustainable, licensed, land-based sources and environmental assessment has concluded the likely biodiversity and natural habitat impacts and there are mitigation measures to comply with ESS6.

The site-specific impacts will only be identified during project implementation when specific road rehabilitation activities are known; the ESMF requires a biodiversity and natural habitat screening and assessment process for activities and, if required, site-specific ESIA and / or ESMP will be prepared to provide the avoidance and mitigation measures, including any habitat net gain in the very unlikely event of potential significant impacts on critical habitat.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

ESS7 is relevant. Micronesians represent the overwhelming majority in FSM, with recent estimates putting them at 91% of the population. With the vast geographical expanse of the country, there is huge cultural and linguistic diversity amongst the island comprising the four states. While English is the official language of FSM, there are eight major indigenous languages spoken in FSM, and many of them are official State languages. Outside of the main capital towns, the local languages are primarily spoken.

The four states each have their distinct cultural identities with unique cultural characteristics. However, cultural similarities are indicated by the importance of traditional extended family and clan systems found on each island (with the exception of Kosrae). Traditional and cultural institutions have a strong presence in Micronesian life. The keystone of Micronesian society is the extended family, which is collectively responsible for maintaining the welfare of the family including in relation to customary family land.

The individual states have separate and distinct land tenure arrangements, with some broad commonalities that persist. The system of land tenure is a complex mix of the old and the new. Historically, land ownership was limited to inheritance within a family or clan. As a result, many land parcels in FSM are subject to the communal use and alienation rights of extended families, clans and communities. Acquisition of land, including customary land, will be minimized by the Project. Where VLD involves customary land, agreement will be required from both the land users and persons authorized to make decisions over the land. Where customary land is to be acquired, consultations with traditional or customary leaders will be included as part of process of assessment of land take requirements and mitigation measures. The Sale and Purchase Agreement is to then be forwarded to the Council of Chiefs for its Board's consent.

No stand-alone IPP will be prepared since the majority of beneficiaries are IP. The ESMF, RF and SEP prepared for SCORE build on the approaches of those instruments developed for PRIME to ensure culturally appropriate and meaningful engagement with the project. The participatory design approaches outlined in the SEP and RF will achieve the goals of free, prior and informed consent (FPIC). FPIC will be applied in all cases where traditionally owned/customary land is subject to works or will be affected by works. Impacts on Micronesians are mostly beneficial and Micronesians are the overwhelming beneficiaries. Therefore no Indigenous Peoples Plan is expected to be prepared.



ESS8 Cultural Heritage

Although the proposed operation will not require the construction of new roads, physical works excavations, materials storage, movement of earth, quarrying, waste disposal and associated physical works will be undertaken. Due to the country’s cultural richness and the practice of burying loved ones on private land, these types of activities may lead to contact with both known and unknown physical and cultural resources and chance finds might be possible. For that reason, the ESMF contains provisions to screen and assess cultural heritage values for proposed project locations, measures to avoid and mitigate harm and chance find procedures.

In Pohnpei State, the Nan Madol heritage site, a United Nations Educational, Scientific and Cultural Organization (UNESCO) site is accessed via the secondary road network. . The ESMF screening will identify the potential risks (based on location, nature and scale of road works) and if necessary, specific requirements will be employed to assess the risks and protect the intangible and tangible values at or near Nan Madol. If risks are potentially substantial or high, a Cultural Heritage Management Plan will be required prior to the completion of detailed design.

ESS9 Financial Intermediaries

ESS9 is not relevant since no financial intermediaries are planned under the project implementation.

B.3 Other Relevant Project Risks

This risk has been triggered and is rated as Substantial due to the COVID-19 pandemic, which presents an unprecedented challenge for FSM. While FSM currently has no confirmed COVID-19 cases, it is still in an official State of Emergency. Responding to the pandemic is the priority of both FSM and the World Bank, and may result in unavoidable delays to PRIME due to the travel restrictions as international consultants cannot enter the country.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

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’s E&S Framework will not be relied upon because of a number of gaps in the legislation and capacity at State and National level to meet World Bank Standards.

Public Disclosure



IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Federated States of Micronesia

Implementing Agency(ies)

Implementing Agency: Department of Transportation, Communications & Infrastructure

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VI. APPROVAL

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Practice Manager (ENR/Social)	Susan S. Shen Cleared on 15-Dec-2021 at 13:17:3 GMT-05:00

Public Disclosure