



Additional Financing Appraisal Environmental and
Social Review Summary
Appraisal Stage
(AF ESRS Appraisal Stage)

Date Prepared/Updated: 08/30/2022 | Report No: ESRSAFA472



BASIC INFORMATION

A. Basic Project Data

Country	Region	Borrower(s)	Implementing Agency(ies)
Madagascar	EASTERN AND SOUTHERN AFRICA	Republic of Madagascar	Road Agency, Ministry of Public Works
Project ID	Project Name		
P178924	Additional Financing to the Madagascar Road Sector Sustainability Project		
Parent Project ID (if any)	Parent Project Name		
P176811	Madagascar Road Sector Sustainability Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Transport	Investment Project Financing	8/22/2022	11/30/2022

Proposed Development Objective

improve the longevity safety and climate resiliency of selected paved primary roads, and support emergency recovery of selected main infrastructure in Madagascar.

Financing (in USD Million)	Amount
Current Financing	200.00
Proposed Additional Financing	100.00
Total Proposed Financing	300.00

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

Yes

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

The COVID-19 pandemic led to the sharpest recession in Madagascar in two decades. The impacts reflect job losses during the recession, which were particularly severe in transport, tourism, and trade, and declining incomes more



generally. The pandemic has likely reversed more than a decade of gains in poverty reduction. With two-thirds of the population living in rural areas, Madagascar remains primarily a rural country. Rural and remote areas are lagging in terms of economic opportunities: the rural population is primarily engaged in subsistence agriculture, remains disconnected from the country's economic growth and are highly vulnerable to the effects of climate change. Madagascar is highly exposed to cyclones, extreme rainfall and flooding that may have become even more frequent because of global climate change.

Although it is the typhoon season for Indian Ocean, it is rare for four storms (Ana, Batsirai, Dumako and Emnati) to hit Madagascar in span of four weeks during Jan 22 – Feb 23, 2022. Before cyclones the country already suffered from a lack infrastructure and connectivity, and the extreme weather has worsened the situations.).

Of the 32,000 km of roads in Madagascar there are 11,000 km of national roads and only 6,000 km are paved. About 40 percent of paved national roads are in fair to poor condition, requiring periodic maintenance, while most of the unpaved national roads require heavy rehabilitation. Madagascar has a rail network of 845 km of metric gauge, with a degraded quality of its infrastructure, of which about 670 km are operated by Madarail. Meanwhile, only about 33.7 percent (15percent on grid) of the population have access to electricity, compared with an average 48.4 percent for Sub-Saharan Africa in 2020 , which places the country in the list of the top 13 access-deficit countries in the world. Jirama, the public electricity service in Madagascar, manages about 6,752km of networks (HV, MV, and LV) but has difficulty ensuring their maintenance and reinforcement.

The project is also fully aligned with the World Bank's FY17 to FY21 Country Partnership Framework (CPF) for Madagascar (Report No. 114744-MG) discussed by the Board on June 27, 2017 and extended by the Performance Learning Review (Report No. 162157-MG), which aims to build on current relative political stability to help address structural fragilities that hamper sustainable development.

The AF will support a full replenishment of the financing gap in the project caused by the activation of the Contingency Emergency Response Component (CERC) at the request of the Government to mitigate the impacts of the cyclones. Original project components, being replenished through this AF, will maintain original scope and implementation arrangements. The original project was a \$200 million project aimed primarily at the improving the road condition and resilience in Madagascar with technical assistance to support road and transport sectors reforms. Following devastating cyclones, the government requested the activation of the original project's CERC and reallocation of \$100 million to cover emergency needs in the roads, rail, and electricity sectors. With the approval of this proposed AF, the project becomes as follows:

Component 1. Improving Road Condition and Resilience (US\$180 million equivalent): This component will finance works and consultancy services to support periodic and routine maintenance on about 1,200 km (representing 20 percent) of national paved primary roads in different regions of Madagascar.

Component 2. Technical Assistance and Support to Roads and Transport Sector Reforms (US\$ 20 million equivalent): This component will primarily finance consultancy services and goods aimed at supporting capacity building and activities within the roads and transport sector to strengthen institutions and to ensure the sustainability of connectivity.

Component 3. Contingency Emergency Response Component (US\$100 million equivalent): The following activities are being financed under the activated CERC of the original project.

Sub-Component 3.1 Road and Rail infrastructure (US\$ 80 million). This subcomponent will finance consultancy services, equipment, and works for the emergency reconstruction needs of roads, bridges, and associated



infrastructure (US\$78 million) as well as for railways operated by Madarail (US\$2 million). This will primarily cover rehabilitating sections along the roads and railways network that were cut or heavily damaged by the storm, or at risk to rapidly deteriorate. Works will include rehabilitation of drainage and retaining structures, repairs and/or rehabilitation of short bridges, and improving collapsed or heavily deteriorated road and railway surfaces. The rehabilitation of this infrastructure will take into account higher climate resilience standards, such as reinforced retaining walls and structures and improved drainage, to reduce vulnerability to future climate extremes.

Sub-Component 3.2 Electricity Infrastructure (US\$ 20 million). This subcomponent will finance consultancy services, equipment, and works for the emergency reconstruction needs of JIRAMA electricity network, especially the distribution network. This includes the purchase and installation of electrical poles, cables, transformers, and associated parts and infrastructure. The main focus will remain on re-establishing critical electrical access through a viable and resilient distribution network.

Sub-Component 3.3 Future Contingency Emergency Response Component (US\$ 0 equivalent). This subcomponent is introduced to allow for the potential activation of future CERCs if needed and will facilitate access to rapid financing by allowing for the reallocation of uncommitted project funds in the event of a natural disaster, either by a formal declaration of a national emergency or upon a formal request from the government.

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 description related to project location and salient physical characteristics relevant to the E&S remains unchanged. The proposed Project aims to improve the maintenance and sustainability of Madagascar's road and railway network and to re-establish electricity network. Under the parent project, the paved primary and national road will be selected during implementation period following a cost-benefit analysis on a typical road section from among the national roads in Madagascar. All works to be undertaken in the component 1 will be carried out entirely within the existing Right of Way (ROW) of primary national roads. In addition, the CERC (Component 3) was activated to address immediate emergency activities to restore basic infrastructures in roads, railways, and electricity, damaged by Cyclones in early 2022. The project will improve road condition and resilience in different regions and railways and electricity network on the zones damaged by the four storms (Ana, Batsirai, Dumako and Emnati) to hit Madagascar. At this stage, the exact locations of projects activities are still not well defined. The project will finance periodic and routine maintenance on paved primary and national roads in Madagascar and works for the emergency reconstruction needs of roads, bridges, and associated infrastructure as well as for railways operated by Madarail and electricity network managed by Jirama . Thus, the project might affect the five major regions which are the North region, the Highlands, the East region, the West, the South and South-West region and it's became national level with the additional regions affected by the cyclones. Under the parent project and with the CERC activities, most environmental and social risks and impacts associated with the project are limited to the construction phase and site-specific risks and impacts. The relevant ESS standards that have been identified via the environmental and social risk screening at concept stage of the project are: ESS1: Assessment and Management of Environmental and Social Risks and Impacts; ESS2: Labor and Working Conditions; ESS3: Resource Efficiency and Pollution Prevention and Management; ESS4: Community Health and Safety; ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement; ESS6: Biodiversity Conservation and Sustainable Management of Living Natural resources; ESS8 Cultural Heritage; ESS10: Stakeholder Engagement and Information Disclosure.



The literature review showed that the environmental profile and biological species richness along the national roads within the framework of this project are mainly constituted of grasslands, reforested areas, agriculture parcels and bushes without any critical habitats. In addition, there are sufficient old quarries and deposits opened during previous civil works that could be reused for this proposed operation.

D. 2. Borrower’s Institutional Capacity

Under the parent project, components 1 and 2 will be implemented by the Road Agency (RA) in line with the ongoing sector reforms to empower the RA as the implementing agency on all national roads. The Road Agency, as the successor to the former “Autorité Routière de Madagascar (ARM)”, has extensive experience with donor-financed projects, including World Bank projects. The RA is supported by the Road Fund and the Ministry of Land Planning and Public Works (MLPPW) which have a satisfactory experience with the Bank in the ongoing Transport Connectivity Project (P166526) in Madagascar. A dedicated PIU has been created at the RA bearing overall responsibility for preparing and implementing the project, including technical, operational, environmental and social, procurement, financial management, and communication activities. Following the ESMF assessment, the PIU has currently an Environmental specialist, a Social specialist and a GBV specialist to support the implementation of the project. During the preparation phase, this PIU was supported by an E&S safeguard focal point (currently supporting the ongoing Transport connectivity project) of line ministries which have good experience in the preparation and implementation of World Bank safeguard policies. Given the RA PIU is still relatively new, and the need to proceed quickly with CERC activities, it was decided to entrust the implementation of the activities under the CERC (Component 3) to the Connectivity for rural livelihood improvement Project (P166526) PIU (or PACT PIU), which is housed within the Ministry of Public Works, and which has an ample experience implementing the PACT project, and which has a close relations working together with the RA PIU in the roads sector. The PACT PIU will reinforce its team by recruiting additional dedicated staff for the implementation of the CERC related activities, notably a procurement specialist, an environmental specialist, a social specialist, and an accountant. A Project Technical Committee, involving representatives from the Ministry of Finance, the Ministry of Public Works, the Road Fund, and the Road Agency already exists to ensure the overall oversight of the RSSP project and the approval of its PTBA, including its CERC component, and its role and composition will be maintained for the whole of the RSSP project including its CERC.

Public Disclosure

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

A. Environmental and Social Risk Classification (ESRC) Substantial

Environmental Risk Rating Moderate

The environmental risk classification remains Moderate because the CERC (Component 3) will restore basic infrastructures in roads, railways, and electricity, mainly improvement of road condition and resilience in different regions and railways and electricity network on the zones damaged by the four storms (Ana, Batsirai, Dumako and Emnati) to hit Madagascar. At this stage, the exact locations of projects activities are still not well defined. The project will finance periodic and routine maintenance on paved primary and national roads in Madagascar and works for the emergency reconstruction needs of roads, bridges, and associated infrastructure as well as for railways operated by Madarail and electricity network managed by Jirama . The AF activities will still be the same as those of the parent project. The Parent Project is rated Moderate under the World Bank’s Environmental and Social Framework based on the location, type, sensitivity and scale of the project intervention, nature and magnitude of potential ES risks and impacts, and client capacity and ownership. Under the parent project and with the CERC activities, most



environmental and social risks and impacts associated with the project are limited to the construction phase and site-specific risks and impacts. There will be no expansion of the Right of Ways (ROWs). Negative impacts are limited, entirely within existing footprints of national roads and railway and transmission line to be rehabilitated after the cyclones. The road sections to be rehabilitated are not yet fully defined. Most environmental risks and impacts associated with the project are limited to the construction phase. The main environmental risks and impacts of the project are related to civil works that induce land disturbance, erosion and accidents could occur; soil degradation and erosion; potential collisions with wildlife; limited loss of vegetation and pollution from construction (dust, noise and vibration, wastewater, solid wastes and used oil), use of construction materials such as soil, gravels, and water consumption for the construction, poor working conditions including traffic safety, occupational health and safety (OHS) risks, traffic disruptions and management of larger quantities of construction waste.

Social Risk Rating

Substantial

The social risk classification remains substantial because the AF activities will be the same as those of the parent project. The Project's key interventions will relate to periodic maintenance of existing local paved roads (component 1), technical institutional support to implementing entities (component 2) and the CERC activities (component 3). This nationwide operation, The activities to be financed through Component 1 will entail physical works, whose potential impacts are temporary loss of land (for the implementation of potential temporary labor camps, and during road shoulder maintenance and development), asset loss, access restrictions and disruption to livelihoods and economic activities on selected corridors during maintenance activities; possible impacts on physical and cultural resources; labor influx due to the use of labor from outside of the project areas and the associated risks arising from this including social conflict and disruptions to local communities; pressure on social amenities; increase in local inflation; disease transmission and spread of HIV-AIDS as well as other STDs and Covid-19; and potential for Gender Based Violence and Sexual Exploitation and Abuse. Other risks relating to the safety of workers due to civil works, the protection of the labor force and failure to comply with the labor standards of non-discrimination, child and forced labor, as well as the potentials for exploitation and abuse of workers remain relevant. The GBV/SEA/SH risk is maintained as substantial because of the unavailability of adequate services to support GBV case, the existence of GBV/SEAH-related factors linked to cultures and traditions in the areas of intervention, and the needs to create new GBV skills within the project implementation agency. It is expected that road maintenance activities will not affect tangible or intangible cultural heritage. Nevertheless, the project took specific measures described in the ESMF if any cultural resources will be discovered during the implementation of the project activities. The project's worksites will generate construction-related health and safety concerns for both workers and the surrounding communities. In addition, there are potential social risks under component 2 related to TA activities and engagement with local communities and other relevant stakeholders (including vulnerable and disadvantaged groups) and ensuring genuine participation in decision-making processes and avoidance of elite capture. Potential social risks under the CERC (Component 3) are similar to those within the component 1, except permanent loss of land and disruption to livelihoods and economic activities, as activities involving those risks are not eligible under this component. Other risks are related to general insecurity in general in Madagascar, and particularly in the south (NR7) are identified but not induced by the project activities (mainly associated with cattle robbers, theft and violence related to persistent poverty and fragility). However, in general, all social impacts are expected to be reversible and the physical footprint is site specific and localized making these impacts manageable within the confines of the instruments developed during project preparation. The capacity for social risk management under the ESF is limited for the RA; however the RA will be supported by an experienced Social specialist from the ongoing Transport connectivity project PACT during the first implementation phase of the project, as the PACT PIU who is the implementing agency for the CERC component has strong experiences in social risk management gained during the implementation of the Transport

Public Disclosure



connectivity project. This capacity could be reinforced through targeted capacity building measures. Based on the above-mentioned social prone impacts during the implementation of this project, the social risk classification is well rated as Substantial.

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

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

ESS1 is relevant to the project. The project will finance, in component 1, maintenance of primary road infrastructure across Madagascar as well as TA support to strengthen the institutional capacity of lines ministries and agencies in transport sector in component 2, as well as for component 3 (CERC), including road and rail infrastructure such as consultancy services, equipment, and works for the emergency reconstruction needs of roads, bridges, and associated infrastructure as well as for railways operated by Madarail. The CERC will also finance electricity infrastructure such as consultancy services, equipment, and works for the emergency reconstruction needs of JIRAMA electricity network, especially the distribution network (Installation of electricity polls, cables, transformers, and associated parts and infrastructure). The maintenance of existing national roads and bridges in their current right of way (RoW), rail and electricity infrastructures rehabilitation including medium scale civil works will generate adverse site-specific risks and impacts. No new road nor railway construction nor electricity network is expected for the project. The proposed works could generate risks and impacts such as disposal of material excavated during civil works/rehabilitation activities, limited loss of vegetation, labor and working conditions including traffic safety, labor influx; the occupational health and safety of workers during construction and operational phases, increased levels of dust and noise and community health and safety risks including temporary traffic blockages, in particular; generation of solid and liquid waste, soil degradation and erosion, potential collisions with wildlife and the social risks associated with that such as disease transmission and spread of STDs/HIV-AIDS and Covid-19, potential for GBV risks and SEA/SH; and impacts on land that may lead to temporary physical or economic displacement, including loss of assets and livelihoods. Clearing, site preparation and construction will also lead to loss of vegetation and associated fauna, soil disturbance and erosion.

Other risks relate to the safety of workers due to civil works, the protection of the labor force and failure to comply with the labor standards of non-discrimination, child and forced labor, as well as the potential for exploitation and abuse of workers. The potential for the spread of COVID-19 as a result of the project activities has been identified as another transversal risk for all project components involving face-to-face interactions. Based on preliminary information, project activities are not expected to affect any cultural heritage and the ESMF describes specific measures if any cultural resources would be discovered during the implementation of the project. In addition, potential social risks under the component 2 might be related to the project TA activities engagement with local communities and other relevant stakeholders (including with most vulnerable and disadvantaged groups) and ensuring their genuine participation in decision-making processes of the project and avoidance of potential risk of elite capture. The parent project has developed a Stakeholder Engagement Plan (SEP) which provides the stakeholder mapping and details regarding the consultations undertaken for this project to date. However, social risks relate to the protection of the labor force and failure to comply with the labor standards of non-discrimination, child and forced labor, as well as the potential for exploitation and abuse of surrounding communities and workers, are



addressed in the Labor Management Procedure (LMP) prepared for the parent project and updated during the preparation of the CERC component.

The current AF is to support the parent Project that aims to improve the maintenance and sustainability of Madagascar's road network. Because the national roads are not yet selected at this stage, the Borrower has prepared an Environmental and Social Management Framework (ESMF) and has been updated to include CERC activities. As the AF Project is only a replenishment, without additional activities, the current ESMF, already updated during the launch of the CERC activities remains valid. The instruments to be prepared when the sub-project locations are identified and defined include site-specific Environmental and Social Impact Assessments (ESIAs), Environmental and Social Management Plans (ESMPs) prepared in compliance with the World Bank Group's Environment, Health, and Safety Guidelines, and Resettlement Plans (RPs). The ESMF has described the overall project, its baseline conditions, applicable policies and legislation, and overall key environmental and social considerations and potential impacts. It proposes the overarching environmental and social management guidelines, this will include the identification of potential risks and impacts of proposed activities in the identified components, proposed mitigation measures as well as the development of environmental and social screening tools and protocol to be adopted by the project and applied to identify risks and impacts of road maintenance and civil works activities and subsequent preparation of appropriate sub-projects' Environmental and Social Assessment (ESA) instruments mainly a specific ESMP for the each selected national road. The Project will apply the requirements of the Environmental Health and Safety Guidelines (EHSGs) such as General EHSGs, EHSGs for roads, railway and power transmission line and relevant good practice notes (GPN) such as a GPN for road safety, life and fire safety. Construction contractors will be required, as a condition of their contracts with the Project, to implement and comply with ESMP on the ESS1 requirements and develop and implement their Contractor ESMP (C-ESMP). The preparation of the ESIAs/ESMPs will be initiated in parallel of technical engineering studies and will be submitted for Bank's review and clearance. The approved ESMP, with the E&S clauses, will be included in the bidding documents and enterprise contracts to allow the latter to prepare the specific C-ESMP before commencement of civil works including the requirements of the Bank Directives on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups and those arising from SEA/GBV, STD and/or COVID 19.

The project has developed as part of the operation manual of the project a strategy to ensure the security of the community benefitting from the project, and the security of Bank supervision, Client supervision and support team (PIU, NGO). This strategy will be applied during the activities implementation under the AF project.

To ensure that the Contingency Emergency Response Component (CERC) complies with the requirements of the World Bank Environment and Social Standards, the ESMF has been revised/updated to include the list of negative activities, potential environmental and social impacts and process to be followed for a rapid environmental and social assessment. A section indicative of the CERC-based activities has been included in the revised/updated -ESMF. The revised/updated -ESMF has included (i) a screening process for the potential activities, (ii) the institutional arrangements for environmental and social due diligence and monitoring, (iii) any needed capacity-building measures and, (iv) a generic guidance on emergency on small-scale civil works and any procurement-related activities.

For all activities that will be designed and executed during Project implementation, an Environmental and Social Commitment Plan (ESCP) has been developed before project appraisal, and updated during the CERC preparation to define and recommend the type of assessment, mitigation plans, timeframe and resources to implement to avoid,



reduce and mitigate possible negative risks and impacts induced by the project activities. This updated ESCP, drawn up and agreed upon with the borrower, has also set 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 status of implementation will be reviewed as part of project monitoring and reporting. The updated ESCP could be adjusted during the project life keeping with the evolution of environmental and social risks and impacts. As the AF Project is only a replenishment, without additional activities, the updated ESCP during the launch of the CERC activities remains valid.

In addition, the Project has developed a Stakeholder Engagement Plan (SEP) including a Grievance Mechanism (GM) prior to project appraisal which proposes a list of training sessions to be included in the capacity-building program. The Labor Management Procedure has been prepared and contains provisions to ensure that potential labor risks, including child and forced labor, and discrimination and sexual harassment, are properly addressed in practice as well as through all the project documentation, including ESIA/ESMPs, bidding documents, and civil works contracts. This LMP has also included a dedicated worker’s GM. Both SEP and LMP documents have been updated to include CERC activities and remain valid for the new AF.

The PIU E&S specialists will share the quarterly E&S reports and seek advice and guidance on critical and significant issues that arise and/or are reported upon during project implementation. Updated versions of the ESCP, ESMF, SEP, and LMP have been disclosed in-country and on the World Bank’s external website on June 19th 2022 for ESMF, SEP and LMP, and June 20th 2022 for ESCP. No new updated E&S instruments have been prepared for the AF project. The Resettlement Framework (RF) of the project has been disclosed on October 21st 2021.

ESS10 Stakeholder Engagement and Information Disclosure

ESS10 is relevant to the Project. A Stakeholder Engagement Plan (SEP) has been prepared and updated for the Project during the launch of the CERC activities. It includes a stakeholder mapping and provides details regarding the consultations undertaken for this project to date, as part of the preparation of the ESMF and the RF. The SEP has identified and analyzed key stakeholders (i.e., affected parties, other interested parties and disadvantaged and vulnerable groups) and described the process and modalities for sharing information on the project activities, incorporating stakeholder feedback into the Project and reporting and disclosure of project documents. The identified stakeholders include, but are not limited to: the Ministry of Transport, Tourism and Meteorology (MOT), the Ministry of Land Planning and Public Works (MLPPW), the Ministry of Economy and Finance (MEF), Ministry of Environment, the Road Agency (RA), the Road Fund (RF), MADARAIL (Northern railways network operator company), JIRAMA (National company water and electricity provider), authorities in project affected communes and regions, project beneficiaries, private sector, NGOs and civil society, media and project affected persons.

The SEP has followed a precautionary approach in the context of the COVID-19 pandemic and proposes engagement methods that minimize the risk of transmission of the virus during stakeholder mobilization.

The reports for the consultations undertaken for the ESMF include lists of stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into consideration. Major stakeholder suggestions include job creation, transparency for the recruitment of workers, equal opportunities for all to access to project benefits, resettlement issues, respect of work duration, and safety and security of the local inhabitants. The suggestions and concerns have been addressed through establishment of the Grievance Mechanism (GM).

Suggestions to prevent GBV in the area of the project have been also discussed during the consultations. Stakeholder



inputs will be addressed through the Contractor bidding process, Code of Conduct, continuous monitoring of environmental and social risks and impacts by Implementing Agency consultants and adherence to the ESCP. The updated SEP includes a project level grievance mechanism (GM) to respond to complaints, concerns, queries, clarifications and feedback and give voice to stakeholders including beneficiary communities, project affected parties and vulnerable groups (including those affected by GBV/SEA) and to ensure complaints and concerns of stakeholders are adequately managed. The SEP has been disclosed before appraisal initially and re-disclosed on June 19th 2022 during the launch of the CERC component. As the AF Project is only a replenishment, without any additional activities, the updated SEP during the launch of the CERC activities remains valid for AF Project.

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 workers for this project include (i) direct workers (PIU staff including workers hired by the project); (ii) contracted workers (consultants supporting technical studies, civil works contractors and supervising engineers); (iii) primary supply workers such as people employed by Borrower's primary suppliers and materials suppliers for road maintenance (component 1); and (iv) civil servants from MPW and MOT. Risks identified under ESS2 include (i) OHS issues arising from civil works, community/workers health and safety affected by waste/debris transportation to dump site, and air and water pollution; (ii) disease transmission (HIV-AIDS/COVID19) during the implementation of project activities such as the road maintenance in component 1; (iii) risks associated with working conditions and management of worker relationships, which includes terms and conditions of employment, non-discrimination and workers organizations and the protection of the work force; (iv) risks associated with the presence of worker's camp; and (v) negative impacts of migrant workers, and the (vi) possibility of child and forced labor and (vii) GBV/SEA/SH.

The Republic of Madagascar has a clear legal framework governing the right of workers (Law 2003-044 of July 28, 2004 which established the Labor Code). This code preserves the worker's essential interests (trade union rights, employment contract, health and safety, intimidation, sexual harassment). Various laws and regulations supplement the Labor Code, mainly the Law n° 66-003 of July 2nd, 1966 on the General Theory of Obligations (TGO). Indeed the contracts of employment of consultants not subject to Labor Code are governed mainly by this Law and also by the provisions relating to the obligations of the French Civil Code of 1960 always applicable to Madagascar.

The Borrower has developed and disclosed an updated LMP on June 19th 2022 to include the CERC activities (no new additional update of LMP has been considered for the AF project as this is only a replenishment, without additional activities). The updated Labor Management Procedures (LMP) outline labor risks, emergency preparedness and responses measures, labor policies and procedures, and detail the work terms and conditions for labor including explicit prohibitions on forced and child labor. The updated LMP also outlines the inclusion of vulnerable groups in the work force. As part of this LMP, the PIU will develop and implement (i) a worker's Grievance Mechanism (GM) which will address all workers complaints with a separate channel to handle SEA/SH complaints and provide details about the roles and responsibilities of contractors and PIUs in managing ESS2; (ii) sensitization related to the availability of worker's Grievance Mechanism (GM) and respect for the code of conduct to prevent and address potential harassment, child labor, gender discrimination or GBV/SEA/SH issues, intimidation and/or exploitation



during the implementation of the activities financed under this project; and (iii) a GBV action plan that will prevent GBV/SEA/SH among workers. Because of an increase in insecurity in Madagascar, the project has developed in the ESMF, and also in the Operational Manual, specific security management procedures. These will be integrated into all C-ESMPs.

The updated ESMF has considered OHS risks and promotes employee well-being and a safer work environment. To mitigate impacts on contracted workers during construction/rehabilitation, the OHS measures described in the ESMF are subdivided into 2 types: avoidance measures such as raising awareness among workers and surrounding communities on site accident risks, and mitigation measures such as the use of protective vehicle barriers, the installation of visual markers to delimit the work area, etc. Mitigation measures to manage potential risks of GBV/SEA/SH as a result of the project has been included as part of the updated ESMF, and will be included into ESIA subsequent ESMPs, and the updated SEP as well as in the bidding documents, contractors contracts, OHS plans and the C-ESMP to be developed by contractors.

The AF Project as well as the Parent project will require the management of contracted workers (both local and international) to develop their own labor management procedures that are acceptable to the Project and the World Bank. It will also be the responsibility of the Contractor(s) to ensure that all workers are fully aware of the terms of employment, remuneration, grievance procedures and other relevant factors as per ESS2 and relevant national laws. The signing of codes of conduct (COC) will be an employment condition for all workers, temporary or full-time. The project will need to ensure that regular trainings in local languages are conducted by the Contractor to the benefit of the workers, on labor provisions, codes of conduct, and the grievance mechanism.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is relevant to the Project. Water consumption is expected primarily in the mixing plants and campsites during the construction phase. As the Project AF activities mainly involve rehabilitation/maintenance works of existing roads, it is not expected to consume very large amounts of energy and raw materials for the routine maintenance civil works nor use or procure pesticides. However, water resources must be used as efficiently as possible. The physical interventions at the selected national roads will generate construction debris and hazardous or non-hazardous waste such as wastewater, fuel, asphalt, chemicals, wood and building materials, among others. The choice and use of quarries for raw material must also be carefully assessed as potential impacts include potential loss of habitat for fauna, degradation and fragmentation of natural habitat, and degradation of water quality at or near the site. The ESMF demonstrates that there are sufficient old quarries and deposits opened during previous civil works that could be reused for this proposed operation. The literature review showed that the environmental profile and biological species richness along of the national roads within the framework of this project are mainly constituted of grasslands, reforested areas, agriculture parcels and bushes without any critical habitats. The updated ESMF has well described the typical pollution generated from road improvement activities including: (i) dust and other forms of air pollution from construction sites, transportation and auxiliary facilities; (ii) noise and vibration; (iii) solid waste (domestic waste and construction waste including used oil and lubricants); and (iv) wastewater from workers' camps. It was characterized that these impacts are expected to be temporary, site-specific and can be managed through a set of mitigation measures to be included in the ESIA and ESMPs when the national roads will be selected during implementing phase. The Project will promote proper waste management practices as part of the ESMPs to address the collection/handling, segregation, temporary storage, treatment and final disposal of waste, particularly the



hazardous waste generated during construction activities (batteries, used oil/lubricants, spent chemicals, oily rags, cartridge etc., to minimize hazardous and non-hazardous waste production and to promote appropriate management of wastes. Appropriate waste management measures will be reflected in the contract documents to ensure the requirements to manage waste from construction operations, including identification of the end location of the waste removed.

Road improvement may require clearance of vegetation and may lead to soil loss and erosion especially in areas with steep terrain. Soil erosion can lead to blockage of drainage or change of surface water flow or sedimentation. The ESIA and ESMP will provide guidance to screen and assess impacts and provide mitigation measures including application of good practice and close supervision of works to: (i) ensure that cutting of trees and vegetation is limited to a minimum and justified by technical requirements and that relevant national legislation is followed, and replacement where vegetation clearance is unavoidable; and (ii) soil loss and erosion is avoided/minimized.

ESS4 Community Health and Safety

ESS4 is relevant to the Project. The Project AF impacts on community health and safety are associated with (i) typical civil works under Component 1 and CERC activities that produce dust, noise, vibrations, waste, traffic and road safety risks such as the risk of accidents to surrounding communities when transporting road maintenance materials and equipment, and (ii) the influx of labor which might increase exposure of risk to communities such as disease transmission, spread of HIV-AIDS and Covid-19, potential for GBV/SEA/SH, Child Labor and Violence Against Children. Gender-based violence (GBV), sexual exploitation and abuse (SEA), and the spread of sexually transmitted and communicable diseases may occur because the communities are rural and remote. To reduce those identified risks and impacts, the updated ESMF has proposed the adoption of : (i) road safety measures such as vehicles speed limitation in the works sites with traffic management plan, (ii) codes of conducts for all direct and workers; (iii) a project GRM system.

GBV /SEA/SH risk is maintained as substantial due to potential labor influx in targeted regions, the unavailability of adequate services to support GBV/SEA/SH case, the existence of GBV/SEA/SH-related factors linked to cultures and traditions in the areas of intervention, and the need to create new GBV skills within the project implementation agency. The project has developed a GBV action plan as part as the ESMF and a GBV specialist has been hired as part of the PIU.

The E&S procedures in the updated ESMF identified all project related risks and impacts (including precautions related to the Covid-19 pandemic that will be taken) and has proposed mitigation measures and appropriate management plans such as ESIA's and environmental and social management plans (ESMPs) with the preparation of C-ESMP before launching the civil works for managing such risks and impacts. The ESIA's/ESMPs will provide more site-specific and detailed mitigation measures, monitoring indicators, budgets and roles and responsibilities. Community health and safety risks will be addressed through related community awareness and, public service enhancements including health, partnership with health projects, etc. The PIU will develop and implement a road safety management plan to manage potential road safety risks and risks to workers, nearby communities and other road users. Similar plans will be developed and implemented to address risks associated with the maintenance and operation of rail and electricity networks.



ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is relevant to the Project. In component 1, the Project AF does not entail the creation of new roads but rather the maintenance of existing roads within their current right of way (ROW). However, this operation is still likely to cause some level of temporary land loss (for the implementation of potential temporary labor camps, and during road shoulders maintenance and development) and economic displacement, loss of assets, livelihoods and access restrictions to make way for construction, associated civil works for road infrastructure. However, the extent of informal activities and / or the presence of illegal structures on these rights-of-way is not believed to be significant. The full extent of land acquisition and disruption of livelihoods will be known after a socio-economic impact assessment of sub-projects has been conducted). Under the CERC component (emergency rehabilitation of roads, rail and electricity infrastructure), negative activities with potential resettlement and displacement impacts are not eligible.

The Government has clear regulations regarding land acquisition (Law n°2005-019 of October 17, 2005) laying down the principles governing the statutes of lands and Law n°2006-031 of November 16, 2006 laying down the legal regime for private land ownership)., However there are limited regulations regarding involuntary resettlement (Ordinance n°62-023 of September 19, 1962 relating to expropriation for public benefit, to the amicable acquisition of immovable property by the State or the secondary public authorities and to property gains).

To avoid, minimize and to manage any land acquisition issues (including restriction access to collective resources, business interruption or disruption) with at the level of roads ROWs, and in compliance with ESS5 (and ESS10 for consultation and mobilization), the Borrower has developed and disclosed on October 21st 2021, a Resettlement Framework (RF), which remains valid for the AF project, to guide the process for preparing of sub-project specific Resettlement Plans (RP). The RF clarifies resettlement principles, organizational arrangements, and consultation modalities as well as design criteria to be applied to sub-projects once defined. All PAPs identified during technical preparation (including preparation of E&S documents) shall be compensated, and in addition transparent adequate Grievance mechanism shall be in place to capture all complaints linked directly to resettlement. The requirement to prepare sub-project specific resettlement documentation has been outlined in the updated ESCP.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS 6 is relevant for the Project. The Project AF will not finance road improvement that would provide access to critical habitats. It is anticipated that any potential impact on flora and fauna will be limited to the construction sites along the selected national roads in their current rights of ways and the exploitation of quarries. However, the road may take place near protected areas and natural habitats and will increase the presence of traffic heavy vehicles which may increase the risk of wildlife collision during construction and road exploitation. The updated ESMF has proceeded to the identification of existing natural habitats and protected areas with due regards to the mitigation hierarchy (e.g., avoid, minimize, mitigate and compensate) including provision to obtain approval from authorities on implementing subproject adjacent to protected areas or critical habitats. It was defined that there are degraded natural habitats along the existing national roads in the country. Nevertheless, as the location of all road works are not identified, the site-specific impacts will be identified during project implementation (including the consideration of the possibility of impacts resulting from emergency events such as fire, and indirect impacts such as increased access to previously inaccessible biodiversity areas) when specific construction activities are known and it will be assessed in the specific ESIA/ESMPs.



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

ESS7 is not relevant for the project. There are no Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities that meet the criteria of IP/SSHAUTLCs, per the requirements of this Standard, in the project area.

ESS8 Cultural Heritage

ESS8 is relevant to the project. The proposed Project AF interventions will not require the creation of new roads, physical works excavations, movement of earth, quarrying and impounding associated with civil works. However, the road maintenance under component 1 and CERC activities may lead to contact with both known and unknown physical and cultural resources. The borrower will avoid impacts on both tangible and intangible cultural heritage and where such avoidance is not possible, the project has identified specific measures to address these impacts in accordance with the mitigation hierarchy. The treatment of Physical and Cultural Resources including archaeological relics, fossils, human graves, sacred trees or groves that may be encountered will follow Chance Finds Procedures that have been elaborated in the updated ESMF, and will be considered into all subsequent ESMPs that will be prepared; they will also be included as a requirement in civil works bidding documents. If necessary, the project will prepare and implement a Cultural Heritage Management Plan, in accordance with the guidelines of subproject ESIA/ESMPs, and consistent with ESS8.

ESS9 Financial Intermediaries

ESS9 is not relevant to the project.

B.3 Other Relevant Project Risks

Other risks related to insecurity in general in Madagascar, and in the south particularly, are also identified but not induced by the project activities (mainly associated with cattle robbers, theft and violence related to persistent poverty and fragility). Insecurity in the South has increased significantly in recent years with gangs of dahalo (cattle robbers), composed mainly of young men, clashing with local communities and police forces. Given the persistent poverty and fragility, the traditional practice has shifted to the monetary value of the cattle and become a culture of organized gangs, theft, and violence. Recent years have also seen the emergence of a trafficking economy centered around gem stones, gold, and cattle, accompanied by a rise in criminality and insecurity. The project will develop a strategy to ensure the security of the community benefitting from the project, and the security of Bank supervision, Client supervision and support team (PIU, NGO) and the security situation will be discussed in the ESMF and the associated risk will be assessed in the ESIA at a later stage of the project once the specific sites are known.

C. Legal Operational Policies that Apply

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

Public Disclosure



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?

In Part

Areas where “Use of Borrower Framework” is being considered:

Eminent domain process is part of the consideration for resettlement and land acquisition in complement to NES directives

IV. CONTACT POINTS

World Bank

Contact: Ziad Salim EL Nakat Title: Senior Transport Specialist

Telephone No: Email: znakat@worldbank.org

Borrower/Client/Recipient

Borrower: Republic of Madagascar

Implementing Agency(ies)

Implementing Agency: Road Agency

Implementing Agency: Ministry of Public Works

V. FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

VI. APPROVAL

Task Team Leader(s): Ziad Salim EL Nakat
Practice Manager (ENR/Social) Africa Eshogba Olojoba Cleared on 25-Aug-2022 at 13:55:8 GMT-04:00
Safeguards Advisor ESSA Peter Leonard (SAESSA) Concurred on 30-Aug-2022 at 12:35:4 GMT-04:00

Public Disclosure