

Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 29-Mar-2022 | Report No: PIDISDSA33962

BASIC INFORMATION

A. Basic Project Data

Country St Maarten	Project ID P175404	Project Name AF St Maarten Debris Management Proj	Parent Project ID (if any) P167347
Parent Project Name Sint Maarten Emergency Debris Management Project	Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 11-Apr-2022	Estimated Board Date 15-Sep-2022
Practice Area (Lead) Urban, Resilience and Land	Financing Instrument Investment Project Financing	Borrower(s) Sint Maarten National Recovery Program Bureau	Implementing Agency Ministry of General Affairs, National Recovery Program Bureau

Proposed Development Objective(s) Parent

To manage debris from the hurricane and reconstruction activities to facilitate recovery and reduce risks.

Components

Debris Clearance and Management
Technical Assistance
Project Management and Implementation Support

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	60.00
Total Financing	60.00
of which IBRD/IDA	0.00
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	60.00
Free-standing Single Purpose Trust Fund	60.00

Environmental Assessment Category

A-Full Assessment

'Have the Safeguards oversight and clearance function been transferred to the Practice Manager?' No

Decision

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Sint Maarten, with a population of over 40,000, is highly vulnerable to natural disasters and adverse climatic events. These events have catastrophic impacts on the country's social and economic development. The island was hit by one of the most powerful hurricanes ever measured in the Atlantic basin on September 6, 2017, leaving a trail of destruction on the island. The World Bank estimated damages and losses related to Hurricane Irma at US\$1.38 billion and US\$1.38 billion, respectively (both about 129 percent of Gross Domestic Product), affecting 90 percent of all infrastructure and large parts of the natural environment.

Sectoral and Institutional Context

2. Hurricane Irma caused extensive property damage, producing debris from the damage and subsequent demolition and reconstruction activities. As of July 2018, it was estimated that 100,000 m³ of debris remains in public spaces or was expected to be produced by the ongoing demolition and reconstruction activities. Over 100 damaged and abandoned shipwrecks remained in the Simpson Bay Lagoon. The uncleared debris and abandoned vessels were a barrier to reconstruction, posed negative aesthetic and environmental impacts, increased health risk for the population, and became a navigational hazard and an eyesore for the tourists.

3. The country lacks an effective solid waste management system to cope with the massive influx of post-Irma debris. Since the 1990s, landfill capacity and municipal waste management issues have been left unaddressed and have negatively affected environmental conditions on the island. Waste management at the municipal dumpsite has suffered from a longstanding absence of separation, recycling, and proper processing, and insufficient compacting and coverage of waste on the landfill, leading to substantial risks, including a smoldering underground fire. The pressure of additional debris has compounded these risks and led to more frequent flareups to the surface of the dumpsites. Without final treatment, disposal, and recycling, debris was accumulating, exacerbating environmental and social risks, increasing the costs for its proper management, and endangering the surrounding communities living in the vicinity.

4. The EDMP was approved on December 21, 2018 and became effective on January 31, 2019. The total project cost of US\$25 million is financed by the World Bank Netherlands Trust Fund for Sint Maarten Hurricane Irma Recovery, Reconstruction and Resilience (SXM TF). The Project Development Objective of the EDMP is to manage debris from the hurricane and reconstruction activities to facilitate recovery and reduce risks. The Project consists of three components: (i) provision of goods, works, consulting services, non-consulting services, cash compensation and assistance in support of and related to debris clearance and management; (ii) Technical Assistance, including training and workshops; and (iii) project management and implementation support.

5. The project has made steady progress despite initial implementation challenges, mainly due to long procurement lead time caused by local constraints, limited technical and project management capacities in the Project Implementing Unit (PIU) – National Recovery Program Bureau (NRPB) – and technical counterparts, and the country's lack of prior experience or knowledge of working with the World Bank. As of May 2022, US\$20.5 million out of US\$25 million (82%) has been disbursed. Currently, the project's progress towards achievement of PDO and Overall Implementation Progress (IP) are rated Moderately Satisfactory; the project is compliant with key legal covenants, fiduciary and safeguards requirements; and the project financial and audit reports have been received timely by the Bank, and there are no unresolved audit observations.

C. Proposed Development Objective(s)

Original PDO

To manage debris from the hurricane and reconstruction activities to facilitate recovery and reduce risks.

Current PDO

PDO is unchanged.

D. Project Description

Rationale for Additional Financing

6. The project was prepared in an emergency context with focus on the quick delivery. Detailed market analysis of rates and relevant activities in SXM was not available to establish market-based estimates. As a new client to the Bank, the SXM Government was unfamiliar with the Bank's policies and procedures for all aspects of project implementation and was highly dependent on the Bank's extended support. In addition, the country faced many challenges due to its unique local context and the advent of the Coronavirus Pandemic (COVID-19). The situation was exacerbated by the lack of local qualified labor, complicated business registration and visa procedures, etc. These factors have multiplied the costs of the original estimates for most activities. Overall, the three critical drivers of additional costs are: 1) the introduction of a Design-Build-Operate (DBO) contract to recontour and manage the Municipal Solid Waste Disposal Site (MSWDS), 2) the high cost of shipwreck removal for which competitive procurement resulted in bids exceeding the original estimates by three-fold, and 3) an increased area of impact under planned resettlement of project affected people caused by a comprehensive risk assessment of landfill-related risks and activities.

7. The proposed AF would finance the costs associated with (i) bridging the financing gap for the existing activities (including resettlement) included in the original Grant Agreement and PAD so the PDO could be met in full; (ii) continuing technical assistance to SWM sector and support to implementation of key sector reforms that would ensure the sustainability of investments under the project; and (iii) enhancing project management and implementation capacity. The proposed AF will allow all the activities initially foreseen by the project to be completed. In particular, the financing will cover the resettlement of 110 households and 32 businesses. The

RAP has been approved by the Bank and publicly disclosed on June 22, 2022. The NRPB is recruiting a team of resettlement experts to support RAP implementation. Under the current plan, the first phase of resettlement will be financed by the remaining project funds under the parent project and expects to start in Q1 2023. Subsequent phases will be financing by the AF.

Proposed Changes under this Additional Financing

8. **Changes to Components and Costs.** The proposed additional grant of US\$60 million will close the financing gap and cost overruns under Components 1, 2 and 3. The specific activities under Components 1, 2, and 3 that will receive funds from the proposed grant are summarized in Table 1 below and further in narrative per component.

Table 1. Cost breakdown for EDMP activities under proposed AF (US\$ million)

EDMP component	Breakdown at approval	Updated cost estimates	Committed/disbursed under EDMP	Financial gap to be covered under AF
Component 1:	22	84.9	22.1	54.2
Emergency Fire suppression	6	0	0	0
Debris and car wreck handling	3	5	0	5
MSW and IDS management, upgrading, extension and/or closure	5	43.1	2.1	32.4 ¹
Vessel salvaging	3	15.5	15.5	0
Artificial reefing	0	0.3	0	0.3
TDSR DBO	2	8	0	8
Resettlement	3	13	4.5	8.5
Component 2:	2.5	5	1.5	3.5
Technical assistance	2.5	5	1.5	3.5
Component 3:	0.5	3.7	1.4	2.3
Project management	0.5	3.7	1.4	2.3
TOTAL	25	93.6	25	60

9. **Component 1: Debris Clearance and Management (parent Project - US\$22 million; proposed AF - US\$ 54.2 million).** The proposed grant will cover the cost overrun for the following activities:

- a. **Clearance and collection of car and metal wreck:** This activity will cover all eight districts, and the Government will provide the tentative inventory of wrecks prior to the bidding. The activity would be covered entirely under AF and estimated to cost US\$5 million based on similar activities carried out by the Government;
- b. **Land acquisition and resettlement:** As the ground situation evolved, the risks of the dumpsite became better understood, calling for an expansion in the Resettlement Area of Impact (RAI), which increased the number of PAPs substantially. This caused an increase in the total cost of

¹ Despite the underfinancing of MSW and Irma landfills against the estimated cost of rehabilitation (e.g. 43.1 mln), the outstanding CAPEX costs (about \$10 mln) could be deferred under DBO contract and be covered by the contractor in long term horizon on the account of collected tipping fees.

resettlement. At the time of project preparation in 2018, the cost was estimated to be US\$1 million² for up to 20 households, this has increased to US\$13 million for 110 households and 32 business. After the first phase of resettlement is completed with the remaining US\$4.5 million to be spent under the parent project, the subsequent phases estimated at US\$8.5 million will be financed under the AF;

- c. **TDSR:** This activity will be entirely financed under the AF based on an updated estimated cost of US\$8 million. The TDSR DBO contract has not been procured yet due to a lack of funds;
- d. **MSWDS:** Following the technical assessment and pre-feasibility studies developed under the Solid Waste Management Technical Assistance (SWM TA), the upgrading, extension and/or closure of the MSWDS and IDS, is estimated to cost US\$43.1 million. The AF will provide US\$32.4 million to kickstart the activity while the outstanding CAPEX costs (about US\$10 million) are planned to be deferred under the DBO contract and covered by the contractor on account of collected tipping fees that will be introduced during AF implementation. Therefore, the AF interventions will allow to address any immediate challenges facing landfill and waste management, and sufficiently lay the foundation for sustainable long-term disposal practice;
- e. **Artificial Reefing:** As part of the debris processing and disposal activity, artificial reefing was foreseen in the Grant Agreement but not budgeted separately during original project preparation. An estimated US\$0.3 million will be allocated for a vessel to be sunk as part of artificial reefing at a specific location identified.

10. **Component 2. Technical Assistance (parent Project - US\$2.5 million; proposed AF - US\$3.5 million).** The proposed AF will cover the cost overrun for the following activities: a) technical and operational support, including development and review of designs, technical specifications and operational supervision and advice for debris clearance and management under Component 1 of the Project, b) emergency debris management plan, c) legal and training support for contract management, d) support to improve debris management and vector control services, e) communications and citizen engagement strategy, f) environmental and health monitoring, and g) other TA support for Component 1, as required and approved by the Bank. In addition, this component will include TA to support the implementation of sector-tailored reforms.

11. **Component 3. Project Management and Implementation Support (parent Project - US\$0.5 million; proposed AF - US\$2.3 million).** The proposed AF will cover the cost overrun for the following activities: a) strengthening and developing institutional capacity, b) provision of support to Project oversight and liaison with technical counterparts, and c) Project operational costs.

E. Implementation

Institutional and Implementation Arrangements

² US\$1 million was the estimated cost of resettlement in 2018 needing RVP approval, this was in the budget submitted in the memo to the RVP. The memo noted the level of uncertainty so sought approval to spend up to US\$3 million.

12. As per the Government's request and based on a recent decision of the Council of Ministers, the NRPB is designated as the recipient for the original Grant and the proposed additional grant. The government has taken this decision to ensure that the NRPB has full authority and responsibility for the project so that the implementation delays can be further minimized. The NRPB will continue to be the project's implementing agency, and all other implementation arrangements remain unchanged. Since its establishment, the NRPB has been implementing the bulk of the SDTF projects, including EDMP, and has gained adequate technical, fiduciary, and safeguards capacity to implement World Bank administered operations. The Bank will continue to provide hands-on implementation support to ensure the technical, fiduciary, and safeguards due diligence.

13. The implementation arrangements remain the same as the parent project. With a successful transition from the Interim Recovery Committee (IRC - the transitional PIU) to the NRPB (the PIU), the project is well staffed with a project manager, one Environmental Safeguards Specialist, one Social Safeguards Specialist, and one Resettlement Coordinator. While the safeguards team of the NRPB is financed by the Sint Maarten Emergency Recovery Project-1 (P167339), the Resettlement Coordinator is financed by the EDMP. More hiring will be done by the NRPB to assemble a team to implement all aspects of the RAP including preparing the Livelihood Restoration Plan.

14. The NRPB's FM team is satisfactorily implementing the parent project. The FM assessment concluded that the NRPB has established and maintains an adequate FM system that should continue to provide, with reasonable assurance, accurate and timely information on the use of the project funds. The NRPB has been striving to improve its procurement capacity, particularly in preparing the upcoming large and complex contracts, including hiring a strong procurement team, working closely with HEIS, etc. The World Bank will continue to provide HEIS under the AF.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project is located in Sint Maarten. At the time of the preparation of the Additional Financing, the locations of the activities are established. The activities under subcomponent 1(b) which support the ongoing daily management of waste, including fire control, is restricted to the MSWDS and the IDS both located on Great Salt Pond Island. Next to these sites there are homes and businesses which are awaiting resettlement under the project. The body of water surrounding Pond Island is considered an important bird area (IBA) in the Caribbean by Bird Life International and is also a local Cultural Heritage Monument as the pond and shorelines contain walls from the pond's original function as a salt farm dating back to the 17th century. Nonetheless, Pond Island has been used to accommodate waste since the 1970's. Adjacent to the MSWDS there is a residential community and businesses including waste pickers who work on the sites (living right next to the site or away from the site). The existing conformation of the site and the daily landfill operation creates a health risk to these people. The RAP documents 215 people who need to be resettled, this includes 110 households, and 32 business. In addition, there are daily workers that do not reside in the area of impact who will be impacted by interruptions or closure to businesses. Regarding activities to be funded under subcomponents 1(a), 1(c), 1(d) and 1(e), these will be carried out in areas in Sint Maarten already known and for which there are no salient environmental or social issues. The existing metal wrecks and debris to be removed are scattered throughout the main roads of urban districts. Most are located within the roads and streets' right of way, some left in private lots but with access from the streets. The tugboat (The Marion) to be sunk for coral reefing and recreational diving purposes has been properly secured following the Environmental Management Plan for the activity. After conducting a risk assessment for potential sites and stakeholder consultations, The Marion will be sunk in the Tiegland site located within the Man of Shoal Marine Park.

G. Environmental and Social Safeguards Specialists on the Team

Martin Humberto Ochoa Salgado, Environmental Specialist
Barbara Donaldson, Social Specialist
Heey Jin Kim, Environmental Specialist
Christopher Mays Johnson, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	Yes	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	Yes	
Physical Cultural Resources OP/BP 4.11	Yes	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	Yes	
Projects in Disputed Areas OP/BP 7.60	No	

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project was restructured on June 4, 2021, to reflect a change in priorities as the ground situation in Sint Maarten evolved, in particular the stand-alone Emergency Fire Suppression activity which was removed. Following the change in nature of fire suppression needs, the client requested that the fire suppression activities at the Municipal Solid Waste Disposal site (MSWDS) and debris storage sites (Subcomponent 1(b)(ii)) be removed from the project scope. The Fire Suppression Activity will no longer be financed due to the change in approach. However, the environmental and social risks associated with daily landfill operation including slope recontouring and fire management will remain. In addition, increased air, soil and water pollution from slope recontouring and fire suppression, occupational health and safety risk to project workers, slope stability risk all create health and safety risks to the community adjacent to the Municipal Solid

Waste Landfill. Thus, the project will finance the recontouring and reorganization of the layout of the Municipal Solid Waste Disposal Site on Salty Pond Island to allow for better separation and recycling, improve daily landfill operations; development of a plan for the safe closure of the MSWDS and rehabilitation, restoration and/or closure of the temporary storage site used for Hurricane Irma debris (Irma Disposal Site). The project restructuring also limited the debris clearance and collection to car and metal wrecks from public spaces and private properties to curbside, the separation of said debris by materials for easier processing and treatment. The establishment and operation of a Temporary Debris Storage and Reduction (TDSR) site, the collection of debris for vector control purposes; the beautification of public areas, focusing on debris removal and landscaping; the creation of an artificial reef or fishing grounds using debris; and vessel removal and salvaging in Simpson Bay and Simpson Bay Lagoon remained unchanged.

The original amount of the project was US\$ 25 million. A range of factors have contributed to a US\$ 60 million financing gap, most salient include Sint Maarten's remote location, COVID 19 effects on costs of goods, works and services, updated market rates for activities to be financed, and limited land availability to accommodate technical solutions for the sustainable management of solid waste.

The Project will result in overall positive environmental benefits as it will properly manage hurricane debris, introduce a programmatic approach to managing municipal solid waste, introduce environmental and social risk management at government level, create spaces for stakeholder engagement, reduce health risks associated with hurricane debris and debris management, improve occupational health and safety, and reduce risks related to slope stability, fires and air quality at the municipal disposal site and temporary debris storage sites. The project will also result in improved aesthetics and environmental quality of the island following a build back better approach. There will be benefits to the community living around the landfill through the resettlement process. The project will introduce Occupational Health and Safety practices, adopt, and ensure sound Labor Management Procedures, ensure that if there is a foreign influx of workers, Labor Influx Management procedures are adopted.

The project remains as Category A due to the environmental and social risks associated with the activities MSWDS and the IDS. The salient specific environmental, social, and occupational health and safety risks and other safeguards issues identified for each of the project activities are:

Collection and clearance of debris (Component 1(a)). Hurricane debris, metal wrecks including cars and heavy machinery debris still scattered in the island will be collected and processed. The collection of debris has potential negative occupational health and safety impacts; potential negative impacts on traffic; and negative environmental impacts related to the handling of small amounts of hazardous waste. Risks can be managed following an ESMP for debris collection. The social impacts identified with this activity are minimal and are associated with need to access private property to collect wrecks. The process for ensuring permission to access private property to collect wrecks is currently under discussion will be included in the ESMP.

Reducing risks of operation, reorganization, rehabilitation, and upgrading of debris storage and municipal disposal sites (Component 1(b)). The **daily landfill management including fire suppression activities** has inherent safety risks and environmental risks that need to be managed. These relate to air quality; occupational health and safety; slope stability risk; and contamination from firefighting and application of water and soil. Though the standalone emergency fire suppression activity was removed from the project scope, fire control and suppression as part of daily landfill management practice does pose some risks for the people living next to the dump site adding to the other risks of the site which necessitate resettlement. Current waste management practices pose an environmental threat to health and human safety and lead to exposure to air pollution formed through the burning of metals and other hazardous waste. In addition, landfill workers that handle waste are constantly exposed to risks other than air pollution (exposure to vectors including rodents, flies, sharps, etc.). The project aims to separate the waste, weigh incoming waste, control any subsurface fires, effectively reduce air pollution and other risks, thus improving environmental outcomes. These

environmental and social risks were further detailed in the Environmental and Social Impact Assessment (ESIA) that the National Recovery Program Bureau (NRPB) carried out and submitted to the World Bank for review on October 28, 2021. The environmental risks identified can be managed following an Environmental and Social Management Plan (ESMP) for daily management of municipal waste that NRPB also submitted for review along with the ESIA report. The ESMP addresses daily management, fire control, recontouring and stabilizing the landfill slopes, upgrading the infrastructure, improving operational practices.

The social risks arising from landfill improvements under 1(b) are the permanent relocation of business, the cessation of waste/recycling material collection by waste pickers/recyclers, and the permanent resettlement of residents to move them out of harm's way. Currently there are an estimated 215 individuals who need to be resettled. There are 32 business operating in the resettlement area of impact (RAI), and 13 daily workers at the business who will be impacted by interruptions or closure to businesses. Thirty-four (34) people living within the RAI and 7 people who live outside of the RAI rely on the dump site for income through the collection and resale of recyclable material, an activity which is no longer possible under recently instated access restrictions to the site.

The census documented various layers of vulnerability for many of the people in the RAI. Firstly on nationality, both the residents and daily workers are predominantly from the Dominican Republic, with very few reporting Dutch nationality. Similarly, while there are four (4) languages spoken almost all of the residents and the non-resident workers are native Spanish speakers. The households are not large, most of the residents live in households of 3 or less, and are of working age, 18- 59, there are 26 minors, and 34 people are 60 or older. Disabilities are recorded highest in this older group and their incomes are at the lower end of the income range for the RAI at \$286 per month for retirees 65 and above. The population is symmetrical in terms of gender distribution, and educational attainment by gender, but women in the RAI have incomes which are 35% lower than men in the RAI. For the most part the residents are not recent, most have lived next to the dump site for more than five years, and most people report that they enjoy the location, the social networks they have there, and the lower rents. The self reported income is US\$988 per month (US\$33 per day), with the lowest reported monthly income being US\$ 110 with most PAPs noting that over the last couple of years their financial situation has gotten worse. With the last two years of Covid-19 related shutdown in Sint Maateen the economic vulnerability of the people living around the dump site has likely grown, making their sustainable resettlement more challenging.

The NRPB hired a firm to assist in conducting a census of individuals and business, and to conduct a socio-economic baseline that enabled the preparation of an entitlement matrix and the finalization of the RAP. The entitlement matrix has ten (10) categories of PAPs with associated options for resettlement packages. Resettlement will not be done all at once for the whole population of the RAI, rather there will be five (5) phases. Those who are living closest to the dump site and waste pickers who have had their access to the dump sites restricted are prioritized for relocation and compensation in the first phase. The resettlement process may also require a temporary to permanent approach for some of the PAPS, this is because due to the risk of slope collapse the people living near the slope need to be moved as soon as possible but the market may not have the replacement homes (for in-kind compensation) available for sale right at that time. Presently there are eight households, one household business combination, and one business who have opted for in-kind compensation, but this number may increase as there is the opportunity to reconsider preference for either in kind or cash compensation prior to signing legally binding agreements. The cost of implementing the RAP will exceed the US\$1 million originally estimated, presently the Government does not have the finances pay for the costs which are now estimated to be US\$13 million, as such additional funding for this will be needed from the current project and will also be requested as part of the Additional Financing.

Debris management, processing (recycling, reuse, treatment, destruction) or disposal of debris materials in a temporary debris storage and reduction (TDSR) site (Component 1.c.i). A temporary debris storage and reduction site will be established with funds from the AF. Civil works associated with the activities in TDSR and the final use of the site can have important environmental and occupational health and safety risks particularly to both the workers and the

community. The most common environmental impacts that need to be mitigated are associated with living close to the working sites, which include: air emissions; pollutant emissions to surface and groundwater; accumulation of hazardous substances in the soil; visual intrusion on landscapes; contamination and accumulation of toxic substances in the food chain; and more broadly air pollutants; spillage of hazardous substances, spread of vector diseases, nuisance from odors, and increased traffic in surrounding communities. Some components (e.g., potentially electronics or fiberglass) may need to be processed by private companies. Any processing that would be done by private companies or facilities (for example electronic components that cannot be reused) either in Sint Maarten or abroad would have to meet environmental and social standards that would be included in the bidding documents and contracts based on an ESMP for debris collection and final disposal. Risks can be managed following an ESMP for the operation of the TDSR.

The potential social impacts of operating the TDSR, which is next to the community who are to be resettled under component 1 (b), are limited to increased traffic, dust and noise, but these impacts will not cause any harms because the residents and business will be relocated under the permanent resettlement which is required under component 1 (b).

Creation of an artificial reef or fishing grounds using debris (component 1.c.(ii)). This additional financing will cover the cost of sinking one small tugboat that has been cleaned/stripped under completed vessel salvaging activity/contract. The Government of Sint Maarten has provisionally approved the site location for the vessel to be sunk, anchored the vessel, and is preparing the sinking for recreational purposes. Salient OHS (Occupational Health and Safety) risks are associated with management of debris, supervision of activities under water, traffic control while carrying the activities. Risks are localized and can be managed following an ESMP for artificial reefing. The social impacts associated with this activity are minimal and are concerned with appropriate stakeholder engagement within the boating and other maritime industries who use the waterways and the general public who have an interest in the creation of a site which could be used for diving or recreational fishing. These consultations have concluded.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The project aims to have positive long term environmental and social impacts by reducing the likelihood of fires at the site, reducing the risk of the slope collapsing, improving the processing of waste, and moving people away from living on the edges of dump site. There are future anticipated activities at the project site which will occur, but these are not well defined or certain. For example, conditions at either dump site may change or become differently understood necessitating more resettlement, particularly if an expansion of the buffer zone for the MSWDS is required.

For workers on the dump sites in the future there is potential long-term harm if proper PPE (Personal Protective Equipment) use is not maintained. All workers will be expected to comply with the World Bank Environmental Health and Safety Guidelines. As a result of World Bank policies, all workers, contractors, and other personnel will be required to follow WB Group Environmental and Health and Safety Guidelines. This ensures that the general health and safety of workers as well as proper use of PPE is adhered to for all current and future project activities. While future activities not funded by the WB are not necessarily subject to these same guidelines, it is anticipated that with training and capacity building from the WB teams, the Ministries involved will adopt similar health and safety measures for their workers.

Both the MSWDS and the IDS may undergo site closure in the future, which presents risks particularly because the quantity and treatment of hazardous waste in these sites is unknown. There is also a risk to people if human settlement is again allowed by the government within the RAI of the MSWDS, this will be mitigated through the erection of fencing and signage once resettlement has occurred. The project will only finance the development of a plan for the safe closure of the MSWDS and a plan for the rehabilitation, restoration and/or closure of the IDS. The Project will not finance the actual closing of either of these sites, these activities will occur long after the project closing. The plans will include identification of risks associated with the closing activities.

Regarding the sinking of a small tugboat (The Marion) that has been cleaned/stripped for coral reefing and recreational diving, there are no major environmental risks foreseen for this activity. The scuttling of The Marion will be a one-day operation during daylight hours with the licensed personnel and authorities present. The potential environmental, health and safety risks identified are: possible pollution from oils, fuel, blackwater, batteries, and other potentially hazardous materials that could spill during decommissioning and preparation of the vessel; occupational health and safety risks throughout the preparation, transportation and scuttling of the vessel; ecosystem damage when navigating and towing the vessel towards the location for scuttling; navigational safety when towing the vessel and future marine traffic; and dive safety.

Risk management measures will guide the access to the site in the long term, the management of the site and the protection of marine species will be under the oversight of Sint Maarten Nature Foundation once the site is open to recreational activities.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The Project will assess options for daily management of incoming solid waste to the MSWDS while the operation of the site shifts to an integrated Municipal Solid Waste Management Landfill that will incorporate environmental, community and occupational health and safety practices, including operation of a TDSR, slope recontouring and fire suppression management, and emergency preparedness measures in case fires do occur in order to best respond to the urgent need for debris management and reduce the risks posed by current practices, while avoiding, minimizing and mitigating environmental and social impacts of the activities themselves.

The project will set the stage for the environmental and social risk management of activities associated with collection, sorting, and disposal of incoming waste, adoption of safety zones (No Work Zone). When commissioning the DBO contract, the terms of reference will require contractor to update the ESMP for the management of the MSWDS taking into consideration the baseline studies and ESMP already prepared under the project. The DBO terms of reference will also ask the contractor to propose the combination of methods needed to manage slope recontouring and fire suppression and the pertinent environmental mitigation measures and to be reflected in the Contractor's ESMP.

Exploring project alternatives to avoid resettlement around the dump site was not a feasible option because the technical guidance coming from the ESIA, and other studies indicated that the safest course of action was to permanently resettle those living and working close to the edge of the dump site.

Regarding the scuttling of The Marion for coral reefing and recreational diving, four coastal sites were proposed by the Nature Foundation. Details are provided below:

#	Dive Site Name	Area	Location	Latitude	Longitude	Depth in Meters	Habitat	Marine life to be Relocated
1	Porpoise	Infront of Beacon Hill	Beside other tugboat	18°01.711'N	63°07.667'W	27	Sand	Queen conch
2	Tieglund	Marine Park 'Man of war Shoal'	Southwest of Tieglund site, besides remains of shipwreck	17°59.251'N	63°03.572'W	23	Sand with little bit Rubble	None
3	Isabella	Out of Simpson Bay/Beacon Hill	Besides Isabella Reef	18°01.208'N	63°07.064'W	26.7	Sand with Invasive seagrass and algae	None
4	New site: Irma	In front of Cupe Coy	In between The gregory and Fuh Sheng Dive Site	18°02.410'N	63°08.612'W	27	Rubble with Invasive seagrass and algae	Resurvey day before sinking

These four coastal locations (Porpoise, Tieglund, Isabella, and Irma sites) were proposed for the artificial reef site according to criteria identified by the London Convention and EPA's framework on artificial reefs. In two stakeholder surveys conducted by the Nature Foundation and NRPB, most stakeholders favored the Tieglund site because it is a marine protected area and accessible to certified divers of all levels due to a shallow depth. The Cupecoy site was also favored due to the depth which would provide shelter from strong wind and currents. However, an in-person stakeholder consultation concluded that despite the added shelter from bad weather in the Cupecoy site, the depth would limit the number of divers who would be able to visit the site which did not serve the best interests of the dive tourism economy and marine industry. Additionally, the Cupecoy site is not in a marine protected area and therefore is vulnerable to overfishing and site mismanagement. Hence, the Tieglund site was selected for scuttling The Marion for artificial coral reefing. The final decision for the site complies with Sint Maarten regulations and is supported by the Nature Foundation, Chief Harbor Pilot, VROMI, the Sint Maarten Marine Department, TEATT, and other stakeholders who participated in the consultations.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

To manage the project's environmental, social, health and safety risks, the National Recovery Program Bureau (NRPB) has developed the following instruments:

Collection and clearance of debris (Component 1(a)). The NRPB has prepared an Environmental and Social Management Plan (ESMP) for collection and disposal of metal wrecks which includes mitigation measures for collection and disposal of construction and demolition debris (C&D), and vector control. The instrument addresses the collection of wrecks – cars, cranes, containers and alike, the disposition and the shipping of debris outside of the island. The ESMP is in draft version subject to confirmation of final scope of works with Ministry of Infrastructure (VROMI).

Reducing risks of operation, reorganization, rehabilitation, and upgrading of debris storage and municipal disposal sites (Component 1(b)).

(a) an ESIA and ESMP for Landfill Management to assess the environmental pollutants and the environmental, social, and occupational health and safety risks associated with fire suppression methodologies and activities, assess the nature of the air, water and other pollution at the temporary disposal site and municipal disposal site and the impacts of planned improvements at the sites including their recontouring, upgrading and reorganization, and improved operation. The ESIA

and ESMP have been prepared, consulted, and disclosed. Both instruments were reviewed by the World Bank on December 17, 2021. The ESIA has been cleared and the ESMP will be considered final when adjustments are made to the instrument after NRPB finishes the preparation of the bidding document to procure the landfill Design-Build-Operate (DBO) contract.

(b) Resettlement Action Plan (RAP) for residents and business adjacent to the landfill and for waste pickers some of whom live outside the resettlement Area of impact (RAI) has been reviewed by the Bank. The financing for the resettlement, comes entirely from the project, some was approved as part of the original project and the proposed AF will ensure that resettlement is fully funded. A Stakeholder Engagement Plan accompanies the RAP.

All individuals and business operators will receive assistance to restore their livelihood as has been outlined in the Resettlement Action Plan (RAP) and includes such measures as vocational skills training, businesses management skills training, and support to regularize immigration status. This will be detailed in a Livelihood Restoration Plan which will be developed and submitted to the Bank early in RAP implementation. For residents, many of whom have lived in the RAI for many years, discussion on permanent resettlement options and preferences for in-kind or cash compensation have been underway for the last two years, these consultations and the process for resettlement is documented in the RAP.

There has been some difficulty with resettlement since project preparation, which underpins the project's history of poor safeguards ratings, but these have been largely resolved. On two occasions activities were implemented by VROMI at the municipal dump site (emergency fire suppression and slope recontouring) without an ESIA, an ESMP, a RAP and without the required resettlement first occurring. Both times Management Letters were sent to the Government of Sint Maarten reminding them of the Bank's resettlement policy, requesting that they cease works on the site due to safety concerns, and urging them to quickly identify land that might be needed for resettlement and finalize the RAP. Another challenge with the resettlement was the initial uncertainty around the number of people to be resettled and then the increase in the number of people, the accompanying increase in cost and logistics has been difficult for the client to respond to quickly, this AF provides some solution to these problems. Finally, with the appointment of an experienced resettlement coordinator within the NRPB and a growing understanding of World Bank standards within the Bureau more broadly, the response to resettlement issues on this project has considerably improved, the relationship between the community and the NRPB is largely positive and there is ongoing engagement. An extended team will be required to organize the resettlement and the NRPB is in the process of preparing TOR for this team who will be hired individually as consultants by the NRPB.

The Resettlement Action Plan anticipates the demolition of existing infrastructure within the RAI and the securing of the RAI site to prevent further occupation or use. These structures are mostly small one-story homes made of brick, wood, cement, thin roof, and cardboard as well as fences and structures that host businesses. NRPB will commission the demolition of these structures to contractors, once the Resettlement Coordinator of NRPB confirms the demolition can proceed and provisions in the RAP have been met. This activity does not warrant a full ESMP. The environmental, social, occupational health and safety mitigation measures for this activity will be incorporated in the bidding document for the demolition of these structures. NRPB has acquired the necessary capacity to carry out and monitor these types of activities, following the experience gained under the Emergency Reconstruction Project, also funded through the World Bank (P167339 Sint Maarten Emergency Recovery Project I). NRPB will be required to submit the RFB to the World Bank for clearance prior to releasing the requests for bids. The RFBs will require Contractors to incorporate Environmental, Social, and Occupational Health and Safety provisions in their contractor's Management Strategies and Implementation Plans (MSIPs). Contractor will need to submit MSIPs prior to their mobilization for NRPB approval. The World Bank will follow up closely the implementation of the activity through bi-weekly meetings and through the semester project progress reporting.

Debris management, processing (recycling, reuse, treatment, destruction) or disposal of debris materials in a Establishment of a temporary debris storage and recycling reduction (TDSR) site (Component 1.c.(i)) NRPB prepared an ESMP for the recovery of materials and rehabilitation of the temporary disposal site (Temporary Debris Storage Site and Reduction Facility-TDSR ESMP). The ESMP for this activity has been cleared by the Bank subject to submission and clearance of a contractor's ESMP prior to the commencement of the works. The instrument addresses the civil works associated with the establishment and operation of the TDSR and the final use of the site which can have important environmental impacts associated with civil works.

Creation of an artificial reef or fishing grounds using debris (component 1.c.(ii)) NRPB has drafted an ESMP for the sinking of one small tugboat that has been cleaned/stripped under completed vessel salvaging activity/contract. The Government of Sint Maarten has provisionally approved the site location for the vessel to be sunk, anchored the vessel, and is preparing the sinking for recreational purposes.

Removal and salvaging (including breakdown, treatment, recycling and disposal) of vessels in Simpson Bay and Simpson Bay Lagoon (Component 1(d)). The NRPB prepared an ESMP to manage the risks associated with recovery of recreational boats (yachts and sailboats) and small commercial vessels (barges) in Simpson Bay and Simpson Bay Lagoon (Shipwreck ESMP). The Bank cleared the ESMP on August 28, 2019 and the Contractor's ESMP on December 22, 2021. NRPB removed and decommissioned 139 shipwrecks and removed debris along 10.5 kilometers of shoreline and shallow waters along the entire Dutch side of the Simpson Bay Lagoon, including the Mullet Pond area. A total of 3,596.3 tons of waste, including ferrous and non-ferrous metal waste was placed into lined containers, closed, sealed and then transported to the Netherlands for final processing.

All instruments have been prepared following WBG GBV/SEA/SH and OHS General Guidelines, adapted to COVID-19 prevention guidelines, and the WBG EHS Industry sector guidelines for Waste Management Facilities.

For the additional financing, NRPB will be responsible for the following actions:

Component 1. Debris Clearance and Management

Sub-component 1. (a): Collection and clearance of debris.

(i) Update and submit for World Bank clearance an Environmental and Social Management Plan to manage risks related to Collection and clearance of debris (Metal Wrecks ESMP) that addresses air and water pollution risks, health and safety issues, worker influx issues, and spill management), along with the bidding document for the works, prior to launching the bidding process.

(ii) Prepare generic mitigation measures to manage risks related to (i) collection of debris for vector control purposes; and (ii) beautification of public areas, focusing on debris removal and landscaping since these activities do not warrant the need for full ESMPs.

Sub-component 1. (b): Reducing risks of operation, reorganization, rehabilitation, and upgrading of debris storage and municipal disposal sites:

(i) Update and submit for World Bank clearance the Landfill Daily Management ESMP (LDM ESMP) along with the bidding document for the works, prior to launching the bidding process for the Design-Build-Operate of LDM;

(ii) Submit for World Bank clearance the bidding document for the demolition of structures within the Resettlement Area of Impact (RAI) and for securing the the RAI prior to releasing the requests for bids. The RFBs will require Contractors to incorporate Environmental, Social, and Occupational Health and Safety provisions in their contractor's Management Strategies and Implementation Plans (MSIPs).

(iii) Submit the final RAP to the Bank with updates based on consultations prior to project effectiveness.

(iv) Submit a final Livelihood Restoration Plan to the Bank no later than 90 days after project effectiveness.

(v) Submit for World Bank clearance an ESMP for the rehabilitation, restoration and/or closure of the temporary storage site used for Hurricane Irma debris that addresses the environmental risks and potential negative impacts associated with the activities to be carried at the Irma Disposal Site (IDS), along with the bidding document for the works, prior to launching the bidding process.

Sub-component 1. (c): Debris processing and disposal.

(i) Subcomponent 1.c.i. Recycling, reuse, treatment, destruction, or disposal of debris. Update and submit for World Bank clearance an Environmental and Social Management Plan for the operation of the Temporary Debris Storage and Reduction (TDSR ESMP) along with the bidding document for the works, prior to launching the bidding process. The ESMP will address air and water pollution risks, health and safety issues, handling of HHW (Household Hazardous Waste) and potential impacts from pollution including dust, noise derived from traffic generated from recycling, reuse, treatment, destruction, or disposal of debris materials during the construction and operation of the TDSR.

(ii) Sub-component 1.c.ii Creation of an artificial reef or fishing grounds using debris. Submit to the World Bank for clearance the ESMP for the sinking of a tugboat and creation of recreational diving along with the bidding document for the works, prior to launching the bidding process.

Final versions of the ESMP instruments will need to be consulted on with stakeholders to reflect updates from the technical designs, particularly the Build-Operate-Transfer contract for Daily Landfill Management, the Operation of the TDSR, and the closing of the IDS. The updated versions along with the bidding documents for the works listed above will need to be submitted to the World Bank for clearance prior to releasing bidding documents for each work.

All bidding documents will also include mitigation measures to manage risks related to general works (including air and water pollution risks, health and safety issues, worker influx issues and spill management) for activities that do not warrant a full ESMP.

The Bureau will collaborate with the Ministry of VROMI (Office of Public Works) and VSA (Health and Social Services) in providing technical oversight, including technical review of the safeguard documents and supervision. Three years into implementation the NRPB continues to build its capacity for managing the E&S risks associated with the project consistent with World Bank Policies. At the time of appraisal for the additional financing, the NRPB has recruited a team of five Environmental Specialists and two Social Specialists responsible for preparing and overseeing the implementation of the E&S risks management of the NRPB's portfolio. There is also a Resettlement Coordinator who is assigned full time to this project. Training has been provided to the NRPB's E and S specialist on the safeguards policies. The World Bank will continue to provide oversight and support during the implementation of the project.

A GRM was developed for all projects in the NRPB's portfolio early in the establishment of the NRPB, and an update to the GRM is almost finalized making various improvements and so that it aligns with the Environmental and Social standards under the Framework. The GRM has been performing well with complaints being addressed and resolved in a timely way. There was a complaint received on this project about the ownership of a shipwreck which was scheduled for removal, this complaint was handled well by the NRPB, and the issue was resolved by the local court. Internally, in January 2020, to build an understanding of SEA/SH within the NRPB and some selected government agencies, the WB delivered training on how these issues should be handled on WB financed operation. The NRPB has since adopted a Code of Conduct for GBV (Gender Based Violence) which all staff signed and there is a general code of conduct.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The most intensive stakeholder engagement activity is that pertaining to the resettlement around the dump site, the key stakeholders are the persons to be resettled, the ministry in charge of social services, and the ministry who oversees the dump sites.

The PIU's resettlement coordinator has established ongoing communication channels with each PAP, he has met with all individuals to discuss compensation options, is in communication via telephone with many of the residents, and a Kiosk at a location close to the dump site will be established to handle day to day inquiries about the resettlement process once RAP implementation begins.

Regarding the community engagement for the artificial reefing (the sinking of the Marion tugboat), the PIU (Project Implementing Unit) has had in person consultations with key interest groups such as the fishing and diving industry and a preferred site has been thus identified. Some of the meetings were outsourced to a local environmental NGO while the more general consultations were done by the NRPB to decide on a final site for sinking the wreck. The approach for the island wide debris/metal wreck clear up will focus on the geographic areas to be cleaned up, these areas have yet to be determined, but the key stakeholders are limited to those with debris on or near their property, and those who may reside next to any decommissioning site.

The metal wreck clearance in public and private spaces across the island will require a communication strategy which has yet to be defined. The approach to identifying and then collecting metal wrecks stored on private property needs to be explored and a communications approach needs to be developed to encourage widespread participation and to reduce potential disputes around wreck collection. The primary stakeholders are located across the country and are those people living with metal wrecks on or near their homes and business, and near public spaces. The introduction of tipping fees at the land fill and a billing system will be explored under this project and will require stakeholder consultation, mostly within the Ministry of VROMI and the public (business and residents) on the design of the system including the social tariffs to mitigate the charges for low-income households. The process for public engagement on these changes have not been established, but this will be the responsibility of the consultancy firm which was hired to plan and implement sector reforms.

Safeguard documents will continue to be published on the website of the NRPB and on the external website of the World Bank.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

The NRPB will disclose all ESIA and ESMPs through the NRPB website. The Bank will also disclose these instruments on

Resettlement Action Plan/Framework/Policy Process

The NRPB will disclose the RAP on its website and the Bank website. The Bank will disclose the RAP as draft and as a final.

Pest Management Plan

Approved on 14/01/2024 by the ARB, as part of the Bank's credit facility. The Bank is not responsible for the project's environmental impacts. The Bank is not responsible for the project's environmental impacts. The Bank is not responsible for the project's environmental impacts.

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

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