

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
APPRAISAL STAGE**

Report No.: PIDISDSA20538

Date Prepared/Updated: 21-Dec-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Vietnam	Project ID:	P156143
		Parent Project ID (if any):	
Project Name:	Vietnam Coastal Cities Sustainable Environment Project (P156143)		
Region:	EAST ASIA AND PACIFIC		
Estimated Appraisal Date:	22-Nov-2016	Estimated Board Date:	15-Feb-2017
Practice Area (Lead):	Water	Lending Instrument:	Investment Project Financing
Borrower(s):	Socialist Republic of Vietnam		
Implementing Agency:	Binh Dinh PMU, Quang Binh PMU, Khanh Hoa PMU, Ninh Thuan PMU		
Financing (in USD Million)			
Financing Source			Amount
BORROWER/RECIPIENT			37.40
International Bank for Reconstruction and Development			46.00
International Development Association (IDA)			190.20
Financing Gap			0.00
Total Project Cost			273.60
Environmental Category:	A - Full Assessment		
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

1. Vietnam has made remarkable progress in economic growth and poverty in recent years, and has recently graduated to lower middle income country status. Over the last two decades, the country has recorded among the highest growth rates in the world, which in turn enabled poverty reduction at record pace. Gross Domestic Product (GDP) growth, however, fell from an average rate of 7.3 percent during 2000-2007 to 5.8 percent during 2008-2012. Growth has subsequently recovered to around 6.0 percent in 2014, an estimated 6.7 percent in 2015, and a forecast 6.0% in 2016. The external sector has held up well despite the global situation, but domestic demand remains weak on account of subdued private sector confidence, overleveraged State Owned Enterprise (SOE) and (undercapitalized) banking sectors, and shrinking fiscal space. The slowing of the growth rate has had limited impact in large cities which continue to attract domestic and foreign investment.
2. An integral part of Vietnam's transition from low-middle income to advanced status has been its transition from a largely rural to urban economy. The country's economic progress has coincided with rapid urbanization, with Vietnam sustaining a 3 percent annual urban population growth rate from 1999 to 2011. The urban population is currently 35 percent of the total population and is expected to reach 40 percent by 2020. This growth has contributed to the significant challenges in service delivery and infrastructure in the cities, in general, and specifically, for sanitation management (wastewater, drainage and solid waste).

Sectoral and institutional Context

Urban Sanitation

3. In 2009 the Government set out its' policy and targets for wastewater and drainage in Decision No. 1930/2009/QĐ-TTg - Orientation Plan for Urban Drainage to 2025 and Vision to 2050. 2020 Government targets include: flooding will be eliminated in cities in Class IV and above; drainage system coverage will reach 80 percent, and; 60 percent of domestic wastewater will be collected and treated centrally in Class III and above cities.
4. Delivery of water and sanitation services is decentralized to the provinces, which are also responsible for project preparation and implementation. The central government is responsible for policy setting and monitoring progress in meeting sectoral targets (e.g. system coverage).
5. Institutional arrangements: In Vietnam urban "sanitation" services comprise drainage, wastewater collection and treatment, and solid waste management. Solid waste management is typically undertaken by local government owned urban and environment management companies (URENCOs). At the national level, the Ministry of Construction (MOC) is the responsible line ministry for urban sanitation (policies, regulations and technical standards). The Ministry of Natural Resources and Environment (MONRE) is responsible for environmental protection and water resources, including the regulation of sewage and wastewater discharge to the environment. The Ministry of Planning and Investment (MPI) oversees the management of public investment and resource allocation - prioritizing public investment and assuring the availability of funds for recurrent costs and expenditures and managing the public debt.
6. At the local government level the Provincial People's Committee (PPC) is the highest level of government, and responsible for investments and service provision in the sanitation sector. The national level state management model is replicated at the provincial level with the respective line departments (e.g. Department of Construction, DOC) reporting to the PPC.

7. Each province/city in Vietnam has its own institutional management model for urban services. Service providers may be state owned enterprises, single owner companies (public), joint stock companies (mainly public), or private companies. They may have service provision delegated to them with or without service contracts. Service contracts are typically very basic with limited service obligations and a one-year life - very few indeed are performance-based. Most urban sanitation enterprises operate the system under the mechanism of a "work order from the city authority" and are paid directly from the city budget. The current practice of providing the enterprises with a fixed annual budget for operations does not allow them to invest in research and development or in the optimization of the wastewater system. The budgets are often based on notional cost norms rather than the actual costs of delivering sustainable sanitation services. There is a lack of asset management planning and preventative maintenance. Unplanned expenses (e.g. failure of pumps, switchgear, sensors) must be approved by different administrative bodies of the city which takes considerable time and has frequently resulted in rapid asset deterioration and loss of sanitation services. There is little accountability for service provision, with poor service politically tolerated as the price for low tariffs and fees, and there are few consequences for service failures. Transparency is also limited in terms of how service contracts are awarded (often direct negotiation) and lack of information being reported on service standards and contract performance.

8. The model for Khanh Hoa province/Nha Trang City is one of the country's most sophisticated in terms of urban management. Under this model Nha Trang City People's Committee (CPC) has entered into service contracts through its Public Service Management Unit;

- (i) For the management and operation of the drainage network (excluding pumping stations and pressure pipeline from the main pumping station): publicly owned Khanh Hoa Water Supply and Drainage Joint-Stock Company (KHAWASSCO);
- (ii) For the management and operation of the wastewater treatment plant, pumping stations, and the pressure pipeline from the main pumping station to the Southern wastewater treatment plant: Phu Dien-SFC Joint-Venture Company (private operator);
- (iii) For the management and operation of the landfills, leachate treatment plants, and solid waste collection and transportation: publicly owned Nha Trang Urban Environment Joint-Stock Company (URENCO);
- (iv) For the management and maintenance of the City's roads: 2/4 NhaTrang Co., Ltd. (publicly owned);
- (v) For the management and operation of the provincial roads under DOT's management: publicly owned Khanh Hoa Civil Engineering Management and Construction Joint-Stock Company.

9. Sector performance: While the sector policies and institutional arrangements are relatively clear, there are a number of critical issues surrounding sector performance. In many urban areas drainage systems have been poorly operated and maintained, and their capacity has not been upgraded in line with the demands of the rapidly urbanizing population. This has resulted in increased flooding risk in many urban centers. With respect to wastewater management, Figure 3 summarizes the current status in Vietnam . JMP estimates that access to an improved toilet facility reached 93 percent in 2012. Whilst this figure seems encouraging only 10 percent of urban wastewater is treated and very few towns or cities have a wastewater treatment plant. The bulk of drainage networks are in fact combined surface water drainage and sewage systems, and often overflow in the rainy season, discharging pathogenic waste directly into the streets (and beaches in coastal cities).

10. **Wastewater Treatment:** The construction of centralized wastewater treatment plants for urban areas only started in 2004. Where wastewater treatment plants exist, these tend to be under-utilised since: (i) household connection rates to the sewers are low due to the high costs/low incentives for connecting, and (ii) most household toilets are connected to a septic tank or pit which retains the bulk of the solids - only the overflow discharges into the drainage network, and then mixes with storm water so that wastewater entering the treatment plants is fairly dilute, in some cases meeting discharge standards before it is treated. This challenges the current practice, when investments are made, of building relatively expensive plants that can treat wastewater to a very high standard.

11. **Septic Tanks:** About ninety percent of urban households have septic tanks or pits which tend to be constructed without a sealed base and emptied only rarely (if at all) and hence function inefficiently. The removal of septage (septic sludge) is largely unregulated, with only four percent of septage safely disposed/treated.

12. **Investment Needs:** While investment in urban sanitation has grown in recent years, almost all of this growth has been donor-funded; government expenditure - both capital and operational - has been quite limited. The country needs to raise an estimated USD771 million per year in order to meet its 2020 targets for urban sanitation . With very few wastewater treatment plants, at least relative to the population, almost three-quarters (USD580 million per year) of this amount is needed for new treatment facilities. The estimated investment requirements are actually conservative because they focus on wastewater treatment only and ignore replacement costs of existing toilets and on-site treatment systems as well as the cost of making direct connections from household toilets to sewers. Annual anticipated investments are expected to cover only about 27 percent of the annual requirements. It will be important that future investment decisions are based, therefore, on a lowest life-cycle cost basis with the adoption of appropriate, cost-effective technologies.

13. **Sustainable Operations:** Additional pressure on finances is also expected to come from the funding needed for maintenance and operating expenditures. Wastewater and drainage services are not yet generally provided on a commercial basis, and operating costs are not fully recovered and are financed through (unreliable) subsidies from the provinces. There is a clear and pressing need to set up proper institutional and financial arrangements to ensure sustainable operations. There is also a need to establish a system through which the costs are accounted for properly and recovered to minimize the burden on the provinces. The sector's low revenue base has resulted in low investments, low cost recovery, low levels of asset maintenance and poor service levels - a situation compounded by low technical and management capacity.

14. With donor support, Decree 80/2014/ND-CP on Drainage, Sewerage and Wastewater Treatment came into effect in the year of 2015. It introduces a number of measures to significantly improve technical and financial sustainability, including:

- (i) Mandatory connection of households to sewers - with subsidies for poor households;
- (ii) Performance based management contracts (5-10 years) to be signed between the owner of the drainage and sewerage system (PPC or allocated to lower people's committees) and an O&M service provider (public or private). Clear elaboration of rights and obligations of each party, scope of work, service standards, contract value, mode of payment, etc;
- (iii) Users to pay a service "price" for drainage/wastewater services (per m³ of wastewater

generated) based on the actual costs of providing O&M services and reasonable profit. To be collected by respective water supply service providers; and

(iv) Provisions for proper septic tank sludge management, including periodic emptying

15. Decree 80 is being implemented in a number of cities, particularly where donor technical assistance support is available (e.g. through GIZ who is working with cities on service contracts and cost reflective tariff mechanisms).

Solid Waste Management

16. Solid waste management is a growing challenge in rapidly urbanizing Vietnam. Per capita generation increased by over 30 percent and total volume generated increased by almost 50 percent between 2007 and 2010. Solid waste generated in urban areas exceeds 28,000 tons/day. There are very few sanitary landfills in Vietnam and collection is often not well organized. As a result solid waste is often thrown into drainage channels, lakes, and rivers which results in the degradation of water quality and flooding. Landfill leachate is an important source of water and soil pollution, with effective leachate treatment uncommon. At many open dump sites, the uncontrolled burning of solid waste causes air pollution in the surrounding environment. People living near open dumping sites and unsanitary landfills not only suffer from odor problems, but suffer from increased dermatological disease, respiratory diseases, and diarrhea. The most vulnerable groups are scavengers, most of which are women and children .

Urban Connectivity

17. Generally, urban transport in Vietnam is at an early stage of development and on an unsustainable path that will hinder long-term growth. Traffic congestion is becoming severe during peak hours in major metropolitan centers such as Hanoi and Ho Chi Minh City and is starting to worsen in cities of smaller size, including the project cities. Strong growth has brought heavy congestion along major routes and inner city areas, which impacts negatively the urban environment especially the ambient air quality. This raises a critical need for solutions to ease traffic pressure, including expanding and enhancing the connectivity of urban infrastructure.

18. The project cities have developed a range of master plans including land-use and transport master plans to guide city development and respond to the rising traffic demands. Reviews of actual up-to-date implementation versus planned investments reveals that many urban roads and/or bridges remain unbuilt. A number of these planned road/bridges are critical to the cities' development - these will contribute significantly to improved connectivity and mobility. Funding constraints have been reported, preventing the cities from investing in these essential road/bridges, and thereby improving connectivity of the road network.

19. The majority of the existing urban road networks in the project cities are of a low standard. Private vehicles, especially motorcycles, dominate transportation. Except for some arterial roads, the roads are small with basic road facilities and lack street furniture. A considerable number of roads do not provide a suitable environment for pedestrians and do not facilitate house/shop accessibility. These shortfalls have negative impacts on the rapid intensive urbanization of the cities.

Project's Integrated Approach

20. The Vietnam 2035 Report noted that integrated approaches are needed to address Vietnam's burgeoning urbanization challenges, including transport, water supply and sanitation

(including flooding), and environmental protection. The environmental quality of water is important not only for ecosystem health and the quality of life in general, but also for income growth. In urban areas, environmental pollution from urban wastewater has resulted in toxic waterways and polluted beaches/coastal waters with impacts on economic activities, and unknown - but likely severe - impacts on human health. The Report also noted the need to expand urban connective infrastructure, including the level and quality of urban transport services - addressing the challenges of limited capacity of bridges and roads and the overall condition of transport infrastructure - all of which increase congestion, reduce mobility and increase costs. All these urbanization issues serve to constrain sustainable urban economic development.

21. With this in mind, the project design seeks to respond to the project cities' demands for sanitation and connectivity investments as efficiently and effectively as possible. Taking an integrated approach, the project combines these investments where ever possible. Some of the proposed roads and bridges under the project will share alignments and spaces with the project's sanitation works - construction of these road/bridges will facilitate provision and operation & maintenance of the sanitation infrastructure. In return, provision of the Component 1's storm drain/culverts, canal embankments as a shared structure for roads will help save construction costs of these roads. In number of cases, the works of the two components (1 and 2) will complement each other, producing cost-effective integrated solutions meeting both transport and sanitation needs.

C. Proposed Development Objective(s)

Development Objective(s)

The Project development objective is to increase access to sanitation services and improve the operational performance of sanitation utilities in selected cities.

Key Results

D. Project Description

29. This project builds on the previous Coastal Cities Environmental Sanitation Project (CCESP) (P082295/P122940), which had an overall satisfactory performance and the following PDO: to improve the environmental sanitation in the project cities (Dong Hoi, Nha Trang and Quy Nhon) in a sustainable manner and thereby enhancing the quality of life for city residents. The CCESP was implemented from June 2007 to November 2014. The design indicators of the CCESP were achieved and the following results were materialized in the project areas: i) flooding decreased significantly and no wastewater was discharged onto beaches and into canals in the project areas; ii) lakes, canals and rivers were upgraded; (iii) public toilets and toilets at schools have been properly operated and maintained; and; iv) capacity of the PMUs and relevant authorities was strengthened. With the gradual increase of wastewater and solid waste tariffs cost recovery and project sustainability were improved. The new CCSEP will increase sanitation services coverage across the three CCESP cities, extending to areas that could not be funded under the original project. Without these new investments large parts of the project cities will remain vulnerable to flooding and the polluting effects of untreated sewage and solid waste. The new project will also significantly increase household connectivity in the project cities through focusing on connecting unconnected properties in the CCESP project areas and extending tertiary sewers in unserved areas. New household connection policies and funding mechanisms will be

developed with PPC and CPCs under CCSEP to improve connection rates.

30. This project will be implemented over a period of five years and will finance priority investments in the four participating project cities (Dong Hoi, Quy Nhon, Nha Trang and Phan Rang-ThapCham). DongHoi, QuyNhon, NhaTrang were selected since they had benefited under the earlier CCESP, but significant investments are still required to increase sanitation coverage and improve institutional arrangements/sustainability. PhanRang-ThapCham was selected due to: its proximity to NhaTrang; its lagging development status, and; the Bank's strategic engagement with NinhThuan province on disaster risk management and climate resilience. The Project will consist of the following four components with a total estimated project cost of USD273.6 million. This will be financed through (i) an International Bank for Reconstruction and Development (IBRD) loan of USD46 million, (ii) an International Development Association credit of USD190.2 million, and (iii) counterpart resources of USD37.4 million from the government counterpart. Project costs are inclusive of price and physical contingencies, interest during construction, commitment fee, and front-end fee. By the board approval, the detailed design and bidding documents of around 30 percent of the investment will be available.

Gender

36. The project will be gender informed at three level: analysis, action and monitoring. Gender analysis has been conducted in all participating cities as part of social impact assessment (SIA) and safeguard instrument preparation - and has been structured at the household and project level. At the household level, SIAs have included analysis on the role of women in decision making processes, especially in household connection decisions and financial investment decisions. At the project level, SIAs have tried to understand gender disaggregated preferences in communication/consultation channels; expected information about the project activities; prioritized investments; willingness to pay and; and household demands for connection and toilet improvement. During the preparation of resettlement plans, two rounds of consultations have been conducted with a relatively high rate of participation by women (around 40-45 percent of consulted people in the four project cities). One important output of the SIAs is a gender action plan, including specific activities to maximize the project benefits to women groups. The plan includes provisions to (i) maximize the use of local unskilled women labor; (ii) collaborate with women unions in Information, Education and Communication (IEC) activities, especially for household connections; (iii) consultation with poor women or female headed households; (iv) organization of awareness raising for women with the messages not only related to the project, but also to other issues such as health risks, or community disturbance during construction. Project implementation will also recognize the important role of men in taking household financial decisions such as investing in household sewer connections. To track the results, the Project Management Units (PMUs) will develop an appropriate Monitoring and Evaluation (M&E) system to track not only the PDO indicator (female beneficiaries), but also specific activities/interventions in the gender action plan. Gender aspects will also be included in the mid-term and final evaluation of the project as appropriate.

Citizens Engagement and Governance:

37. The PMUs recognize the importance of engaging with citizens and third parties properly as a way to enhance project transparency and minimize the risk of the project being delayed or undermined due to the lack of support from local communities.

38. Citizen Engagement in this project will include feedback collected from beneficiaries on

the project design, implementation, results, and how grievances in relation to the implementation of the project are addressed. As part the project preparation, consultations have been carried to get recommendations for the project design including activities to be supported in the sub-projects. The consultative process will continue to be a key feature during project implementation. The World Bank will work closely with the four PMUs of the sub-projects to incorporate elements of citizen engagement in the detailed design and track them during the implementation of the different components of the project. Also, the project ESIA provide some baseline data to track citizen engagement such as the number of citizens that have been consulted on the project design, or how specific sanitation and hygiene issues flagged in the ESIA will be addressed during the design and implementation of the sub-projects.

39. As an effort to reach out the public more broadly and to enhance transparency and of the project, a number of information disclosure channels will be introduced. The primary channel is the sub-project information portals. Each PMU will construct a portal which provides general information of the project and all updated information of the corresponding sub-project. The information includes the project general description, its components and procurement activities, settlement of grievances in relation to the project implementation. The portals will be a channel to communicate with third parties on the project design, implementation progress as well as to receive feedback from citizens throughout the project implementation. The portal will be built as part of the IT infrastructure of the PMU/city authority. Another channel for engaging with the public is through local TV and Radio programs. The PMU will work with the city's TV and Radio to have documentaries produced periodically to inform and communicate about the project implementation with the public at large. In addition to these two channels, the PMUs will explore using social media and information technology to interact and collect real-time feedback from citizens in the project areas during the implementation of the sub-projects.

40. Strengthening project governance has also been given a priority in the project design, taking into account lessons learned from the previous CCESP project and others in the sector. In addition to measures to enhance transparency and information disclosure under the project as part the citizen engagement efforts, activities to address the governance and integrity risks of the project will be planned and carried out during project implementation. Process control activities, including internal audit functions shall be instituted at all PMUs. Necessary training and activities on project governance and integrity will be conducted.

41. A seminar on project governance and integrity in procurement and financial management was held during appraisal and attended by all relevant staff from the implementing agencies. A project governance and integrity action plan, developed by the PMUs, will be included in the POM for implementation throughout the project cycle by the participating PMUs. The action plan will cover activities which aim at raising awareness and commitment of the PMUs and project stakeholders on integrity aspects, complying with fiduciary and safeguards requirements, instituting process control measures, and enhancing monitoring and oversight of project implementation.

Climate Change

42. Screening for Climate and Disaster Risks: Although not required, the team conducted a preliminary climate and disaster risk screening for the project at the Concept stage. The identified climate and disaster risks include increased frequency and degree of extreme weather events: heatwaves (moderate), extreme precipitation and flooding (moderate), drought (moderate), sea

rise level (moderate), storm surges (high) and strong winds (moderate). This broad range of risks was addressed during project preparation, in particular through the hydraulic modelling used to design the sewerage/drainage networks which included a range of climate related scenarios. In this respect, Vietnam's climate change scenario B2 to 2050 was applied for the design of the drainage and sewerage investments in all four project cities (average emission scenario of Vietnam), in which rainfall is 2-4 percent higher and water level rise is in the range of 24-27cm. Local stakeholder consultations and dialogues were also be undertaken to enhance resilience measures. The overall climate and disaster risk is rated as "moderate".

43. GHG accounting analysis has been undertaken for the project. The analysis concluded that the project contributed net emissions of - 144,875 tons of CO2 equivalent over 25 years - an emissions drop against a business-as-usual scenario. Although three parts of the project are emissive compared to the baseline scenario (wastewater collection, wastewater treatment and process CH4 emissions from wastewater treatment lagoons) the project saw net mitigation due to the emissions savings from fugitive CH4 emissions from septic systems and fugitive N2O emissions from wastewater discharge.

Component Name

Component 1: Sanitation Infrastructure Expansion (USD138.6 million (base cost-BC). This component will contribute to PDO achievement (increase access to sanitation services)

Comments (optional)

This component will contribute to PDO achievement (increase access to sanitation services) through investments in: (i) flood reduction works, (ii) drainage and wastewater collection networks - over 30km of primary/secondary sewers, over 150km of tertiary sewers, 25 pumping stations, and over 64,000 household connections and 550 commercial connections' (iii) wastewater treatment plants - including SCADA, construction of a new WWTP and upgrading of three existing ones; (iv) school sanitation (30 schools) and public toilets (10); (v) revolving funds for household connections in PhanRang-ThapCham; (vi) solid waste management - construction of new landfill cell, upgrading leachate treatment facilities, purchase of solid waste collection vehicles and equipment.

Component Name

Component 2: Urban Connectivity Improvement (USD31.2 million, BC). This includes priority roads and bridges along canals, drains and rivers - over 7km of strategic roads and five bridges.

Comments (optional)

These infrastructures will create new key arterial roads/link roads/local roads or upgrade existing ones, thereby increasing the connectivity of the cities' road network. The roads and bridges will play an important role in relieving current traffic pressure/congestion and will also facilitate and simulate urban development in the project cities.

Component Name

Component 3: Compensation and Site Clearance (USD24.5 million, BC). This component will provide funding for compensation, site clearance and resettlement site works.

Comments (optional)

The Bank's funding will only be used for the construction of technical infrastructure (roads, utilities etc) for the resettlement area in Pham Rang. The government counterpart funding will be used for site clearance, relocation, compensation expenses and housing.

Component Name

Component 4: Implementation Support and Institutional Reform (USD11.7 million, BC) - all counterpart funding).

Comments (optional)

This component will contribute to PDO achievement (improve the operational performance of sanitation utilities in select cities) through a capacity strengthening program for the PMUs and relevant agencies, and reform activities related to implementation of Decree 80 (institutional reorganization, household connection policy, revolving funds in NhaTrang, PhanRang and QuyNhon, service contracts and private sector participation, tariffs/cost recovery). It will focus in particular on implementing lessons learned from the CCESP relating to a number of institutional/utility issues with activities to be undertaken for ownership structures and mechanisms, O&M, performance, household connections & funding, management and financial sustainability and capacity building.

E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in four cities in four provinces in central coastal region as follows: Dong Hoi (Quang Binh province) is the capital city of QuangBinh Province in the north central coast of Vietnam. It is a Class 2 city with an area of 155.71 km², and population of around 250,000. The economic contributors are industry, construction, services and agriculture-forestry-fishery.

Quy Nhon (Binh Dinh Province): is a port city and the capital of Binh Dinh Province. It is a Class 1 city with an area of 286 km² and a population of 280,000. Its economy has historically revolved around agriculture and fishing. Tourism, industry and shipping have become more important in recent times.

Nha Trang (Khanh Hoa Province): is the capital of Khanh HOa Province, on the South Central Coast of Vietnam. It is a Class 1 city, with an urban area of 252km² and population of 402,847. Nha Trang's economy relies largely on tourism and industry.

Phan Rang-Thap Cham: is the capital city of Ninh Thuan province. It is a Class 2 city with an area of 79.38 km² and population of 167,000 (2014). Phan Rang's economy relies on services, tourism and fishing.

The cities are located in coastal areas of central Vietnam. The cities have good beaches and other natural or historic attractions which make them important tourist destinations. Urban land use is intense and this limits space for the provision of solid waste and wastewater facilities. The cities have similar environmental sanitation systems consisting of combined sewers that are generally in poor condition. Solid waste collection rates average about 85 percent of the generated volumes and existing dumpsites lack basic environmental and public health protection measures. Flooding due to poor drainage systems, solid and liquid waste management and related environmental sanitation issues are major concerns of people in each of the cities.

F. Environmental and Social Safeguards Specialists

Nghi Quy Nguyen (GSU02)

Roxanne Hakim (GSU02)

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II. Implementation

Institutional and Implementation Arrangements

48. Project implementation arrangements have been set up at the provincial and county levels. Institutional responsibilities are summarized below. The current institutional setup and details on proposed institutional responsibilities are described in the Project Operation Manual (POM) that will be finalized before project negotiations.

49. Each of the four participating provinces/cities has different institutional and implementation arrangements, but each province will establish a Project Steering Committee (PSC) chaired by a senior PPC official (PPC Vice Chairman), and comprising director/deputy director level representatives of key provincial departments and agencies (Departments of: Finance; Planning & Investment; Industry & Trade; Construction; Agriculture & Rural Development; Transport; Natural Resources & Environment; plus the State Treasury and City People's Committee). Each PSC will be supported by a Working Team comprising working level line department/agency representatives which will also support the respective Project Management Units (PMUs) for each city. The PSC will convene meetings periodically to provide guidance and coordination on important aspects of the overall CCSEP management and specifically, project related issues.

50. Each of the four participating provinces has established a Project Management Unit, with many of the key staff from the CCESP PMUs (Dong Hoi, Nha Trang, Quy Nhon) being retained to work in the new CCSEP PMUs. This greatly reduces implementation risks. The PMUs for these three CCESP cities are providing advice and support to the new Phan Rang-Thap Cham PMU which has no experience in managing World Bank financed projects. Most of the Phan Rang-Thap Cham PMU staff (10 out of 12) come from the Implementation Unit for Capacity Development and ODA Water Resources Projects, which has experience of managing six projects funded by Belgium and the Netherlands. Each PMU will comprise key staff (PMU director, deputy directors, chief accountant, chief engineer, senior procurement specialist, safeguards specialists) and support staff. The PMUs of Dong Hoi, Nha Trang and Quy Nhon have been fully established. The Phan Rang PMU will be established prior to project negotiations.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This policy is triggered due to the potential adverse impacts associated with construction activities under Component 1, 2, and 3, requiring the identification, mitigation and monitoring of potential adverse environmental and social impacts. The project is proposed as Category A for environment due to the significant environmental and social impacts associated with the construction and operation the stormwater and wastewater collection systems, wastewater treatment plants, landfills, and embankments in the project cities. Four Environmental and Social Impact Assessments

		(ESIAs), which include the Environmental and Social Management Plans (ESMPs), for the four participating cities have been prepared based on the agreed ToR and disclosed.
Natural Habitats OP/BP 4.04	Yes	The project will not impact any protected area nor will it affect important/endangered flora or fauna species or biodiversity areas of high value. The environmental and social screening and scoping of the subprojects confirmed that natural habitats are present in the project areas. However, the subprojects would not have impacts on any protected area nor would they affect important/endangered flora or fauna species or biodiversity areas of high value. Construction and operation of the embankments would have moderate potential impacts on natural habitats of the rivers, canals, and estuaries including loss of benthic habitats and disturbance of benthic organisms. Impacts and mitigation measures have been included in the relevant subproject ESIAs and ESMPs to address these impacts.
Forests OP/BP 4.36	No	The project will be implemented in urban areas. The project will be implemented in urban areas. The subproject requires acquisition of 196,937m ² of land area in Quy Nhon used for planting acacia in the landfill site. Although this land has been classified as forest land handed over to the local people for the exploitation and planting purposes, it does not maintain any natural forests. The 212,735 trees affected in Quy Nhon are planted on the household garden and agricultural land located along the existing canals to be rehabilitated and the Central lake. The subproject does not involve forest plantation or management and would not (i) have the potential to have impacts on the health and quality of forests; (ii) affect the rights and welfare of people and their level of dependence upon or interaction with forests; or (iii) aim to bring about changes in the management, protection or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned. Therefore, the Bank's policy on Forests (OP/BP 4.36) is not triggered for this subproject.
Pest Management OP 4.09	No	The project will not involve the use, production, procurement, storage, handling or transportation of any pesticide.
Physical Cultural Resources OP/BP 4.11	Yes	It is not expected that the project will necessitate

		relocation of physical cultural resources (PCRs) such as monuments, temples, churches, religious/spiritual and cultural sites. The project however will involve relocation of graves which are also considered PCRs. Since the project includes dredging and excavation activities, which may result in chance finds, a chance finds procedure has been included in the subproject ESMPs.
Indigenous Peoples OP/BP 4.10	No	There are no ethnic minority communities in the project areas.
Involuntary Resettlement OP/ BP 4.12	Yes	The proposed project activities will involve the involuntary taking of land, resulting in physical relocation and impacts on livelihoods and resources. At this stage, this may occur in components 1 (sanitation infrastructure expansion), 2 (urban connectivity improvement) and 3 (compensation and site clearance). The project fund allocated to component 3 will be used to only finance the construction of technical infrastructure (roads, utilities, etc.) for the resettlement area in Pham Rang. The project budget will not be used to finance land expenditure
Safety of Dams OP/BP 4.37	No	The project will not affect or is dependent on the safety of any existing dam.
Projects on International Waterways OP/BP 7.50	No	The project is not implemented on any international waterways.
Projects in Disputed Areas OP/ BP 7.60	No	The Project is not implemented in disputed areas.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>The proposed project covers four coastal cities of Dong Hoi, Quy Nhon, Nha Trang and Phan Rang - Thap Cham. The project would mainly involve the following physical investments under Components 1, 2, 3: i) Construction of rainwater drainage systems; ii) Construction of secondary and tertiary sewer systems and wastewater pump stations; iii) Construction of wastewater treatment plants; iv) Construction of a new sanitary disposal cell in the exiting Long My landfill, Dong Hoi city; v) Construction and rehabilitation of river and canal embankments; vi) Construction and rehabilitation of urban roads and bridges; and vii) Construction of public and school toilets.</p> <p>The project's overall potential socio-environmental impacts would be positive as it is expected to bring about: i) improved environmental conditions and urban landscape in many public and residential areas; ii) increased wastewater collection and treatment; iii) minimized discharge of untreated wastewater into the environment; iv) reduction of public health risks associated with</p>
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water-borne diseases and related health-care cost; vi) improvements in solid waste collection service and communication activities, addressing uncontrolled garbage disposal issues; vii) reduction of traffic jam or safety risks caused by inundation; viii) increased the accessibility of local people to nearby areas.

There are also potential negative socio-environmental impacts associated with the proposed physical investments. These include commonly known construction impacts and risks, such as: i) safety risks related to unexploded ordnances left from the war; ii) loss of vegetation cover and trees, disturbance to the habitats of aquatic species iii) increased level of dust, noise, vibration; iv) pollution risks related to generation of waste and wastewater, particularly large amount of excavated/dredging materials; v) traffic disturbance, and increased traffic safety risks; vi) erosion and land slide risk on slopes and deeply excavated areas as well potential negative impacts on existing weak facilities; vii) interruption of existing infrastructure and services such as water and power supply; viii) disturbance to daily socio-economic activities in project area and social disturbance; ix) health and safety issues related to the public and the workers at construction sites; and x) social impacts associated with construction disrupting businesses by construction related activities and mobilization of workers to the site.

The findings of the ESIA's indicate the main adverse impacts associated with operation of the WWTPs would include: odors and air pollution; infiltration of wastewater to soils and groundwater; solid wastes and sludge; discharge of the effluent and incidental discharge into the surface water environment. The specific adverse impacts related to operation of the landfills would include: Leachate; wastewater from washing of garbage truck before leaving the landfill; surface runoff; air pollutants from landfill; dust, bio-aerosols, and odors; impacts to water environment; impacts on soil environment; and impacts on public health and workers.

While the project will be implemented in urban areas, some civil works will be implemented on existing waterways such as dredging of the Cau Rao river in Dong Hoi and Cai river in Nha Trang for flood control, or construction of two bridges in Quy Nhon. The results of the screening and scoping during preparation of the ESIA's indicated that the proposed project would not impact any protected area nor will it affect important/endangered flora or fauna species or biodiversity areas of high value. Appropriate measures to mitigate the potential biological impacts, particularly aquatic biology, have been proposed as part of the subproject ESMPs.

Potential impacts on Natural Habitats: The project is anticipated to have the potential impacts on the natural habitats of the rivers running through the cities excavation, dredging and other ground disturbance activities and the Thi Nai lagoon during operation. The impacts on the rivers are mainly positive due to improved quality of the wastewater being directly or indirectly discharged into them. The Thi Nai lagoon is a wetland with aquaculture and fisheries. The ESIA confirmed that the expansion of the Nhon Binh WWTP will not have significant impacts on the sensitive ecological systems in Thi Nai lagoon because: i) When the plant is constructed, it will improve the quality of the water receiving bodies because the total contaminant loading will be decreased; ii) The ecological systems locate in the north of the lagoon which is upstream of the lagoon, 3 km far from the Ha Thanh river outfall; and iii) The assimilation capacity of the lagoon is very huge because of its large area (3,200ha at low tide and 5,000ha at high tide, which are about 32,000,000 m³ at low tide, and 60,000,000 m³ at high tide). Provided the declined pollution loads from the current outlets of untreated wastewater from elsewhere in the catchment, to predict quality improvement of the lagoon water quality quantitatively, a regular monitoring of water quality in the lagoon would be needed. This impact would be largely positive.

Potential impacts on Physical and Cultural Resources: In all four cities there are temples, pagodas, and churches located within the area of direct influence by the project. These PCRs include: i) Phan Rang: Quan Thanh Temple (50 m from construction sites); ii) Nha Trang: Po Nagar Cham Tower (30-100m from construction sites), An Ton Church (10 m), Ngoc Thuy Vihara (20 m), Ba Lang Parish (20-50 m); iii) Quy Nhon: Nguyen Hue pagoda (5m from construction site), Quy Nhon twin tower and Tay Ninh church (5m from construction site); Truc Lam pagoda (2m from construction site), Ngoc Nhon monastery (5m); and iv) Dong Hoi: Dai Giac pagoda (200 m from dredging area). The potential impacts would be Decreased aesthetical values; Disturbance by workers' presence and activities, or noise from trucks; Traffic safety risks to local people, particularly at peak hours; and Increased traffic safety risks.

Lessons learned: The project is the continuation of the Bank-financed Coastal Cities Environmental Sanitation project (CCESP) which was implemented from 2006 to 2014. The lessons on environmental management and supervision are drawn up for the new proposed project during implementation during implementation include: i) Full supervision of ESMP implementation by Construction Supervision Consultant (CSC); ii) Close coordination with local authorities and people in the project areas; iii) Good communication and provision of clear information on the subproject contents and construction schedule to the local authorities; iv) Close coordination between PMU and the Independent Environmental and Social Monitoring Consultant; v) PMU's regular coordination with the Consultants to carry out evaluation of the environmental and social compliance of the Contractors; vi) Use of the right methods for sewer and drainage system construction including Counter measures for landslide and the likely damages to the existing structures included Larsen sheet piles; vii) Use of appropriate odor treatment technology at the influent and sludge treatment works; and viii) Landscape design of school toilets with a more green, vivid, and attractive architecture to enhance pupils' awareness of environmental sanitation.

Due diligence review: A due diligence review was undertaken by the Borrower for WWTPs, landfills, and the potential materials sources. A summary is provided below:

For Nha Trang, due diligence was conducted for Luong Hoa Landfill which will receive the sludge for the subproject WWTP. Periodic analysis results of effluent quality at leachate treatment station (every three months) monitored by Environmental monitoring center - Khanh Hoa DONRE show that the parameters pH, COD, BOD5, TSS, T-N, noise, dust, SO₂, NO₂, HC, CO, NH₃⁺ and H₂S are within the allowable limits of national standards.

Wastes generated by Dong Hoi sub project will be disposed to Ly Trach landfill which has been improved through a number of internationally-funded project, including the CCESP. URENCO has also been supported with solid waste management equipment. Operation of Ly Trach landfill is under control, although there are rooms for improvement. The most recent environmental quality monitoring results show that most of the air, water and groundwater quality are within the allowable limits.

For Quy Nhon, due diligence review has also performed for the 14,000m³ Nhon Binh WWTP which was constructed under the CCESP. The second 14,000m³ module of the WWTP has been proposed under the CCSEP. The effluent monitoring results of Nhon Binh WWTP during operation indicate compliance with the national standards QCVN 40:2011/BTNMT, column B. The issue of the WWTP is offensive odor which will be addressed under the CCSEP. The environmental monitoring report of Long My landfill, which was constructed under the CCESP,

shows that the monitoring result of air, surface, leachate and groundwater samples are within the national standards.

For Phan Rang, the waste generated by the subproject during construction and operation will be disposed to Nam Thanh solid waste treatment complex. The complex is in operation and in compliance with the government regulation. Due diligence review of the project's Construction of the Wastewater Collection, Treatment and Reuse for Phan Rang - Thap Cham City Project financed by the Netherland Goverment has been being implemented from 2016-2020 was also conducted. The EIA for the project was approved by the provincial authority, and the mitigation measures proposed under this EIA are in line with those proposed in ESIA and no conflicts with CCSEP ESIA were determined.

Due diligence review was also conducted for the materials sources of sand mines, borrow pits, and quarries which may be used by the project. The results of the review show that they are licensed and operated in line with the related national regulations.

Potential Involuntary Resettlement impacts: The proposed project components (in component 1, 2, and 3) will involve the involuntary taking of land, resulting in physical relocation and impacts on livelihoods and resources. Specific activities that have potential impacts on land acquisition include (i) upgrading/expanding and/or constructing channels; (ii) construction of regulation lakes; (iii) construction/rehabilitation of secondary sewerage lines; (iv) construction of wastewater treatment and its associated networks; (v) landfill expansion; (vi) development of urban roads and connectivity; (vii) construction of resettlement site (in Phan Rang only). In four subprojects, it is estimated that 1,486 households (HHs) will be affected, including 605 HHs losing more than 20% of their total land holding (or 10% for vulnerable groups). Only in Nha Trang and Phan Rang subprojects, physical relocation may occur. It is estimated that 329 HHs will be relocated due to the construction of items in the mentioned cities. The total area of land to be permanently required is 798,933 m² and 92,205 m² will be temporarily affected during construction.

The four ESIA's of the four subproject coastal cities confirmed these impacts to be moderate to significant, short to medium term, unavoidable, and can be mitigated through effective consultation and adequate compensation.

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

The project is expected to have significant positive benefits for the environment, public health and the tourism-based economy due to reduced frequency and level of flooding in the cities, improved collection and treatment of wastewater and handling of domestic solid wastes, and improvements in sanitation service and capacity.

Appropriate wastewater treatment technologies have been chosen to meet the national environmental standards at acceptable costs. The long term impacts are those related to the sludge and odor generated by the WWTPs, the leachate and health issues due to operation of the landfills. However, the ESIA's confirmed these impacts to be moderate. Specific mitigation measures have been adopted to reduce pollution discharge, and water quality of the receiving waters will be carefully monitored.

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

The project proposed investments are in line with the cities' master plans which have been

approved by the Government. Alternatives were considered in the preparation of the master plans, which are also subject to review by environmental authorities as per Vietnamese law. The EIAs were conducted sufficiently early in the feasibility study to influence the choice of site-specific technical alternatives. The options selected were based on considerations of all the aspects together including technical, social and environmental, and economic dimensions.

Alternatives for Dong Hoi included selection of road alignments to ensure minimal land acquisition, reduction in filling materials required, and better traffic safety.

For Quy Nhon, the option on wastewater treatment technology to be compatible with the treatment module built under CCESP was selected with advanced odor treatment. For leachate treatment technology at Long My landfill in Quy Nhon, alternative 2 was chosen for its treatment efficiency, low investment cost, and efficient removal of leachate odor.

The different treatment technologies were considered for wastewater treatment in Nha Trang, and the oxidation ditch technology was selected due to its better capability to treat nitrogen, no additional requirements on chemicals, simple operation, resistance to overload shock, low investment cost, and ease to combine with odor treatment system.

In Phan Rang, maintaining water surface and green landscape were prioritized during the design of canals, and boxed drain option were selected only in cases where land acquisition would affect large number of houses. The selection of disposal sites in Phan Rang were also based on the characteristics of the excavated and dredged materials.

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.

An Environmental and Social Impacts Assessment (ESIA) has been prepared for each of the cities to assess the potential impacts and risks of the proposed investments. The ESIA's include the World Bank Group Guidelines on Environmental, Health and Safety, due diligence review of existing landfills, wastewater treatment plans, and materials sources in the project cities; cumulative impact assessment of potential environmental and social impacts and the potential impacts of transporting materials to the landfill related to dredging; potential social impacts. The ESIA of each city took into account the approved ESIA's of the work items implemented under the CCESP (such as the wastewater treatment plants in Dong Hoi and Quy Nhon) or originally proposed under the CCESP (such as the North Wastewater Treatment Plant in Nha Trang or dredging of the Cau Rao river in Dong Hoi, but not yet be implemented or fully completed), and social and environmental management experiences gained through the implementation of the CCESP.

Environmental and Social Management Plans (ESMP). Four ESMPs, as integral parts of the four subproject ESIA's, have been prepared. The objectives of the ESMPs are to: i) ensure compliance with the applicable provincial, national, laws, regulations, standards, and guidelines; ii) ensure that there is sufficient allocation of resources on the project budget for implementation of ESMP-related activities; iii) ensure that environmental risks associated with a project property managed; iv) respond to emerging and unforeseen environmental issues not identified in the subproject ESIA; v) provide feedback for continual improvement in environmental performance. The ESMPs consist of the set of good practice mitigation measures to address common construction related impacts which referred to as Environmental Codes of Practices (ECOP), site-specific environmental and social measures to deal with the impacts specific to the subproject areas and

activities. The ESMPs also include monitoring, and institutional measures to be taken during implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels. Each subproject ESMP includes a Compliance Framework which lays out the role and responsibilities of the contractor and a penalty system to address non-compliance cases of the contractor to the environmental management requirements of the subproject. The ESMPs include the budgets for their implementation including for capacity building in project environmental management.

The ESMPs include the budgets for their implementation including for capacity building in project environmental management. Some key mitigations measures at subproject level include: Management of dredged materials. A sampling survey suggested that dredged materials from excavation during construction of sluice gates and dredging of canals are mainly silt and clay with high organic content and low levels of heavy metals. Therefore, the materials could be used for dikes, roads, construction of houses. However, other areas may contain acid sulfate soil and /or heavy metals and toxic chemicals and could be an issue. During detailed design PPMU will prepare a Dredge Materials Disposal Plan containing: (a) detailed estimate of the nature and quantity of dredged materials; (b) chemical analysis of the dredged materials; (c) indicative lands for disposal; (d) communication plan for local residents informing the quality of the dredges and any restriction on the use for housing construction and gardening in case the materials found to be unsuitable; and (e) inventory of planned road and dikes to transport the dredged materials.

The subproject owners, which are the provincial City Project Management Units (PMUs), will include content of the corresponding ESMPs into the standard tender documents to be used as a basis for contractors to implement environmental management during construction phase. The PMUs will be responsible for overall supervision and monitoring of the subproject including implementation of the ESMPs and will provide safeguard training to the subproject staff.

To facilitate effective implementation of the ESMPs, the city subproject PMUs will: (a) establish an Environment and Social Unit (ESU) responsible for ensuring timely implementation of the ESMP, including monitoring, reporting, and capacity building related to safeguards; (b) hire the Construction Supervision Consultant(CSC) to be responsible for supervision of the contractor's safeguard performance as part of the construction contract and this requirement will be included in the CSC terms of reference (TOR); and (c) hire qualified the Independent Environmental Management Consultant (IEMC) to assist the ESU in performing these tasks.

The city water supply, drainage, and urban maintenance companies, as appropriate, will be responsible for implementing the mitigation measures during the operation stage of the project and they will ensure that the mitigation measures are implemented and adequate budget is provided. The Provincial Steering Committee (PSC) chaired by the Chairman or Vice Chairman of the Provincial People's Committee (PCP) of the respective province will provide the overall policy guidance and oversight of project implementation.

Social Impacts Assessment (SIAs). During the project preparation, PMUs have conducted four SIAs to understand the potential project social impacts (beyond social safeguards) and inform appropriate mitigation measures (including baseline information for livelihood restoration program). The SIAs also aim to explore the community support as well as their willingness to pay/ to participate in project activities. Other than contribution to the preparation of resettlement action plan, which have been prepared as separate social safeguard instrument, findings from SIAs have been used to recommend and develop (i) gender action plan; (ii) requirements on information

disclosure, social accountability and monitoring; (iii) community health management plan. Activities under those plans have been budgeted and will be implemented by PMUs during project implementation.

Resettlement Policy Framework (RPF). A resettlement policy framework (RPF) has been prepared in accordance to the Bank's policies and guidelines. The RPF lays down the principles and objectives, eligibility criteria of displaced persons, modes of compensation and rehabilitation, potential relocation of these persons, and participation features and grievance procedures relocation. The RPF is prepared to guide the preparation of 04 sub-project RAPs and the policy application during project implementation in the case of changes in project scopes, design, alignment etc leading to the additional (or new) land acquisition/involuntary resettlement impacts. **Resettlement Action Plans (RAPs).** Along with the RPF, PMUs have prepared four RAPs (one for each project city) which will be reviewed and cleared by the World Bank. After having the Bank's clearance, PMUs will seek the approval of RAPs from Provincial People's Committees (PPCs) of Ninh Thuan, Khanh Hoa, Binh Dinh and Quang Binh, enabling its full implementation. Two rounds of consultation have been organized during the preparation of RPF and RAP. Relocated HHs will have the choices of self-arrangement (receiving cash) or moving to either existing or to be constructed resettlement sites. Among 04 resettlement sites (1 in Phan Rang and 3 in Nha Trang), two (Hon Ro 2 and Dat Lanh - Nha Trang) have completed the preparation and ready to host relocated HHs. Due diligence review has included in the RAPs. Others will be built at the same time with project timeline, using either project funds (Phan Rang) or governmental budget (Ngoc Hiep, Nha Trang). The World Bank OP 4.12 will apply in these two cases. The estimated budget for land acquisition, compensation, resettlement and support is approximately 474 billion VND (US\$ 21.6 M).

Grievance and Redress Mechanism (GRM): Each subproject safeguard instrument (ESMP, RAP) also includes a GRM to provide the framework within which complaints about safeguards compliance can be handled, grievances can be addressed and disputes can be settled quickly. The GRM will be in place before the subproject construction commences. Within the Vietnamese legal framework citizen rights to complain are protected. As part of overall implementation of the subproject, the GRM will be established by Environmental and Social Unit of the city PMU. It will be readily accessible, handle grievances and resolve them at the lowest level as quickly as possible. The key process and elements of the GRM include, procedures for submission of complaints and grievance resolution, responsible person, and contact information.

The complaints can be received in verbal or written forms, by telephone, fax, or email. They can be sent to the local authorities, contractor, construction supervision engineer, city PMU, or the independent environmental monitoring consultants and will be logged in the record system and sent to responsible person for taking action. To facilitate complain process, subproject information leaflets will be prepared and distributed at the subproject sites to provide practical information about grievances to local residents including contacts and addresses.

The GRM also refers to the WB's Grievance Redress Service (GRS) and clearly indicates that subproject affected communities and individuals may submit their complaints to the WB's independent Inspection Panel which determines whether harms occurred, or could occur, as a result of WB non-compliance with its safeguards policies and procedures. The website address to provide information on how to submit complaints to the World Bank's GRS is also provided.

Assessment on borrower capacity. Except Phan Rang PMU, other implementing agencies (PMUs of Nha Trang, Quy Nhon, Dong Hoi) have intensive experience in implementing the World Bank

<p>safeguard policies under the Coastal Cities Environment and Sanitation Project. All implementing agencies (PMUs of Phan Rang, Nha Trang, Quy Nhon and Dong Hoi), through their dedicated staff/unit, will be responsible for implementing and monitoring the safeguard instruments (ESMPs, RPF, RAP) as well as mitigation measures defined in the ESIA, SIA. The implementation of safeguard instruments will be internally monitored by the PMUs in close coordination with the respective Peoples' Committees, line departments at different administrative levels and externally supervised by independent monitoring agencies. Implementing agencies will ensure that activities related to environmental and social safeguards will be properly tracked, reported and documented. Independent monitoring will start around the same time as implementation of activities and will continue until the end of the project/sub-project. The performance of, and compliance with, safeguard instruments will also be subject to regular supervision by the Bank Task Team. During the project implementation, appropriate training will be provided to the PMUs, consultants and local community representatives on the safeguard instruments to be applied to the Project.</p>
<p>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</p>
<p>Public Consultation and Information Disclosure. Two rounds of consultations were organized in February and July 2016. The affected people and communities and other relevant stakeholders have been consulted on the RPF, subproject ESIA, socio-economic study, RAPs. The feedbacks from the consultations have been incorporated into the project design, the final draft RPF, subproject ESIA, RAPs. Draft version of the project RPF, ESIA Executive Summary, and the subproject ESIA, SIA, RAPs have been disclosed both locally at the subproject PMUs, and subproject areas, and through the World Bank Operation Portal on October 5 and 6, 2016, respectively. These final environmental and social safeguards instruments will be disclosed locally and at the Bank Operation Portal. This Appraisal Stage Integrated Safeguards Data Sheet of the project will also be disclosed at the Bank Operation Portal.</p>

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	04-Oct-2016
Date of submission to InfoShop	06-Oct-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	05-Oct-2016
"In country" Disclosure	
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	04-Oct-2016
Date of submission to InfoShop	06-Oct-2016
"In country" Disclosure	
<i>Comments:</i>	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the	

respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.
If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment		
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats		
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources		
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement		
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Is physical displacement/relocation expected?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] TBD [<input type="checkbox"/>]
329 Provided estimated number of people to be affected		
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] TBD [<input type="checkbox"/>]
1486 Provided estimated number of people to be affected		
The World Bank Policy on Disclosure of Information		
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

V. Contact point

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VII. Approval

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<i>Approved By</i>		
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Practice Manager/ Manager:	Name: Sudipto Sarkar (PMGR)	Date: 19-Dec-2016
Country Director:	Name: Achim Fock (CD)	Date: 22-Dec-2016