



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 05/26/2021 | Report No: ESRSA01480



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Latin America	LATIN AMERICA AND CARIBBEAN	P172893	
Project Name	Integrated watershed management of the Putumayo-Içá river basin		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	6/17/2021	10/19/2021
Borrower(s)	Implementing Agency(ies)		
Wildlife Conservation Society	Ministry of Environment, Ministry of Environment and Sustainable Development, Secretaria de Estado de Meio Ambiente, Ministry of Environment and Water, Wildlife Conservation Society		

Public Disclosure

Proposed Development Objective

To strengthen the enabling conditions for the participant countries to manage the shared freshwater ecosystems of the Putumayo- Içá basin in the Amazon region

Financing (in USD Million)	Amount
Total Project Cost	12.84

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

No



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

The proposed Project will strengthen the enabling conditions for Brazil, Colombia, Ecuador and Peru to work collectively to manage the freshwater ecosystems of the Putumayo-Içá basin. These enabling conditions include the improved knowledge base for decision making towards management of the joint basin as well as the strengthened multisectoral and multilevel governance for collaborative management of the basin’s natural resources. Strengthened enabling conditions will have a basin wide impact, while specific interventions will be piloted in strategic sites. The Project will respond to the challenges that have been identified to address the drivers of the basin’s environmental issues and threats that could result in irreversible negative impacts on the basin’s socio-economic and environmental dynamics, compromise its well conserved state and limit the opportunities of joint collaborative action. Even despite the fact that several environmental challenges are beyond the Project’s scope and control, the Project is a strategic opportunity to address the threats in time when there is also the political and institutional commitment to strengthen enabling conditions for collaborative management beyond national-scale approaches, and in a context where building trust and collective action has been initiated and has the potential to be scaled up.

Progress towards enabling conditions will be measured by an agreed strategic action plan for the basin that will result from the shared vision towards IWRM, as well as the implementation of pilot activities, demonstrating strengthened capacity and decision making towards integrated management as well as concrete economic and social benefits from sustainable use of natural resources. These pilot activities will address water contamination issues and promote income generating activities. Knowledge base, capacity-building and strengthened governance will have a basin-wide approach while physical interventions mostly via subprojects will be developed at selected areas. The Project will build on and strengthen the ongoing water and land conservation initiatives and efforts of governments and civil society involved in the Putumayo-Içá watershed. Actions will be driven by a bottom-up approach with an active participation of local communities and to reflect the multi-cultural, multi-stakeholder and gender considerations in decision making. Multinational coordination at different levels will be promoted as a key enabling condition to address the environmental threats, preserve cultural traditions, guarantee sustainable resource use, and preserve and enhance global environmental benefits and ecosystem services. The Project’s approach builds on the jurisdictional strategy understood as integrated landscape approach that aims to reconcile competing social, economic, and environmental objectives through participation by a full range of stakeholders across sectors, and in this case, stakeholders across borders. The Project will encourage a shared vision that with scientific knowledge and cultural understanding will acknowledge the complex dynamics of freshwater ecosystems.

Component 1. Governance and capacity for informed and participatory decision making on IWRM. The Project will strengthen conditions for shared management of the basin’s water resources via enhanced governance structures and a knowledge management strategy (KMS) designed and implemented for improved accessible information that responds to the multi-cultural, multi-generational and multi-stakeholder nature of the basin. Multi-stakeholder dialogue, information analysis, collaboration, and partnerships will result in a strategic plan for the IWRM of the basin. The component will build on existing processes that have allowed for agreements on natural resources management goals among some of the basin countries, but do not integrate all four countries and diversity of stakeholders The Project component will finance technical assistance, goods, services, workshops, operational costs and has been designed along two subcomponents as follows:



Subcomponent 1.1. Traditional and scientific knowledge for informed decision making. The Project will finance a KMS to support improved decision making and inform collaborative action around IWRM. The strategy will include the following activities: (i) the participatory design of the KMS based on agreed inclusive and harmonized principles for information management (collection, storage and sharing). (ii) Operationalization of the KMS include collection, systematization, and analysis of relevant traditional and scientific knowledge to fill in knowledge gaps to promote shared IWRM. Analysis already prioritized include the dynamics of pollution in water and other related resources, and valuation of watershed ecosystem services. (iii) research activities designed and led by Indigenous Peoples for the recovery and systematization of ancestral knowledge according to their own norms and guidelines; (iv) establishment of a regional data and knowledge repository system for project related information, and support (via capacity building, technology support, harmonization protocols, and guidelines) towards the interoperability with other existing platforms so the information will be accessible in the long term by the relevant institutions; (v) knowledge exchange events. The Project will consider technological and innovative participatory tools for a data system that will collect, collate, organize and promptly analyze needed information and make it accessible to the diverse audience for better decision making related to IWRM.

Subcomponent 1.2. Governance for integrated water resource management. This subcomponent aims to strengthen multi-stakeholder and multi-sectoral governance around a common vision for the basin and as a key enabling condition for the basin's IWRM. The Project will finance: (i) the establishment and strengthening of new and existing thematic multi-sectoral and regional working groups and round tables to discuss common challenges on relevant themes inter alia fisheries management, water pollution, PA management, agree on joint activities and proposals aligned with a common vision; (ii) the design, facilitated by the working groups, of a regional strategic action plan for the basin based on diagnostic knowledge collected in the previous subcomponent. Promoting a participatory process, involving local communities and governments, as well as public and private institutions from multiple development sectors and the private sector, towards defining a common vision for the basin will ensure ownership and stakeholder commitment. By supporting a highly participatory plan where the voices of the local communities are heard, as well as those from multisectoral public and civil society organizations from the four countries, the Project will contribute to the fulfillment of the relevant agreements already set up within binational cabinets. Local governments and authorities will also be involved aiming to mainstream the results of the participatory processes into land and water use planning. Institutionalization of the action plan will also be supported by involving foreign affairs representatives. The process towards the action plan will include harmonization of legal and policy frameworks to enable shared management and sustainable use of hydrobiological resources, management agreements for common pool resources, support to indigenous life plans, guidance to planning instruments at different scales, and financial sustainability analysis for future operationalization of the action plan. The Project will finance the application of the Natural Resource Governance Tool to assess the proper governance structure to allow joint management of the basin. (iii) technical assistance to promote mainstream IWRM considerations in territorial planning and sectoral practices, policies and programs. (iv) activities to advance implementation of relevant multinational agreements including the Minamata and Stockholm Conventions as well binational/trinational agreements for harmonized conservation areas management.

Component 2: Management interventions towards shared IWRM. The component will finance key management interventions towards shared IWRM focused on addressing urgent needs to prevent and control water pollution from mercury and other contaminants and supporting sustainable management of value chains of selected transboundary hydrobiological and other natural resources. This will be done in prioritized areas and through pilots delivered with active involvement of key government stakeholders with the potential to be upscaled. Component 2 will finance



technical assistance, workshops, minor works, goods, subprojects, and operational costs and has been designed with two subcomponents:

Subcomponent 2.1. Water and environmental pollution associated with mercury and other contaminants. The subcomponent will design and support pilot activities for the prevention and control of water pollution from mercury and other contaminants released by legal and illegal activities occurring along the watershed and to be piloted in selected sites. This will include: (i) activities to promote best practices among key sectors responsible for water pollution as well as exploring payment for environmental services mechanisms; (ii) strengthening joint efforts for prevention and control of contamination involving national environmental authorities; (iii) technical assistance on environmental issues to authorities involved in law enforcement towards protection of natural resources ; (iv) set-up of an early warning system for water pollution in priority sites to promptly identify contamination in water by the basin users and authorities to take regulation enforcement actions; (v) pilot via subprojects of small-scale mitigation, recovery/remediation, and restoration activities for water contamination, supporting vulnerable communities impacted by contamination.

Subcomponent 2.2. Sustainable management and value chains for selected natural resources. The subcomponent will promote pilot sustainable management practices and enhance commercial value chains for selected hydrobiological resources in prioritized sites. The Project will support: (i) design of NTFP, fisheries and turtle management plans; (ii) via subprojects, activities to boost selected regional value chains for fish and NTFP; (iii) alternative livelihood small scale sustainable activities promoting food security to alleviate the impacts of the COVID-19 pandemic (e.g., local agricultural plots–chagras, small fish farms with native species, among others); (iv) capacity building activities for key stakeholders (inter alia partner public agencies and communities) in natural resources management to improve extension services and participatory monitoring.

Component 3. Project Management, Monitoring and Evaluation.

Subcomponent 3.1. Project coordination. This includes support to the Project management unit and its activities related to coordination, technical management, financial management (FM) and procurement, and safeguards compliance, including the establishment of a culturally appropriate grievance redress mechanism. Coordination will also include operationalization of the Project’s Regional Steering Committee (RSC), Technical Committee (TC) and the country engagement teams.

Subcomponent 3.2. Communications strategy. The strategy will be designed and implemented to make sure that the knowledge compiled and generated through the Project reaches different audiences and serves as input for resource planning, management, and policy making. The strategy will consist of three lines of action: (i) Internal communication will keep the team and partners in each of the countries well informed on project progress and support optimal decision making; (ii) community communications which considering local communities knowledge will strengthen their abilities to convey their activities and processes; (iii) external communications will promote and disseminate project information to broader audiences and raise awareness about key topics such as the impacts of water pollution on the basin’s ecosystems and inhabitants. The website designed during project preparation will continue and be improved as a key tool to gather and share key information from the Project and its partners. Communication teams will be in charge of preparing communication pieces, briefs, and reports with the technical inputs from project experts.



Subcomponent 3.3. Project Monitoring and Evaluation (M&E) will be based on targets and indicators set up for the Project, building on the arrangements established to ensure proper flow of data and information from the different countries. The M&E system will facilitate learning and replication of the Project's results and lessons learned. This subcomponent will also include project audits, evaluations, and supervision missions.

D. Environmental and Social Overview

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

The project will be implemented in the Putumayo-Içá river watershed located in the Amazon region, which is the world's largest rainforest and river system, comprising 670 million hectares (ha) of forest and 100 million ha of freshwater ecosystems. It sits within the world's largest river basin, extending 611.8 million ha and covering 44% of South America. The Putumayo-Içá river is the tenth longest tributary of the Amazon River, and its watershed covers 118,000 km², approximately 1.7 percent of the Amazon basin. The watershed is politically divided by Brazil, Colombia, Ecuador and Peru, running from the Colombian Andes along the border of Peru and Ecuador and up to the Amazon river in Brazil. The river basin is approximately 2,000 Km long. The Putumayo-Içá Watershed region spans from the tributary Guamués River in the Colombian Andes, becoming the Colombian-Ecuador border known as Putumayo river, then the Colombian-Peru border before crossing the Amazon department in Colombia, and entering Brazil at Santa Clara, where it takes the name Içá until it flows onto the Amazon River. The Putumayo-Içá watershed was divided in three sub areas, agreed to facilitate the project's narrative because the contexts are different in each area: i) Upper Putumayo-Içá which extends from the water division in the Andes Mountains, downstream, approximately to the location of the Quechua community Nueva Anguilla (Peru). It is characterized by a high concentration of anthropic pressures such as: road infrastructure, population density, mining titles, deforestation and generation of contaminants, among others. ii) Middle Putumayo-Içá: within Colombia and Peru, this portion extends approximately from the location of the Quechua community Nueva Anguilla (Peru) to the mouth of the Yaguas River next to the Yaguas locality (Peru). It is characterized by slopes of less than 3%, floodable ecosystems, high forest integrity, and pressure from illegal mining and fishing activities. iii) Lower Putumayo-Içá: extends from the mouth of the Yaguas River next to the Yaguas town (Peru), to the mouth of the Putumayo-Içá River in the Amazon River (Brazil). This sector has portions in Colombia, Peru and Brazil (Amazon trapeze), and is characterized by slopes of less than 3%, highly floodable ecosystems and high forest integrity, and pressure from illegal mining and fishing activities (especially where the with the Putumayo meets the Amazon River). Of the large Andes-Amazon Rivers, the Putumayo-Içá is the only one likely to remain as a free-flowing river, considering there are no plans for construction of large hydroelectric dams.

The Putumayo-Içá basin shares the Amazon watershed's rich biodiverse endowment. The biome, classified as tropical moist forest, is home to about 40,000 plant species, over 2,500 species of freshwater fish, 1,300 species of birds, 427 species of mammals, 400 species of amphibians and 370 species of reptiles; including many endemic and endangered plant and animal species, such as the Amazon river dolphin (*Inia geoffrensis*) and the giant pirarucu (*Arapaima gigas*). The Amazon provides important ecosystem services including: i) climate and carbon regulation, ii) hydrologic regulation, iii) water supply, iv) fishing, v) agriculture, vi) provision of non-timber forest goods, and vii) biodiversity protection. Most of the land (80%) is covered by forests, with most population and human activity scattered in small cities and villages.



The population of the Amazon Basin was estimated in 2007 at 33,485,981 inhabitants. Brazil is home to close to 75% of the Amazon's total population, followed by Peru with 13%. From 1990 to 2007, the Amazon's population grew at an annual average rate of 2.3%. The region is home to about 387 indigenous peoples and approximately 70 live in complete isolation. Since the 1970s, the Amazon is the scene of an important urbanization process; almost 75% of its population is urban. Although in recent years, poverty and extreme poverty have declined, especially in cities, the Amazon still has higher levels than national rates. Vulnerability and food insecurity in the Amazon are lower where natural resources that are destined for domestic use are conserved.

The Putumayo- Içá basin includes some of the most remote, economically underdeveloped communities with lowest population density including 18 Indigenous Peoples groups as well as non-indigenous campesino and ribereño communities. Overall population density of the watershed is on average less than 14 people/km², with density declining from 75.4 people/km² at its headwaters in the west, to less than 5 people/km², in the middle and lower Putumayo-Ica basin. Demographic data is only partially available for the region due to its remoteness and dispersion of information across national boundaries. Afro-descendant populations are not yet identified in the project area in any of the four countries, therefore, the vulnerable groups refer specifically to indigenous people.

The economy of the Putumayo-Içá is very dynamic. Fisheries are a major source of income for the riverine communities and agriculture, cattle ranching, mining and logging, occur particularly in the upper section. These activities significantly contribute to local economies, and have driven changes in land cover and water quality. The middle Putumayo has more traffic and commerce in natural resources (e.g. fish, timber and non-timber products) and agricultural goods than the lower Putumayo. Traditional subsistence livelihoods revolve around fishing, hunting, timber and non-timber forest products, and agriculture, while illegal artisanal mining and illicit crops, primarily by immigrants to the watershed, are growing activities in different areas. The high erodible, low nutrient soils of large areas of the watershed makes large-scale agriculture unlikely. However, the sustainable production of non-timber forest products is a potential alternative with socioeconomic benefits and relatively fewer impacts on water and biodiversity, but which has not been sufficiently developed and scaled up.

The socioeconomic conditions and dynamics of the watershed vary along the basin. Public infrastructure is scarce and mainly limited to a few large cities with more than 45,000 inhabitants, that have public service infrastructure like hospitals, secondary education, and in some cases technical education. The basin is mostly a roadless wilderness, except for a road network in the upper reaches in Ecuador and Colombia that supports larger towns and oil exploration. Most communities are located along the banks of rivers that are navigable throughout the year. Hydric network represents 85 percent of the transport ways in the region . Many families own motorized canoes and communal transportation is often provided by local organizations. Communities typically get their drinking water from rivers, lakes, wells, and nearby streams. Public lighting is only available in a few communities, and electricity is generally limited to health clinics and houses with own generators. In most communities, trash pick-up and common area cleanup is done by communal work teams.

The COVID-19 pandemic has evidenced the high vulnerability of communities in the countries' Amazon region where the virus rapidly expanded. By 15th February, 2021, in the basin's area of influence more than 43,000 people have been infected of which 943 have died . The year 2021 has brought to the Brazilian state of Amazonas a second wave of the pandemic with a new coronavirus variant which is increasing the rates of deaths and adding stress to an already weak health system. The emergency has confirmed the poor health infrastructure that the different countries of the region have. According to the UN, this situation affects the indigenous population most severely; factors that



contribute to increasing mortality rates caused by COVID19 in indigenous peoples include mal and undernutrition, poor access to sanitation, lack of clean water, and inadequate medical services .

The Putumayo- Içá river, is a biocultural complex integrated by more than 250 Indigenous communities that are connected through their languages. Also, Indigenous organizations in the region are becoming stronger at national and sub-national levels. This has allowed for growth of local, regional, and national indigenous organizations whose leaders are making strong efforts to train their members in effective governance. These organizations have different organizational foci, but share the aims of improving the living conditions of their members and supporting territorial zoning and development. However, the intensification of national integration processes has improved access to basic services. It also is accelerating loss of native languages (more than 86 in the Amazon) and of traditional knowledge.

In relation to gender, significant gaps persist in the region: access and control over natural resources and other productive assets and women participate less than men in the decision-making processes. Frequent, technical training and assistance are not well-tailored to their needs and interests. Additionally, some social risk identify for women and girls in the area are the following: i) the role of women in indigenous communities focus on housekeeping, and thus their time is limited to develop other activities, including to take care of their necessities such as health issues, among others and ii)Violence and risk: Illegal mining creates greater insecurity for women and teenagers, human trafficking, prostitution, and violence.

D. 2. Borrower’s Institutional Capacity

The Project will executed by Wildlife Conservation Society (WCS) in collaboration via an interinstitutional agreement with the Ministries of Environment of Colombia, Ecuador, and Peru and the Secretary of the Environment of the State of Amazonas in Brazil. WCS has technical capacity in relevant issues such as forests and water conservation and sustainable natural resources uses. The goal of WCS, founded in 1895 as the New York Zoological Society (NYZS), is to conserve the world's largest wild places in 14 priority regions, home to more than 50 percent of the world's biodiversity and including the Andes, Amazon, and Orinoco region.

WCS is currently implementing 12 GEF projects worldwide and more than 25 projects in the Western Amazon region, and it has built the appropriate administrative and coordination capacity (management, social, environmental, and health and safety standards) to deal with fiduciary obligations. The scope of projects implemented by WCS has a very strong emphasis on conservation of biodiversity, interaction with the communities, working with indigenous communities, wildlife conservation and dealing with pollution. WCS will involve local and regional organizations such as environmental authorities, universities, national and international foundations for environmental conservation to implementing the project, assessing their ability to manage Environmental and Social risk, and providing adequate training and resources as required for its management. Additionally, the leadership principles of WCS focused on Make an Impact, build the team, lead across boundaries, encourage innovation, and inspire others are aligned with the project expectations as those incorporates core values for the design, preparation, implementation and closure of projects.

The project’s governance structure comprises a: (i) Regional Steering Committee (RSC) as the highest decision-making authority of the project, in charge of general oversight and direction of the project, and composed by the Ministries of Environment and SEMA (represented by the Minister or their delegate and the GEF Operational Focal Point) and WCS; (ii) the Project Management & Support Unit (PMU) responding to the RSC and in charge of the project’s operational, technical and administrative management; and supported by the (iii) Technical Committee (TC)



that will provide strategic and technical orientation and will be composed by representatives with a strong scientific/technical background from the governmental entities whose jurisdiction overlaps the Putumayo-Içá basin

The PMU will be responsible for the overall coordination of the project components, and will be integrated by technical and administrative staff. The technical staff will comprise a Project Director, a communications specialist, thematic coordinators for each major thematic area (e.g.governance, knowledge management, contaminants & natural resource management) and social and environmental safeguards specialists. The administrative staff will consist of finance and operations specialist, a monitoring and reporting specialist. In addition, there will be engagements teams in each country (CET), with staff who will provide support to manage relationships between partners and stakeholders (part time senior staff of country programs), and logistical and administrative support professionals that will support in country coordination and on-site project monitoring and implementation.

The PMU will prepare the Project Operational Manual (POM) to be approved by the Bank. The POM will include details on (1) institutional and implementation responsibilities, technical aspects of all components and activities, (2) guidance related to (a) monitoring and evaluation of the results framework, (b) environmental and social standards as per the Environmental and Social Framework, (3) disbursements and financial management aspects, applicable procurement rules, and supervision and reporting provisions related to agreements between WCS and other subsidiary executing partners.

WCS has previous experience working with GEF, but not with multilateral banking projects, especially under the WB’s new Environmental and Social Framework (ESF). WCS will need to have enough capacity to assess environmental and social potential risks, and to develop and implement an Environmental and Social Management Framework (ESMF), as the project’s main instrument for mitigating and/or avoiding potential environmental and social risks arising from the project implementation. Once the PIU is formed, an ESF workshop will be held for the entire team, but with a special focus on environmental and social specialists. Also, there will be continuous ESF training to ensure appropriate institutional capacity and to improve the level of knowledge and capacity on the management and implementation of social and environmental standards.

The funds for the implementation of the ESMF through WCS are planned under Component 3. Project Management, Monitoring and Evaluation, which will support cross-cutting activities designed to strengthen coordination, communication, management and monitoring for all components. By means of this component the grant recipient will ensure project efficiency and efficacy through the establishment of a satisfactory management system and the maintenance of the Project’s participation and consultation mechanisms with the aim of ensure the compliance of project requirements including the WB ESF.

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

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Substantial

The objectives of the project are environmental and social and the impacts are considered positive, as biodiversity conservation efforts will be coupled with measures to secure sustainable natural resource use through governance

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strengthening and improving knowledge on water and NR use and management. The project will also mitigate and prevent water pollution from mercury and other contaminants, reducing negative impacts from pollution in health and income generation. Despite these environmentally positive objectives, the environmental risk has been rated Substantial, due to (i) the distant and vulnerable sites (sensitive areas) where the project will be developed; (ii) the complexity and variety of organizations and institutions present in the area, including various national, provincial and local governments, environmental authorities, national protected areas administrations, indigenous authorities, national and international companies, and NGOs, all of which produce different kinds of information; (iii) the potential pilot remediation methods for mercury within the affected areas under Subcomponent 2.1, which may require a good degree of expertise to avoid collateral environmental damages in the contaminated sites and along the transportation and disposal areas; (iv) WCS is recognized by its institutional capacity to manage the project, it lacks prior experience with remediation techniques and ESF implementation, also WCS will work with public entities that have experience in this type of bioremediation; (v) the contextual risks related to the characteristic periodic flood regime of the Amazon Region and climate change effects (e.g. extreme floods, fires, drought periods); and (vi) the potential risks of non-sustainable NR use in activities under Subcomponent 2.2. These risks and impacts are temporary and/or reversible, at a local level, and can be mitigated through a series of activities included in an Environmental and Social Management Framework (ESMF). Risks are expected to be lower in magnitude as compared to the mercury pollution levels present and future threats. The specific technique to be applied has not been selected yet, and the sub-projects under Subcomponents 2.1 and 2.2 will only be selected during project implementation. The selected techniques for subcomponent 2.1 will be those that: (i) minimize ordinary waste and hazardous waste production of the remediation alternative; (ii) do not consider remediation of mercury by cyanidation; (iii) demonstrate to be safe for habitants and domestic animals in the treated areas, as well as for personnel applying them; (iv) avoid activities relating to, or in preparation for, exploitation of any plant or animal species use in the remediation techniques that involve the significant conversion or degradation of natural or critical habitats; (v) avoid the introduction or promotion of invasive species not native; (vi) avoid significant conversion or degradation of critical or other natural habitats; once these sub-projects area selected, the environmental risk will be subject of a new evaluation. To address and mitigate potential risks, the implementing agency is drafting a ESMF based on the WB's Environmental and Social Standards (ESS) to provide (a) a characterization of potential contextual risks and environmental and social risks and impacts of all project activities; (b) identification of applicable national legislation of the four countries; (c) generic management and mitigation measures for likely impacts associated with the project activities, particularly regarding NR productive activities and the pollution bioremediation activities that will require criteria to select specific methods that minimize environmental risks; (d) implementation arrangements, structural organization, capacity-building measures, and budget; (e) the environmental control and follow-up measures for the project. The ESMF will consider the WB's Environmental, Health, and Safety Guidelines.

Social Risk Rating

Substantial

Social Risks has been identified as Substantial under the World Bank's ESF. The project activities are designed to generate positive results for the population's well-being and natural resources conservation. The project will also generate social benefits in critical areas for the survival of local communities such as food security, health, the recovery of traditional knowledge, and at the same time, it will have an impact on better practices for conserving biodiversity and ecosystem resilience over generations. The Project will not finance infrastructure or activities with adverse impacts on physical, cultural, and/or archaeological sites or that lead to resettlement, involuntary displacement, or restrictions affecting communities' livelihoods during implementation. Despite the above, substantial social risks have been identified as follows: (i) Illegal armed groups and threats to social and environmental leaders continue in some project areas, particularly in Colombia. Conflict and social unrest are not



new to the region and despite difficult circumstances, projects on the ground have been implemented and outcomes have been achieved. That said, criminal activities involved in drug trafficking and illegal mining do create challenges to project implementation; (ii) uncontrolled increasing population seeking new opportunities to earn economic income in the area; (iii) the variety of organizations and institutions with a presence in the area (national, regional and local governments, international and local NGOs, indigenous peoples, social organizations, among others), presents a complexity to promote dialogue and joint action; and (iv) the vulnerability of social groups (especially indigenous peoples and women) may increase after the Covid-19 pandemic. In terms of mitigation measures, the Project will use a highly participatory approach that emphasizes community consensus and participation in managing the basin's resources. The ESMF will pay particular attention to the impacts and benefits for indigenous peoples and vulnerable social groups, particularly women, and specific measures to reduce identified gender gaps, the needs of the most vulnerable, and indicators to monitor them will be proposed. WCS has a long history in this region and is recognized by local communities, which is why it is expected to have the capacity to manage and prepare the necessary instruments to mitigate social risk: a Indigenous Peoples Planning Framework, a Process Framework, a Stakeholder Engagement Plan and a Gender Plan which includes activities to address existing gender gaps and risks related to sexual exploitation and abuse and sexual harassment (SEA/SH). The project implementation arrangements also include governance structures with participation of different institutions both public and private that will support informed and inclusive decision making and adaptive management.

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

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

This standard is relevant. The project will invest in specific activities in a wide range of areas, all of them located in the Putumayo-Içá river watershed. The E&S risks will be assessed, and mitigated at framework level; a set of guidelines and procedures will be laid out so that specific project interventions can be screened for E&S risk, and predefined response measures or instruments can be applied to avoid or mitigate potential impacts. The potential risks are related to the investments covered by Component 2. Enhance key management interventions towards shared IWRM. The project E&S objectives are focused on building on and strengthening the on-going water and land conservation initiatives of the Putumayo-Içá watershed to preserve and promote the sustainable use of resources, as well as build integrated participatory environmental and social management of the overall watershed, focusing on its hydrobiological resources.

There are relevant risks and impacts identified at the component assessment stage to mitigate:

Component 1 - Subcomponent 1.1 Traditional and scientific knowledge: it will require compliance with the relevant regulations regarding access to traditional knowledge and respect for intellectual property. If necessary, the FIPC will be held with indigenous communities. Subcomponent 1.2. Governance for integrated water resource management: Actions planned for improving multi-level, multi-stakeholder and multi-sectoral governance do not pose significant potential environmental risks, as they basically cover mechanisms for integrated participatory planning processes, and capacity building. Regarding the security risk, criteria will be identified to select the intervention zones, and protocols will be established for the specific management and continuous monitoring of this risk.

Component 2. Subcomponent 2.1 Water and environmental pollution associated to mercury and other contaminants: Although there are environmental criteria for the selection of bioremediation techniques, there are



some environmental potential impacts associated to the implementation of bioremediation techniques that may cause collateral impacts on river plants and fauna, when not undertaken by experts or under expert supervision. Some of the potential collateral impacts are i) increase of suspended solids concentration affecting water and habitats quality, ii) application of chemicals that may affect life or water quality, iii) changes on the hydrodynamics of the affected portion of the river. The project will ensure that main activities are led/guided by experts on water management and bioremediation processes. Also, the project has pre-selected Bioremediation as the type of remediation mechanism which minimizes the use of materials and the generation of hazardous wastes, is stable and can be reused, is cost-efficient, is nature friendly, and is commonly accepted by regulatory authorities, as indicated in an Annex included in the ESMF. Additional criteria will be defined by WCS and included in the project's manual of operation in order to select the recipients of the subprojects to conduct the specific bioremediation methods that minimize environmental and social risks. Regarding the risk related to operational health and safety issues during the implementation of the pilot subprojects, these will need to OHS guidelines, including the prevision of extreme natural phenomena such as floods, fires, and droughts that could substantially affect the bioremediation processes in the field. Subcomponent 2.2. Sustainable management and value chains for selected natural resources: It will promote pilot sustainable management practices and enhance commercial value chains for selected hydrobiological resources in prioritized sites. These subprojects will mostly scale up existing ongoing NTFP and fisheries activities. WCS will identify the criteria to select the sub-projects recipients which will be included in the project's operations manual. However, the activities could also pose environmental risks related to: i) uncontrolled increasing population seeking new opportunities to earn economic income; (ii) unadequate management of processing wastes; (iii) unsustainable water and energy use for activities geared towards adding value to raw products in the value chain. Social impacts stemming from this component are positive since the emphasis will be on alternative sources of income, NR conservation, food security. The project will not impose involuntary restrictions on natural resource use, access to lands, or livelihood basis for communities.

Given that the project will be implemented over a large area, with multiple stakeholders and jurisdictions, it requires promotion of dialogue adopting a participative framework for environmental and social management. WCS is preparing and will consult with the main stakeholders the following documents:

- 1) An Environmental and Social Management Framework (ESMF) to provide information on requirements and processes for E&S compliance for every component. The ESMF will provide:
 - (i) A complete project description and project background;
 - (ii) Identification of stakeholders and project participants;
 - (iii) Legal Framework: identifying applicable regulation, international agreements, ESF standards relevant to the project. The project will always apply the more restrictive rule at national level.
 - (iv) Institutional Framework: identifying institutions, and describing the necessary institutional implementations arrangements, PIU institutional capacity needsto manage project E&S aspects;
 - (v) An Environmental and Social Assessment (ESA) identifying an E&S baseline: a high level characterization of contextual E&S issues which may be present in the project area, including a due dilligence process. The ESA will identify overall potential direct and indirect E&S risks and impacts based on the typology of activities and eligible areas, particularly potential risks and impacts generated by remediation processes and NR-based value chains. The level of consultation, given the restrictions imposed by Covid 19, will be consistent with the Technical Note issued by the WB (Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings March 20, 2020);



- (vi) An E&S strategy that should describe the instruments that will be used to manage the project from the E&S perspective, such as the Waste Management Plan, and OHS measures. It will ensure that appropriate E&S supervision and oversight arrangements will be in place throughout project implementation, including training, reporting, monitoring, organizational structure;
- (vii) A generic Environmental and Social Management Plan (ESMP) as main instrument defined in the E&S strategy including the mitigation measures for all risks and impacts, capacity requirements, roles and responsibilities, monitoring, and budget. The ESMP will consider the WB EHS Guidelines;
- (viii) A Labor Management Plan including measures to avoid discrimination and grant equal opportunities. Regarding the current emergency of COVID-19, the appropriate provisions should be included in the ESMP (ESF/Safeguards Interim Note: COVID-19 Considerations In Construction/Civil Works Projects, 2020). The LMP includes measures consistent with ESS2, the relevant WB EHS Guidelines and national regulations;
- (ix) A generic Emergency Response Plan commensurate with the risks and impacts of the project should also be considered.

The final ESMF is expected to be prepared 30 days after project effectiveness.

2) The client will prepare Environmental and Social Commitment Plan (ESCP) satisfactory to the Bank and will disclose it at project level before appraisal. The ESCP will also cover all measures and actions to ensure compliance with the ESF and the project's E&S instruments. The grant recipient, WCS, and WB will coordinate the appropriate way to perform E&S supervisions that could be affected by restrictions caused by COVID-19 pandemic and the social distancing measures.

3) Stakeholder Engagement Plan (SEP) will cover consultations on the ESA/ESMF. The SEP will be disclosed before project appraisal and finalized 30 days after project effectiveness.

4) A Process Framework, will be finalized 30 days after project effectiveness. This instrument will be shared and consulted with the main stakeholders and should be disclosed and in the external WB webpage.

5) An Indigenous Peoples Planning Framework (IPPF) will be prepared and disclosed prior to appraisal. The IPPF will be finalized 30 days after project effectiveness, and disclosed in the external webpage of the Bank.

ESS10 Stakeholder Engagement and Information Disclosure

This standard is relevant. The consultation of the project will be developed in three distinct phases: i) Virtual meetings with national, regional and local stakeholders in the four countries since 2020 with thematic meetings, national level meetings and technical committees comprising representatives of all four countries; ii) Information dissemination and feedback via virtual media in the first semester of 2021, and face to face meetings (if the evolution of the pandemic Covid-19 allows) with institutional and community stakeholders as permitted and with proper biosecurity protocols; iii) consultations expected by the second semester of 2021 or once fieldwork is possible and involving Indigenous Communities that will benefit and/or be affected by the project's implementation.

Consultations will be extended throughout implementation, strictly monitoring the evolution of the restrictions caused by Covid- 19 in the project areas and proposing the most appropriate measures to ensure the full participation of all those involved, especially of local communities and indigenous peoples. The project dissemination at different levels (national, subnational, and local) and the communities, organizations, and authorities identified will be decisive for all project components.



The key engagement methods that are explained in the SEP will also be captured in the Project Appraisal document, summarizing the measures that will be used to facilitate continuous engagement, how the views of directly affected parties will be captured, how the project implementation team will be incorporating this feedback into project implementation. The Project Results Framework will include an indicator to capture the stakeholder engagement process throughout project implementation. This indicator will be both mentioned in the SEP and in the Results Framework to monitoring of the SE process.

Lack of participation could exacerbate pre-existing social conflicts and insecurity in the region. The active involvement of local communities in the project’s design and implementation will have positive impact to improve the wellbeing of workers, institutions and local communities in the area of influence. To this end, early the stakeholder engagement since project preparation and during the implementation is important to assess governance issues, promote awareness of the value of biodiversity and its integration into socio-economic development, and ensure better coordination and strengthening of supply chains to be developed so that markets can be accessed.

The project designed a strong Stakeholder Engagement Plan (SEP), which makes explicit the mechanisms used to promote and ensure the participation of beneficiaries and other stakeholders such as local associations, national authorities, regional and local universities, NGOs, the media and national and local institutions, during the preparatory (including consultations) and implementation phases. The SEP includes the stakeholders' detailed characterization and the strategies of engagement with each one, in which spaces of dialogue and collaborative work are highlighted that are flexible to their culture, times, and organizational structures. Also, the document presents communication channels, native languages, and cultural values in the area to generate more appropriate information for the vulnerable and disadvantaged groups that benefit from the project: indigenous peoples, women, the elderly, and young people. Virtual and face-to-face strategies such as workshops, meetings, design of communication pieces, the process of collecting perceptions, complaints, and claims of communities on the Project have been previously designed. Given the significant proportion of indigenous peoples in the Project, there will be a permanent link with their governance networks to ensure the identification of the population in their territories, a flow of communication to enhance the socialization and replicability of messages, and address concerns and comments from different indigenous organizations' audiences.

The SEP includes the Project Grievance Redress Mechanism (GRM) that will be disseminated with key stakeholders since project preparation and throughout implementation. The GRM includes clear procedures for the management of claims will be guided by principles such as: (a) availability to beneficiaries and interested parties with due respect for their characteristics and sociocultural needs; (b) accesible procedures and timeline to analyze and resolve claims; and (c) accesibility for GRM users. The GRM will be supported by information and communication technologies, as appropriate. Regarding ESS2, there will be a specific GRM for all workers, including direct workers, contracted and community workers. Also, the GRM will specify special channels and procedure to address Grievances related to Sexual Exploitation, Abuse and Harassment linked to the project. In relation to IPs, the GRM will adapt and include measures respectful of their culture, such as the use of the indigenous languages and the adoption of their own conflict resolution mechanisms, among others.

The SEP, GRM, ESA and other instruments will incorporate a flexible approach to ensure meaningful participation & consultation given the restrictions arising from Covid-19, and following the Bank’s Technical Note “Public



Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings, March 20, 2020.”

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

This standard is relevant. Assessment of social risks will also include labor and working conditions - particularly those related with child and adolescent labor in rural productive activities, disability constraints and special needs of gender and age per each of the foreseen activities. The ESA will pay attention to risks of child and informal labor (as this practice is culturally accepted and prevalent in family oriented agriculture and fishing activities) to include preparation of the necessary mechanisms in the ESCP to prevent, monitor and remedy it, while taking into account local circumstances and cultural values, so that ESS2 is complied with. A code of conduct will be established for contracted workers, to ensure respect and safety for local communities. Inherent security risks will need to be considered and special security and supervision arrangements will be set in place for working in conflict affected areas. A GRM will be provided for all direct workers, community and contracted workers to raise their concerns. In preparing and updating the Labor Management Plan (LMP), the project will refer to the requirements of national law, ESS2, the Guidance Note on ESS2 (GN), and also, if applicable, the COVID considerations including in the “Labor Management Procedures (LMP) Template for COVID-19 Response ”of WB. The LMP will include measures to avoid discrimination and grant equal opportunities.

The existence of OHS risks is considerable for the project due to activities related to the exposure to mercury and other pollutants during the recovery, mitigation and remediation activities. Some OHS hazards may include among others: (i) direct contact, ingestion and inhalation of toxic materials and chemicals; (ii) exposure to biological hazards related to mosquito bites and transmission of tropical diseases, bites of animals containing toxins and poisons; (iii) ergonomic issues and fatigue, (iv) physical safety hazards, including those related to extreme weather and natural phenomena events and (v) failure to use proper protective equipment. The ESMF should include Occupational Health and Safety (OHS) measures, procedures, rules and requirements will be designed and implemented to address the risks the project workers are exposed. The OHS measures will be in line with the with para. 24-30 of ESS 2 and the World Bank Group EHS Guidelines and will include the OHS organization and structure; clear definition of roles and responsibilities for workers, leaders and managers; applicable laws and OHS standards; identification of hazards and prevention measures following the hierarchy of controls (avoidance and substitution, engineer controls, administrative controls and personnel protection); training; vector/disease control; first aid and emergency response; incident investigation; monitoring of workers health; monitoring and reporting of OHS performance. The OHS measures will be included in the bidding documents and in the contracts with contractors and/or consultants performing activities for the Project; likewise, it will be ensured that the measure will be implemented at each work site. The provisions of ESS2 (paragraphs 17 to 20 - Protecting the Work Force, and paragraphs 24 to 30 - Occupational Health and Safety) are applicable to the government civil servants that may be involved in project implementation or oversight.

ESS3 Resource Efficiency and Pollution Prevention and Management



This standard is relevant. A regional strategy to control and monitor water pollution is one of the main project results. The project will have significant environmental benefits regarding pollution prevention and management, specifically for water resources.

The current environmental pollution issue to be mitigated through this project is related to the release of mercury in surface water and soil by legal and illegal Artisanal Small Gold Mining (ASGM) practices, as they utilize Hg for gold amalgamation, leaving mercury traces in the water, and spreading it through the food chain as methyl mercury by means of bio accumulation processes. Increased mercury levels have been determined in waterbodies, fishes and humans in specific locations along the Amazon and the Putumayo-Içá basin. Through Subcomponent 2.1. Water and environmental pollution associated to mercury and other contaminants, the project will improve the understanding of drivers and impacts of pollution by mercury and other contaminants (georeferenced assessment of pollution and commercialization dynamics in the watershed), and will also strengthen the institutional coordination and law enforcement to address water contamination through a regional prevention and joint action plan and an early warning system. And finally, the project finance pilot subprojects to mitigate, remediate and restore prioritized polluted areas. Eligible subprojects will be determined by a technical analysis of alternatives to select an efficient type of pilot for bioremediation (,e.g. phyto-remediation or rizo-remediation). Selection of subprojects will consider criteria specified in the “Pilot Remediation measures” document included in the ESMF; among others: (i)

minimize ordinary waste and hazardous waste production of the proposed remediation alternative; (ii) do not consider remediation of mercury by cyanidation; (iii) demonstrate to be safe for habitants and domestic animals in the treated areas, as well as for personnel applying them; (iv) avoid activities related to, or in preparation for, exploitation of any plant or animal species use in the remediation techniques that involve the significant conversion or degradation of natural or critical habitats; (v) avoid the introduction or promotion of invasive species not native to the area of intervention; (vi) avoid significant conversion or degradation of critical or other natural habitats;

The ESMF will include the criteria to be considered in the selection of bioremediation pilot technologies. The Environmental and Social Management Plan (ESMP), as part of the ESMF, will include the environmental protocols and measures to be considered in order to minimize or avoid significant environmental and health & safety impacts from remediation efforts, as well as eventual collateral damage. A Waste Management Plan will be developed as part of the ESMF that include measures, procedures and guidelines for the ordinary and hazardous wastes management, in accordance to ESS3 (paragraphs 17 to 18 - Management of hazardous and nonhazardous wastes, and paragraphs 19 to 20 - Management of chemicals and hazardous materials)

Risks related to subcomponent 2.2: Sustainable management of water resources and value chains for selected natural resources may involve: i) uncontrolled increasing population seeking new opportunities to earn economic income, that may causes negative environmental impacts on land use and natural resources pollution related to informal human settlements in environmentally vulnerable areas, where no sanitation services are ensured; (ii) unadequate management of processing waste that may generates colateral impacts related to the pollution of natural resources; (iii) unsustainable water and energy use for activities geared towards adding value to raw products in the value chain. In addition, the design of such value chains and economic activities must ensure that the external resources that will be needed are available within the project context. Fisheries activities will not involve artificial feeding to prevent pollution of water bodies. The ESMF will contain measures to ensure the integration of sustainable practices for the efficient use of the natural and living resources, pollution prevention and biodiversity conservation during the design



and implementation of sustainable value chains, and will clearly articulate the general requirements to manage environmental risks associated with ESS3 (e.g. waste/hazardous materials management, water quality, etc.).

GHG emissions from project activities are not significant and not relevant, as there is no incremental use of fuel or release of greenhouse gases from the remediation technologies or early warning systems. There are no project activities that require relevant use of fossil fuel or that generate emissions or significant release of GHG to the atmosphere. Therefore, the GHG estimations will not be required in line with para. 16 of ESS3. On the other hand, the project actions to promote the sustainable use of natural resources are expected to improve the conservation of seasonally flooded forests and peat deposits in the basin, thus contributing to the reduction of GHG emissions.

ESS4 Community Health and Safety

This standard is relevant. The ESA will include identification of necessary measures to improve community health and safety, through the promotion of and training to secure prevention of negative health impacts in the adjacent communities. The project will design and implement information campaigns on mercury pollution's impacts on human health to strengthen the awareness and responsiveness of competent communities and health sector entities on this issue.

In the Putumayo Basin, women suffer impacts differently; within indigenous communities, women and girls are more vulnerable to water pollution due to their involvement in domestic work and require additional health care. Also, illegal mining has caused greater insecurity for women and teenagers, as it facilitated human trafficking, prostitution, and violence, especially in the Colombian area. Therefore, the Gender Strategy identifies these risks and provides for measures to address situations of SEA/SH of in collaboration with local authorities to prevent and protect affected women. The project's GRM also includes special channels and procedure to address grievances related to sexual exploitation, abuse and harassment linked to the project

The Project expected impacts on provisioning and regulating ecosystem services are expected to be positive. The project will not generate significant emissions of air pollutants, odors or noise that may affect communities' health.

Emergency response system for potential events is relevant, as workers and communities may be affected by water and natural mud flooding caused by natural events. In any case, the project will try to minimize current unsustainable and polluting mining practices, through knowledge management, and potentially through specific mitigation efforts.

The presence of illegal armed groups in the project location is a potential risk, specially in Colombian territory. The ESA will include the assessment of risks related to physical security within the project context, and according to the WB Guidance Note "Assessing and Managing the Risks and Impacts of the Use of Security Personnel" including the workers and relation with the communities. The ESMF will include guidelines for the physical protection of the project's participants and a protocol will be established for the specific management and monitoring of this risk. A stand-alone Security Management Plan will be developed by WCS including a physical security risk assessment, measures to coordinate action with public forces, among others. This document will be prepared by WCS and institutional partners and presented to the WB for information.



The ESMF will outline specific management and mitigation measures for community health and safety during project activities, including: (i) a Community Health and Safety Plan, (ii) Specific screening criteria to identify the types of pilot recovery and remediation measures that cause significant environmental emissions that may affect the communities' health, and (iii) an Emergency Response Plan. As defined in ESS2, inherent security risks will need to be considered and special security and supervision arrangements will be set in place for working in conflict affected areas.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This standard is relevant. The Project does not involve activities that generate adverse impacts such as resettlement or, involuntary displacement. However, potential or eventual land use restrictions may be derived from new planning instruments, and affect the livelihoods of communities. To mitigate this risk, a Process Framework included as an annex of the ESMF, will be prepared as a regional level framework preliminary and preventive referring to each country's legislation and in line with ESS5.. It will be finalized and disclosed after project effectiveness to prevent and manage possible or eventual restrictions on access to land and natural resources for indigenous peoples, peasant communities, and other stakeholders, and define measures to assist affected persons in their efforts to improve their livelihoods or restore them. Once intervention areas and activities under sub-projects are fully identified, an assessment will be made of whether the Process Framework needs to be updated Site specific action plans will be prepared as needed. Also, a GRM will be implemented, so that specific concerns about rights and procedures about resolve any inquiry, dispute, or claim regarding possible or eventual land use restrictions arising from the project can be addressed.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard is relevant. The project will have significant positive environmental benefits to the ecosystem health and biodiversity conservation. The project location is especially rich in biodiversity, with the second largest variety of fish species in the world. Other types of fauna and flora are also abundant, and there is an important number of endemic species, most of them currently threatened, as current deforestation, river erosion and water pollution creates pressure on habitats and on the nutrients supply. The project location includes many important protected areas in all 4 countries, that are especially sensitive to the pressure of illegal and unsustainable activities in the region. Moreover, as there is presence of armed groups, which in various cases threaten park rangers and local administrations, national parks and reserves become prey to illegal deforestation and degradation activities. Where project interventions occur within an area that is legally protected or internationally recognized, the project will ensure that any activities undertaken are consistent with the area's legal protection status, considering the applicable paragraphs 13-27 of ESS6. The Grant Recipient will also identify and assess potential project-related adverse impacts, particularly from NR use, development of sustainable value chains, and water/environmental contamination remediation actions, and apply the mitigation hierarchy so as to prevent or mitigate adverse impacts from activities that could compromise the integrity, conservation objectives or biodiversity importance of such an area.

As the project's objective is to strengthen capacity to manage a shared watershed via the strengthened governance and information, to be tested with the implementation of selected pilot subprojects that will promote sustainable management of natural resources and remediation measures to contaminated sites, and onsidering paragraphs 31-38 of ESS6 included in the ESMF, the project's ESA will assess the sustainability of project activities, as well as any



potential impacts on local, nearby or ecologically linked habitats, biodiversity and communities, including Indigenous Peoples.

Where the Project would promote activities in natural habitats and modified habitats with significant biodiversity value, the ESMF will provide instruments to assess potential Project related adverse impacts and include specific guidelines to include provisions on design approaches and make recommendations based on ESS6 requirements (e.g. mapping of wetlands will consider the same approach on natural, critical, and modified habitats that is being applied in the ESA). Also, the ESMF will detail the measures to be adopted to apply the mitigation hierarchy so as to manage those impacts and to ensure data included in the biodiversity or environmental quality knowledge platforms will be made publicly available through online/open sources in each country (e.g. IBAT; GBIF).

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

This standard is relevant since there are indigenous reserve areas in the project's area of intervention. Also, there are indigenous peoples in isolation confirmed in Colombo - Peruvian border and WCS will take appropriate measures to recognize, respect, and protect their land and territories, environment, health, and culture, as well as measures to avoid all undesired contact with them as a consequence of the project. The aspects of the project that would result in such undesired contact will not be processed further.

The Project benefits the indigenous peoples through strengthening their governance structures, recovering traditional knowledge, and promoting alternative livelihoods for their food security. However, some adverse effects to be assessed may include: i) weak indigenous peoples groups who do not have a strong representation structure or whose territories are not clearly defined according to the international boundaries of the project; ii) the design of natural resource management plans or agreements in the area may affect their livelihoods in the short term while seeking long-term sustainability, and iii) project activities related to possible changes in land-use planning could affect sites of cultural importance (including places of origin, sacred sites, food collection, exchange and storage areas). To mitigate these risks, an Indigenous Peoples Planning Framework—IPPF, based on principles of information, consultation and free prior informed consent, is being prepared prior to appraisal in line with ESS7 and legislation related to indigenous peoples in the four countries involved. Site-specific IPPs will be developed as needed during project implementation.

Given the conditions of restriction by Covid 19, the IPPF will have a socialization schedule with a flexible approach to ensure meaningful participation and consultation following the Bank's Technical Note "Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings, March 20, 2020." The IPPF should be finalized 30 days after project effectiveness.

ESS8 Cultural Heritage

This standard is relevant. No direct, indirect or cumulative impact on cultural heritage under the project has been identified so far, since the projected activities are not expected to include material impacts on tangible cultural heritage. Nevertheless, it is possible that sacred sites exist in the project area that will be object of land use planning, and the ESMF should build in screening procedures to ensure the identification, protection and access to these sites



during landscape planning. It is also possible that commercial activities may involve the use of handicrafts and other resources that could be considered part of the traditional use and knowledge of affected stakeholders, so related consultations on that particular aspect or other related aspects will be developed as part of the SEP, to identify and assess potential risks and impacts, such as the unfair or unequal distribution of the benefits from these activities. The ESA will identify and evaluate the impacts that may occur in terms of natural, physical and intangible heritage and should include measures to address such impacts.

ESS9 Financial Intermediaries

This standard is not relevant. This project will not involve any FIs.

C. Legal Operational Policies that Apply

- OP 7.50 Projects on International Waterways** Yes
The Policy is triggered because activities involve the use of waters of an international waterway. As this is a regional project involving all riparian countries, notification requirements are considered completed
- OP 7.60 Projects in Disputed Areas** No

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework? No

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

None

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Wildlife Conservation Society

Implementing Agency(ies)

Implementing Agency: Ministry of Environment

Public Disclosure



Implementing Agency: Ministry of Environment and Sustainable Development

Implementing Agency: Secretaria de Estado de Meio Ambiente

Implementing Agency: Ministry of Environment and Water

Implementing Agency: Wildlife Conservation Society

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Ana Maria Gonzalez Velosa
Practice Manager (ENR/Social)	Maria Gonzalez de Asis Cleared on 21-May-2021 at 09:56:1 GMT-04:00