



Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 04/17/2019 | Report No: ESRSA00118



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
St Maarten	LATIN AMERICA AND CARIBBEAN	P167974	
Project Name	Sint Maarten Airport Terminal Reconstruction Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Transport	Investment Project Financing	4/25/2019	5/1/2019
Borrower(s)	Implementing Agency(ies)		
Sint Maarten Government	Princess Juliana International Airport Operating Company N.V.		

Proposed Development Objective(s)

The development objective to restore the passenger capacity of Princess Juliana International Airport to pre-Irma levels with improved resilience towards hurricanes.

Financing (in USD Million)	Amount
Total Project Cost	107.50

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 project will restore the passenger capacity of Princess Juliana International Airport to pre-Irma levels with improved resilience towards hurricanes.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]



The project will take place entirely within the St. Martin Airport Terminal. Project activities include construction of airport terminal interior facilities; conveying systems refurbish or replacement; plumbing repair; electrical system; baggage handling system; furnishing; and the replacement of all four existing passenger boarding bridges. The main adverse environmental impacts associated with activities financed by the project relate to minor works- particularly noise, occupational health and safety, and waste management. One risk in terms of OHS has to do with the potential impacts arising from mold that is occurring currently at the airport and is not part of the project financing. This is a key risk given that spores, if left untreated, could occur in newly built areas, within the A/C systems, etc., and could affect project and airport terminal workers. To mitigate against this risk, PJIAE adopted a mold monitoring and completed a mold remediation on the ground floor of the Airport Terminal (area currently open to passengers), followed by a mold audit carried in October 2018. The World Bank (the Bank) reviewed this audit and is satisfied with the remediation on this floor. However, mold remediation has yet to be completed in the remaining part (the major part) of the airport terminal building. PJIA will continue with its mold monitoring and remediation plan and undertake an independent environmental audit of the mold remediation of the areas where the Grant Agreement will finance, before works will commence.

D. 2. Borrower’s Institutional Capacity

Sint Maarten has only, within the last year, begun engagement with the Bank. As such, its exposure to Bank safeguards has been nil. PJIAE, the implementing entity which will handle the airport reconstruction, has had no prior engagement with the Bank. The project will support PJIAE to recruit the appropriate personnel, including an Environmental Specialist, to manage, monitor and report on environmental and social risks and the mitigation activities undertaken to manage them. In addition PJIAE’s project site engineer, an independent engineering company, will be hired and tasked with the supervision of the contractors. In addition, works contractors will be required to have, as part of their staff, an Environmental Health and Safety (EHS) Officer to work closely with the construction crews. The contractors will be required to submit Contractor’s Environmental and Social Management Plans (C-ESMPs), which will include a Health and Safety Plan for workers. PJIAE will also carry out regular trainings throughout project implementation. Contractors, PJIAE personnel, and key stakeholders will participate in training sessions addressing environmental and social risks and impacts awareness, ESS, and EHS guidelines. In addition, Sint Maartin’s National Recovery Program Bureau (NRPB) who will monitor PJIAE’s responsibilities for implementing project’s environmental and social safeguards issues, does not yet have experience or expertise for monitoring the application of Bank environmental and social standards (ESS). The Bureau’s capacity to effectively monitor the environmental and social safeguard standards is yet to be built. To help build capacity, the Bank is providing in parallel capacity building of the NRPB through the design, supervision and implementation support carried out through the St. Maarten Emergency Debris Project-P167347; St Maarten Hospital Resiliency Project- P167532; St. Maarten Enterprise Recovery Project P168549; and St. Maarten Emergency Recovery Project-P167339.

Public Disclosure

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

A. Environmental and Social Risk Classification (ESRC)

Moderate

Environmental Risk Rating

Moderate

The environmental risk is expected to be Moderate. The World Bank’s financing primarily focuses on renovation works such as plumbing, installation of equipment, painting, drywall, electrical works and so on. The environmental risks associated with proposed works are low and highly localized. The most risky part of the Airport remodeling are mold remediation and roof repair, both of which pose risks to workers in terms of air pollution and fall risk. PJIAE



completed a mold remediation in the ground floor of the Airport Terminal (the area currently temporarily open to passengers), carried out a mold audit and adopted a mold monitoring and remediation plan. To confirm that mold had been properly remediated, a World Bank air pollution consultant reviewed and cleared the mold audit for this specific area. The rest of the mold remediation will take place in the remaining part of the Airport Terminal building. Similarly, an audit will be performed as part of PJIAE on going mold monitoring activity and the World Bank will confirm the findings and that the mold is fully remediated prior to the beginning of the works financed under the Grant Agreement in these remediated locations. However, considering that the capacities of PJIAE and NRBP to implement and monitor environmental and social safeguards will be developed during implementation, the overall environmental risk is Moderate.

Social Risk Rating

Low

The social risks are expected to be Low. Permanent and/or temporary displacement are not expected. There will be no displacement or relocation of any individuals or households since the project is on the existing airport property. The civil works are renovation of the current structures on the same foot print. There will be no new major structural or construction works posing significant risks or impacts. There are no Indigenous Groups in the project area. Labour influx is very limited. It is estimated that about 100-150 workers will be employed most of them through contractors and from the local labour market. The contractors are expected to be international firms that follow good environmental and worker safety and health practices that are equivalent to Bank safeguards requirements. Under ESS2 a labor code of conduct will be prepared. The PJIAE affirmed that there are no outstanding legacy issues tied to land ownership or compensation payments related to the land on which the airport is built.

Furthermore, an assessment on Gender Based Violence (GBV) was undertaken and while data was not available for some indicators, the project related risks to GBV is low. The project will mainly employ local population, the works will be executed in a controlled and secure area at the airport, and there is capacity to monitor GBV risks through hiring of a Social Development Specialist.

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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:

The project will finance the rehabilitation of Princess Juliana International Airport Terminal badly damaged by Hurricane Irma. While the structure (foundation, columns, beams) of the building remained intact, the interior was badly damaged by an inundation of water. Wind also did extensive interior damage as the roof was damaged, allowing the wind to enter in the building. After months of no repair, mold grown to a large extent in the interior. The project will finance rehabilitation of the Airport Terminal interiors (including new partitions, interior doors and hardware, interior signage, restroom fittings, stairs, conveying systems (escalators and elevators), plumbing, HVAC, electrical, fire protection, baggage handling, furnishing and so on). All interior walls, ceilings, roofs, flooring, electricals and plumbing will need to be replaced. There will be no works on runways, traffic control towers, airline companies, cargo, maintenance hangers, fuel storage areas, wastewater and storm water facilities and so on. The disposal of solid waste generated from the demolition will be sent to the Hurricane Irma Dump. The Debris Project, another Bank project, will focus on improving the dumpsite conditions over the short to medium term. The



environmental risks include operational health and safety of workers, dust, noise, air quality, solid waste management, hazardous waste management, drainage considerations, and other risks associated with construction within a building. In terms of the operational phase of the airport, negative impacts may include noise, drainage problems, waste management, among others. Risks identified can be readily mitigated. The Airport Authority has drafted and disclosed an Environmental and Social Management Plan (ESMP) for the Project. The draft ESMP addresses the Bank's Environmental and Social Framework (ESF) and Environmental and Social Standards (ESS). The ESMP identifies Saint Maarten's environmental, labor, occupational health and safety legislation, permits and regulations applicable to the project; baseline social and environmental conditions, particularly indoor air quality/mold spores in the Terminal Building. The ESMP includes management of potential risks and impacts, including implementation of mold monitoring and control, enforcement of Occupational Health and Safety measures (with reference to WBG's Environmental Health and Safety Guidelines), Labor Management, Grievance Redress Mechanisms for stakeholders (airport staff, passengers, small businesses within the airport terminal) and for contractors' workers/labor issues. The ESMP includes provisions of Emergency Plans for managing manmade and nature caused disasters and capacity building to help PJIAE implement the ESMP. In terms of monitoring for mold, the ESMP outlines a monitoring plan to routinely check for the presence of mold spores throughout construction period using baselines of spores adopted after audit performed in October 2018. PJIAE will engage with an international mold remediation contractor and an independent environmental consultant to monitor air quality and conduct relevant testing. World Bank works will not commence in any newly remediated areas until an audit has been performed and the report reviewed and approved by the Bank. The design of the reconstruction works includes the use of humidity and mold resistance materials (sheetrock, woodwork, etc.) throughout the airport terminal to prevent future mold issues.

ESS10 Stakeholder Engagement and Information Disclosure

The SEP and Information Disclosure are critical for keeping all the key users and stakeholders of the airport informed of the progress in the repairs leading to full operational capacity. A Stakeholder Engagement Plan (January 2019) has been developed and is included in the draft Environmental and Social Management Plan (ESMP). The PJIAE Operating Company Engagement has included discussions with Government agencies that provide oversight of the airport terminal, airlines representatives, ground transport operators, passengers (who currently use a temporary terminal), and vendors who operated business at the closed terminal. Other stakeholders are: airport staff, airline offices, Customs Department, Immigration and Border Protection Service, shop and restaurant owners in the airport, passengers and taxi operators. The draft ESMP and progress of the reconstruction activities are being shared with the stakeholders to obtain their feedback. Consultations will be continued during the implementation of the Project through its completion as described in the SEP. Stakeholder consultations will receive and record feedback, this in turn will be reported by the PJIAE communication team to the PJIAE management as part of the monthly and quarterly reporting process. The PJIAE's Communication Officer is responsible for communicating regularly with the stakeholders through circulation of monthly newsletters, conducting monthly facilitation meetings and maintaining a news webpage (<https://www.sxmairport.com/newsletter.php>). Grievance Redress Mechanism. PJIAE has an existing GRM in place to receive concerns and grievances from key stakeholders affected by the project. The GRM will receive stakeholder complaints and will address all these complaints within a reasonable time. In addition, PJIAE will ensure there is a separate Grievance Redress Mechanism (GRM) to deal exclusively with those complaints that involve workers employed by the Contractors for construction activities. The PJIAE will hire a social development specialist who will monitor the GRM and implementation of social safeguards commitments.



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

Project's ESMP includes provisions to ensure sound worker-management relationships and promote safe and healthy working conditions for both local and imported labor. About 100 to 150 workers will be engaged by the Contractor during the implementation of project, most of these workers are expected to be hired locally, expected imported labor is low, mostly highly specialized labour. Project's ESMP includes provisions to ensure sound worker-management relationships and promote safe and healthy working conditions for both local and imported labor. The PJIAE will require the contractor to develop a standalone labor management procedure applicable to the project based on labor regulations of GoSM and requirements of the standard.. Labor management provisions will be required in bidding documents for works and enforced during project implementation as part of Contractors' ESMPs. Provisions will apply to all workers on the project including (a) direct workers; (b) contracted workers; (c) primary supply workers; and (d) community labor/community workers and whether project workers are fulltime, part-time, temporary, seasonal, and/or migrant workers. C-ESMPs will ensure that each worker is clear about the terms and conditions of their employment and remuneration and other relevant factors as per the national laws. PJIAE's Code of Conduct will be a condition of employment for all the project staff. The Project will not employ a child under the age of 15 and youth under the age of 18 will not be engaged in any high-risk construction activities The project utilizes an existing Grievance Redress Mechanism (GRM) to deal with those that involve workers employed by the Contractor. The contractor engages local laborers (workers) through contracts. The Terms and Contract Conditions are following the Labor Law of St. Maarten. Issues concerning wages, work times, overtime, rest times, etc. will be dealt with by the Contractor according to the Labour Regulations 2000 and requirements of ESS2. The Department of Labor under the Government of Sint Maarten is charged with the tasks concerning labor. The Department of Labor is preparing, implementing and monitoring the national legislation concerning labour and monitoring the compliance with this legislation. The Labor Affairs Agency is the executing division of the Department of Labor and they are tasked with monitoring compliance with the labor legislation and settling complaints resulting from the labor relations between employers and employees. The Labor Affairs Agency will inform to PJIAE in case it receives any complaints related to the contracts under PJIAE and request any countermeasures if necessary. PJIAE will record the (i) details of the complaints -- separately for men and women; (ii) reasons that led to acceptance or rejection of the individual cases, as well as the number of accepted and rejected cases; and (iii) decisions agreed with the complainants. Records of all resolved and unresolved complaints and grievances will be kept by PJIAE and made available for review as and when asked for by the interested stakeholders. In case of further disputes without resolve these will be referred to the Court of First Instance of St. Maarten. PJIAE will communicate frequently with the Department of Labor at least once a week to monitor and ensure that the Contractor comply the labor requirements.

ESS3 Resource Efficiency and Pollution Prevention and Management

The design of the airport is already pre-existing and therefore this is not a building that can be designed with full energy considerations. To improve efficient consumption of energy, PJIAE will implement environmental upgrades in the reconstructed terminal (including sliding doors at the entrance of the terminal building to reduce the amount of air-conditioning lost to the outside; improved roof insulating to protect from the heat of the sun; LED lighting to reduce energy consumption and longer lifespan, lighting control and occupancy sensors to turn off lights in rooms



and areas that are not occupied; higher efficiency HVAC equipment and LED monitors (where cost effective and appropriate). In addition, specifications for equipment to be purchased will include provisions to reduce energy and water consumption for space cooling, lighting, the operation of luggage conveyance. In terms of pollution management, measures are included in the ESMP. The Government of St. Martin has no standards for air and noise pollution prevention and hence standards that are given in the World Bank Group EHSs will be applied to the project pollution prevention and management measures that are included in the ESMP. Regarding wastewater, PJIA has an existing wastewater treatment plant to manage all wastewater generated from the daily operation and maintenance of the airport facilities. This treatment plant is already connected to the terminal building for the proposed reconstruction works and its operations will comply with Government's standards for wastewater discharge. In terms of solid waste management, the expected waste includes construction and demolition debris (C&D)-concrete, metal, wires, etc. The debris will be sorted for processing at the temporary site; concrete and metal will get recycled; clean vegetative debris will be incinerated. Another World Bank project, the St. Maarten Emergency Debris Project-P167347 will provide support in parallel to help VROMI manage C&D debris from Hurricane Irma. P167347 will provide technical assistance for the planning, management and closing of the Hurricane Irma Dump site. However, this project has just started and in all likelihood, the waste will end up (temporarily) at the Hurricane Irma dump until the St Martin Debris Project is up and running. In terms of pollution management, there are no greenhouse gases expected from this project and there are no fuel or hazardous waste legacies as part of this facility since these substances were never stored in the airport. Some types of pesticides may be used for mold remediation. Even though the Bank is not financing the mold remediation, the presence of these chemicals may pose a risk for workers. For this reason, a simple pest management plan is included in the draft ESMP and will be enforced prior to the commencement of works.

ESS4 Community Health and Safety

PJIAE has made provisions to include climate change and natural hazard adaptation measures and upgrades to the terminal to improve its ability to withstand category 5+ hurricanes in the future. These provisions include:

- Structural strengthening of the connection between the passenger boarding bridges and the terminal building to prevent any displacement.
- The new roof design includes structural improvements to strengthen the roof structure so that it can withstand hurricane winds of up to 185 miles/hr.
- A 2-layer waterproof membrane has already been installed across the entire terminal roof which should prevent water from entering the building.

In addition, the airport is equipped with a state-of-the-art ATC Tower and Radar facility, Category 9 Fire Fighting and Rescue Service, as well as General Security and Centralized Pre-screening. The safety conditions at the airport meet with 'International Civil Aviation Organization' (ICAO) standards. An Emergency Response Plan is already in place for the PJIA. It includes procedures for identification of emergencies, notification for designated personnel and to the passengers and public evacuation procedures. Regarding provisions of security and safety, PJIAE has provisions in place to ensure security personnel is informed/educated on their role and their conduct (no use of force except for preventative or defense purposes) while on the premises and security personnel shall be screened for past offences. Airport terminal access and construction site will be restricted to ensure only authorized personal will access the work zone. Security personnel will be present to enforce restriction and to keep people out of harm's way. The ESMP also includes mitigation measures for storage, handling, transportation and disposal of hazardous materials such as fuels, as part of Airport Security and Safety. Contractor will put in place a traffic management plan to ensure that trucks unloading equipment do not unnecessarily cause traffic jams and so equipment and supplies can be safely off-loaded. Regarding measures to avoid/ minimize transmission of infectious diseases which may be associated with



labor influx, contractors will be required to enforce the OHS measures indicated in the ESMP. Finally, universal access will be a key consideration for re-building the airport and plans to develop these access points are included in the ESMP.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Standard not relevant. There will be no displacement or relocation of any individuals or households since the project is on existing airport property.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Standard not relevant. All activities take place inside the airport terminal.

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

Standard not relevant. There are no groups that meet the criteria in Sint Maarten.

ESS8 Cultural Heritage

Standard not relevant. . The works will be rehabilitation of structures at the current airport site.; however chance find clauses will be incorporated into the contract for works.

ESS9 Financial Intermediaries

Standard not relevant. There are no FI's involved in the project.

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C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways

No

All project activities will take place in a pre-existing airport building and involves no international waters

OP 7.60 Projects in Disputed Areas

No

The project is not in a disputed area. The project will take place in an airport terminal building.

III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED	TIMELINE
ESS 1 Assessment and Management of Environmental and Social Risks and Impacts	
ESMP implemented in compliance with the requirements of Environmental and Social Standards (ESSs) 1 to 10.	06/2019



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Environmental and Social Specialist hired as part of PJIAE Project Implementation Unit as a condition of disbursement.	06/2019
Contractor’s C-ESMP, in a manner consistent with the ESSs and the specific requirements set out in the ESCP, in place before start of works.	08/2019
Quarterly environmental and social (E&S) monitoring and reporting providing details on the E&S performance of the Project.	06/2019
Monthly environmental, social, health and safety (ESHS) monitoring reports submitted to PJIAE explaining compliance status of the Project with the E&S mitigation measures and monitoring.	06/2019
ESS 10 Stakeholder Engagement and Information Disclosure	
The Borrower will develop and implement a Stakeholder Engagement Plan (SEP) before appraisal to be able to disclose information during preparation and implementation of the project. Borrower will provide quarterly updates on SEP implementation.	03/2019
PJIAE has an existing grievance redress mechanism (GRM) in place to receive concerns and grievances from all key stakeholders affected by the project. The GRM is in the SEP and will be made known to all the stakeholders of the project.	03/2019
ESS 2 Labor and Working Conditions	
GRC and specific Labor Management procedures applicable to Works contracts, in place prior to commencement of works and enforced throughout project implementation. The GRC requirements and procedure requirements will be spelled out in the ESMP.	03/2019
Separate Grievance Redress Committee (GRC) to deal exclusively with those grievances that involve workers employed by the Contractor for construction, in place before start of works.	03/2019
ESS 3 Resource Efficiency and Pollution Prevention and Management	
Plan for management of pesticides for mold control when required.	06/2019
Provisions to reduce energy and water consumption in procurement documents’ technical specifications.	08/2019
ESS 4 Community Health and Safety	
Traffic management plan in place, outlined in the contractor’s C-ESMP.	08/2019
Occupational Health and Safety Management Plan in place as part of contractor’s C-ESMP.	08/2019
Security personnel (contractor and PJIAE) trained on security processes and procedures before start of works.	08/2019



Environmental audit report on mold remediation for new sections of the Airport Terminal building submitted to Bank for review.	08/2019
Provision of universal access considerations in technical specifications of works	08/2019
Prompt notification (within 24 hours) of any incident or accident related or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the communities, the public or workers.	06/2019
Disaster Preparedness and Emergency Management Plan, as described in the ESMP, to respond to the natural and man-made disasters that may happen during Project implementation, in place.	06/2019
ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	
ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	
ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	
ESS 8 Cultural Heritage	
ESS 9 Financial Intermediaries	

Public Disclosure

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

Is this project being prepared for use of Borrower Framework?

No

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

Will apply Bank standards.

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Sint Maarten Government

Implementing Agency(ies)

Implementing Agency: Princess Juliana International Airport Operating Company N.V.

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Satoshi Ogita
Safeguards Advisor ESSA	Valerie Hickey (SAESSA) Cleared on 19-Apr-2019 at 11:56:47
Practice Manager	Juan Gaviria (PMGR) Approved on 19-Apr-2019 at 18:57:54

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