



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

Appraisal Stage | Date Prepared/Updated: 02-Mar-2018 | Report No: PIDISDSA24188



**BASIC INFORMATION**

**A. Basic Project Data**

Country Myanmar	Project ID P166734	Project Name Myanmar National Community Driven Development Project	Parent Project ID (if any) P132500
Parent Project Name Myanmar National Community Driven Development Project	Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 26-Mar-2018	Estimated Board Date 30-May-2018
Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Planning and Finance, Department of Rural Development	Implementing Agency Ministry of Agriculture, Livestock and Irrigation

Proposed Development Objective(s) Parent

The development objective is to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach and to enhance the government’s capacity to respond promptly and effectively to an eligible crisis or emergency.

Components

- Community Block Grants
- Facilitation and Capacity Development
- Knowledge and Learning
- Implementation Support
- Emergency Contingency Response

Financing (in US\$, millions)

**SUMMARY**

<b>Total Project Cost</b>	3.00
<b>Total Financing</b>	3.00
<b>Financing Gap</b>	0.00

**DETAILS**

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Environmental Assessment Category

Partial Assessment (B)

Decision

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Other Decision (as needed)

## **B. Introduction and Context**

### Country Context

Despite a rich natural resource base and a strategic location in one of the most economically dynamic regions in the world, Myanmar today is one of the least developed countries in Southeast Asia due to a long period of conflict, isolation, and ineffective economic and social policies. At least 70 percent of Myanmar's poor live in rural areas, where decades of underinvestment have limited access to essential infrastructure and services. Beginning in 2011, Myanmar accelerated major political and economic reforms that have seen a significant increase of political and civil liberties. GDP grew at an average rate of 5.1 percent per year between 2005-06 and 2009-10, and at 6.5 percent since the transition began.

Following the country's first open national elections in 2015 in a generation, a government led by the National League for Democracy (NLD) took power in April 2016. Consistent with its election manifesto, the NLD Government has prioritized rural development and job creation as core economic objectives. Beginning in 2017, the government specifically emphasized the importance of rural infrastructure, including roads and electrification, to support broad-based, private-sector driven job growth in rural areas. The NCDDP reflects this commitment to rural infrastructure, while adopting a community-driven approach to development that places communities at the center of decision-making, including in the identification, implementation and maintenance of community-level infrastructure

At the same, the new government has continued to pursue an end to decades of ethnic conflicts through a peace process involving negotiations with over a dozen armed groups. In its initial phase in 2012 and 2013, the process led to the signing of a series of bilateral ceasefire agreements, including with the Karen National Union, ending the world's longest-running civil conflict. In October 2015, eight ethnic armed organizations signed a Nationwide Ceasefire Agreement with the Government, committing to a political dialogue aimed at a comprehensive national peace agreement. However, despite this promising start and the significant achievements of the peace process to date, progress remains uneven and fighting in recent months has intensified in the country's northeast. This includes in particular, high intensity conflict with the Kachin Independence Organization, but also armed clashes with smaller groups in Shan State which have displaced thousands of civilians. The government's efforts to agree on a ceasefire with these groups and have them join the political process have so far been unsuccessful, in part reflecting a deep legacy of distrust following decades of conflict.

Even as the government has sought to advance the national peace process, other sources of conflict have re-emerged, including in Rakhine State. Long-simmering tensions between the predominantly Buddhist population and the state's Muslim minority led to communal violence in 2012, and the subsequent restriction of 120,000 Muslims who self-identify as Rohingya to IDP camps. Since October 2016, Government has responded to attacks on police and military facilities by a recently formed insurgent



group with military-led security and clearance operations that have caused over 720,000 people to flee to Bangladesh in two waves. A further 30,000 people have been displaced within Rakhine.

### Sectoral and Institutional Context

As part of the country’s ongoing transition, the Government of Myanmar has placed great importance on inclusive and people-centered rural development. A core part of its approach has been to demonstrate the commitment and capacity of the state to deliver public services in a responsive, transparent and accountable manner. Key initiatives in this regard include early steps towards fiscal decentralization, with a focus on state and regional level governments, who have received an increasing share of fiscal transfers from the union level to support local development. Moreover, the Government has been piloting efforts to decentralize frontline service delivery by providing greater spending autonomy to township level healthcare and education authorities.

The World Bank has supported the operationalization of the Government’s vision of people-centered development *inter alia* through the National Community-Driven Development Project (NCDDP). Since becoming effective in January 2013, the NCDDP has delivered rapid results. As of January 2018, the NCDDP has financed over 14,500 subprojects in approximately 8,500 villages, home to over 5.2 million people. Subprojects have included the rehabilitation of over 5,200 kms of roads, extensions and renovations of over 2,500 schools, along with investments in new water supplies, sanitation facilities, electrification, libraries and health centers amid a broad range of community level infrastructure. To date, the project has created over 2.8 million days of paid labor. An independent technical audit in 2016 found that 92 percent of subprojects met or exceeded technical specifications, and that subprojects were cost effective when compared to the construction of similar infrastructure through other programs in Myanmar.

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### C. Proposed Development Objective(s)

#### Original PDO

The development objective is to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach and to enhance the government’s capacity to respond promptly and effectively to an eligible crisis or emergency.

#### Current PDO

No change to PDO.

#### Key Results

1. Direct project beneficiaries
2. Female beneficiaries
3. Number of persons having access to and use of project-built infrastructure and services (e.g. all-weather



roads, water, schools, health services)
4. Percent of households in project villages participating in planning, decision-making, and implementation of sub-projects
5. Percent of community members satisfied with the project

**D. Project Description**

1. **Prepared in 2012 and becoming effective in January 2013, the National Community-Driven Development Project (NCDDP) was the World Bank’s first investment project in Myanmar in over 25 years.** Aimed at operationalizing the vision of the reformist Government for people-centered development, the NCDDP marked a fundamental shift in government policy towards rural areas, both by reversing decades of underfinancing, and by enabling communities to participate in the development process.

2. **Since becoming effective in January 2013, the NCDDP has delivered rapid results.** As of January 2018, the NCDDP has financed over 14,500 subprojects in approximately 8,500 villages in 47 townships, home to over 5.2 million people. Subprojects have included the rehabilitation of over 5,200 kms of roads, extensions and renovations of over 2,500 schools, along with investments in new water supplies, sanitation facilities, electrification, jetties, libraries and health centers amid a broad range of community level infrastructure. To date, the project has created over 2.8 million days of paid labor. An independent technical audit in 2016 found that 92 percent of subprojects met or exceeded technical specifications, and that subprojects were cost effective when compared to the construction of similar infrastructure through other programs in Myanmar.

3. **The NLD-led Government that came to power following historic elections in October 2015 has confirmed the priority that government attaches to rural poverty reduction and access to essential services in infrastructure.** This included the February 2018 draft Myanmar Sustainable Development Plan, and the December 2017 Myanmar Development Assistance Policy, where State Counsellor Daw Aung San Suu Kyi in the foreword emphasized the importance of roads and electrification as among “the highest priorities for development assistance in the immediate period.”

**E. Implementation**

4. **As noted above, the NCDDP has performed strongly since becoming effective.** To date the project has disbursed 43 percent of the \$480m in IDA financing, in line with the disbursement projections prepared at the time of the 2015 additional financing. The Project is fully compliant with all conditions and legal covenants.

5. **The ongoing Project consists of five components.** These are: (i) community block grants; (ii) facilitation and capacity development; (iii) knowledge and learning; (iv) implementation support; and (v) emergency contingency response. This structure will be maintained under the Additional Financing. Resources from the additional financing will go entirely to component 1 (block grants).

6. **The proposed additional financing aims to scale up activities to enhance development impact, using grant co-financing provided by the UK Department for International Development through the**

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**Myanmar Partnership MDTF.** The co-financing of \$3 million would finance block grants under component 1, enhancing the project's impact and reach.

7. **The additional financing will finance increased activities under component 1, community block grants.** All other project components will remain unchanged. There is no change in implementation arrangements.
8. **The results framework has been updated to reflect the additional reach afforded through this additional financing,** specifically in relation to the target number of project beneficiaries.
9. **No other changes are proposed as part of this additional financing.**
10. **The scale up of the NCDDP is fully consistent with the strategic priorities articulated in the Country Partnership Framework,** which cites the NCDDP as a key instrument in achieving progress towards pillar 1, reducing rural poverty.

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

The project will operate in an estimated 63 townships, including at least one in each of the country's 14 regions and states as well as the union territory. Criteria for the selection of townships are primarily poverty, with additional criteria being presence of external funding for similar activities, accessibility and commitment by regional government and local stakeholders to the objective of the project. All village tracts in selected townships will be covered for equity purposes. While rural areas have sensitive ecosystems such as rivers and forest areas, the eligible activities to be financed focus on small-scale rural infrastructure that are not anticipated to have any significant impacts on such ecosystems, and the ESMF contains measures to screen and manage potential impacts on natural habitats. Furthermore, the average annual block grant allocation of US\$33,000 per village tract is spread across all villages in a tract (in Myanmar, village tracts consist of on average four to five villages). Given the country-wide coverage of the proposed project interventions, it is conceivable that some sub-projects (for example village water supply, sanitation systems or irrigation schemes) could be implemented along the Ayeyarwaddy river and/or its tributaries. This river meets the definition of an International Waterway as stipulated in paragraph 1 of the World Bank's Operational Policy 7.50 on International Waterways, although the combined flow outside of Myanmar is estimated to be less than 1%.

#### **G. Environmental and Social Safeguards Specialists on the Team**

Martin Fodor, Environmental Safeguards Specialist  
Zeynep Durnev Darendeliler, Social Safeguards Specialist

Wasittee Udchachone, Environmental Safeguards Specialist



**SAFEGUARD POLICIES THAT MIGHT APPLY**

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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The Additional Financing remains environmental category “B” as it will continue to finance small-scale rehabilitation and construction rural infrastructure works, similar to the parent project. The infrastructure to be financed will be based on eligibility criteria and typically include small roads, foot-paths and small bridges and jetties, village water supply systems, rehabilitation of class rooms and health centers, and small-scale rural electrification such as pico hydro or solar panels. New construction of infrastructure that has the potential to cause significant impacts (e.g. degradation of natural habitats, protected forests, or cultural resources) is not eligible for financing under the project. The envisaged investments are typical to similar CDD projects in the region and are not expected to have significant adverse and unprecedented environmental and social impacts. Temporary negative impacts will be related to typical small-scale construction activities.</p> <p>Similar to the parent project, this AF will follow the Environmental and Social Management Framework (ESMF) that had recently been updated in November 2017 to reflect lessons learned, incorporate procedures for Physical Cultural Resources Management Plans and include the JSDF Additional Financing Grant.</p> <p>Given the small scale and limited impacts envisaged for the proposed investments, Environmental Codes of Practice (ECoPs) and/or simplified Environmental Management Plans (EMPs) will be the safeguards instruments used to address any possible impacts related to subprojects. Any sub-projects larger than 40 million kyats (ca. \$35 ,000) would require notification to the union level DRD office and a prior no objection from the World Bank to screen</p>



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			potential environmental and social risks associated with sub-projects of this size.
			The updated ESMF had been consulted with key stakeholders including with civil society and the concerned authorities in Yangon, Naypyitaw and Mandalay on May 15 <sup>th</sup> , May 23 <sup>rd</sup> and June 1 <sup>st</sup> , 2017. The final version of ESMF in English and Myanmar had been disclosed on DRD's website and the World Bank's website in November 2017.
Natural Habitats OP/BP 4.04	Yes		This policy is triggered because of the potential negative impacts that subproject activities might have on natural habitats. While these activities are expected to be small scale, typical for CDD operations, and with overall limited impacts manageable through application of mitigation measures, the policy is triggered for precautionary reasons to ensure that any physical interventions (including those proposed in known reserved or declared national forests zones) will not adversely impact or lead to the degradation of critical or other natural habitats. The ESMF provides for the screening of potential project impacts and how safeguard issues under this policy should be addressed during project implementation.
Forests OP/BP 4.36	No		The Project does not anticipate it will have and will not consider eligible for financing any activities that: (a) have impacts on the health and quality of forests; (b) affect the rights and welfare of people and their level of dependence upon or interaction with forests; and (c) aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned. All sub-projects will be screened accordingly.
Pest Management OP 4.09	No		Project activities are not expected to use pesticides, nor lead to increased usage of pesticides. Any sub-project that would require the use of pesticides or increase their use will not be eligible for financing.
Physical Cultural Resources OP/BP 4.11	Yes		This policy is triggered because of the possibility that sub-projects may be implemented in, or in the vicinity of, a physical cultural heritage site recognized by the borrower. It is anticipated that impacts on PCR from sub-projects activities are likely to be minimal/limited, site-specific and manageable



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because: (i) infrastructure works that the project will support are small-scale demand-driven community infrastructure; and (ii) investments detrimental to cultural resources is not-eligible under project.

The ESMF has been updated and disclosed in November 2017 to include guidance on screening, assessing and identifying measures to avoid or mitigate and monitor impacts on PCR.

Indigenous Peoples OP/BP 4.10

Yes

The activities financed under this additional financing may include townships where ethnic minorities are present, therefore OP 4.10 is triggered. These activities will continue to support the participatory social assessments (SA) to be conducted by affected community members themselves, including ethnic minorities, with the support of qualified Community Facilitators. The participatory SA will include ethnic screening, and free, prior and informed consultations with affected ethnic minorities aimed at ensuring their broad community support. The Village Tract Development Plans (VTDP), which will be developed based on the result of the participatory SA, will serve as the Indigenous Peoples Plan (IPP) under this project, and will meet the requirements of the OP 4.10 for the IPP. The VTDP will be disclosed in all affected local communities in a language understandable to them. Where broad community support is not ascertained, subprojects will not be implemented.

Involuntary Resettlement OP/BP 4.12

Yes

Consistent with the original Project design, and the additional finance, no major loss of land or assets is likely to occur under the activities financed under this additional financing. Physical relocation of households is not allowed. However, the possibility of minor losses of private land or assets cannot be excluded, and the AF thus triggers OP 4.12, as was the case in the original Project. The Project seeks to minimize losses of land or assets in the first instance through sub-project selection and design. In those cases where minor losses of land or assets are unavoidable, it is expected that these will be primarily based on voluntary donations by the affected people and those voluntary donations will be fully documented. If their informed consent to donating assets is not obtained, an abbreviated



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		Resettlement Action Plan (RAP) will be developed and compensation would be provided at replacement value as per the policies and procedures laid out in the ESMF. In exceptional cases where project impact is significant, a full RAP will be developed.
Safety of Dams OP/BP 4.37	No	The AF, as the original NCDDP, will not finance the construction of any new dams or the rehabilitation of existing dams including structural and or operational changes.
Projects on International Waterways OP/BP 7.50	Yes	<p>The Ayeyarwaddy rises in the Himalayas, bisects Myanmar from north to south and empties through a nine-armed delta into the Bay of Bengal. A portion of the catchment areas that feed two of the tributaries of the river (the Maykha which is referred to as the Daying in China, and the Malikha which is referred to as the Jiang in China) are located in China. The Malikha tributary in turn is fed by a sub-tributary originating within India. This meets the definition of an International Waterway as stipulated in paragraph 1 of the World Bank’s Operational Policy 7.50 on International Waterways, although the combined flow outside of Myanmar is estimated to be less than 1%.</p> <p>The project will not finance sub-projects that may use water from international waterways including activities such as community water supply, small scale irrigation or pico-hydropower generations facilities on the mainstream of the Ayeyarwaddy River. The Project also will not finance community water supply and small scale irrigation on or along the the Maykha and Malikha tributaries of the Ayeyarwaddy River.</p> <p>However, OP 7.50 applies since the project will finance small community-level sub-projects for water supply, irrigation and pico-hydro facilities that may draw water from tributaries of the Ayeyarwaddy river which run exclusively within the territory of Myanmar. These tributaries include the following: the Chindwin, the Mu, the Chaungmagyi Chaung, the Myitnge, the Mon Chaung and the Nawin Chaung. The project is not expected to adversely affect the quality or quantity of water</p>



flows to other riparians and will not be adversely affected by other riparians' possible water use. On this basis, the Bank has determined that the proposed project does not require riparian notification in accordance with paragraph 7(c) of OP 7.50.

Projects in Disputed Areas OP/BP 7.60

No

No activities are planned in areas considered as disputed under OP7.60.

**KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT**

**A. Summary of Key Safeguard Issues**

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

The project is rated category "B" in line with the WB OP/BP 4.01 on Environmental Assessment due to the small-scale works for the rehabilitation or minor extension and construction of community infrastructure that use standardized designs. Typical works considered for financing will be for schools, community recreation and health centers rehabilitation and/or expansion; small rural roads and footpaths, small jetties and bridges, rural water supply systems and sanitation facilities (public latrines); and the rehabilitation of small scale irrigation schemes (<25 ha). Some small scale civil works will be carried out to improve and/or expand rural water supply systems, sanitation facilities (latrines), and minor irrigation schemes which could be implemented along the tributaries of the Ayeyarwaddy River. Similarly, some subprojects could be located in known parks and/or reserved forests areas where communities are living for years. Finally, may also be minor civil works on public land to rehabilitate and/or construct office space for DRD for Project implementation purposes.

The impacts of these small works are expected to be localized and can be prevented or reduced to acceptable levels through the use of Environmental Codes of Practice (ECOPs) or Environmental Management Plans (EMPs) that provide for good construction practices and planning. Such potential temporary impacts are related among other thing to: (i) air pollution/dust, noise, vibration, and access restriction; (ii) improper disposal of construction related waste; (iii) temporary pollution of soil and surface waters due to accidental spillage of fuel from construction activities; (iv) safety hazards including worker safety; and (v) damage to forests or existing vegetation. These impacts should be properly managed during the construction phase by communities or contractors hired by them and closely supervised by DRD at the township level supported by the township technical assistance teams.

Cumulative impacts for the project as a whole at sub-project sites and regionally are expected to be insignificant given the small-size of the grants and the dispersion of resources across village tracts.

In order to assess the potential impacts of the project and to propose related mitigation measures to address such impacts, the Borrower/DRD has prepared an Environmental and Social Management Framework (ESMF) to meet the OP/BP 4.01 requirements. The ESMF covers all investments and activities financed by the Bank. The ESMF describes eligible investments; procedures to addressing environmental and social safeguards requirements; previous safeguard implementation experience and lessons learned during ongoing operation; existing legislative and organizational structures for environmental management; existing institutional and capacity building and measures to address;

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outlines environmental impact mitigation and monitoring actions; as well as institutional responsibilities and implementation arrangements. It also describes the grievance handling mechanism and the public consultation process during project preparation. Finally, it includes annexes with examples of and simple guidance notes for screening forms, ECOPs for specific rural infrastructure investments eligible under the project, sample formats for Environmental Management Plans (EMPs) and Resettlement Action Plans (RAPs), and minutes of the public consultations on safeguard documentation.

A general ECOP applicable to most small scale rehabilitation and construction works in project villages is presented in the ESMF and the project's Operations Manual (part V, chapter 3). Similarly, specific environmental codes of practices for various eligible subprojects' activities such as construction/rehabilitation of small scale buildings; village rural roads; small bridges (less than five meters) and jetties; village rural water supply (wells, rainwater collection, and installation/rehabilitation of pipelines from natural springs); rural electrification (solar panel, pico hydro < 20kV, solar street lightening, diesel and biomass generator < 15 kV amps); small scale irrigation and sanitation facilities (small latrines and village scale waste treatment facilities) are detailed in the ESMF.

The AF, like the original project, will operate in areas where Ethnic Minorities who meet the eligibility criteria under the OP 4.10 are present, although the exact locations where the AF would be implemented will be determined during implementation. OP 4.10 is thus triggered. The impact on Ethnic Minorities is expected to be positive. The AF would continue to support bottom up processes to strengthen the social inclusion of ethnic minorities in a participatory manner. Ethnic minorities will participate in the planning and implementation of subprojects to be financed under the AF. Potential negative impacts would include minor loss of land or assets. The scale of any adverse impacts are expected to be minor. The subproject ceiling is 110,000,000 kyat (about US\$110,000), however any subproject above 40,000,000 kyat (about US\$40,000) would require a prior review and a no objection by the Bank.

The AF will continue to support the participatory social assessments (SA) to be conducted by community members themselves including Ethnic Minorities under the support of a qualified Community Facilitator. The participatory SA will include Ethnic Minority screening, and free, prior and informed consultations with Ethnic Minorities as well as other requirements for SA as specified in Annex A of OP 4.10. The broad community support of affected Ethnic Minorities to priorities to be supported by the Project will be ascertained as part of the participatory SA. The result of the participatory SA, including the findings of free, prior and informed consultations, will be used to develop Village Tract Development Plans (VTDP) which will serve as the Indigenous Peoples Plan (IPP) under this project and meet all requirements of the OP 4.10 for the IPP. VTDPs will be updated when detailed designs are prepared and impacts of subprojects become clear. Detailed subproject designs will be presented to affected communities including Ethnic Minorities at free, prior and informed consultations and their broad community support will be sought. Comments received will be reflected in the revised VTDP and disclosed in all affected local communities in a language that is understandable to them. Where broad community support is not ascertained, sub-projects will not be implemented in respective communities.

The AF would continue to support small scale civil works to rehabilitate and improve small-scale rural infrastructure, which is not anticipated to require significant acquisition of land or assets. However, since sub-projects would continue to be developed on a demand driven basis and will render eligible new small infrastructure construction, minor land acquisition or loss of assets cannot be fully ruled out. For this reason, OP 4.12 is triggered to the AF.

The ESMF and RPF for the original projects provides measures to comply with the Bank's OP 4.12, including the prohibition of any sub-project that requires involuntary land acquisition (including involuntary asset loss) during the first community cycle in each township. No involuntary land or asset acquisition occurred under the original project.



Minor losses of land or assets occurred to a small number of households which were all addressed through voluntary donations. Bank supervision missions have found that voluntary donation forms were properly prepared and signed by the affected people, although in some instances both voluntary donation forms and involuntary donation forms were prepared (even though assets were donated voluntarily). Continuous and systematic training has strengthened the knowledge of Technical Facilitators (TF) and Community Facilitators (CF) both on safeguard documentation and on overall safeguard processes, which DRD has acted upon through an intensified training process for both TFs, CFs and the Project's township staff.

Under the AF, sub-projects will continue to be screened for land-related impacts and, if any land acquisition or asset loss is found to be unavoidable, measures to mitigate such impacts would be developed and implemented. The ESMF was updated taking into account the experience of the original project that provides detailed procedures so impact on private land or assets would be addressed in line with the Bank OP 4.12. An RPF was developed and included as part of the ESMF.

To limit potential safeguards risks associated with sub-projects, the AF would apply a relatively low budget ceiling of 110,000,000 kyat (about US\$110,000) for sub-projects, and sub-projects exceeding 40,000,000 kyat (about US\$40,000) would require a prior review and no objection from the Bank. Sub-projects that will likely require a physical relocation of household are not eligible for project financing. Designs would be adjusted, and alternative locations would be sought, in order to avoid or minimize a loss of land or assets. Where a minor loss of private land or assets is unavoidable, impacts will likely be addressed through voluntary donations by the affected people for most cases in line with the Voluntary Land Protocol contained in the ESMF. If informed consent to donate assets is not obtained, an abbreviated Resettlement Action Plan (RAP) will be developed and compensation would be provided at replacement value as per the policies and procedures laid out in the ESMF. In exceptional cases where project impact is significant, a full RAP is developed.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:  
No indirect or long term negative environmental and social impacts are expected under the project. It is unlikely that the implementation of subprojects would lead to a significant change in land use patterns in local areas. If investments are proposed in existing communities living in protected areas or reserved forests, any impacts will be assessed in line with the requirements provided in the ESMF, and if an investment is considered for financing, mitigation measures will be developed to minimize or avoid damage.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.  
The project has developed eligibility criteria that render non eligible for financing under the project investments that would potentially generate significant adverse impacts. Specific designs are followed for subprojects.

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

This AF will follow the ESMF adopted by the parent project in managing possible environmental and social impacts. This ESMF had been updated in November 2017 to reflect lessons learned, include the additional financing components under the JSDF grant, and incorporate procedures for Physical Cultural Resources Management Plan.

The Department of Rural Development (DRD) under the Ministry of Livestock, Fisheries and Rural Development will continue to implement this AF as under the original project. The DRD has been implementing World Bank safeguards policies satisfactorily under the NCDDP. It has dedicated staff and consultants responsible for environmental safeguards, social safeguards, grievance redress mechanism and gender, who are knowledgeable and experienced in



implementing the ESMF. The national level project management unit conducts regular trainings on environmental and social safeguards for staff who work at the village level. As a result, staff at the village level are competent at screening for environmental and social safeguards risks, and escalating as necessary.

The Village Tract Project Support Committee (VTPSC) and village project support committees are responsible for ensuring that the community planning process and sub-project implementation cycle at the village tract and village levels, respectively, are carried out with due diligence and efficiency and in accordance with the project Operations Manual and ESMF. Technical assistance teams at the township level will provide safeguard capacity development support to the VTPSC.

The VTPSC reviews the respective village development plans and prioritizes the interventions against the needs of the tract and the available funding envelope in a 3-year village tract development plan. In each village tract, a village tract grievance sub-committee is established under the VTSPC, whose tasks include supporting the grievance handling mechanism, monitoring progress of grievance handling activities, and collecting/receiving and responding to complaints/grievances and, where necessary, referring such to the township level. The grievance sub-committee is composed of one to two representatives from each village who are not members of the village tract project support committee.

At the community level, the village monitoring sub-committee monitors progress in implementing the village sub-project including safeguard compliance. As under the original project, during construction, the village monitoring sub-committee will monitor progress in implementing any environmental and social mitigation measures. Monitoring reports will be publicly displayed on the village notice board. Village sub-project monitoring forms will capture information that is consistent with the project results framework.

At the township level, the DRD township engineer together with the township technical assistance team, CFs and TFs will continue to monitor subprojects regularly, including on safeguard performance, as under the original project. The DRD township engineer and the township M&E officer will undertake regular supervision visits to the village sub-project sites, review progress in implementing the village sub-project and any environmental and social mitigation measures, and recommend solutions to problems faced. The DRD township M&E officer will incorporate key findings from the supervision visits into the quarterly township progress report. The township engineer will undertake additional visits to advise the VPSCs on technical issues, as requested.

At the state/regional level, the state/regional NCDDP secretariat staff and consultants will undertake regular safeguards supervision and monitoring visits to participating townships, as part of infrastructure supervision, and assist with problem solving. The state/regional office will ensure that safeguards implementation status is included as part of the current progress reporting system i.e. quarterly and annual report.

At the union level, the DRD union office staff and safeguards consultants will continue to undertake regular supervision and monitoring visits to townships, village tracts and village sub-project sites. Visits will serve to assess project implementation progress across the village tracts in a township. The DRD union office will ensure that experiences from other townships are shared in order to enhance implementation quality. DRD union office staff and consultants will continue to provide technical support to the DRD township office staff and VTPSCs, as needed. The DRD union M&E officer will incorporate the findings from safeguard supervision visits as well as the data provided in the quarterly township progress report into the quarterly project progress report.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies,



with an emphasis on potentially affected people.

In addition to the requirements for free, prior and informed consultations outlined above, the ESMF and Operations Manual contain specific guidance and requirements for consultations with potentially affected people, consistent with the bottom-up approach and planning cycle of the project. The revised draft ESMF was disclosed on the website of the Department of Rural Development in English and Myanmar language and the project management held consultations on the draft ESMF in Yangon, Naypyidaw and Mandalay with government and civil society stakeholders. Furthermore, sub-project documentation relating to safeguards are disclosed in the affected communities. The final ESMF in both English and Myanmar was disclosed on the DRD's web site on November 6 and November 9 respectively and the World Bank's website on November 29, 2017.

The project design has specific requirements, including for representation of gender, ethnic and religious minorities, as applicable, and other vulnerable groups in the villages. Moreover, as part of the technical design and safeguards planning, village tract forums and village implementation committees will consult with the households potentially affected by a sub-project before the village tract forum approves it. These consultations will be done in a culturally appropriate manner, documented and included in the subproject documentation, and disclosed locally.

The project also supports annual public forums (multi-stakeholder reviews) across the country to widely share experiences and lessons emerging from project implementation, including with regard to governance and anticorruption measures. These forums will provide a space for the government to hold a dialogue with non-state actors on community development, and will serve to discuss ways to improve the project's design and implementation.

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

**Environmental Assessment/Audit/Management Plan/Other**

Date of receipt by the Bank  26-Oct-2017	Date of submission for disclosure  29-Nov-2017	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
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**"In country" Disclosure**

Myanmar  
06-Nov-2017

**Resettlement Action Plan/Framework/Policy Process**

Date of receipt by the Bank  26-Oct-2017	Date of submission for disclosure  29-Nov-2017
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**"In country" Disclosure**

Myanmar

06-Nov-2017

**Indigenous Peoples Development Plan/Framework**

Date of receipt by the Bank

26-Oct-2017

Date of submission for disclosure

29-Nov-2017

**"In country" Disclosure**

Myanmar

~~06-Nov-2017~~

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

**OP/BP/GP 4.01 - Environment Assessment**

Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

**OP/BP 4.04 - Natural Habitats**

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

No

**OP/BP 4.11 - Physical Cultural Resources**

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

**OP/BP 4.10 - Indigenous Peoples**

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Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?

Yes

#### **OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

#### **OP 7.50 - Projects on International Waterways**

Have the other riparians been notified of the project?

No

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?

Yes

Has the RVP approved such an exception?

Yes

#### **The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

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### All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

### CONTACT POINT

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#### Borrower/Client/Recipient

Ministry of Planning and Finance

Department of Rural Development  
U Kyaw Soe  
Project Director

#### Implementing Agencies

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