

strategic urban development plans-including physical structure plans and capital investment plans-developed in consultation with stakeholders; (b) community mobilization and participation in these planning processes and in other program-related initiatives; and (c) strengthening municipal planning offices.

Component 3: Investment in infrastructure and service delivery (estimated US\$ 135 million; IDA US\$ 79 million). This component will support investments in critical urban infrastructure and services. The following areas of investments will be eligible for financing under KMP: motorized and non-motorized transport including bus parks and access roads, street lighting, markets, storm water drainage, disaster management and prevention facilities and equipment, solid waste facilities, public parks and green spaces.

Component 4: Project management, monitoring and evaluation (estimated US\$5 million; IDA US\$4 million). This component will finance the management activities associated with program implementation, design and implementation of a comprehensive baseline, establishment of a monitoring and evaluation system, and preparation of phase 2 of the KMP.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

A list of 15 urban municipalities are on the long-list of participants for the KMP. The municipalities includes: Nyeri, Thika, Machakos, Embu, Kitui, Naivasha, Nakuru, Eldoret, Kisumu, Nairobi, Kericho, Mombasa, Malindi, Kakamega and Garissa. Participation is voluntary and requires municipalities to meet certain rules of access. During the first year of implementation, the KMP will finance stormwater drainage investments in Mombasa as well as the development of disaster management plans and procurement of equipment for seven municipalities. The list of participating municipalities that will gain access to significant infrastructure investments in years 2-5 is currently undetermined, for the following reasons. Infrastructure investments for year 2 will be finalized in 2011. For years 3-5, municipalities will need to meet additional criteria, including minimum performance thresholds, to qualify for large-scale infrastructure investment; an anticipated 4-8 municipalities are expected to qualify. The physical characteristics of the 15 municipalities are outlined in the Environmental and Social Management Framework.

5. Environmental and Social Safeguards Specialists

Ms Noreen Beg (AFTEN)
Ms Sonia Chand Sandhu (SASDI)
Mr I. U. B. Reddy (SASDS)
Ms Nyambura Githagui (AFTCS)

6. Safeguard Policies Triggered	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)		X
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)	X	
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

II. 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 has triggered three safeguards policies as indicated above: environmental assessment, involuntary resettlement and physical cultural properties. Both an environmental and social management framework (ESMF) and a resettlement policy framework (RPF) have been prepared to guide preparation of investment-specific environmental management plans (EMPs) and resettlement action plans (RAPs).

Environmental Assessment (OP/BP 4.01). The environment category of the project is B. The ESMF, consistent with the policies of both the government and the Bank, has been prepared and disclosed. This includes procedures for: (a) environmental and social screening for all investments to be applied prior to their selection and/or in parallel with the identification/engineering feasibility study; (b) environmental assessment (EA) along with EMP for investments as determined by the screening and government regulations; (c) integration of EMPs into detailed engineering design, bid and contract documents prior to award of works. As the consultancy firms conducting the engineering and safeguard studies are different, an independent review of the ESMF is not required for the project.

Cultural Property (OP/BP/ 4.11). Appropriate procedures are being developed along with budgetary provisions for protection, relocation and/or enhancement of cultural and religious properties (as the case may be) as part of the ESMF. These also cover #chance find# of archeological significance during excavation works during construction.

Involuntary Resettlement (OP/BP/4.12). A resettlement policy framework consistent with the Bank#s operational policy on involuntary resettlement has been prepared and disclosed. This RPF outlines the process for various pre-construction activities such as screening, social impact assessments, baseline census surveys, and process of preparation of RAPs for individual investments and implementation arrangements including the outline of grievance redress mechanisms. The RPF also describes the compensation for land acquisition and loss of other assets and assistance to be provided for different types

of impacts. With the exception of the selected municipalities that may opt for solid waste management facilities, most of the investments are likely to focus on infrastructure rehabilitation and improvement, rather than large-scale new works. Consequently, in most cases, land acquisition and resettlement impacts are likely to be small.

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

Depending on the investments selected, the environmental impacts could potentially include: (a) direct/indirect impacts resulting due to poor site selection for investments; (b) impact on the drainage pattern of the area; (c) felling of trees and clearance of vegetation for construction; (d) impacts on water resources used by the people such as ponds, river/streams; (e) occupational health and safety concerns that may come-up during the construction stage; (f) impacts due to construction material (sand, water, earth, aggregate) sourcing and transportation; and (g) disposal of debris and construction wastes.

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

As part of sub-project selection and detailed design preparation, all possible alternatives will be considered to avoid or minimize any negative impacts related to environment, public health and land acquisition. These efforts will be documented in the investment-specific environment management plans and resettlement action plans.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described. To mitigate the potential impacts associated with the proposed sub-projects to be undertaken, the borrower has prepared an ESMF and a RPF in consultation with various municipalities and other stakeholders. These documents describe the process to be followed for screening (for environment and social impacts), consultation, preparation and implementation of the environment management plans and resettlement action plans.

The following steps have been taken to enhance capacity of implementing agencies at the central and local levels. At the central level, the key implementing agency is the Ministry of Local Government (MoLG). The MoLG has appointed a Project Coordinator who will be supported by a team of specialists, including safeguards specialists. An environment and social development officer has been appointed and additional staff and consultants will be recruited as necessary. This team of environmental and social specialists will address all matters pertaining to environmental and social management, including activities related to project planning and preparation, supervision, monitoring, evaluation, reporting, documentation, training, address concerns of beneficiaries; facilitate regulatory clearances; integrate EMPs into project design and contract documents; prepare ToRs; co-ordinate with the participating municipalities and other agencies; provide over-all monitoring and supervision of environmental and social activities.

At the local level, most municipalities already have environment and social development officers as part of their staff to coordinate and provide inputs on

management of environment and social safeguards, meet the requirements set out in the respective contracts pertaining to investments in their jurisdiction, especially on construction management and impacts related to land acquisition and displacement. Municipalities where environmental and social officer positions are vacant will be required to fill these positions before they are considered eligible for infrastructure financing under KMP. Finally, in addition to the deployment of qualified staff to manage safeguards, Component 1 of KMP will finance technical assistance and training to deliver hands on support to municipal staff and to build their capacity.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The key stakeholders include the municipalities and council members, local residents, civil society, elected representatives and NGOs working in the respective municipalities. The draft ESMF and RPF were discussed in the consultation meetings and their feedback as appropriate is incorporated in these documents. Further, during the preparation and design of specific investments, there will be additional stakeholders consultations.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	12/16/2009
Date of "in-country" disclosure	12/28/2009
Date of submission to InfoShop	01/12/2010
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

Resettlement Action Plan/Framework/Policy Process:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	12/16/2009
Date of "in-country" disclosure	12/28/2009
Date of submission to InfoShop	01/12/2010

Indigenous Peoples Plan/Planning Framework:

Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

Pest Management Plan:

Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

*** If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

If in-country disclosure of any of the above documents is not expected, please explain why:

N/A

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

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 Sector Manager (SM) review and approve the EA report? Yes

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

OP/BP 4.11 - 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 4.12 - 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 Sector Manager review the plan? Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? 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

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?

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

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

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Ms Sumila Gulyani	03/10/2010
Environmental Specialist:	Ms Sonia Chand Sandhu	03/10/2010
Social Development Specialist	Ms Nyambura Githagui	03/10/2010
Additional Environmental and/or Social Development Specialist(s):	Mr I. U. B. Reddy	03/10/2010
<i>Approved by:</i>		
Sector Manager:	Mr Jaime M. Biderman	03/10/2010
Comments: The Sector Managing Unit has agreed to accept transfer of safeguards responsibility.		