



Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 15-Oct-2018 | Report No: PIDISDSC25506

**BASIC INFORMATION****A. Basic Project Data**

Country India	Project ID P168633	Parent Project ID (if any)	Project Name Kerala Urban Service Delivery Project (P168633)
Region SOUTH ASIA	Estimated Appraisal Date Oct 15, 2019	Estimated Board Date Oct 30, 2019	Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice
Financing Instrument Investment Project Financing	Borrower(s) Department of Economic Affairs, Ministry of Finance, Government of India	Implementing Agency Local Self Government Department, Government of Kerala	

Proposed Development Objective(s)

To strengthen the institutional and service delivery systems of Urban Local Bodies in Kerala

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	430.00
Total Financing	430.00
of which IBRD/IDA	300.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	300.00
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Non-World Bank Group Financing

Counterpart Funding	130.00
Borrower	130.00



Environmental Assessment Category

B - Partial Assessment

Concept Review Decision

Track I-The review did authorize the preparation to continue

B. Introduction and Context

Country Context

1. India's rapid economic growth is being accompanied by an unprecedented urban transformation. For the first time since independence, India is seeing an absolute increase in urban population with the number of towns increasing from 5,161 in 2001 to 7,935 in 2011, with 500 cities hosting populations over 100,000 and with 53 cities having over 1 million people. With an expected urban population of 600 million people in a few years, the challenges for making Indian cities livable, productive, and competitive are enormous. Indeed, this massive urban transformation defines one of India's fundamental development challenges, which is to provide housing, urban services, employment opportunities, and a decent and healthy quality of life for up to 10 million additional urban dwellers per year. Facing these challenges will require concerted efforts, especially from the state governments, since urban development is entirely a 'state' subject under the Indian Constitution.
2. Since the 74th Constitutional Amendment (CA) in 1992, urban local bodies (ULBs) in India are meant to have become key institutions of political representation and service delivery. However, despite efforts at central and local levels, the decentralization reform agenda for implementation of the 74th CA remains unfinished. The pace of decentralization and the development of robust municipal management, governance, financing and service delivery systems has been uneven and slow. While there has been significant progress in important aspects such as the constitution of urban local bodies, regular elections, and the representation of more vulnerable sections of the society, other areas have seen little progress including the devolution of fiscal powers, the consolidation of professional municipal cadres, the establishment of district and metropolitan level planning committees, the empowerment of elected Mayors, and citizen engagement in urban planning and budgeting functions.
3. In the spirit of enacting the 74th CA, urban governance and institutional reforms have been accorded a national priority for more than a decade. Multiple national urban missions and the recommendations from consecutive Central Finance Commissions (CFCs) have addressed some of these reforms. Jawaharlal Nehru National Urban Renewal Mission (JNNURM), launched in 2007, included an ambitious urban reform agenda that covered several aspects of the 74th CA (devolution of functions, increases of own-source revenues, etc). As a follow up, in June 2015, the Government of India (GoI) launched the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with a budget of USD 7.5 billion over five years to provide investment and reform support for the 500 cities of over 100,000 people, and the Smart Cities Mission with a budget of USD 7.5 billion for the biggest 100 cities. AMRUT prescribed an eleven-point incentive based urban agenda at both state and city levels to undertake the reforms. Alongside the national urban missions, the 13th and 14th CFCs, laid a heavy emphasis on urban reforms. The 13th CFC proposed for the first time in 2010, a fraction of the central grants to be performance-based covering areas like accounting, auditing, devolution of taxation powers, service level benchmarking, amongst others. The 14th CFC recommended to continue the performance-based grants for the period 2015-20, but it reduced the number of



conditions to three: annual audit of municipal accounts, increase in own source revenues, and notification of service level benchmarks.

4. As a result of the national urban missions and CFC recommendations, there has been an unprecedented increase in fiscal flows to Urban Local Bodies (ULBs)¹ from the federal and state levels. From 2007/08 to 2012/13, grants to ULBs more than doubled from USD 3.5 billion to USD 7.3 billion. For the 2015-20 period, the 14th CFC recommended a further increase for a total of USD 13.6 billion, of which USD 2.8 billion is to be allocated based on performance. Despite this increase, improvements in urban management and service delivery have been modest on account of several factors like, a potential crowding out effect of municipal own source revenues and private sector investments resulting from an ill-design transfer system, the lack of differentiation among very diverse ULBs, over ambitious reform targets, standard supply driven capacity building, and weak (check list approach) program management and monitoring.

Sectoral and Institutional Context

5. Kerala has been urbanizing more rapidly than the national average. In ten years (2001-2011) the percentage of urban population nearly doubled, with an Annual Growth Rate of urban population of 6.5%. This makes Kerala the second most rapidly urbanizing state in India. It is number nine in terms of urbanization, but it has the highest urban population density in the country, with 860 persons per square kilometer. About 50 percent of the state's population lives in urban areas (covered under 93 ULBs) – 65% of which is concentrated in mid-small sized ULBs between 20,000-100,000 people (municipalities), while the remaining 35% are in bigger ULBs (municipal corporations and municipalities with population more than 100,000 people).
6. Kerala is one of the leading states in the implementation of 74th CA, but access to basic services at the ULB level continues to be a challenge. Following the 73rd and 74th CAs, in 1994 Kerala passed the Panchayat and Municipal Acts mandating the establishment of panchayats (rural local bodies) in the rural areas and municipalities in the urban areas, and devolving 26 out of 29 functions, and 17 out of 18 functions respectively. The state pioneered the People's Plan Campaign as a means for strengthening decentralized planning process, with active participation from communities and involvement of citizens in the annual planning process. As a result, communities have been playing an active role in the annual planning process since a long time. Kerala has also taken a quantum leap in terms of economic empowerment of women and their role in local politics. The state has been implementing some of the flagship interventions like 'Kudumbshree' to support women Self Help Groups and put in place enabling policies and regulations to encourage women to participate actively in local elections. These are the fundamental building blocks of the decentralized set-up Kerala has successfully implemented.
7. Despite Kerala's decentralized service delivery set-up and progress on reforms, the State has not yet been able to tap on the potentials of rapid urbanization nor turned its ULBs into key economic drivers. According to Kerala's 2016 AMRUT State Action Plan and 2014 ASCI report, the coverage of all urban services including access to drinking water supply, waste water management, solid waste management, storm water drainage and municipal roads are substantively below the prescribed benchmarks.
8. Kerala's fifth State Finance Commission (SFC) report also highlights the key reasons behind poor access to core services including (i) weak investment planning and budgeting processes driven by archaic planning guidelines of the state, (ii) long and cumbersome approval and sanctioning procedures at the state and district levels, (iii)

¹ The term "Urban Local Body (ULB)," "city", and "municipality" is used interchangeably.



inadequate technical manpower along with weak project execution systems and capacities at the local level, and (iv) weak finances/financial systems of ULBs including very low levels of own source revenue. The current planning systems at the local level tend to push the ULBs towards hasty annual planning and identification of multiple small investments without proper technical or financial feasibility. In addition, ULBs lack adequate preparedness to be able to face the natural disasters which are on the rise as there are effectively no guidelines or systems at the local level to incorporate urban resilience into infrastructure planning for disaster risk reduction. Moreover, the lack of adequate manpower to design projects, manage contracts and supervise the implementation leads to sub-optimal quality of implementation, which is also often significantly delayed. This is also reflected in the annual expenditure and plan implementation performance of ULBs, wherein on an average ULBs implement around 50-70% of the total planned expenditure for capital investments (Kerala Economic Review 2016).

9. Overall, ULBs in Kerala are struggling to improve access to municipal services despite having a high degree of autonomy and financial resources, owing to significant challenges in their planning, financial and implementation systems. Further the ULBs continue to face a significant investment gap despite increasing fiscal transfers due to a substantial pending backlog of municipal investments and growing risk of natural disaster. The SFC and the state government clearly acknowledges these gaps and challenges in various government reports including Kerala Economic Review, SFC report and other research studies on decentralization and local governance. In this context, the Bank proposes to support GoK design and implement a new urban reform linked capital incentive grant model that would incentivize the strengthening of ULB systems and capacities to be able to better utilize existing resources and access additional resources for addressing the municipal investment needs. This would be coupled with a thorough technical assistance and capacity building support program at both State and ULB levels.
10. Municipal service delivery in Kerala is increasingly affected by numerous natural disasters and ULBs need to build better systems of planning and implementing climate resilient and disaster risk informed infrastructure. The Kerala State Disaster Management Plan (KSDMP) highlights that high density of population, narrow roads, high density of road network, density of coastal population and the general higher standard of living of the public as compared to the rest of the country, are factors that increase the vulnerability of the population to disasters. Floods are the most common of natural hazards that affect people, infrastructure and natural environment in Kerala. Flooding is very common in most of the urban areas of the state. Lack of separate storm water and sewerage water drains aggravate the situation. In addition, flash floods are common in the hilly areas. Apart from floods, the mountain regions of the state experience several landslides during the monsoon season. With more than 42 rivers running through the State and a 570 KMs long coast line, Kerala is prone to erosion, monsoon storm surges and sea level rise.
11. In August 2018 Kerala suffered widespread floods affecting 5.4 million people, with 491 casualties reported so far. Over 20,000 houses are reported to be severely damaged and significant losses are reported in infrastructure and productive sectors, with preliminary damages estimated at approx. US\$3.0 billion. Cities in coastal areas and river-basin were particularly affected. The floods exposed the vulnerability of the urban areas to natural disasters resulting from numerous factors such as settlements of habitations in disaster prone areas, lack of proper urban/spatial planning frameworks that demarcate the hazardous areas; poor quality of municipal infrastructure being built by the local governments without complying with state or national design standards and codes; inadequate drainage infrastructure and a very limited and provision of solid and liquid waste services and infrastructure. Hence, the municipal infrastructure needs to be resilient to such natural disasters and shocks, which are becoming increasing frequent, and pose very serious economic and development risks.



Relationship to CPF

12. The importance of cities has been acknowledged very prominently in the Systematic Country Diagnostic (SCD) and the new Country Partnership Framework (CPF) for India. Pillars I and III of the SCD recognize the role of efficient cities as a direct contributor to a resource-efficient growth path for India. The SCD identifies numerous policy decisions to promote agglomeration economies; improve connectivity; reduce environmental impacts; strengthen city finances; and improve coordination across sectors and jurisdictions to make cities more productive and livable. It also recognizes the need to strengthen the public sector to improve the accountability and the provision of public goods and services at the local levels. The SCD also acknowledges the limited financial capacity of cities to meet a huge financial gap (estimated at USD 800 billion for the next two decades) and the challenge of India's federal system to align the functions, finances and functionaries among tiers of government.
13. Focus area I of CPF on "promoting resource efficient growth" identifies improving livability and sustainability of cities as a key priority for the World Bank Group. The three key areas that have been prioritized in CPF to unleash growth potential and enhance livability of cities are (i) improving urban governance and finance, by helping cities strengthen core public management functions and mobilize private and commercial finance; (ii) investing in more inclusive and equitable cities; and (iii) shaping city forms to create urban footprints that are more green, livable, and productive. The CPF further notes that fulfilling the true potential of the 74th CA and improving urban governance and finance will require enabling frameworks for fiscal and functional devolution matched with enhanced resources and capacities as well as stronger mandates of public accountability of ULBs. Much of this agenda lies with the states and cities, who will be the key constituencies of the World Bank's engagement. Hence, the proposed operation is fully aligned with the SCD and CPF for India. Further, the proposed operation will also be aligned with the long-term engagement strategy from the CMU with GoK to build climate resilient urban infrastructure in Kerala.

C. Proposed Development Objective(s)

To strengthen the institutional and service delivery systems of Urban Local Bodies in Kerala

Key Results

14. The proposed Project key results are:
 - a) Strengthened planning, implementation, and financial systems of municipalities for service delivery and urban resilience.
 - b) Strengthened city governance and accountability mechanisms
 - c) Strengthened monitoring and evaluation mechanisms at the state level to oversee the implementation of urban reforms, the allocation and use of grants, and the improvements in service delivery at the municipal level.
 - d) Improvements in the coverage and quality of a key priority sector(s)
15. The proposed results can be measured through the following indicators:
 - a) Number of households with improved access to core municipal services²
 - b) Number of urban local bodies with improved FM and governance systems
 - c) Number of urban local bodies that implement the agreed reform action plans.

² Core municipal services include water supply, sanitation, SWM, urban drainage, and municipal roads, amongst others.



- d) Number of people with access to improved urban living conditions, disaggregated by gender (Corporate Results Indicator)

D. Concept Description

16. *The Project will provide incentives for state and city level reforms to improve the institutional systems for service delivery and climate resilience of medium-small ULBs (called as 'municipalities' hereafter) in Kerala.* The core principle of the project will be to set up a two-pronged reform approach at both state and city levels. City-level reforms will aim at strengthening the institutional systems and implementation capacity for municipal service delivery, while state-level reforms will focus on providing a conducive policy environment for cities to enhance their service delivery and climate resilient activities. More concretely, the project would aim at: (i) deepening the implementation of selected reforms at the state and municipal levels by identifying stretch targets (that go beyond the check-list approach used by the national schemes); (ii) providing stronger financial incentives to undertake these reforms, linked to the specific infrastructure investment needs of the municipalities; and (iii) providing in depth technical assistance for institutional systems development and demand-driven capacity building.
17. *Target reform areas:* The reform interventions at the state and the city level would be identified jointly in discussion and agreement with GoK and municipalities based on detailed baseline and need-gap assessments, as a part of project preparation. This will provide an opportunity for both the State and participating municipalities to prioritize the key urban reforms and milestones suited to their context rather than following the existing approach of standard milestones which ignores the diversity of the challenges they face. GoK has already been implementing the 11-point AMRUT reform agenda in the nine big municipalities and is keen to have the support of the program to improve the results of these reforms on the ground and expand them to the rest of the smaller municipalities. Similarly, Kerala's fifth State Finance Commission conducted a detailed analysis of constraints and gaps in municipal governance and service delivery and came up with a detailed reform agenda that may form part of the reforms supported by the program. In the wake of the floods, GoK has also expressed commitment to undertake policy actions and regulations in urban resilience. Actual reforms will be selected from the AMRUT reform agenda, SFC recommendations and the urban resilience interventions identified by the state government.

Project components:

18. *Component 1: State-level grants for policy reforms.* State-level capital grants will be provided according to annual milestones, consistent with an agreed policy reform matrix to be developed during preparation. The matrix will contain specific and measurable targets to be independently verified. The point of departure for the reform matrix will be a combination of AMRUT and SFC policies, plus any sector specific actions that the state is willing to undertake to support alternative models of service delivery (like PPPs and municipal agglomerations/cluster-based approach for Solid Waste Management, for example). Other reform activities at the state level that have been discussed with GoK include the institutionalization in the state fiscal transfer system of the Annual Performance Assessment (APA) for LGs originally introduced by Kerala Local Government and Service Delivery Project, and, in the wake of the recent floods, the support of an enabling policy and regulatory framework for urban resilience at the local level focusing on aspects relating to urban planning and quality of municipal infrastructure.
19. *Component 2: City-level performance grants for institutional strengthening and service delivery improvements.* This component will target those municipalities which have not received support for urban reforms and service delivery improvements under any national scheme. Hence, according to preliminary discussions with government (but yet to be finalized) the support will go to 87 municipalities out of total 93 ULBs - excluding the six municipal corporations,



which have been/are supported extensively under erstwhile JNNURM and ongoing AMRUT/SCM programs. The identified 87 municipalities constitute approx. 65% of the urban population (approx. 10 million people) spread across the 14 districts of the state.

20. The Program will provide formula-based capital grants to the participating municipalities. Access to capital grants for municipalities will be linked to their performance in terms of implementing reform interventions identified by GoK and achieving the targeted institutional improvement results. The modality for performance measurement will depend on the exact type and depth of reform interventions and will be decided as a part of preparation. City-level activities will be a mix of institutional strengthening and systems development interventions in three cross cutting themes, (i) planning, (ii) project implementation, and (iii) financing, plus (iv) a sectoral theme. GoK has indicated storm water drainage, municipal solid waste management and on-site decentralized waste water management as the priority service sectors to be considered for being supported under this project. Due to the recent floods, urban resilience is a cross-cutting theme that could be included. The selection of the service sector will be confirmed based on further discussions at the state and city level as well as technical assessments as a part of preparation process.
21. As part of the project, municipalities will develop multi-year capital investment plans (CIP) following a consultative approach with adequate community participation to identify priority strategic municipal investment requirements. With a CIP in place, municipalities will be able to clearly identify their mid to long investments that would be financed (partially or totally) by the project's formula-based capital grants. The investments will be open to all areas under the functional mandate of the municipalities. As a part of project preparation, investment selection and CIP preparation guidelines will be prepared by GoK and agreed with the Bank to avoid fund fragmentation and identification of strategic priorities, while being mindful of the anticipated safeguards issues and implementation readiness in terms of availability of land, statutory clearances, etc.
22. *Component 3: Technical Assistance and Project Management.* This component will provide comprehensive technical assistance and support for implementation of the key urban reforms at both state and municipal levels, as per the agreed reform priorities described above. At the state level the technical assistance is likely to focus on specific activities linked to the achievements of the reform milestones. At the municipal level, the support will be provided through a combination of (i) formal training support and on-the-ground mentoring support for capacity building and strengthening of the municipal systems to plan, design, execute and manage infrastructure projects and (ii) technical assistance for institutional systems development that would enable municipalities to implement reforms and improve their institutional performance. This activity will also support detailed planning and engineering design of the municipal investments. Since, Kerala has specific conditions relating to natural disasters (like severe floods and landslides) and other coastal issues, the TA would also focus on ensuring that the urban resilience principles and guidelines are incorporated in the design of investments, and further that the municipalities have required organizational capacity to implement the measures for disaster risk reduction.
23. This component will also support the project management and coordination function for smooth design and implementation of the entire project. The project management and coordination support would be deployed at both the state and district levels. One of the key interventions would be to strengthen the state's systems for monitoring progress in project implementation.
24. *Local Self Government Department (LSGD), Government of Kerala would be the primary implementing agency for the project* and will take up the overall responsibility of project implementation, management and monitoring including fiduciary compliance, compliance with the Bank's safeguards policies and regular reporting to the Bank, as per agreed protocols. A dedicated Project Management Unit (PMU) was established in LSGD for the implementation of KLGSDP



and the same structure with further staffing augmentation and improvements will be responsible for overseeing the project implementation. A full-time Project Director will be appointed as the head of the PMU.

SAFEGUARDS

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

The Project will cover reforms at state and city levels in Kerala; and investments to improve their institutional systems for service delivery and to increase their implementation capacities. Physical investments will take place in a limited number of medium or small cities (with population less than about 100,000), which have not received previous support for urban reforms and service delivery under any national schemes. The larger set of 84 municipalities constitute approximately 65% of the urban population in the State (nearly 10 million people) spread across the 14 districts. The proposed project will create an enabling environment to strengthen the decentralized institutions to enhance inclusion, participation, accountability and transparency during planning, implementation and operational stage of investments. The investments may require land for sub-projects. Also, the geographical coverage may include ULBs in scheduled areas.

Kerala has a unique set of geographical/environmental features, including Ramsar sites, estuaries, coasts, rivers, hills and slopes; and rich biodiversity. Urban and rural areas of the state are interspersed across as a rural - urban continuum with a high population density of 890 persons per square km, much higher than the national average of 382 persons per square km. Considering the spread of small and medium ULBs of Kerala, it is expected that many of the project locations would be proximal to environmentally sensitive features. However, exact locations of proposed project investment activities are not known at this stage. Proposed project activities are expected to minimize pollution, improve resilience and thus improve the environment and living conditions. At the same time, environmental impacts and/or risks of proposed project could be due to: (i) improper siting of proposed facilities, and impacts on surrounding communities from concentrated emission and effluents, (ii) impacts on sensitive environmental features with a regional spread; like estuaries, coasts and erosion-prone slopes during construction, operation and maintenance, and (iii) occupational and public safety risks for workers and the communities given its high density of population, environmental features and disaster proneness. However, as stated above the location and nature of the subprojects are not known currently, and the project will follow a framework approach to avoid subprojects where the environmental risks are too high.

B. Borrower's Institutional Capacity for Safeguard Policies

The ULBs have implemented city level reforms under Centrally sponsored schemes - JNNURM (2) and AMRUT (9). However, borrower may have limited capacity in management of environmental and social safeguard risks and monitoring.

The project aims at small and medium municipalities which have not benefitted from earlier urban reform or service delivery investments. Due to Kerala's vulnerability to natural and climate-related disasters, the project is expected to integrate urban resilience into the technical design of the proposed urban infrastructure investments and cover urban resilience considerations in terms of putting an enabling policy framework and guidelines to mainstream urban resilience in the way local infrastructure would be developed and managed. Currently the capacity of the small and medium municipalities in technical aspects, and in managing environmental risks and impacts is limited. The Project will, therefore prepare an Environment Management Framework (EMF) to provide screening and categorization of sub-projects as relates to their individual and cumulative potential risks and impacts, preparing appropriate environmental assessments and integrating mitigation measures in the planning and design of the sub-projects to comply with the applicable national regulations and with the safeguard policies of the Bank, including actions to be undertaken to avoid, minimize and



mitigate the potential impacts. Resources for training and capacity building at the state and local levels for safeguards management, including monitoring implementation of the relevant environmental management plans, conducting environmental audits and evaluation studies will be essential, in addition to the appropriate due diligence during preparation of the Project.

C. Environmental and Social Safeguards Specialists on the Team

Mridula Singh, Social Specialist
Tapas Paul, Environmental Specialist
Deepa Balakrishnan, Environmental Specialist

D. Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Project locations include small and medium cities (of less than about 100,000 population) spread across 14 districts of Kerala. Project activities, their footprint and exact locations are not known at this stage. However, most cities are proximal to eco-sensitive features with a regional spread such as estuaries, Ramsar sites, coasts, forests, and hills/slopes. Considering the physiography and the high-density of population, construction activities and operation and management of the intended investments (such as solid waste management, and waste water management facilities) may result in adverse impacts on the ecological resources and/or surrounding communities. There might also be even larger implications in case of events like floods or cyclones. The potential environmental impacts and/or risks, if not avoided or managed adequately, could be due to: (i) improper siting of proposed facilities, (ii) impacts on sensitive environmental features with a regional spread such as estuaries, coasts and slopes, and (iii) occupational and public safety risks for workers and the surrounding communities given the high density of population and ecological features. Systematic management processes with a pre-defined EMF that will guide screening of sub-projects, scoping of specific assessments required for particular sub-projects, and environmental management plans (EMPs) for identified sub-projects will be required. The EMF and EMPs will need to comply with applicable national and state regulations; and with World Bank requirements, including World Bank Group's Health and Safety



		Guidelines as may be applicable to the specific set of sub-projects chosen to be covered under the projects and the linked investments. In addition, the EMF will include a procedure and a criteria to screen out any category-A type subproject.
Performance Standards for Private Sector Activities OP/BP 4.03	No	No private sector activities are financed by the project.
Natural Habitats OP/BP 4.04	TBD	At this stage, proposed sub-project activities are not known, and therefore any impact on natural habitats can not be determined. This will be reviewed during preparation stage, when location-and activity specific information would be available. If any of the project activities involve or are likely to impact natural habitats, OP 4.04 will be triggered, and appropriate avoidance, minimization, mitigation and/or compensation measures will be planned and designed as part of the EMF and the sub-project level EMPs, respectively. In addition, the EMF will include a procedure and a criteria to screen out any subproject that involves significant conversion or degradation of critical natural habitats.
Forests OP/BP 4.36	TBD	At this stage, proposed sub-project activities are not known, and therefore any impact on natural habitats can not be determined. The Project does not involve any forest based commercial activities or logging. The chances of potential impacts on forests will be reviewed during preparation stage, when location-and activity specific information would be available. In the event, if potential impacts on forests is identified, appropriate avoidance, minimization, mitigation and/or compensation measures will be planned and designed as part of the EMF and the sub-project level EMPs, respectively.
Pest Management OP 4.09	No	The possible list of project or sub-project activities (including possible investments in solid or liquid waste management) are not expected to trigger the requirements of OP 4.09. The EMF prepared for the project will incorporate mechanism to screen the respective sub-projects with regard to the provisions of OP 4.09.
Physical Cultural Resources OP/BP 4.11	TBD	Project locations are not yet known. As part of project preparation, the need for triggering OP 4.11 will be determined based on whether the program will include activities which would impact physical cultural resources. Irrespective of triggering the policy, the proposed EMF shall integrate considerations for



		physical and cultural resources including the chance find procedures.
Indigenous Peoples OP/BP 4.10	TBD	The selected city may be located within the scheduled areas. The screening will provide additional information to determine the applicability of the OP/BP on Indigenous people.
Involuntary Resettlement OP/BP 4.12	Yes	The policy on Involuntary Resettlement is applicable. The investments may require land for sub-projects which will be identified by the ULBs. A framework approach will be chosen because the project design will facilitate GPs to use the grants at their discretion, meaning that neither the exact location nor the type of investments are identified at this stage. A social assessment will be carried out to prepare the Social Management Framework including Resettlement Policy Framework and Vulnerable Group Development framework to comply with Bank’s Social safeguard policies on Involuntary Resettlement (OP/BP4.12). It is likely that land may be acquired for sub-projects under the Right to Fair Compensation and Transparent Land Acquisition and Rehabilitation and Resettlement Act (RFCTLAR&R)2013. The framework will be designed to implement the norms and provisions of the Rights of Persons with Disabilities Act, 2016. Additionally will also cover gender empowerment program to promote gender responsive budgeting, decision making processes, build capacity to implement GoK’s Gender Equality and Women’s Empowerment Policy (GEWE Policy) and measures to address gender based violence .
Safety of Dams OP/BP 4.37	No	As per information available at this stage; this project is not envisaged to involve any activity that requires intervention on, or is dependent on any dam. However, as many cities in Kerala are dependent on seawalls or coastal embankments, or draw water from upstream dams, the possible sub-projects will be screened (as per the EMF) regarding their dependence on dams, seawalls or coastal embankments, and such activities will be excluded from the Project.
Projects on International Waterways OP/BP 7.50	No	No part of the state of Kerala falls in any basin of international waterways.
Projects in Disputed Areas OP/BP 7.60	No	No part of the state of Kerala is subject to any international dispute.



E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Sep 23, 2019

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The Environmental Management Framework (EMF), the Social Assessment and Management Framework (SMF) including the Resettlement Policy Framework and the Vulnerable Group Development Framework will be launched as soon as possible during preparation of the project, and will be completed prior to September 01, 2019. Additionally, Environmental Management Plans (EMPs) for individual sub-projects (or collection of such sub-projects, as may be rational) will be launched as and when the sub-projects are identified and as per the screening and categorization procedures established by the EMF (a draft of which is expected to be available early in the project preparation period to guide scoping of environmental impact assessments to be undertaken for various possible sub-projects). These EMPs for the sub-projects identified to be implemented under the Project will also be available prior to September 01, 2019.

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