



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

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Appraisal Stage | Date Prepared/Updated: 15-Jan-2020 | Report No: PIDISDSA27979



**BASIC INFORMATION**

**A. Basic Project Data**

Country Armenia	Project ID P171862	Project Name Additional Financing for the Armenia Social Investment and Local Development Project	Parent Project ID (if any) P148836
Parent Project Name Armenia Social Investment and Local Development Project	Region EUROPE AND CENTRAL ASIA	Estimated Appraisal Date 13-Jan-2020	Estimated Board Date 19-Mar-2020
Practice Area (Lead) Social Protection & Jobs	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Territorial Administration and Infrastructure, Ministry of Finance	Implementing Agency Armenian Territorial Development Fund (ATDF)

Proposed Development Objective(s) Parent

Improve the quality and use of and access to community and intercommunity infrastructure.

Components

Support to Socio-Economic Development and Capacity Building at the Local Level  
Support to Intercommunity Social and Economic Development Initiatives  
ATDF Institutional Strengthening and Project Management

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

**SUMMARY**

<b>Total Project Cost</b>	28.40
<b>Total Financing</b>	28.40
<b>of which IBRD/IDA</b>	20.00
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**

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International Bank for Reconstruction and Development (IBRD)	20.00
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**Non-World Bank Group Financing**

Counterpart Funding	8.40
Borrower/Recipient	7.08
Local Communities	1.32

Environmental Assessment Category

B-Partial Assessment

‘Have the Safeguards oversight and clearance function been transferred to the Practice Manager?’ Yes

Decision

The review did authorize the team to appraise and negotiate

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Other Decision (as needed)

**B. Introduction and Context**

Country Context

In the spring of 2018, large nationwide and peaceful street protests—referred to as the velvet revolution—forced Armenia’s long-standing leader to step down from power. The country had just completed its move from a semi-presidential system to a parliamentary republic according to constitutional amendments passed in 2015. The new government has brought a new commitment to anticorruption efforts, good governance, transparency, and accountability in Armenia. The Government Program 2019–2023<sup>1</sup> builds on the vision outlined in the immediate aftermath of the velvet revolution, while fleshing out the Government’s strategic development directions toward boosting economic growth, improving the efficiency of public administration, increasing human capital potential, and strengthening the reliability of and access to infrastructure. Setting up a system of open and accountable government, raising human capital, and ensuring prudent use of natural resources, balanced with social equity and economic efficiency, are also priorities of the program. A continued push for further implementation of the territorial reform agenda is also of high priority, including equitable territorial development.

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<sup>1</sup> Government of the Republic of Armenia Program, February 2019, <https://www.gov.am/files/docs/3347.pdf>



Economic growth remained strong in 2019, driven mostly by consumption, amid low inflation, following robust expansions of 7.5 percent in 2017 and 5.2 percent in 2018. Economic activity expanded by above 7 percent in the eleven months of 2019, supported mostly by private consumption and a modest contribution from net export. On the supply side, growth was driven by services, with acceleration in growth of tourism and continued strength in trade. The industry also expanded strongly, supported also by a rebound in mining. Inflationary pressures remained low, with inflation below the lower band of the Central Bank of Armenia's (CBA) inflation target range. The official external balance gap narrowed slightly but remained wide as growing exports, particularly mineral, jewelries, tourism and IT services, were insufficient to offset strong import of vehicles in advance of the hike in import duties as of early 2020 and flattening remittances. The fiscal accounts overperformed reflecting strong revenue collection, sound control over current spending, and large underperformance of capital expenditure. With this, and favorable exchange rate dynamics, government debt is estimated to decline to 50 percent of GDP by end-2019.

### Sectoral and Institutional Context

The governance system in Armenia has been highly centralized, with the central government being responsible for capital investments and key areas of public service provision; including health care, education, and social protection. The Government of Armenia (GOA) recognized that a highly centralized governance system and high concentration of wealth in Yerevan were not conducive to sustainable economic and social development of the country and exacerbated the high and persistent territorial disparities. The Armenia Development Strategy for 2016–2025 therefore aimed to overcome territorial development disparities, ensure uniform territorial development, and implement targeted policies as midterm and long-term priorities. The objective of the targeted territorial development programs is to ensure accelerated economic development for the most depressed territories and enable them to catch up with the average economic development level of the country.

Since the establishment of the local self-government system in Armenia in the mid-1990s, a key issue has been its high degree of fragmentation. The communities varied greatly in population size and capacity. Out of a total of 915 communities, 866 were rural, and the majority of these delivered low level quality services. Many communities were too small to fulfil their functions effectively, such as to raise sufficient revenues, maintain public infrastructure, ensure provision of basic public services that meet the needs of the population, and to support sustainable social and economic development. The overarching goal of the ongoing Territorial and Administrative Reform of Armenia (TARA) launched in 2015 is to consolidate the communities (the number of communities will be reduced from 915 to 250) enabling them to: (a) efficiently provide public services (such as waste management, water supply, pre-school education and public transport); (b) properly maintain public infrastructure; (c) improve planning, administration and management; and (iv) more efficiently use their financial resources. It started in three pilot clusters (Dilijan, Tumanyan, and Tatev) in 2015–2016, then expanded in 2016 to include 15 additional pilot clusters (also known as “enlarged communities” or “consolidated communities”). As a result, 18 new consolidated communities were formed from 140 former communities. As of 2017, 34 more enlarged communities were created from 325 communities, making a total number of 52 enlarged communities formed from 465 former communities. This resulted in the reduction of the number of communities to 502, representing 45 percent decrease since the beginning of the reform. Currently, in preparation for the final rollout of the territorial and administrative reform across the country (expected to start in 2020), the Ministry of Territorial Administration and Investments is actively conducting a series of public consultations with local self-governance bodies, experts, and the wider public.

For over 20 years, the GOA had addressed territorial imbalances by implementing small-size investment projects, known as microprojects, to support social infrastructure at the community level through the Armenian Territorial Development Fund (ATDF), formerly known as the Armenian Social Investment Fund (ASIF). The ASIF was created in



1996 as an autonomous public organization accountable to its board, chaired by the prime minister of the Republic of Armenia. It was created with the World Bank's technical and financial assistance to provide immediate support to the rehabilitation of local infrastructure and to enhance the living conditions of the poorest using a demand-driven approach and direct community involvement. Since its inception until 2015, it had received total funding of US\$115.2 million (of which US\$83 million from three World Bank projects) and completed over 900 microprojects, benefiting almost half of Armenia's population. The community investment microprojects mainly included schools (41 percent), followed by community/cultural centers (28 percent), kindergartens (13 percent), health care facilities (6.9 percent), and other community infrastructure support. Approximately 80 percent of the funding was channeled to the vulnerable or highly vulnerable communities. In addition to having generated visible social and economic benefits for poor communities across Armenia, ASIF microprojects were also an effective tool for mitigating the impact of the financial crisis and promoting economic growth as they generated over US\$10.5 million of income and created almost 630,000 man-days of short-term employment from completed microprojects.

In 2014, the GOA approved the ASIF's Evolution Strategy, which envisaged an evolution of the ASIF into the ATDF to support the Armenia Development Strategy objectives and address the growing territorial disparities. The ATDF's transition and new mandate is aimed at reducing territorial disparities and supporting the community enlargement process by implementing territorial development projects focused on consolidated communities, in addition to traditional social infrastructure microprojects. Following the reforms, the ATDF gradually transitioned from implementing mostly social infrastructure microprojects to increasingly focusing on territorial development projects. The transition also entailed a diversification of the funding sources of the ATDF's operations and enhancement of ATDF's staffing, functions, operational procedures, and capacity. The ATDF received a World Bank US\$30 million loan for the Armenia Social Investment and Local Development Project (SILD), which has been under implementation since 2015. Of that amount, US\$17.6 million was allocated under Component 1 for over a 100 traditional community-driven investment microprojects implemented predominantly in vulnerable communities throughout Armenia (mostly focused on kindergartens and schools), which are largely completed. Another US\$10.1 million was provided under Component 2 for social and economic development subprojects in support of the territorial reform, developed and implemented by the consolidated communities. Implementation of this component started only in late 2018 and so far, nine subprojects have been completed (for a total value of US\$2.8 million), another six are under implementation (US\$1.4 million) and 17 are at the preparation stage (estimated at \$6.2 million). The subprojects have mainly focused on supplying equipment for providing communal or agriculture services at the consolidated community level, such as waste collection, street repair, snow cleaning, as well as renting of agricultural equipment to small farmers at subsidized prices. Under Component 3, the SILD has supported ATDF's institutional strengthening and project management, including financing of ATDF's operating costs at a declining scale from 50 percent to 30 percent at the moment. Project beneficiaries are defined as members/inhabitants of the communities (including of the consolidated communities) which are implementing microprojects and subprojects.

In parallel to the World Bank-supported investment lending operation and the recipient-executed trust funds, the Swiss Agency for Development and Cooperation (SDC) implemented the 'Improvement of the Local Self-Governance System in Armenia' Program under a programmatic approach in close cooperation with the Ministry of Territorial Administration and Infrastructure (MTAI). The program aimed at strengthening accountability, effectiveness, and efficiency of the LSG system in Armenia through (i) supporting LSG consolidation reform in 'pilot' communities and (ii) working with a wider number of municipalities and communities on improving processes and instruments of local governance, efficient service provision, and effective economic development. In addition, the ATDF also received a mix of technical assistance and grant support from the United States Agency for International Development (USAID), the Council of Europe, Federal Ministry for Economic Cooperation and Development of Germany/German Agency for International Cooperation, and the European Union.



### C. Proposed Development Objective(s)

#### Original PDO

Improve the quality and use of and access to community and intercommunity infrastructure.

#### Current PDO

Improve the quality and use of and access to community and intercommunity infrastructure.

#### Key Results

#### Results Indicators for the PDO are as follows:

- Direct project beneficiaries (Number)
  - Sub-indicator: Female beneficiaries (Percentage)
- Average percentage increase in access to and use of SILD infrastructure
- Percentage of beneficiaries in project areas (under Component 1) who are satisfied with the quality of infrastructure
  - Sub-indicator: Percentage of beneficiaries (female) in project areas (under Component 1) who are satisfied with the quality of infrastructure
- Percentage of beneficiaries in project areas (under Component 2) who are satisfied with the quality of infrastructure and services
  - Sub-indicator: Percentage of beneficiaries (female) in project areas (under Component 2) who are satisfied with the quality of infrastructure and services

### D. Project Description

The proposed Additional Financing (AF) would be for a period of three years and expected to be closed on June 30, 2023. The current closing date of the original loan (June 30, 2020) would be extended to December 31, 2021, to allow for the full completion of the originally planned activities.

**Rationale for the AF.** The AF would scale up the project activities by providing financing for additional community-based social infrastructure microprojects (Component 1) and socioeconomic development subprojects in the consolidated communities in support of the territorial administration reform (Component 2). It would also finance ATDF's institutional strengthening and project management (Component 3), including co-financing 30 percent of ATDF's operating costs. The AF's scaled-up activities are expected to contribute to the advancement of key development priorities for Armenia set out by the new GOA in its development strategy, including implementation of an important set of territorial administration reforms. The AF activities would provide direct support to strengthening the reliability and accessibility of infrastructure, increasing human capital potential, increasing the efficiency of public administration (especially local governance), and promoting participation of the community members in decision-making processes. The AF's enhanced consultation mechanisms and enhanced approach to gender would contribute to broader and more effective citizen engagement and women's participation in decision-making, respectively. The outputs from the scaled-up activities would support access to child care, education and health services, as well as increased employment opportunities, all of which would support improvements in human



capital. The AF would support the continued territorial reform by providing resources and capacity building to enlarged communities in a strategic and participatory manner, in line with the Government Program 2019-2023, under section 6.1. *Territorial Administration and Local Self-Government*, to improve the efficiency of the performance of regional administration offices (Marzpetaran), mitigate disproportional territorial development, as well as to ensure continuity of administrative and territorial reform.

**Target Communities and Beneficiaries.** The AF would continue the targeting approach of the SILD, as well as expand into new geographic areas and new communities. Previously participating communities would also be eligible to participate under a window of innovative initiatives (see description of Component 2 below). Targeting would consist of geographical targeting of project funds by region followed by the identification of needy communities within each region through a community mapping and profiling exercise, based on a set of detailed criteria. The approach of community ranking from the neediest to those with the least priority needs together with a classification into three clusters (most vulnerable, vulnerable, and least vulnerable) has proven to be effective under both the previous World Bank project (Armenia Social Investment Fund III) and the SILD so far, as it ensured that the majority of funds was channeled to the vulnerable communities. However, given that about half of the communities have already been consolidated and the remaining ones are to be consolidated soon, changes to the targeting process would have to be made to adjust to the new structure. While the AF would focus on the new enlarged communities (see Component 2), it would be important to ensure that all communities are eligible to participate. A set of actions (workplans) would be developed, aiming to ensure a wider variety of subprojects through better engaging communities and strengthening local capacity to implement a robust participatory approach.

**Project Components.** The proposed AF is to scale up all three project components of the original project, with a primary focus on Component 2 (support to the intercommunity/consolidated communities initiatives). The activities to be supported by the AF are described in the following paragraphs.

**Component 1 - Support to Socioeconomic Development and Capacity Building at the Local Level.** This component would be expanded to finance about 20 additional microprojects primarily in the vulnerable communities to address priority basic needs. Community investment microprojects are chosen using a two-stage poverty targeting strategy, with the first level defining broad allocations for *marzes* and the second level identifying needy communities. Through the microproject process, SILD conducts the following activities: (a) rehabilitation and development of community infrastructure and services (public, social, economic, and environmental); (b) institutional and financial capacity building at the community level to develop and implement these projects and services; and (c) provision of consultancy and technical assistance to local partners, such as public information centers and community councils. The menu of microprojects to be financed under this component includes renovation and rehabilitation of key social, publicly-owned infrastructure, covering: (i) education (kindergarten, primary, secondary, and special schools); (ii) health (primary health care clinics); (iii) multipurpose community centers; (iv) social service centers for vulnerable groups; (v) water supply systems; (vi) sanitation systems; (vii) minor irrigation works; (viii) rural electrification; (ix) school heating systems; and (x) rehabilitation of gymnasiums and playgrounds. Depending on the priority needs identified by selected communities, new small-scale construction projects could also be financed. This component would also finance goods, primarily in the form of furniture and equipment, for the rehabilitated infrastructure. Finally, it would also support the strengthening of community participation practices.

**Component 2: Support to Intercommunity Social and Economic Development Initiatives.** This component would be expanded to finance about 35 additional subprojects, primarily in newly consolidated communities. Component 2 promotes harmonic territorial development by financing innovative intercommunity socioeconomic development initiatives, which would contribute to/support the process of enlargement of communities. These initiatives, known



as subprojects, finance publicly-owned infrastructure and services, which have both social and economic impact and can catalyze future economic growth and human capital development for a region or consolidated communities. So far, the project implemented subprojects focusing on the provision of equipment for communal or agriculture services at the consolidated community level, such as waste collection, street repair, snow cleaning, as well as renting of agricultural equipment to small farmers at subsidized prices. Technical reviews during implementation of the SILD have found that the project would benefit from strengthened participation on the part of the communities, and the AF would thus support strengthening the mechanisms for community/citizen engagement. The AF would earmark two windows of financing. The First Window (at least 80 percent of this component’s total cost) would expand the coverage to new enlarged communities to support the process of consolidation. The Second Window (up to 20 percent of the total component cost) would provide financing for second-generation subprojects in the consolidated communities that have already benefitted from Component 2 under the original SILD, SILD TF project, or USAID project as they would be given the opportunity for a second subproject of a different type. While the subprojects under Component 2 have so far been largely about purchasing of equipment for communal and agricultural services, the Second Window would prioritize subprojects of expanded typology, including subprojects focused on economic development, inclusion of energy efficiency solutions, etc. All participating communities—especially the second-generation participants—would be required to demonstrate enhanced participatory element as it would be expected to result in different types of proposals than the hitherto more usual and typical purchase of equipment for communal and agricultural services (details would be elaborated in the Project Operational Manual).

**Component 3. ATDF Institutional Strengthening and Project Management.** ATDF’s operating costs are funded at 30 percent by the World Bank under the SILD. This component would provide funding for the operating cost of the project after the funds allocated for that purpose under the original loan have been exhausted. It is expected that the remaining funds under the original project would be sufficient for the first 18 months of the AF operation starting June 2020 (if operating costs remain unchanged). Funds for training and study tours would also be allocated under this component, as well as additional analytical work and evaluations, including efforts to enhance community participation and citizen engagement. Gender gap analysis for defining existing gender gaps in social services would also be part of the activities under this component.

## E. Implementation

### Institutional and Implementation Arrangements

The overall implementation arrangements of the original project would be preserved. The coordination and guidance of the local self-government (LSG) reform is within the responsibility of the MTAI, while the project implementation is under the responsibility of the ATDF. The ATDF (formerly known as the Armenian Social Investment Fund—ASIF) has successfully completed three IDA-financed projects, including the ASIF III project with three additional financings, and has been implementing the SILD since 2015. The ATDF’s responsibilities include all fiduciary arrangements, such as financial management (planning and budgeting, accounting, financial reporting, external auditing, funds flow, and internal controls), and procurement. The ATDF also manages compliance of the project activities with the World Bank’s safeguard policies and has maintained a satisfactory track record in the environmental and social performance throughout the life of SILD. Although the project is driven by needs identified by communities, all financial management functions (including the funds flow) and procurement under the project would be implemented by the ATDF according to the approved SILD procedures. No involvement of community financial management and procurement systems is anticipated, as no funds would flow through communities.



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

Nationwide. The SILD AF will target vulnerable communities in all regions of Armenia.

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

Vera Dugandzic, Social Specialist  
Hmayak Avagyan, Environmental Specialist

**SAFEGUARD POLICIES THAT MIGHT APPLY**

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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	Yes	
Projects in Disputed Areas OP/BP 7.60	No	

**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:

Activities under the proposed AF are not expected to change environmental safeguards category of the original SILD nor



trigger new safeguard policies. Environmental and social risks associated with the AF are low and the majority of the subproject proposals are likely to fall under environmental Category B or C. Microprojects and subprojects to be financed under the AF will support rehabilitation or enhancement of small to medium size public infrastructure. Minor new construction may be supported as well. Microprojects and subprojects that are classified as environmental Category A and/or may potentially impact quality and/or quantity of water in international waterways will be filtered out through environmental screening and will not be supported.

Armenia is earthquake prone, which is a risk to the project investments and will be considered in the process of selecting microprojects and subprojects. The microproject and subproject proposals will be submitted and reviewed on a rolling basis, therefore they will not be known at the time of project appraisal. The Environmental and Social Management Framework (ESMF) updated for the purposes of AF establishes guiding principles of: (i) environmental and social screening of microproject and subproject proposals; (ii) identifying the expected impacts of microprojects and subprojects at their construction and operation phases; (iii) setting forth measures for mitigating environmental and social risks; and (iv) monitoring of environmental performance under the supported microprojects and subprojects.

OP/BP 4.12 Involuntary Resettlement is triggered on a precautionary basis as the type and location of new project activities under Component 2 are not yet known, and the type and scale of civil works and land acquisition are still to be determined. The Resettlement Policy Framework (RPF) prepared for the SILD remains relevant. Although no cases of land acquisition took place under the parent SILD, the policy is triggered on a precautionary basis as the type and location of subprojects are not known. Social infrastructure investments to be supported through microprojects under Component 1 will continue to be implemented on communal land in line with eligibility criteria which disqualify acquisition of private land (permanent or temporary) or resettlement. The RPF document has been updated by the ATDF to reflect the latest progress in the area of the environmental and social safeguards of the national legislation/regulations and AF components' activities. An updated RPF version was disclosed and opened for stakeholder feedback. Should any feedback or inputs be received, they will be updated and disclosed. Site-specific Resettlement Action Plans (RAPs) will be prepared and implemented prior to the commencement of works at any site where resettlement, land use or acquisition are required. No civil works are planned under Component 3.

Some irrigation schemes operated in Armenia abstract water from trans-boundary rivers and/or their tributaries. Discharge from a number of waste water collection systems enters surface water bodies that flow into international waterways. There is likelihood that SILD AF civil works on infrastructure intake or discharge water into international waterways. However the Project implementation will not cause measurable impact on the quality and/or quantity of water in trans-boundary water bodies because for water, wastewater and irrigation systems no new construction will be allowed and only those small to medium size rehabilitation works will be eligible for funding that do not affect design capacity of water intake/discharge of existing schemes. Therefore, while OP/BP 7.50 Projects on International Waterways is triggered, communication between the riparian states on the Project interventions is deemed unnecessary.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:  
No negative indirect and/or long term impacts are expected due to anticipated future activities in the project area. Improved operation of rehabilitated priority public infrastructure is expected to have a positive social impact on the beneficiary communities.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.  
Microprojects requiring land acquisition or resettlement have been excluded from Component 1. This will decrease social risks of the Project and simplify subproject preparation and supervision. However given the objective of



supporting potentially transformative inter-community socio-economic development projects under Component 2, a decision was made not to ban subprojects based solely on the likelihood of resettlement. If a subproject is otherwise eligible and well justified, but triggers resettlement, it will be handled in full compliance with OP/BP 4.12 on Involuntary Resettlement and a RAP will be prepared, as applicable.

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.

The Borrower revised the ESMF developed earlier during the preparation of the original Project for the purposes of AF. An updated ESMF was disclosed, opened for stakeholder feedback, finalized and re-disclosed by the Borrower and the Bank. The ESMF spells out procedures for environmental and social screening, review, and supervision of Project-financed activities, as well as mechanisms of reporting on the outcomes of environmental monitoring of subprojects. Based on the principles outlined in the ESMF, site-specific Environmental and Social Management Plans (ESMPs) will be developed, disclosed and consulted with local communities prior to commencement of works at any individual investment site. Environmental and social due diligence will be built into the general procedures of subprojects' selection, approval and monitoring and the Project Operational Manual will provide step-by-step guidance on this. Adherence to these procedures and implementation of site-specific ESMPs will be closely supervised by ATDF. Information on environmental and social safeguards performance will be fed into the integrated Monitoring and Information System and used in the process of portfolio management by ATDF. For microprojects and subprojects with reported environmental and social issues, corrective actions will be prescribed and closer field supervision will be planned.

The ATDF was created in 1996 with the World Bank's technical and financial assistance, to provide immediate support to the rehabilitation of local infrastructure and to enhance the living conditions of the poorest using a demand-driven approach and direct community involvement. Environmental and social management capacity of ATDF has been improved through: (i) the recruitment of environmental and social safeguards specialists; (ii) integration of environmental and social screening and monitoring into the general procedures of projects' review, approval, and supervision; and (iii) quality enhancement of environmental and social record keeping. Overall, no cases of major environmental non-compliance have been identified during implementation of the SILD, though there were some issues with work site safety and temporary management of waste, as well as with the quality of documented reporting on the environmental monitoring of operations.

As noted, no cases of land acquisition took place to date. Grievance Redress Mechanism (GRM) and all complaints handling procedures are in place. One of the three beneficiary feedback indicators is related to grievances: "Grievances registered related to delivery of project benefits that are actually addressed." However, no grievances have been registered in relation to any of the 120 microprojects supported under Component 1 and 5 subprojects under Component 2 since they were mainly focused on provision of civil works and equipment.

The environmental and social performance rating of the project has been between moderately satisfactory and satisfactory throughout the life of project. Maintaining environmental and social specialists in ATDF will be critically important for ensuring good environmental and social safeguards performance under the SILD AF.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

ATDF, beneficiary communities, and municipal governments will be the key stakeholders of the project. Updated ESMF and RPF have been made available to stakeholders through public disclosure and opened for feedback. Draft site-specific



ESMPs and RAPs, if required, will also be disclosed and discussed with microproject- and subproject-affected people prior to finalization.

The process of consultations with beneficiaries will take place in three levels: (i) public information and outreach campaign at the beginning of a microproject /subproject cycle; (ii) appraisal of microprojects/subprojects; and (iii) monitoring and evaluation to assess outcomes and results. All consultations will be gender-inclusive. Disclosure of project-related environmental and social information and consultation with affected communities will be the responsibility of the ATDF and Project Implementation Committees (PICs). ATDF will carry overall responsibility for meaningful public involvement throughout the microproject/subproject cycle. Beneficiary assessments, included in the monitoring and evaluation mechanism, will be used to obtain public feedback on the ongoing operations, including their environmental and social impacts.

**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	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
29-Nov-2019	5-Dec-2019	

**"In country" Disclosure**

Armenia, 29-Nov-2019

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

Date of receipt by the Bank	Date of submission for disclosure
29-Nov-2019	12-Dec-2019

**"In country" Disclosure**

Armenia, 29-Nov-2019

**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**

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

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

Is physical displacement/relocation expected?

No

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)

No

**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

**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?

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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

### World Bank

Ivan Drabek  
Sr Social Protection Specialist

### Borrower/Client/Recipient

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### Implementing Agencies

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**APPROVAL**

Task Team Leader(s):	Ivan Drabek
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**Approved By**

Safeguards Advisor:		
Practice Manager/Manager:		
Country Director:		

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