

**INTEGRATED SAFEGUARDS DATA SHEET  
APPRAISAL STAGE**

**Report No.: ISDSA17868**

**Date ISDS Prepared/Updated:** 10-May-2016

**Date ISDS Approved/Disclosed:** 16-Jun-2014

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Guatemala	<b>Project ID:</b>	P143495
<b>Project Name:</b>	GT Urban Infrastructure (P143495)		
<b>Task Team Leader(s):</b>	Augustin Maria		
<b>Estimated Appraisal Date:</b>	09-May-2016	<b>Estimated Board Date:</b>	08-Sep-2016
<b>Managing Unit:</b>	GSU10	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Sub-national government administration (100%)		
<b>Theme(s):</b>	Urban services and housing for the poor (70%), Other social development (30%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	45.00	Total Bank Financing:	45.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
International Bank for Reconstruction and Development			45.00
Total			45.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

The Project's Development Objective (PDO) is to increase access to basic urban infrastructure and services and to mitigate key risk factors of crime and violence in selected communities.

**3. Project Description**

The proposed Project aims to support increased access to basic infrastructure and social services that will contribute to improvements in quality of life, and to reduction of risk factors for crime and

violence in precarious urban areas within the municipalities that comprise the Mancomunidad Gran Ciudad del Sur (MGCS). The MGCS includes the municipalities of Mixco, Amatitlán, Villa Nueva, San Miguel Petapa, Santa Catarina Pinula, and Villa Canales. The Project envisages investing both in 'hard' infrastructure upgrades and 'soft' activities that would reduce risk factors to crime and violence, as well as improve quality of services accessible to citizens. The total amount of the Project will be US\$45 million, to be implemented over a 6 year period.

To achieve the PDO, the Project outlines eligibility criteria to identify the neighborhoods to be targeted by the Project; such criteria includes economic and social indicators, among others. The Project will be implemented in two phases. An inception phase will focus on implementing a pilot sub-project in each municipality and carrying out a comprehensive data gathering exercise that will enhance the ability of the Fondo Social de Solidaridad (FSS) to carry out the Project, in coordination with the MGCS and Ministerio de Gobernación (MINGOB). The second or main implementation phase will carry out the additional sub-projects through a demand-driven approach with significant community participation. Eligible neighborhoods will prepare proposals for financing on the basis of community-driven diagnosis to identify infrastructure needs and priorities as well as the main drivers of vulnerability. Proposals to be financed will be selected competitively and further developed with the FSS, MGCS and the relevant municipality to ensure consistency with municipal and regional development plans. The agreed neighborhood proposals - or neighborhood plans - which will include a combination of infrastructure works and social interventions for Project financing will be the main unit of analysis for costing and for safeguards assessment. The list of infrastructure works in each neighborhood plan will be packaged to be procured under one contract to simplify implementation, which should occur with community supervision and monitoring. Social and capacity building interventions would be provided in coordination with the infrastructure works and other agencies and/or ministries.

The Project will finance three components:

Component 1 : Integrated Package of Small-Scale Urban Infrastructure and Crime & Violence Prevention Interventions (US\$36 million): This component will finance integrated packages of small-scale infrastructure and crime & violence prevention activities for selected communities.

Component 2 : Technical Assistance for Capacity Building (US\$4.39 million): This component will finance technical assistance to strengthen institutional capacity of the municipalities, MGCS and the National Government.

Component 3 : Support for Project Operations, including Monitoring & Evaluation (US\$4.5 million): This component will support program management.

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

The sub-projects will be located in the 6 Municipalities of the MGCS, but the exact locations will not be known at the time of the approval. The Project design includes eligibility criteria for neighborhood participation, and proposals to be financed under Component 1 will be selected during implementation. However, because the Project will focus on rehabilitating infrastructure in poor urban areas, the communities targeted by the Project will likely be characterized by the informal occupation of public land and encroachment of private structures on the right of way of infrastructure subject to rehabilitation. Similarly there are risks of potential environmental and social impacts related to location of targeted neighborhoods in areas that can be prone to natural disasters

(landslides, flooding, erosion, etc.), protected or critical areas, or not suitable to sub-project development due to slopes, geological characteristics of the area, etc.

## 5. Environmental and Social Safeguards Specialists

Marco Antonio Zambrano Chavez (GEN04)

Martin Henry Lenihan (GSU04)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>This policy was triggered because of the type of works to be financed under Component 1 of the Project. The magnitude of the works and their negative impact are not significant, and can be easily prevented, mitigated and/or compensated with standard readily available measures. Following the Bank's Operational Policy the Project was classified "Category B".</p> <p>An Environmental and Social Management Framework (ESMF) has been developed to ensure adequate environmental and social management during Project implementation since the specific location of the sub-projects (works) to be developed are not presently known. A draft of this framework document was consulted upon prior to appraisal, and includes a summary of consultations with stakeholders. The ESMF includes 3 main instruments: a) Environmental Management Guidelines; b) Resettlement and Land Acquisition Guidelines; and c) Participatory Planning for Vulnerable Groups and Indigenous People Guidelines. The ESMF was prepared by the Fondo Social de Solidaridad (FSS) and the Mancomunidad Gran Ciudad del Sur (MGCS), with the support of the Bank's environmental and social specialists. The preparation of the ESMF was also coordinated with the Ministry of Environment and Natural Resources (MARN) to help facilitate the process to obtain the regulatory environmental permits required for the sub-projects.</p> <p>The environmental management during implementation will include community consultations, communicating with non-literate and non-Spanish speaking groups, ensuring vulnerable groups (women, youth, and ethnic minorities) are engaged in community consultation, and resolving complaints and conflicts surrounding sub-project selection and implementation. The participatory planning guidelines of the ESMF deal comprehensively with these issues.</p> <p>The responsibility of ESMF implementation lies with the</p>

		FSS as the implementing agency for the Project, in coordination with the MGCS. The Project Implementation Unit of the FSS will include an Environmental specialist and a Social specialist.
Natural Habitats OP/BP 4.04	No	This policy is not triggered. The majority of infrastructure investments will be in urban areas or peri-urban areas. Negative impacts to ecologically critical or sensitive areas are not anticipated.
Forests OP/BP 4.36	No	This policy is not triggered. The Project will not result in changes to the management, utilization, or protection of any forest areas. Thus, this policy is not triggered.
Pest Management OP 4.09	No	This policy is not triggered. The Project will not support the procurement or use of pesticides or other agricultural chemicals, or lead to the increased use of such chemicals. Thus, this policy is not triggered.
Physical Cultural Resources OP/BP 4.11	Yes	This policy is triggered because of the potential impact on cultural resources during construction, especially during movement of material. The ESMF includes Chance Find Procedures (CFP) as well as measures to screen for and manage potential impacts on cultural heritage or property that could be affected by neighborhood development plans.
Indigenous Peoples OP/BP 4.10	Yes	<p>This policy is triggered. Although the zones of intervention are highly urbanized, there is one indigenous community that has been incorporated into the urban space of the municipality of Mixco. The policy is triggered because traditional institutions continue to cooperate in the community, members of the community self-identify as indigenous, the traditional language is still in use, and there is a collective attachment to the territory by members of the community.</p> <p>As part of the ESMF, Participatory Planning Guidelines for Vulnerable Groups and Indigenous Communities were prepared, disclosed, and consulted with community representatives in order to comply with the Bank's requirements. This instrument is appropriate as the exact location of communities that will benefit from the project, will not be known prior to Project approval. Accordingly, these guidelines will serve as the indigenous peoples planning framework for the Project.</p>
Involuntary Resettlement OP/BP 4.12	Yes	This policy is triggered because the sub-projects to be financed by the Project may involve minor land acquisition or the removal of private assets encroaching on public land where sub-projects will be located. In participating Municipalities, target communities are likely

		<p>to be informally settled with unclear property boundaries and possible encroachment on infrastructure rights of way. Therefore, even if the Project does not require land acquisition or the displacement of residential households, it is possible that civil works will affect private structures encroaching or occupying public land.</p> <p>Disaster risk reduction measures will be limited to small-scale structural and non-structural measures, but will not include any significant collective resettlement.</p> <p>As part of the ESMF, Resettlement and Land Acquisition Guidelines have been prepared, disclosed and consulted with community representatives. The instrument includes robust criteria to screen for and manage voluntary land donations.</p>
Safety of Dams OP/BP 4.37	No	This policy is not triggered. This Project will not finance the construction of new, or rehabilitation of existing, dams. Thus, this policy is not triggered.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered. The Project will not finance activities that related to international waterways as defined in the policy. Thus, this policy is not triggered.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered. The Project will not finance any activities in areas subject to international disputes.

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p>
<p>The sub-projects to be supported under this Project will have a small physical footprint and no significant environmental negative impacts are anticipated. However, the zones of intervention are characterized by densely populated informal settlements, with potentially structures occupying the right of way to be used for linear infrastructure. It is also possible that the some sub-projects (e.g. community centers) may require the purchase or donation of land. Similarly, although the zones of intervention are highly urbanized, there is one indigenous community that has been incorporated into the urban space of the municipality of Mixco, where traditional authorities continue to operate. Given the small scale of these impacts, and the demand driven nature of the project, no large scale, significant or irreversible impacts are anticipated. The appropriate prevention, mitigation and/or compensation measures will nevertheless be put in place through the specific Environmental Management Plans (EMPs) or related instruments developed as part of the ESMF implementation, Resettlement Action Plans (RAPs), and Indigenous Peoples Plans (IPPs) at the level of sub-projects as needed.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p>
<p>Given the small physical footprint of the sub-projects and activities to be financed, and the demand driven approach taken by the Project, there are no significant indirect or long term negative impacts anticipated.</p>

<b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b>
Project alternatives will be considered during the evaluation of sub-projects at implementation stage.
<b>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.</b>
<p>The implementing agency FSS has prepared an ESMF, including environmental management guidelines, resettlement policy guidelines, and participatory planning guidelines, which will also serve as indigenous peoples planning guidelines where necessary (these last guidelines specify adaptations to the planning process in the case of indigenous peoples groups). Overall, the capacity of the FSS to implement these guidelines is limited, and it will be necessary to hire a dedicated Social Specialist and an Environmental Specialist to ensure effective environmental and social management during implementation. During Project preparation, the FSS has been supported by environmental and social specialists from the municipalities that are part of the MGCS. Training and capacity building workshops will be organized as part of Component 3 of the Project to ensure the MGCS' understanding of the application of the safeguards instruments. At the municipal level, implementation capacity is mixed, with the larger municipalities - Villa Nueva and Mixco - having a large environment and community development team, and a well-developed network of community participation councils (known as COCODES). However, some of the smaller municipalities will not have access to sufficient staff, so the Environment and Social Specialists of the FSS will provide additional guidance and support to these municipalities as needed during implementation.</p> <p>One issue that municipalities will face is financing constraints to pay for compensation for expropriation and associated resettlement costs. Therefore, it will be necessary to use funds from the Project to cover these costs. This has been incorporated into the Project design.</p>
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>
<p>Key stakeholders include the MGCS, its six member municipalities, the beneficiary community organizations, as well as the MARN as the environmental authority. Current mechanisms for consultation include Municipal Development Councils (COMUDES) which include representatives of community and civil society organizations, as well as Community Development Councils (COCODES). Safeguards instruments were disclosed in a multi-stakeholder workshop at the local level. During the consultation workshop, participants asked questions about the process of eligibility and selection of communities and sub-projects, as well as the timing of implementation. No comments/questions that required changes in the ESMF and its Guidelines were made. Participants included representatives of COCODES from the six member Municipalities.</p>

### ***B. Disclosure Requirements***

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	08-May-2016
Date of submission to InfoShop	10-May-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

"In country" Disclosure	
Guatemala	08-May-2016
<i>Comments:</i>	
<b>Resettlement Action Plan/Framework/Policy Process</b>	
Date of receipt by the Bank	06-May-2016
Date of submission to InfoShop	10-May-2016
"In country" Disclosure	
Guatemala	06-May-2016
<i>Comments:</i>	
<b>Indigenous Peoples Development Plan/Framework</b>	
Date of receipt by the Bank	06-May-2016
Date of submission to InfoShop	10-May-2016
"In country" Disclosure	
Guatemala	06-May-2016
<i>Comments:</i>	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

### ***C. Compliance Monitoring Indicators at the Corporate Level***

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes [ ] No [ ] NA [ × ]
<b>OP/BP 4.11 - Physical Cultural Resources</b>	
Does the EA include adequate measures related to cultural property?	Yes [ × ] No [ ] NA [ ]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [ × ] No [ ] NA [ ]
<b>OP/BP 4.10 - Indigenous Peoples</b>	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [ × ] No [ ] NA [ ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ × ] No [ ] NA [ ]
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 [ ] No [ ] NA [ × ]
<b>OP/BP 4.12 - Involuntary Resettlement</b>	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ × ] No [ ] NA [ ]

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Is physical displacement/relocation expected?  Provided estimated number of people to be affected	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] TBD [ <input checked="" type="checkbox"/> ]
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)  Provided estimated number of people to be affected	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] TBD [ <input checked="" type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
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 [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

### III. APPROVALS

Task Team Leader(s):	Name: Augustin Maria	
<b>Approved By</b>		
Practice Manager/ Manager:	Name: Niels B. Holm-Nielsen (PMGR)	Date: 12-May-2016