Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 07/27/2022 | Report No: ESRSC02929

BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
India	SOUTH ASIA	P177799	
Project Name	Gujarat Resilient Cities Partnership: Surat Resilience Enhancement Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	11/27/2023	2/16/2024
Borrower(s)	Implementing Agency(ies)		
India	Surat Municipal Corporation, Tapi River Front Development Corporation Limited		

Proposed Development Objective

To enhance urban flood resilience along the Tapi River in Surat and strengthen the institutional and financial capacity of Surat Municipal Corporation.

Financing (in USD Million)	Amount
Total Project Cost	280.10

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The proposed GRCP-Surat Project will support the Surat Municipal Corporation (SMC) in addressing key institutional, financial, and service delivery constraints to strengthen the resilience and sustainability in Surat in line with the urban sector partnership framework under the Gujarat Resilient Cities Partnership (GRCP).

In response to the climate resilience challenges that Surat faces, Surat Municipal Corporation (SMC) has proposed to implement a Tapi Riverfront Redevelopment Project (TRRP), led by the Tapi Riverfront Development Corporation

Limited (TRFDCL), with the aim to improve the living conditions and access to services, flood risk management, and economic development opportunities along the urban banks of Tapi River. SMC has prepared a draft conceptual master plan for the TRRP, including river restoration, improvement and beautification activities, that spread along 33.6 km on each side of Tapi river between the existing Kathore Bridge to a newly proposed barrage downstream of the existing barrage; connecting Rundh and Bhata villages. TRRP is expected to construct new embankments where required as well as inspect and strengthen embankments and dykes already existing on the riverfront while making space available for increased economic, recreational and cultural activities. These activities are proposed to be implemented in two phases: Phase I, an around 10 km river stretch along both banks between the proposed barrage (connecting Rundh and Bhata) and the upstrem existing Singanpor weir; and Phase II, the remianing 23 km river stretch along both banks upstream from the Singanpor weir to the Kathore bridge. Through these interventions, the SMC expects to reduce the city's flooding risks and beautify the cityscape to induce recreational and commercial activities, as well as prevent saltwater intrusion through the construction of the proposed Barrage (to be financed by SMC separately, i.e. non-World Bank financing). The proposed GRCP-Surat Project will implement Phase I of the TRRP between the proposed Barrage near Rundh and the existing Singanpore weir, and intends to set the technical, quality, legal, aesthetic, and E&S practices benchmarks for the following phase to follow, whether or not this is financed by the World Bank.

The GRCP-Surat Project will aim to bring in international good practices in urban riverfront development and resilient infrastructure service delivery including concepts like: (i) interventions needed to make "room for the river", while ensuring the livelihood of residents; (ii) incorporating shared spaces along the riverbanks for the river and for people, guided by ecological thinking; (iii) an inclusive development approach with proactive and continuous stakeholder engagement to define the multiple uses of spaces; as well as (iv) a sustainable financial and operational model to help the SMC, including through TRFDCL, manage its infrastructure assets and sustain effective and efficient service delivery in the long run. Public spaces along the river will be treated as a city public good and will get a careful, site and community specific programming and participatory design, that attends to neighborhood needs and cultural practices. The output of the investments will not only enhance the flood risk management capacity of the city and improve the living conditions of the residents, but also enhance economic development opportunities for both the public and the private sectors.

The GRCP-Surat Project suggests interventions under three complementary pillars. The institutions pillar focuses on strengthening inter-departmental coordination and building the capacity of SMC and TRFDCL for planning, budgeting, and managing resilient urban infrastructure and service provision; the finance pillar focuses on strengthening the investment planning and financial management systems, enhancing the revenue base, expanding access to finance in SMC, and supporting the TRFDCL to create a feasible and sustainable capital structure and revenue model to implement TRRP; and the service delivery pillar focuses on improving flood risk management, catalyzing economic development, and improving the livability of residents through planning and execution of selected prioritized investments. To this end, the project comprises the following components:

Component 1: Institutional Strengthening on Resilience Planning
- C1.1: Capacity building for SMC: (i) technical assistance for an integrated water basin management for the Tapi River; (ii) review and update of the drainage master plan for the city; and (iii) update of the existing Urban Resilience Strategy, including actioning and implementation through multi-departmental coordination; (iv) a cultural heritage management study towards more inclusive use of the Tapi riverbanks; v) integration of a network of enhanced public

spaces connecting the city with the new public spaces created on Tapi riverbanks; and (vi) integration of updated mobility plan with the urban development plan.
- C1.2: Strengthening of the TRFDCL: (i) strengthening the institutional and governance structure of the TRFDCL; (ii) developing a capital structure and a revenue model to ensure effective, efficient, and sustainable implementation of the TRRP; and (iii) strengthening the operational systems of the TRFDCL.

Component 2: Municipal Finance Improvement
- C2.1: Enhancing overall performance on municipal finance of SMC, including technical assistance to help the SMC improve its capacity, systems, and practices in financial management, including towards integrating climate strategies, plans, and policies in fiscal and public financial management, as well as climate budget tagging for resilient urban development investments.
- C2.2: Improving revenue performance of the SMC, through: (i) updating the tax base by using GIS-based surveys, geotagging, etc. and improving collection efficiency; (ii) strengthening land value capture (LVC) receipts to augment capital income; and (iii) improving the management and mobilization of real estate assets owned by the SMC.

Component 3: Resilient Urban Infrastructure Investments
- C3.1: Tapi riverfront redevelopment investments proposed in Phase I of the TRRP, including: (i) flood risk control and resilience enhancement through a combination of grey infrastructure (engineered solutions and embankments) and green infrastructure (nature-based solutions); (ii) improvements and rehabilitation of drainage and sanitation infrastructure investments to improve water conservation and river pollution control; (iii) public space enhancement and land redevelopment to increase the amenities and economic opportunities for the residents and business owners along the riverfront.
- C3.2: Selected supplementary resilient infrastructure investments, namely, small additional investments that are essential, but are currently not proposed under the TRRP, such as additional drainage connections, access roads/mobility, etc.

Component 4: Project Management and Operation, including the operational cost for implementing project activities, development, and implementation of environment and social (E&S) instruments, project reporting, monitoring and evaluation, as well as a project management consultancy, if needed.

Under Component 3, the proposed Project will aim at building a “Safer Surat”. Implementation of this component will aim at minimizing damages during times of flooding resulting in less risk to people and infrastructure, and ensuring that there is ample room for flooding and river adjustment to occur where the opportunity may exist. It also means that flood recovery may be less expensive and may get people back on their feet more quickly than in past flood events, and becomes a way of helping people and communities live with and plan for flooding. Given that the city of Surat has taken multiple measures in the past to increase flood resilience, the TRRP will focus on putting in place measures that are effective and may include strengthening of existing measures as well as implementing additional measures. This would be explored within a three-pronged approach of grey infrastructure interventions, nature-based solutions, and soft measures leading to increased resilience of the population to river flooding. This approach is expected to arrive at a solution that achieves a harmonious balance between interventions on flood protection, urban ecology and urban riverfront amenity provision.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

Located in the western coast of India on the Tapi river mouth, Surat is the second largest city in Gujarat and the eighth largest in India, with a population of nearly five million. It is among the fastest-growing Indian cities, with a ten-fold population growth in the past four decades, which pressured the city to expand its urban footprint and administrative boundaries by almost ten-fold. Surat has experienced tremendous economic development with industries like diamonds, textiles, and chemicals in the city and the nearby Hazira area near the coast.

The average annual rainfall (90% from monsoon) in Surat city is around 950-1200mm, while the city depends on the Tapi River fed by rains in its upstream catchments. Tapi is a national waterway (NW 100), a perennial river originating in the Indian State of Madhya Pradesh. The river bifurcates the city and runs for nearly 20kms from city center to join the Arabian Sea at the Gulf of Khambat – a designated Critically Vulnerable Coastal Area (CVCA). The River and its banks are under notified Coastal Regulation Zones up to Singanpor Weir from the coast where salinity is experienced. SMC constructed a weir across river Tapi at Singanpor to ensure water supply to Surat city and the industrial belt at Hazira. Downstream for the weir, the river is mostly a narrow stream till it reaches the sea during non-monsoon (8) months. SMC proposes (contract awarded recently to design and build) a new reservoir downstream of the existing Singanpor weir to create freshwater storage of a capacity of 19.172 MCM to meet the city's future water demand, reduce salinity ingress, and hold the water at the riverfront. Surat has been exposed to climate risks of extreme heat, erratic rainfall, and sea level rise, as well as major fluvial and pluvial urban flooding. Most notably, as the city continues to grow, the Tapi River (which is the lifeline of Surat) has also become a threat to the living conditions of residents due to periodic flooding and increasing water pollution from the discharge of untreated wastewater. In the last four decades, five major floods in 1979, 1990, 1994, 1998 and 2006 have devastated the city. The 2006 floods inundated 75 per cent of the city, with a very high cost to the population, and economy. As climate change is expected to increase the frequency of these floods and associated water shortages, there is an urgent need for integrating climate change-related risk management in Surat's urban development agenda.

The dynamic river at the end of its course brings the saline tidal backflows to Surat city up to the Singanpur weir. The river faces challenges like the discharge of contaminated sewage and drainage from channels and storm water outfalls, water management issues after the construction of the weir, deposition of water hyacinth, tidal backwaters downstream of the weir, marginal or no flow condition of the river carrying wastes/wastewater, foul-smelling riverbanks, unplanned embankments, and multiple unplanned agricultural/commercial landuses along the riverbanks. Surat lies in a vulnerable zone with high climate and geohazard risks (seismic zone III (IS 1893:2002)). The city has a significant migrant population who are mainly employed in the diamond cutting and textile industries. These migrant workers and their families are characterized by poor living conditions, lack of political voice and representation, and lack of access to public services, unlike those enjoyed by other city residents.

D. 2. Borrower's Institutional Capacity

Gujarat Government's Urban Development and Urban Housing Department (UD&UHD) is the nodal department for the GRCP framework at the state level. SMC is proposed as implementing agency for city-level activities, while the TRFDCL (the SPV created for Tapi River Front Redevelopment) is proposed as the implementing agency for the riverfront investment. SMC will be responsible for overall project implementation, monitoring, reporting and coordination, and will coordinate with TRFDCL as necessary. SMC does not have prior experience working on a World Bank-funded project of this nature following ESF/Safeguards. SMC has in-house engineers / environmental engineers

who mainly oversee the implementation of projects, and getting required regulatory clearances/permits. However, SMC does not have any in-house full-time social experts to handle issues related to gender, social exclusion, stakeholder consultation, community health, and safety or resettlement/livelihood impacts.

SMC will have a Project Management Unit (PMU) and the TRFDCL will have a Project Implementation Unit (PIU) under GRCP-Surat. PMU and PIU will leverage the existing capacity of SMC and TRDFCL and hire additional experts and consultants, where necessary. E&S experts and consultants, shall ensure timely preparation of E&S instruments, and provide implementation support and oversight.

Surat is a member of the 100 Resilient Cities Network. Besides the challenges in implementing and managing the Tapi Riverfront Redevelopment Initiative, their experience in environmental and social aspects of projects is low to moderate. The capacity of the implementing agencies/departments to implement and monitor E&S aspects including Occupational Health and Safety and Community Health and Safety will be reviewed comprehensively during the preparation stage. Based on an institutional assessment of the SMC & TRFDCL during project preparation, the project will identify the key weaknesses in the institutional capacity for the overall project. Technical assistance and capacity-building activities will be proposed accordingly to address these weaknesses and improve the capacity of the SMC & TRFDCL on E&S to ensure the successful and sustainable implementation of TRRP. The composition of the PMU, PIU and implementing departments and capacity assessment to identify required institutional arrangements for E&S management of all subproject activities in different sectors and reporting will be undertaken as part of project preparation. The findings will be incorporated into the E&S documents of the project.

The SMC will have to engage with multiple stakeholder agencies and departments at the National, State, and city levels that will be involved in the project given its nature, including SMC, Surat Urban Development Authority, TRFDCL, Water Resources Department, and various Dam management authorities, Coastal Zone Management Authorities at National and State levels, Archeological Survey of India (in case any permit is required with respect to any protected monument) various state level and city level departments, agencies. National Green Tribunal has also intervened in pollution prevention and demarcation of Red and Blue lines in the Tapi River. Coordination among these agencies of varied mandates, capacities, and priorities will be challenging and will need dedicated efforts and human resources in both SMC and TRFDCL for timely preparation and implementation of the required environmental and social documents.

Overall, the country has a robust legal and regulatory environment that takes care of potential environmental and social risks and impacts of proposed developments including Environmental Protection, Environmental Assessment, Dam Safety, Water, Air, Noise Pollution, Management of Wastes, Labor Management, Social Protection, Indigenous People's Development, Biodiversity, Coastal Zone Management, cultural heritage, and Occupational Health and Safety.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) — High

Environmental Risk Rating — High

Though during the non-monsoon months Tapi river stretch receives lean flow after the Singanpor weir, from where Phase 1 will be implemented, tides and salinity ingress from the coast keep its coastal nature alive (estuarian character, which might be lost once the new barrage is constructed to prevent salinity intrusion). The river and its banks are designated coastal zones. Mangroves are observed in multiple patches in and along the river edges. As per India's Coastal Regulation Zone (CRZ) Notification 2019, the tidally influenced Tapi River downstream of Singanpor weir has CRZ IA (CRZ-IA areas are environmentally most critical; here it is Mangroves and their buffers), CRZ-IB (Intertidal areas), CRZ-II (in developed land)), CRZ IV B (River Bed) areas and the river empties into the designated CVCA of the Gulf of Khambat near Kidia Bet (Hazira mangroves - designated Eco-Sensitive area) which are demarcated for the entire coastline of India as part of the World Bank supported Integrated Coastal Zone Management Project (ICZMP - P097985). Parts of the project will be implemented in CRZ areas along the stretch from Singanpor weir to proposed Barrage. Activities under Component 3 such as flood risk control and resilience enhancement through a combination of new grey infrastructure (engineered solutions and embankments) and green solutions (nature-based) refurbishment of 'Ovaras' (heritage wharves), Ghats, boating facilities, modifications to existing PALA Yojana (or flood protection works – gabion walls, retaining walls along some stretches), clearing of vegetation, landscaping, desilting, and de-weeding may be required which may disturb biodiversity, their habitats, and disrupt their movement routes along the sensitive CRZ Zones along the river edge. Direct/indirect, long term, irreversible adverse impacts of the Project are: (i) changes to the landuse (from a natural river/estuarian edge in most parts to a constructed edge throughout and land profile (cutting and filling for embankments to raise the river edge), (ii) works and activities proposed in sensitive notified Coastal Regulation Zones (CRZs)/Riparian Zone and possible spillages (silt and construction wastes, safety) into the river and pollution and safety impacts, such as impacts on carrying capacity, flood levels and resilience, cumulative pollution levels, which affects traditional activities such as fishing, sand mining, recreation, boating, and coastal biodiversity including mangroves, fishes, other species and dependent lives; (iii) changes to the CRZ/riparian zone due to construction of engineered solutions & embankments and green solutions, strengthening existing embankments & dykes, (iv) release of treated water and wastes due to increased activities and works on to the river / ponded water (depending on the time of construction / completion of barrage works), proposed drainage and sanitation improvement works, (v) siltation and accretion impacts elsewhere due to modified structures / green interventions along the river edge, all of which (vi) have suffered from long-term impacts and risks from the sustained and cumulative urban encroachment into the river bed and flood planes, interventions / modifications of river natural flows and sediment loads, catchment disruptions at the watershed level, conversion of riparian and estuarine habitats, and displacement of traditional economic activities and cultural practices, among others. During construction stage and operations, Safety is a concern for the works, workers, and communities due to the existing weir which may be impacted by heavy monsoon flow from upstream Ukai Dam, and the proposed barrage (which will act as a barrier against tidal actions from the dynamic coast) in the estuary are also high. These expected E&S risks and impacts in addition to the low-to-moderate capacity of SMC/ TRFDCL to plan and manage these environmental risks render the environmental risks 'High'.

Social Risk Rating High

At this stage, the social risk of the project is classified as "High" based on the planned infrastructure development works in densely populated urban areas that will require land to be permanently acquired or temporarily used to implement project activities. The activities will adversely affect the assets and livelihoods of city residents. Within the proposed project's physical boundary, it is estimated that there is privately owned land and government land. There are settlements along both banks of the river. There are also likely to be livelihoods-related impacts on others like street vendors operating along the river bank, vendors at large weekly/ Saturday markets on Tapi banks as well as impacts on fishermen, prawn farmers, agriculture farmers, cattle rearers, washer-folks and residents of informal

settlements located near or accessing the river in their daily life. Overall, there will be significant impacts on current land use in the project area with the likelihood of land acquisition and large-scale economic and physical displacement of non- titleholders (squatters and encroachers who occupy stretches of public land/RoW). However, the exact impacts on land will be known once the SMC conducts an assessment of the land needs for the planned infrastructure and the potential adverse impacts during the preparation of the project. The "High" risk rating is also based on the following factors- a) large influx of non-local labor at the construction sites, especially concentration of labor at the construction sites and their impacts on neighboring communities, b) adverse impacts on community health and safety during the construction phase; c) potential impacts on downstream communities; d) Impacts on tangible and intangible physical and cultural assets of the city, including religious structures, heritage buildings, burial or cremation grounds located in the corridor of impact; e) potential adverse impacts on vulnerable people including residents falling under Scheduled tribes; and f) weak borrower capacities concerning E&S management including handling resettlement impacts, citizens engagement, and handling GBV- SEA- SH related risks. Finally, engagement of multiple agencies and departments at the National, State, and city levels will pose a risk of coordination among these stakeholder agencies. In short, the social risks are expected to be large-scale, scattered across the river bank, and difficult to predict. This risk rating will be further assessed during preparation as investments become clearer.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

The project activities are expected to have adverse social impacts due to potential land acquisition, physical and economic displacement of non-title holders and land users, labor influx, involuntary resettlement, CHS/OHS-related impacts, GBV, SEA- SH risks, etc. These adverse impacts could be more severe for vulnerable and marginalized groups.

Expected cumulative, direct/indirect environmental risks and impacts include long-term irreversible changes to the biophysical environment including land use, land profile, changes and impacts on CRZ areas up to the coast, changes to estuarine and riparian zones due to new construction or strengthening of embankments or green interventions for flood resilience, siltation and accretion impacts, pollution due to newly induced activities and cumulative effects with existing (sewage, wastewater, industrial effluents, wastes) pollution and resultant impacts on biodiversity. Mostly reversible construction and O&M stage key risks and impacts could be grouped as (i) work-related pollution, (ii) generation of wastes, weeds, sludge, silt, and wastewater, excavated soil, (iii) pollution and safety impacts on heritage sites, existing activities, and infrastructure along the river/banks, (iv) health and safety risks including dam safety and disaster-related aspects, (v) possible less water availability at the riverfront, stagnation, resultant pollution load (vi) disturbance and fragmentation risks on river biodiversity/habitats due to the works at the river edges/riparian zone. During preparation, SMC will update the TRRP Concept Plan, with technical support from various studies which will be carried out by the Bank (various hydrologic, hydraulic, capacity building, and other studies to design / modify the interventions) and E&S considerations shall be dovetailed in all studies.

SMC in coordination with TRFDCL will conduct an Environmental and Social Impact Assessment (ESIA) of the entire Tapi Riverfront Redevelopment Project (TRRP) as described in the draft conceptual master plan that spread along

33.6 km on each side of Tapi river between the existing Kathore Bridge to a newly proposed barrage connecting Rundh and Bhata villages (to be implemented in two phases). The ESIA will include a chapter on cumulative impacts of the TRRP based on a rapid cumulative impacts assessment (CIA) that will focus on project impacts together with the anticipated impacts of other existing and planned projects on condition of Valued Environmental Components (VEC). The ESIA will also include a Biodiversity Management Plan (BMP) as well as Cultural Heritage Management Plan (CHMP). As part of the ESIA social baseline and impact assessment, the vulnerable and disadvantaged households will be identified and measures will be proposed on how adverse social impacts on these constituencies will be managed and mitigated. These instruments will also propose how these groups will benefit from improved riverfront infrastructure.

Based on the impacts identified during the ESIA process, the client will prepare a generic ESMP outlining E&S screening procedures and exclusion criteria (to avoid subprojects with significant residual impacts if any) and guidance on measures to avoid, minimize and mitigate adverse environmental and social impacts, including but not limited to measures to manage sub-project's contribution to cumulative impacts and risks. The ESMP will also include guidance on preparation of other E&S instruments for subprojects which may not be part of TRRP. Furthermore, as part of the ESIA, the vulnerable and disadvantaged households will be identified and measures will be proposed on how adverse social impacts on these constituencies will be managed and mitigated. These instruments will also propose how these groups will benefit from improved riverfront infrastructure and support filling the gender gaps in the workforce of the SMC.

Additional instruments to be developed by the borrower as part of preparation will include, Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMPs), Resettlement Policy Framework (RPF), and sub-project specific Resettlement Action Plans (RAPs), as relevant. Both the SEP and RPF will cover the entire TRRP (phase I and II spread over 33 km), while sub-project instruments will be limited in scope and prepared as the details of such project become available.

The project's Environmental and Social Commitment Plan (ESCP) will specify the need the PMU/PIU to develop the required capacities to manage environmental and social project activities and proposed TAs and requirement for the Borrower to implement sub-project level impacts assessment (as needed), and prepare their mitigation and management plans for implementation during the project cycle. All assessments and their recommended mitigation actions (including completion of resettlement and disbursement of compensation) will need to be completed before the commencement of physical /civil works. For this, the Borrower will need to ensure that all required mitigation and management measures expected to be undertaken by the contractors appropriately are included in standard bid documents and implemented.

SMC will disclose the draft ESIA/ESMP, and draft sub-project E&S instruments as they become available, to receive feedback from stakeholders. SMC will organize consultation meetings with relevant stakeholders on these draft report and plans which will be finalized incorporating stakeholders' suggestions, prior to presentation to the World Bank for clearance.

The Terms of Reference (ToRs) for Technical Assistance (TA) and studies will incorporate the need to comply with the requirements of the relevant ESSs and guidance on good international environmental and social management practices.

Areas where "Use of Borrower Framework" is being considered:

The project will apply the Bank's Environmental and Social Framework (ESF) and its Environmental and Social Standards (ESSs) in addition to ensuring compliance with regulations at the National and State levels related to environmental and social aspects. Borrower frameworks will not be pursued for this project.

ESS10 Stakeholder Engagement and Information Disclosure

Investments under component 3 will have a significant footprint and will impact almost all the localities and social groups/ communities in Surat. The existing client capacities for citizens/ stakeholder engagement are weak. There are no precedents where a systematic large-scale survey has been rolled-out to seek feedback and suggestions from the community in the preparation of City Master Plans or during the designing of TRRP. Thus, stakeholder engagement is a very important aspect of this project.

Among those directly impacted and most vulnerable to adverse impacts will be a) owners whose land is acquired, b) hawkers/street vendors, encroachers/ squatters living/using the land that will be developed, b) migrants, poor, women-headed households, SC/ ST communities who usually reside in slums or unplanned settlements located in hazard-prone areas that will be developed by the Project, c) residents and business whose taxes may be regularized and/or increase (under component 2) and d) residents and other communities (fishing, washer, aqua-culture) that access Tapi river for livelihoods and for other social, cultural and economic purposes.

Special attention will be paid in the SEP to engage with particularly vulnerable and disadvantaged constituencies like urban poor, migrants, single women/ women-headed households, socially marginalized communities to ensure equitable access to program benefits and positive distribution of impacts on these stakeholders. These engagements shall be treated as a two- way meaningful consultation to disseminate project related information, provide prior intimation about works and possible inconveniences, seek support and cooperation, apart from receiving feedback and suggestions on ways to improve project planning and design to optimize social and program benefits and reduce risks and adverse impacts. Other stakeholders would include elected representatives, other line agencies within the SMC, CSOs, NGOs, activists and media groups (print, electronic, social), as well as the archeological/cultural heritage department and environmental/estuarine and river protection conservation groups (NGOs) and academia . They will be engaged to seek inputs during the project design and implementation.

The Borrower will design an inclusive engagement process for the likely project stakeholders and prepare a comprehensive Stakeholder Engagement Plan (SEP) to identify and map all the key stakeholders, the requirements for their engagement, their own engagement needs and expectations, and how they need to be engaged for seeking feedback and suggestions through the project cycle. The SEP will also spell out the stakeholder specific engagement strategies proposed to be deployed and how their suggestions and feedback will be looped in to inform the project design and implementation strategies. The SEP will propose formation of a two or three-tiered Grievance Redress Mechanism (GRM) for the Project. The project GRM will utilize SMC's existing grievance redress system to the extent possible. Any Project related grievances, raised by the citizens, affected persons, or any other interested parties will be addressed by the GRM. The GRM will be SEA/SH sensitive and will include protocols to address SEA/SH related complaints. Any grievances or issues on SEA/ SH would be reported where survivors feel safe and encouraged to come forward. Qualified non government organizations would be roped in as service providers. A Standard Operating Procedure will be developed which will establish a clear and transparent SEA/SH reporting and referral

system that is aligned with project grievance mechanism procedures so that survivors know to whom they should report; what the grievance management process entails; and what services they can expect to receive from the health, legal, psychosocial, security, and other sectors when accepting the referral made by the GM operator.

The SEP covering the entire TRRP (33 km) will be prepared and disclosed before appraisal and will remain a 'live' document. It will continue including additional stakeholders, impacts on them and their needs for engagement, spell out the mobilization, and the communication strategy for engaging with them through project implementation. The output of this exercise will be captured in a stakeholder matrix defining the perceptions and expectations of each stakeholder category and will be tracked through the project cycle. The ESCP will also include conditions for updating the SEP, as required, during project implementation. During the project implementation, further consultation with the communities will be carried out and included in the SEP which will also provide mechanisms to incorporate stakeholders' concerns and suggestions in the project implementation in a continuous manner and ways to engage them during the project implementation.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

ESS2 is relevant. The project will involve direct workers (government employees at the Department of Urban Development and SMC and TRFDCL deputed full time to the Project professionals or subject matter specialists engaged from the market for different technical areas at PMU/PIU); contracted workers engaged in construction work and consultancy services (contractor staff, firms engaged in the preparation of E&S, technical documents, DPRs); and primary supply workers (vendors of different construction material). The project does not envisage the involvement of any community workers at this stage. However, once the project preparation advances, if green solutions like community based afforestation are included in the project activities, community workers may be engaged.

Given the reliance of the state on non-local labor in the construction sector, the Project is expected to have a high reliance on non-local labor in meeting labor requirements during the implementation phase. Large scale labor influx is expected at certain construction sites, which can have adverse impacts on local communities, vulnerable workers like women, migrants and risks of involvement of child labor.

The construction sites will require setting up of labor camps and developing detailed labor-management procedures (LMP) for camp and worksite management and managing risks related to GBV and SEA/SH. Considering the pandemic related precautions, the LMP will need to be informed by COVID 19 considerations and necessary COVID protocols observed at the construction sites and the labor camps. The LMP will include an assessment of potential labor-related risks; an overview of labor regulations, policies and procedures; mechanisms to prevent GBV/SEA/SH and harassment including sensitization of workers to the labor Codes of Conducts (CoCs), contract terms and working conditions; age regulations; the mechanism for handling labor-related grievances; and other requirements of ESS2 to ensure a safe environment for workers and communities.

The Project-specific LMP will include (i) identification of potential risks and hazards for workers (ii) provisions and enforcement of preventive and protective measures (iii) training of workers and maintenance of training records (iv) documentation and reporting of accidents and incidents (v) remedial and corrective actions (vi) emergency prevention and preparedness and response arrangements; vii) Prohibition of child labor, forced labor, or any type of discrimination based on socio-economic characteristics such as cast, gender, religion or sexual orientation, etc; (viii) remedies for adverse impacts such as occupational injuries, deaths, and disease. Periodic site review and audit will be made mandatory to ensure compliance with ESHS procedures, and ix) required standard for Workers Accommodation aligned with good international industry practices as those described on IFC-EBRD Workers' Accommodation: Process and Standards (2009)

Consistency between LMP and the Bid documents will be ensured for effective contractor management to ensure clarity on the contractor responsibilities related to labor engaged for the project.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS 3 is relevant to the project. Sub-project activities and exact locations involving the riverfront development, improvement, and construction of wastewater/drainage, roads, and other infrastructure facilities are largely unknown at this stage. Proposed development presents opportunities to integrate resource efficiency and pollution management aspects during the design, implementation, and O&M stages. It is important to build in green alternatives, energy/fuel, water, land, and other resource efficiency features and alternate technologies to ensure sustainable development and operations of services/facilities to enhance health and safety.

From a resource efficiency perspective, the project and sub-project level ESIAs will include considerations for energy efficiency, water use efficiency, harvesting and using of storm water/rain water, and raw material usage consistent with ESHS, and the borrower will adopt measures to optimize energy, water, and raw material usage, to the extent technically and financially feasible. Resource efficiency measures should be analyzed as part of the ESIA including the need and availability of the resource, use of available natural light and ventilation, and technologies such as the use of renewable energy sources / green fuels, energy-efficient pumps, use of solar power, and energy-efficient fixtures. Minimal use of raw materials and reuse/recycling of construction and demolition wastes (C&D), and reuse and recycling of material (especially for the expected extensive cutting/filling for embankments) and wastes with a focus on the circular economy will be ensured. Water use efficiency will be incorporated in all project activities through minimizing runoff and ensuring water harvesting, green roofs, sponge city concept, 'room for the river', protection of existing water sources, flood management and water conservation, efficient features in fittings, and recycling/reuse of storm water and treated wastewater.

Construction stage risks and impacts of Pollution that can be minimized and managed through proper design and mitigation measures include: (i) impacts on the water environment due to polluted wastewater/sewage, material storage, and runoff, (ii) work and machinery related to noise, vibration, light, water, dust, air (emissions), land pollution and disturbance to heritage, fauna/flora (terrestrial, riverine), and communities; (iii) liquid and solid wastes, construction and demolition waste (including from already polluted/contaminated sites of the city), hazardous wastes (eg: asbestos), batteries and e-waste (eg: solar panels, electronic equipment), (iv) labor camp-related pollution, (v) pollution during disasters, accidental spills, (vi) cutting, filling and management/disposal of the soil.

O&M stage pollution risks and impacts that may be mitigated and managed include (i) activity spill-overs into the river and resultant pollution (eg: light, noise, vibration, fuel, materials, wastes) especially from evening to midnight (nightlife), (ii) sludge, wastes (C&D wastes, silt, solid waste and plastics, e-waste, hazardous wastes, weeds), backwash water, treated or untreated storm water and sewage, (iii) pollutants from the riverfront impacting the stagnant water between the existing weir & proposed barrage due to shortage of release from upstream Dams or delayed-release from the downstream barrage and its possible visual, health (eg: vectors), environmental issues (eutrophication, odor, and impacts on biodiversity), (iv) impacts on heritage areas along the river due to waste/wastewater. The actual nature and magnitude of impacts/risks will be described in the A-ESRS once the ESIA process is completed and there is more clarity on project activities.

For pollution prevention and management, the project will ensure the prevention of the release of pollutants to air, water, and land due to routine, nonroutine, and accidental circumstances. Multiple pollutants are entering the river – wastewater, industrial effluents, and solid wastes, from the city, through the canals, and directly from the landuses along the river edge (like Sunday and Saturday - 'Ravivari' and 'Shanivari' Markets). Comprehensive water, wastewater, and waste planning are important for achieving the objectives of riverfront development. Disposal of these into the stagnant / ponded water of the riverfront and beyond will have an impact on the quality of the river water, and the health of the city, especially since water availability at the riverfront will be low during non-monsoon months. The river in many stretches shows the presence of weeds like E. Crassypus which indicates pollution. Loss of topsoil for land modifications/excavations, and disposal of construction and demolition wastes and excavated soil including probably contaminated/polluted sites, and materials such as asbestos, waste piles, and others that may be present is also important as it may impact low-lying areas, or the river if disposed of improperly. ESIAs/ESMPs will guide incorporating all required pollution management measures in line with ESS 3 requirements including during construction, operations and maintenance stages. Pollution mitigation measures will adopt the standards in WBG EHSG and/or national legislation, whichever is more stringent.

ESS4 Community Health and Safety

ESS4 is relevant. The Health and safety of the communities are important during project implementation. Community health and safety risks and public inconvenience due to infrastructure development, material transport, storage, construction, and maintenance activities, are relevant considerations for this project. The ESIA and sub-project specific E&S instruments will assess the risk to communities during the pre-construction stage (eg: inconvenience, noise, disturbance to activities and existing facilities in the proposed project area, and in the river, and pollution due to construction, transporting, and storing of materials and labor), pedestrian-vehicular conflicts and disturbance during construction, and all other community health and safety issues. The site-specific ESMPs will propose management measures following the mitigation hierarchy, such as emergency response measures which will be incorporated into LMP and Project Operational Manual (POM) as relevant.

SMC will be required to consider all community-related health and safety risks identified in the ESIA and include necessary mitigation plans including traffic management plans, community health and safety plan etc. SMC along with the contractor will have to prepare a traffic management plan, community health and safety measures, and emergency response preparedness to mitigate all possible health and safety risks during the construction and operation phases as part of C-ESMPs

Dam Safety: The (a) status of all the Dams/barrages/weirs, (b) the structural conditions and safety impacts of these structures on the project (especially, as the barrage which has been just awarded for design & implementation will come up fully only after the duration of this project) and communities, (c) assessment of flood risk, and (d) preparation of required mitigation/management measures and Emergency Preparedness Plans as per ESS 4 will be carried out before the implementation of works.

During the preparation of the project, an assessment of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) will be conducted following the World Bank's Good Practice Note on this issue. The SMC will prepare an Action Plan to mitigate SEA/SH risks caused by project activities.

Assessment of required COVID-19 Protocols for all staff, directly and indirectly, involved in the project will be assessed as part of the ESIA and site-specific ESMPs (at project and sub-project levels).

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is relevant. At this stage, the land requirement for the project is not fully defined. As the preparation advances the specific land requirements will be known, as will be whether public/ municipal land is available for those requirements and whether private land will need to be acquired. Based on the limited information provided in the master plan, it is estimated that the project's physical boundary will require 249.2 ha of land that is currently privately owned, which is equivalent only to about 8% of the total land needed by the project. The remaining 92% of the land is categorized as different types of land owned by the government and/or ownership to be determined. However, most lands are marked by heavy settlements along both banks of the river.

To the extent possible, the project will try to get encumbrance-free government land, and only in case of non-availability will it procure private lands. Client will use best efforts to negotiate land from private owners offering market replacement values, and eminent domain will only be used by the state as a last resort after other alternatives have been explored. Prior to project appraisal, SMC will prepare an ESS5-compliant Resettlement Policy Framework (RPF) that will cover the entire TRRP (33 km). This RPF will guide all subsequent subproject-specific RAPs which will be prepared, consulted with affected people, disclosed and cleared by the World Bank before any construction commences, and shall cover any land-related physical or economic displacement.

As stated under ESS1, the ESIA/ ESMP and sub-project specific instruments will cover any other the potential social impacts associated with impact on land use that will not be covered by the RPF and RAPs, such as potential impacts on fishermen, prawn farmers, agriculture farmers, cattle rearers, washer-folks. Moreover, as a part of the ESIA and different feasibility studies, the option for land re-adjustment and land re-distribution will be explored and adopted if it is found as a viable option.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS 6 is relevant. Phase-I of the project is part of Upper Tapi Estuary which is hydrologically connected with the urban lakes, ponds, parks, and canals spread out through the metropolitan area. Though the 33 km river stretch has been extensively modified by urban encroachment, embankment, and multiple flood control and dam structures, and currently is subjected to regulated non-natural lean flow downstream of Singanpor weir, diurnal tides and salinity

ingress from the sea keep its coastal/ estuarine nature alive and allow to still maintain its basic ecological functions and an assemblage of animal and plant species of natural origin. Mangroves are observed in multiple patches along the river edges, and near Pal Umra Bridge, Magdalla, and Cable Bridge; in addition to the Hazira area. Based on the current concept plan for TRRP, approximately 14.29 hectares of mangroves and their eco-sensitive zone will be disturbed/destroyed due to proposed riverfront development. The river bed and land (along both river edges - 50m from the High Tide line) up to the coast on both sides are designated sensitive coastal regulation zones (CRZ IA (mangroves), IB (Intertidal areas), II (CRZ in urban areas)); emptying into the designated CVCA of the Gulf of Khambat near Kidia bet (also known as Hazira mangroves - designated Eco-Sensitive area (ESA as per Coastal Regulation Zone Notification 2019)), and the proposed works in these zones will have direct / indirect impacts and risks on biodiversity in these and related areas and downstream.

There is a presence of many trees (more than 2000) along the proposed riverfront, which need preservation and compensatory plantation in case of uprooting or any impacts. During the ESIA process, baseline biodiversity data will be collected to better characterize the condition and species composition of the estuary, riparian and riverine habitats. The hydrological-flood sensitivity modelling will be crossed over with the biological / ecological data to ensure that different flood simulation scenarios include ecological criteria. Such e-flow process will better guide not only the optimization of the proposed flood-control infrastructures, nature-based solutions, and the systematic expansion of natural areas, “room for the river”, and the proposed bird-sanctuaries, but also will allow the client to quantify the potential project-related habitat losses that will need to be restored/ compensated to meet the desired no-net-loss outcome required under ESS6.

TRRP ESIA, particularly the CIA chapter, together with the hydrological-simulation studies, will provide a landscape-based decision making tool to assess flood-control / costs / ecological impact tradeoff of different scenarios. This chapter will help guide subproject specific instruments and measures to mitigate impacts on aquatic and terrestrial biodiversity areas and communities dependent on these.

Depending on the outcome of these studies, a separate Biodiversity Management Plan (BMP) may be needed to be prepared for the TRRP under the ESIA / CIA, and describe conditions, monitoring measures, and environmental guidelines for detailed design in areas near sensitive receptors/biodiversity/living natural resources, and sourcing of materials from these areas, the construction, and O&M stage impacts/risks can be minimized, mitigated and managed. These condition will be reflect, as applicable, on subprojects specific instruments and their related bidding documents.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

This standard is relevant. Surat district has Schedule V areas with predominant tribal population hence it is possible that IPs may be both, impacted and benefited from the project. This will be further assessed in the ESIA during project preparation.

ESS8 Cultural Heritage

ESS 8 is relevant. Surat has historical monuments and features, and hence there is a likelihood that the project area of influence/impact has several sites and structures with religious, cultural, archaeological, and historical significance.

Along the riverfront, there are important heritage structures and precincts that are used day to day by the communities, including the Surat Fort, Ovaras (old River Wharfs/ports – some important for trade, and used even now by boats used for fishing and sand mining at the river mouth, some for religious purposes), Historic old city, Ghat, and important religious precincts like Visarjan Kund where Ganesh idols are disposed after the festival, commercial precincts such as Sunday Market at the river bank (between Makkai Pool and new Hope Bridge), culturally important traditional boat sail competition and Kite Festival during 'Uttarayan', 'Chatth Puja', and the ritualistic celebration of the birth anniversary of Surat - all of which have a place of their own in the life of Surat. Risks and impacts on these precincts, cultures, and beliefs need to be studied as part of the ESIA. The risks and impacts to cultural heritage during construction and O&M stages include vibration and activities such as drilling, excavations, demolitions, causing a disturbance, or other physical changes, air or water pollution-related damage and risks to heritage structure, access restrictions regular riverfront activities during works, etc.

During ESIA, screening for potential cultural heritage features –protected assets and those non-protected but significant to the communities, possible impacts, and legal/other requirements will be undertaken. At the DPR stage, the project will use a screening matrix and community consultations to screen and exclude areas near key heritage features to avoid adverse impacts. Special focus will be given to the protection of tangible or intangible cultural heritage. During sub-project preparation, such identified direct, indirect, and cumulative cultural heritage-related risks and impacts, and chance finds will be managed as per the national regulations and ESF; with the involvement of Heritage/Conservation experts. A Cultural Heritage Management Plan (CHMP), including procedures for handling chance finds, will be prepared as part of the ESIA and integrated within the bidding documents. The CHMP will also involve contractor's capacity building efforts to handle chance findings, reporting/ notifying authorities, cordoning sites, and seeking the services of cultural heritage experts to manage the finds.

ESS9 Financial Intermediaries

ESS 9 is not relevant as no Financial Intermediaries are envisaged at this stage. The applicability of this ESS to TRFDCL will be evaluated during preparation.

B.3 Other Relevant Project Risks

1. A new Covid 19 pandemic wave may present a risk for the preparation and implementation of the project due –to travel restrictions and, impacts on the availability of labor

2. Existing and potential media attention on riverfront development projects across the country, including the proposed project in Surat

3. Multiple studies will be conducted through other sources of funding/trust funds/BETF to support the project preparation / Master Plan updation such as Resilience Studies, landuse studies, tidal processes studies, etc., which will influence project design. Ensuring adherence to ESF in all these studies will be crucial in this project.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

No financing partners are identified at this stage.

B. Proposed Measures, Actions and Timing (Borrower's commitments)

Actions to be completed prior to Bank Board Approval:

The following documents/actions would be required before Bank Appraisal for this operation to allow for informed decision-making, commensurate with issues/risks identified during the preparation stage:

1) Preparation and disclosure of ESCP
2) Preparation, consultation, and disclosure of the ESIA with CIA covering the entire TRRP conceptual master plan, BMP, CHMP, RPF, LMP and SEP
3) Sub-project-specific relevant instruments (e.g. ESIAs/ESMPs, and BMPs, CHMPs and RAPs (ifas required) covering for 30 % of subproject investments (as per country readiness criteria)
4) Setting up of functional project-specific GRM
5) Terms of Reference for TA (for consultancy support) incorporating E&S requirements for studies
6) Institutional arrangements to facilitate the application and implementation of ESF instruments at PMU/PIU at SMC and TRFDCL ; during sub-project implementation works.

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

The following key aspects are likely to be a part of Borrower's ESCP:
The following key aspects are likely to be a part of Borrower's ESCP:

1) Environment and Social Management Capacities (staff) at the PMU/PIU, and with the Contractors / PPP agencies to implement ESCP
2) Preparation and implementation of sub-project specific E&S instruments during project implementation; beyond the Appraisal Stage and their disclosure (e.g ESIAs(with CIA)/ESMPs, BMPs, CHMPs, RAPs etc.)
3) Preparation and updating of Stakeholder Engagement Plan (including GRM) during the life of the project.
4) Management of Contractors and ensuring adherence to E&S conditions and ESMP throughout implementation, Operation, and maintenance
5) Training and Capacity Building Plan of Project Officials, Contractors
6) Setting up of project and State level GRMs

7) Provisions to prepare as well as update and monitor the LMP including the GRM for labor during the project life cycle
8) Implementation of capacity-building plan and ESF training to all supply-side stakeholders
9) Flood Risk assessments and Dam Safety studies if required for initial 30% investments

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 17-Jul-2023

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: India

Implementing Agency(ies)

Implementing Agency: Surat Municipal Corporation

Implementing Agency: Tapi River Front Development Corporation Limited

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Abhijit Sankar Ray, Poonam Ahluwalia Khanijo
Practice Manager (ENR/Social)	Tapas Paul Recommended on 26-Jul-2022 at 11:46:30 GMT-04:00
Safeguards Advisor ESSA	Pablo Cardinale (SAESSA) Cleared on 27-Jul-2022 at 15:56:37 GMT-04:00