



Additional Financing Appraisal Environmental and
Social Review Summary
Appraisal Stage
(AF ESRS Appraisal Stage)

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I. BASIC INFORMATION

A. Basic Project Data

Country	Region	Borrower(s)	Implementing Agency(ies)
Mozambique	EASTERN AND SOUTHERN AFRICA		
Project ID	Project Name		
P181374	Additional Financing To The Maputo Urban Transformation Project		
Parent Project ID (if any)	Parent Project Name		
P171449	Maputo Urban Transformation Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	12/1/2023	5/23/2024
Estimated Decision Review Date	Total Project Cost		
11/20/2023	0		

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Proposed Development Objective

To improve urban infrastructure and strengthen institutional capacity for sustainable urbanization in Maputo.

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

Yes

C. Summary Description of Proposed Project Activities

The PTUM addresses the challenge of unsustainable growth in Maputo due to the limited capacity of the municipality to provide basic urban infrastructure and land tenure security in informal settlements, to maintain and upgrade the drainage systems of the city center, to manage waste disposal in an environmentally and socially sustainable manner, and to implement spatial and sectoral plans to better guide future urban growth. With the Additional Financing, the project design by component will remain the same while activities and budget will be scaled-up, to address the flooding damages sustained following the recent cyclone events and mitigate ongoing challenges resulting in recurrent reconstruction needs in select urban settlements in the city, through additional recovery and rehabilitation



investments in flood management and drainage infrastructure. The additional resources will scale up the impact of investments planned within urban settlements and drainage systems in Maputo city, which was severely damaged following consecutive cyclones and tropical storms over the past two years (Tropical Cyclones Ana, Dumako and Gombe) and most recently Tropical Cyclone Freddy which impacted Mozambique from February 24 to March 11, 2023.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

The AF geographical scope remains the same as the parent Project – Maputo Urban Transformation Project (P171040). Under component 1, the AF activities will be implemented in the same 20 neighborhoods originally selected under the parent Project, to improve the living conditions in informal settlements. These neighborhoods are characterized by high population density, high poverty levels, low access to urban infrastructure and great vulnerability to climate risks. Under component 1, activities related to quick wins (small scale rehabilitation, cleaning of micro drainage, rehabilitation and expansion public lighting) are ongoing and implementation of E&S aspects associated have been performing satisfactorily. Compliance with the sub-project ESMPs (ESHS progress reports) has been documented in various sub-projects.

In Component 2, AF activities are related to enhancements of the parent Project technical design solutions. Component 2 will be implemented in the Maputo city center, a densely populated area that houses important historic and cultural heritage buildings and characterized by high predominance of commercial and services uses. The area is also characterized by the presence of various vulnerable groups, ranging from homeless people (including children) to informal street vendors and service providers (including sex workers).

The AF activities envisaged under Component 3 are essentially related to technical design upgrades to the road project, originally conceived under the parent Project, to connect to the Katembe Landfill Site. KaTembe, is a peri-urban area of transition to the rural environment, located 5 km from the city center across Maputo Bay. It mainly comprises a natural environment, close to important habitats that surround the city, such as mangroves, vast coastal areas, areas susceptible to flooding that are preserved and constitute real natural barriers to mitigate climate events. The recent construction of a bridge, linking the city of Maputo and KaTembe, increases development pressures in this fragile ecosystem, now being considered the main urban expansion area in Maputo.

D.2 Overview of Borrower’s Institutional Capacity for Managing Environmental and Social Risks and Impacts

The parent Project is the first experience of CMM in terms of implementing ESF requirements. As part of the preparation and implementation of the parent Project – Maputo Urban Transformation Project (P171040), the Maputo Municipal Council (CMM) hired a team of E&S specialists assigned to the PIU. The E&S specialists in place have gained experience in implementing the Environmental and Social Framework (ESF) through the preparation of E&S instruments for the project (ESMF, RPF, LMP, SEP and ESCP) and their respective implementation. However, E&S performance of the parent project has been assessed as Moderately Satisfactory, per the last Project ISR (June 2023), mainly due to delays in the preparation of the RAP for the KaTembe Sanitary Landfill and in the submission of the GBV Action Plan and the Labor Management Plan (PGMO). As per the existing training plan, the World Bank team has delivered ESF training to the PIU, CMM technical staff and to service providers already engaged in the parent project



activities. Furthermore, capacity building activities will continue throughout the implementation of the AF activities. The PIU is also in the process of hiring additional E&S staff to support the management of risks and impacts. Efforts will continue in terms of capacitating additional municipal technical staff in E&S risk management, but changes related to the sitting of a new Mayoral team, may also result in restructuring of municipal departments and loss of technicians that had already been trained.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

High

A.1 Environmental Risk Rating

High

Similar to the Parent Project, environmental risk rating remains High given the nature and small to medium-scale of activities and their related risks and impacts in a complex urban environment. The AF interventions will be implemented in high density informal settlements, as well as urban areas close to historic and cultural heritage buildings, where community health and safety risks and impacts are expected, as well as OHS related issues. In addition to the activities of the parent project, the additional financing will include: a) enhance the drainage design solution across the 20 informal settlement neighborhoods: b) Increase downtown drainage design solution to accommodate a 1-in-25-year rainfall event: and c) Finance a paved access road with proper drainage to de-risk KaTembe landfill. During the construction phase, potential risks and impacts are mainly related to: (i) potential damage to sensitive areas, natural and/or critical habitats, as well as cultural heritage; (ii) community health and safety, including temporary impacts caused by civil works, coexistence with workers, presence, and movement of heavy machines and equipment, road traffic safety, increased dust and noise and some disturbances of neighborhood level, among others; (iii) alteration of air quality by dust rising during construction (iv) sound pollution due to noise and vibration from moving of construction vehicles and machinery; and (iv) soil and water resources contamination due to poor management of hazardous and nonhazardous waste.

A.2 Social Risk Rating

High

The social risk rating remains “High”, given that the AF activities will include works within densely populated urban areas. These include informal settlements (to be covered in AF activities within Component 1) that are characterized by the presence of a low-income and vulnerable population. The Maputo Downtown area, where additional financing activities will occur under Component 2, also hosts various vulnerable groups. Given their vulnerability, these groups may be affected in a disproportionate manner and at risk of being further excluded and marginalized. Maputo Downtown is also a culturally sensitive area, as it congregates a vast built historic and cultural heritage, with potential risks of damages due to construction processes. This risk also applies to the informal settlements covered by AF activities, since some of these also include tangible and intangible historic and cultural features. Similarly to the parent Project, AF activities, particularly within informal settlements and along the road to the future KaTembe Landfill Site (covered by AF activities under Component 3) are likely to trigger economic and/or physical displacement. AF activities will involve civil works that will require use of manual labor, some, if not all, of which is expected to come from peri-urban and rural areas. As such, it is anticipated that risks linked to inadequate labor conditions (such as lack of contracts, salaries, etc.) may occur. Labor influx can potentially lead to Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) and put additional pressure on existing social services. The construction process, especially in high density urban areas and urban informal settlements, may also lead to an increased risk of accidents and health impacts, such as spread of communicable diseases. This risk is particularly high in areas where children walk and play

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on informal settlement streets without adult supervision. The civil works under Component 2 will also pose challenges in terms of traffic management both downtown and in adjacent areas. While the parent project has been increasing capacity in terms of E&S risk management, through the recruitment of an E&S team for the Project Implementation Unit, and through training of municipal technical staff and service providers, the works are likely to be implemented simultaneously across the various project locations, and it is likely that the established E&S management structure may not be capable to tend to all work sites. To mitigate this risk, the PIU is in the process of hiring additional officers to support E&S monitoring across different work sites.

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

B.1 Relevance of Environmental and Social Standards

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Relevant

The AF will cover a scale up in activities and budget to address the flooding damages sustained following the recent cyclone events and mitigate ongoing challenges resulting in recurrent reconstruction needs in select urban settlements in the city, through additional recovery and rehabilitation investments in flood management and drainage infrastructure. Similar to the Parent Project, the AF will have positive environmental and social benefits in improving the living conditions in informal settlements and mobilizing investment for rehabilitation of drainage systems in urban areas of Maputo. However, small to medium scale infrastructure construction and rehabilitation may generate some environmental and social (E&S) risks and impacts. E&S risks include temporary impacts caused by civil works, such as labor influx and coexistence with workers presence and movement of machines and equipment, transportation and disposal of raw materials, increased dust and noise resulting in community health and safety risks, including accidents, Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) risk and spread of communicable diseases, land acquisition and involuntary resettlement, damage to tangible and intangible historic and cultural heritage, inadequate labor conditions and occupational health and safety. For the parent project, Borrower prepared, consulted upon, and disclosed all required environmental and social risks management instruments (ESMF, RPF, SEP, LMP, ESCP), and established a grievance mechanism. The ESCP and SEP are being updated to cover the AF and will be disclosed prior to Appraisal. The ESMF, RPF and LMP will also be updated to include AF activities. The ESMF defines screening mechanisms and monitoring procedures for the identification and management of potential adverse environmental and social impacts from proposed project activities. In addition to the E&S framework documents, site-specific ESMP's for Component 2 (already prepared under the parent project) will be updated to include AF activities. For components 1 and 3 ESMPs will be prepared once detailed designs are available.

ESS2 Labor and Working Conditions

Relevant

AF activities will include direct (e.g. additional PIU staff) and indirect workers (e.g. contractors, sub-contractors and consultancy firms). The existing PIU is composed of full-time consultants working for the government and a few seconded civil servants. Project direct workers who are civil servants, will remain subject to the terms and conditions of their existing sector employment agreement, only OHS and forced labor requirements of ESS2 will apply. ESS2 requirements apply to direct, contracted workers and firms that hold service contracts with the Recipient to conduct Project activities, including sub-contracts. The exact number of workers required for the project activities is still unknown, but it is anticipated that the contractors and sub-contractors will need accumulatively a medium to large workforce to carry out the planned activities. The scale of labor influx remains unclear but in order to minimize labor

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influx the project will aim at hiring local labor whenever possible. The use of labor camps is not anticipated. For the parent project it was determined that the use of labor camps will not be allowed unless the contractor requests and justifies the exception, and the same applies to the AF activities. A Labor Management Plan (LMP) has been prepared to guide the recruitment and management of labor for the entire parent project, which is also applicable to AF activities. The LMP will be updated to include AF activities. The LMP lays out labor management procedures related to terms and conditions of employment, non-discrimination and equal opportunity, prohibitions against child labor and forced labor, specific conditions for employment of people between 14 and 18 years of age, and access to a grievance mechanism. The LMP also includes a preliminary identification of Occupational Health and Safety risks and indicates that subprojects must have specific OHS Plans complementing the respective Environmental and Social Management Plans (ESMPs). OHS Plans should be developed and implemented in line with the World Bank Group Environment, Health and Safety (EHS) Guidelines for construction activities, and should include procedures on incident investigation and reporting, recording and reporting of non-conformance, emergency preparedness and response procedures, and continuous training and awareness raising to workers. The parent project has established a Grievance Redress Mechanism (GRM) that is available to all workers. The same mechanism is applicable in the context of AF activities. This GRM includes a GBV-sensitive channel for SEA/SH complaints, which must follow a survivor centered approach and ensure confidentiality. Similar to the parent Project, and as laid out in the LMP, at subproject level, contractors are expected to establish dedicated labor GRMs. This, however, should not prevent any workers from using the general GRM established for the project as a whole. Standard Codes of Conduct that include measures to prevent Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) will be applicable.

ESS3 Resource Efficiency and Pollution Prevention and Management

Relevant

This standard is relevant as the activities planned under the AF are likely to have impacts on the environment and human health. Indeed, civil works will lead to air pollution by smoke generated by heavy vehicles and machinery, and dust. There is also the risk of soil and water pollution from construction waste and accidental spills of hazardous substances. The ESMP developed under the parent project for component 2, (which will be updated to include AF activities) already includes measures to minimize the impacts of dust (sprinkling) and emissions (maintenance of site vehicles and machinery) and measures to prevent soil and water pollution (containment structures to prevent hydrocarbons leaking into the ground). The other ESIA/ ESMPs to be prepared (as part of both the parent project and the AF) will also assess pollution risks and propose appropriate mitigation measures.

Use of raw materials: The required construction material for the drainage structure for parent project and AF activities will potentially include stones, sand, concrete blocks, and wood. These materials are expected to be obtained from sources localized to project areas, such as quarries in the implementation zones, or in clear agreement with owners. ESIA/ESMP's will recommend appropriate measures for improving the efficient use of raw materials.

ESS4 Community Health and Safety

Relevant

Project activities include construction of infrastructure in densely populated urban areas. Construction processes could lead to adverse health impacts, related, for example, to exposure to poorly managed solid and human waste, exposure to hazardous materials, noise, vibration, dust and emissions, particularly in informal settlements, and exposure to communicable and vector-transmitted diseases. Increased traffic and use of machinery are likely to impact the safe movement of people and create accidents, particularly for pedestrians (including children walking and playing without

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adult supervision) and people with disabilities in deeply packed neighborhoods. The risk of an increase in GBV/SEA/SH is also possible due to labor working on infrastructure construction/refurbishment in informal settlements. Risks to community safety may also come from the use of security personnel at subproject level. The following documents have been prepared for the parent project and also apply to AF activities: (i) Community Health and Safety Plan, (ii) Road Safety and Traffic Management Plan, (iii) Procedures for the Use of Security Forces and (iv) GBV Action Plan. These are general documents to guide the overall implementation of the parent project in managing community health and safety risks and will guide the preparation of site specific ESMPs and complementary plans. Codes of conduct will also be applicable, with clear indication of unacceptable behavior on the part of workers and respective sanctions. The Grievance Redress Mechanism (GRM) already established for the parent Project is also applicable to AF activities, and provides communities with safe, transparent and inclusive avenues for placing complaints, which should be resolved in a timely manner. The established GRM includes a GBV-sensitive channel for SEA/SH complaints, which should be treated as per the survivor centered approach. A GBV service provider mapping has been conducted to ensure the availability of referral services in the event of GBV related grievances. Within informal settlements, Community Health Posts have been set-up, which in addition to raising awareness about GBV, are also prepared to receive and refer GBV related cases.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Relevant

AF activities in Component 1 (Informal Settlements upgrading) and Component 3 (construction of road to the KaTembe Landfill Site) are likely to result in economic and/or physical displacement. A Resettlement Policy Framework has been prepared for the parent project, in accordance with ESS5 and applicable Mozambican legislation. This policy also applies to any AF activities resulting in economic/physical displacement. Efforts will be made to avoid or minimize displacement and involuntary resettlement. Such efforts should encompass, but not be limited to, the consideration of E&S aspects during the subproject's detailed design phase, through the systematic use of environmental and social screening tools in conjunction with early stakeholder engagement activities. When resettlement cannot be avoided, families and economic activities will be relocated always in the same neighborhood or not more than 5 Km from the original location. Subprojects resulting in involuntary resettlement will be required to prepare and implement Resettlement Action Plans compliant with ESS5 and national legislation and supported by robust and meaningful engagement of stakeholders and affected parties. The Grievance Redress Mechanism (GRM) already established for the parent Project, which is also applicable to AF activities, will provide PAPs with safe, transparent and inclusive avenues for placing complaints, and means to resolve any grievances in a timely manner, during the elaboration, implementation and post-implementation phases of RAPs.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

This ESS is relevant for the parent project. The Additional Financing activities will finance a paved access road to the planned landfill in KaTembe, ensuring proper drainage alongside, to minimize disruptions of future climactic events. These interventions are not expected to impose any significant negative impacts to local biodiversity in the immediate zone of impact. The proposed location for the road to be built is not in the vicinity of legally protected areas, and it is a modified habitat surrounded by houses and commercial shops. The ESIA/ESMPs and C-ESMP to be developed will include measures to avoid, minimize or mitigate risks.



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

Not Currently Relevant

This standard is assessed to be not relevant as there are no identified vulnerable or marginalized groups with identities and aspirations that are distinct from mainstream groups as defined under the Indigenous Peoples/Sub-Saharan Historically Under-served Traditional Local Communities in the project area of influence.

ESS8 Cultural Heritage

Relevant

This standard is considered relevant. The parent project and AF interventions under Component 2, will occur in the downtown area, known as 'Baixa', a densely populated area that houses important historic and cultural heritage. Borrower has prepared a Cultural Heritage Management Plan under the parent project and the instrument will be adopted and implemented to cover AF activities. A "Chance Finds" procedure is also included in the ESMPs and will be reflected in the contractor's contracts.

ESS9 Financial Intermediaries

Not Currently Relevant

This standard is currently not considered relevant.

ESS10 Stakeholder Engagement and Information Disclosure

Relevant

Similar to the parent project, stakeholder engagement is critical for AF activities. It is a tool for ensuring participation and inclusion considering different expectations and needs, giving access and voice to the most vulnerable and avoiding potential social conflicts, all of which are key for the success of the intended activities. Particularly, AF activities under Component 1 will rely on the meaningful participation of project beneficiaries and other stakeholders to determine the types of interventions required for the integrated upgrade of each covered informal settlement. This will ensure that subproject designs are adequate and relevant to address the needs of the beneficiary communities, promoting a sense of ownership at local level, which in turn contributes to sustainability. Additionally, as advocated by ESS10 and national legislation, it is imperative that across all project components, including those with AF interventions, PAPs and stakeholders in general are aware of the environmental and social risks associated with each activity, and that they also contribute to the risk assessment process and definition of management measures. Stakeholder engagement must be conducted on a continuous basis throughout implementation of the parent project and AF activities, starting as early as the project design phase. A Stakeholder Engagement Plan (SEP) has been prepared, disseminated and is currently under implementation for the parent project. This document will be updated to include the AF activities, but since the nature of activities and geographic scope have not changed, it is expected that stakeholder identification and assessment already done for the SEP remain valid, as well as methodologies for meaningful consultation indicated in the document. As stated in the existing SEP, consultations will need to ensure that women, marginalized groups and the poor are included, actively consulted and participate in the design and implementation of all subprojects. Specific consultations with affected households should take place during the preparation of ESIA's and RAPs, including resettlement sites location and host communities. The parent project has established a Grievance Redress Mechanism (GRM) that is available to anyone who wishes to lodge a complaint/grievance about the Project. This GRM includes a GBV-sensitive channel for SEA/SH complaints and follows the survivor centered approach, including a referral pathway for GBV-related cases. The existing GRM is applicable to AF activities, with no updates being required at this stage. Dissemination of the GRM is done on a continuous basis.



B.2 Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways

No

OP 7.60 Projects in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

No

Use of Borrower Framework is currently not being considered.

Use of Common Approach

No

There are no other financing partners under this project.

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required during implementation?

- ESCP, and SEP: updated and disclosed at Appraisal.
- ESMF and RPF: updated and disclosed prior to the AF effective date
- ESMP for component 2 (Maputo downtown drainage works) to be updated and incorporated into contractor’s contract
- Subproject specific RAPs: prepared, disclosed and implemented prior to the starts of any works
- Site-specific ESMPs for all subprojects under components 1 and 3 comprising: prepared, adopted and disclosed before launching the procurement processes for the construction works of infrastructure.
- C-ESMPs for all Contractor Contracts – Prepared and adopted before the commencement of any works.

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III. CONTACT POINTS

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V. APPROVAL

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