Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 29-Jul-2022 | Report No: PIDC33966

Apr 08, 2022 Page 1 of 12

BASIC INFORMATION

A. Basic Project Data

Country Iraq	Project ID P178935	Parent Project ID (if any)	Project Name Integrated Persistent Organic Pollutants (PoPs) Management Project (P178935)
Region MIDDLE EAST AND NORTH AFRICA	Estimated Appraisal Date Mar 27, 2023	Estimated Board Date Jun 22, 2023	Practice Area (Lead) Environment, Natural Resources & the Blue Economy
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Environment	GEF Focal Area Persistent Organic Pollutants

Proposed Development Objective(s)

Improve the management of Obsolete Pesticides (OPs), Persistent Organic Pollutants (PoPs) and Polychlorinated Biphenyls (PCBs) in Iraq through policy, regulatory and institutional actions and safe disposal of targeted stockpiles

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	102.49
Total Financing	102.49
of which IBRD/IDA	0.00
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Counterpart Funding	25.00
Borrower/Recipient	25.00
Trust Funds	13.49
Global Environment Facility (GEF)	13.49

Apr 08, 2022 Page 2 of 12

Other Sources		64.00
	Foreign Multilateral Institutions (unidentified)	64.00

Environmental and Social Risk Classification

High

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Iraq is an upper-middle-income country (UMIC), with highest poverty rates among UMICs. Almost two decades after the Iraq war began, the country remains caught in a fragility trap with increasing political instability, geopolitical risks, weak financial position and poor service delivery. The recent conflicts have had significant economic and social costs on the country, with 13 percent lower per capita Gross Domestic Product (GDP) in 2019 as a result of the conflict in 2014.¹ Growth of oil sector GDP during the conflict masked the adverse impact of the conflict on the overall economy. The level of non-oil GDP was around 33 per cent lower in 2018 than it would have been without the conflict. The national poverty headcount in 2018 was almost seven percentage points higher compared to what it would have been in absence of the conflict. According to the latest Country Economic Memorandum (CEM), part of the post-2014 weakness is due to losses in productivity and competitiveness in the non-oil economy which has put non-oil GDP growth on a declining trend.² Agriculture, one of the main non-oil sectors, was severely impacted by the destruction of key infrastructure and deterioration of services, impacting the country's food security.
- 2. The ongoing volatility of oil prices, the COVID-19 pandemic and continued precarious political situation in the country is placing unprecedented strain on Iraq's economy, investments in critical sector, service delivery and management of Environmental and Natural Resources (ENR) issues in the country. Iraq's economy is driven by the oil and gas sector, followed by agriculture sector. Oil accounted for over 96% of exports, 92% of government revenues and 43% of gross domestic product (GDP) in 2019. This overdependence on oil has increased economic volatility and discouraged investment in other sectors³. In addition multiple security shocks including regional conflicts have left little room for non-oil sector growth, investments in human capital and infrastructure, restricted response to economic shocks and limited or no investments in the environment sector.

Apr 08, 2022 Page 3 of 12

¹ Source: World Development Indicators. World Bank.

² Breaking Out of Fragility: A Country Economic Memorandum for Diversification and Growth in Iraq. September 30, 2020. World Bank. https://www.worldbank.org/en/country/iraq/publication/breaking-out-of-fragility-a-country-economic-memorandum-for-diversification-and-growth-in-iraq

Iraq Economic Monitor Protecting Vulnerable Iraqis in the Time of a Pandemic, the Case for Urgent Stimulus and Economic Reforms, World Bank, Fall 2020

- 3. This neglect of non-oil sectors and multiple crises in Iraq are likely to worsen the welfare of Iraqi households and the quality of life. After years of conflict and displacement, many Iraqis were already vulnerable, and the pandemic is testing their resilience further. While disruption in supply chains have increased basic prices, households' labor and non-labor incomes have decreased due to the economic slowdown and reduced remittances. In addition, the tightening fiscal space is affecting food and public cash transfers. Many households have lost their income, especially those in the informal private sector, compelling them to exhaust savings and employ negative coping strategies. In the absence of a significant government response, these short-term effects coupled with the reduced access to education, healthcare, and other services will have lasting impacts on households' ability to escape poverty or remain above it.
- 4. Series of conflicts since 1980s and forced displacement have significantly impacted the Environment and Natural Resources (ENR) of Iraq. Some of these major impacts include industrial and oil pollution, land/ soil contamination, air pollution, surface and ground water pollution, open dumping of domestic and industrial solid waste, high levels of deforestation, degradation of grazing lands and loss of wildlife. Iraq is also world's second largest gas flaring nation, a major carbon dioxide and methane emitter. In terms of air pollution, Baghdad today is world's third most polluted (PM10 levels) megacity. These environmental challenges are causing long-lasting impact on the safety, health and livelihoods of communities and disproportionately high impact on the most vulnerable members of the society, who are more reliant on natural resources for their livelihood. The conflicts have also significantly impacted the environmental governance in the country, further exacerbating overall environmental management.
- 5. The Damage Need Assessment (DNA), 2018 of The World Bank estimates that the damages to the environment resources in Iraq as IQD85 billion (US\$73 million) and sectoral losses as a result of the conflicts at IQD3.5 trillion (US\$ 3 billion). This assessment estimates that up to 47 percent of natural forests in the country may have been destroyed and more than 2 million ha of land has been contaminated by land mines and hazardous chemicals. Additionally, the attacks on oil and Sulphur refineries have created major environmental hazards in the governorates of Salah Al-Deen and Ninawa. A disproportionately high impact is felt on the most vulnerable members of society, which include an estimated 3 million Internally Displaced People (IDPs), women, femaleheaded households, and the youth. According to the DNA, the restoration of the damaged ENR assets will require about IQD 6.5 trillion (US\$ 5.5 billion). In the short term (first year), the needs are estimated at IQD19 billion (US\$16 million) and IQD6.48 trillion (US\$5.48 billion) over two to five years period. This includes investments for infrastructure reconstruction, capacity restoration, and environmental rehabilitation (ecosystem rehabilitation, clean up, and remediation, etc.).
- 6. Given these challenges, improved environmental management and climate-smart investments are a prerequisite to Iraq's sustainable economic growth. The DNA (2018) has stressed the need for addressing environmental impacts of conflict and forced displacement to support Iraq's "build-back better" approach. In addition, addressing issues of pollution including management of hazardous waste and chemicals (oil spills and contamination of areas) is key to providing safe living conditions for communities including those returning IDPs.

Apr 08, 2022 Page 4 of 12

Sectoral and Institutional Context

- 7. Government of Iraq (GoI) recognizes the impacts of conflict pollution and urgent need to address related environmental mitigation/ management measures. As part of this, the National Development Plan (NDP) 2018-2022, has identified and included environmental issues and considerations and ways to address them and ensure that human and economic development plans take into consideration the important environmental dimension. The National Environmental Strategy Action Plan (NESAP) 2013-17 by the Ministry of Environment, estimated that the cost of environmental degradation of Iraq to be between 4.9% and 8.0% of the annual gross national production. The plan includes ten strategic objectives (SO). The integrated and sound management of chemicals is one of the SOs and it emphasizes the urgent need to identify the gravity of chemical spread and circulation as well as the associated contamination. The SO also requires development of chemical safety plans, systems and safe management of chemicals, circulation, transfer, storage, disposal, or recycling to reduce health and environmental risks. In addition, the country is governed by a major environmental legislation on the Protection and Improvement of the Environment (Law No. 27 of 2009). However, enforcing the provisions of this law has not been very effective.
- 8. The institutional responsibility to address environmental issues in Iraq rests with the Ministry of Environment (MoE). The ministry was formed in 2003 by carving out from the Environmental Protection and Improvement Directorate of the Ministry of Health. Later in 2015, MoE was merged with the Ministry of Health, to become Ministry of Health and Environment (MoHE). Again in 2021, MoE was separated and since then it is functioning as an independent ministry. These multiple changes in the institutional structure of MoE, not only impacted its functioning, but also affected overall environment management efforts in the country. The chemicals control and assessment of contaminated sites division of MoE is mandated with the chemicals and hazardous waste management. While the division carries out number of inspections and assessments on contaminated sites, the technical capacity and basic infrastructure of the division requires strengthening to improve its performance. In addition, the overall policy and regulatory framework from chemical and hazardous waste management in Iraq also requires significant strengthening.
- 9. Due to the predominance of Oil and chemical industries, management of chemical and hazardous waste is critical for Iraq. However, no comprehensive inventory and/ or assessment on the hazardous waste is currently available in the country. As part of the World Bank's ongoing analytical work to 'Support to Management of Environmental Hotspots in Iraq'⁴, 81 hotspots have been identified jointly with MoE, which are potentially chemical contaminated and would need remediation. The prominent ones among these are Al Qadissiya metal plating facility (hazardous waste including high purity cyanide compounds), Al Suwaira pesticides warehouse complex (over 100 tons of obsolete Pesticides), Khan Dhari petrochemicals warehouse site (thousands of tons of refinery chemicals with damaged drums and spilled chemicals), Al Mishraq sulphur mining complex (fire consumed up to 300,000 tons of stockpiled pure Sulphur and Sulphur waste), Ouireej military scrap yard site (comprising hazardous military hardware, tanks and missiles containing unexploded ordnance and hazardous Chemicals).
- 10. With over 14.56 million donums (1.45 million hectares) of cultivated land and a GDP contribution of 3.1% in 2016⁵, Iraq's agriculture sector consumes large quantities of pesticides and fertilizers. This contributes to the generation and stockpile of Obsolete Pesticides (OPs) across the country, causing environmental and health risks

⁴ Supported by Iraq Reform, Recovery and Reconstruction Fund (I3RF)

Apr 08, 2022 Page 5 of 12

⁵ Ministry of Planning, Republic of Iraq 'National Development Plan (2018-22)

to the communities. However, no comprehensive inventory of OPs and strategies to manage them have been developed, so far.

- 11. Similarly, with over 240,000 transformers and low efficiency of operation and maintenance of electrical transmission and distribution network, contamination of transformer oil with Polychlorinated Biphenyls (PCBs) is also significant. While the Ministry of Electricity (MoElc) have replaced some of the old transformers in the major urban areas of the country, a detailed inventory and assessment of transformers with regard to PCB contamination, action plan for treatment/disposal and management of PCBs is yet to be formulated in the country.
- 12. Recognizing the in health and environmental impacts of OPs and PCBs and their management, the Republic of Iraq on March 8, 2016, signed the Stockholm Convention on Persistent Organic Pollutants (POPs) and it came into force on May 6, 2016, after completing country's constitutional procedures. To comply with the Convention's requirements, the country has initiated preparation of National Implementation Plan (NIP) in 2017 through US\$800,000 GEF Grant (ID9690)6 with United Nations Environment Program (UNEP) as implementing agency. The NIP is being developed with focus on initial POPs and doesn't include industrial POPs such as Short-Chain Chlorinated Paraffins (SCCP), Poly-dioctyl fluorenes (PFOs), Hexabromocyclododecanes (HBCDs), etc. Accordingly, a draft NIP has been prepared and is being reviewed by GoI. The plan shall be transmitted to the Convention's Secretariat after the approval of GoI.

Relationship to CPF

- 13. The proposed project addresses key constraints to the development agenda outlined in the Iraq Country Partnership Framework (CPF) (FY22-FY26) notably the elements of governance and institutional challenges, lack of infrastructure, environmental degradation, and knowledge gaps. More specifically, the project supports Pillar 1: improved governance, public service delivery and private sector participation of the CPF by supporting the objectives to improve service delivery, recovery, and reconstruction. While the project activities related to preparation of NIP and implementation framework will support the improved governance aspect of Pillar 1, the activities related to treatment/ disposal of OPs and PCBs will support the service delivery and recovery reconstruction objectives. In addition, the project activities are expected to improve the health and economic opportunities to the people, which will also contribute to the Pillar 2: Strengthened Human Capital of the CPF.
- 14. The project also aligned with WBG's corporate and regional strategies. While the project contributes to WBG's strategic goals of eradicating extreme poverty and boosting shared prosperity in a sustainable manner by addressing environmental challenges in the country, which affects the health and productivity of people, the project activities are aligned with the pillars of 'addressing fragility' and 'enabling green growth' of Bank's Middle East and North Africa (MENA) regional strategy.

C. Proposed Development Objective(s)

15. Improve the management of Obsolete Pesticides (OPs), Persistent Organic Pollutants (POPs) and Polychlorinated Biphenyls (PCBs) in Iraq through policy, regulatory and institutional actions and safe disposal of targeted stockpiles.

Apr 08, 2022 Page 6 of 12

⁶ 'Develop the national implementation plan for the Stockholm Convention on Persistent Organic Pollutants (POPs) and the Minamata Initial Assessment for the Minamata Convention on Mercury in Iraq' (GEF Project ID 9690), US\$ 800,000

Key Results (From PCN)

- 16. The achievement of PDO is proposed to be assessed through the following outcome indicators (see Results Framework for further details).
 - POPs and POPs Waste destroyed or disposed or contained in an environmentally sound manner (Metric ton)
 - Direct project beneficiaries (number), of which female (percentage)
 - Regulatory and Monitoring system established for the management of POPs established (Yes/ No)

D. Concept Description

- 17. The project responds to Iraq's national priorities of managing hazardous waste and chemicals and its international commitments under Stockholm Convention on environmental sound management of PCBs, OPs and unintentional POPs (uPOPs). The project will also help prepare an updated comprehensive NIP for all POPs and address all aspects of their management and monitoring throughout their life cycle.
- 18. Given the anticipated large quantities of POPs in Iraq and limited budget available, the project aims to maximize its impacts by identifying selected interventions at critical locations that mitigates environment and health risks to the local communities. In addition, the project will facilitate establishment of implementation models that enables scaling up interventions for POPs management beyond the project period. The project proposes to achieve the objectives through the following four components.

Component 1: Comprehensive Road Map for Sustainable Management of OPs, POPs, PCBs, and Other Hazardous Chemicals (US\$2.237 million)

Sub-component 1.1: Review and Update Iraq National Implementation Plan for POPs (US\$0.50 million)

- 19. Amendments to the Convention are one of the key factors requiring an update of the NIP. The sub-component will support the review and update of Iraq's NIP, 2017 for POPs to comply with Article 7 under the Stockholm Convention and submission to the Stockholm Convention Secretariat. Based on the initial inventories / plans, this sub-component will also assess the national infrastructure and capacity for the management of all POPs, developing the new POPs inventories, and updating the initial POPs inventories. Thus, quantitative, and qualitative national inventories for OPs, POPs, UPOPs and IPOPs (excluding PCBs) will also be carried out.
- 20. The sub-component will also update the existing action plans for the initial POPs listed under the Convention and develop action plans necessary to address the newly adopted POPs. Action Plans for new POPs may include provisions for Hexabromodiphenyl Ether and Heptabromodiphenyl ether (HBDEs), PFOs and Perfluorooctane Sulphonyl Fluoride (PFOS-F), SCCPs, Endosulfan and Lindane.
- 21. The updated NIP through assessments and stakeholder consultations will (i) prioritize/ rank actions based on obligations set out in the Convention, risks to human health and environment; (ii) setting out cost-effective action plans for the newly adopted POPs; and (iii) revised action plans of the initial POPs listed under the Convention.

Sub-component 1.2: National inventory of PCB contaminated transformers, capacitors and oil (US\$1.50 million)

22. While there is no national comprehensive inventory of transformers and the level of PCB contamination, it is estimated that Iraq has about 240,000 power transformers across the country. The project through this

Apr 08, 2022 Page 7 of 12

component, proposes to carry out an inventory for online, offline, and abandoned power transformers and capacitors in Iraq and identify PCB contaminated transformers and their level of contamination in each site. In addition to providing a clear picture on the extent of PCB contamination in the power sector, the inventory will also support development of good engineering practices with regard to health and safety protocols, sampling, testing, and labeling of PCB oil.

Sub-component 1.3: Establishing an Enabling Framework for POPs Management (US\$0.237 million)

23. This sub-component will assess policy, institutional and regulatory gaps for the implementation of NIP and other requirements of implementing Stockholm convention. Based on this assessment, the project will support development and implementation of (i) policies for the prevention and management, (ii) regulations for ensuring compliance, (iii) monitoring systems for tracking the entire value chain of import, production, supply, usage, and disposal, (iv) protocols and guidelines for the storage, handling and usage, and (v) standards and guidelines for the risk-based remediation of sites contaminated by OPs, POPs and PCBs and hazardous chemicals.

Component 2: Management and Elimination of POPs (US\$8 million)

Sub-component 2.1: Prevention and Disposal of Persistent Organic Pollutants and Obsolete Pesticides (US\$3.00 million)

- 24. The assessment of environmental hot spots carried out by United Nations Environment Program (UNEP) in 2005 and POPs NIP prepared by UNEP with GEF funding, has identified about 103 tons of OPs including 421 liters of Endosulfan and a backlog of about 142,000 empty pesticide containers at Al-Suwaria warehouse of the Ministry of Agriculture (MoA). It is, however, it is estimated that there are many more public institutions and various private sector entities with stockpiles of OPs/ POPs, which are not surveyed. This sub-component will identify these additional stockpiles of OPs/ POPs in the context of a national POPs Pesticides inventory. This would comprehensively define the extent of contamination at the Al-Suwaria warehouse site and also identify additional OP storage sites in Iraq. In addition, the sub-component will also (i) assess the health and environmental risks at each of the identified locations and (ii) identify priority locations (based on a specific criteria of risks, sensitivity, cost and implementation time) for the disposal/destruction of OPs and rehabilitation/ remediation of the site(s).
- 25. This will also include (i) identifying appropriate technologies, preparing required plans to initiate capture, segregation, and containment of obsolete pesticide stockpiles and contaminated material; (ii) undertake the physical excavation, packaging and removal of the recovered stockpiles and contaminated materials; and iii) provide for its secure temporary storage. This component essentially accomplishes the project's immediate priority requirement above, by preventing further release of OPs and their general spread into the global environment.
- 26. In addition, for the contaminated materials whose destruction represents a priority in terms of local risk and achieving GEF strategic objectives of maximizing volume of obsolete pesticides eliminated, the project will support their disposal based on of BAT/BEP applicable technology and appropriate environmental safeguards procedures. The sub-component will also support containment of legacy OPs and associated contaminated material to prevent their continued release into environment though packaging, storage and disposal of high concentration OPs.

Apr 08, 2022 Page 8 of 12

27. Overall this sub-component aims to support safe management of about 1000 tons of OPs and will be implemented by following 'Learning by Doing Approach', so that the capacity of MoE and MoA is developed for (i) updating the inventory on a regular basis, (ii) monitoring and tracking the entire value chain such as import, production, supply, handling, usage, and disposal, and (iii) disposal/ destruction of OPs and POPs beyond the project implementation. This would also include a system for tracking and management of OPs by MoE and MoA.

Sub-component 2.2: Reduction and Disposal of PCBs (US\$5.00 million)

- 28. Based on the national inventory of PCB to be developed through sub-component 1.2, this component will support environmentally sound treatment/disposal of the equipment and dielectric fluids t or treat such units so that levels of contamination are reduced below the low POPs limit (50 ppm) for PCBs specified under the Stockholm Convention and abiding by the best international practice. A realistic and pragmatic phase-out plan of PCBs containing equipment (in-service and out-of-service) will be developed in close consultation with the government and equipment owners. The first step will be to establish a robust management system, to identify and monitor the PCBs contaminated equipment in use and in storage. The system will have a dynamic component to follow the reduction of PCB contaminated equipment in use and amount being taken out of service.
- 29. Depending on the quantity and types of PCBs identified, appropriate technology will be selected best suited to treat / dispose in the context of Iraq. Overall, this sub-component aims to contribute to global environmental benefits by safely disposing and/ or decontaminating 3000 tons of PCB-containing equipment and wastes (transformers, capacitors, and PCB contaminated oil) in an environmentally sound manner. By applying BAT and strict environmental practices during the disposal of PCB wastes, the releases of unintentional POPs during the disposal process will be avoided.
- 30. The project will build on the experience of successful POPs and PCB projects in Egypt and Lebanon, and will follow the overall 'Learning by Doing Approach' of the project, so that the capacity of MoE and Ministry of Electricity is developed for (i) updating the inventory on a regular basis, (ii) monitoring and testing transformers for PCB contamination, and (iii) disposal/ destruction of PCBs beyond the project implementation. This would also include a system for tracking and management of PCBs by MoE and MoElc.

Component 3: Knowledge Management, Institutional Strengthening and Capacity Building (US\$2.5 million)

- 31. The project as part of this component will support building the technical, analytical and infrastructure capacity of key stakeholder Ministries of Environment, Agriculture and Electricity. In addition to building technical capacity as outlined in components 1 and 2 above, this component will provide specific customized comprehensive training programs for (i) conducting inventory (ii) inspection, monitoring, handling and management; (iii) monitoring and testing of transformers for PCB decontamination, (iv) management and disposal and destruction, (v) implementation and enforcement of policies and regulations formulated for the sustainable management of OPs, POPs, uPOPs, PCBs and other hazardous chemicals.
- 32. This subcomponent will (i) assess local analytical capacity and priority of pollutants to be measured based on their relevance in the country and build capacities of national laboratories and academic research laboratories to test for POPs parameters and (ii) provide needed infrastructure for POPs assessment, measurement, analysis, and prevention measures ensuring compliance to the commitments under Stockholm Convention and sustainable management of chemicals and hazardous substances.

Apr 08, 2022 Page 9 of 12

Component 4: Project Management and Monitoring (US\$ 0.75)

- 33. This component will support operating costs associated with day-to-day project management and implementation including procurement, financial management, and environmental and social management functions to be carried out by the Project Management Unit (PMU).
- 34. This component will support: i) hiring of international and national technical experts with knowledge and expertise on POPs and hazardous waste management to provide technical support to project implementation; ii) monitoring & evaluation of the project outcome indicators and results by collecting evidence-based information and data, and reporting to the World Bank and the GEF, as well as a mid-term and technical evaluations following the World Bank and GEF guidance; and iii) project launch and completion workshops.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No
Summary of Screening of Environmental and Social Risks and Impacts	

- 35. Environmental and Social Framework (ESF). POPs are highly toxic and exposure to these substance can cause several negative health effects on the population and environment, when exposed. In addition, the project activities could also lead to contamination of soil from spills of OPs/ PCBs and hazardous chemicals during sampling, temporary storage and treatment/ disposal stage. Considering this, the environment risk of the project is rated as 'high'.
- 36. The project will be implemented across Iraq and will be designed to build the capacities and systems for understanding, planning, improving the management of POPs comprising OPs and PCBs in the country through policy, regulatory and institutional actions and safe disposal of targeted stockpiles these substances. The project targets to support management and disposal of 1000 tons of OPs and 3000 tons of PCBs. While, exact locations of the stockpiles are not identified as yet, according to the preliminary work carried out by the United Nations Environment Program (UNEP) in 2005 and POPs NIP, it is understood that most of the sites are located in industrial/agricultural areas in the seven conflict affected governorates of Ninewa, Anbar, Salah Ad-Din, Diyala, Kirkuk, Baghdad, and Babel. But, the nature and level of pollution and the risk to the local population at these sites is unknown. The project proposes to carry out detailed assessments based on a detailed inventory during implementation phase of the project and the sites with highest risks will be chosen for remediation. The Government of Iraq (GoI) and the PMU, will prepare necessary ESF instruments for all such sites where OPs and PCBs will be treated/ disposed and remediated and the project and will ensure that proper handling of POPs stockpiles while carrying out the remediation process. In addition, the Government/ Project will also engage in a robust stakeholder engagement process during the assessment and prioritization of sites and the design of remediation plans.
- 37. In terms of social impacts, based on the available information at concept stage, implementation of various activities through the project are not expected to involve acquisition of private land and causes direct adverse social impacts. However, occupational health and safety impacts to the workers and local communities are likely during implementation. Also, many of the storage sites of OPs are located in the warehouses/ store yards and

Apr 08, 2022 Page 10 of 12

isolated industrial sites. Hence, no loss of agriculture revenue and livelihood impacts are anticipated. In fact, the agriculture revenue is expected to improve, after the issues of groundwater pollution and soil contamination are addressed through the POPs management activities proposed by the project. The overall social risk of the project is rated as Moderate. However the risk will be reassessed during preparation phase of the project based on more specific information on potential sites that may be available and confirmed at the appraisal stage. In line with the Bank's ESF requirements and complying to ESSs, appropriate E&S instruments will be prepared during implementation phase, for each of the sites prioritized where OPs and PCBs disposal is proposed. These instruments will evaluate all social risks including labor influx, child labor, gender-based aspects, discrimination, and impacts on local communities and appropriate mitigation measures will be recommended. Engagement of stakeholders in all phases of the project and periodic monitoring according to the World Bank Environmental and Social Framework will also be ensured. Overall project level and sub-project level functional Grievance Mechanism (GM) will also be established and communicated during the stakeholder consultations. It will also be ensured that the GM is available at implementing agency's website.

- 38. No significant risks related to labor influx are expected due to the project, as most project workers are part of existing contracts or will be recruited locally. No direct impact on cultural heritage nor new cultural artifacts are expected. No direct impacts on habitats and biodiversity are expected. The risk of harassment or misconduct SEA/SH risk in the workplace and in contact with communities remain low.
- 39. Considering the above, it is proposed to prepare an Environmental and Social Management Framework (ESMF) for all the activities of the project by appraisal and specific Environmental and Social Assessments (ESIAs) will be prepared during implementation phase for the sites that will be financed by the project, after completing necessary technical and risk assessments, as explained above. Being a 'High' risk project, all such ESIAs will be submitted for World Bank's review and clearance, before commencing the bidding process to hire the contractor for the disposal of OPs and PCBs at any particular site.
- 40. MoE supported by a Project Management Unit (PMU) will be responsible for the day-to-day implementation of the project. The technical and regulatory expertise of MoE and the experience of MoA and MoElc in implementing Bank financed projects, provides a good basis implementing E&S aspects in the current project. The PMU will be also responsible for ensuring that project activities are assessed from environmental and social points of view and that requested environmental and social documents are prepared and adequately implemented in line with the Bank's ESF. For the purpose of implementing environmental and social standards, both Environmental and Social Specialists will be recruited in the PMU. Their main responsibility will be to coordinate environmental and social management activities, including adequate implementation of Environmental and Social Management Framework (ESMF), site-specific Environmental and Social Impact Assessments/ Environmental and Social Management Plans (ESIAs/ ESMPs), Labor Management Procedures (LMP), and Stakeholder Engagement Plan (SEP). The Bank E&S task team will provide hands-on support during project preparation and implementation phases to ensure compliance with the E&S requirements as per the ESF. The MOE will also ensure that all service providers from which it will procure services adhere to the World Bank's ESF requirements.

Apr 08, 2022 Page 11 of 12

CONTACT POINT

World Bank

Harinath Sesha Appalarajugari Senior Environmental Engineer

Borrower/Client/Recipient

Ministry of Finance

Implementing Agencies

Ministry of Environment Yousif Muayad Mr moen.iraq@gmail.com

FOR MORE INFORMATION CONTACT

The World Bank 1818 H Street, NW Washington, D.C. 20433 Telephone: (202) 473-1000

Web: http://www.worldbank.org/projects

APPROVAL

Task Team Leader(s): Harinath Sesha Appalarajugari

Approved By

Country Director: Ramzi Afif Neman 30-Jul-2022

Apr 08, 2022 Page 12 of 12