



# Appraisal Environmental and Social Review Summary

## Appraisal Stage

### **(ESRS Appraisal Stage)**

Date Prepared/Updated: 02/17/2022 | Report No: ESRSA01928



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Cambodia	EAST ASIA AND PACIFIC	P177185	
Project Name	Cambodia Southeast Asia Disaster Risk Management Project II		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	2/21/2022	5/10/2022
Borrower(s)	Implementing Agency(ies)		
The Kingdom of Cambodia	Ministry of Rural Development (MRD)		

**Proposed Development Objective**

The Project Development Objective (PDO) is to improve the disaster and climate resilience of flood-damaged rural roads in target areas, improve the capacity of the government to prepare for and respond to emergencies, and provide immediate and effective response in case of an Eligible Crisis or Emergency.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>114.45</b>

**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 Cambodia South East Asia Disaster Risk Management 2 project (KH-SEADRM2) will support the Royal Government of Cambodia (RGC)'s efforts to increase disaster and climate resilience of the rural road network in target areas and improve the capacity of the government to prepare for and respond to emergencies. Following a request from RGC to rebuild rural roads and bridges damaged by the 2020 floods and other recurring floods, KH-SEADRM2 will improve the disaster and climate resilience of approximately 400 km of the damaged roads in provinces including; Banteay Meanchey, Battambang, Kampong Speu, Kampong Chhnang, Pursat, Siem Reap, and 3 bridges in Tboung

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Khmun. The project will also strengthening institutional capacity for DRM and climate change preparedness in rural development sector planning and policy processes.

The proposed PDO is to be achieved through four components: Institutional strengthening for disaster resilience in the rural development sector; Resilient rehabilitation and reconstruction of rural roads and bridges; Project Management; and Contingent Emergency Response. KH-SEADRM2 also builds on the on-going Cambodia South East Asia Disaster Risk Management Project (KH-SEADRM1, P160929) component on Resilient Rural Corridors.

Component 1 interventions will support institutional strengthening for disaster resilience in the rural development sector. Post-disaster emergency response and preparedness diagnostics will be conducted. MRD's capacity for post-disaster damage and needs assessment and emergency response and recovery planning will be strengthened. Vulnerable mapping of the Tonle Sap region be conducted, followed by identification of potential flood risk reduction and climate change adaptation options, such as structural and non-structural resilience investments and coping mechanisms for affected rural assets and communities.

Component 2 will support the rehabilitation and reconstruction of civil works on selected rural roads that are vulnerable to disasters and climate change. Civil works activities will incorporate climate resilience considerations. Technical assistance will be provided to support MRD in carrying out enhanced community engagement for road safety and design, and in expanding the functionality of their existing road asset management system to incorporate climate and disaster information.

#### **D. Environmental and Social Overview**

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

KH-SEADRM2 will finance climate-resilient road reconstruction of approximately 400km and bridges (including 03 bridges collapsed during the 2020 flood event which required urgent intervention) in the seven provinces, namely, Banteay Meanchey, Battambang, Kampong Speu, Kampong Chhnang, Pursat, Siem Reap, and Tboung Khmun, along with strengthening institutional capacity for DRM in national and rural development sector planning and policy processes. Most of them are geographically situated around Tonle Sap Great Lake, while rapidly urbanized Kampong Speu is located approximately 40km from Phnom Penh Capital, and is an area with concentration of industrial clusters, including garment factories, and Special Economic Zones (SEZs).

The project targets various geographical locations that were affected by floods in 2020 and other recurring floods with due consideration both to the historical weather patterns and the impacts of anticipated climate change. Pursat and Kampong Speu provinces are known as areas having rich biodiversity providing critical ecosystem services, such as water purification, food provisioning, erosion reduction and climate regulation, which underpin the country's economy. The component 2 activities may include but are not limited to improvements to road surface from unpaved to bituminous seal, bridge reconstruction, enhance road drainage capacity, raising of road and embankment levels, protection of structures and embankments from scour and erosion, and slope stabilization adjacent to selected roads and bridges affected by the 2020 floods and recurring flood events. It is expected that the scope of work could cover 400 km of rural roads and three bridges to be rehabilitated in the target provinces. The environmental sensitive receptors along the roads include areas of grown fruit trees (and palm trees which are prohibited from commercialization), rice field and/or cropping farmlands and natural (and manmade) water bodies such as river,



canals, creek, natural/artificial ponds for local consumptions, Physical Cultural Resources (pagodas, temples, stupas, community spiritual spaces/structures, burial places, etc.), etc. The road selection criteria was applied for road selection. Candidate road locations were superimposed with the maps of the Cambodia Protected Areas and locations of indigenous communities to determine if any of the long listed roads are within. All road segments that run through protected areas were excluded from the short list consistent with the exclusion criteria prepared and included in the ESMF. Following prioritization process, all roads within 5 km of the sensitive areas came out as low priority among the shortlisted roads. However, should the project received more funds that allow the inclusion of more roads in the shortlist, and should the road within 5 km of the sensitive areas become a candidate, a detailed screening of these roads will be carried out prior to the decision to rehabilitate these road.

Some areas of provinces were former strongholds of the Khmer Rouge, where landmines and Unexploded Ordnance (UXO) remain an issue posting safety risks to local residents engaging in agricultural activities as well as construction workers. The geographical advantage of several provinces is their connection with the Great Lake and their cultural heritage, which is evidenced by the presence of various ancient temples and the UNESCO cultural heritage sites in Siem Reap. However, the provinces are also considered vulnerable to floods during the rainy season, and droughts during the dry season. The frequent natural disasters have impacts on health (i.e., lack of access to clean water and sanitation) and livelihoods of local residents, who mostly depend on agriculture.

As a coping strategy to recover from past disasters, residents, particularly the landless and other vulnerable groups, migrate to Thailand or urban areas in Cambodia for employment. Physical access to remote areas in the project target provinces remains a challenge, especially during the rainy season, placing difficulty for local residents, particular, the poor and vulnerable groups, to access public services such as education, health, and markets. The Covid-19 pandemic has further exacerbated the vulnerability of these households since many Cambodian migrant workers in Thailand returned home. These returning migrant workers encounter economic hardship in the mid of growing unemployment, which has placed additional burden on their family and the economy.

While the vast majority of the population in the project target provinces are Khmer, there is also presence of some Indigenous Peoples in these provinces, particularly in remote and mountainous areas. According to the Ministry of Rural Development (MRD), there are various indigenous groups living in the project provinces. With recent national road developments (particularly the roads linking Pursat with coastal provinces), land grabbing and environmental degradation in the areas including those with presence of Indigenous Peoples, has become an issue. Local media, for example, has reported of various land disputes between local people and private companies, following the government issuing a regulation to provide land titles to individuals currently making use of land in the areas.

#### D. 2. Borrower's Institutional Capacity

The implementing agency will be the Ministry of Rural Development (MRD), applying existing mechanism of the Project Management Unit (PMU) under the MRD of the current KH-SEADRM. PMU will primarily manage the activities, and MRD's Rural Roads Department (RRD) will play a key role in the project implementation unit, as per its mandate on rural roads network planning, construction, rehabilitation, and management. The PMU is coordinated by the Project Coordinator and led by the Project Director and is comprised of the Project Manager and assigned staff of relevant MRD departments, including Department of Rural Roads, Finance, Procurement, Planning, Ethnic Minority Development and concerned PDRDs.



MRD gains experience implementing World Bank funded projects, including the ongoing KH-SEADRM under the safeguard policies and the Cambodia Road Connectivity Improvement Project (P169930) being implemented under the Environmental and Social Framework (ESF). The current KH-SEADRM project is progressing well with environmental and social safeguards performance rated Satisfactory as of the 10th ISM held in October 2021 and several years prior. MRD has demonstrated strong commitment to building capacity of staff and to implementing environmental and social instruments of the projects. MRD has established an Environmental and Social Office (ESO) in 2011, placed under the department of rural road. The office consists of 10 staff now (5 females), whose roles are to provide support to MRD to manage risks and impacts including OHS and ESHS of various Bank financed-projects and other donors. MRD has also assigned gender focal points who are tasked with matters related to gender mainstreaming, gender sensitization among communities and workers, as well as SEA/SH. MRD, through the current KH-SEADRM project, has benefited from the Bank’s technical assistance on SEA/SH, where a strategy with a clear time-bound action plan for GBV has been developed by MRD, and sensitization training on SEA/SH conducted for relevant key staff working on the current KH-SEADRM project.

Experience from MRD’s implementation of the Bank financed projects informs that while ESO has enhanced its environmental and social risk management capacity, its staff require ongoing support from national E&S consultants and the Bank, considering project preparation and implementation under the Environmental and Social Framework (ESF) is new for both the PMU and ESO staff. At the provincial level, capacity of MRD’s provincial staff assigned to manage and monitor the environmental and social risks management requires hands-on support. The Environmental and Social Risk Management function within MRD needs further strengthening. A Capacity Needs Assessment has been carried out as part of the preparation of the Environmental and Social Management Framework (ESMF). This informed Component 3 which has activities to support building capacity and knowledge on the ESF. A working agenda for institutional capacity strengthening/ building measures was an integral part of the Environmental and Social Commitment Plan (ESCP) on the need for additional E&S staff and responsibility, identified tentative training items (including mainstreaming of green infrastructure solutions with applicable and appropriate nature based-solutions and climate resilience design) to ensure ownership and sustainability of the resources. MRD has developed an Environmental and Social Management Plan (ESMP) booklet for rural road and being applied for KH-SEADRM. The booklet will be updated and finalized in March 2022 to reflect lessons learned including experiences for remote monitoring and consultations during the COVID-19.

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

**A. Environmental and Social Risk Classification (ESRC)** Moderate

**Environmental Risk Rating** Moderate

The project environmental risk is rated moderate. Based on the nature of the investment (civil work activities) and lessons learned from the current KH-SEADRM, the impacts from rebuilding of the roads are expected to be temporary, reversible and site specific without likelihood of impacts beyond footprint of the sub-projects and can be mitigated in a predictable manner. Of all the proposed provinces, Phnom Samkos, central Cardamom Mountain, in Pursat and Phnom Aural, eastern part of Cardamom Mountain, in Kampong Speu are the wildlife sanctuary and classified as Ministry of Environment’s protected areas (PAs). However, all the proposed road candidates are outside of Protected Areas, and some low priority road candidates are about 5 km from environmental sensitive areas which will not be funded until detail screening are carried out. The main activities focus on improvement of flood



damaged-roads and/or construction of collapsed bridges and enhancement of drainage capacity in the target provinces. The design of the KH-SEADRM 2 will be built on the current KH-SEADRM. The environmental sensitive receptors along the roads include areas of natural vegetation, grown fruit trees, rice field and/or farmlands and natural/artificial water bodies such as river, reservoir, creek, ponds, etc. The exclusion criteria for road candidates are included in the ESMF to avoid impacts to PAs as stated in the Royal Decree which includes the carving out areas that being deducted from the PAs in Cambodia for redistribution to people and private property to the provincial administration. The potential environmental risks and impacts during the construction include: (i) erosion and runoff to water bodies during earthworks, specifically the construction of the collapsed bridges and road sections which would increase the elevations; (ii) the possibility of removing/trimming village fruit trees/branches and/or protected species such as palm trees; (iii) pollution impacts resulted from construction works, especially in dense communities (dust, noise, vibration, excessive amount of water uses for construction, construction wastes and used engine oil); (iv) accidents to road workers and users due to poor management of traffic; (v) possibility of infection of COVID-19 and spread in the campsites and communities; (vi) illegal fishing/hunting activities; and (vii) accidents from unremoved UXOs. During the operation of the roads, the direct and indirect impacts are anticipated include: (i) increase of speed and likelihood of road accidents caused by an improved road; (ii) medium to long-term pollution impacts on surface water from earthwork for road elevations and sourcing aggregates / construction materials for concrete and DBST road; (iii) increase traffic volume and transport modes in the communities increasing noise and health concerns (including stresses); and (iv) possibility of long-term adverse impacts from an unintended development activities that would lead to land grabbing and/or illegal logging. Due to similarity of the nature of the proposed road candidates and the design standards for climate and disaster-resilience which resulted from the World Bank supports MRD through the ongoing Cambodia Southeast Asia Disaster Risk Management Project (P160929), most of these risks and impacts from the civil work activities will be manageable through mitigation measures set out in the Environmental and Social Management Framework (ESMF) and ESMPs and site specific instruments that will be developed. Cumulative impacts have been carried out as part of the ESMF preparation and have been assessed to be small and negligible. During implementation cumulative impact assessment will be conducted for each identified road and bridge sub-project, and relevant mitigations measures will be proposed and implemented.

**Social Risk Rating**

Moderate

The social risk is classified as Moderate. Whilst the project aims to deliver a range of benefits, project activities have the potential to generate predictable, site specific, mitigatable social risks and impacts, low in magnitude. These impacts include: a) pre-construction phase impacts from land acquisition including the disruption of livelihoods, the acquisition of minor amounts of land and land affixed assets and the relocation of vendors located near the roads, along with the potential loss of culturally significant or spiritual spaces; (b) construction phase risks such as restricted access to roadside properties, risks related to labor and working conditions for construction workers, along with the risk of increased substance abuse and sexual exploitation and abuse/harassment and transmission of communicable diseases (including COVID19 and sexually transmitted diseases) associated with labor influx; (c) operational phase risks to community health and safety due to the increases in heavy traffic, and associated increases in road safety and SEA/SH risks. These risks and impacts are for the most part predicable and possible to mitigate during the lifetime of the project. If the screening and assessment procedures laid out in the ESMF are applied, it should be possible to avoid or minimize such disruption, or to apply reliable mitigatory or compensatory measures. The project investments in rural road rehabilitation resilience will potentially bring direct and indirect benefits to local residents. These benefits will include reduced travel time to reach schools, health, and other public service centers, expanded access to markets and work opportunities, enhanced connectivity during the rainy season,

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improved road safety and improved air quality due to dust dispersion from unpaved road surfaces. The investments in the project target provinces are expected to contribute to local employment and economic development. Consultations with the vulnerable groups in these provinces during implementation and monitoring this project, including road selection processes, will help to ensure their enhanced access to project benefits. The project also includes technical assistance support to MRD to mainstream disaster risk management into policies and investment planning processes. Terms of reference for this technical assistance support will include relevant requirements of the ESF, particularly to ensure that policies to be developed as part of the project will take into consideration equitable access to project benefits by vulnerable groups. It is expected that special attention will be needed to monitor and enforce compliance in the application of ESS2, and ESS4, since the mobilization and temporary labor influx of contracted workers is likely. Similarly, attention needs to be paid to risks associated with land acquisition due to the potential negative impacts to vendors operating close to the improved roads, on small strips of garden land, productive trees/crops, as well as fences and other structures encroaching the right-of-way. The project may have high impacts to those traders and roadside vendors, in which case livelihood restoration plans will be prepared as part of the RAP. There is also a related risk that the realignment of small sections of road or the construction of drainage channels could disrupt loss of access to properties, especially if roadside drainage crossing structures are not put in place to bridge these roadside drainage channels. Given the presence of Indigenous Peoples in all target provinces attention will need to be paid to minimize impacts on their land, and culture and access to resources. Emphasis will be also placed on applying sub-project screening procedures to avoid adverse impacts on indigenous communities, as well consultation with indigenous groups present in the project areas as part of the project Stakeholder Engagement Plan (SEP), which has been prepared in line with the ESS10.

## 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:**

According to the nature of the civil work activities, nine standards are relevant. These are the ESS1, ESS2, ESS3, ESS4, ESS5, ESS6, ESS7, ESS8, and ESS10. Raw data were first received from the PDRD offices in nine (9) provinces (Banteay Meanchey, Battambang, Kampong Chhnang, Kampong Speu, Oddar Meanchey, Palin, Phnom Penh, Pursat, Siem Reap). The initial list included 306 road links. After desk work, the proposed project will be targeted 400km of rural roads and implemented in seven provinces where risks associated with environmental baseline conditions are considered moderate. MRD is working on identifying the candidates which will be concluded after appraisal through a robust prioritization and environmental and social impacts screening to ensure the project activities will not cause significant environmental and social impacts. Screening for potential environmental and social impacts and risks has been informed by lessons from the similar nature of the civil works of ongoing Bank financed projects implemented by MRD, and the review of proposed project's documents and other publicly available information including but not limit to draft environment codes (2018), natural biodiversity protection corridors (Sub-decree 07, 2017), air quality report (MoE, regularly updated), Tonle Sap biosphere reserve, etc. The engineering designs of the roads will ensure adequate functionality and climate resilience of the reconstructed infrastructure.

Social risks and impacts anticipated for this project are: (a) the acquisition of minor amounts of land and land affixed assets; (b) potential cultural misunderstanding during engagement with indigenous communities; (c) the possibility of





sub-standard labor and working conditions on construction site; (d) risks to community health and safety related to increase in traffic, and risks associated with workforce mobilization (e.g. Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH); (e) the spread of communicable disease (Covid-19) among workers and communities); and (f) the risk of exclusion of vulnerable groups from the stakeholder engagement process, leading to the design of sub-projects and E&S mitigation measures that do not take into consideration their unique needs. Vulnerable groups that may require special attention during the stakeholder engagement and sub-project design process include people with disabilities, Indigenous Peoples, elderly road users, linguistic minorities and informal vendors. The SEP sets out the approach to engagement activities during project implementation and how they will take into account the unique engagement requirements of these vulnerable groups to ensure their full participation.

As the project locations are in the areas at risk of natural disasters such as floods, storms and droughts, the project has included Contingency Emergency Response Component (CERC) to provide swift respond to such events. Based on this, a CERC-ESMF is incorporated in the ESMF and ensured consistencies with the ESCP.

At the preparation stage and prior to appraisal, MRD developed, consulted and disclosed the ESMF, building on the predecessor project ESMF, which includes: framework(s) for managing E&S aspects of impacts of upgrading the rural roads, other activities to which the Bank will provide financing for TA, budget, staffing, and operational arrangements for project E&S risk management, including a training plan informed by the capacity needs assessment, all to be funded by the Client as part of the project.

MRD identified three bridges in Tboung Kmum, which are severely affected by 2020 floods. These require urgent rehabilitation to facilitate the traffic. However, given time constraint during preparation of this project, an Environmental and Social screening for the three bridge was conducted and a combined ESMP for the bridges has been prepared to manage impacts from civil work activities. The ESMP has been consulted on and disclosed prior to appraisal. Based on assessment dated October 2021, the environmental risks and impacts are considered moderate. The construction of TK2 bridge has no major adverse impacts on environment as well as possibility of increasing access to environmentally sensitive areas and/or risks of cumulative impacts. The impacts are temporary and site specific such as insufficient management of detours and traffic, traffic safety, dust, management of construction debris, water quality, stockpile storage, and control of water flow. The risks related to UXO is also considered moderate. Tboung Khmum province experienced armed conflict in 1970s. As such, before bridge construction takes place, the project will require that a safety screening/assessment for UXO and UXO removal be carried out by Cambodian Mine Action Centre (CMAC) or by certified organizations. Risks and impacts at operation stage are anticipated such as accidents caused by poorly equipped traffic retroreflective signages and marking, pedestrian footpaths and guardrails.

The ESMP identified social impacts as low, due to the fact that there are very minor impacts on land since the location of the bridge and affixed land areas for a detour road belong to public land, and there is no presence of any Indigenous Person. However, the ESMP indicates that one mall housing unit is potentially impacted by the bridge construction. Once project design is finalized, further consultation with this household will be carried out and impacts cannot be avoided through engineering designs, support will be given to compensate impacts of the bridge reconstruction on this household. Located in an isolated area, the risk associated with community safety is considered low, while the risk related to labor and working conditions needs to be carefully managed, with the





presence of around 140 workers. The ESMP requirements for the bridge will be incorporated into the road works contracts.

During the project preparation, road selection criteria is applied and environmental sensitive road candidates were classified low priority and subject to detail environmental and social screening and assessment should fund will be available before any decision for construction. Of the proposed 400 km, an average road length is 10-13km scattered in seven provinces. However, during the implementation stage, site specific Environmental and Social (E&S) assessments will be conducted following the ESMF screening procedure, including consideration of potential cumulative impacts, to inform site specific management plans and measures. Based on the screening, ESMP will be prepared for sub-projects and it may also be necessary to prepare Resettlement Action Plans (RAPs) or Indigenous Peoples Plan (IPP) as stand alone documents. The project ESMF includes Labor-Management Procedures (under ESS2), as well as provisions for Pollution management (air, noise, solid and liquid wastes, etc.) and use of sourcing materials (sand, gravel, water and energy usage) measures (under ESS3), Community Health and Road traffic safety assessment and plan during construction and operation phases (under ESS4), Labor influx and Gender Based Violence assessments and plans (under ESS4), a Resettlement Policy Framework (RPF) with specific provisions on voluntary land donation protocol and records reporting (under ESS5), Biodiversity conservation and sustainable management of living natural resources (under ESS 6), Indigenous Peoples Planning Framework (IPPF) and Cultural Heritage includes chance find procedure (ESS8).

A Stakeholder Engagement Plan (SEP) including a Grievance Redress Mechanism (GRM) was prepared prior to appraisal to guide the Borrower to identify stakeholders (which includes amongst others disadvantaged groups, local authorities, local communities, Indigenous Peoples), build and maintain a constructive relationship with them, and to meet communication and disclosure requirements, with a particular focus on project-affected parties. The SEP also guides on how to meaningfully engage impacted people, including vulnerable groups, engaging them in an inclusive manner on issues that could potentially affect them, including their access to project benefit and issues related to road designs, as well as the road traffic awareness campaign and engagement with respect to cultural and spiritual places. Further details are provided under ESS10.

The preparation of E&S instruments was supported by national Environmental and Social consultants with guidance and supports provided by an international consultant and ESO. It was prepared with active participation from those affected and the findings and feedback from public consultations are incorporated into the ESMF, ESMP report, SEP, and inform the ESCP. The consultation included interviews, face-to-face and virtual consultations, involvement of representatives and representative groups, and was conducted virtually in order to be consistent with applicable government guidance on COVID-19 measures for public gatherings. Due to the limited institutional capacity for ESF instruments preparation, Client will hire independent E&S consultants to support the project implementation.

### **ESS10 Stakeholder Engagement and Information Disclosure**

MRD prepared a Stakeholder Engagement Plan (SEP) including a GRM, before the appraisal stage and incorporated the engagement for, and findings from, the E&S assessment process during preparation. The SEP will be implemented, updated, and disclosed by the MRD throughout the different phases of the project life cycle. It was developed early in the project preparation process to inform engagement to address key risks and develop communication and engagement strategies and materials to effectively reach out to affected and interested



stakeholders to ensure accessibility and cultural appropriateness. Stakeholder identification, analysis and engagement informed assessment of both the processes and practices prescribed in the ESMF. The approach to engagement activities takes into account the unique engagement requirements of vulnerable groups, linguistic minorities as well as the need for consent.

The project will involve different groups of stakeholders from national to village levels, including local communities, government line agencies, mass organizations and the private sector. The project's stakeholders and the level of their engagement was identified and analyzed by MRD during project preparation. Stakeholder groups include: (a) line ministries: Ministry of Rural Development-(MRD), General Department of Resettlement-(GDR) of the Ministry of Economy and Finance (MEF), Ministry of Public works and Transport (MPWT), Ministry of Culture and Fine Arts (MoCFA), Ministry of Water Resources and Metrology-(MOWRAM), Ministry of Land Management, Urban Planning and Construction-(MLMUPC), Ministry of Agriculture, Forestry and Fisheries (MAFF), Ministry of Environment (MoE) and their relevant provincial departments, (b) vulnerable groups including disabled people, (c) local individuals or groups: local authorities and village chiefs, Indigenous Peoples and their leaders, (d) Community Based Organizations (CBOs), women organizations and religious leaders, (e) roadside vendors, farmers, establishments/companies in the project areas, (f) environmental organizations, ( and (g) Non-Governmental Organizations (NGOs) working on road safety, (h) private sector: road construction companies and (i) development partners at the central level.

Consultations with local communities and gathering of information from cultural heritage authorities help to both identify cultural heritage present in project areas and understand the nature and significance of potential project-identified heritage. Consultations with local communities is important to identify cultural and spiritual spaces and understand the values and significance attached to these by different stakeholders. The consultations took into consideration the different interpretations of cultural heritage by different communities and the importance they place on them. Women and girls have a different attachment to spaces and their own cultural and spiritual spaces than men and boys and this should inform engagement to identify and understand impacts, and to develop appropriate measures.

To raise awareness on road traffic safety, the project includes a road safety training action plan as part of component 2.2. Road safety awareness will require an effective campaign, targeting the most vulnerable sections of the populations in ways accessible to them. This is included in the SEP.

The SEP guides how beneficiaries and affected communities will be engaged, as per ESS10 para. 5, especially regarding project design options (layout, width, surface material, road safety, etc.). The SEP includes specific engagement requirements to reach out stakeholders to ensure accessibility and culturally-appropriateness effectively. The SEP also contains the outline of the GRM.

As part of the information disclosure arrangements, the drafts of the ESMF (including RPF, IPPF and LMP), SEP and ESCP including translations of the executive summaries in Khmer language were disclosed publicly on 15 November 2021 on the MRD website ( <https://www.mrd.gov.kh/2021/11/15/4632/#160-seadrm-ii-p1>). The executive summary translated into Khmer language of the ESMP for the TK2 bridge was disclosed on the same website on 9 December 2021 and the full ESMP on 21 December.



For the ESMF, SEP and ESCP, consultation meetings at national, provincial and district level were conducted on 3 December and at provincial level in Tboung Khum, Pursat, on 10 December 2021. Consultation meetings for the ESMP for the 1 bridge were conducted on 16 and 17 November and again on 27 November and 10 December 2021.

The results of these meaningful consultation with relevant stakeholders are adequately recorded in the updated instruments and these instruments were re-disclosed on the same website on 12 January 2022. Finalized instruments in English were disclosed by MRD on 16 February 2022 and their Khmer translations are scheduled to be disclosed on 21 February 2022, using the MRD website: <https://www.mrd.gov.kh/seadrm-ii/>.

## **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**

Labor practices in the country are governed by the Labor Law (1997), which includes provisions on health and safety in the workplace, non-discrimination in employment and wages. The project will involve civil servants (government staff appointed from the implementing and concerned agencies at all levels), direct workers (workers hired directly by the project secretariat/PPC), contracted workers (employees of civil works contractors and subcontractors, service providers, employees of consulting firms) and potentially primary supply workers (workers from providers of essential goods and materials). During project preparation it was confirmed that the project will not include community workers.

The project is expected to finance construction of infrastructure and civil works that would bring a limited influx of labor due to the nature of the works. Given the scale of the works, current procurement plans aim for international competitive bidding for the road works, resulting in the likelihood for labor influx from neighboring counties. The total size of the road working crews is currently estimated between 60-200 people per site, with the potential for workers camps being installed in remote areas.

Labor related risks include: (i) employment discrimination; (ii) labor related disputes; (iv) SEA/SH; (v) child labor in construction work; (vi) inadequate workers accommodation; and (vii) occupational health and safety or OHS related issues such as inadequate personal protective equipment (PPE), sanitation facilities for workers at construction sites, and infection of Covid-19. The labor management procedures prepared as part of the ESMF takes into account the needs of women workers including female apprentices and providing a safe working environment.

MRD developed Labor Management Procedures (LMP). The LMP sets out how all categories of project worker will be managed and treated in line with the national Labor Law and ESS2. The LMP also ensures that different project teams and workers will be provided with adequate resources, including personal protective equipment (PPE), Covid-19 protective measures, materials and equipment, accommodation, transport, first aid-kits available at working sites, and can be contacted/reached in case of emergency.

Labor, especially construction labor and drivers have an increased risk for substance abuse, such as alcohol and amphetamine. Such substance abuse is often a contributing factor to work related accidents and incidents associated



with SEA/SH. During project preparation, MRD assessed the risk of substance abuse and put in measures in the LMP to address the risks and impacts of substance abuse including Codes of Conduct (CoCs). The CoCs which will be included in the letter of appointment for government staff and contractors.

MRD has agreed to a dedicated Worker Grievance Mechanism, as part of LMP, for all groups of workers, to collect and address potential grievances coming from project workers.

The project's Labor Management Procedures (LMP) also takes into account the latest COVID-safe guidelines mandated by the government and/or best practice in the country, in order to maintain a safe working environment for workers and for the community and minimize the risk of COVID transmission. This includes hygiene practices, use of PPE and ensuring sick workers can self-isolate and access pay. The LMP also includes a worker grievance procedure.

Site-specific management plans will include the following provisions for managing potential impacts and risks associated with OHS: (i) The contractors are to comply with all national and good practice regulations regarding workers' safety; (ii) The contractors are to provide required training on occupational safety regulations and use of PPE; (iii) The contractors are to provide safety measures as appropriate during works such as first aid kits etc.; (iv) Documentation and reporting of occupational accidents/incidents/diseases; (v) Emergency prevention and preparedness and response arrangements to emergency situation; and (vi) Remedies for adverse impacts such as occupational injuries and disease. Contractor management and preparation of contractor requirements particularly for the OHS/CHS aspects through the operations manual and more specifically through qualifications, bidding criteria and contracts will be considered.

The project management/implementation unit will ensure that all tender documents for civil works include the requirement for preparation of site-specific management plan, and budget provisions for all relevant aspects of the OHS. The project will also regularly monitor the contractor's performance in implementing OHS measures. Project's regular reporting system will include project's performance on the OHS implementation.

Since the national Labor Law defines 12 years old as the minimum working age, a specific provision on minimum working age in line with the ESF is included in the Labor Management Procedure and will be included in bidding documents. A strong emphasis will be placed on monitoring compliance, so the ESMF includes requirements on Occupational Health and Safety procedures and all relevant provisions that contractors need to prepare, implement, and monitor on all construction sites for ensuring basic safety around work sites, use of personal protective equipment, and training and awareness education for workers, including on SEA/SH and their Code of Conduct. The contractor will develop a dedicated labor grievance mechanism for direct and contracted workers, and the general project's Grievance Mechanism is included in the SEP.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

This ESS is relevant. Some anticipated pollutions generated from reconstruction activities include: (i) dust and other forms of air pollution from construction sites, transportation, and auxiliary facilities; (ii) noise and vibration; (iii) solid waste (domestic waste from campsite and construction waste including used oil and lubricant); and (iv) wastewater from dust control and construction activities during construction period. These impacts are likely temporary and



reversible. The activities will neither consume large amount of energy and sourcing aggregates/construction materials, nor use or procure pesticides. Therefore, the project activities will not result in significant contamination to soil and water bodies nor resulting any risk of adverse impact on nearby community or natural habitats. The ESMF (and ESMPs for the three bridges) identified mitigation measures for efficient use of these resources where technically and practically feasible as well as to prevent use of resources from unlicensed sources. Road improvement may require clearance of vegetation or fauna habitats and may lead to soil loss and erosion. This could lead to impacts in the areas with steep slope and vulnerable to disaster or climate variation or sensitive habitats. Soil erosion and temporary detours can lead to temporary blockage of drainage or change of surface water flow or sedimentation.

The project is expected to generate some greenhouse gas (GHG) emissions during construction due to use of fossil fuels by construction machines and rural road vehicles. Given the project types, nature, and scale the level of GHG emissions are not expected to be significant because these roads are rural roads serviced for motorbikes, small cars and light trucks which consume much lower volume of fossil fuel compared to medium and large vehicles.

The ESMF and ESMPs provided guidance to screen and assess risks and impacts and provide mitigation measures including application of good practice and close supervision of works to: (i) ensure that cutting of trees and vegetation is limited to a minimum and justified by technical requirements, records and that relevant national legislation is followed. Clearance of vegetations will be replaced. ; and (ii) soil loss and erosion is minimize/protected by applying good engineering practices.

#### **ESS4 Community Health and Safety**

Often roads in these provinces are an essential source of opportunities and income for the communities but, at the same time, it is also a source of nuisance (noise, dust, air pollution) and risk (especially for children and sellers working close to the road). Road safety risks during construction and operation phases are addressed in the project's ESMF. The ESMF assesses community health and safety risks and impacts, and includes mitigation measures that can be incorporated in the site-specific management plans, where relevant. Those measures shall be in line with the WB Environmental Health and Safety Guidelines (EHSG) and Good International Industrial Practices (GIIP). Contractor management and preparation of contractor requirements particularly for the community health and safety aspects through the operations manual and more specifically through qualifications, bidding criteria and contracts will be considered given that the project will likely involve a number of contractors over a large area.

If well managed, this project has the potential to improve the environmental, social, and health conditions of the communities living along the road corridor. However, the project activities will increase traffic volume and driving speeds. To address road safety risks during construction and operation phases, the site-specific assessments and management plans will include road traffic safety assessments and plans. They will pay special attention to children and vulnerable populations along the roads, with specific attention to receptors including schools (kindergarten until secondary school), clinics, hospitals and religious structures located along the road. Road design will include pedestrian pavements on both sides of the road in villages and built up areas as well as traffic calming measures for the high-risk areas.



The exact scale of labor influx and the installation of temporary workers' camps is unknown at this stage. The expected size of the road working crews is between 60-200 people per site, with part of them being international workers. The LMP estimates that a total of 2,219 people are likely to be engaged as contracted workers to support the implementation of about 20 subprojects located in seven project provinces. During project preparation, MRD assessed the risk of SEA/SH as part of the preparation of the ESMF. The Project was screened using the World Bank's 'Gender-Based Violence (GBV) Risk Assessment Tool for Investment Project Financing involving Major Civil Works and was classified within the "Low Risk" category. To address the risk of SEA/SH, the project's ESMF includes provisions to prevent and manage SEA/SH and violence against children (VAC). A SEA/SH Action Plan bringing all these measures together, is included in the ESMF. Among others, it includes provisions to promote local recruitment of the workforce, plus mitigation measures such as a worker codes of conduct (including requirements for both worker-community and worker-worker interactions), mapping of third-party service providers, plus specific actions (training, public awareness, etc.) to avoid sexual harassment, sexual assault, and exploitation.

Labor, especially construction labor and drivers have an increased risk for substance abuse, such as alcohol and amphetamine. Such substance abuse is often a contributing factor to accidents and incidents. It also is a contributing factor for gender-based violence. During project preparation, MRD assessed the risk of substance abuse as part of the preparation of the ESMF. To address the risk of substance abuse, the project's ESMF includes provisions to prevent and manage substance abuse.

The Project also has a potential risk of spreading COVID19 to communities and the ESMF also takes into account the latest COVID-safe guidelines mandated by the government and/or best practice in the country.

Codes of Conduct (CoCs) will also be included in the letter of appointment for government staff and contractors.

#### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

The build back better principles to the reconstruction may result in widening some sections of the existing rural roads, as well as improvements to drainage/culverts/pipes, bridges, road, and embankment raising, and slope stabilization. These measures are expected to require limited land acquisition, including residential, commercial and agricultural land. This may in turn lead to temporary, or even permanent, economic displacement. If such impacts identified, livelihood restoration plans will be developed as part of site specific RAPs. To minimize such potential impacts land acquisition will be limited to small, linear strips of land that will not lead to demolition or relocation of households or commercial premises. As such works requiring physical relocation will not be eligible under the project, and sub-projects will be redesigned to eliminate such impacts if identified during the E&S screening process.

For the majority of the planned works, detailed technical designs will not be known until implementation the precise location of works that may require land acquisition and resettlement, or lead to livelihood disruption, will not be known prior to appraisal. Also, the final alignments of the roads will try to minimize as much as possible land acquisition and resettlement activities, following the principles of the mitigation hierarchy. Therefore, a Resettlement Policy Framework (RPF), including provisions for livelihoods restoration, has been prepared and is annexed to the ESMF. Following the identification of specific sites during implementation, Resettlement Plans (RPs) will be prepared as required. For the bridge for which the location and design is known, E&S screening was conducted and an ESMP prepared, consulted, and disclosed prior to the appraisal. However, the ESMP indicates that one mall housing unit is





potentially impacted by the bridge construction. Once project design is finalized, further consultation with this household will be carried out and impacts cannot be avoided through engineering designs, support will be given to compensate impacts of the bridge reconstruction on this household. The screening identified that there is no presence of IPs near the construction site.

Construction of roadside drainage risks cutting off access to private and public properties, spiritual and cultural spaces, and other resources, if adequate crossing structures are not put in place to bridge these roadside drainage channels. Road design and construction will include restoration of access to properties. If temporary economic impacts would occur during construction works, as a direct result of land acquisition or land use restrictions imposed by the project, then these would need to be compensated. Measures to address temporary economic impacts are included in the RPF.

The Resettlement Policy Framework, together with future Resettlement plans for the rural roads, assessed if the application of Voluntary Land Donation provisions (in line with footnote 10 para 4 of ESS5) is the most appropriate approach for acquiring land in the different project locations. This is common practice in rural road projects in Cambodia, and robust procedures for voluntary land donation are included in the RPF.

The governance of land acquisition for IFI projects in Cambodia is complex, requiring robust coordination at an early stage with the General Department of Resettlement (GDR), under the MEF. Cambodian Constitution, 2001 Land Law and the 2010 Law on Expropriation define the basic notions that govern land acquisition in the country. Key gaps between government practices and ESS5 have to do with assisting persons without legal titles, restoration of livelihoods after resettlement, and insufficient public disclosure and grievance redress. While many of these gaps are addressed in the Standard Operating Procedures of MEF on Land Acquisition for IFI financed Projects in Cambodia, it is still important to agree the content of the RPF in advance with the GDR. GDR was sent a draft version of the RPF on 22 October 2021 and the updated version on 11 January 2022. The letter from MEF approving the RPF was received on 15 February 2022.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

This ESS is relevant. The finalization of the selection of the rural roads is not concluded at this stage. Thus, some of them may be likely passing through/serving existing communities/villages. The screening procedure, however, will make sure that adverse environmental impacts, on critical natural habitats especially the Cardamom Mountains in Pursat and Kampong Speu, will be dropped/avoided.

The ESMF included measures for assessing risk and impacts to biodiversity and flora, fauna communities and proposed appropriate measures to avoid, reduce and/or mitigate potential impacts. The ESMF, also provided practical guidance for rural road screening against ineligibility criteria, impacts screening check list, and identification and preparation of risk management tools that will be prepared once rural roads are identified. The ESMF's provision has also included guidance to ensure that cutting of trees and vegetation is limited to a minimum and justified by technical requirements, proper records and that relevant national legislation would be considered.. A sub-decree on biodiversity protected corridor was established in 2017 by the Ministry of Environment including national parks, natural critical habitats, landscape areas, multipurpose areas, Ramsa sites, national heritage sites, core biodiversity





zones, and coastal areas. The regulation made clear that any private developments, national security bases, and public administrations such as schools, pagodas, and hospitals are not allowed.

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

The project will be implemented in seven target provinces (i.e., Battambang, Banteay Meanchey, Pursat, Siem Reap, Kampong Speu, Kampong Chhnang and Tbong Khmum) where there is a presence of Indigenous Peoples (IPs) including the Por, Chong, Kuoy, Phnong, Tupoun, Chaaraay, Koanh, Samraeh, and Kachak. Given this, the project needs to ensure that IPs are consulted in a culturally appropriate manner and that they have opportunities to benefit from project activities, which is elaborated as part of the SEP.

Cambodia’s regulatory framework related to Indigenous Peoples (2009 National Policy on the Development of Indigenous Groups) is mostly in line with ESS7. In general terms, the project is expected to bring benefits to local communities including Indigenous Peoples through investments in rural road resilience. It is not anticipated that the project will result in adverse impacts on Indigenous Peoples. However, any works that would adversely impact the integrity or productivity of collectively owned IP land would be carefully screened for and excluded. As such FPIC will not be applicable for the project.

Given that the location of sub-project activities (except for 1 bridge) will not be identified prior to appraisal, an Indigenous Peoples Planning Framework be prepared, which will lay out provision regarding how Indigenous Peoples are consulted and how they can access project benefits. There is also a need to ensure Indigenous Peoples contribute to project design and decisions, including their participation in road selection processes and road design, and this will be managed through the IPPF and the SEP. The IPPF also includes measures to ensure access to project benefits, proposes a methodology for screening for the presence of ethnic groups in the area of project influence, to assess the expected direct or indirect social risks they may face, as well as propose measures to mitigate potential cumulative adverse environmental and social risks and impacts affecting them. For the rehabilitation of the one bridge, where it’s location has been identified, screening for the presence of IPs was carried out, and the findings indicated that there is no presence of IPs near or at the construction sites. Screening for the other two bridges will be conducted following the project effectiveness.

Special attention will be given to the needs of ethnic groups in engagement including ensuring translation into relevant languages during consultations of key issues and measures. Special attention will be paid to ensure the active participation of the different ethnic groups and representatives in the project’s stakeholder engagement activities and to ensure that any information shared is sensitive to cultural needs, with special attention given to the road user safety awareness raising activity under Component 2.2.

### **ESS8 Cultural Heritage**

This ESS is relevant. The presence of cultural heritage assets is rich in Siem Reap and Battambang and listed world heritages. Along the roadsides, the presence of temples, pagodas (Wat), stupas, funerary places, etc. are common. 1996 Law on the Protection of Cultural Heritage widely recognizes the value of tangible and intangible cultural heritage as an asset for development and an integral part of people’s identity. Cambodia’s regulatory framework related to cultural heritage is in line with ESS8. The environmental and social screening procedures of the ESMF



included identification of cultural heritage and assessment of tangible and intangible significance in consultation with affected stakeholders/users, including the MoCFA and (when required) religious leaders and indigenous village chiefs, and deployment of a chance finds. Women and girls used to have different attachment to spaces and their own cultural heritage than men and boys. So specific consultations will have to be carried out with them. The provisions and procedures is provided in the proposed ESMF.

**ESS9 Financial Intermediaries**

This standard is currently considered not relevant. The project will not make use of or support financial intermediaries as defined by this standard.

**C. Legal Operational Policies that Apply**

<b>OP 7.50 Projects on International Waterways</b>	No
<b>OP 7.60 Projects in Disputed Areas</b>	No

**B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts**

**Is this project being prepared for use of Borrower Framework?** No

**Areas where “Use of Borrower Framework” is being considered:**

The Borrower's E&S Framework will not be used for the Project, in whole or in part.

**IV. CONTACT POINTS**

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**Borrower/Client/Recipient**

Borrower: The Kingdom of Cambodia

**Implementing Agency(ies)**

Public Disclosure



Implementing Agency: Ministry of Rural Development (MRD)

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#### **VI. APPROVAL**

Task Team Leader(s):	Keiko Saito, Dixi Mae Mengote Quah
Practice Manager (ENR/Social)	Mona Sur Cleared on 17-Feb-2022 at 00:27:49 GMT-05:00