



# Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

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Appraisal Stage | Date Prepared/Updated: 22-May-2017 | Report No: ISDSA20861



**BASIC INFORMATION**

**A. Basic Project Data**

Country Haiti	Project ID P155201	Project Name Municipal Development and Urban Resilience Project	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 04-May-2017	Estimated Board Date 20-Jun-2017	Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Interior and Local Authorities, Ministry of Public Works, Transport and Communications	

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**Financing (in USD Million)**

Financing Source	Amount
Strategic Climate Fund Grant	7.00
IDA Grant	48.00
<b>Total Project Cost</b>	<b>55.00</b>

Environmental Assessment Category

B - Partial Assessment

Have the Safeguards oversight and clearance functions been transferred to the Practice Manager? (Will not be disclosed)

No

Decision

The review did authorize the preparation to continue

Other Decision (as needed)

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**B. Introduction and Context**

Country Context

- Haiti has experienced advances in poverty reduction in recent years, however the country continues to be affected by institutional fragility, high vulnerability, and setbacks in economic recovery.** Between 2000 and 2012, the population living in extreme poverty declined from 31 percent to 23.8 percent. However, the



country has not yet fully recovered from the devastating 2010 earthquake<sup>1</sup>, and continues to be affected by political and institutional fragility.<sup>2</sup> On October 4, 2016, category 4 Hurricane Matthew struck Haiti's south-west coast, affecting over 2 million people, about 20 percent of the country's population, with several hundred deaths, 175,000 people displaced, immediate humanitarian assistance needs for 1.4 million people, and estimated damages around 30% of national GDP.

**2. Haiti's economic recovery and growth potential will not be sustained without improving the country's resilience to natural hazards.** With 96 percent of its population living at risk, Haiti is considered one of the world's most exposed countries to multiple natural hazards, including hurricanes, floods, erosion, droughts, earthquakes, and landslides. Haiti ranked as the third most affected country to climate-related events from 1996 to 2015<sup>3</sup>. Average damages and losses associated with hydro-meteorological events alone are estimated at an amount equivalent to almost two percent of GDP<sup>4</sup> annually.

**3. Haiti's achievements in poverty reduction have happened at the same time as rapid urbanization, which has further increased the levels of disaster risk.** It is estimated that almost six out of ten Haitians now living in urban areas. A World Bank poverty assessment (2014) demonstrated that urban areas have performed better relative to rural areas<sup>5</sup>, reflecting more non-agricultural employment opportunities, larger private transfers, more access to critical goods, and services and narrowing inequality. Given the concentration of people and assets, urban areas are the most exposed to natural hazards, with 27 of 140 municipalities<sup>6</sup> situated in flood-prone areas, while two-thirds of urban municipalities and over 70 percent of Haiti's urban population has been affected by hurricanes with medium to high impact<sup>7</sup>.

**4. The rapid and largely unplanned urbanization process combined with the relative concentration of economic activities and governance systems in the capital Port-au-Prince, has created substantial challenges in terms of service provision, exposure to natural hazards, and increased vulnerability in urban centers.** Almost half of Haiti's urban population lives in Port-au-Prince, and 65 percent of Haiti's GDP is estimated to be generated in the capital city (2010). The increased pressure and demand for basic services and land in growing cities will need to be addressed to maintain the current gains associated with urbanization. This rapid and unplanned urbanization has also highlighted the importance of enabling municipalities to govern more effectively, including better management of local responsibilities, such as land management, revenue generation and provision of basic services.

**5. In this context, the Haitian government views disaster risk management, decentralization, and improved spatial management as key development priorities** to further leverage the positive impacts of urbanization and reduce the underlying risks of economic damages resulting from natural disasters in areas of

<sup>1</sup> The earthquake caused an estimated US\$7.8 billion in damages and losses (120 percent of the GDP) and close to 220,000 deaths. The recent Matthew hurricane damaged larger parts of the western part of the country and destroyed infrastructure and housing up to a value of 20 percent of GDP.

<sup>2</sup> Recent presidential elections have taken place and a new president was formally inaugurated in February 2017, after a protracted period of period of political transition and interim government since late 2015.

<sup>3</sup> Germanwatch Global Climate Risk Index 2017

<sup>4</sup> In the period 1976 to 2012. Diagnostic sur l'impact économique et budgétaire des désastres en Haïti, World Bank 2014

<sup>5</sup> Extreme poverty in urban areas has declined from almost 22 percent to 11 percent while in rural areas the proportion of extreme poor has stagnated at 37 percent in the period 2001 to 2012.

<sup>6</sup> Total population for 2012 was estimated at 10.4 million by the National Haitian Institute of Statistics (IHSI). This represents 28 percent of total population or 2.9 million.

<sup>7</sup> "Risk, Poverty, and Urbanization in Haiti", The World Bank 2014 (unpublished).



large population concentration. The Government's national development strategy, the Strategic Development Plan of Haiti (*Plan Stratégique de Développement d'Haïti – PSDH, 2012*), identifies specific growth areas within the country to drive a more balanced economic growth and to enable secondary towns to become growth poles for industry and job creation. The PSDH points to the importance of investing in regional development, including in secondary cities, with the aim of achieving more balanced economic growth<sup>8</sup>, and on interventions to improve land use planning as a way to reduce vulnerability, while shifting more responsibility towards municipalities.

## Sectoral and Institutional Context

6. **Cap-Haïtien is the second largest city in Haiti, with approximately 274,000 inhabitants and an annual growth rate of more than 5 percent<sup>9</sup>.** The city is the capital of the North Department and its broader metropolitan region, defined by the area of influence of the first ring of satellite municipal local authorities (MLAs) that surround Cap-Haïtien, encompasses five MLAs (Limonade, Quartier Morin, Milot, Acul de Nord, and Plaine du Nord) with populations ranging from around 27,000 to about 56,000 people, bringing the total population to around 486,000 (refer to Annex 7 for a map of the project intervention area).

7. **Cap-Haïtien is of strategic importance for the development of the country due to its economic growth potential.** The city is the second commercial center of the country and strategically located in the center of the Caribbean basin, with its port, the country's second largest, providing direct access the United States and other markets throughout the region. Cap-Haïtien economy mainly relies on the services sector, in particular tourism as it hosts world-class cultural and natural heritage assets. The metropolitan area's economic growth sectors include light industry, agriculture and livestock production, small-scale distilleries, port and maritime services, education, tourism<sup>10</sup>, forestry, and mining operations<sup>11</sup>. Industrial development opportunities have notably emerged in the North and North-East Departments through the establishment of The Caracol Industrial Park (CIP), which already created close to 6,000 jobs and may create up to 25,000 new jobs in the near term.<sup>12</sup> Cap-Haïtien therefore is increasingly becoming a critical growth pole in the North, and can play a key role in tackling poverty reduction in the North region.

### *An urgent need to improve urban resilience*

8. **Managing and mitigating risks associated with natural hazards, in particular floods is a major challenge for Cap-Haïtien, with four major floods in the last decade.<sup>13</sup>** The Haut du Cap River passes through

<sup>8</sup> The strategy includes specific attention to the three regions, North, South and Central. The North remains of particular importance given its strategic location with international access and economic potential, e.g. in agriculture, tourism, and manufacturing.

<sup>9</sup> National Statistical Institute (IHSI) estimates for 2015

<sup>10</sup> Notable historic assets are the National History Park -Citadelle, Sans Souci, and Ramiers (PNH-CSSR), a United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage site; colonial architecture in the historic center of Cap-Haïtien (the capital of the north and the country's second largest city); and the tourism port of Labadie, where Royal Caribbean Cruise Line (RCCL) ships call weekly.

<sup>11</sup> Cap-Haïtien - Ouanaminthe Development Corridor Regional Comprehensive Plan, AIA 2012

<sup>12</sup> The Northern Development Corridor, Haiti Urban Development and Climate Change Study, IDB 2015. Although the CIP is located outside the metropolitan area of Cap-Haïtien, its proximity – 18 miles from Cap-Haïtien and 7.5 miles from Limonade – will increase the pressure on urban services provision in the region.

<sup>13</sup> Heavy rains in Cap-Haïtien in 2012, 2014 and 2016 resulted in flooding, causing several deaths, and damage to homes and infrastructure (these floods are just the most recent ones, at least ten other major floods have impacted the area since 1940:



the Cap-Haïtien metropolitan area and causes frequent flooding. Four major floods affected the city in the last decade (2012, 2014 and 2016) causing deaths and severe damage to homes and infrastructure. Large populations, mostly poor, are living in flood-prone areas and are therefore more likely to incur damages after a disaster. The poor are the most severely affected as they tend to settle in informal settlements in high risk areas in ravines, along river banks, and around water basins.

9. **Solid waste management challenges have further increased the risks of recurrent and severe flooding.** Annual waste generation is estimated at 175,000 tons, of which only 15 percent is collected. Roughly 85 percent of the uncollected waste ends up in the estuary of the *Bassin Rhodo*, and in drainage canals around the city. Inadequate management of solid waste in the region has significant environmental, economic, and social impacts, and uncollected solid waste that accumulates in drainage channels and surface water bodies exacerbates flooding risk.

10. **The impacts of climate change, particularly with regard to flooding and sea level rise, represents an additional risk in the Northern Region and its cities.** The Caribbean is among the most vulnerable areas in the world with regard to climate change and climate extremes. Modeling of the area shows that flooding risks will be further exacerbated by climate change. Climate change patterns are expected to accentuate higher peak flows in rivers and backflow from the sea, and the mean sea level is estimated to be 30–90 cm higher by 2100 than it is today<sup>14</sup>, close to the highest end of the predicted IPCC range. The future intensity and frequency of hurricanes are still a subject of research, but according to the US Climate Change Science Program, increases in hurricane rainfall and wind speeds are likely.<sup>15</sup>

*Planning and land use – managing increasing urbanization in high risk areas*

11. **The lack of planning and land use management capacity in the Cap-Haïtien metropolitan region is exacerbating disasters risks.** The Cap-Haïtien metropolitan region is growing spatially toward the east corridor, principally for economic reasons. Several socio-economic poles have developed along the Cap-Ouanaminthe corridor in the agronomic and industrial sectors, including: banana and sugar cane for the production of liquor (Quartier Morin); subsistence agriculture, livestock and fishing (Limonade); commerce, trade, markets, and small-scale industries (Limonade); and the Industrial Park of Caracol (*Parc industriel de Caracol* - PIC). A number of complementary infrastructure (such as the upgrading the Cap-Haïtien international airport), housing, tourism and education investments benefiting the North and North-East Departments have been carried out by the Government and development partners in recent years and new investments are being prepared<sup>16</sup>. Development, especially around the PIC, will significantly increase the metropolitan area's population, increasing the demand for land located in less vulnerable areas and basic services in the surrounding municipalities.

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1942, 1943, 1963, 1968, 1993, 1996, 2000, 2003, 2004, and 2007).

<sup>14</sup> Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. Recent NASA studies show that the mean sea level has risen by 8 cm since 1992.

<sup>15</sup> With simulations showing that for each 1°C increase in sea surface temperatures, core rainfall may increase by 6-17% and surface wind speeds of the strongest hurricanes will increase between 1-8% with associated increases in storm surge levels (source Climate Change Knowledge Portal, World Bank 2017).

<sup>16</sup> These include road upgrading and maintenance (EU project on the RN6), sustainable watersheds projects (UNDP/UNEP, reforestation on the Massacre River), and multiple initiatives including water, energy, and solid waste management (Landfill in Caracol and future facility in Limonade).



12. **Peripheral municipalities are critical for Cap-Haïtien’s urban expansion and reduction of settlements in risky areas.** Located at sea-level at the mouth of Haut du Cap River surrounded by hills, Cap-Haitien has very limited land for safe housing within the administrative boundary of the city, and people have been settling in high-risk zones where land is more affordable, such as in urban watersheds or “ravines”, slopes, coastal areas, and river banks. It is expected that Cap-Haïtien’s population will continue to grow rapidly, forcing the city to consider the satellite towns around Cap-Haïtien as areas for settlement. These cities are small municipalities but constitute an urban system and will play a key role in the future spatial development of the area of Cap-Haïtien.

*Promoting financial and technical support for better urban management and infrastructure and basic service provision in municipal areas.*

13. **The Government’s new policy commitments and the election of mayors in all MLAs across the country in 2016 provides new opportunities for strengthening local governance and service delivery.** Several policies and government programs have been strengthening municipalities as part of one of the objectives of the Strategic Development Plan of Haiti (PSDH), which identifies the development of regional growth poles to counterbalance the dominance of Port-au-Prince as one of the national development priorities. Other initiatives include programs to strengthen staffing at the MLA level and expand revenue mobilization, in particular in urban MLAs. The newly elected government, through the Minister of Interior and Local Authorities, has expressed commitment to the proposed project. In April 2016, municipal elections led to the inauguration of publically elected mayors in all of Haiti’s MLAs for the first time in almost 10 years. This provides a new opportunity for energizing and deepening the capacity of the state to deliver services at the local level and enhances the opportunity for strengthening the social contract between the population and its leaders.

14. **Strategies of spatial decentralization and capacity building for MLAs have been hampered by the lack of investment budgets available for the MLAs and the irregular support provided.** The service delivery capacity of municipalities in the metropolitan region varies substantially. A number municipalities struggle to pay operating costs, collect limited own source revenue and largely depend on the insufficient transfers from national government to finance public services and infrastructure improvements. As a result, financing available for capital investments is insufficient to provide the level of service required. These constraints are further exacerbated by the insufficient number of qualified technical staff at the municipal level. While some municipalities have local development and financing plans, these plans are not linked to their spatial and physical characteristics, and municipalities have yet to establish agreed mechanisms for prioritizing investments based on local needs. Most municipalities lack data systems to inform their decisions and take on planning functions, as well as implementation and enforcement capacity in general, and in particular for issuing building permits and monitoring compliance.

15. **The Cap-Haïtien metropolitan region is underserved in key areas of basic urban services, including roads and drainage, water and sanitation, solid waste management and access to energy, holding back the opportunity to harvest potential agglomeration benefits and to trigger the region’s economic development.** The region reflects the national trend of decline in access to services in urban areas: access to water in urban areas has reduced from 91 to 65 percent at the national level in the last 20 years, and almost 74 percent of the population live in informal settlements. In the North department specifically, approximately 74 percent of urban households rely on charcoal for energy needs, and only 24 percent of people have improved sanitation.

16. Based on the above, the proposed project will address three priorities for the greater metropolitan region of Cap-Haïtien: (i) strengthening urban resilience by reducing risks associated with flooding and climate



change related effects; (ii) strengthening municipal capacities for better management of land use and urban expansion; and (iii) enhancing local government capacity for provision of infrastructure and basic services.

**C. Proposed Development Objective(s)**

Development Objective(s) (From PAD)

The Project Development Objective is to (i) reduce urban flooding and enhance resilience in the city of Cap-Haïtien; and (ii) improve the capacity of six municipalities in the metropolitan area of Cap-Haïtien to plan, finance and deliver basic municipal services and management.

Key Results

- 17. The achievement of the PDO will be monitored through the following indicators:
  - (a) People benefiting from reduced flood risk
  - (b) People provided with improved urban living conditions
  - (c) Improved capacity to undertake integrated development planning in the territory as measured by the delivery, approval and application of key planning tools in municipal planning and budgeting by the six municipalities targeted by the Project.
  - (d) Percentage of beneficiaries who report satisfaction with project interventions
  - (e) Number of total project beneficiaries (gender disaggregated) (core)

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**D. Project Description**

18. The Project will contribute to the sustainable and resilient urban development of the metropolitan region of Cap-Haïtien through a combination of (i) investments in flood risk reduction to address the high risk of flooding and improve the livelihoods of affected households; (ii) building the capacity of municipalities for better and more resilient urban management and enhanced accountability; and (iii) improved access to basic infrastructure to promote livability, resilience to disasters and climate change, and local economic development.

Component Name:

Component 1: Vulnerability Reduction and Climate Resilient Urban Infrastructure

Comments (optional)

Component Name:

Component 2: Municipal Investment Support, Capacity Building and Strategic Planning

Comments (optional)

Component Name:

Component 3: Contingent Emergency Response



Comments (optional)

Component Name:

Component 4: Project Management and Implementation Support

Comments (optional)

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

Haiti is subject to extreme weather events such as droughts, hurricanes and tropical storms. Deforestation and steep slopes have intensified these risks. Deforestation has contributed to high runoff, erosion, landslides, flooding, dust, loss of agricultural productivity, reduced rainfall, siltation of waterways and degradation of coral reefs and mangroves. Haiti is also exposed to climate risks, and natural disasters such as earthquakes. Although degraded, Haiti's natural environment still contains areas with notable concentrations of globally or regionally threatened species, including numerous endemic ones. The project will be implemented in the Department of the North in the six communes of the greater agglomeration of Cap-Haïtien, with a total population of about 490,000. Cap-Haïtien is a port city located to the west of Cap-Haïtien Bay, at the mouth of the River Haut-du-Cap and overlooked by the Morne Jean which reaches 720 meters above sea level. The Northern Department is one of the least exposed to cyclones. However, deforestation of the slopes makes cities very vulnerable to flooding. Greater Cap-Haïtien is located in a watershed that has experienced environmental degradation. The area is vulnerable to flooding, which is aggravated by the decline in water retention from upstream watersheds; sedimentation; and the almost total absence of municipal waste management. The watershed has largely lost its water retention capacity because of deforestation and clearing for construction. The resulting soil erosion results in sedimentation in the lower areas. Sediment and municipal waste obstruct drainage channels. The ecosystems still present in the area are fragile, poorly documented, and threatened by anarchic urbanization: mangroves are cleared to allow access to land and for charcoal production. Inshore fishing is excessive and practiced at a non-renewable level. People settle in the ravines, on riverbanks and in low-lying areas and build precarious lodgings preventing the free flow of water. Approximately 32,000 inhabitants of Cap-Haïtien reside in precarious areas and are highly vulnerable to flooding and rising sea levels. Finally, Cap-Haïtien's a unique historical heritage in the Caribbean is under multiple threats. Haiti's second-largest city and its surrounding areas boast a rich culture, an attractive and varied coastline and an array of natural and archaeological sites, historic buildings, maritime heritage, and cultural events.

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#### **F. Environmental and Social Safeguards Specialists on the Team**





Vincent Roquet, Nicolas Kotschoubey, Asli Gurkan

## IMPLEMENTATION

Overall project implementation will be the responsibility of the Ministry of Interior and Local Authorities (MICT). The *Unité de Coordination de Projets* (UCP) under MICT will be responsible for overall project implementation and reporting, including consolidation of fiduciary and progress reports submitted to UCP by UCE. Activities under Component 1 will be implemented by the *Unité Centrale d'Exécution* (UCE) under the Ministry of Public Works, Transport and Communications (MTPTC). UCE will coordinate closely with the municipality of Cap-Haïtien. Activities under Component 2 will be implemented by UCP and the MLAs under MICT guidance and oversight. UCE and UCP will have a joint project office in Cap-Haïtien to facilitate easy communication and coordination of the project, and to allow for coordination with other projects in the area (including the IDB funded solid waste management project in Mouchinette). UCP will be required to strengthen its technical capacity to implement the municipal development component, including the recruitment of a dedicated project coordinator based in Cap-Haïtien. UCE will be responsible for safeguards oversight and implementation. In addition, UCP and UCE staff will receive targeted training as needed in relation to the climate change aspects of the Project to ensure sound implementation and compliance with PPCR requirements (including M&E and reporting). Both UCP and UCE are currently implementing Disaster Risk Management and Transport project financed by the World Bank, and their existing procurement, disbursement, and financial arrangements and capacities are considered satisfactory.

UCE will be responsible for safeguards oversight and implementation, similarly to the arrangements in the PRGRD project. In addition, UCP and UCE staff will receive targeted training as needed in relation to the climate change aspects of the Project to ensure sound implementation and compliance with PPCR requirements (including M&E and reporting).

Due to capacity constraints and technical complexity, the Resettlement Action Plan and the Environmental and Social Impact Evaluation have been deferred to the implementation stage. No activities under Component 2 will take place until the RAP and ESIA have been consulted, approved and disclosed.

A Safeguards Action Plan have been developed to outline in detail how the RAP and the ESIA will be delivered. The Safeguards Action Plan includes: i) Planned project activities, locations, and general environmental and social baseline (as far as known), and the expected environmental and social impacts; ii) Sequencing and, if practical, tentative implementation schedule for environmental and social safeguard processing such as subproject ESMPs, ESIA's and RAPs; iii) Preparation time for environmental and social safeguard instruments, including Bank review, revisions, clearance, and approval steps; iv) Disclosure and consultations; v) Roles and responsibilities, including supervision arrangements for safeguard preparation, implementation and monitoring; vi) Estimated costs for the environmental and social safeguard preparation and implementation process.

The Safeguards Action Plan for MDUR (included as an annex in the PAD) includes a detailed set of activities (soil structure verification, verification of alternative resettlement options, and verification of sediment management options) that will allow the completion of the RAP and ESIA in accordance with World Bank policies and



requirements, and will ensure that time for detailed and thorough consultations can be completed with all stakeholders. The efficient and timely preparation of final RAP and EIA will be completed no later than by end of December 2017.

**SAFEGUARD POLICIES THAT MIGHT APPLY**

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Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>For Component 1, an Environmental and Social Impact Assessment (ESIA) is under preparation. The ESIA will include an Environmental and Social Management Plan (ESMP). including sediment management. The TOR for the ESIA has been consulted on in country; and the draft ESIA will be consulted on before the final ESIA is disclosed in country and on the WB’s website, following a deferred timeline (during implementation, and as a condition for disbursement). The start of activities under C.2. will be contingent on the ESIA being finalized, approved and disclosed.</p> <p>The project is rated Category B. The rating is based on the fact that the environmental impacts of the intervention are substantial but not sensitive, diverse, or unprecedented, and not irreversible. They have been assessed to be manageable, provided that the appropriate mitigation measures that will be included in the final ESIA will be meticulously implemented, with close oversight from the PIU and an international supervision firm.</p> <p>Finally, however, some of the risks that the project will address will also reduce environmental liabilities, for example, the project will remove waste from ravines, which will also improve the urban environment, and the project will stabilize slopes in the watershed and along riverbanks, which will have environmental benefits.</p> <p>The policy is triggered because potential environmental impacts are expected from Component 2 (upgrading of local market facilities, road works, development of open spaces) and Component 2 (dredging and clearing works within ravines and waterways to control flooding, disposal of</p>



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sediments, driving of sheet piles, and anti-erosion works).

For C.2., as the exact nature and location of the works remains unknown, a “Framework” approach was adopted, in which each sub-project will be screened to determine what measures are required to mitigate environmental, social, health and safety impacts. Once the sites are known, site-specific Environmental Assessments or Environmental and Social Management Plans (ESMPs) will be prepared, according to the Framework, and implemented by the client prior to the start of any construction. The draft ESMF has been completed, disclosed and consulted upon in-country in March-April 2017, and the final ESMF has been disclosed in May 2017.

Any works from Components 1 or 2 next to or within the Bassin Rhodo, a wetland near Cap Haitien city center, which provides habitat to Caribbean flamingos on an occasional basis, may have impacts on this natural habitat. Although the ecology of the Bassin Rhodo is heavily degraded in places, and under threat from uncontrolled urbanisation, some of the mangroves in the centre of the Bassin are still healthy.

Any work within the Bassin Rodo will take into account the existing wetland hydrology, aquatic plants, wildlife and unplanned settlement in the Bassin.

Under C.1., the project will carry out mangrove plantation to replace any mangroves that may be lost during works. Under C.2., approaches will be explored to preserve and protect the Bassin Rhodo, which serves as a sediment trap, green space and flood buffer zone, including placing a physical boundary around it.

Under C.1., compensatory planting of mangroves to replace those that may be lost because of dredging works will be carried out, in the Bassin Rhodo or in the nearby Parc National des Troies Baies (Three Bays National marine Park).

The project could have impacts under C.2. on mangrove forests around the municipalities by financing coastal works and other investments. Since

Natural Habitats OP/BP 4.04

Yes

Forests OP/BP 4.36

Yes



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		not all investments are known at appraisal, the ESMF will include screening, assessment, and management measures for Forests.
Pest Management OP 4.09	No	The project will not finance any pesticides, nor will it attempt to control pests, or agricultural pests.
Physical Cultural Resources OP/BP 4.11	Yes	<p>While activities to be carried out under the Project are not expected to affect any known cultural heritage sites, impacts on physical cultural resources could occur, as Cap Haitien and surrounding municipalities are over 300 years old, and contain many historical monuments and buildings. If restoration of physical cultural resources is required under the project, for example of ancient bridges over the ravines (Component 1), this will have to be done in a historically acceptable way (through preservation and restoration).</p> <p>Also, technical specifications for works will include "chance find procedures" to be followed in the event that culturally significant materials are discovered during the execution of works.</p> <p>The ESMF will include screening, assessment, and management measures for physical cultural resources.</p>
Indigenous Peoples OP/BP 4.10	No	<p>The policy is not triggered as there are no indigenous people in Haiti according to the definition under OP 4.10.</p> <p>The social benefits of the project are mainly related to flood prevention and mitigation, better access to infrastructure services, and improved community health and safety as a result of ravine rehabilitation. Potential negative social impacts include land acquisition, resettlement, loss of economic livelihoods particularly for street vendors who are common and widespread in urban areas in Haiti. Other social risks are linked to illegal settlers and shortage of safe alternative land sites to resettle people in congested urban areas such as Cap Haitien. Temporary adverse impacts on access to basic services are possible, should the dismantled structures include schools, clinics, electric poles, water points etc. (all of which will be rebuilt under the project). There are also potential risks associated with the strengthening of</p>
Involuntary Resettlement OP/BP 4.12	Yes	



land use planning that could have downstream related impacts. Other potential social impacts have been presented and mitigation measures outlined in the ESMF.

The project is rated Category “B”. The rating is based on the fact that while the resettlement involved is substantial relative to Haiti, it is still relatively manageable, the sites and the social context are well known, the resettlement and community upgrading interventions associated with Component 1 are supported by the local authorities and communities, and the Bank has previous experience with resettlement in Haiti. The impacts have been assessed to be manageable, provided the implementation of the final RAP includes detailed safeguards management actions that will be meticulously implemented by an international resettlement firm in partnership with a local social NGO, with close oversight from the PIU and an international supervision firm.

The main negative social impacts raised by C.1 are related to the involuntary resettlement of about 300 slum-dwelling households, required for the widening of the Bassin Rhodo outlet to the sea, and the loss of economic livelihoods linked to dozens of small informal sector businesses located downstream of Bassin Rhodo (workshops, eateries, etc.). A Preliminary Social Risk Assessment was carried out for the World Bank in May-July 2016 by a locally based international NGO (CECI) to evaluate the potential risks and opportunities related to resettlement along the Bassin Rhodo outlet. The study concluded on the feasibility of acquiring 15 m from the left bank of the Bassin Rhodo outlet (Quartier La Fossette) which is mainly occupied by social housing and recommended minimizing land takes on the right bank of the outlet (Shada 1) due to higher risk of social tensions. The study highlighted the challenges related to resettling households from the Bassin Rhodo outlet due to limited availability of land in Cap-Haitian. It also raised concerns regarding potential legacy issues related to previous resettlement operations conducted by local authorities over the past few years in the downtown area. The study recommended further consideration



of three resettlement options for the Bassin Rhodo outlet: (i) in situ resettlement of affected households and businesses by acquiring an additional 10-meter strip of land on the left bank of the Bassin Rhodo outlet with one-story housing occupied by about 200 households and rebuilding with better quality two-story housing to accommodate resettled households; (ii) relocation of affected households and businesses to the Genie Payer area close to the airport that constitutes the priority extension zone for the municipality (7 km away); or (iii) relocation of affected households and businesses close to the new Industrial Park area in Limonade (about 20 km away). National and local authorities have expressed support for each of these strategies and have identified a potential additional in situ resettlement site occupied by an abandoned CARE warehouse on the right bank of the Bassin Rhodo outlet.

The assessment and management of issues related to C.1 will be ensured through the preparation of a Resettlement Action Plan (RAP) to be finalized after the current stage of project preparation in order to address all resettlement requirements in a socially sustainable manner before any works can start. An international consortium of environmental and social specialists (including local specialists) is currently preparing the RAP in compliance with World Bank safeguard policies. A first round of public consultations was carried out for the RAP in February 2017 and a second round of consultations on the Draft RAP is planned in September-October 2017. A separate ARAP will be prepared for minor resettlement required in the Ravines under Component 1.1. This ARAP will be disclosed and consulted on in-country in May-June and will be submitted separately for approval by the Bank by July 2017.

C.2 will most likely result in limited social and resettlement impacts through its planned support to upgrading of local market facilities, improvement of local roads, development of open spaces, etc. These impacts, as well as risks listed above, will be managed on the basis of a Resettlement Planning Framework (RPF) that has been prepared by the Government in



		compliance with World Bank safeguard policies. The draft RPF has been completed, disclosed and consulted upon in-country in March-April 2017, and the final RPF was disclosed May 2017.
Safety of Dams OP/BP 4.37	No	No dams, as defined in the policy, will be financed, or included, in the project. The project does not depend on the performance of any existing dam.
Projects on International Waterways OP/BP 7.50	No	The policy is not triggered as there are no international waterways, as defined in the policy, under the project.
Projects in Disputed Areas OP/BP 7.60	No	The policy is not triggered as there are no disputed territories, as defined in the policy, under the project.

**KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT**

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**A. Summary of Key Safeguard Issues**

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Under C.1, main impacts include disposal of debris, waste and sediment from ravines and waterways, which consists of municipal solid waste, sand, gravel and soft sediment (silt); impacts from operations to sort and separate waste from sediment; impacts associated to driving sheet-piles; construction impacts; and the loss of mangroves in the Bassin Rhodo. Modeling has shown that dredging activities will allow for improved drainage during times of flood, but will not significantly lower the water level during non-flood periods. Thus the hydrology of the Bassin Rhodo system will not be significantly altered, and the project will not promote drying out of the mangroves.

The main negative social impacts raised by Component 1 are related to the involuntary resettlement of about 300 slum-dwelling households, required for the widening of the Bassin Rhodo outlet to the sea, the loss of economic livelihoods linked to dozens of small informal sector businesses located downstream of Bassin Rhodo (workshops, eateries, etc.), and the potential acquisition of privately-owned lands upstream of Bassin Rhodo.

Under C.2., impacts from construction are expected to be relatively minor and easy to manage; they relate to earthworks, noise, dust, sourcing and disposal of construction waste, health and safety of workers and the public, including traffic disruption. Project will likely result in limited social and resettlement impacts through its planned support to upgrading of local market facilities, improvement of local roads, drainage, development of open spaces, etc.

Risks linked to labor influx are expected to be limited. They will be mitigated by prioritizing local labor and ensuring clarity on where laborers coming from outside will be hosted through their stay in the host community and ensuring that contracts are consistent with ESMP provisions. Furthermore, Code of Conduct will be applied as needed.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:



A positive long-term impact of the project is that Phase I will deepen and widen the western boundary of the Bassin Rhodo; while a future Phase II and III of the project will reinforce the eastern boundary, thereby protecting the Bassin Rhodo. In addition to management and institutional measures that will be promoted under the project, this physical boundary will help to protect this urban water body in the long term, and maintain the multiple ecological benefits that it provides (silt retention, flood buffer, habitat, etc.)

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The project has carried out numerous detailed studies and models to evaluate different alternatives.

The main technical reason for opting for the current alternative (dredging from the Bay to the middle of Bassin Rhodo) was to ensure that the flood-reduction targets were met within the budget allocated. Thus the model determined the minimum depth and width of the channel required in order for the project to have the desired positive effect.

The several different alternatives explored for disposal//treatment of sediment, one of the major impacts of the project, took into consideration availability of land; cost; impacts of traffic, noise, dust of road transport; odors; timing; the status quo; etc., and selected the alternative that presented the least impacts.

Deep-sea, offshore disposal of non-polluted sediments is one of the most used options for this type of project, and presents the least impacts compared to onshore disposal. The potential site identified for disposal is 9 km offshore, where the sea bed is 800 m below the surface; modeling shows that the impact onshore will be insignificant, and that the impact on the seabed, after dispersion of the sediment, will be minimal. For the polluted sediments, the treatment at the site at Mouchinette will be used.

Three resettlement options for the Bassin Rhodo outlet are under consideration and will be discussed in public consultations with households to be resettled: (i) in situ resettlement of affected households and businesses by acquiring an additional 10-meter strip of land on the left bank of the Bassin Rhodo outlet with one-story housing occupied by about 200 households and rebuilding with better quality two-story housing to accommodate resettled households; (ii) relocation of affected households and businesses to the Genie Payer area close to the airport that constitutes the priority extension zone for the municipality (7 km away); or (iii) relocation of affected households and businesses close to the new Industrial Park area in Limonade (about 20 km away). National and local authorities have expressed support for each of these strategies and have identified a potential additional in situ resettlement site occupied by an abandoned warehouse on the right bank of the Bassin Rhodo outlet.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

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Environmental and social impacts under Component 1 will be managed on the basis of, respectively :

- (1) an ESIA to be finalized after the current stage of project preparation in order to address and mitigate all environmental impacts to acceptable levels before any works can start. An international consortium of environmental and social specialists (including local specialists) is currently preparing the ESIA in compliance with national law and World Bank safeguard policies. The ESIA builds on a bathymetric study; a hydrological study; a solid waste study; a river morphology study; a dredging study; a GIS study; and an erosion study, all carried out under the project to inform the optimal outcome. A first round of public consultations was carried out for the ESIA in February 2017 and a second round of consultations is planned in September-October 2017; and
- (2) a Resettlement Action Plan (RAP) to be finalized after the current stage of project preparation in order to address all resettlement requirements in a socially sustainable manner before any works can start.. A first round of public consultations was carried out for the RAP in February 2017 and a second round of consultations is planned in September-October 2017.

Environmental and social impacts under Component 2 will be managed on the basis of an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) that have been prepared by the Government in compliance with national and Bank standards, and that were discussed with local stakeholders in public consultations in February-March 2017, and has been disclosed in May 2017.

Both UCP and UCE are currently implementing Disaster Risk Management and Transport project financed by the World Bank, and their existing procurement, disbursement, and financial arrangements and capacities are considered satisfactory. The UCE has prepared the ESMF and RPF. UCE will continue to be responsible for safeguards oversight and implementation, similarly to the arrangements in the PRGRD project. In addition, UCP and UCE staff will receive targeted training as needed in relation to the climate change aspects of the Project to ensure sound implementation and compliance with PPCR requirements (including M&E and reporting).

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders are the population of the six target municipalities (totaling approximately 490,000 people), of which direct beneficiaries will be (i) the urban population of the five outlying municipalities (around 60,000 people) who will benefit from enhanced delivery of municipal services and infrastructure; and (ii) approximately 58,000 urban inhabitants of the municipality of Cap-Haitien (or almost 25 percent of the municipality's population) who will benefit from improved disaster risk (flood) reduction mitigation works, totaling around 118,000 direct beneficiaries. Indirect beneficiaries will include the other urban population in Cap-Haitien and the rural population in the 6 communes benefitting from improved services in the municipalities, totaling approximately 370,000 people.

51 percent of project beneficiaries will be female. The priorities of women will also be reflected in the process of identification of the Project's small-scale municipal investments and will be required in the identification of investment priorities.

About 300 households would be potentially affected by involuntary resettlement along the Bassin Rhodo outlet and are considered as key stakeholders to be involved in stakeholder consultations during project preparation and implementation.

Consultations have been completed for the RPF and EMSF, in all the six municipalities and with very rich participation. The conclusions of the draft ESMF and RPF were verified in the consultations.



**B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)**

**Environmental Assessment/Audit/Management Plan/Other**

Date of receipt by the Bank  27-Mar-2017	Date of submission to InfoShop  09-May-2017	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
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**"In country" Disclosure**

Haiti

17-May-2017

Comments

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The ESIA and RAP for Component 1 will be publicly disclosed in-country once they have been completed and approved for disclosure by the Bank.

The draft ESMF for Component 2 have been posted for comments on the Client's website and were publicly consulted upon in April 2017 in all 6 municipalities targeted by the project of the Cap-Haitien area. A summary of the ESMF were also made available in Creole. The final ESMF has been cleared and disclosed in the Bank's website on May 9, 2017 and on the Client's website on May 17, 2017.

**Resettlement Action Plan/Framework/Policy Process**

Date of receipt by the Bank  27-Mar-2017	Date of submission to InfoShop  09-May-2017
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**"In country" Disclosure**

Haiti

17-May-2017

Comments

The Draft ESIA and Draft RAP for Component 1 will be publicly disclosed in-country once they have been completed and approved for disclosure by the Bank.

The RPF for Component 2 have been posted for comments on the Client's website and were publicly consulted upon in April 2017 in all 6 municipalities targeted by the project of the Cap-Haitien area. A summary of the RPF were also made available in Creole. The final ESMF has been cleared and disclosed on the Bank's website on May 9, 2017 and on the Client's website on May 17, 2017.

**C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)**

**OP/BP/GP 4.01 - Environment Assessment**



Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

NA

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

#### **OP/BP 4.04 - Natural Habitats**

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

NA

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#### **OP/BP 4.11 - Physical Cultural Resources**

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

#### **OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

Is physical displacement/relocation expected?

Yes

Provide estimated number of people to be affected 1,500

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)

TBD

#### **OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?

Yes

Does the project design include satisfactory measures to overcome these constraints?

Yes

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?



No

**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes

**All Safeguard Policies**

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

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**APPROVAL**

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**Approved By**

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Country Director:	Raju Singh	19-May-2017