INTEGRATED SAFEGUARDS DATA SHEET APPRAISAL STAGE

Report No.: ISDSA1126

Date ISDS Prepared/Updated: 09-Dec-2014

Date ISDS Approved/Disclosed: 05-Jan-2015

I. BASIC INFORMATION

1. Basic Project Data

Country:	Sri La	anka	Project ID:	P153301		
Project Name:	Clima	ate Change Adaptation Pro	•			
Task Team	Priti l	Kumar				
Leader(s):						
Estimated	19-De	ec-2014	Estimated	06-Feb-2015		
Appraisal Date:			Board Date:			
Managing Unit:	GEN	DR	Lending Instrument:		Project Financing	
Sector(s):	Gene	ral agriculture, fishing and	l forestry sector	(100%)		
Theme(s):		ate change (50%), Biodive rces management (25%)	ersity (25%), Ot	her environm	ent and natural	
		ed under OP 8.50 (Em to Crises and Emerge		overy) or OF	P No	
Financing (In U	SD M	illion)				
Total Project Cos	t:	5.00	Total Bank Fin	k Financing: 0.00		
Financing Gap:		0.00				
Financing Sou	rce				Amount	
Borrower				0.00		
Maldives Climate Change Trust Fund				5.00		
Total					5.00	
Environmental	B - Pa	artial Assessment				
Category:						
Is this a	No					
Repeater project?						

2. Project Development Objective(s)

The PDO is to demonstrate climate adaptive planning and management through the adoption of a multi-sectoral approach in Addu and Gnaviyani Atolls.

3. Project Description

The project has been designed along five main components that together are expected to contribute to

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delivering climate resilient island development in the project areas. The project design builds on the lessons and experiences from the projects implemented under the first phase of the CCTF.

Component 1: Wetlands Conservation. The component will support the establishment of a protected wetland management system for Hithadhoo Island and Fuvahmulah Island, including through: (a) the establishment of Protected Area Management Units in Hithadhoo Island and Fuvahmulah Island; (b) the implementation of zonation and wetlands protection regimes; (b) implementation of an environmental education and communication program; (c) implementation of an eco-tourism facility and program; (d) support for local eco-friendly livelihood activities; (e) support for development of a National Wetlands Management Strategy Plan; (f) development of a Project exit strategy and future sustainability options for protected areas; and (g) carrying out of a feasibility study on the designation of Addu [City] and Fuvahmulah [Island] as biosphere reserves or important bird areas.

Component 2: Coral Reef Monitoring. The component will support scaling up of the coral reef monitoring system, including through: (a) ongoing support for newly inducted and existing [Participating Resorts and Dive Centers], and the Protected Area Management Unit in Hithadhoo Island on field data collection and the use of the CoralDatabase; (b) enhancing the functionality and user-friendliness of the CoralDatabase platform; (c) development of policy notes and organization of exchange workshops to enable strategic mainstreaming of the use of the National Coral Reef Monitoring Program; and (d) strategic and technical advisory support.

Component 3: Development of an Island Level Integrated SWM System. The component will support institutional capacity building for Addu City Council, Gnaviyani Atoll Council, Fuvahmulah Island Council, and Hithadhoo Island Council in solid waste management planning, including through: (a) carrying out of a strategic options study on solid waste management; (b) implementation of an atoll/island level composting program at island waste management centers in Addu Atoll and Gnaviyani Atoll; (c) capacity building for Island Councils, contractors, and the utility company in Fuvahmulah Island and Hithadhoo Island; and (d) conducting of communications campaigns to encourage community participation in island solid waste management.

Component 4: Mainstreaming Climate Change into Island Development Planning. The component will support the mainstreaming of climate change into island development planning, including through: (a) delivery of a training curriculum on climate change to Atoll Council and Island Council representatives; and (b) provision of Scholarships to Scholarship Recipients.

Component 5: Project Management. This component will support project implementation, management, and monitoring and evaluation.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project activities will be primarily carried out tin Fuvahmulah, Hithadhoo and few selected sites in Addu City. Gn. Fuvahmulah (73°24'30"E and 0°16'45"S) and S. Hithadhoo (73°05'37"E and 0° 37'06"S) are large islands with significant human populations, wetlandarea, rampant problem of flooding, and where wetlands play an important role in natural drainage and freshwater security. Hithadhoo and Fuvahmulah with a population of 14323 and 11073 (in 2009) are next only to Male. Both the islands have a richer diversity of plants compared to the northern islands. Hithadhoo's Eidhigali Kilhi, which is part of Addu City has the largest diversity of migratory species of birds in the Maldives. Although these islands are considered large by Maldivian standards (Fuvahmulah with 424 hectares and Hithadhoo with 525 hectares), the land available for infrastructure and developmental activities is limited – and consequently, there is a constant pressure for land expansion. Both islands face frequent rainfall-induced flooding attributed to both drainage patterns and to human activities (reclamation of wetlands, agriculture practices, and poor consideration for drainage in infrastructure planning). The wetlands in Hithadhoo and Fuvahmulah are among the largest in the country and are significant for biodiversity conservation, freshwater security and flood control.

Unlike other atolls of Maldives, Addu city possesses a natural anchorage within the city basin, as the atoll is land-locked with large islands surrounding the atoll. With a registered population of more than 31,000 it is one of the only two atolls of the Maldives belonging to the southern hemisphere and has a land area of 15,000 hectares. The coastal marine ecosystems of the atoll include reef systems, in the north and south of the atoll, as well as in the periphery of the intra atoll basin. In addition strands of mangroves are found around brackish water systems. Also swampy areas inland, with freshwater is common in the atoll. There are seven coral reefs in the Atoll with an area of 72 square kilometers. The atoll consists of coral islands with coralline soil on top of a thin lens of fresh water. The islands in the Atoll are large in comparison to other atolls, but are fewer in number. Most of the Islands have an average of 1-2 meters above mean sea level. The Atoll has the largest brackish fresh water pond in the Maldives and is a mangrove area of high significance, located in the northern tip of the island of Hithadhoo (Eidhigali Kilhi). The area supports resident and migratory bird populations and plant species of national significance. The sustainable human occupation of the islands can be attributed to these important coastal marine ecosystems and their high biodiversity value.

5. Environmental and Social Safeguards Specialists

Darshani De Silva (GENDR) Parthapriya Ghosh (GSURR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Natural Habitats OP/BP 4.04	Yes	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	Yes	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

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II. Key Safeguard Policy Issues and Their Management

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:

Environmental issues and impacts

The overall negative environmental impacts of the project are minimal, as the project is focused on ensuring environmental management of wetland and coral reefs ecosystems in selected sites in Maldives.

Activities under the component 1 - wetland protection and conservation such as zoning, fencing, improvements in waste management, and management of access and use of the wetlands will result in reduced environmental degradation. However, it is possible that due to activities under this component, negative impacts such as temporary disturbance to water bird breeding sites and issues related to shifting of solid waste to another location could also take place. Environmental issues may also stem from improper drainage solutions (increased flooding, increase in vector-borne diseases, salinity intrusion, reduced level of fresh water in wetland, poor water quality, etc.). Ecotourism development may also impact the environment due to increased visitation which will give rise to issues such as increase in waste generation, disturbance to fauna and flora, etc.

Activities under coral reef monitoring (component 2) are not expected to lead to significant negative environmental impacts. The monitoring process that will be put in place will help in ensuring the wellbeing of the coral reefs through identifying degradation of coral reefs both due to anthropogenic such as breaking of corals, removal of organisms, waste accumulation, etc. and natural causes such as climate variability and take necessary actions in time. Potential issues that may require due diligence include possible damage to corals, their habitat and to the associated organisms from activities/events related to field monitoring such as boat anchoring, oil leakages from boats, transect marking and physical monitoring. Safety issues may stem from malfunctioning of equipment, inadequate equipment, diving related accidents, etc.

The component 3 – which will include a strategic options study on integrated solid waste management that will assist Island Councils and communities of Fuvahmulah and Addu islands to identify the scope of the current issues related to managing solid waste and identify potential options of addressing the issues which will be environmentally beneficial in the future by minimizing the environmental risks to the marine and terrestrial assets while reducing GHG emissions. Support to the physical and operational improvement to existing island waste management centers will ensure the establishment of practices such as waste segregation, recycling and composting that will reduce the amount and types of waste to be disposed. While physical improvement expected which will likely to be only setting up of compost pads will not have significant environmental impacts. However, improper handling of waste during operations may lead to health and environmental hazards.

Components 4 and 5 will not have any negative environmental impacts.

Social issues and impacts

The ESAMF prepared by the project shows that the social safeguard issues are non-existent.

Nonetheless, OP 4.12 has been triggered as there could be future chance find of involuntary land taking in the wetland conservation subproject component 1 impacting community adversely as a small percentage of community relies on the wetlands for agriculture and livelihood. A Resettlement Policy Framework has been prepared as part of ESAMF in line with the Bank's OP 4.12. However, there could be other social issues such as conflict during beneficiary selection for livelihood options; or in finalization of livelihood options; gender representation in community-led management body; etc.

Activities under coral reef monitoring (component 2) are not expected to lead to any negative social impacts.

The component 3 – which will include a strategic options study on integrated solid waste management that will assist Island Councils and communities of Fuvahmulah and Addu islands to identify the scope of the current issues related to managing solid waste and identify potential options of addressing the issues which will be environmentally beneficial to the community. However, improper handling of waste during operations may lead to health hazards for the community.

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

The social and environmental impacts of the project are expected to be positive, beneficial, and aimed towards long term sustainability. The project is also expected to improve the overall socioeconomic profile of the community and environmental management of key ecosystems in the Maldives.

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

None. Since this is a demonstrative project with negligible adverse impact, alternatives have not been considered.

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.

This Climate Change Adaptation (CCA) project is under the second phase of the Maldives Climate Change Trust Fund (CCTF). The project is classified under Safeguards Category "B" primarily to reflect the risks involved in physical activities under the first 3 components. There is an existing Environment and Social Due Diligence (ESDD) report prepared for the Wetland Conservation and Coral Reef Monitoring (WCCM) of CCTF phase 1 and Environment and Social Impact Assessments (ESIAs) for ecotourism activities of Hithadhoo and drainage management activities of Fuvamulah. In addition, an ESDD has been prepared for the Ari Atoll Solid Waste Management (AASWM) project also under the CCTF phase I. Based on the findings of the above reports, the project triggers OP 4.01 – Environmental Assessment to ensure any environmental impact associated with project activities are identified in time and mitigated, OP 4.04 – Natural Habitats as project area consists of protected areas and environmentally sensitive areas and OP 4.11 as undocumented and researched ruins of cultural and historical significance could be found in some of these sites.

The ESDDs and ESIAs carried out by the client during phase I shows that the social safeguard issues are non-existent. Nonetheless, OP 4.12 has been triggered for a "chance find" as there could be future chance find of involuntary land taking in the wetland conservation component impacting community adversely as a small percentage of community relies on the wetlands for agriculture

and livelihood. There could be other social issues such as conflict during beneficiary selection for livelihood options; or in finalization of livelihood options; gender representation in community-led management body; etc. No social safeguards issue is anticipated in coral reef monitoring subproject. Since there is no indigenous community in Maldives, the OP 4.10 has not been triggered.

In order to identify adverse social and environmental issues related to project activities, client has conducted environmental and social assessment and management framework (ESAMF). The ESAMF study consolidates the previous versions of ESDDs and information generated through ESIAs and will include protocols for screening project activities, guidelines for mitigation of environmental and social risks, and guidance on development of Environmental Management Plans (EMPs) and Resettlement Action Plans (RAPs) based on the phase I experience, as well as to reflect the new areas of interventions on SWM. The study will also specify a plan for providing basic training in use of the screening protocols and mitigation guidelines. The ESAMF study outputs will also include guidelines based on the existing international best practices for environmental sports diving prevalent in Maldives, including health and safety. The study will also specify a plan for providing basic training in these practices by certified trainers to participating project field partners.

The associated cost to implement EMPs and RAPs will be part of the project budget. The project will ensure all works contracts will include the EMP and cost of RAP implementation. The ESAMF provides the guidance for preparation of RAP. The cost of implementing the EMP will be identified as an item in the Bill of Quantities.

The Project Management Unit (PMU) in the Ministry of Environment and Energy (MEE) will have an Environment and Social (E&S) Coordinator who will report to the Project Manager and will work closely with the wetlands technical coordinator; solid waste management coordinator and the coral reef monitoring coordinator. The E&S Coordinator will be responsible for overall implementation of ESAMF and will also liaison with other agencies at the island level to implement safeguards mitigation measures, monitoring and evaluation of implementation and report on compliance and status of performance indicators. In addition, project level coordinators will be appointed in the project islands. The E&S coordinator will orient the island level coordinators in environmental and social issues. The coordinators at island level will also be first level of contact for any grievance / feedback for the community.

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

In addition to the MEE, there are several ministries, departments and agencies that will be involved in the implementation of the CCA project. These include the Environment Protection Agency (EPA), Ministry of Fisheries and Agriculture, Marine Research Center (MRC), Ministry of Tourism (MOT), FENAKA Utility, tourist resorts and the Fuvahmulah Atoll Council, Hithadhoo Island Council. And Addu City Council Communities and NGOs are not well organized on the islands but have shown considerable interest to participate in the project.

Public consultations on the project (including environmental and social impacts) were held with affected stakeholders at local and national levels during the preparation of ESAMF. One to one consultations with the community will be carried out during the implementation stage. As part of ESAMF an entitlement framework has been developed. All safeguards related documents were disclosed on November 26, 2014 in-country through the website and on December 5, 2014 in

World Bank's InfoShop. The client will publish a newspaper advertisement requesting public comments on the ESAMF and provide the website address in two newspapers (one in local language and another in English). Once the project commences implementation, the project team is expected to have regular consultations with local stakeholders on issues related to environmental and social issues.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other		
Date of receipt by the Bank	26-Nov-2014	
Date of submission to InfoShop	09-Dec-2014	
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors		
"In country" Disclosure	· ·	
Maldives 26-Nov-2014		
Comments:	· ·	
Resettlement Action Plan/Framework/Policy Process		
Date of receipt by the Bank	26-Nov-2014	
Date of submission to InfoShop	09-Dec-2014	
"In country" Disclosure	· ·	
Maldives 26-Nov-2014		
Comments:	1	

Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment				
Does the project require a stand-alone EA (including EMP) report?	Yes [×]	No []	NA []
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [×]	No []	NA []
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [×]	No []	NA []
OP/BP 4.04 - Natural Habitats	•			
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes []	No [×]	NA []
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?	Yes []	No [×]	NA []
OP/BP 4.11 - Physical Cultural Resources				
Does the EA include adequate measures related to cultural property?	Yes [×]	No []	NA []

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [×]	No []	NA []
OP/BP 4.12 - Involuntary Resettlement					
Has a resettlement plan/abbreviated plan/policy framework/ process framework (as appropriate) been prepared?	Yes [×]	No []	NA []
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [×]	No []	NA []
The World Bank Policy on Disclosure of Information					
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [×]	No []	NA []
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 [×]	No []	NA []
All Safeguard Policies					
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [×]	No []	NA []
Have costs related to safeguard policy measures been included in the project cost?	Yes [×]	No []	NA []
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [×]	No []	NA []
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [×]	No []	NA []

III. APPROVALS

Task Team Leader(s): Name: Priti Kumar					
Approved By	Approved By				
Practice Manager/ Manager:	Name: Valerie Marie Helene Layrol (PMGR)	Date: 05-Jan-2015			