

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.:** ISDSC8404

**Date ISDS Prepared/Updated:** 06-May-2015

**Date ISDS Approved/Disclosed:** 10-Jan-2016

### I. BASIC INFORMATION

#### A. Basic Project Data

<b>Country:</b>	Mauritania	<b>Project ID:</b>	P146804
<b>Project Name:</b>	Mauritania Public Sector Governance Project (P146804)		
<b>Task Team Leader(s):</b>	Kjetil Hansen, Eric Brintet		
<b>Estimated Appraisal Date:</b>	11-Jan-2016	<b>Estimated Board Date:</b>	29-Mar-2016
<b>Managing Unit:</b>	GGO25	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	General public administration sector (100%)		
<b>Theme(s):</b>	Public expenditure, financial management and procurement (75%), Economic statistics, modeling and forecasting (25%)		
<b>Financing (In USD Million)</b>			
<b>Total Project Cost:</b>	11.30	<b>Total Bank Financing:</b>	10.30
<b>Financing Gap:</b>	0.00		
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			1.00
IDA Grant			10.30
Total			11.30
<b>Environmental Category:</b>	C - Not Required		
<b>Is this a Repeater project?</b>	No		

#### B. Project Objectives

14. The Project Development Objective (PDO) is to: Support the implementation of the Government of Mauritania's public sector reforms for improved forecasting, management, oversight and control of public assets and natural resources for inclusive and poverty-oriented growth.

15. This will be achieved through better fiscal forecasting for the budget process, improved

monitoring of SOE performance, audits and control, a stronger tax administration, including the mining sector, operability of electronic PFM systems, and evidence based policy making through better data and statistics.

### **C. Project Description**

The project is an investment project which is expected to comprise four separate components: (i) forecasting, budgeting and management of government finances to benefit of the Ministry of Finance; (ii) oversight and monitoring of state-owned enterprises and public agencies to the benefit of MoF and SOEs; (iii) mining sector governance support to the benefit of Ministry of Petroleum, Energy and Mines and MoF; and (iv) Support to national statistics to the benefit of the National Statistics Office.

Component 1: Improved systems, management and capacity for budget forecasting/planning, execution and control.

This component is destined to further develop the BOOST methodology of developing modules for planning and execution of the medium-term expenditure framework. The component will also expand the public financial management system which integrates the functions of Treasury, tax administration, customs and human resources. Support and capacity building will also be provided to enhanced tax administration at central and local level. Finally, procurement practices will be supported through review of existing legislation and capacity building of staff.

Component 2: Oversight and monitoring of State Owned Enterprises and Public Agencies.

The Central Ownership Unit will receive support in developing a strategy and defining objectives for ownership of the State in enterprises and agencies. The support will include training of staff, improvement of audit and reporting procedures as well as refinement of procedures for performance evaluation and transparency in decision-making.

Component 3: Improved mining sector governance.

The component will build on the achievements of previous mining sector support in order to build capacity for fiscal modelling and revenue collection from private and state-owned mining operations. This is envisioned to be realized through training of staff from MPEM and MoF and eventually development of a Large Tax-Payer's Unit covering the mining industry. This component will also enhance the knowledge of mineral resources through interpretation of geo-science data from areas which are considered to have high potential for mineral development. As part of this activity focused on identifying potential areas of development for the sector, this component will also finance the preparation of Strategic Environmental and Social Assessment (SESA) for the mining sector which will help Finally, performance monitoring and oversight will be supported through an expansion of existing monitoring and reporting systems, including training of staff.

Component 4: National Statistics Support.

Training will be provided to staff of the National Statistics Office and the infrastructure and equipment of the agency will be supported. Moreover, surveys of productive sectors (such as enterprise survey as well as agriculture and livestock survey) are planned.

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

The project will not finance any investment in physical structures or buildings. It is expected that hardware investments will focus on IT systems upgrades and development. Equipment will also be purchased for environmental and geological surveys. The majority of the planned activities are not

location-specific since support will be provided to capacity building of ministerial staff including planning and policy development and drafting of legislation.

One project activity will involve a study on the Nouadhibou-Zouerate corridor to assess its mineral prospectivity and its potential for economic and social development. The corridor is located in the Sahara desert with limited population except from the urban center in the fishing and port city Nouadhibou and the urban development in Zouerate where mining activities have taken place for more than 60 years. Socio-economic surveys (2004, 2011 and 2013) have found that the population scores higher on social and economic indicators than the national average. This is ascribed to the economic opportunities associated to the mining industry as well as the trading and fishing potential along the coast around Nouadhibou.

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

The Ministry of Petroleum, Energy and Mines has a clearly developed institutional framework with regard to environmental and social compliance in which the Department of Operational Oversight and Environment (Direction du Suivi des Projets et de l'Environnement) is responsible for monitoring and enforcement. A computerized system has been developed (through the previous 2nd Mining Sector Capacity Building Project) to follow mining operations from the initial award of license to final mine closure.

Notwithstanding, implementation of the computerized system has been somewhat hampered by limited human and financial resources as well as deficiencies in inter-ministerial collaboration.

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

Melissa C. Landes (GEN07)

Yacouba Konate (GSU01)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
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Environmental Assessment OP/BP 4.01	Yes	The growth of the mining industry with the emergence of a large number of operators requires the strengthening of systems and capacities to monitor and control not only the technical aspects of production but also along the social and environmental dimensions. Further, one project activity will involve a study on the Nouadhibou-Zouerate corridor to assess its mineral prospectivity and its potential for economic and social development. To support the decision-making and planning process under these two activities and to ensure that environmental and possibly other sustainability aspects are effectively considered, a Strategic Environmental and Social Assessment (SESA) for the mining sector is planned under the mining sector governance component. . This assessment follows the environmental assessment which was conducted prior to the PRISM-2 project in 2003.
Natural Habitats OP/BP 4.04	No	No activities are planned in protected natural habitats
Forests OP/BP 4.36	No	The 2003 assessment noted that forests are well identified.
Pest Management OP 4.09	No	This safeguard is not applicable for the project.
Physical Cultural Resources OP/BP 4.11	No	Policies and procedures for management of chance finds will be included in the environmental and social assessment.
Indigenous Peoples OP/BP 4.10	No	No indigenous people are identified.
Involuntary Resettlement OP/BP 4.12	No	As no infrastructure work or other construction work is planned for the project, this safeguard is not triggered. The existing framework in place in Mauritania for addressing resettlement issues will be assessed as part of the sectorwide environmental and social assessment.
Safety of Dams OP/BP 4.37	No	- This safeguard is not applicable for the project
Projects on International Waterways OP/BP 7.50	No	- This safeguard is not applicable for the project
Projects in Disputed Areas OP/BP 7.60	No	- This safeguard is not applicable for the project

### III. SAFEGUARD PREPARATION PLAN

#### A. Tentative target date for preparing the PAD Stage ISDS: 01-Sep-2015

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

**B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

An assessment of institutional capacities in place in Mauritania will be conducted prior to or during appraisal. The planned sectorwide environmental and social assessment will be conducted within the first 18 months of project implementation

**IV. APPROVALS**

Task Team Leader(s):	Name: Kjetil Hansen, Eric Brintet	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 10-Jan-2016
Practice Manager/ Manager:	Name: Renaud Seligmann (PMGR)	Date: 10-Jan-2016