

Sri Lanka: Local Development Support Project

Environment and Social Management Framework

Ministry of Provincial Councils and Local Governments and Sports (MPCLGS)

2018 September

Contents

1.	Introduction and Background	4
1.1	Project Description.....	5
1.2	Objectives of the ESMF	8
2.	Brief Profile of the Participating Provinces	8
2.1	Overview	8
2.2	Profile of the Participating Provinces.....	9
2.3	Brief Profile of the High Poverty Districts	13
3.	Environmental and Social Safeguard Issues.....	17
4.	Regulatory Requirements, Safeguard Policies, and Principles	19
4.1	National Legal and Regulatory Framework on Social Safeguards.....	19
4.2	Policies and Strategies on Gender Equality and Protection of Children.....	20
4.3	National Environmental Regulations and Procedures	21
4.4	Other Acts relevant for Environmental Assessment.....	22
4.5	Regulations that provides directions to protect environment and its resources.....	23
4.6	Review of World Bank Safeguard Policies and Requirements	27
5.	Management of Environment and Social Safeguards.....	31
5.1	Potential project-financed activities and Environmental Assessments.....	31
5.2	Screening and Categorization	32
5.3	Impact Assessment and Mitigation Measures.....	33
6.	Consultation, Information Disclosure and Grievance Redress Mechanism.....	34
6.1	Consultations	34
6.2	Information Disclosure.....	36
6.3	Grievance Redress Mechanism	37
7.	Institutional Arrangements, Monitoring Framework, Capacity Building and Budget	39
7.1	Institutional Arrangements.....	39
7.2	Monitoring Framework.....	39
7.3	Capacity Building.....	41
7.4	Cost Estimation and Budget.....	41
	Annex 1: Environmental Screening Checklist.....	43
	Annex 2: Screening Checklist for Assessment of Environment Impacts.....	44
	Annex 3: Negative List.....	46

Annex 4: Guidelines for Preparation of Environmental Management Plans.....	48
Annex 5: Sample of Social Screening Checklist.....	50
Annex 6. Safeguards Procedures for Inclusion in the Technical Specifications of Contracts	53
Annex 7: Sample Terms of Reference for the Environmental Compliance Audit.....	58
Annex 8. Typical Environmental Impacts and Mitigation Measures	60
Annex 9: Screening for potential environmental impacts and mitigation measures	62
Annex 10: Social Screening Report Format.....	65
Annex 11: Sample of Social Impact Mitigation Plan	68

List of Tables

Table 1. Poverty Incidence and Severity	9
Table 2 Distribution of Population by Sector and Province.....	9
Table 3. Distribution of Population by Province and Ethnicity	11
Table 4 Distribution of Population by Broad Age Groups and Province.....	12
Table 5 Poverty Incidence and Severity by Province	12
Table 6. Incidence and Severity of Poverty by District	13
Table 7 Population by Gender and Ethnicity, Mullitivu District.....	14
Table 8 Population by Gender and Ethnicity, Mannar District	14
Table 9 Population by Gender an Ethnicity, Batticaloa District.....	14
Table 10 Employment by Sector and Gneder, Batticaloa District.....	15
Table 11 Socio-Demographic Representation of Moneragala District	15
Table 12 Distribution of Population by Ethnicity and Gender, Kilinochchi District	16
Table 13 Consultation Activities for Various Stages in Project Cycle.....	35

1. Introduction and Background

1. The Government of Sri Lanka (GOSL) is preparing Local Development Support Project (LDSP) to strengthen local government responsiveness in improving services to meet community priorities, which will be implemented during 2019 to 2024. This project builds on the experience of the North East Local Services Improvement Project (NELSIP) implemented during 2011 – 2017 with IDA credit facility covering the 79 Local Authorities (LA) in the northern and eastern provinces, and a grant under co-financing from the Australian Department of Foreign Affairs and Trade (DFAT) that was available from 2014 to extend the project coverage to 22 selected LAs in the adjoining Uva, North-western and North-central provinces.

2. In 2010 the Ministry of Economic Development, as the Project Executing Agency (PEA), had prepared an Environmental and Social Management Framework (ESMF) to deal with any potential environmental and social safeguard issues that may arise in the use of fiscal transfers in respect of land-based sub project activities. The ESMF was adopted with amendments in support of the additional project activities in 2014. LDSP, however, goes beyond the scope of NELSIP in that it adopts an integrated approach and includes community development, livelihood improvement and social enterprise development in addition to service delivery. GOSL therefore revised the ESMF based on feedback from the communities, implementers, and government officials at the national, provincial and divisional / local levels as well as findings from the Project Completion Report, undertaken in 2017 and 2018 as well as drawing experience from other relevant projects.

3. According to the investment financing policy of the World Bank (WB), the Borrower is responsible for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of projects supported by the Bank. The provisions proposed in the ESMF are to comply with Environmental Assessment OP/BP 4.01, Natural Habitats OP/BP 4.04, Physical Cultural Resources OP/BP 4.11, and Involuntary Resettlement OP/BP 4.12 which have been triggered by the project. The ESMF is also in compliance with the applicable laws, regulations and notifications of the GOSL.

4. The ESMF presents environmental and social safeguards screening procedures, arrangements for management of impacts including safeguards monitoring and reporting. More specifically, it serves as a guidance instrument for the identification and assessment of environmental and social impacts, designing appropriate mitigation measures and their management, incorporation and application in implementation. It also sets out the institutional and organizational arrangements, procedures and implementation mechanisms for identification, management and monitoring of social impacts, mitigation and management. The ESMF describes mechanisms for consultation, engagement, disclosure of project documents and related information as well as for redress of grievances and management of project-related issues that may arise during project implementation.

5. This document is divided into three sections. Following the introduction, a description of the context and the project including the components are presented. Next, the ESMF reviews the relevant regulatory framework of GOSL and the WB, and examines the policies, principles, objectives and requirements. Finally, the third section provides a more detailed guidance on processing of environmental and social safeguards within the project as a whole and with specific reference to sub projects in terms of procedures for screening, classification, preparation of social safeguard instruments, management, disclosure, consultation and grievance redress.

1.1 Project Description

6. Per the Socio-Economic Diagnostic of the Northern and Eastern Provinces, the two main challenges are revitalizing local economic development and addressing the needs of affected populations and mitigating inequalities. On the economic side, priorities center around economic opportunities and job creation, especially for women and youth. On the social side, rebuilding the community fabric and supporting social services that address the needs of the local population are critical. The project design responds to these issues through (i) bottom up planning and community development; (ii) targeted actions to reduce gender vulnerabilities and improve women's empowerment; (iii) citizen engagement and transparency initiatives; (iv) strategic investments to unlock local economic development; (v) facilitating livelihoods and job creation; and (vi) provision of social services.

7. NELSIP laid down the foundation for a more accountable and effective LA system through the introduction of LA Participatory Development Planning (LAPDP), strengthening of public financial management systems and more responsive local infrastructure and service delivery investments. Recent LA elections, which reintroduces direct elected representation and enhances elected representation of women in local councils, provide further impetus to strengthen the LA system. Building on these two foundations, the project will (i) strengthen local planning systems by bringing LAs and DSs together and link public and private goods to benefit the poor; (ii) further institutionalize the regime of intergovernmental fiscal transfers to LAs; (iii) introduce incentives for improved LA performance; and (iv) continue to strengthen local public expenditure and financial management systems. The project will focus on LAs in the Northern, Eastern, North Central Provinces, as well as on the border districts of Uva Province.

8. Project's Development Objective is to strengthen local authorities capabilities to deliver services to communities in a responsive and accountable manner, and to support economic infrastructure development in participating provinces. *Economic Infrastructure* is defined as infrastructure investments that support or advance local economic activity in select economic clusters of participating provinces.

9. This will be achieved through the following project components:

10. **Component 1: Strengthening Local Government Planning Systems (US\$1.5 million).** This component will finance preparation and updating of LAPDPs by LAs with the active

engagement of communities. Consultations will be undertaken at the village and ward Levels to identify the needs and priorities of communities. Community plans will be aggregated at the LA-level and synergized with sector plans of ministries to inform the formulation of the LAPDPs. Final updated LAPDPs will be approved by the LA Councils. They will include infrastructure as well as social and economic services prioritized by the community. LAPDPs will also provide the basis for selecting sub-projects to be implemented by LAs under Component 2.1 of the project. Formulation of LAPDPs are expected to enhance the accountability of LAs to their constituents and strengthen the public expenditure planning process.

11. **Component 2: Improving Local Services and Economic Infrastructure (USD\$86.65 million).** This Component will finance delivery of local services and economic infrastructure by LAs and provinces in an accountable, equitable and effective manner. This will be achieved through two sub-components.

12. ***Sub-Component 2.1 Improving Local Service Delivery (US\$78.15 million).*** This subcomponent will finance fiscal transfers to qualifying LAs. These transfers will complement and expand prevailing GoSL transfers to LAs. It will include Basic and Performance Transfers.

13. ***Basic Transfers (BT, US\$39.50 million):*** These Transfers are based on the principle of equalization and aimed at ensuring equitable distribution of intergovernmental fiscal resources across provinces and LAs. A two-step process of determining the amounts, based on agreed formulas, will be employed for distribution of BTs, first at the provincial level and then at the LA level. BTs will be channeled as grants through the Provincial Treasury to LAs in two tranches, in March and September of each year. Allocations per LA will be based on i) a floor allocation to ensure that all LAs get a minimum amount; and ii) a fiscal formula that considers the needs, costs and potential across LAs. To qualify for BTs, LAs will have to meet a set of criteria, including timely reporting on expenditures, clearing pending annual audits, and ensuring participation of citizens.

14. ***Performance Transfers (PTs, US\$38.65 million):*** PTs will be provided to qualifying LAs to incentivize them to improve their institutional performance and service delivery outcomes. PTs will be channeled through the Provincial Treasury and distributed in September of each year based on the performance assessments undertaken for the previous year. PTs will start from year two, while year one of the project will be used to benchmark LA capacity and performance standards and put in place a performance monitoring and assessment system. LAs have been categorized into three capacity tiers based on institutional assessments. LA performance will be assessed annually based on achievement of indicators relevant to each tier. The project will build LA capacity under Component 1 and 2 giving LAs an opportunity to graduate to the next capacity level upon good performance. Co-financing grant from the European Union in the amount of approximately US\$ 23.65 million equivalent is anticipated to finance the PTs.

15. ***Sub-Component 2.2 Economic Cluster Support (US\$8.5 million).*** This sub-component will finance identification and provision of infrastructure that supports local economic development. MPCLGS will allocate funds to participating provinces to implement this

component. The provinces will work with LAs, businesses and other stakeholders to analyze potential economic clusters or value chains that can benefit from infrastructure investments that cut across administrative boundaries of several LAs. Based on the economic cluster and feasibility analysis, financial resources will be allocated for prioritized economic infrastructure. Investments will be selected based on three basic criteria: i) support or advance economic activity in a selected cluster/value chain; ii) boost or catalyze economic activities of local residents; and iii) activities that result in greater climate resilience, e.g. reduced flooding, improved accessibility, reliable water supply, ensuring continued economic and livelihood activities, preserving perishable food item etc., to help project beneficiaries adapt to climate change impacts.

16. **Component 3: Institutional Development (US\$3.69 million)** This component will finance: (i) information and awareness campaigns; (ii) institutional development and capacity building of LAs; (iii) training of trainer's (TOT) program for SLILG, MDTU and newly elected ward councilors in participatory approaches, resource and asset mapping, local and area based planning, public expenditure and financial management; (iv) development of an M&E/MIS system¹ using smart mobile technology; v) technical assistance, training and capacity development of the MPCLGS and the Finance Commission; vi) improve and strengthen the capacity and facilities of SLILG; and vii) computerization of accounting software, training, capacity building and rollout of the new accounting system in LAs.

17. **Component 4: Project Management (US\$ 8.4million):** This component will finance two sub-components: (i) Project Management and (ii) Audits.

18. *Sub-Component 4.1: Project Management.* This sub-component will finance project management and implementation activities of the Project Coordination Unit (PCU) established in MPCLGS and Project Implementation Units (PIU) established in the office of the Commissioner of Local Governments (CLGs) in participating PCs.

19. *Sub-Component 4.2: Audits.* This subcomponent will finance independent performance assessment and any other capacity building interventions that are required to strengthen project external audit, LA statutory audit and internal audit that will monitor LA fiduciary compliance and performance.

20. **Component 5: Contingent Emergency Response Component (CERC; US\$0.0 million):** This component will allow for rapid reallocation of Project proceeds in the event of a natural or man-made disaster or crisis that has caused or is likely to imminently cause a major adverse economic and/or social impact. To trigger this component, the GoSL would need to declare an emergency, a state of a disaster or provide a statement of fact justifying the request for the activation of the use of emergency funding. The detailed criteria and process for triggering and utilizing the CERC will be outlined in the Project Operations Manual (POM).

¹ The introduction of a web-based monitoring system would replace the existing manual system of book keeping and accounting, asset mapping and management, data accumulation and preparation of analytical reports required at various levels of Provincial and Local Authority administration.

1.2 Objectives of the ESMF

21. The main purpose of the Environmental and Social Management Framework (ESMF) is to identify potential environmental and social impacts early in the project cycle and to provide broad guidelines outlining measures, processes, institutional arrangements, procedures tools and instruments that need to be adopted by the project and integrated into project implementation to mitigate any adverse environmental or social impacts. All activities funded under this project will be required to satisfy the World Bank's safeguard policies, in addition to conformity with the relevant legislation of the Government of Sri Lanka.

22. The project investments will comprise a number of specific investments/sub-projects, the details and specific location of which would not be known at appraisal. Hence, in preparation of the proposed project the implementing agency has developed this Environmental and Social Safeguards Management Framework. Consistent with the existing national legislation and the operational policies of the World Bank, the objective of this Framework is to help ensure that activities under the proposed project will:

- Protect human health;
- Enhance positive environmental and social outcomes;
- Prevent negative environmental impacts as a result of either individual subprojects or their cumulative effects;
- Identify and mitigate adverse impacts that sub projects might cause on the environment and people, including loss of livelihood of the poor and vulnerable;
- Ensure compliance with the World Bank's relevant environmental and social safeguard policies.

2. Brief Profile of the Participating Provinces

2.1 Overview

23. Sri Lanka is an island of 62,705 Sq. km. in the Indian Ocean separated from South India by 28 km stretch of sea. At the Census of 2012, Sri Lanka recorded a total population of 20.4 Mn, growing annually at 1.1% (1981-2012), and with an average family size of 3.9 persons and a sex ratio of 98.3. The share of population below 55 years is 25.2 % while the working age (15-59 years) is 62.4%, and the aging population (60 years and above) is 12.4%. The annual rate of population growth is 0.9%. Population growth has been highest in Vavuniya district (2%) and lowest in Nuwara Eliya district (0.6%), during the inter-census period from 1981 to 2012.

24. The population is made up of 75% Sinhalese, 11% Sri Lanka Tamils, 4% Indian Tamils, 9% Sri Lankan Moors and 0.5% others. About 71% are Buddhists, 12.6% Hindus, 9.7% Islam, 6.7% Roman Catholics and 1.4% other Christians. All these groups live in all parts of the country although there are regional concentrations or majorities.

25. The population is largely rural (77.4%) while the urban and the estate population correspond to 18.2% and 4.4% of the total respectively. About 80.5% of the households have access to safe drinking water, and 87% households use electricity. Literacy rate of the population above 10 years is 95.6%.

26. Overall poverty is 6.7%, and the rural sector contributes to 86.8% of total poverty. Rural poverty and estate poverty is almost four times and five times that of the urban sector respectively.

Table 1. Poverty Incidence and Severity

Sri Lanka and Sector	Population	Poverty Head Count Index %	No. of Poor Population '000	Contribution to Total Poverty %	Squared Poverty Gap Index %
Sri Lanka	20,359,439	6.7	1339	100	1.2
Urban	1,061,315	2.1	75	5.6	0.3
Rural	1,555,510	7.6	1163	86.8	1.4
Estate	1,266,463	10.9	101	7.6	1.6

Source: Department of Census and Statistics

27. For administrative purposes, Sri Lanka is divided into nine provinces (Central, North-central, Northern, North-western, Western, Eastern, Uva, Sabaragamuwa, and Southern) and 26 districts (Figure 1 and Figure 2). Seven districts (Colombo, Gampaha, Kurunegala, Kandy, Kalutara, Ratnapura, and Galle) account for 54% of the total population and 23.9% of the total land area.

2.2 Profile of the Participating Provinces

28. The population of the participating provinces is largely rural, ranging from 75% in the Eastern Province (EP) to 96% in the North Central Province. Only Uva Province (UP) has an estate population (13%). It has a rural population of 81%.

Table 2 Distribution of Population by Sector and Province

Sri Lanka and Provinces	Population	Total (%)	Urban (%)	Rural (%)	Estate (%)
Sri Lanka	20,359,439	100	18.2	77.4	4.4
Northern	1,061,315	100	16.7	83.3	-
North Central	1,266,663	100	4.0	96.0	-
Eastern	1,555,510	100	25.1	74.9	-
Uva	1,266,463	100	5.5	81.1	12.8

Source: Census of Population 2012

29. The **Northern Province** is located in the north of Sri Lanka and is surrounded by the Gulf of Mannar and Palk Bay to the west, Palk Strait to the north west, the Bay of Bengal to the north and east and the Eastern, North Central and North Western provinces to the south. The province is divided into two distinct geographic areas: Jaffna peninsula and the Vanni. Jaffna peninsula is

irrigated by underground aquifers fed by wells whereas the Vanni has irrigation tanks fed by perennial rivers. The province has a number of lagoons, the largest being Jaffna Lagoon.

30. The Northern province's population was 1,058,762 in 2012, thus constituting 5.4% of Sri Lanka's total population. The majority of the population are Sri Lankan Tamil, with a minority Sri Lankan Moor and Sinhalese population. The population of the province, like that of the Eastern Province, was heavily affected by the civil war.

31. Majority of the people earn their livelihood as farmers, fishers and professionals in the civil and business sectors. Before the civil war, cement and chemical industries along fishing with fishing contributed significantly to the economy. Close to a third of the population is unemployed which is significantly higher than in other parts of Sri Lanka. In recent years, economic renewal has been significant with hospitals and schools as well as a cultural center and vocational training facility being built in Jaffna. Investments have also started to flow into an industries such chemical and cement factories, hotels, apparel factories, power plants and aquaculture farms.

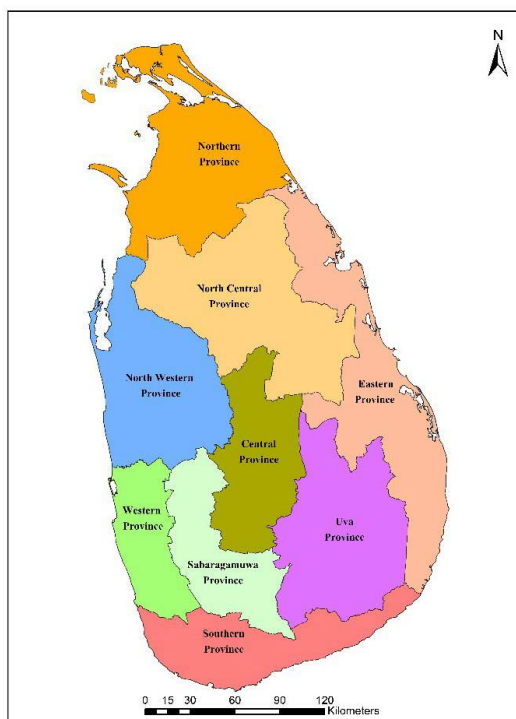


Figure 1 Provincial Level Map of Sri Lanka

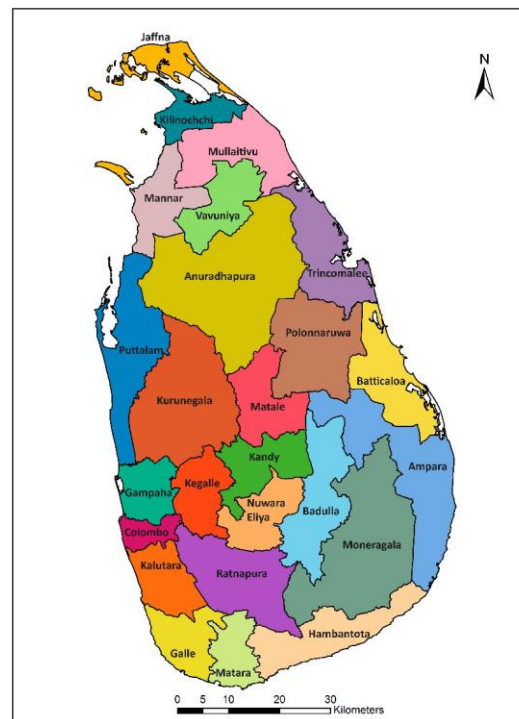


Figure 2 District Level Map of Sri Lanka

32. In 2009 when the armed conflict ended, the GDP growth rate in the Northern Province was 12.6%, and it rose to 22.9% in 2010, and reached an all-time high of 25.9% in 2011/2012, sharing 4% of the national GDP. Substantial improvements in all the sectors – businesses, services, construction, transportation, telecommunication, electricity, manufacturing, tourism and hospitality industry, fishery and agricultural production – are visible. However, NP economy continues to rely heavily on agriculture. Agricultural sector, including home-gardening, fisheries

and animal husbandry, is the main form of livelihood of the population. According to the District Secretariat, approximately 60 % of the population in NP is engaged in crop farming and over 45 % of the labour force directly depends on agriculture for their livelihood.

33. The Northern Province is divided into five administrative districts, 34 Divisional Secretary's Divisions (DS Divisions) and 421 Grama Niladhari Divisions (GN Divisions), 2304 villages served by 36 Local Authorities, 28 Pradeshiya Sabhas, five Urban Councils and one Municipal Council. Five districts make up the NP, namely Jaffna, Mannar, Kilinochchi, Mulaitivu and Vavuniya. Northern Province (NP) has two distinct geographic areas: Jaffna peninsula and the Vanni. It covers an area of 8881 sq. km. that is equivalent to 13.22% of the total land area of the country to rank the second largest province.

34. The **Eastern Province** is surrounded by the Northern Province to the north, the Bay of Bengal to the east, the Southern Province to the south, and the Uva, Central and North Central provinces to the west. The Eastern Province is divided into 3 administrative districts, 45 Divisional Secretary's Divisions (DS Divisions) and 1,085 Grama Niladhari Divisions (GN Divisions).

35. The Eastern province's population was 1,551,381 in 2012. The province is the most diverse in Sri Lanka, both ethnically and religiously. The population of the province, like that of the Northern Province, was heavily affected by the civil war.

36. The Eastern Province has a primary agriculture based economy and is commonly known as the "Granary of Sri Lanka". It contributes 25% of national paddy production, 17% of national milk production and 21% of national fish production. Maize cultivation is expanding, large scale maize cultivation with hybrid seeds and contractual marketing has increased production significantly and it is targeted to produce 25 per cent of the country's maize requirement. The Industrial sector contributed 34% of the Province's GDP and export processing zones like the Trincomalee EPZ and Sampur Heavy Industrial Zone have been developed to boost the Industrial sector alongside the Trincomalee Harbour which is being developed for Break bulk, Bulk cargo and industrial activities including heavy industries. The province benefits from a large tourism industry with many seaside resorts and hotels situated mainly in lagoons as well as beaches. Historic sites and other natural attractions such as Pigeon Island, coral reefs contribute to the industry.

Table 3. Distribution of Population by Province and Ethnicity

Sri Lanka and Provinces	Population	Total (%)	Sinhalese	Tamil	Moor	Others
Sri Lanka	20,359,439	100	74.9	15.3	9.3	0.5
Northern	1,061,315	100	3.0	93.8	3.1	0.1
North Central	1,266,663	100	90.9	1.0	8.0	0.1
Eastern	1,555,510	100	23.2	39.2	36.9	0.7
Uva	1,266,463	100	80.8	14.7	4.3	0.3

Source: Department of Census and Statistics

37. Population by broad age groups shown in the table below indicates that the working age population ranges from 61% to 62%, and the aging population ranges from 8% in EP to 12% in NP.

Table 4 Distribution of Population by Broad Age Groups and Province

Sri Lanka and Provinces	Population	Total (%)	Below 15 years (%)	15 50 59 years (%)	60 years and above (%)
Sri Lanka	20,359,439	100	25.2	62.4	12.4
Northern	1,061,315	100	26.7	61.4	11.8
North Central	1,266,663	100	26.6	64.0	9.4
Eastern	1,555,510	100	30.4	61.8	7.8
Uva	1,266,463	100	26.8	62.4	10.8

Source: Department of Census and Statistics

38. In terms of poverty, **Uva Province** has the highest poverty incidence (15.4%), followed by EP (11%) and NP (10.9%). As indicated by SPGI, poverty is most severe in UP (2.6%) which ranks the first, followed by EP (2.3%) in the second and NP (2.1%) in the third position.

Table 5 Poverty Incidence and Severity by Province

Sri Lanka and Provinces	Population	Poverty Head Count Index %	No. of Poor Population '000	Contribution to Total Poverty %	Squared Poverty Gap Index %	National Poverty Ranking
Sri Lanka	20,359,439	6.7	1339	100	1.2	
Northern	1,061,315	10.9	167	8.5	2.1	3
North Central	1,266,663	7.3	89	6.7	1.0	
Eastern	1,555,510	11	166	12.6	2.3	2
Uva	1,266,463	15.4	114	14.2	2.6	1

Source: Department of Census and Statistics

39. In terms of poverty, Uva Province has the highest poverty incidence (15.4%), followed by EP (11%) and NP (10.9%). As indicated by SPGI, poverty is most severe in UP (2.6%) which ranks the first, followed by EP (2.3%) in the second and NP (2.1%) in the third position. However, monthly household income stood at Rs. 51,635 which is significantly higher than that of the Northern and Eastern Provinces. Uva continues maintain a predominantly agricultural economy with 45.7% of the active labour force occupied in the sector. The level of unemployment in the region stood at 4.6% which was only marginally higher than the national average. However, similar to other provinces it recorded a relatively higher level of youth unemployment which stood at 24.8% compared to the national average of 21.6%.

40. **North Central Province** has a population of 1,259,567 and a poverty head count of 3.3% compared to the national average of 4.1% in 2016. However, spill-over effects of the thirty years of civil war has undermined socio-economic progress of the population. This region is comprised of Anuradhapura and Polonnaruwa districts and covers 10,714 sq.km of land. It has 30 DS

divisions, 997 GN divisions and 2888 villages served by 25 Pradeshiya Sabhas and one Municipal Council.

41. This province is largely known for their historical value as two former Sinhalese kingdoms in Sri Lanka, religious places of worship for the Buddhists, and the centuries old irrigated agricultural system.

42. At present, the regional economy is largely reliant on the services sector with 48.34% contributing to the gross domestic production whilst agriculture and industries contribute 30.4% and 21.42% respectively. The mean household income in the region falls short only by Rs. 1939 to the national average with Rs. 60,298. Unemployment level in 2016 has been 3.4% which is below the national average. Labour force participation in the region stood at 55.1% which is above the national average with 71.1% male and 37.2 female participation. Despite its relatively good performance on these macro-economic indicators the province still contributes a meagre 5.8% to the country's GDP just above the much poorer regions of Northern, Eastern and Uva provinces.

Table 6. Incidence and Severity of Poverty by District

No.	Sri Lanka and Districts	Total Population 2012	Poverty Head Count Index %	No. of Poor Population '000	Contribution to Total Poverty %	Squared Poverty Gap Index %	National Poverty Ranking
	Sri Lanka	20,359,439	6.7	1339	100	1.2	
	District						
1	Mullativu	92,238	28.8	26	1.9	6.2	1
2	Moneragala	451,058	20.8	92	6.8	4.2	4
3	Mannar	99,570	20.1	19	1.5	4.6	2
4	Bataloa	526,567	19.4	101	7.5	4.5	3
5	Kilinochchi	113,510	12.7	14	1.1	2.4	5
6	Trincomalee	379,541	9	34	2.5	1.4	10
7	Jaffna	583,882	8.3	48	3.6	1.7	9
8	Ampara	649,402	5.4	35	2.6	0.6	
9	Vavuniya	172,115	3.4	6	0.4	0.5	

Source: Department of Census and Statistics

2.3 Brief Profile of the High Poverty Districts

43. Given the poverty situation indicated above, it is important to profile the five districts where poverty is most severe.

Profile of Mullaitivu District:

44. Mullaitivu District spreads over 29.45% of the Northern Province, and has a population of 92,238, entirely rural. There are 6 DS Divisions, 136 GN Divisions, 607 villages and 4 Pradeshiya Sabhas. The population comprises 46,036 males and 46,202 females. Sex ratio is 93.2. The

population density of the District is 3.93 per Sq. km. The majority community is Tamil. According to the Annual Labour Force Survey Report of 2016 about 14,617 (40.5%) persons are engaged in agriculture, 6,865 (19%) in industries and 14,591 (40.4%) in service sector.

Table 7 Population by Gender and Ethnicity, Mullitivu District

District and Gender	All Ethnic Groups	Sinhalese	Sri Lanka Tamil	Indian Tamil	Sri Lanka Moor	Others
Mullaitivu	92,238	8,927	79,107	2,281	1,821	102
Male	46,036	5,025	38,878	1,082	976	75
Female	46,202	3,902	40,229	1,199	845	27

Mannar District

45. Mannar district consists of 5 DS Divisions, 153 GN Divisions, 680 villages, and 5 LA consisting of 1 UC and 4 PS. The total population is 99,570 persons, contributed to by 50,053 males and 49,517 females. The density is 53 persons per sq. km.

Table 8 Population by Gender and Ethnicity, Mannar District

District and Gender	All Ethnic Groups	Sinhalese	Sri Lanka Tamil	Indian Tamil	Sri Lanka Moor	Others
Mannar	99,570	2,305	80,103	692	16,436	24
Male	50,053	1,903	39,453	303	8,368	17
Female	49,517	402	40,650	389	8,068	7

Batticaloa District

46. Batticaloa district spreads over 2,854 Sq. km. has 14 DS Divisions, 346 GN Divisions, 947 villages, and 12 LAs consisting of 9 Pradeshiya Sabhas and 2 Urban Councils and 1 Municipal Council. The total population of 526,567 of which 28.7% persons are resident in urban sector, is contributed to by 6,797 Sinhalese, 383,008 Tamils, 133,854 and 2,849 others who are mostly Burghers. The male population is 250,676 persons while the female population is 275,891 persons.

Table 9 Population by Gender and Ethnicity, Batticaloa District

District and Gender	All Ethnic Groups	Sinhalese	Sri Lanka Tamil	Indian Tamil	Sri Lanka Moor	Others
Batticaloa	526,567	6,797	380,930	2,078	133,854	2,849
Male	250,676	4,504	180,328	883	63,556	1,369

Female	275,891	2,293	200,602	1,195	70,298	1,480
--------	---------	-------	---------	-------	--------	-------

47. According the Labour Force Survey Annual Report of 2016, about 163,292 persons or 94.8% of the labour force (those above 15 years of age) are employed. Out of this group about 40,451 or 24.8% of the total is engaged in agriculture, forestry and fishing as the main industry, while 17.5% is engaged in manufacturing and a further 15.1% in wholesale and retail trade, repair of motor vehicles and motor cycles. Women employment in industry and services is substantially higher than that of males.

48. Average monthly monetary income by the main source of income of a household is Rs. 22,945, according to the Household Income Expenditure Survey of 2012/2013. Non-monetary income per month is Rs. 2,528. The contribution of agricultural activities to the monetary income is Rs. 851, which is equivalent to 3.7% of the monthly monetary income.

Table 10 Employment by Sector and Gender, Batticaloa District

Sector	Total		Male		Female	
	No.	%	No.	%	No.	%
Agriculture	40,451	24.8	33,779	28.4	6,671	15
Industry	48,025	29.4	33,740	28.4	14,284	32.2
Services	74,817	45.8	51,388	43.2	23,429	52.8
Total	163,292	100	118,907	100	44,385	100

Source: Annual Labour Force Survey Report 2016

Moneragala District

49. Out of the 25 Districts in Sri Lanka, Moneragala District is the second largest. It has a total area of 5,659.3 Sq.km. and accounts for 67% of the area covered by Uva Province. The district consists of 11 DS Divisions, 319 GN divisions, 1,346 villages and 10 Pradeshiya Sabha. The population of the district is 479,000, contributed to by 50.3% females and 49.7% males. Sinhalese constitutes the majority of the population (94.9%) who are Buddhists (94.6%). About 98.15% of population lives in the rural sector. Child dependency ratio is 41.7%.

Table 11 Socio-Demographic Representation of Moneragala District

Characteristic	Description	N=479000
Gender	Male	49.7%
	Female	50.3%
Sex Ratio		96.6
Age	Less than 19 yrs.	35.3%
	20 to 59 yrs.	55.5%
	Over 60 yrs	9.2%
Ethnicity	Sinhala	94.9%
	Sri Lanka Tamil	1.8%
	Indian Tamil	1.1%

Characteristic	Description	N=479000
	Moor	2.1%
	Other	0.1%
Religion	Buddhist	94.6%
	Hindu	2.7%
	Islam	2.2%
	Roman Catholic	0.3%
	Other Christian	0.2%
Dependency	Child	41.7%
	Elderly	14.4%
	Ratio	56.2
	Aging Index	34.5

Kilinochchi District

50. Kilinochchi District is predominantly an agricultural economy dependent mainly on tanks and irrigation network. The soil condition in certain parts of the District is more suitable for cultivation of vegetables and other field crops, high value cash crops and fruit crops. The district covers an area of 123,711 Sq.km, has 4 DS Divisions, 95 GN Divisions, 350 villages, and 3 Pradeshiya Sabhas. It has a total population of 113,510 made up of 55,783 males and 57,727 females. The sex ratio is 96.6. The population density is 1.03/ha. The community consists of majority Tamils (113,510 persons) while the Sinhalese and Moors number 1,331 and 1,030 persons respectively.

Table 12 Distribution of Population by Ethnicity and Gender, Kilinochchi District

District and Gender	All Ethnic Groups	Sinhalese	Sri Lanka Tamil	Indian Tamil	Sri Lanka Moor	Others
Kilinochchi	113,510	1,331	110,494	1,030	629	26
Male	55,783	1,050	53,926	452	336	19
Female	57,727	281	56,568	578	293	-

51. Further, the Annual Labour Force Survey Report of 2016 reports that 36,212 persons who are above 15 years, 33,926 (93.7%) persons are employed: 27% in agriculture, 25.4% in industries, and 47.6% in service sector

3. Environmental and Social Safeguard Issues

52. The analysis of data presented above clearly indicates that the areas and communities targeted by the project are rural villages where poverty is a defining feature. These districts have relatively low population density. Project activities, especially under Component 2, will involve civil and other types of work to improve existing and build new infrastructure to support LA services delivery. These works may have environmental and social impacts. The exact locations and specific activities will only be known when the LAs make decisions on the activities to be supported from the respective Local Authority Participatory Development Plans (LAPDP). However, these activities are not likely to have large-scale significant or other irreversible impacts; instead, the expected impacts will be site-specific and are not expected to cause strong cumulative impacts.

53. Potential project financed types of works and associated impacts include reconstruction of damages rural roads, construction of rural drinking water supply and sanitation schemes, reconstruction of public building, such as multipurpose community centers, markets, preschools, bus stands, dispensaries, etc., construction or reconstruction of flood water drainage lines, construction of solid waste management schemes, rehabilitation of micro water ponds, promotion of group economic and income generating activities, such as brickmaking, bakery, milk collection centers, etc., provision of street lighting, and similar activities.

54. Most of physical works associated with the sub-projects will take place at their original locations which are public property, thus minimizing involuntary resettlement impacts including land acquisition and physical or economic displacement of people. However, while carrying out civil works, social and environmental risks and impacts are expected, including:

55. **Site clearance:** During site clearing, any vegetation that is not properly disposed of can block drains and waterways, and also spread invasive species.

56. **Soil Erosion and Water Contamination:** Gravel/soil brought for any filling purposes if not properly stored and is exposed to the natural elements can be washed off to nearby streams, paddy lands, rivers and low-lying areas causing sedimentation. Storm water congestion on site can create inconveniences to residents and others. Improper placement of laboratories and latrines can cause groundwater contamination to streams and drinking water sources. Also waste water generated during construction and from labor camps can also contaminate drinking water sources if not properly treated.

57. **Waste generation:** Reconstruction work in the North and East may involve new construction of severely damaged buildings, whereby construction debris will be generated and need to be removed and disposed. Various construction waste from construction related activities and labour camps will be generated that can create an inconvenience if not properly managed. In addition, waste that is not disposed of properly can become breeding grounds for water borne diseases.

58. **Resource Extraction:** The construction work is likely to create a huge demand for construction materials such as sand, clay for bricks and timber which will place a burden on resources. Therefore, there will be impacts related to sand mining and extraction of gravel from burrow pits/quarries.

- **Transport:** Transportation of material to and from the site will create disturbances during rush hours; and can increase traffic congestion in the area and also injuries.
- **Labor camps:** As construction work will be conducted in the majority of cases on existing premises, if labor camps are required, location of camps and workers interactions with locals can create negative social impacts.
- **Safety:** Safety of workers, children and residents will be an issue. Construction related operations will generate safety risks to workers. Given work will be on existing premises, construction sites that are not cordoned off can cause potential safety hazards to students and residents who are too close to the construction site.
- **Noise:** During site preparation and construction work noise will be generated due to construction related work which could create disturbances to residents living close to the construction site.
- **Dust:** Dust generated during clearing and construction work can cause difficulties for residents who have respiratory problems, and become a nuisance. Soil/ gravel kept for long periods without proper cover can generate dust and become an inconvenience during rush hours and for surrounding residents. Transportation of materials to site will also generate dust. Decommissioning of existing structures can also create dust that is potentially hazardous.

59. These expected impacts and risks will be site-specific, can be easily mitigated in a predictable manner, and will not cause strong cumulative impacts. Potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the project activities are not complex nor large in scale, and do not involve activities that have a high potential for harming people and the environment. Project activities will be located away from environmentally or socially sensitive areas.

60. Other than the safeguard issues, as noted earlier, there will be need for addressing social development needs in terms of inclusion of vulnerable groups, transparency, accountability, public consultations – especially gender-sensitive consultations, citizen engagement, social accountability, and involvement of private sector. Prioritizing the poor households in poorly served areas will require concerted efforts during stakeholder consultations. As mentioned in the project background, the Project includes specific activities and interventions to address these, which will be done on an on-going process throughout the project cycle.

4. Regulatory Requirements, Safeguard Policies, and Principles

4.1 National Legal and Regulatory Framework on Social Safeguards

61. The current Sri Lankan laws governing matters relating to land, such as land acquisition, recovery of state lands, claiming rights of acquisitive prescription, declaration of reservations, compensation for property losses, and compensation for improvements in Sri Lanka are contained in a number of legislative enactments, including:

4.1.1 Land Acquisition Act No. 9 of 1950

62. This Act guarantees that no person is deprived of land except under the provisions of the LAA. Project Affected Persons (PAPs) are entitled to receive compensation for the loss of lands, loss of fixed assets, and loss of income. Details of the Act and its applicability to the Project is included in the RPF prepared.

4.1.2 Land Acquisition Regulations 2008 (LAR 2008)

63. The Regulations includes the provision of statutory payments of compensation for affected land at market rates, reconstruction cost of structure without depreciations, valuation for whole plot of land for determining proportional unit cost for the affected land parcel, business losses, relocation assistance. Details of the Act and its application to the Project is included in the RPF prepared under the Project.

4.1.3 Land Acquisition Regulations 2013 (LAR 2013)

64. LAR 2013 provides for a compensation package that goes beyond that prescribed in the LAR 2008, including *ex gratia* and non-statutory payments of compensation through the Land Acquisition and Resettlement Committee (LARC) and Super LARC systems for 'specified projects' by the Ministry of Lands.

4.1.4 National Involuntary Resettlement Policy 2001 (NIRP)

65. The NIRP includes several principles/features that brings the acquisition, resettlement, and rehabilitation procedures of the GOSL closer to World Bank's policies. Some of these include: avoiding involuntary resettlement to the extent possible; guaranteeing adequate compensation, based on replacement value; inclusion of PAPs in decision-making relating to relocation and resettlement processes.

66. In addition to the above laws and policies, there are several other legal instruments in Sri Lanka that address issues of land acquisition. Summaries of these instruments and their application to the project are elaborated in the RPF prepared under the Project.

4.2 Policies and Strategies on Gender Equality and Protection of Children

4.2.1 Poor Law Ordinance No. 30 of 1939,

67. The Ordinance was introduced initially in the municipalities of Colombo, Kandy and Galle, and further strengthened by the Social Service Commission in 1947 by extending the social safety net to the other parts of the country. This Ordinance provided the basis for social safety nets enacted by the Government for the sake of the poor and poverty alleviation (e.g. programs such as ‘Janasaviya’ and ‘Samurdhi’) with the aim to improve the quality of life of the poor.

4.2.2 Other Ordinances and Strategies for Protection of Women and Children

68. Women are equal to men under the general law, including inheritance rights, and the *Constitution of Sri Lanka 1978*, guarantees fundamental rights and nondiscrimination on grounds of sex, and provides for special measures to ensure women’s right to equality. There are no legal barriers to women working outside home, engaging in financial transactions, obtain credit. Since 1931 when universal franchise was introduced women have been exercising voting rights. In 1993 GOSL adopted *Women’s Charter* that was developed based on 1981 UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). In 2017 the GOSL amended local government election law to provide for 25% of women’s representation in local government institutions. Due to seven decades of universal access to State health services and the availability of a network of hospitals and maternity clinics which are provided free of charge, women’s health status has improved. Girls’ equal access to education and gender parity in all three levels (primary, secondary, and tertiary) of education has been an important contributing factor to achieving gender equality in education.

69. The GOSL appointed *National Committee of Women (NCW)* to implement the Charter. In 1993 it formulated a *National Plan of Action for Women and Women’s Rights Bill*. The Bill is yet to be approved. However, GOSL development policies adopted since 2010 have made provision for specific measures for the advancement of women and gender equality in access to opportunities. The *National Action Plan for the Protection and Promotion of Human Rights 2011–2016* has eight sections of which one section spells out the rights of women as the government’s “commitment to ensuring gender equality.” These rights are expected to ensure economic empowerment; protection of women against violence; and elimination of discriminatory laws, policies, and practices. The National Plan of Action to Implement the Recommendations of the Lessons Learnt and Reconciliation Commission proposes a mechanism to address, among others, the needs of women.

4.3 National Environmental Regulations and Procedures

4.3.1 National Environmental Act

70. In 1981 GOSL passed the National Environmental Act (NEA) and in 1982, created the Central Environmental Authority (CEA) as a regulatory and enforcement agency. The CEA's statutory and enforcement powers were strengthened significantly in 1988, by an amendment to the NEA. A cabinet level ministry to handle the subject of environment was created in 1990, with the appointment of a Minister of Environment to ensure that environmental issues will be given the required attention.

71. Under provisions of Part IV C of the NEA No. 47 of 1980 as stipulated in Gazette (Extra Ordinary) No. 772/22 dated June 24, 1993 GOSL made Environmental Assessment (EA) a legal requirement for a range of development projects. The list of projects requiring an EA is prescribed in the above Gazette notification. In addition, the Gazette notification includes a list of line ministries and agencies that are designated as Project Approving Agencies (PAA), with environmental assessment clearance functions delegated by the CEA. With the change of government in August 1994, and the resulting re-allocation of Ministries, a new list of PAAs were specified—under subject area rather than with the name of the Ministry, as listed originally—in Gazette (Extra Ordinary) No. 859/14 dated February 13, 1995.

72. Relevance of the proposed project to the NEA regulations can be considered under three sections (a) Housing and Building (b) Water Supply and (c) Disposal of Waste. According to the prescribed project categories falling under these three sections would be required to undergo an IEE/EIA. However, other prescribed projects requiring environmental assessments, listed in the same regulations that may have a relevance to the proposed project include; (i) Reclamation of land, wetland area exceeding 4 hectares; (ii) Conversion of forests covering an area exceeding 1 hectare into non-timber forest uses; (iv) Extraction of timber covering land areas exceeding 5 hectares; (v) clearing of land areas exceeding 50 hectares; and (vi) All projects and undertakings irrespective of their magnitude, if located partly or wholly within 100 meters from the boundaries of or within any area declared under the National Heritage Wilderness Act; the Forest Ordinance; 60 meters from a river or stream bank and having a width of 25 meters or more at any point of its course; any erodible area under the Soil Conservation Act (Chapter 540); any flood area declared under the Flood Protection Ordinance (Chapter 449) and any flood protection area declared under the Sri Lanka Land Reclamation and Development Corporation Act; within 100 meters from the high flood level contour of or within a public lake as defined in the Crown Lands Ordinance (Chapter 454) including those declared under section 71 of the said Ordinance; any archeological reserve, ancient or protected monument as defined or declared under the Antiquities Ordinance (Chapter 188); any areas declared under the Botanical Gardens Ordinance; and within 100 meters from the boundaries of or within any areas declared as a Sanctuary under the Fauna and Flora Protection Ordinance.

73. The EIA approval/disapproval can be granted by the PAA with jurisdiction over the project activity, only with the concurrence of the CEA. However, the project proponent is not permitted to perform the functions and duties of a PAA. Therefore, in the event of a PAA becoming the project proponent, the CEA will designate an appropriate PAA. In instances where the project would fall within the purview of more than one PAA, the CEA will determine an appropriate PAA or serve as the PAA and will formally decide on the PAA depending on the scope and location of the project on a case by case basis.

74. According to GOSL procedure, all development activities require environmental clearance. In order to obtain such clearance, the project proponent has to fill in a Basic Environmental Information Questionnaire. The questionnaire requires information from the project proponent to enable the CEA to determine the level of environmental analysis required prior to providing approval for the project. Upon reviewing the questionnaire, the CEA determines whether the project requires an Initial Environmental Examination (IEE), or an Environmental Impact Assessment (EIA), or whether no further environmental analysis is required, depending on the nature of the potential impacts. The CEA review is based on the list of prescribed projects listed under provisions of Part IV C of the NEA No. 47 of 1980 as stipulated in Gazette (Extra Ordinary) No. 772/22 dated June 24, 1993. All prescribed projects have to be subjected to environmental assessments, either through IEEs or EIAs. The CEA also determines the PAA for the specific project.

4.4 Other Acts relevant for Environmental Assessment

75. In addition to the National Environmental Act, which is the most important legislation governing the process of EA, there are two other relevant legislations under which EA can be required.

4.4.1 Coast Conservation Act (CCA) No.57 of 1981

76. The Act was implemented by the Coast Conservation Department (CCD) and applicable to the coastal zone as defined in the Act. The coastal zone as it pertains to this project is considered to be 300 meters inland from the high-water mark. Therefore, any road works within this zone falls under the jurisdiction of CCD. Director of the CCD has the discretion to request for an EIA/IEE from the project proponent if the initial screening reveals significant impacts in the coastal areas by the project. Once the type of environmental analysis required is decided, a scoping committee comprising of the relevant stakeholder agencies meet to discuss issues of the project after which a draft ToR is prepared for review by the Coast Conservation Advisory Council. The EA prepared accordingly by the project proponent is subsequently reviewed by a Technical Evaluation Committee based on whose assessment the Director can grant approval/disapproval for the project. The public consultation process is similar to that of the NEA where the public has the opportunity to comment on the proposed development within a period of 30 days from time of notification, if it is an EIA.

4.4.2 Fauna and Flora Protection Ordinance (FFPO) No.2 of 1937 (amended in 1993)

77. The Ordinance is implemented by the Department of Wildlife Conservation. This act specifies that any development activity that takes place within one mile of the boundary of a National Reserve declared under the Ordinance require an EIA/IEE. The FFPO follows a similar process as the NEA in conducting scoping, setting the Terms of Reference (TOR), preparation of EA, review of EA and public consultation and disclosure. The decision of project approval or disapproval is finally granted by the Director of the Department of Wildlife Conservation.

4.4.3 The Constitution of Sri Lanka and its 13th Amendment

78. The Constitution of Sri Lanka contains several provisions, relating to the environment (i.e. Article 27 (14) and Article 28). The 13th Amendment introduced a new level of institution for environmental protection and management. Thus, provincial government under this Amendment has legislative and executive power over environmental matters (i.e. Article 154 (A) 9, 19 and (III) 17). According to such provincial legislative and executive power, the North Western Provincial Council adopted the North Western Provincial Environmental Authority to control, prevent and monitor all environmental related activities in the North Western Province.

4.5 Regulations that provides directions to protect environment and its resources

79. Sri Lanka is one of the leading countries in the South Asian region in enacting environmental legislations. Its concern for environment dates back to over two and a half millennia. The constitution of the Democratic Socialist Republic of Sri Lanka under chapter VI Directive Principles of State policy & Fundamental duties in section 27-14 and in section 28-f proclaim “The state shall protect, preserve and improve the environment for the benefit of the community”, “The duty & obligation of every person in Sri Lanka to protect nature and conserve its riches” thus showing the commitment by the state and obligations of the citizens. In addition, there are number of regulations that are relevant to the project and required to be adhered to during implementation:

4.5.1 Water Resources Board Act, Act No. 29 of 1964

80. Main responsibilities under this act highlighted are control, regulation and development including the conservation and utilization of the water resources of the country. In addition, the promotion of afforestation, control of soil erosion, prevention of the pollution of rivers, streams and other water sources are also required to be considered. Mainly, the Water Resources Board is the key player of the formulation of national policies relating to the control and use of water resources of the country, as well as coordination of projects undertaken by government departments, local authorities and public corporations relating to the conservation, utilization

development of the subterranean water resources of the country and the assessment of the possibilities, benefits and economic feasibilities of such projects.

4.5.2 State Land Ordinance, Act No. 13 of 1949

81. The State Lands Ordinance provides necessary guidelines to:

- The protection of the source, course or bed of any public stream
- The protection of springs, reservoirs, lakes ponds lagoons, creeks, canals, aqueducts etc.
- The construction or protection of roads, paths, railways and other means of internal communication.
- The prevention of the erosion of soil.
- The preservation of water supplies.

82. In addition, section 75 of the State Land Ordinance highlights on riparian proprietor activities. The occupier of land or the bank of any public lake or public stream shall have the right to use the water in that lake or stream for domestic purpose and shall not be diverted through a channel, drain or pipe or by means of a pump or other mechanical contrivance but shall be removed in a bucket or other receptacle.

4.5.3 Flood Protection Ordinance, Act No. 22 of 1955

83. This ordinance provides necessary provisions to acquisition of lands or building or part of any land or building is required for the purpose of flood protection.

4.5.4 Soil Conservation Act, Acts Nos. 25 of 1951 and amended on 29 of 1952

84. The Soil Conservation Act makes provision for the conservation of soil resources for prevention or mitigation of soil erosion and for protection of land against damage by floods and droughts. It is possible to declare any area defined in the order to be an erodible area for the purpose of this act. Under this act, following main activities are prohibited:

- Clean weeding of land or other agricultural practices conducive to soil erosion.
- Use of land for agricultural practices within the water sources and banks of streams.
- Exploitation of forests and grass land resources and fire activities in declared area.

4.5.5 Pradeshiya Sabhas Act, Act No. 15 of 1987

85. Section 12 (2) of the Pradeshiya Sabhas Act has authority to appoint a separate committee to advise the environmental matters. The section 105 of the same act shows the prohibition of causing water or any stream pollution and related offences. The section 106 highlighted pollution caused by factories and relevant offences.

4.5.6 Mines and Minerals Act, Act. No. 33 of 1992

86. The Geological Survey and Mines Bureau (GSMB) established under the Act No. 33 of 1992, Mines and Minerals Act. Under this act, mining falls within the purview of the GSMB. Mining and exploitation for minerals, including sand, must be licensed under the act by the GSMB. Mining licenses are issued only to a qualified individuals and companies registered to do business in Sri Lanka. Mining is not permitted within Archaeological Reserves and within specified distance of monuments. New mining licenses are subject to the EIA process, if the type and extent of mining is listed under the EIA regulations. Additionally, the GSMB has power to stipulate conditions including the taking of deposits and insurance for the protection of environment. Regulations made by the GSMB under the act cover a variety of environmental stipulations, criteria and conditions for licensing and operating mines. This also covers the disposal of mine wastes. The act also deals with the health, safety and welfare of miners. Reclamation of mines is a major problem in Sri Lanka and due to current practice requires the mining enterprise to make a deposit to cover costs of recovery. The deposit however is inadequate for the purpose. Large extents of mined areas, particularly areas mined for clay and sand remain open. Mining rights on public and private land are subject to licensing by the GSMB and all minerals wherever situated belonging to the state. The right to mine particular parcels of public lands may be subject to EIA procedures as well as to lease for permit conditions.

4.5.7 Forest Ordinance of No. 17 of 1907 as amended by Act No. 23 of 1995

87. The Forest Ordinance of Sri Lanka is the law for conservation, protection and management of forest and forest resources for the control of felling and transport of timber and forest related matters. The Forest Ordinance of No. 17 of 1907 amended by several Acts up to 1995 - Act 34 of 1951, No. 49 of 1954; No. 13 of 1966; No. 56 of 1979; No. 13 of 1982; No. 84 of 1988; and new act as No. 23 of 1995.

88. Under the section 4 of No. 23 of 1995 Forest Act, Minister in charge of the forest, has special power to order and declare any specified area of state land or the whole or any specified part of any reserve forest which has unique eco systems, genetic resources or a habitat of rare and endemic species of flora and fauna and micro organism and of threatened species or which need to be preserved in order to achieve an ecological balance in the area by preventing landslides and fire hazardous to human life, as a Conservation of Forest.

89. In addition, under the section 5 of this act, Forest Officer of a specified area has special power to stop any public or private way or water course in a reserved forest. It shall be lawful for the District Secretary to determine the amount of compensation to be paid, in case that the water course injuriously affects the interests or one or more individuals to whom on that account compensation should be paid.

90. Under the section 6 of the Act No. 23 of 1995, following activities are prohibited:

- Trespasses, or permits cattle to trespass;

- Causes any damage by negligence in felling any tree, or cutting or dragging any timber;
- Willfully strips off the bark or leaves from, or girdles, lop, taps, burns or otherwise damages, any tree;
- Poisons water;
- Quarries stone, burns lime or charcoal, or collects, or subjects to any manufacturing process, any forest produce;
- Extracts coral or mollusk shells or digs or mines for plumbago, gems or other minerals;
- In contravention of any regulations made by the Minister, pastures cattle, hunts, shoots, fishes or sets traps or snares or guns, or constructs or uses ambushes, or uses any explosive substance.

91. Under the section 12 of this act, the Minister has power to order and publish in the Gazette, constitute any portion of forest a village forest for the benefit of any village community or group of village communities, and may in like manner vary or cancel any such order. Every such order shall specify the limits of such village forest.

4.5.8 Felling of Trees Act No. 9 of 1951, as amended through Act No. 30 of 1953

92. This Act seeks to prohibit and control felling of specified trees (mainly intended to stop the indiscriminate felling of specified trees) in the country. Forest Department maintains records on felled trees under sub projects and for replanting of trees in place of the trees cut.

4.5.9 Disaster Management Act, No. 13 of 2005

93. Under the Act No. 13 of 2005 of the Disaster Management Act, there is a provision to establish National Council for Disaster Management (NCDM). Major objective of this act is to protect human life, property and the environment of Sri Lanka. Therefore, this act plays key role to protect the environment. Major functions include NCDM, to formulate a National Policy and Program on the management of disasters which shall provide for the protection of life of the community and environment and the maintenance and development of disaster affected areas; the effective use of resources for preparedness prevention, response, relief, reconstruction and rehabilitation; the enhancement of public awareness and training to help people to protect themselves from disasters. Therefore, this act provides necessary guideline for the protection of human life, property and the environment of the country.

4.5.10 National Water Supply and Drainage Board (NWSDB), Law No. 2 of 1974

94. The NWSDB is the principal agency for water supply and sanitation in Sri Lanka. It was established in January 1975 pursuant to the Law No. 2 of 1974. Prior to its official mandate, the NWSDB started as a sub-unit, under the Public Works Department for Water Supply and Drainage.

In 1965, it became a division under the Ministry of Local Government. From 1970, this division functioned as a separate department under the Ministry of Irrigation, Power and Highways and remained so until the Act was approved by the Parliament creating the NWSDB in 1975. General duties of the NWS&DB include: to develop, provide, operate and control an efficient, coordinated water supply and to distribute water for public, domestic or industrial purpose; to establish develop, operate and control an efficient, coordinated sewerage systems.

4.5.11 Prevention of Mosquito Breeding Act, Act No. 11 of 2007

95. This Act passed for the purpose of ensuring the prevention and eradication of all mosquito borne diseases. Under this act, it shall be the duty of every owner or occupier of any premises to cause, (a) open tins, bottles, boxes, coconut shells, split, coconuts, tyres or any other article or receptacle found in or within such premises, capable of holding water, to be removed, destroyed or otherwise effectively disposed; (b) any well found in the premises and its surroundings to be maintained and kept in good repair so as to make it mosquito-proof and thereby prevent the breeding of mosquitoes; (c) any artificial pond or pool found in such premises to be emptied at least once in every week; (d) any casual collection of water within the premises which is conducive to mosquito breeding, to be regularly drained; (e) shrubs, undergrowth and all other types of vegetation, other than those grown for the purpose of food or those which are ornamental, found within or outside any building or structure within the premises used as a dwelling place which has become a breeding place for mosquitoes, to be removed; (f) the removal and destruction of the water plants having the botanical name *Pistia Stratiotes* and commonly known as “Diya Parandal”, “Kondepasei”, “Telpassy”, “Barawa-Pasi”, “Nanayaviraddi” and of any other water plant, or plants, found within the premises, which may facilitate the breeding of mosquitoes. Hence, this act placed to eradicate prevent the mosquito born diseases and mainly targeted on water sources.

4.6 Review of World Bank Safeguard Policies and Requirements

96. Safeguards policies aim to integrate social and environmental issues into decision making during entire project cycle, evaluate and manage impacts, and enhance benefits and opportunities, and address impacts. During project preparation safeguards specialists screen the projects to determine which, if any, safeguard policies applicable and to identify which impact category (A, B, or C) is appropriate for the project.

4.6.1 Environmental Safeguards

97. Project activities will involve civil and other types of work to improve existing and build new infrastructure to support LA services delivery. These works may have environmental impacts. The exact locations and types of work are not available now. However, these activities are not likely to have large-scale significant or other irreversible impacts, and any potential impact will be managed and mitigated in a manner consistent with the Bank environmental safeguards policies. The expected impacts will be site-specific and are not expected to cause strong cumulative impacts.

The following environmental safeguard policies are triggered: Environmental Assessment OP/BP 4.01; Natural Habitats OP/BP 4.04; and Physical Cultural Resources OP/BP 4.11. Because exact locations and types of works financed by the project will be known during the project implementation, the environmental impacts will be managed and mitigated per prepared under the project environment management and social management framework (ESMF).

➤ **Environmental Assessment (OP/BP 4.01)**

98. **EA requirement.** The World Bank requires environmental assessment (EA) of projects proposed for Bank support to ensure that they are environmentally sound and sustainable, and thus to improve decision making. The Bank Policy OP/BP 4.01 considers that EA is a process whose breadth, depth, and type of analysis depend on the nature, scale, and potential environmental impact of the proposed project. EA evaluates a project's potential environmental risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts; and includes the process of mitigating and managing adverse environmental impacts throughout project implementation. EA takes into account the natural environment (air, water and land); human health and safety; social aspects (involuntary resettlement, indigenous peoples and physical cultural resources); and trans-boundary and global environmental aspects. The Bank Policy also envisages that the borrower Government is responsible for carrying out the EA and the Bank advises the borrower on the Bank's EA requirements.

99. The present EMF has been prepared in compliance with this OP/BP.

100. **EA classification.** The World Bank classifies the proposed project into one of the four categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts. These categories are defined below.

- **Category A:** A proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works.
- **Category B:** A proposed project is classified as Category B if its potential adverse environmental impacts on human populations or environmentally important areas--including wetlands, forests, grasslands, and other natural habitats--are less adverse than those of Category A projects.
- **Category C:** A proposed project is classified as Category C if it is likely to have minimal or no adverse environmental impacts. Beyond screening, no further EA action is required for a Category C project.
- **Category FI:** A proposed project is classified as Category FI if it involves investment of Bank funds through a financial intermediary (FI), in subprojects that may result in adverse environmental impacts.

➤ **Natural Habitats (OP 4.04)**

101. The Policy highlights the importance of conservation of natural habitats, like other measures that protect and enhance the environment, for long-term sustainable development. The Bank therefore supports the protection, maintenance, and rehabilitation of natural habitats and their functions in its economic and sector work, project financing, and policy dialogue. The Bank also supports, and expects borrowers to apply a precautionary approach to natural resource management to ensure opportunities for environmentally sustainable development. The Bank promotes and supports natural habitat conservation and improved land use by financing projects designed to integrate into national and regional development the conservation of natural habitats and the maintenance of ecological functions. Furthermore, the Bank promotes the rehabilitation of degraded natural habitats. The Bank does not support projects that involve the significant conversion or degradation of critical natural habitats.

➤ **Physical Cultural Resources (OP 4.11)**

102. This policy addresses physical cultural resources, which are defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community.

103. The Bank assists countries to avoid or mitigate adverse impacts on physical cultural resources from development projects that it finances. The impacts on physical cultural resources resulting from project activities, including mitigating measures, may not contravene either the borrower's national legislation, or its obligations under relevant international environmental treaties and agreements.

4.6.2 Social Safeguards

104. Two of these policies deal with social safeguards: (i) OP. 4.10 (Revised April 2013) Indigenous People, and, (ii) OP 4.12 (Revised April 2013) Involuntary Resettlement. As noted in Section 4.5 above, OP 4.10 is not triggered in Sri Lanka although all steps will be taken to ensure their inclusion and development. OP 4.12, however, is applicable.

➤ **OP. 4.12 Involuntary Resettlement**

Projects involving involuntary land acquisition and resettlement are subject to OP. 4.12. It is applied not only in case of physical displacement and resettlement but also upon appearance of loss of income, means of livelihood and restrictions on land use including access to protected areas involving impacts on livelihood.

105. The policy applies to all components of the project causing involuntary resettlement regardless of source of project component funding, other activities which are directly and

significantly attributable to the project in terms of causing involuntary resettlement, and resettlement necessary to achieve project goals defined in the Project Document, and resettlement activities that are being carried out or planned to be carried out contemporaneously with the project.

106. Principles enshrined in OP 4.12 include the following:

- Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs
- Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits.
- Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs
- Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of Project implementation, whichever is higher

107. OP 4.12 identifies the following categories of persons as being eligible for compensation and assistance:

- those who have formal legal rights over property (including customary and traditional rights recognized or recognizable under the laws of the country);
- those who do not have formal legal rights to property at the time the census begins but have a claim to such property - provided that such claims are recognized under the laws of the country or through a process identified in the RAP; and,
- those who have no recognizable legal right or claim to the property they are occupying.

108. Special attention should be paid to vulnerable groups, including those below the poverty line, elderly, women and children, ethnic minorities etc. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance.

109. The following rules of actions are fundamental to the application:

- Displaced persons will be informed about their options and rights referring to resettlement;
- Displaced persons will be consulted and offered the choice and provision of technical and economically sustainable alternatives during resettlement;
- Displaced persons will be ensured fast and effective compensation at full replacement cost for the property loss as a direct consequence of the Project. Preference should be

given to resettlement strategies based on replacement land rather than compensation in cash payment with a particular attention when agricultural cultivated land is affected and to the displaced persons whose livelihood are land based;

- If the impacts include physical resettlement, displaced persons will be provided such assistance as compensation for relocation during the resettlement, residential building or residential location, or, if necessary, agricultural location for which combination of production potential, location benefits and other factors have at least the same benefits as the former location;
- Displaced persons will, on top of compensation for the acquired property, achieve all rights for additional assistance;
- Displaced persons will be provided support after relocation for a transitional period of time necessary for renewal of living standards;
- Displaced persons will access to grievance mechanism, accessible and available procedures for settling resettlement and construction related disputes.

5. Management of Environment and Social Safeguards

5.1 Potential project-financed activities and Environmental Assessments

110. Potential project financed activities include:

- Reconstruction of damages rural roads;
- Construction of rural drinking water supply and sanitation schemes;
- Reconstruction of public building such as multipurpose community centers, markets, preschools, bus stands, dispensaries, etc.;
- Construction or reconstruction of flood water drainage lines;
- Construction of solid waste management schemes;
- Rehabilitation of micro water ponds;
- Promotion of group economic and income generating activities such as brickmaking, bakery, milk collection centers, etc.; and
- Provision of street lighting.

111. The purpose of conducting an environmental assessment (EA) is to identify environmental and social consequences of the proposed sub-projects or components. The EA should cover physical-chemical, biological, socio-economic and cultural issues that are likely to arise during construction and operation activities as appropriate, in order to:

- Ensure the identification of potential environmental issues and social concerns early in the implementation of a proposed project to incorporate necessary safeguards in project design in order to prevent potential adverse impacts by determining appropriate mitigation and compensation measures;
- Minimize risks and enhance positive impacts/benefits;
- Avoid delays and extra costs which may subsequently arise due to unanticipated environmental and social problems;
- Ensure that the concerns of residents and affected communities are addressed; and
- Identify the potential for maximizing environmental resources management and socio-economic benefits to local communities within the scope of the subproject.

5.2 Screening and Categorization

112. Safeguards screening usually consists of checking and identifying environmental and social impacts/ risks/ opportunities, as well as identification of measures to mitigate adverse impacts, if any, associated with the proposed sub projects, (An Environmental and Social Screening Form is provided in Annex 1 and Annex 5). The screening results will be used to determine funding eligibility of the individual sub projects under LDSP. For selection and implementation of the individual sub projects, the LAs will adhere to the following guidelines, practice codes and requirements:

- Negative List (Annex 3). The Schemes that have characteristics as those described in the 'Negative List' will be ineligible for funding under LDSP;
- Guidelines for Environmental Management (Annex 4). Provides principles, policies and codes of practice for the mitigation of potential environmental impacts;
- Guidelines for Land Use. Contains principles, policies and guidelines for use of public and private lands and adverse impact mitigation; impact assessment procedure; and implementation and monitoring arrangements;
- Guideline for Social Screening (Annex 5)

113. An important output of the Environmental and Social Screening is application of the Negative List (Annex 2).

114. Social Screening Approach. For each activity selected under the LAPDPs or economic infrastructure, the screening of sub-projects will be carried out for assessing their potential social and environmental impacts. Screening of activities under the LAPDPs will be carried out by the Community Development Officers (CDOs) and/or Technical Officer of the LAs in consultation with the other officials at the LA, PIU-level CDOs and Environment Specialist. The screening reports (e.g, SSRs, DDRs) and will be endorsed by the Secretary of the respective LA (Pradheshiya Sabha and Urban Council) or the Municipal Commissioner of the Municipal Council (Annex III:

Sample Social Screening Report). The SSRs and/or DDRs prepared on the basis of the screening will be attached to the sub-project proposal submitted to the respective Council. The Project Appraisal Team (PAT) at the district level will approve the sub-project proposal, alongside the screening report, with concurrence from the District Development Committee and forward it to the PIU at the Provincial level. The Environment and Social Specialists at the PIU will verify the categorizations and endorse the screening reports.

115. For the economic infrastructure subprojects, the CDO and/or the Environmental Officer at the PIU will carry out screening and the categorization of the economic infrastructure in coordination with the relevant LAs, ACLGs at the district level, and the Social Development and Environmental Specialists at the PCU. The screening and the categorization will be endorsed by the CLG. If a sub-project has no adverse impact, it will be clearly identified in the Social Screening Report (SSR) or in the Due Diligence Report (DDR). The Environmental and/or Social Specialist at the PCU will verify the categorization and approve the screening report.

116. For any sub-projects that may cause significant resettlement impacts, a full-scale Social Impact Assessment (SIA) and a census survey will be carried out followed by a comprehensive Resettlement Action Plan (RAP). Abbreviated RAPs will be prepared for sub-projects affecting less than 200 persons based on the screening report and Sample Social Screening Report (SSR). Both the full and abbreviated RAPs will ensure that compensation, rehabilitation, and relocation arrangements are planned and budgeted, and that they meet the agreed entitlements and policy measures outlined in the RPF. These A/RAP will be prepared in addition to the Social Impact Management Plan (SIMP)/Environment Management Plan (EMP) prepared for addressing non-land related social impacts. Additional consultant support for the impact assessment and preparation of the management plans, will be mobilized, if required. Summaries of all SSRs, Social DDRs, including sample reports will be shared with the Bank on a periodic basis. All abbreviated and full RAPs will be submitted to the World Bank for review and clearance prior to site possession, physical or economic displacement and the start of any civil works.

5.3 Impact Assessment and Mitigation Measures

117. Based on the screening results, a decision will be made whether the sub projects under consideration needs further environmental and social examination or not. As described in Annex 2 and 3, category C sub projects needs only screening, and a Limited Environmental Assessment is to be undertaken to adopt mitigation measures (Annex 8 lists typical environmental impacts and mitigation measures). Further, all infrastructure sub projects will be assessed for environmental and social safeguards (ESS). The economic returns of sub projects should not be compensated for the negative environmental and social impacts they will have on the project sites and the immediate environment, as well as the wider environment. Mitigation measures, which are expected to vary by sub projects, will be incorporated into the construction contracts.

118. In view of the above objectives, environmental and social assessment and mitigation of negative impacts shall be an integral part of selection, design, implementation, and monitoring of the individual sub projects. The following principles will apply in the sub project selection and implementation process:

- Undertake community consultations before the selection of specific sub projects about their objectives, scopes, and any temporary and permanent environmental and social implications, especially with regard to the use of private and public lands. Community consultations will in particular include the people who might be affected directly.
- The LAs will not elect to undertake sub project that may require land acquisition, and will try to keep the development works limited to improvement of the existing infrastructure, and use their own or other public lands for new constructions
- Where use of private land is essential for critical sub projects, LAs may seek voluntary contribution from the concerned landowners, and members of the beneficiary communities would collectively explore alternatives to voluntary contribution, including 'contribution against compensation'
- Environmental and social impacts and mitigation measures shall be an integral part of review and monitoring of sub projects through the reporting chain

6. Consultation, Information Disclosure and Grievance Redress Mechanism

6.1 Consultations

119. During the preparation of the safeguards instruments under the project, several rounds of consultations were held with a variety of stakeholders, including public officers, civil society members, and community members in the Northern, Eastern and Uva Provinces in March 2018. The issues raised during these consultations have informed the preparation and finalization of this ESMF and the accompanying RPF.

120. In addition, the project includes a variety of measures to support consultations, community level citizen engagement and social accountability. Under Component 1, the preparation of LAPDPs is intended to facilitate greater community engagement via first engaging residents to discuss their needs at the ward level. Further, a mobile app will be developed under the Project to support a GIS enhanced monitoring of sub-project implementation and beneficiary feedback (e.g., social audits, citizen scorecards, etc.) to monitor the performance of LAs, provide routine feedback relating to the participatory planning process of LAs and monitor the impact of project interventions while also enhancing transparency and community ownership of project activities.

121. Besides these, consultations with direct and indirect beneficiaries and stakeholders will be conducted as part of the participatory process for designing and implementing sub-projects.

Consultations will aim at: sharing information; listening to feedback; engaging citizens in decision making; and involving stakeholders in participation in the implementation process. Consultation will take place in form of public meetings, focus group discussions, sub-project specific community consultations as part of the social screening and resettlement planning process and direct one-to-one consultations.

122. The relevant officers of the LA, PIU and the PCU together with the elected members will hold open community meetings in their respective villages to discuss the objectives, scope and implementation arrangements of LDSP. The elected Ward Members will ensure a meeting environment where the participants, irrespective of their social status, would be able to express their opinions and preferences freely. The objectives of consultations will be to:

- Learn about the community needs and preferences as to what sub projects they deem necessary and would have the most beneficial outcomes.
- Identify and agree on priority sub projects in view of the limitations in resource availability.
- Discuss the environmental and social safeguard implications/impacts that might be associated with the suggested sub projects, along with the impact mitigation guidelines and measures adopted in the ESMF and the RPF.
- Identify ways in which required land could be made available for respective sub-projects through the options given in the RPF.
- Have the community select 7 to 9 persons as members of the Social Audit Committee which is chaired by a villager who commands social respect.

123. Consultations will be carried out during the preliminary design, planning, implementation and monitoring stages of the project as presented in Table 7.

Table 13 Consultation Activities for Various Stages in Project Cycle

Project Stage	Consultation Activities
Project Identification Stage	Identify project stakeholders (primary and secondary)
	Involve stakeholders in the consultation process
	Organize information material and plans for dissemination
	Organize and document public meetings
	Identify needs for social preparation if environmental and resettlement impacts are going to be generated
Project Planning and Designing Stage	Convene and record meetings with potential affected persons and or potential beneficiary population
	Consultations with APs on implementation for environmental and social mitigation plans
	Obtain inputs from potential displaced persons, hosts, CBOs on selection and development of resettlement sites

Project Stage	Consultation Activities
	Establish Grievance Redress Committee (GRC) procedures, representatives of APs
Project Implementation Stage	Organize participation of the potential APs in the implementation of environmental and social management plans
	Involve CBOs, other suitable institutions in community mobilization/ resettlement efforts
	Obtain support from CBOs and Stakeholders / Private Sector in livelihood and income support activities
	Involve APs in decision-making committees
	Ensure that GRC procedure is functional
	Involve APs/SACs in monitoring and evaluation

124. The Project will include activities to build the capacity of existing community development officers in LAs and the PIUs to mobilize and engage community members and work directly with village level organizations (e.g. women’s rural development societies and other CBOs). Social Development Officer will be hired for the PCU to coordinate, support and monitor the community engagement process. Communities will also be mobilized to engage in a more holistic planning process that covers not just infrastructure priorities, but also their social and economic/livelihood needs so that what emerges is a consolidated LAPDP that will be compiled with community participation at village and ward levels and approved by the local authority council. Finally, the participatory planning will also involve the use of new participatory tools to identify community assets, resources, and vulnerabilities so that there is a more informed bottom-up planning process. The LAPDPs will guide the preparation of LA budgets and annual plans of Divisional Secretariats and thus ensure that public expenditures are broadly in line with the major priorities of the communities and localities.

6.2 Information Disclosure

125. Affected Persons will be fully informed of their rights and responsibilities from the very beginning of the process to achieve transparency and understanding between the affected persons and the project implementing agencies (i.e., the PCU, PIUs, LAs, etc). In order to achieve this, information will be made accessible and understandable and where necessary, information will be translated into Sinhala and Tamil languages. A communication and awareness campaign will be implemented to disseminate information to the public through such communication tools as public media, public notice boards, newspapers, leaflets, flyers and door to door visits.

126. With regards to safeguards instruments, following review and clearance by the Bank, the safeguards instruments including RAPs/A-RAPs, ESMPs, SIMPs, will be published on the Infoshop and disclosed locally on the ministries’ websites, PMUs and at Divisional Secretariats of project areas.

127. The ESMF and the RPF was cleared by the World Bank and disclosed in-country on March 7, 2018 on MPCLGS website (<http://www.lgpc.gov.lk>) and through the Bank’s external website.

Translation of the executive summary of the ESMF Report to Sinhalese and Tamil languages were also completed and disclosed on the MPCLG website with hard copies disseminated to the four provinces. Following the revisions in the project document, the ESMF and the RPF were again re-disclosed on 12 September 2018. Further, following clearance from the World Bank, all the safeguards instruments including RAPs/ARAPs, ESMPs, SIMPs, will be published on the World Bank's external website and disclosed locally on the ministries' websites, PMUs and at Divisional Secretariats of project areas.

6.3 Grievance Redress Mechanism

6.3.1 Project-Related GRM

128. The Grievance Redress Mechanism (GRM) for the Project involves a multi-tiered system comprising:

129. **LA-level Grievance Mechanism:** As part of strengthening the capacity of local government in safeguards management, the Project will work with the Front Office system in the LAs as the first tier of grievance handling mechanism (GRM) for the project. The front office systems will be further strengthened to ensure transparency, accountability and cost effectiveness in providing redress to complaints and grievances through an IT-based complaint registration, handling and monitoring system. The Public Relation Officers at the front offices will receive the complaints (either verbally or in writing), and together with the Community Development Officers at the LA make all efforts to resolve issues within a period of 1 week. The mode of operation for these Front offices will be dialogue, consultation and consensus, and decisions taken will be ratified by the LA Secretary prior to enforcement. The Front Offices will carry out their functions in a transparent manner, with full disclosure of relevant information to the stakeholders, in languages that complainants can understand. Records of the meetings (minutes), including a list of participants, will be prepared and distributed. Any grievances that cannot be resolved at the LA-level will be reverted to the district-level GRC.

130. **District level Grievance Redress Committee (DGRC):** A Grievance Redress Committee will be constituted at the district level (DGRC) comprising of the ACLG (Chairperson), District Engineer, district-level CDO, Accountant and Senior Technical Officer. The existing Good Governance Resource Centers at the district level will be responsible for recording and monitoring grievances lodged at the LA, district and provincial level. The Project will include measures for further strengthening these centers, especially through a digital platform. Issues that are not resolved at the DGRC level will be referred to the provincial level GRC for decisions.

131. **Provincial Grievance Redress Committee (PGRC):** PGRC will be constituted by the Commissioner of Local Government (Chairman), M&E Officer, Provincial Engineer, ACLG,

CDO of ACLG Office, LA secretaries/commissioner, PIU-level CDO and Environment Officer, LA CDOs, depending on the nature of the case. Record of the meetings (minutes), including a list of participants, will be prepared and distributed.

132. **National-level Grievance Redress Committee (NGRC):** NGRC will be constituted by the National Project Coordinator (Chairperson), Project Engineer, Social Development Specialist/Environment Specialist of the PCU, Representative of a reputed national NGO that has experience and interest in managing issues of land acquisition, resettlement, gender, law and environment, Chief Secretary of relevant province, and CLG from relevant province. At least one member of the NGRC will be a female. The Social Development/Environment Specialist of the PCU will act as the Secretary. Record of the meetings (minutes), including a list of participants, will be prepared and distributed.

133. This form of multi-tiered GRM system for the Project will offer opportunities for PCU and the PIUs together with the affected communities to identify problems and discover solutions together early on and in the process of project implementation. Key principles of GRM are:

- All steps will be taken to ensure that the GRM is easily accessible, cost-effective, transparent, accountable and responsive, and NO COST to people.
- Any grievance related to land acquisition, donation or any other project related matter will be registered and acknowledged immediately by phone, if contact details are given by the complainant, or in the absence of telephone number, by mail within two days
- GRM will function with a view to achieving amicable settlement wherever possible without allowing to resort to judicial review
- Grievances will be processed as soon as possible, and within 15 days

134. Notice boards, meetings, brochures and other means, will be utilized to inform people of the GRM contact details indicating where and how to lodge complaints and concerns. Additionally, the PCU will establish a clear set of procedures for grievance redress and implement an awareness campaign among the APs to educate the public on the role and function of GRM, procedures, operational locations, contact details of persons handling grievances at each level. This project-specific mechanism is not intended to supplant other like mechanisms, including those that exist at higher levels within the World Bank, and in all cases the aggrieved person(s) will have the option of seeking redress in the Sri Lankan legal system or any other alternative systems of grievance redress –administrative, political, civil society etc.

7. Institutional Arrangements, Monitoring Framework, Capacity Building and Budget

7.1 Institutional Arrangements

135. The Ministry of Provincial Councils and Local Governments and Sports (MPCLGS) will execute the project with a Project Coordinating Unit (PCU) established under it. Further, Project Implementing Units (PIUs) will be established at the Provincial levels. The PCU will take the lead role in planning, coordination and monitoring of safeguards performance in line with the ESMF and the RPF prepared under the project. Among others, the PCU will be staffed with at least one Environmental Safeguards Specialist and one Social Development Specialist who will be responsible for monitoring and providing oversight to safeguards issues under the project.

136. At the level of Provincial Council, the Project Implementation Units (PIUs) to be established in each of the four PCs, will also be staffed with an Environmental Officer and a Community Development Officer who will be responsible for supporting project implementation and supervision of Local Authorities (LA) and units under the LA, including in matters relating to safeguards implementation and supervision.

137. At the Local Authority (LA) level, the LA Secretary will assume the role of a Coordinating Officer for the Project, and the Community Development Officer (CDO) and Technical Officer will be responsible for the day-to-day management of safeguards issues, including the screening of activities and preparation of due diligence reports (e.g., screening reports like SSRs), and creating an enabling environment for promoting gender equality in sub-project decision making process (Annex III: Sample Social Screening Report). The screening checklists (Annex I: Sample of Social Screening Checklist) and the due diligence reports will be endorsed by relevant LA officers after review, and will be kept in the sub project file at the LA. In case of sub-projects with safeguards impacts, the PCU safeguards specialist will undertake reviews with the relevant communities and stakeholders, facilitate remedial actions, follow up and report. All these forms will be kept at the LA and reviewed for monthly progress meetings and preparation of quarterly, bi-annual, annual reviews and sub project completion reports, as described below. For sub-projects that require additional evaluations (e.g., SIA, EIA) and preparation of safeguards management plans (e.g., A/RAPs, EMPs, etc), external support will be utilized, if relevant (Annex VIII: Terms of Reference for a carrying out Social Impact Assessment and preparing Social Safeguard Action Plans).

7.2 Monitoring Framework

138. The safeguards performance quality will be monitored and evaluated in line with the LDSP Monitoring and Evaluation requirements. At the LA level, routine monitoring of safeguards implementation will be carried out by the Social Audit Committees. Additionally, the Environment Safeguards Specialist and the Social Development Specialist will review safeguards performance

quality along with the relevant government counterparts such as the LA officers, ACLG and other district level officers, and provincial level officers. Responsible agents will prepare review reports and ensure that they are submitted into the MIS once it is operational, so that safeguards recordkeeping is up to date, accurate, and easily accessible.

139. **Bi-annual Review:** While the LA level, the Social Audit Committees and the Community Development Officer/Technical Officer will conduct monitoring and participate in progress review meetings, the Provincial-level PIUs will review implementation progress every six months using a random sample of LA sub projects under block grant facility, and all the economic infrastructure sub-projects. All forms maintained at the LA project office will be reviewed and field visits undertaken. If the review finds any problems, these will be communicated to the ACLG, DS, and LAs to take remedial action and follow up. All reviews and actions will be documented and kept in the sub project file at the LA and the PIUs where these will be summarized highlighting the problems, actions and follow up details, and report submitted to the national level PCU. Any issues not resolved at the LA, the district and provincial levels will be reported to the PCU for action.

140. **Annual Review of Safeguards:** The PCU Environment and Social Development Specialist will conduct an annual review of safeguards, which will include a review of all EIA, SSR, SIA, DDR, RAP documents, and 10% random sample of Screening, Implementation and Completion Reports and undertake field visits to verify whether these were done according to the ESMF and the RPF guidelines including those related to disclosure and consultation, grievance registration and resolution, disbursement of entitlements, gender mainstreaming activities, and citizen participation and consultation.

141. **Annual Performance Audit:** PCU will assign/ contract Auditor General Department or Chartered Accounting Firms to conduct annual Performance Audit that will include financial management, procurement and safeguard compliance. The auditors will review all documents and visit 10% of the schemes for validation of safeguard compliance. They will also conduct spot checks as deemed fit. Annually, two CA firms will be contracted to review all audit findings for finalizing the finding which will be shared with PPMU and LAs for their review and disclosure to public through open meeting and LA notice board.

142. **Independent Third-Party Monitoring:** This review will be undertaken at the mid-term and project completion. Annex VIII includes a sample terms of reference for third-party monitoring of safeguards implementation; Annex IX: Sample Terms of Reference for Hiring External Monitoring and Review Consultants.

143. In addition, the project includes a variety of measures to support mainstreaming of community level citizen engagement and social accountability. The preparation of LAPDPs is intended to facilitate greater community engagement and empowerment in development process by allowing community groups to identify their local assets and needs and hold local governments and provincial authorities to account. In this regard, specific interventions are planned to will support capacity building and mainstreaming community level citizen engagement and social accountability tools such as social audits, citizen scorecards, Social Audit Committees, etc. The

Project also includes a community monitoring mechanism, ‘Participatory Tracking’ (P-Tracking) for monitoring citizen participation, satisfaction, and outcome indicators. Further, a mobile app will be developed under the Project to support a GIS enhanced monitoring of sub-project implementation and beneficiary feedback (e.g., social audits, citizen scorecards, etc.) to monitor the performance of LAs, provide routine feedback relating to the participatory planning process of LAs and monitor the impact of project interventions while also enhancing transparency and community ownership of project activities. Annex IX: Sample Terms of Reference for Hiring External Monitoring and Review Consultants.

144. Progress on level of citizen engagement and social accountability will be monitored and tracked throughout project implementation by considering: (i) Percentage of Basic Transfers disbursed on a timely basis to eligible Local Authorities (measured by province) (ii) Number of Local Authorities that qualify for the performance based transfers (iii) Percentage increase of beneficiaries who participate in Ward level planning processes measured by Province (iv) Percentage increase of women beneficiaries who participate in ward level planning processes measured by Province (v) Percentage of priority sub-projects in LAPDP financed by LAs (vi) Number of beneficiaries benefiting from project investments (core indicator) and (vii) Percentage of female beneficiaries benefiting from project investments in participating provinces.

7.3 Capacity Building

145. Although leading Government agencies at the central level have considerable experience in safeguards management, including resettlement planning and implementation, GOSL has recognized that most of the provincial agencies involved in the project would require orientation and capacity building training on implementing ESMF. Some secretaries of LAs who have implemented sub projects under NELSIP yet continue in their original offices, others have limited capacity. Further, most of the LA representatives that would be elected at the LG elections in February 2018 are unlikely to have sufficient knowledge in safeguards or social development. The project will carry out a series of training on management of land acquisitions and resettlement planning and environmental safeguards at national and provincial level. After identifying all relevant participating agencies, recruitment of social development staff for the PCU, PPMU and PIU at LAs, a capacity building training plan will be developed and implemented to equip the relevant officers with necessary skills and knowledge in social safeguards management. Arrangements will be made to involve the existing training institutions at the national and provincial levels including the universities. Peer learning and horizontal will be organized throughout the project period.

7.4 Cost Estimation and Budget

146. To implement the safeguards management measures suggested above, budgetary provisions will be made available in terms of each sub project. Budgetary estimates for sub projects

where resettlement implementation is necessary, including resettlement management, will be incorporated in the cost estimates for safeguards management. Accordingly, land acquisition and resettlement, expenses for consultation and participation, grievances redress, cost for relocation, restoration, transitional allowance, livelihood programme, skills development, monitoring and evaluation, administration, contingencies etc. will be included in estimating costs for safeguards management. Costs associated with construction related impacts, including those mentioned in the EMP and the SIMP, will be the responsibility of the contractor, and will be prepared at the stage of project design and included in bidding documents, to be costed for accordingly, and will be part and parcel of contract documents. Activities outlined in the EMPs and SIMPs will be implemented by the respective contractors implementing the subproject and monitored accordingly by the project-implementing agency during the construction phase.

Annex 1: Environmental Screening Checklist

General Instructions for completing screening checklist of LDSP Sub Projects

1. The environmental and social screening checklist is designed to capture and record relevant environmental information and social aspects/impacts on the people living in the sub-project influence zone including those belonging to Indigenous people and vulnerable communities. It also provides early warning to subproject preparation team about potential adverse/negative environmental/social issues/factors that could affect the project and provides opportunity to address them in time.
2. The screening team must be familiar with subproject's background through secondary information before walk through.
3. During walkthrough, the team should hold discussion or inquires with communities along the way. Note a more detailed environmental investigation will follow at the later stage. The method to be follow include; observation, inspection and inquiry with local people.
4. The team must carry topographical map with them, mark important environmental features on the map and refer to appropriate section of the checklist. The map should be included as annex to the screening report.
5. The team should take photographs of areas with environmental implications, and attach in the report with caption
6. The team should include summary of the screening findings, listing main environmental issues/ concerns related to subproject.

General Information to be collected for Screening

- Name and location of sub project (GND, LA Ward, main and nearby settlement):
- Proposed sub project level activities including approximate investment required
- Enlistment of project in LAPDP/ periodic plan of LA
- Identification of Environmental hot spots in and near project vicinity (Protected areas, forest, landslide prone area, flood plains etc.)
- Environmental factors triggered by the sub project activity (ref: list of environmental factors)
- Area or site of Significant Development Potential (tourism potential sites, agriculture development, forestation, watershed conservation etc.)
- Identification of Impacts, Induced Impacts by the sub project
- Involvement of community, community consultation and consensus

Annex 2: Screening Checklist for Assessment of Environment Impacts

Name and category of the LA:

District:

Subproject Name & Activity :

Location Phase Findings

1. Will the project affect land use zoning and planning or conflict with prevalent land use patterns?
2. Will the projects involve significant land disturbance or site clearance?
3. Will the projects land fall within a protected area designated as such by any GON legislations?
4. Will the projects fall within the restrictive zones
5. If yes to above question, in what category I II III
6. Will the projects have an impact on archaeological or historical sites, including historic urban/rural areas?
7. Will the projects have an impact on religious monuments, structures and/or cemeteries?
8. Will the projects involve land expropriation or demolition of existing structures?
9. Will the projects be located in an area intended for urban or industrial development?

Construction Phase

1. Will the projects make significant demands on utilities and services?
2. Will the projects require significant levels of accommodation or service amenities to support the workforce during construction (e.g., where contractor will need more than 20 workers)?
3. Will the projects lead to environmental and social disturbance by construction camps?
4. Will the projects require large amounts of raw materials or construction materials?
5. Will the projects generate large amounts of residual wastes or construction material waste?
6. Will the projects result in potential soil or water contamination during construction (e.g., from oil, grease and fuel from equipment yards)?
7. Will the projects lead to the interruption of subsoil and overland drainage patterns?
8. Will the projects lead to an increase in suspended sediments in streams affected by road cut erosion, decline in water quality and increased sedimentation downstream?
9. Will the projects lead to the destruction of vegetation and soil in the right-of-way, borrow pits, waste dumps, and equipment yards?
10. Will the projects lead to the creation of stagnant water bodies in borrow pits, quarries, etc?

11. Will the projects increase the levels of harmful air emissions?
12. Will the projects lead to health hazards and interference of plant growth adjacent to roads by dust raised and blown by vehicles?
13. Will the projects increase ambient noise levels during construction?
14. Will the projects involve modification of existing drainage channels (rivers, canals) or surface water bodies (wetlands, marshes)?
15. Will the projects lead to the destruction or damage of terrestrial or aquatic ecosystems or endangered species directly or by induced development?
16. Will the projects lead to the disruption / destruction of wildlife through interruption of migratory routes, disturbance of wildlife habitats, and noise-related problems?

Operations Phase

17. Is the project likely to lead to unplanned development of infrastructure?
18. Will the projects lead to landslides, slumps, slips and other mass movements in road cuts?
19. Are there any other potential adverse impacts?

Classification of Projects

- Category A: Subproject ineligible for funding as it falls in the negative list
- Category B: Subprojects requiring IEE or EIA.
- Category C: Subprojects requiring adoption of codes of practices (EMF contains generic codes of practice for some sectors.
- Category D: Subprojects that do not require formal environmental assessment, nor use of code of practice, but need some monitoring and management during implementation

Assessed/prepared by Name*: _____ Environment Officer/ Contracted Party Date: _____	Reviewed and corrected by Name*: _____ Department/Section Head, LA Date: _____
Approved by Name*: _____ Secretary, LA Date: _____	Endorsed by Name*: _____ Environment Safeguard Officer /ACLG Office Date: _____

*Should also be signed by the respective officer

Annex 3: Negative List

Subprojects with any of the attributes listed below will be ineligible for support under the proposed emergency reconstruction operations.

Attributes of Ineligible Subprojects
GENERAL CHARACTERISTICS
Concerning significant conversion or degradation of critical natural habitats. Including, but not limited to, any activity within wildlife and forest reserves, national parks, conservation forests and sanctuaries.
Damages cultural property, including but not limited to, any activities that affect the properties inscribed in the World Heritage List and : <ul style="list-style-type: none"> • Other archaeological and historical sites; and • Religious monuments, structures and cemeteries.
Requires involuntary acquisition of land, or the resettlement or compensation of more than 200 people
Requiring pesticides that fall in WHO classes IA, IB, or II.
Affecting waters of riparian neighbors.
Drinking Water Supply
New or expanded of piped water schemes to serve 10,000 or more households.
Sanitation
New wastewater treatment plants to serve 10,000 or more households.
Roads
New primary roads and highways.
Irrigation
New irrigation and drainage schemes.
Dams
Construction of dams more than 5 meters high. Rehabilitation of dams more than 15 meters high.
Attributes of Ineligible Subprojects

Power New power generating capacity of more than 10 MW.
Oil and Gas New exploration, production or distribution. Rehabilitation of production or distribution systems.
Income Generating Activities Activities involving the use of wood for fuel or as raw material from natural habitats. Activities involving the use of hazardous substances.

Annex 4: Guidelines for Preparation of Environmental Management Plans

Having identified the potential impacts of the proposed project activities, the next most important step of the EA process is the identification and development of measures aimed at eliminating, offsetting and/or reducing impacts to levels that are environmentally acceptable during implementation and operation of the project. EMPs provide an essential link between the impacts predicted and mitigation measures specified within the EA and implementation and operation activities. World Bank guidelines state that detailed EMP's are essential elements for Category A projects. While there are no standard formats for EMPs, it is recognized that the format needs to fit the circumstances in which the EMP is being developed and the requirements, which it is, designed to meet. EMPs should be prepared after taking into account comments from both the GOSL (if relevant) and IDA as well as any clearance conditions. Annex C of OP 4.01 of the World Bank safeguards outlines the important elements of the EMP and guides its preparation. Given below are the important elements that constitute an EMP.

Identification of impacts and description of mitigation measures: Firstly, Impacts arising out of the project activities need to be clearly identified. Secondly, feasible and cost-effective measures to minimize impacts to acceptable levels should be specified with reference to each impact identified. Further, it should provide details on the conditions under which the mitigation measure should be implemented (ex; routine or in the event of contingencies) The EMP also should distinguish between type of solution proposed (structural & nonstructural) and the phase in which it should become operable (design, construction and/or operational).

Enhancement plans: Positive impacts or opportunities arising out of the project need to be identified during the EA process. Some of these opportunities can be further developed to draw environmental and social benefits to the local area. The EMP should identify such opportunities and develop a plan to systematically harness any such benefit.

Monitoring program: In order to ensure that the proposed mitigation measures have the intended results and complies with national standards and donor requirements, an environmental performance monitoring program should be included in the EMP. The monitoring program should give details of the following;

- Monitoring indicators to be measured for evaluating the performance of each mitigation measure (for example national standards, engineering structures, extent of area replanted, etc.).
- Monitoring mechanisms and methodologies
- Monitoring frequency
- Monitoring locations

Institutional arrangements: Institutions/parties responsible for implementing mitigation measures and for monitoring their performance should be clearly identified. Where necessary, mechanisms

for institutional co-ordination should be identified as often monitoring tends to involve more than one institution.

Implementing schedules: Timing, frequency and duration of mitigation measures with links to overall implementation schedule of the project should be specified.

Reporting procedures: Feedback mechanisms to inform the relevant parties on the progress and effectiveness of the mitigation measures and monitoring itself should be specified. Guidelines on the type of information wanted and the presentation of feedback information should also be highlighted.

Cost estimates and sources of funds: Implementation of mitigation measures mentioned in the EMP will involve an initial investment cost as well as recurrent costs. The EMP should include costs estimates for each measure and also identify sources of funding.

Contract clauses: This is an important section of the EMP that would ensure recommendations carried in the EMP will be translated into action on the ground. Contract documents will need to be incorporated with clauses directly linked to the implementation of mitigation measures (see Annex 6). Mechanisms such as linking the payment schedules to implementation of the said clauses could be explored and implemented, as appropriate.

Annex 5: Sample of Social Screening Checklist

1. Name of Sub-Project:

2. Location:

3. Nature of Project:

4. Size/Scale:

5. Project Implementing Agency:

6. Description of Project Surroundings:

- Are there existing settlements in the project area? If yes, how many households/families?

- What is the demographics of the population (e.g., ethnicity, religion)

- What is the ownership pattern of people in the area (e.g., squatters, titleholders, tenants)?

- What are main sources of livelihoods? _____

- Are there any existing local organizations? _____

- Are there existing social infrastructures in the area (e.g., schools, health centres, hospitals, places of worships, roads, etc.)

- Are there any ongoing development projects in the area that involves civil works?

- Does the area have frequent visitors from outside? _____

7. Potential Impacts from the Sub-Project:

Potential Impacts		Yes	No	Not Known	Details
Land-Related Impacts					
1	Will the sub project include any physical construction work?				
2	Does the sub project include upgrading or rehabilitation of existing physical facilities?				
3	Is the sub project likely to cause partially or fully damage to, or loss of housing, shops, or other resource use?				
4	Is the site chosen for this work free from encumbrances and is in possession of the Ministry of Provincial Councils and Local Governments and Sports?				
5	If any land required for the work is privately owned, will this be purchased or obtained through voluntary donation?				
6	If the Land parcel has to be acquired, is the actual plot size and ownership status known?				
7	Is land for material mobilisation or transport for the civil work available within the identified work site / Right of way?				
Livelihoods Related Impacts					
8	Are there waste workers currently operating in the site? If yes, how many, what are their backgrounds, are they registered?				
9	Were there such workers who operated in the site earlier? If yes, how many, and is there any information on their current whereabouts?				
10	Are there any non-titled people (Squatters) who are living/ or doing business who may be partially or fully affected because of the civil works?				
11	Will there be damage to agricultural lands, standing crops, trees, etc.?				
12	Will there be any permanent or temporary loss of income and livelihoods as a result of the civil works? If so for what period?				
13	Have these people/ businesses who may suffer temporary loss of incomes or livelihoods been surveyed and identified for payment of any financial assistance?				
14	Will people permanently or temporarily lose access to facilities, services, or natural resources?				
15	Are there any vulnerable households affected?				
15	Will the affected land/structure owners likely to lose less than 10% of their land/structures area?				

Potential Impacts		Yes	No	Not Known	Details
16	If so, are these land/structure owners willing to voluntarily donate the required land for this sub- project?				
17	Will there be any impacts on cultural, community properties or facilities?				
18	Will there be any other temporary impacts? please describe				
19	Have measures been planned to mitigate temporary impacts including ease of access? Give details				
20	Does the local government body have its own procedures for land acquisition?				
Impacts from Labour Influx					
21	How many workers will be needed for the sub-project, with what skill set, and for what period?				
22	Can the project hire workers from the local workforce?				
23	Will there be workers brought in from outside?				
24	Will a camp be required to house these incoming workers?				
25	Will the incoming workers be from a similar socio-economic, cultural, religious or demographic backgrounds?				
26	Given the characteristics of the local community, are there any adverse impacts that may be anticipated?				

Estimates of Specific Impacts

Private land required (sq. m)	
Total of households affected	
No. of individuals losing more than 10% of land area	
Government land required	
No. of houses affected	
No. of shops affected	
No. of utilities affected	
No. of workers to be brought from outside	

Decision on Categorization:

After reviewing the answers above, it is determined that the sub-project will have:

High/substantial impacts

Moderate impacts

Low/No impact

Annex 6. Safeguards Procedures for Inclusion in the Technical Specifications of Contracts

I. General

The Contractor and his employees shall adhere to the mitigation measures set down and take all other measures required by the Engineer to prevent harm, and to minimize the impact of his operations on the environment.

The Contractor shall not be permitted to unnecessarily strip clear the right of way. The Contractor shall only clear the minimum width for construction and diversion roads should not be constructed alongside the existing road.

Remedial actions which cannot be effectively carried out during construction should be carried out on completion of each Section of the road (earthworks, pavement and drainage) and before issuance of the Taking Over Certificate:

- these sections should be landscaped and any necessary remedial works should be undertaken without delay, including grassing and reforestation;
- water courses should be cleared of debris and drains and culverts checked for clear flow paths; and
- borrow pits should be dressed as fish ponds, or drained and made safe, as agreed with the land owner.

The Contractor shall limit construction works to between 6 am and 7 pm if it is to be carried out in or near residential areas.

The Contractor shall avoid the use of heavy or noisy equipment in specified areas at night, or in sensitive areas such as near a hospital.

To prevent dust pollution during dry periods, the Contractor shall carry out regular watering of earth and gravel haul roads and shall cover material haulage trucks with tarpaulins to prevent spillage.

II. Transport

The Contractor shall use selected routes to the project site, as agreed with the Engineer, and appropriately sized vehicles suitable to the class of road, and shall restrict loads to prevent damage to roads and bridges used for transportation purposes. The Contractor shall be held responsible for any damage caused to the roads and bridges due to the transportation of excessive loads, and shall be required to repair such damage to the approval of the Engineer.

The Contractor shall not use any vehicles, either on or off road with grossly excessive, exhaust or noise emissions. In any built-up areas, noise mufflers shall be installed and maintained in good condition on all motorized equipment under the control of the Contractor.

Adequate traffic control measures shall be maintained by the Contractor throughout the duration of the Contract and such measures shall be subject to prior approval of the Engineer.

III. Workforce

The Contractor should whenever possible locally recruit the majority of the workforce and shall provide appropriate training as necessary.

The Contractor shall install and maintain a temporary septic tank system for any residential labor camp and without causing pollution of nearby watercourses.

The Contractor shall establish a method and system for storing and disposing of all solid wastes generated by the labor camp and/or base camp.

The Contractor shall not allow the use of fuelwood for cooking or heating in any labor camp or base camp and provide alternate facilities using other fuels.

The Contractor shall ensure that site offices, depots, asphalt plants and workshops are located in appropriate areas as approved by the Engineer and not within 500 meters of existing residential settlements and not within 1,000 meters for asphalt plants.

The Contractor shall ensure that site offices, depots and particularly storage areas for diesel fuel and bitumen and asphalt plants are not located within 500 meters of watercourses, and are operated so that no pollutants enter watercourses, either overland or through groundwater seepage, especially during periods of rain. This will require lubricants to be recycled and a ditch to be constructed around the area with an approved settling pond/oil trap at the outlet.

The contractor shall not use fuelwood as a means of heating during the processing or preparation of any materials forming part of the Works.

IV. Quarries and Borrow Pits

Operation of a new borrow area, on land, in a river, or in an existing area, shall be subject to prior approval of the Engineer, and the operation shall cease if so instructed by the Engineer. Borrow pits shall be prohibited where they might interfere with the natural or designed drainage patterns. River locations shall be prohibited if they might undermine or damage the river banks, or carry too much fine material downstream.

The Contractor shall ensure that all borrow pits used are left in a trim and tidy condition with stable side slopes, and are drained ensuring that no stagnant water bodies are created which could breed mosquitoes.

Rock or gravel taken from a river shall be far enough removed to limit the depth of material removed to one-tenth of the width of the river at any one location, and not to disrupt the river flow, or damage or undermine the river banks.

The location of crushing plants shall be subject to the approval of the Engineer, and not be close to environmentally sensitive areas or to existing residential settlements, and shall be operated with approved fitted dust control devices.

V. Earthworks

Earthworks shall be properly controlled, especially during the rainy season.

The Contractor shall maintain stable cut and fill slopes at all times and cause the least possible disturbance to areas outside the prescribed limits of the work.

The Contractor shall complete cut and fill operations to final cross-sections at any one location as soon as possible and preferably in one continuous operation to avoid partially completed earthworks, especially during the rainy season.

In order to protect any cut or fill slopes from erosion, in accordance with the drawings, cut off drains and toe-drains shall be provided at the top and bottom of slopes and be planted with grass or other plant cover. Cut off drains should be provided above high cuts to minimize water runoff and slope erosion.

Any excavated cut or unsuitable material shall be disposed of in designated tipping areas as agreed to by the Engineer.

Tips should not be located where they can cause future slides, interfere with agricultural land or any other properties, or cause soil from the dump to be washed into any watercourse. Drains may need to be dug within and around the tips, as directed by the Engineer.

VI. Historical and Archaeological Sites

If the Contractor discovers archaeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, the Contractor shall:

- a. Stop the construction activities in the area of the chance find.
- b. Delineate the discovered site or area.
- c. Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be present until the responsible local authorities and the Ministry of Cultural Affairs & National Heritage take over.
- d. Notify the supervisory Engineer who in turn will notify the responsible local authorities and the Ministry of Cultural Affairs & National Heritage immediately (less than 24 hours).

- e. Contact the responsible local authorities and the Ministry of Cultural Affairs & National Heritage who would be in charge of protecting and preserving the site before deciding on the proper procedures to be carried out. This would require a preliminary evaluation of the findings to be performed by the archeologists of the Ministry of Cultural Affairs & National Heritage (within 72 hours). The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage, including the aesthetic, historic, scientific or research, social and economic values.
- f. Ensure that decisions on how to handle the finding be taken by the responsible authorities and the Ministry of Cultural Affairs & National Heritage. This could include changes in the layout (such as when the finding is an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage.
- g. Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the Ministry of Cultural Affairs & National Heritage; and
- h. Construction work will resume only after authorization is given by the responsible local authorities and the Ministry of Cultural Affairs & National Heritage concerning the safeguard of the heritage.

VII. Disposal of Construction and Vehicle Waste

Debris generated due to the dismantling of the existing structures shall be suitably reused, to the extent feasible, in the proposed construction (e.g. as fill materials for embankments). The disposal of remaining debris shall be carried out only at sites identified and approved by the project engineer. The contractor should ensure that these sites (a) are not located within designated forest areas; (b) do not impact natural drainage courses; and (c) do not impact endangered/rare flora. Under no circumstances shall the contractor dispose of any material in environmentally sensitive areas.

In the event any debris or silt from the sites is deposited on adjacent land, the Contractor shall immediately remove such, debris or silt and restore the affected area to its original state to the satisfaction of the Supervisor/Engineer.

Bentonite slurry or similar debris generated from pile driving or other construction activities shall be disposed of to avoid overflow into the surface water bodies or form mud puddles in the area.

All arrangements for transportation during construction including provision, maintenance, dismantling and clearing debris, where necessary, will be considered incidental to the work and should be planned and implemented by the contractor as approved and directed by the Engineer.

Vehicle/machinery and equipment operations, maintenance and refueling shall be carried out to avoid spillage of fuels and lubricants and ground contamination. An 'oil interceptor" will be provided for wash down and refueling areas. Fuel storage shall be located in proper bunded areas.

All spills and collected petroleum products shall be disposed of in accordance with standard environmental procedures/guidelines. Fuel storage and refilling areas shall be located at least 300m from all cross drainage structures and important water bodies or as directed by the Engineer.

VIII. HIV/AIDS Education

The Contractor shall ensure that detection screening of sexually transmitted diseases, especially with regard to HIV/AIDS, amongst laborers is actually carried out and will submit a certificate of compliance to the Head Construction Engineer.

Annex 7: Sample Terms of Reference for the Environmental Compliance Audit

Introduction

The project has a potential to develop sub-projects that will bring about negative environmental issues and therefore, all such sub-projects will be required to undergo Environmental Assessments (EA) and include Environmental Management Plans (EMPs). The EMPs are critical element of the sub-project proposals and ensuring compliance of these is key for (1) the parties responsible of this component including MNB..., Provincial Councils and PSs establish a mechanism to oversee that the EMPs are implemented, and (2) the World Bank be afforded the opportunity to be able to effectively determine whether obligations of effective implementation of EMPs are being carried out. In order to achieve this, it has been identified an independent environmental compliance audit will be conducted every two years.

Scope

The scope of the audit is and not limited to:

- Review the knowledge of various levels of planning, approving, implementing and monitoring parties including MNB, PCs, ACLGs and PSs of the environmental safeguards compliance requirements of this component and their responsibilities in implementing and/or monitoring EMPs.
- Review of procedures used to address environmental issues and compliance to the PSOM and environmental guidelines of Sri Lanka and the World Bank including ESMF
- Review relevant documentation such as (i) existence of appropriate and approved in a selected sample of sub-projects; (ii) existence of EMPs as per the generic guidelines in ESMF part of the sub-project proposals; (iii) presence of relevant environmental licenses, permits and/or approvals; (iv) quarterly progress reports by ESMF Coordinator and Environmental and Social Officers at district level, minutes of PS-ESC;; (v) training records
- Review the work performed by PSs in reference to EMP implementation of the selected sub-projects.
- Conduct a training needs assessment to improve knowledge and compliance gaps

Audit Process

The audit process will include and not limited to:

- An opening meeting with the Project Director and ESMF Coordinator to discuss the proposed methodology of the audit process, request for relevant documentation such as ESMF and PSOM and required administrative support to conduct the audit
- Selection of a random sample of 25% participating PSs and 50% of the subprojects within each selected PS for the audit.

- Organize and conduct the site visits with the support of SPO- Environmental and Social Safeguards to conduct interviews, review documentation, etc.

Follow-up audits will be conducted every two years with a newly selected sample. This sample may include samples selected earlier covering a maximum of 10% of the previous selections.

Audit reporting

- Based on the findings as given under the section scope, the consultant is expected to analyze the information focused mainly on the processes and provide an independent opinion of the level of compliance to safeguards requirements in planning, approving, implementing and monitoring environmental requirements and provide reasons for the proposed opinions.
- Indicate specifically if there are substantive knowledge gaps and where.
- Provide recommendations to improve the overall environmental safeguards process

The report will be initially prepared in English, but will be required to be translated into Sinhala and Tamil prior to disclosure and dissemination.

NOTE: Presentation of the findings and recommendations should not be based in individuals or individual work practices. The consultant should be completely independent in their analysis and should not be influenced by their interactions with project staff, beneficiaries and other stakeholders.

Audit report disclosure and dissemination

The final approved report in all three languages will be disclosed to the public and will be available for review at any given time in the GNF, Regional Facilitation Unit, District Facilitation Unit, and selected PSs and ZECs for a given audit. In addition, it will be disseminated to all participating PSs and ZECs as a document to be used as guidance to improve their own processes.

Qualifications of the consultant

- Experience in conducting environmental audits specifically for infrastructure development
- Familiar with environmental policies and regulations of the GOSL and the World Bank.
- Experience and/or excellent understanding of the PS system in Sri Lanka and community driven development.
- Expertise on environmental issues related to infrastructure development, linking communities and public institutions in the development process, institutional development to mainstream environmental safeguards implementation and monitoring and evaluation systems.
- Ability to conduct consultations in local languages and prepare the final report in all three languages.
- Advanced skills in effective communication, including community and public institutions.

Annex 8. Typical Environmental Impacts and Mitigation Measures

Main environmental issues in the northern and eastern provinces

With the reconstruction and resettlement activities that have already started and will be taking place in the near future, there is a high potential of negative environmental impacts taking place, unless appropriate measures are taken during the planning processes to mainstream environmental concerns into these development efforts. Currently, the following environmental issues can be identified in these areas:

- Loss and change of natural habitats due to human settlements and agriculture activities
- Destruction of forests and mangroves for military purposes, collection of fire wood, construction of houses and fishing crafts
- Pollution due to inadequate and/or lack of sewage systems and solid waste management
- Destructive fishing in the coastal areas
- Contamination of groundwater due to agriculture intensification and poor drainage systems within human settlements impacting water quality
- Flooding due to poor drainage
- Poor sanitation among settlements
- Unplanned natural resource extraction
- Human-elephant conflict

Reconstruction of damaged rural roads under PS

Soil erosion, air pollution, noise pollution, excessive vibration, water pollution, flooding due to improper water and drainage management, impacts due to inappropriate spoil and debris management, encroachment into environmental sensitive, historical and cultural areas, over and inappropriate exploitation of natural resources, occupational safety issues, road accidents

Construction of rural drinking water supply and sanitation schemes

Infiltration of pesticides and chemical fertilizers from the nearby agricultural areas (Further contamination can place these communities at high risk from chemical poisoning), chemical contamination of ground water (can lead to grave water shortages, particularly in arid areas as Mannar), eutrophication (due to totally covered concrete lid of wells), noise pollution (can be occurred due to the operation of the pump houses of the wells), construction related issues similar to rural roads works.

Reconstruction of public building such as multipurpose community centers, markets, preschools, bus stands, dispensaries, etc.

Encroachment into environmental sensitive, historical and cultural areas, over and inappropriate exploitation of natural resources, improper drainage and sewage systems causing flooding and pollution.

Construction or reconstruction of flood water drainage lines

Issues arising from inappropriate disposal of excavated sediments and construction materials and use of borrow pits for earth, possible environmental damage (waste, noise, mud, and dust at sites) caused by contractors during construction activities, disruption of hydrological regime, and disruption of local movement and access.

Construction of solid waste management schemes

Poor design and siting leading to negative impacts on ecologically sensitive habitats and their diversity, contamination of ground water, loss of sites of historical and cultural significance, nuisance issue in the community during operations, air and water pollution due to selection and use of inappropriate technologies.

Rehabilitation of micro water ponds

Disturbance to existing hydrological balance due to raising of embankment height to increase existing storage capacity, measures not taken to improve the watershed reducing the storage capacity of the pond, accelerated soil erosion and damage to local vegetation due to earth excavation and use of construction equipment, water-logging and stagnation in borrow-pits, and disposal of construction spoils and excavated material, impacts due to poor operation and negligence of maintenance, that would include impact on soil (inadequate drainage and water logging), incidence of water borne diseases (poor cleaning of canals, road side drains and maintenance of structures), damage to lands and public property (in the event an earthen tank embankment/ fails due to inferior design, poor quality of construction, poor operation and neglected maintenance), pollution of streams and wells by agrochemicals (fertilizers and pesticides), and spread of pests that affect agriculture and public health.

Promotion of group economic and income generating activities such as brick-making, bakery, milk collection centers, etc.

Brick-making: Deforestation, environmental degradation, spreading of infectious diseases (retaining of rainwater as well as runoff water in abandoned brick pits can serve as breeding ground of disease vectors as mosquitoes), spreading of Invasive Alien Species (IAS), air pollution (due to the emission of polluted air from brick kilns)

Bakery: Deforestation, environmental degradation, air pollution (due to the emission of polluted air).

Industries that depend partially or wholly on natural resources to establish as in the case of brick-making and operation as in the case of brick-making and bakery will likely to have issues such as over exploitation of natural resources, environmental degradation and pollution.

Annex 9: Screening for potential environmental impacts and mitigation measures

Based on the preliminary list of potential activities, the following environmental issues and impacts have been identified, which will need to be taken into consideration and will require mitigation measures when planning and implementation of these activities.

General Impacts

Impacts due to raw material extraction

Most of the proposed sub-project activities will require number of natural resources such as sand, timber, metal, clay, etc. in order to implement the activities thereby increasing the demand for these materials. This increased demand for raw material will invariably intensify mining and extraction from the environment. In addition, due to lack of consolidated planning for sustainable extraction of required quantities, it is difficult to assess the resultant environmental damage and their long-term implications. Therefore, it is important to consider the cumulative impacts of natural resource extraction and follow the guidelines for extraction and management of the resources. All World Bank funded projects should not extract resources or carry out any activities within protected areas gazetted under the FFPO and forest reserves under the FO.

Sand: Sand is a key resource that is needed by the construction industry and is extracted on a commercial scale mainly from the country's major rivers. The unregulated exploitation that has continued for long years has taken a heavy toll on the environment of some of the major rivers in the country such as Kelani, Mahaweli, Kalu, Deduru etc where seawater intrusion, collapse of river banks and sea erosion caused by reduced replenishment to beaches has caused serious repercussions leading the government to place a ban on sand mining in the western river basins. In addition to river sand, inland sand deposits, sand dunes and in a limited way beach sand deposits are used as other sources for extraction of sand in various parts of the country and the shortage of sand has been reported in many instances for reconstruction activities.

As can be seen, river sand is becoming scarce and it is important for the country to explore and develop offshore sand mining as an alternative to relieve the stress on rivers and inland deposits. Due to a lag in development activities in the north and east, the status of this mineral in terms of availability is not as bad as the rest of the country. However, it prudent to make a careful determination as to what sources available within district can be sustainably exploited without causing any irreversible impact on the valuable water resources given the plans for rapid development activities. The project will seek the intervention of the GSMB, which regulates all mining activities in the country, for the identification of such sources within the project area and for determining the extractable quantities from each source.

Clay and gravel: With a potential of significantly increased demand for bricks and tiles, consumption of clay will likely to increase rapidly. Clay mining requires a license from the GSMB

or the DS in the area to whom GSMB has delegated powers, depending on the scale of operation. Approval from the Central

Environmental Authority (CEA) is also needed in certain cases for clay mining. Similarly for construction activities including for rural roads, the demand for gravel will also increase. Gravel extraction needs local authority approval. The environmental impacts of clay mining and gravel extraction can be quite significant if post-mining rehabilitative work is not properly carried out. The mining pits destroy the landscape, cause erosion and provide breeding grounds for many disease causing pests.

The tile kilns also use large amounts of firewood. Tile production in the country is limited and is confined to a few areas where the clay with the required quality is available. In the last 2 years there has been a sharp and sudden increase in the demand for clay tiles as roofing material (as Asbestos is not a preferred option although it is still being used) with the commencement of post-war and post-tsunami reconstruction. The use of the cement blocks instead of clay bricks has reduced the pressure on the natural resource. However, in the absence of a national plan to sustainably source the required amount, the impact of increased production on the environment is not known, as it has not been documented.

The project will take these aspects into consideration and ensure that material sourcing is facilitated through suppliers who are operating with the required licensing and where project is supporting such industries relevant licenses should be in place prior to commencement of any activity. Project should also plan for cumulative impacts as well as off site impacts due to clay extraction.

Timber: Sri Lanka's limited and fast declining forest resource base is inadequate to meet the total timber requirements of the country. As a result, large amounts of imported timber are used in the local construction industry, originating mainly from countries in the Far East. There is also considerable amount of illegal logging taking place in our local forests as documented by various studies and raids carried out by the police and the Forest Department. The danger in sudden and large demand for a limited commodity such as timber, as created by the on-going huge reconstruction work in the country, which is invariably accompanied with significant price escalations, is that it puts pressure on the local forests and often paves the way for illegal supplies.

To leave such a situation unchecked could prove to be environmentally disastrous. The real impact on the local forest resources due to the large consumption of timber in the post-tsunami and post-war re-building is unknown as there has been no system of monitoring and documenting the sources and quantities supplied. The project must ensure that timber for the use of project work must be supplied through registered distributors and that if any person wishes to use trees in the home garden, such as Palmyra, Coconut, Jack etc., proper approvals must be obtained from the local administration or other relevant authority. Use of cost-effective imported timber should be promoted and facilitated by the project through the registered suppliers in the district. As an alternative, the project should also evaluate the possibilities of using prestressed aluminum or concrete frames for doors and windows for building construction if it proves to be more cost effective.

Coral: The project should not use lime produced from coral as this is prohibited and environmentally damaging. Alternatives such as dolomite should be used where necessary with permits from the GSMB and DS.

Metal: Quarry mining can be an environmentally damaging process if the necessary mitigation measures are not adopted. Commercial scale quarry mining requires a license from the GSMB and CEA while smaller scale operations are regulated through licenses issued by the DS in the area. The project must ensure that metal is sourced from approved quarries where one could reasonably assume that the licensing process ensures that the environmental concerns are taken into consideration.

Impacts on environmentally sensitive sites

The locations of sub-projects are crucial in determining the nature and magnitude of human-environment interaction. While reconstruction activities may have less potential to create negative impacts on sensitive areas, new construction activities will have high potential for negative impacts. Site finalization has not yet been carried out and therefore during site selection for activities, the EA must ensure that encroachment on environmentally sensitive areas such as forests, mangroves, lagoon, marshes, archeological reserves, river/stream/tank reservations, etc. will not take place. The site specific EAs should propose alternative sites in the event of a site being selected in sensitive areas.

Annex 10: Social Screening Report Format

A. Description of the Activity/Intervention:

1. Give a brief introduction about the activity/interventions including the names of implementation agencies, their objectives and benefits.
2. Details about existing conditions of the facilities and proposed civil works with scope
3. Available design maps earmarking site and proposed activities in order to explain work.
4. Whether this is purely rehabilitation of existing facilities or will involve any new works.
5. Is this sub-project closely linked to any other activity not funded under WSSP?
6. Will this sub-project involve any ancillary impact/ activity away from the work site?
7. Time line for completion

B. Justification of Intervention and Alternative Analysis:

1. Importance of the proposed activities and why it is taken up
2. Scenario if the work is not taken up.
3. Scenario if the work is taken up with greater scope of work.
4. What kind of natural disasters this corridor is vulnerable to?: (good if this can be answered).
5. How is the proposed work disaster resilient? (good to answer)

C. Corridor of Impact:

1. Where will the activity be taken up? Where does it (drain/road, canal) pass through: markets, residential areas, green fields, USS etc.
2. Brief socio-economic profile of the work site and impact area, beneficiary/affected communities: businesses, livelihoods;
3. Who will benefit, and welcome the work? Who may oppose the proposed work?

D. Social Impact Assessment (based on screening checklist findings)

Describe both positive and negative impacts

E. Estimation of Specific Impacts

Component of sub project	Private land required (sq.km.)	Land owners losing more than 10% of landholding	State land required (sq.m.)	Forest land required (sq.m.)	No. of houses affected	No. of shops affected	No. of other structures affected	No. of squatters affected	Public utilities affected

F. Estimation on Affected Persons

Any estimate of the likely number of households that will be affected by the sub project?

No. Yes. If yes, approximately how many?

No. of HHs losing <10% of their productive assets

(land/cowshed/shops).....

No. of HHs losing 10% or more of their productive assets?.....

Are any vulnerable households affected? No. Yes. If yes, please briefly describe their situation with estimated numbers of HHs?

What are the needs and priorities for social and economic betterment of vulnerable people who are affected by this project?

G. Decision on Categorization

After reviewing the answers above, it is determined that the sub project is:

Categorized as an A project, a full resettlement plan is required

Categorized as a B project, an abbreviated resettlement plan is required

Categorized as an C project, no RP is required, Only Due Diligence Report is required

Approval and Submission

Assessed and Prepared by: Social Development Officer Date	Reviewed and Corrected by Secretary/ LA Date
Endorsed and Submitted by Social Safeguards Consultant/ Deputy Director	Approved by: Project Director / Director Date

Annex 11: Sample of Social Impact Mitigation Plan

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
01	Access disturbances - Temporary Impact					
	Households/Businesses/institutions will have difficulties in access during construction works	Provide sign boards for pedestrians to inform nature and duration of construction works and contact numbers for reporting any complaints.		Contractor's cost	Construction Contractor/ Relevant Line Ministry/line Agency/LA	During Construction
		Provide walkways and metal sheets where required to maintain access for people		-Do-	-Do-	-Do-
		Special care to be taken wherever the community sensitive areas are located (specified in the EMP) and accelerate the civil works in front of critical areas such as institutions, places of worship, business establishment, hospitals, and schools		-Do-	-Do-	-Do-
		Consult business and institutions regarding operating hours and factoring this into work schedules		-Do-	-Do-	-Do-
		Propose alternative access roads during construction period.		-Do-	-Do-	-Do-
		Do not damage or block the existing access road for residential areas during construction		-Do-	-Do-	-Do-
		Contractor will be instructed to use small excavating equipment as much as possible to avoid unanticipated damages.		-Do-	-Do-	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		In case of complete loss of motorable access leading to loss of business over a day, financial assistance @ SLR 1000/ per day per business owner from 1 st until ease of access has been restored by the contractor.		Contractor cost	-Do-	-Do-
02	Pedestrians Safety Issues - Temporary Impact					
	Safety issues to pedestrians, vehicles and workers during construction using heavy equipment & machinery	Contactors must comply with the provisions in Health and Safety regulations under the Factory Ordinance with regards to provisions of health and safety measures, amenities at work places.		N/A	Construction Contractor/ Relevant Line Ministry/line Agency/LA	During Construction
		Alarm warning to the pedestrian, vehicle and workers using sign boards, fence, band tape, etc.		Contractor's Cost	-Do-	-Do-
		Ensure appropriate safety equipment, tools and protective clothing are provided to workers and that safe working methods are applied.		-Do-	-Do-	-Do-
		A safety inspection checklist should be prepared taking into consideration what the workers are expected to be wearing and monitored during specific construction activities.		N/A	-Do-	During construction/ Periodic monitoring
		Ensure prevention of risks from electrocution by regular inspection and maintenance of all electric power driven machines used on the construction site. They must be kept away from permanent/ temporary pedestrian walkways.		N/A	-Do-	During Construction
		A temporary fence will be erected on near water bodies and or steep site slopes to avoid contact of public and workers with deep water bodies and steep slopes.		Contractor's Cost	-Do-	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		Ensure basic emergency aid service is in place in the work site as well in labour camps	Sites, contractor's Vehicle yard & Labour camps	-Do-	-Do-	-Do-
		Ensure training of basic health and safety be provided to the work force prior to commencement of construction with emphasis on all the above critical factors		-Do-	-Do-	Before starting construction
		Clear work camp sites after use and reinstate with vegetation	Labour camps	-Do-	-Do-	After construction
03	Traffic Congestion - Temporary Impacts					
	Traffic congestion would be aggravated due to construction works	Special traffic management plan and deploying additional traffic police should be put in place.		Contractor's Cost	Construction Contractor/ RDA/ Concerned government agency/ Developer/ LA	During Construction
04	Shifting of Common and Private Utilities - Permanent Impact					
	Shifting of Common and Private Utility Services	If the relocation of common utility services anticipated, prepare an inventory of utilities at proposed sites with assistance of service providers	Site	N/A	-Do-	Project Planning Stage
		Prepare relocation plans with service providers for utilities to be shifted.	-Do-	N/A	-Do-	Designing stage
		Liaise with NWS&DB, CEB, and SLT to obtain utility plans & shifting arrangement, machine operator awareness about utilities and plan rehabilitation routes and facility sites to avoid existing utilities wherever possible.	-Do-	N/A	-Do-	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		Arrange for service providers to attend to the site immediately to deal with any accidental damage to utilities.	When needed	Contractor cost	-Do-	-Do-
		Ensure the compensation for unexpected structural damages due to construction activities by Third Party Insurance Coverage		Project Cost	-Do-	Before start the construction
		If any public or private structures are damaged (including by vibration), replace the structures or compensate owners.	-Do-	Insurance Coverage	-Do-	During construction
05	Siting of construction camps, labour camps, stock yards and managing the risk of adverse impacts on communities from temporary project induced labour influx - Temporary Impact					
	If construction camps, labour camps, stock yards, vehicle refuelling areas etc. are located near sensitive areas such as wetlands, conservation zones and places of scenic beauty or recreational value, or any water body, those areas may be adversely affected. The risks of adverse impacts on communities from temporary project	Care will be taken not to disturb sensitive areas and avoid highly residential areas when selecting sites to locate construction camps, labour camps, stock yards, vehicle refuelling areas etc. and the layout of such place should be approved by the supervision consultant	Camps/Yards	N/A	Construction Contractor/ Concerned government agency/ Developer/ LA	During construction
		Accumulation of water due to blocking of drains due to construction activities should be mitigated by removal of soil and debris from the dumping yards to avoid flooding event.	Entire drains section	Contractor Cost	-Do-	-Do-
		Maintain a sound waste management system within the camps and the site and do not allow to dispose the garbage, waste water as well as sewerage water to open places/land	Camps/ Yards/ Site	-Do-	-Do-	-Do-
		Make the contractors aware of advantages in giving priority to selecting labour from project influenced areas/local communities so as to minimise need for erecting labour camps and minimise labour influx.	N/A	N/A	Developer/ Concerned government agency/ Developer/ LA	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
	induced labour influx.	Introduce Worker Code of Conduct as part of employment and sanctions/penalties for non-compliance	N/A	Contractor Cost	-Do-	-Do-
		Strengthen law enforcement activities around worker camps and work sites	-Do-	-Do-	-Do-	-Do-
		Establish a grievance redress mechanism for workers and host communities	-Do-	-Do-	-Do-	-Do-
		Frequent supervision of labours' activities, labour welfare activities, basic needs provided for labours, hygienic condition of the camps/ sites	Camps/ Yards/ Sites	N/A	Concerned government agency/ Developer/ LA	-Do-
		Avoid illegal lodging arrangements by workers of contractors	Camps/ Yards/ Sites and project impact area	N/A	-Do-	-Do-
		Avoid social conflicts or tension and prevalence of gender-based violence.	-Do-	N/A	-Do-	-Do-
		Conduct awareness programmes to labourers on hygienic status including sexually transmitted diseases	Camps/Yards	Contractor's Cost	-Do-	-Do-
		Conduct cultural sensitization programmes for workers regarding engagement with local communities	-Do-	-Do-	-Do-	-Do-
		Receive timely feedback from local/host communities	-Do-	-Do-	-Do-	-Do-
		Contractor should adopt formal recruitment procedures to avoid ad-hoc recruitment of labourers	-Do-	-Do-	-Do-	-Do-
		Mandatory and continuous awareness raising for workers to refrain from unacceptable conduct of behaviour	-Do-	-Do-	-Do-	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		Keep a complaints/ grievances box and establish a labour GRM to report their grievances	-Do-	-Do-	-Do-	-Do-
		Prepare an inventory (including names/ National ID numbers/ addresses etc.) of entire labour force employed by contractor, and share with the concerned line Agency/Ministry. This inventory shall be regularly updated.	-Do-	-Do-	-Do-	-Do-
06	Dust, Noise and Vibration - Temporary Impact					
	Dust, Noise and Vibration during construction and night work will cause inconveniences/ disturbances to the residents	Follow guidelines stipulated in the Environmental Management Plan (EMP)	Sites	Contractor's Cost	Concerned government agency/ Developer/ LA	During construction
		Disallow worker exposure to noise level greater than 85 dBA for duration of more than 8 hours per day without hearing protection. The use of hearing protection shall be enforced actively	-Do-	-Do-	-Do-	-Do-
		Use the temporary and permanent dumping site as directed in contract document with Engineer supervision and guided by EMP	-Do-	-Do-	-Do-	-Do-
07	Parking of Contractor's vehicles along the Road - Temporary Impact					
	Parking of vehicles along the road especially in residential areas.	Contractor shall rent out suitable places for parking of vehicles used for rehabilitation works which may lead to inconvenience to communities	-Do-	-Do-	-Do-	-Do-
08	Social Mobility Issues - Temporary Impact					
	Social mobility issues (community integration sensitivities)	Safeguard Officer (Environment & Social) appointed by the contractor need to liaise with stakeholders and build up the community integration.	N/A	-Do-	-Do-	-Do-
09	Occupational Health and Safety - Temporary Impact					

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
	Occupational hazards which can arise from working in subproject	Develop and implement site-specific Health and Safety (H&S) plan which will include measures such as: (a) excluding public from the site; (b) ensuring all workers are provided with and use personal protective equipment (PPE); (c) H&S Training for all site personnel; (d) documented procedures to be followed for all site activities; and (e) documentation of work- related accidents;	-Do-	-Do-	-Do-	-Do-
Ensure that qualified first-aid can be provided at all times. Equipped first-aid stations shall be easily accessible throughout the site		-Do-	-Do-	-Do-	-Do-	
Provide medical insurance coverage for workers		-Do-	-Do-	-Do-	-Do-	
Secure all installations from unauthorized intrusion and accident risks		-Do-	-Do-	-Do-	-Do-	
Provide suppliers of potable water and clean eating place where workers are not exposed to hazardous or noxious substances		-Do-	-Do-	-Do-	-Do-	
Provide H&S training to all new workers to ensure that they are appraised of the basic site rules of work at the site, personal protection, and preventing injuring to fellow workers		-Do-	-Do-	-Do-	-Do-	
Provide visitors if visitors to the site can gain access to areas where hazardous conditions or substances may be present. Ensure also that visitor/s do not enter hazard areas unescorted		-Do-	-Do-	-Do-	-Do-	
Ensure moving equipment is outfitted with audible back-up alarms		-Do-	-Do-	-Do-	-Do-	

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		Mark and provide sign boards for hazardous areas such as energized electrical devices and lines, service rooms housing high voltage equipment, and areas for storage and disposal. Signage shall be in accordance with international standards and be well known to, and easily understood by workers, visitors, and the general public as appropriate	-Do-	-Do-	-Do-	-Do-
10	Lack awareness & gender base violence issues of workers - Temporary Impact					
	Absence of enough sanitary facility for female workers, child labour, wage disparity, entitlements for leave, lack of awareness for workers, encouraging local community for works.	Provide water and sanitation facilities for employees/labourers as per IFC 2009 standards (1 toilet/15 persons) and separate facilities for men and women.	-Do-	-Do-	-Do-	-Do-
		Equal participation of women for the work shall be encouraged and ensure wage parity during the implementation of sub projects according to GoSL's labour policy, women are given equal pay for work of equal value. (This will be included in the contractual agreements)	-Do-	-Do-	-Do-	-Do-
		Prevent employing children under 16 years of age and young persons in the age group of 16 and 18 years; Equal opportunities should be given to both males and females in work assignments and depending on the type of work, underground works can be carried out regardless of gender.	-Do-	-Do-	-Do-	-Do-
		Train employees in the storage and handling of materials which can potentially cause soil contamination and precaution should be followed during construction	-Do-	-Do-	-Do-	-Do-

No	Adverse Social Impacts	Mitigation Measures	Location/ Place	Implementing Cost	Responsibility	Time Frame
		Contractor is expected to select the labour force from the local community as much as possible if the skilled people are available. Prior to recruiting the labour, the Contractor should inform the people in the surrounding area at least 5 days before the selection takes place by announcing through a public announcement system and by displaying posters in public places of the relevant villages (Any person within 3 km of the work site).	-Do-	-Do-	-Do-	-Do-
		Entitlement of Leave for workers according the Shop and Office Employees (Regulation of Employment and Remuneration) Act	-Do-	N/A	-Do-	-Do-
11	Handling complains from community - Temporary Impact					
	Pedestrians, vehicles, residential & commercial community and workers of construction site make complaints regarding inconveniences due to construction works.	Conduct GRC meetings once a month or when needed with community representatives from site impact area	N/A	Contractor Cost	-Do-	-Do-
		Keep complaint registry at site office as well as at the Project office	N/A	-Do-	-Do-	-Do-