



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

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BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
St Maarten	LATIN AMERICA AND CARIBBEAN	P172611	
Project Name	Sint Maarten Digital Government Transformation Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Governance	Investment Project Financing	9/14/2020	11/5/2020
Borrower(s)	Implementing Agency(ies)		
National Recovery Program Bureau	National Recovery Program Bureau (NRPB)		

Proposed Development Objective

To enhance the access, efficiency, and resilience of selected administrative public services for citizens and businesses.

Financing (in USD Million)	Amount
Total Project Cost	12.00

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

Yes

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The proposed project will improve delivery of key public services through the digitization of business processes and help the Sint Maarten government in implementing its strategy for Digital Transformation. The project has four components: (1) strengthening the legal, regulatory and institutional environment; (2) building digital platforms to enable service delivery; (3) user-centered public services; and (4) CERC.

D. Environmental and Social Overview



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

The project will support GOSM's vision to provide public services tailored to citizen needs, delivered more efficiently and in an open and transparent interaction with the state, following the principles of: (i) inclusiveness and accessibility; (ii) efficient and innovative government, (iii) digital literacy and empowerment, (iv) trustworthiness and security, (v) openness and transparency, and (vi) user-centricity principles for design and delivery of public services, as underlined in the government's Declaration on Digital Transformation. To this end, the project has four components: (1) Strengthening the legal, regulatory and institutional environment, (2) build digital platforms to enable service delivery, (3) User-centered public services; and (4) a Contingent Emergency Response Component (CERC) with zero funds allocated and would be triggered following a natural disaster or emergency to support the continuity of core public sector functions. The project will finance the deployment of consulting and advisory services, capacity building and training activities. No financing of civil works is included, nor are financial intermediaries or associated facilities.

The project is expected to have positive impacts on society, communities, and the environment. All citizens of the country including the vulnerable, differently abled, women and elderly people are intended to benefit given the envisaged improvements in access to public services. The modernization of Public Service Centers as one-stop-shops, development of user-centric e-services, and multi-channel public service delivery, along with technological infrastructure and strengthened public sector organizational and governance structures, will improve the government's ability to maintain business continuity in the aftermath of natural (hurricanes and pandemics) or man-made disasters that may disrupt service delivery. The project will also enhance stakeholder participation and citizen engagement which in turn will enable citizens to prioritize and receive access to resilient public services.

The project will be implemented by the National Recovery Program Bureau (NRPB) in close coordination with the Ministry of General Affairs (MGA). MGA will establish a Digital Leadership Team as the primary technical counterpart for the project. NRPB will contract a management firm to support overall project implementation.

D. 2. Borrower's Institutional Capacity

The NRPB will be responsible for the environmental and social risk management of the project and will ensure compliance with the World Bank Environmental and Social Framework (ESF) and applicable environment and social standards (ESS). NRPB has increasingly continued to develop its capacity to manage the ESS. With the recent appointment of two new E and S staff, the NRPB is well equipped to take the responsibility for the ESF obligations, including the risk management of the project, the reporting and complaints handling, and to provide guidance to the Ministry of General Affairs as needed during project implementation.

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

A. Environmental and Social Risk Classification (ESRC)

Low

Environmental Risk Rating

Low

The proposed Project's Environmental Risk is assessed as Low. Consulting and advisory services, capacity building and training to be financed under Components 1, 2 and 3 are not expected to have adverse environmental impacts. The project does not include constructions works. For consulting services, NRPB will screen the terms of reference to ensure adherence to the World Bank's ESF. Minor environmental risks exists associated with the disposal of e-waste,

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however the volume of e-waste expected from the project is negligible. Any e-waste generated will be collected and shipped out of the island following provisions defined in the Project's Environmental and Social Management Framework. The e-waste will not remain in the Island as Sint Maarten lacks public ordinances that regulate the management of e-waste and Sint Marten's municipal solid waste land fill lacks facilities to dispose of these types of wastes. Regarding the CERC, NRPB will finalize the details of how the component will operate, and the Project's Operational Manual (POM) will include a negative list of activities and the environmental and social screening criteria that will be applicable should this component be triggered during implementation. The POM will be submitted to the World Bank for approval as a condition of effectiveness.

Social Risk Rating

Low

The social risks are anticipated to be low. The envisaged improvements in access to public services are intended to benefit all citizens of the country, including disadvantaged, the disabled, women or children in difficult circumstances, and elderly people. The key social risks are related to: (i) risks of exclusion if poorer citizens cannot receive information and/or access governments services through digital platforms and fully participate in the new digital economy and (ii) the limited capacity of the Borrower to mitigate social risks in the current COVID context. These risks will be mitigated through the proposed upgrading and scaling up of existing public service centers; accessing of public services through multiple channels, including online, portable kiosks machines and user-friendly apps online. A Stakeholder Engagement Plan has been prepared and will be implemented throughout the life of the project to ensure continuous information sharing and to receive feedback from the public. Because the social risk is low the NRPB's E&S specialists will manage the ESF obligations and support the Digital Leadership Team with the monitoring and reporting of the ESCP as well as support communications and stakeholder engagement. The Bank classifies the social risk of the Project as "Low". The Stakeholder Engagement Plan has a strategy to reach four identified vulnerable groups these groups are the elderly, people with disabilities, single parent households, and undocumented migrants. Specific communication channels have been identified for each group and they will be included in a more detailed stakeholder analysis which will take place under component 1.2 which aims to understand better the barriers these groups might face in accessing the benefits of the projects and how these barriers can be alleviated.

The following documents have been prepared: An Environment and Social Management Framework; Labor Management Procedures and Grievance Redress Mechanism; and Stakeholder Engagement Plan, including a Grievance Redress Mechanism for the overall project; and an Environment and Social Commitment Plan. The Project will adopt the Grievance Redress Mechanism (GRM) established by the NRPB in November 2018 for WB projects on the island. The NRPB GRM is used by other Bank projects. Complaints pertaining to the Project will be received at the offices of the NRPB and handled by the E and S staff who will co-ordinate with the Project Manager of the Digital Leadership Team. In addition, the project will finance as part of its own activities the establishment of a citizen feedback mechanism for the Public Service Centers (PSC). This work will be closely coordinated with the office of the Ombudsman, which receives complaints against government from citizens.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

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B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

The environment and social (E&S) screening of project activities did not identify significant potential risks and/or impacts. The assessment was carried out based on (i) SXM's environmental and social legal framework; (ii) scope of activities described in the Project's Appraisal Document, and (iii) the experience of NRPB in implementing environmental and social risks management instruments.

The NRPB has incorporated any necessary E&S risk management processes and procedures consistent with ESS1 in the Project's Environmental and Social Management Framework that has been developed and disclosed prior to Project Appraisal. Processes and procedures provide specific references to ensure that all project workers, as defined by ESS2 on Labor and Working Conditions, will be hired and/or are able to benefit from the applicable labor management and occupational health and safety principles - - consistent with the requirements of ESS2. The ESMF also provides guidance on requirements to be incorporated in terms of reference, contracts, and reporting mechanisms to ensure that the activities and outputs are in line with ESS2, and ESS3 on Resource Efficiency and Pollution Prevention and Management for hardware acquisition and software programming. COVID19 prevention measures pertaining to the health and safety of project workers has been addressed through ESS2 as described below. Regarding Community Health and Safety, the project will adopt COVID19 prevention measures when carrying out stakeholder engagement activities, particularly those requiring consultation on services.

To prepare for an emergency event a CERC Annex will be added to the project's operation manual which is a condition of effectiveness. The exact activities to be financed will be detailed in an action plan which will be prepared after an emergency has been declared, the CERC Annex will include as an addendum a CERC- ESMF which will include a positive and negative list for activities as well as a screening process to be applied when the actual activities are known. The CERC-ESMF will be included in the operations manual at the same time the CERC Annex is prepared.

ESS10 Stakeholder Engagement and Information Disclosure

This ESS 10 recognizes the importance of open and transparent engagement between the three main implementing arms of the project - the NRPB, the Digital Leadership Team and the Management Firm to be hired (and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation.

The most important stakeholders for the Digital Government Transformation Project (DGTP) include: (a) Government Ministries and Departments; (b) Users of e-Services; (c) Civil Society and NGO's and Disadvantaged or Vulnerable groups; (d) Education institutions and Centers for learning; (e) Telecommunications Service Providers; and (f) Regulatory Bodies that avail of public services for them to gain an understanding of the project aims, implementation strategy, and choices made in the project, but also to ensure access and effectiveness of the activities.



Residents, citizens, families and businesses of Sint Maarten comprise another large stakeholder group of the project. The project will regularly consult with these relevant stakeholders to help gather feedback, provide training, facilitate utilization and improve uptake. Key to the success of the project will be civil servants who will both directly utilize back-end upgrades and front-end modernizations. Throughout implementation, consultation will regularly take place in order to help train staff, gain feedback and adapt activities when necessary. Ensuring their buy-ins will greatly impact uptake of the project and the ability to achieve its planned aims. The project will use multiple media platform to provide information about the project and provide feedback on its design, aims, implementation, and outcomes.

A number of consultations were held since August 2019 as part of project preparation. These included with semi-government agencies that provide services; an information sharing with select Secretary Generals from all ministries; Telecommunications providers; direct email solicitation and feedback request on project on Facebook. A summary of those consultations and how feedback from them shaped project design is in the SEP. As per the project requirements, the ESF documents were published on the NRPB website on June 17th. The project press release which included a call for feedback was sent to 62 print and online news media in June 2020. Feedback was taken into account in the finalization of the project design, and in preparation of the ESMF, and SEP. The NRPB and the Digital Leadership team will continue to receive comments on the SEP to increase the response rate in recognition of COVID restrictions and the limited response to the initial disclosure of the SEP. The Digital Leadership team with support of the NRPB's social and communications staff will continue to engage with stakeholders throughout the project.

The Project will adopt the Grievance Redress Mechanism (GRM) established by the NRPB in November 2018. The NRPB GRM is used by other Bank projects. Complaints pertaining to the Project will be received at the offices of the NRPB and shared with the Digital Leadership Team Project Manager, but the E&S staff or the NRPB will manage the follow up of complaints. In addition, the project will finance activities related to establishing a citizen feedback mechanism for the Public Service Centers (PSC). This work will be closely coordinated with the office of the Ombudsman, which receives complaints against government from citizens.

COVID 19 – Special considerations: Given that stakeholder engagement activities during preparation and implementation are occurring at a time when risks associated with COVID 19 are still prevalent, proper measures in accordance with national laws and regulations, will be applied.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

ESS 2 sets out the Projects responsibilities to promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. The Project will hire Direct Workers and Contracted Workers as defined in the Labor Management Procedures (LMP):



- (a) The internationally deployed staff to the Digital Leadership Team in the Ministry of General Affairs are Direct Workers. These workers consist mainly of technical staff with qualifications in ICT, change management, and public sector reform. These workers will be considered direct workers.
- (b) A management firm will be hired to support day-to-day implementation, particularly on the procurement aspects of the project. This firm will be considered a direct worker and as such the LMP will apply to the firm.
- (c) NRPB will be involved in oversight of project implementation, the management of the E&S risk instruments, and will retain the financial management functions for project implementation. NRPB staff are Direct Workers. The relevant LMP provisions will also apply to NRPB.
- (d) Additional ICT and management consulting firms will be hired to support project activities and the LMP will apply to them as Contract Workers. Workers under the age of 18 will not be permitted in the implementation of the Project.
- (e) Draft Labor Management Procedures have been prepared which state how each category of labor will be treated in the project and describes expectations for employee behavior. The LMP addresses the risks of operating in a context where COVID-19 still prevails and requires that the project follow the Government COVID 19 restrictions. The LMP includes a GRM for workers. NRPB has a Code of Conduct for all workers and this will apply to this project. The Code of Conduct has been included as an Annex in the ESMF. LMP will be finalized within 30 days of effectiveness.

ESS3 Resource Efficiency and Pollution Prevention and Management

The proposed Project will neither finance nor support any civil works, thus no pollution prevention and management measures will apply.

However, it is expected that the project will replace a small batch of obsolete electronic hardware and acquire new hardware and software. Provisions have been included in the project's ESMF to secure full compliance with applicable regulations and specifications for energy efficient equipment and electronic waste management.

ESS4 Community Health and Safety

ESS4 is considered relevant. The Government will take every measure to avoid COVID-19 transmission that may be associated with workers on the project by abiding by the Government of Sint Maarten COVID 19 Guidelines which are already in place. Stakeholder engagement consultations will be held according to Government restrictions on COVID 19.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is not relevant. The proposed Project will not finance physical infrastructure and is not expected to cause physical displacement to formal or informal occupants. No involuntary land taking will be financed. Hence, the Project is not expected to generate any negative impact covered under ESS5.



ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS6 is not relevant. The proposed Project will neither finance nor support any civil works or policies that might affect biodiversity or management of living natural resources.

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

ESS7 is not relevant. There are no communities in SXM that meet the criteria defined in ES7.

ESS8 Cultural Heritage

ESS8 is not relevant. Project activities are not expected to affect directly or indirectly tangible or intangible cultural heritage.

ESS9 Financial Intermediaries

ESS9 not relevant. The project will not use FIs.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED	TIMELINE
ESS 1 Assessment and Management of Environmental and Social Risks and Impacts	
ORGANIZATIONAL STRUCTURE: NRPB’s Environmental and Social Safeguards specialists to provide oversight with support as needed from the Project’s Management Firm and the Digital Leadership Team.	12/2020
MANAGEMENT OF TOOLS AND INSTRUMENTS: Screen any proposed activity in accordance with the Environmental and Social Management Framework (ESMF) prepared for the Project, and, thereafter, draft, adopt, and implement mitigation measures, as required, in a manner acceptable to the Bank. No ESMPs are anticipated.	12/2020
The terms of reference for studies, capacity building and any other technical assistance provided under the Project will duly incorporate and take into consideration the requirements of the ESSs.	12/2020

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Include in the CERC Annex a CERC-ESMF addendum which includes the environmental and social screening criteria for the Contingency Emergency Response Component (CERC).	11/2020
REGULAR REPORTING: Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&S documents required under the ESCP, stakeholder engagement activities, functioning of the grievance mechanism(s).	02/2021
Adopt and implement the Government of Sint Maarten COVID-19 prevention measures.	10/2020
ESS 10 Stakeholder Engagement and Information Disclosure	
STAKEHOLDER ENGAGEMENT PLAN IMPLEMENTATION (SEP): Adopt and implement the Stakeholder Engagement Plan (SEP).	10/2020
PROJECT GRIEVANCE MECHANISM: The project will use the GRM which has been established by NRPB for Bank-financed projects as described in the SEP.	10/2020
ESS 2 Labor and Working Conditions	
LABOR MANAGEMENT PROCEDURES: Update and implement the Labor Management Procedures (LMP) that have been developed for the Project within 30 days of project effectiveness.	11/2020
GRIEVANCE MECHANISM FOR PROJECT WORKERS: Establish, maintain, and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.	11/2020
OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES: Adopt, and implement occupational, health and safety (OHS) measures, including COVID19 prevention following Government of Sint Maarten Official Guidelines as specified in the ESMF.	12/2020
Incorporate the relevant aspects of the labor management procedures into the ESHS specifications of the procurement documents with firms and contractors.	01/2021
Ensure that the firms and contractors comply with the ESHS specifications of their respective contracts.	01/2021
ESS 3 Resource Efficiency and Pollution Prevention and Management	
Implement e-Waste management guidelines following provisions included in the ESMF; and to prepare a specific e-waste management plan should VROMI indicate that the volume of e-waste generated is significant as defined in Annex 2 of the ESMF.	06/2021
Resource efficiency specifications incorporated in the purchasing of goods, particularly electric/electronic hardware to be financed under the Project.	02/2021
ESS 4 Community Health and Safety	

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Adopt and implement COVID19 prevention measures during stakeholder engagement and other project related activities consistent with the guidelines specified in the ESMF.	10/2020
ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	
ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	
ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	
ESS 8 Cultural Heritage	
ESS 9 Financial Intermediaries	

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

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

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

N/A.

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IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: National Recovery Program Bureau

Implementing Agency(ies)

Implementing Agency: National Recovery Program Bureau (NRPB)

V. FOR MORE INFORMATION CONTACT



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VI. APPROVAL

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Practice Manager (ENR/Social)	Valerie Hickey Cleared on 01-Oct-2020 at 18:47:9 GMT-04:00