



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

Appraisal Stage | Date Prepared/Updated: 20-Feb-2020 | Report No: PIDISDSA28050



BASIC INFORMATION

A. Basic Project Data

Country Marshall Islands	Project ID P172014	Project Name Pacific Resilience Project II under the Pacific Resilience Program	Parent Project ID (if any) P160096
Parent Project Name Pacific Resilience Project II under the Pacific Resilience Program	Region EAST ASIA AND PACIFIC	Estimated Appraisal Date 24-Feb-2020	Estimated Board Date 23-Apr-2020
Practice Area (Lead) Environment, Natural Resources & the Blue Economy	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Finance

Proposed Development Objective(s) Parent

The Objective of the Project in the Republic of the Marshall Islands (RMI) is to strengthen early warning systems, climate resilient investments in shoreline protection, and to provide immediate and effective response to an Eligible Crisis or Emergency.

Components

- Component 1: Institutional Strengthening, Early Warning and Preparedness
- Component 2: Strengthening Coastal Resilience
- Component 3: Contingency Emergency Response
- Component 4: Project and Program Management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	40.37
Total Financing	40.37
of which IBRD/IDA	15.37
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	15.37
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IDA Grant	15.37
Non-World Bank Group Financing	
Trust Funds	25.00
Green Climate Fund	25.00

Environmental Assessment Category

B-Partial Assessment

‘Have the Safeguards oversight and clearance function been transferred to the Practice Manager?’ No

Decision

Other Decision (as needed)

B. Introduction and Context

Country Context

1. The Republic of the Marshall Islands (RMI) is one of the world’s smallest, most isolated and vulnerable nations. The country consists of 29 atolls and five isolated islands (24 of which are inhabited) and has a total land mass of just 181km², which is set in an ocean area of over 1.9 million km². RMI’s population is estimated at about 53,000, of which over half are resident in the capital city of Majuro.
2. The population of RMI is concentrated on small, low-lying atolls, and this makes RMI vulnerable to natural disasters and climate change. The country is vulnerable to occasional typhoons and is already beginning to feel the effects of climate change. Like other low-lying Pacific nations, its 370km coastline (which is home to 99% of the population), renders it particularly susceptible to extreme waves and high tides.

Sectoral and Institutional Context

3. RMI is exposed to a variety of disaster risks, including recurrent droughts, coastal hazards (e.g. wave-induced erosion and flooding linked to king tides and storm surge), tropical storms, and, to a lesser extent, typhoons. The Average Annual Loss related to typhoons and tsunami is 1.7% of GDP.¹ Catastrophic risk modelling indicates that RMI is expected to incur, on average, US\$3 million per year in losses due to typhoons. In the next 50 years, RMI has a 50% chance of experiencing a loss exceeding US\$53 million, and a 10% chance of experiencing a loss exceeding US\$160 million.²

¹ RMI Country Risk Profile, PCRAFI (2011)

² PCRAFI Country Risk Profiles, September 2011



4. These estimates do not take climate change into account, which is likely to exacerbate risks to livelihoods, coastal settlements, infrastructure, ecosystems, services, and economic stability.³ Climate change will lead to more damaging storm surges and coastal inundation, increased intensity of tropical storms, and more extreme events such as droughts and flooding for RMI. Climate change is also projected to result in progressive changes such as sea level rise which will accelerate coastal erosion, increase coastal inundation, and increase salinization of freshwater resources. Coral reefs, which offer a natural protection of the shorelines, will be affected by ocean acidification and higher temperatures. Experience in RMI shows that coral reefs are already being damaged by human waste, garbage, and debris is being washed onto the reefs during ebb tides. A state of emergency was declared on February 3, 2016, due to a prolonged drought which affected the country. El Nino events currently contribute towards recurrent droughts in RMI, but, at this stage, the relationship between climate change and El Nino events is unclear.

5. The natural hazard risks are particularly high for the islands Majuro and Ebeye due to their large populations and extensive public infrastructure. Majuro has a population of about 27,000 and Ebeye some 10,000 people. This constitutes 74% of the total population of RMI. The impacts of coastal erosion and inundations of coastal areas are evident along the shorelines of both islands. The shoreline erosion has left public infrastructure (e.g. sections of the roads on both the ocean and lagoon side of the two atolls, and the hospital in Majuro) highly exposed and vulnerable. Other vulnerable infrastructure includes the water reservoir close to the airport in Majuro, the airstrip, and private houses. Several schools are reportedly highly affected by erosion. The need for coastal protection around Ebeye is particularly critical because of its small size, high population density,⁴ the exposure of established infrastructure to wave action, and the settlement of people immediately adjacent to the coastline without the option of retreating due to constrained land availability.

C. Proposed Development Objective(s)

Original PDO

6. The Objective of the Project in the Republic of the Marshall Islands (RMI) is to strengthen early warning systems, climate resilient investments in shoreline protection, and to provide immediate and effective response to an Eligible Crisis or Emergency. No Changes are proposed to the PDO

Key Results

7. The key results from the additional financing (AF) will include:
- Number of people who can receive timely and actionable hazard forecast and warning messages will be increased from 13,000 to 46,800 people;
 - The percentage of communication stations operating in line with Standard Operating Procedures in outer islands network will increase from 60% to 80%;
 - The project will support the development of the National Adaptation Plan (NAP), which will be adopted by Cabinet; and
 - The length of coast with reduced vulnerability to flooding and storm surges will be increased from 1,500 to 2,100 meters.

³ IPCC, 2014: *Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* [Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.)]. IPCC, Geneva, Switzerland.

⁴ Ebeye has a population density of more than 30,000 people/sq. km and is in the top ten most densely populated islands in the world.



D. Project Description

8. The PREP II is comprised of two complementary projects, combining RMI nationally implemented activities (PREP II RMI, P160096) and regionally implemented activities through the Secretariat of Pacific Communities (PREP II SPC, P163699). The two projects each have their own respective development objectives (PDOs), results frameworks and implementation arrangements. The proposed AF targets the PREP II RMI Project only, hence the PREP II SPC project components are not detailed here.

9. The parent PREP II RMI project was appraised for a total amount of US\$44.6 million, including US\$25 million national counterpart financing. During its preparation, a proposal for grant funding of US\$ 25 million was submitted to the Green Climate Fund (GCF), which was since approved by the GCF Board in February 2018. Accordingly, the counterpart financing in the project's financing plan is replaced by the GCF financing.

Component 1: Institutional strengthening, early warning, and preparedness (*Original Financing: IDA US\$1.149 million equivalent, Counterpart Funding US\$1.946 million | Additional Financing: IDA US\$3.45 million equivalent, GCF US\$1.946 million*)

Sub-component 1.1: Institutional strengthening, and central agency capacity building in risk governance

10. This sub-component supports several activities which is envisaged to be scaled up and strengthened through the AF. Key consultants have been recruited to support this work, who are working with the Government on key activities, namely:

- a. Original Financing: PREP II is supporting the Government to strengthen the integration of the climate and disaster resilience agenda, and to embed it into the national and subnational planning and resources allocation system and processes, consistent with the Joint National Action Plan for Climate Change and Disaster Risk Management (JNAP). This includes institutional strengthening of the agencies responsible for leading JNAP implementation and the broader resilience agenda. Recommendations thus far have been made based on a comprehensive review of the JNAP and relevant legislation and institutional frameworks. These recommendations are expected to be implemented through the NAP, with is the successor to the JNAP. A Logical Framework for the NAP has been developed and reviewed by the Bank. It is expected that the NAP will be completed in late 2021.

Additional Financing: It is proposed that support will be provided to prepare the NAP, along with additional technical assistance (TA) to support disaster and climate preparedness, response, and adaptation of RMI. Such TA would include building capacity to access resilient finance through exploring various funding options and implementation modalities. In addition, with multiple donors and funding sources in place for climate and disaster resilience in RMI, it has been agreed that a formal donor coordination mechanism is needed for Division of International Development Assistance (DIDA) to fulfill its mandate and build its capacity in this regard.

- b. Original Financing: PREP II is providing support for the development and implementation of a policy targeted at strengthening National Disaster Management Office (NDMO)'s capacity to lead and coordinate disaster preparedness and response (linking to early warning and recovery) through



initiatives such as developing new emergency/disaster legislation, a common incident management system, and examining the feasibility of greater community participation in this preparedness and response. An NDMO Roadmap has been developed under the PREP II (see Sub-Component 1.3), which includes a schedule to develop, and update several strategies, action plans, and the Standard Operating Procedures (SOPs) in the coming two years. It also identifies various NDMO capacity building, training, and information management needs that can be supported by the AF.

Additional Financing: It is proposed that support for the NDMO will be scaled up based on the recommendations of the NDMO Roadmap, and will include further institutional strengthening and increased operational capacity.

Sub-component 1.2: Early warning communication systems

11. *Original Financing:* This sub-component supports improving multi-hazard early warning communication systems, preparation of a technology roadmap for outer island communications, upgrading communications systems (e.g. F/M radio system, shortwave radio, Chatty Beetle, etc.) in remote locations, development of SOPs and training of people to use them (including community awareness/training/drills). The project will ensure that the dissemination of warnings is gender-informed. An Emergency Communications Stocktaking Report has been completed under an associated Bank-executed TA; and a Strategic Emergency Communications Plan is being developed under the PREP together with an analysis of additional and replacement equipment.

12. *Additional Financing:* Further funds will be allocated to scale up activities and provide additional funding for communication equipment identified as needed under the Stocktaking Report and Strategic Plan. It is proposed that evacuation mapping and emergency communication training also be delivered under the AF, which would build on successful experiences gained from the Bank-executed TA for Geographic Information System (GIS)-based evacuation mapping practice for communities in Ebeve.

Sub-component 1.3: NDMO facilities

13. *Original Financing:* This sub-component supports development of the NDMO Roadmap and implementation of priority investments to modernize the NDMO's facilities. The NDMO Roadmap has been developed, which identifies several areas for further support, including office renovation, furniture, IT support and a mobile Emergency Operations Center (EOC) to support the NDMO and National Emergency Operations Center (NEOC). Due to a new Government of Japan /United Nations Development Programme (UNDP)-funded project that aims to support NDMO and the NEOC (anticipated for delivery in September 2021), works initially envisaged under this sub-component have been delayed to ensure that duplication of activities is avoided.

14. *Additional Financing:* Support for NDMO will be scaled up, through the provision of additional funds to support added NDMO works and equipment identified as needed under the NDMO Roadmap, including a mobile EOC.

Component 2: Strengthening coastal resilience (*Original Financing: IDA US\$16.127 million equivalent, Counterpart Funding US\$22.312 million / Additional Financing: US\$IDA 10 million equivalent, GCF US\$22.312 million*)

Sub-component 2.1: Coastal Vulnerability Assessment



15. *Original Financing:* As part of preparation of the parent project, Deltares were commissioned to: (i) undertake a Coastal Vulnerability Assessment (CVA) to quantify coastal hazards and their effects around Majuro and Ebeye; and (ii) quantitatively assess coastal risks on the Ebeye coastline, considering effects on people, housing, and infrastructure. The CVA study and economic analysis included a comprehensive scenario analysis that examined different lengths, types, costs and locations of the coastal protection works, informing appraisal of the works while allowing flexibility for the government to make informed decisions during the design process on desired levels of service and length, subject to community priorities. From this, Deltares recommended initial priority areas for coastal protection in Ebeye, and prepared concept designs and cost estimates. This work has been shared with stakeholders and screened for environmental and social risks. Under this sub-component, the CVA will be expanded to key coastal areas of Majuro. The methodologies and details of the previous analysis will be reviewed and, if appropriate, may be improved (e.g. by using higher resolution databases or new calibration/validation data, or introducing refinements to the analysis techniques, where these provide a worthwhile improvement to the prediction accuracy of the models). The CVA study is expected to be contracted by March 2020. Outputs of the CVA will inform key elements of the NAP.

16. *Additional Financing:* No additional support for this sub-component is proposed.

Sub-component 2.2: Priority coastal protection investments

17. *Original Financing:* A coastal design supervision and safeguards firm (DSS Firm) will be appointed to undertake the detailed engineering design of coastal works. The detailed engineering design will be informed by several key outputs delivered under PREP II, including recently completed LiDAR survey undertaken by SPC as part of their PREP II project and the ongoing CVA update (to be delivered under Sub-component 2.1). Supported by the project, there has been ongoing community consultations in Ebeye. Detailed Terms of Reference have been developed, suitable candidates have been shortlisted following a Request for Expressions of Interest, and procurement of the DSS Firm is underway. The DSS Firm will be contracted in the first half of 2020, followed by design, procurement of civil works contractors and construction of the shoreline protection works in Ebeye through 2023.

18. *Additional Financing:* The proposed AF will support a request from the government to extend the length of the protection works to protect key assets on Ebeye including an existing power plant, and may also allow for a higher service level for coastal protection works subject to available funding following detailed costing of the completed design.

Component 3: Contingency Emergency Response Component (CERC) (Original Financing: IDA US\$0.5 million equivalent / Additional Financing: IDA US\$0.67 million equivalent)

19. *Original Financing:* This component includes carrying out a program of activities designed to provide rapid response to an Eligible Crisis or Emergency, as needed. The CERC provides near immediate access to funds that could partially finance recovery and reconstruction needs following a disaster event. No request has yet been made to activate the CERC. However, a CERC manual has been developed, and national CERC training has been conducted.

20. *Additional Financing:* The government has recently cancelled their participation in the disaster risk insurance scheme financed under PREP I (P155257) and has requested that the associated unused national IDA financing of US\$0.67million equivalent be added to this CERC envelope, increasing the fund provision from US\$0.5 to US\$1.17 million equivalent.



Component 4: Project Management (IDA US\$1.855 million equivalent, Counterpart Funding US\$0.742 million / Additional Financing: US\$IDA 1.25 million equivalent, GCF US\$0.742 million)

21. Original Financing: This project management component carries out a program of activities designed to strengthen the capacity for project management, coordination, communications and outreach, monitoring, evaluation, and reporting. A Project Implementation Unit (PIU) has been established under Ministry of Finance (MOF)/DIDA. With the support of the Bank, a Central Implementation Unit (CIU) was established in DIDA in 2019 to provide procurement, financial management, as well as social and environmental safeguards support to the World Bank funded portfolio of projects, including PREP II.

22. Additional Financing: PIU support will be extended to account for support to the additional activities and extension of the closing date.

E. Implementation

Institutional and Implementation Arrangements

23. The institutional arrangements under the original project will continue to be applicable under the AF, with the following changes proposed to reflect the most up to date information and clarify inconsistencies across project documents, including:

- a. Clarifying that the MOF is the sole implementing agency of the Project: The MOF has the overall implementation responsibility of the Project, including coordinating with other government ministries/agencies on all aspects of project implementation. Among others, the MOF will coordinate, and put in place the relevant administrative arrangements, with the Ministry of Public Works Infrastructure and Utilities as may be necessary for technical implementation of Component 2 of the Project.
- b. Providing further information regarding the CIU: The CIU is housed in MOF within DIDA to provide portfolio support to World Bank-financed operations in RMI. While day-to-day project management and implementation will continue to be carried out by the PIU, it will be conducted with strong support from the CIU. Throughout the project implementation period, MoF will ensure that, at a minimum, a project manager, an accountant, and a safeguard specialist are available to assist with the implementation of project activities. They may be recruited within the PIU, CIU, or others.
- c. Providing further information and clarification on the role of regional organizations, including:
 - i. Reflecting, under the legal agreements for IDA financing, that the Regional Steering Committee is now known as the Regional Advisory Committee (RAC), and that the RAC will be maintained until November 30, 2020 and, by not later than March 31, 2020, all relevant parties under the PREP will agree on a successor committee to undertake the roles and responsibilities of the RAC from November 30, 2020 until the end of the project implementation period. Such arrangement is to be aligned across the projects prepared under the PREP.
 - ii. Confirming the Service Agreement signed by RMI and SPC will not be changed or extended with this proposed AF and restructuring.



- iii. Confirming that the regional level implementation arrangements (namely, the RAC and the support from SPC on project implementation) will not be applied to GCF financing.

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

The project will be implemented in RMI. Some communications equipment under Component 1 will be located on outer atoll islands. Footprints for equipment are likely to be very small and the location is flexible to minimize clearance of vegetation or impacts on agricultural land. Coastal protection works (civil works, ecosystem-based solutions, sand nourishment, etc.) will be located on Ebeye. There are no mangrove environments on Ebeye, and the marine environment and reef systems are degraded from urbanization, untreated waste water discharges, reef rock mining, waste dumping and ad hoc reclamation and sea walls. The reef rock flats are highly disturbed in places from recent and historic rock mining. There is no freshwater lens. The urban foreshore on the atoll is highly developed, with housing, infrastructure, community facilities and cemeteries located at or very near the mean high water springs. On Ebeye there are social issues relating to high density living and low income. The population density based on 2011 census statistics is 360 people/hectare (11,500 people on 32 hectares). There is an average of 8.7 people per household, with 15% of households reporting no income and 8% of households reporting annual income of <\$US3,000 per year. Public health concerns include high incidences of waterborne gastrointestinal disease (from poor access to clean water and safe wastewater disposal) and non-communicable diseases such as diabetes (from poor diets and sedentary lifestyles).

G. Environmental and Social Safeguards Specialists on the Team

Penelope Ruth Ferguson, Environmental Specialist
 Rachelle Therese Marburg, Social Specialist
 Nathalie Suzanna Noella Staelens, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Investments in coastal protection remain the same as the original project, although may be longer or protect more land area due to additional financing. They are most likely to be ‘hard’ engineered solutions, such as seawalls, revetments, groynes or breakwaters. The typology, dimensions and construction methodologies will be determined during the design phase, which is yet to begin. All aggregates will be imported. No local sand or rock will be used. Civil works are likely to require large



earthmoving equipment and a small imported labor force to operate the machinery. Temporary facilities such as access routes, jetties or boat ramps, laydown and workshop areas and a workers' camp may be required.

Coastal protection works may have impacts on coastal processes, marine ecosystems, and access to land, foreshore, and resources. They may also affect long term settlement patterns. Overall the social benefits are likely to be significant, improving community resilience to natural hazards and sea level rise.

An Environmental and Social Management Framework (ESMF) was prepared at the time of appraisal to demonstrate the processes that the PIU will go through to identify impacts and suitable mitigation measures. ESMF was chosen as instrument as the exact location of investments were not known and therefore nature and scale of impacts could not be properly assessed. At this stage, some of the investments have been recognized, however, there is no sufficient concept details to have environmental and social instruments already prepared. The ESMF remains the main guiding instrument for environmental and social due diligence for project investments and has been updated to reflect the additional financing. The environmental risks remain the same as originally screened and the project remains classified as Category B as the impacts are not irreversible or unprecedented and can be mitigated and remedied.

An Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) will be required for any coastal protection works subprojects. Due diligence will be undertaken on the potential sources of imported rock. The ESIA and ESMP will be completed in parallel to, and inform, the concept and detailed design. Contractors will be required to prepare and implement an ESMP which will detail how the Contractor will achieve the requirements of the Project ESMP, including how to manage the impacts of the workforce and the temporary facilities. The ESMF outlines how social and environmental



safeguards will be integrated into any technical advisory funded by the project such as the tasks to support the preparation of the NAP. So far, the aggregates study Terms of Reference (ToR) and LIDAR surveys have been screened against the ToR.

An ESMF addendum on the CERC has been prepared and disclosed.

Performance Standards for Private Sector Activities OP/BP 4.03 No

Natural Habitats OP/BP 4.04 Yes

Coastal protection works, including engineered solutions and enhancements to natural systems and ecosystem-based adaptation, have the potential to impact on natural habitats in the marine and foreshore by occupying/reclaiming the reef flat and changing hydrodynamics. The policy is therefore triggered. Screening of the Ebeye environment identified a highly modified coastal and marine area due to overpopulation, foreshore reclamations, erosion, reef mining, overfishing/harvesting and Polychlorinated biphenyl (PCB) pollution from the nearby US military missile testing facility.

Quarrying of rock and sand from the atoll environments may also disturb, degrade or destroy natural habitats and will be avoided in project design. The potential impacts on natural habitats will be considered in the preparation and implementation of ESIA and ESMP.

Forests OP/BP 4.36 No

The ESMF has confirmed that there are no forests, including mangroves, in Ebeye or Majuro that will be affected by coastal protection works, and there are no terrestrial forests that will be impacted by any early warning activities on outer islands under Component 1.

Pest Management OP 4.09 No

There is no requirement to manage pests under this project.

Physical Cultural Resources OP/BP 4.11 Yes

Project screening has identified the presence of cemeteries along the Ebeye coastline that may be affected. No PCR assessment has been completed to date. PCR impacts will be assessed during the preparation of ESIA and ESMP and will be avoided in design or appropriate mitigation will be managed through the ESMP and stakeholder engagement.



		PCR may be uncovered during the earthworks. PCR chance find procedures are required for all ESMP.
Indigenous Peoples OP/BP 4.10	No	RMI's population is relatively homogenous and exhibits few, if any, of the Bank's defining characteristics of Indigenous Peoples, as screened during the original project appraisal (according to the Environmental and Social Safeguards Instruments for the Pacific Island Countries). In any case, the beneficiaries of the projects are almost entirely Marshallese. The stakeholder engagement plan takes into account the cultural needs of community members and focusses on the vulnerable and providing information in relevant formats. Land acquisition negotiations are following RMI country systems and customary norms and are gap-filled by the Resettlement Policy Framework (RPF). The ToR for the social assessment of the coastal protection works included a requirement to consider the customary, cultural, gender, age and language needs of the beneficiaries and affected people.
Involuntary Resettlement OP/BP 4.12	Yes	Due to the nature of land ownership in RMI, involuntary land acquisition will not be part of the project. Land access will be negotiated with the land owners through a lease or Memorandum of Understanding. Land owner consultations have begun and will be an ongoing process through design. There may be the involuntary resettlement of lease holders, tenants and other land users, which may be temporary or permanent. A RPF was prepared to document the process for land access negotiations and identifying and managing the impacts of any involuntary resettlement, and takes into account the RMI in-country systems and cultural and customary norms. The RPF has been updated to reflect the updates to the additional financing. No new risks have been identified.
Safety of Dams OP/BP 4.37	No	Not applicable.
Projects on International Waterways OP/BP 7.50	No	Not applicable.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable.



KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

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

Land will not be purchased or inalienated from land owners, so the occupation of public structures and creating public space such as seawalls and promenades on private land will require significant negotiation with land owners and creates a project risk. Land ownership in the Marshall Islands is a customary system enshrined by the Constitution. Land owners hold customary power with the political sphere and the community which is highly respected. In theory the Government can use the Land Acquisition Act 1996, which makes provision for 'the acquisition of lands and servitudes for public use' including payment of compensation, but in practice the Government does not compulsorily acquire land because of the respect for the customary land tenure system. Furthermore, in some areas there are conflicts between who owns land. Some public infrastructure projects are delayed or abandoned because the Government cannot secure land right. To mitigate, the PIU have engaged with land owners early in the project and will continue to include them in the assessment of priority areas for development and the design process. There are clear benefits to land owners of coastal protection works, and to the wider community, and this is another mitigating factor. Tenants and informal land users are often marginalized from decisions regarding land use and are vulnerable to land use changes. The Ministry of Works, Infrastructure and Utilities (MWIU) and PIU have been sharing information on the project and seeking early feedback. They will continue to do so throughout the design and construction process. There may be some temporary or permanent resettlement of people, the scale of which will depend on the final design and location of the coastal protection works. The scale of resettlement at the time of appraisal of the parent project was expected to be small as the design principles are to avoid resettlement wherever possible by making use of the reef flat. The potential scale of resettlement is not expected to change with the additional financing; if the spatial extent is extended it will be to protect the Government-leased power plant location where there are no residents or small businesses. All affected persons will be included in an Action Plan that will document their rights and obligations under OP4.12 Involuntary Resettlement.

Short term impacts during construction include the burden on the Ebeye islet infrastructure to cope with an influx of workers and protecting the vulnerable from exploitation. The risk rating is high due to the context of the vulnerability of the Ebeye population to construction-phase activities. The urban area is densely populated and community members suffer from poverty-related issues (poor and over-crowded housing, poor health) and gender-based violence (GBV) is prevalent. There is little 'spare land' for construction-related lay down areas, and workers' accommodation. The island is having a surge of investment in infrastructure and the community may suffer fatigue from consultations, construction work and the cycles of imported workforces, and/or be affected by additional demands on the community infrastructure, food, transport, accommodation, and health services. GBV and demand for sex from local women is a moderate risk as there is demand from labor forces on Ebeye and Kwajalein and requires codes of conduct and significant supervision of all workers. The PREP II Stakeholder Engagement Plan is the key tool the PIU is using to ensure community impacts are predicted and managed effectively. Furthermore, a GBV study will be carried out by the CIU to determine the specific risks and mitigation measures for the PREP II project during the construction phase.

The environmental risks relate to the changes in water quality and disturbances to foreshore habitat during construction and changes to coastal processes and the reclamation of the reef flat in the long term. The ESMF screened and scoped the environmental risks of any protection works along the entire ocean-side of Ebeye, as a precautionary approach to the potential extent of coastal protection funded by the project. As described above the marine environment is highly modified; the coastal protection works will further impact the reef from earthworks and



sediment discharges during construction. Coastal processes will change, including the erosion and deposition patterns and wave energy, which may cause erosion to foreshore properties and damage (smothering, coral breakage, erosion) to marine habitats elsewhere on Ebeye and nearby islets. This will have cumulative impacts to the changes already experienced from reef mining, ad hoc coastal protection measures and the causeway to Gugeegu and cumulative to climate change risks. The risks are primarily managed through the design process and construction methodology, although may also require ongoing monitoring and adaptive management to control coastal processes and protect vulnerable sites.

A significant potential environmental risk of quarrying reef rock for aggregate for the coastal protection works has been eliminated; all aggregates will be imported. An ESIA and ESMP are required for the Ebeye coastal protection works. A request for proposals has been issued and the consultants are expected to start in mid 2020. The ESIA and ESMP will also inform the design. To address construction-related impacts, Contractors will be required to prepare and implement Contractor's ESMP, which will detail how they will achieve the requirements of the Project ESMP.

Component 2 will include a study on the potential sources of aggregates in the Majuro and Kwajalein Lagoons. A ToR is currently being drafted and will include safeguards assessments as part of the study. The study will address issues such as resource ownership and ecological impacts of mining, transportation, processing and storage.

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

There will be significant long-term benefits from coastal protection works on the ability for communities in Ebeye to be resilient to natural hazards and climate change. It will enable the Marshallese to remain on their atolls, a desire which has been clearly articulated in their National Climate Change Policy and Joint National Action Plan. The protection works will be prioritized to protect vulnerable locations such as critical infrastructure (energy plants, water supply) and housing.

There are risks that coastal protection works create unintended consequences such as change the baseline erosion and deposition patterns. This is mitigated through the modelling and detailed design work, but there is a residual risk that erosion continues to be an issue in the long term.

There are a number of significant environmental and social issues in Majuro and Ebeye relating to overcrowding, poor urban design, low quality housing, poor waste management and untreated sewage discharges and associated health and environmental issues which will persist and affect the resilience of the communities, even with the added protection from natural hazards and climate change that will come from this project.

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

Due to the potentially significant impacts of using local rock and sand, the project has identified that imported aggregates is the only viable alternative. A study on the potential benefits and impacts of local rock and sand mining will be carried out under Component 2 and will provide an options analysis for aggregates based on sustainability and safeguards, for future investments (beyond the life of the project).

The only viable alternative to coastal protection works is 'planned retreat' where development is controlled around the use of vulnerable land, and buildings and land uses in vulnerable areas are slowly removed. The eventual conclusion is that people will emigrate to other islands or to other countries. However, development planning is very difficult in Marshall Islands due to the land ownership laws and customs, and the lack of habitable land available for relocated people and planned retreat is considered difficult. There is no desire from the Government or the people to plan for emigration from Ebeye or Majuro at this time. There would be significant social impacts from this alternative and it has not been considered in this project.



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

The capacity of RMI to implement and supervise environmental and social safeguards is considered satisfactory. Since project implementation, safeguards implementation has been satisfactory. The DIDA CIU Safeguards Specialist and the Ebeye representative have been pro-actively consulting with the community and have been actively engaged in developing the ToR for the Ebeye Coastal Protection Works Design and Environmental and Social consultants, and supporting SPC with developing the ToR for the aggregate study, amongst other supervision and support services to MWIU, NDMO, and the PIU. DIDA CIU is in the process of recruiting a Social Specialist to assist supervision of the Resettlement Action Plan process, land access agreements with land owners, and the Stakeholder Engagement Plan. The Ebeye Representative position has recently been vacated and DIDA CIU is in the process of recruiting a replacement. The ESMF notes that, if necessary, further independent advisory, support and/or supervision will be engaged if necessary.

The DIDA CIU is also preparing a ToR to undertake a review of existing services and baseline issues relating to GBV and sexual exploitation and abuse/sexual harassment (SEA/SH) and prepare a framework for avoiding/responding to GBV/SEA relating to projects that each project under the CIU portfolio can use, ensuring that GBV prevention and response is appropriately integrated and supported. This will be very useful to develop appropriate avoidance and mitigation measures during the construction period on Ebeye.

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

Consultation was carried out during preparation. Consultants met with government stakeholders in Majuro, and local government, land owners and community members in Ebeye. Government stakeholders include: NMDO, Climate Change Directorate (CCD), CMAC (Coastal Management Advisory Council), EPA (Environment Protection Agency), KALGOV (Kwajalien Atoll Local Government), KAJUR (Kwajalein Atoll Joint Utilities Resources) and KADA (Kwajalein Atoll Development Authority). Local NGOs are International Organization for Migration (IOM) and Women United Together Marshall Islands (WUTMI). The consultation was used to introduce the proposed project and the draft ESMF and RPF, and seek feedback. A series of meetings were conducted with the stakeholders and a public meeting was held on Ebeye. Presentations were made in English and Marshallese, followed by discussions. This approach allowed for specific conversations on the interests of each stakeholder. Following consultations, the safeguards documents were updated and disclosed online in Marshall Islands in January 2017, and hard copies made available at local government offices on Majuro and Ebeye and the MOF office. A revised ESMF will be redisclosed in Ebeye and Majuro. A stakeholder engagement plan has been prepared by the PIU early in project implementation and documents how stakeholders will continue to be involved in activities under Components 1 and 2. Implementation of the plan to date has been satisfactory. A database of Ebeye-based interview and survey data and feedback has been developed and will be used to inform the design process. Feedback to date indicates that there is broad support for coastal protection but also indicates a need to improve the understanding amongst the community of the climate risks and potential adaptation opportunities for Ebeye. Of the 249 surveys to date, 49% the individuals surveyed were men 51% women. Depending on the location, the priorities vary. Areas that have homes situated on the high tide mark prioritize extending the seawall outwards to the sea to give them more buffering space. Areas with more land between homes and the high tide mark prefer a seawall that is closer to shore. Ebeye oceanside residents are more concerned about the length of the seawall and how far inland the seawall will be. On the other hand, the height and strength of the seawall fell short on their list of priorities.



Women are more concerned with the welfare of the children during construction, while men are more keen on the functionality of the seawall. Head of households put more weight to the length of the seawall and the safety of children during construction. Regular householders prioritize seawall length over the height of the seawall.

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

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
7 February 2020	10 February 2020	

"In country" Disclosure

7 February 2020

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure
7 February 2020	10 February 2020

"In country" Disclosure

7 February 2020

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

OP/BP/GP 4.01 - Environment Assessment

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

Yes

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

Yes

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

Yes

OP/BP 4.04 - Natural Habitats



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

No

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

NA

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

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

Yes

OP/BP 4.12 - Involuntary Resettlement

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

Yes

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

Yes

Is physical displacement/relocation expected?

Yes

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

Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

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

Yes



All Safeguard Policies

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

Yes

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

Yes

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

Yes

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

Yes

CONTACT POINT

World Bank

Ning Yang
Senior Environmental Specialist

Simone Lillian Esler
Disaster Risk Management Specialist

Borrower/Client/Recipient

Ministry of Finance
Ms. Maybelline Andon Bing
Secretary
mayabing@hotmail.com

Implementing Agencies

Ministry of Finance
Ms. Maybelline Bing
Secretary, Ministry of Finance
mayabing@gmail.com



FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Ning Yang Simone Lillian Esler
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Approved By

Safeguards Advisor:	Peter Leonard	
Practice Manager/Manager:	Anne Jeannette Glauber	
Country Director:	Michel Kerf	Mona Sur