

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.:** ISDSC1022

**Date ISDS Prepared/Updated:** 16-Dec-2014

**Date ISDS Approved/Disclosed:** 07-Jan-2015

### I. BASIC INFORMATION

#### A. Basic Project Data

Country:	Peru	Project ID:	P132515
Project Name:	Subnational Transport Support Program (P132515)		
Task Team Leader(s):	Anca Cristina Dumitrescu		
Estimated Appraisal Date:	25-May-2015	Estimated Board Date:	12-Aug-2015
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Rural and Inter-Urban Roads and Highways (50%), General transportation sector (30%), General public administration sector (20%)		
Theme(s):	Decentralization (40%), Rural services and infrastructure (40%), Trade facilitation and market access (20%)		
Financing (In USD Million)			
Total Project Cost:	600.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			500.00
International Bank for Reconstruction and Development			50.00
Inter-American Development Bank			50.00
Total			600.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

#### B. Project Objectives

13. The development objective is to facilitate access of rural populations within the Program area to public services, logistics corridors and employment opportunities through the improvement of rural road infrastructure and strengthening of the decentralized road management.

## C. Project Description

15. The proposed project will support the 5-year Government Program totaling US\$600 million, of which the World Bank (WB) loan will finance US\$50 million (8.5% of the Program proceeds). The remaining US\$550 million are to be co-financed by the Inter-American Development Bank (IDB) (US\$50 million) and the GoP counterpart funds (US\$500 million). The Project consists of five components, as follows:

- Component 1- Infrastructure for Social inclusion (US\$219.7 million of which the WB US\$21.2 million). This component will scale up the decentralized rural roads policies that have been successfully developed during the previous rural roads projects, prioritizing interventions that promote social inclusion of the poorest rural areas. Activities to be financed include: (i) rehabilitation and improvement of rural roads prioritized through participatory planning; (ii) improvement of non-motorized transport (NMT) tracks; (iii) reconstruction and improvement of bridges that are critical to ensure connectivity on rehabilitated rural roads; (iv) a Pilot for slopes stabilization; and (v) initiatives under a Local Development Window (LDW) model developed during the second Rural Roads Project with the purpose of accelerating the emergence of productive activities in the areas where transport conditions have been improved. For each activity, the project will finance feasibility and technical studies, safeguards-related studies (e.g. environmental impact assessments), civil works and supervision.
- Component 2- Integration of the Feeder Network of Selected Logistic Corridors (US\$219.7 million of which the WB US\$21.2 million). This component will support MTC's competitiveness agenda financing works and technical assistance activities to improve the transitability of subnational roads and transport services within selected logistic corridors. In particular it will finance: (i) rehabilitation or improvement of secondary and rural roads linked to selected logistics corridors; (ii) development of alternative technologies for rural roads rehabilitation; and (iii) an extended Local Development Window [to check of similar with Comp. 1]. For each activity, the project will finance feasibility and technical studies, safeguards-related studies (e.g. environmental impact assessments), civil works and supervision.
- Component 3- Subnational Road Infrastructure Maintenance (US\$120 million of which the WB US\$6.3 million). This component will finance activities to support an efficient and sustainable decentralized maintenance of the subnational road network. In particular, the project will finance periodic and routine maintenance activities on the secondary and rural networks (including bridges and non-motorized transport tracks), the preparation of the related technical profiles, and supervision services.
- Component 4- Decentralized Road Management (US\$15 million, of which the WB US\$1.2 million). This component will finance activities both at the subnational and central (Provias Decentralizado) (PVD) levels to support the consolidation of the decentralized transport management agenda. At the subnational level, the Program will finance initiatives to increase the capacity of regional and local governments to manage road assets, address externalities and improve the institutional and regulatory frameworks. More specifically, the project will support: (i) technical assistance to improve decentralized road transport management, strengthening monitoring and evaluation, institutional development and regulatory frameworks to increase the efficiency of transport infrastructure and service provision (ii) studies on rural road safety and climate change; and (iii) equipment for decentralized road management of PVD.

- Component 5 - Program Management (US\$25.6 million of which the WB US\$0.15 million). This component will cover Program administrative costs, as well as monitoring, evaluation, audits, information dissemination, program activities related trainings, and operational support. The Program will be managed by PVD in close coordination with other ministries, such as the Ministry of Development and Social Inclusion (MIDIS), MTC and MEF.

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

16. The US\$600 million Program will finance rehabilitation, periodic and current maintenance works on subnational (rural and non-motorized transport tracks) throughout the territory of Peru. Under Component 1 (Infrastructure for Social Inclusion), the roads targeted are those located in the poor and remote zones included under the "National Fund for Economic Inclusion in Rural Areas" (Fondo Nacional para la Inclusion Economica en Zonas Rurales - FONIE), mostly on the Central and Eastern parts of Peru, including the Andean and Upper Amazon Regions. Under Component II (Integration of the Feeder Network of Selected Logistics Corridors), the roads targeted are those feeding into the main 22 road logistics corridors identified in the country. It may be assessed, at this early stage of preparation, that the rural roads included in the program will be scattered throughout the territory of Peru.

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

17. Provias Decentralizado (PVD) - the Project Implementation Agency - has implemented two recent operations co-financed by the WB and IDB. Experience with the aforementioned two projects shows that PVD's institutional capacity for safeguard issues is existent but is limited. PVD staff members in charge of supervising compliance with WB social and environmental safeguard policies and management is reduced to one person. This staff member has the knowledge to address the safeguards policies required by the WB, however due to project scope it is strongly recommended that, before appraisal, discussions on how to strengthen PVD's team for social and environmental issues, be thoroughly carried out.

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

Alonso Zarzar Casis (GSURR)

Raul Tolmos (GENDR)

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

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	Yes	The Program does not foresee significant environmental impacts that could jeopardize the natural environment of its influential project area. Following the Operational Policy [OP 4.01] the Program would be "Category B". This category is justified by the fact that the rural road works to be supported would not include any new road construction, road paving, or major road upgrading (to a new road standard). While the Program plans to focus largely on road rehabilitation (restoration of pre-existing conditions), it would most likely also support some significant road improvements (within the existing road standards) an Environmental and

		<p>Social Impact Assessment (ESIA), and an Environmental and Social Management Framework (ESMF) will be prepared before appraisal. Environmental Management Plans (EMP) will be prepared for all sub-projects once the specific locations of roads are known. The ESMF and EMPs will address the whole Program co-financed by the Government, WB and IDB, and it will meet the requirements of both financial institutions based on agreed common TOR, as done in previous programs. The ESIA will provide an analysis of both direct and cumulative or indirect potential negative impacts generated from infrastructure works.</p>
Natural Habitats OP/BP 4.04	Yes	<p>This policy is triggered since rehabilitation and improvement of rural roads, reconstruction and improvement of bridges and a pilot for slopes stabilization might be located in natural habitats considered critical. Works will be scattered across the country, including in potentially fragile environmental regions. The ESMF will include measures to screen proposed works and subprojects for negative impacts on natural habitats.</p>
Forests OP/BP 4.36	TBD	<p>While no new roads will be constructed, and rehabilitation and/or maintenance will be carried-out within the right of way, final decision on triggering of this policy will be taken after more information becomes available on the location of the roads proposed for improvement.</p>
Pest Management OP 4.09	TBD	<p>The Program will not include/ support the use of pesticides, however the final decision on triggering will be taken after more details are available on the nature of potential productive sub-projects related to the Logistics Development Windows.</p>
Physical Cultural Resources OP/BP 4.11	Yes	<p>This policy is triggered since it is likely that physical cultural resources may be found particularly in the Andean region where the road rehabilitation works will be implemented. During Program preparation the team will determine if project activities will impact any known physical cultural resource. The ESMF will then describe the actions that will be taken to minimize and manage likely impacts. The ESMF will include clear procedures for reviewing sub-projects for physical cultural resources issues and to manage chance finds in accordance with WB policy and the national legislation.</p>
Indigenous Peoples OP/BP	Yes	<p>This policy is triggered due to the strong likelihood</p>

4.10		that indigenous communities be benefited by the Program since its main focus is the central highlands and the upper amazon of Peru where a significant number of these communities are located. Since precise locations for Program intervention will not be known before appraisal, the borrower will prepare, with WB guidance, an Indigenous Peoples Planning Framework (IPPF) before appraisal. The client will hold consultations with the indigenous leadership at the national level to inform project design and the IPPF. The borrower will also carry out a Social Assessment and prepare IPPs whenever this is relevant once locations for project implementation are known.
Involuntary Resettlement OP/ BP 4.12	Yes	This policy is triggered because it is likely that some small areas for cultivation, also crops and houses built next to roads, may be affected by civil works to improve these rural roads. Since precise locations for project intervention will not be known before appraisal, the borrower will prepare, with WB guidance, a Resettlement Policy Framework (RPF) before appraisal.
Safety of Dams OP/BP 4.37	No	This policy should not be triggered as the Program will neither support the construction or rehabilitation of dams nor will it support other investments which rely on services of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy should not be triggered as the Program will not finance activities involving the use or potential pollution of international waterways.
Projects in Disputed Areas OP/ BP 7.60	No	This policy should not be triggered as the Program will not finance activities in disputed areas as defined in the policy.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS: 20-May-2015**

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**

**The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

The Plan will depend on the execution of the investment-related feasibility studies. These will include technical, economic, environmental and social assessments. The TOR for the studies have been drafted by PVD, and launched at the end of September, 2014. PVD estimates that the studies will be carried out within 5 months.

### IV. APPROVALS

Task Team Leader(s):	Name: Anca Cristina Dumitrescu
<b>Approved By:</b>	

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

Regional Safeguards Coordinator:	Name: Glenn S. Morgan (RSA)	Date: 17-Dec-2014
Practice Manager/ Manager:	Name: Aurelio Menendez (PMGR)	Date: 07-Jan-2015