

COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED SAFEGUARDS DATA SHEET (PID/ISDS)

Additional Financing

Report No.: PIDISDSA23148

Date Prepared/Updated: 05-Oct-2017

I. BASIC INFORMATION

A. Basic Project Data

Country:	Iraq	Project ID:	P161515
		Parent Project ID (if any):	P155732
Project Name:	Emergency Operation for Development Project - Additional Financing (P161515)		
Parent Project Name:	Emergency Operation for Development (P155732)		
Region:	MIDDLE EAST AND NORTH AFRICA		
Estimated Appraisal Date:	20-Sep-2017	Estimated Board Date:	24-Oct-2017
Practice Area (Lead):	Social, Urban, Rural and Resilience Global Practice	Financing Instrument:	Investment Project Financing
Borrower(s)	Ministry of Finance		
Implementing Agency	Reconstruction Fund for Areas Affected by Terroristic Operations		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			
Financing (in USD Million)			
Financing Source			Amount
International Bank for Reconstruction and Development			400.00
Financing Gap			0.00
Total Project Cost			400.00
Environmental Category:			
Appraisal Review Decision (from Decision Note):			
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

The AF was requested by the GoI in order to meet the demand for expanding the EODP's coverage in recently liberated areas. Three years of continuous conflict and economic stagnation have impacted nearly every aspect of Iraqi society, which has led to an increase in the number of vulnerable people in several parts of the country. Basic services have been suspended, supplies are irregular and many areas are contaminated with explosive hazards. A particularly grave case in point is the city of Mosul, 80 percent of which has reportedly suffered damage or been destroyed by fighting, leaving behind a mammoth task of rebuilding.

Protracted displacement and successive exhaustion of people's income and assets in the face of diminishing economic opportunities have increased the need to provide them with access to basic service delivery and social assistance. However, the government's capacity to meet these needs is very limited. Nearly one-fifth of IDPs live in critical shelter arrangements, including unfinished or abandoned building, schools, religious sites and informal settlements (IOM, 2016). Disease outbreaks, including cholera, are frequent. Within camps, only 50 percent of displaced children attend school; outside camps the situation is more dismal, with only 30 percent of displaced children attending school. Nearly one-fifth of displaced families no longer have key identity documents that are essential for them to gain access to education, medical and social services as well as Iraq's main social safety net, the Public Distribution System (PDS). Displaced persons and returnees continue to contend with such hardships, which are in turn compounded by a fragile socio-political environment punctuated by the breakdown of security, a widespread militia presence and the targeting of specific ethnic groups (UNOCHA, 2015). Iraqis who remain in the Daesh-controlled areas of Anbar, Ninewa, and Kirkuk are surviving in the midst of a fusillade where their lives are at risk on a day to day basis and living conditions are particularly arduous. Micro simulations suggest that this group has suffered some of the greatest adverse repercussions of the economic, social and security disruptions of the conflict (World Bank, 2015).

Years of protracted violence in Iraq have led to changes in family structure and an overall deterioration of child welfare. Women and children are the most heavily affected by the crisis, with 49 percent of IDPs being under the age of 18. There are an estimated 1.6 million widows, and increasing numbers of female-headed households and orphans. Twenty percent of school-age children have dropped out of the education system in the last two years, including more than 2 million displaced children and children from host communities, partly due to the closure of 23 percent of schools during the 2015-2016 academic year. Moreover, the psychological impact of the violence on children is likely to have a lifelong impact. Children who have been forced to flee their homes due to violence often exhibit changes in behavior as a result of their experiences. According to an assessment in the Kurdistan region, behavior changes were reported in 76 percent of children. Violence against women and girls, particularly sexual violence, has been a widely-used tactic of terror in the armed conflict. Protracted violence, increased insecurity and the constant fear of economic destitution have led to an increase in the number of girls under 15 years of age who are married. UNICEF monitoring data from 2016 confirm that about 975,000 girls in Iraq were married before the age of 15, twice as many as in 1990.

The Iraqi economy continues to face severe challenges. The decline in oil prices in 2015 and 2016 and the ISIS insurgency have contributed to a sharp deterioration of economic activity and has rapidly increased fiscal and current account deficits. Despite the government's efforts to prioritize expenditure, low oil revenue coupled with high levels of spending on humanitarian relief and security have rapidly increased the budget deficit, which was estimated to be 12 percent of GDP in 2016. Poverty and unemployment have increased in many communities, private consumption and investment remain subdued, and agricultural production has declined. As a result, food insecurity is rampant, forcing many families to rely on severe and often irreversible coping strategies and to migrate to urban

areas for jobs and support. Continued economic, social and security disruptions have led to a deterioration in the standard of living, thereby placing enormous strain on the local economy and access to public services.

During the past two years, the Government of Iraq (GoI) has grappled with the myriad challenges of reconstruction efforts in areas previously occupied by ISIS. It has led efforts to consolidate political stability and social cohesion in the liberated municipalities; the majority of which were initially concentrated in Tikrit, Dour, Al Dalooeyya and Al-Alam (Salah Ad-Din province) and Jalula, As-Sadiya and Al-AAzeem (Diyala province), that are now being expanded to Ramadi and Mosul in Anbar and Ninewa provinces. In addition, the GoI is taking measures to build trust with its constituents by bolstering Iraq's existing civil society and empowering local populations to engage in policy dialogues and process and to foster bottom-up accountability.

Sectoral and Institutional Context

The Project's strategic objective is to contribute towards normalization, through inclusive service delivery in the liberated areas. This aligns with both the World Bank Group's twin goals and MENA's regional strategy, both of which emphasize state rebuilding and supporting the transition of fragile and conflict-affected states out of instability.

The Project is also aligned with the GoI's medium- and long-term strategic framework. The Government's development approach has two main strategic drivers: i) ensuring security and stability of all Iraqis, and liberating all ISIS-controlled areas and reinstating law and order - a prerequisite for the economy to improve and for reinstating people's trust in government and ii) strengthening the sustainable delivery of public services such as electricity, water, health, education and the social protection system, as a means to bridge the gap between the old and the new social contract. The GoI has prioritized addressing the needs of displaced persons and host communities, particularly the inclusion of groups that are particularly vulnerable, including women. It has also underscored engagement with the private sector as one of the avenues to rejuvenate employment and economic activity.

The Project responds to the June 2017 Draft Document of the General Framework of the National Recovery and Reconstruction Framework for Iraq (henceforth NRRF). The final draft of NRRF will constitute a 10-year plan from 2018 through 2022, intended to unify efforts of the GoI and international development partners towards addressing the priorities identified by the relevant governorates and their citizens.

As an emergency operation, this Project is aligned with the March 2017 draft Country Partnership Framework (CPF) for the Republic of Iraq (FY18–FY23), which is based on the Performance and Learning Review findings of the FY13–FY16 CPF and the priorities identified in the February 3, 2017 Iraq Systematic Country Diagnostic (SCD). The SCD has identified the following development priorities to reduce poverty and boost prosperity in Iraq in an inclusive and sustainable manner: (a) re-establishing security (b) rebuilding the social contract and state legitimacy and (c) managing oil wealth equitably and sustainably. The urgency of strengthening Iraq's institutions is particularly critical in light of the current state of fragility and the rising threat of political and regional tensions. The limited capacity of public institutions is reflected in the chronically weak civil service, endemic corruption and poor public sector transparency and accountability and inefficient state-owned enterprises (SOEs).

The overarching goal of the CPF is to support the GoI in fostering a new social contract between the state and its citizens, at the national and subnational levels. This will help the GoI consolidate its legitimacy and strengthen the credibility of its institutions, opening the way for incremental and

sequenced decentralization and thereby strengthening the unity of the country. This approach is also a critical ingredient for peace and stability and an important driver for inclusion, poverty reduction and shared prosperity. The CPF highlights two focus areas for the WBG's support to Iraq: (a) Institutional Strengthening and Efficiency through Improved Governance and Stabilization and (b) Delivery of Services to the People through Social Protection, Reconstruction, and Economic Recovery. As highlighted in the SCD, the WBG's program in Iraq will emphasize support for the most excluded and vulnerable groups, including women, youth and IDPs who have suffered disproportionately from lack of access to basic services and economic opportunities. This six-year CPF is designed to be flexible and responsive to the rapidly changing situation in Iraq. The Project activities are also broadly aligned with the resounding messages received during the in-country consultations for the CPF: to build stronger government institutions and a more diversified and regionally integrated economy that can deliver services and create jobs.

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The Project is to support the Republic of Iraq in the reconstruction of damaged infrastructure and the restoration of public services delivery in Targeted Municipal Areas.

Key Results

The AF aims to expand sectorally to address pressing education, agriculture/irrigation and urban service needs of the communities, in addition to the current four sectors of water and sanitation, electricity, transport, and municipal services.

(i) Support for agriculture and restoration of irrigation services. The Project will finance: procurement and distribution of farm household starter packages; restoration and modernization of key agriculture knowledge and service centers; and measures to promote the access of farmers and farmer groups to knowledge, services and technologies through distribution of vouchers and establishment of a transparent and efficient local input supply industry and institution building and making arrangements for local agribusinesses to gain access to working capital financing;

(ii) Support for the restoration of education services in liberated and affected areas of Iraq, while laying the foundations for development in this sector through: rehabilitation, reconstruction and upgrading and equipping of education infrastructure; development and implementation of training and support programs for teachers and school leaders, as well as vocational training and social support for out-of-school youth.

(iii) Support for strengthening urban service delivery at the governorate levels, including rehabilitating CBD infrastructure to improve municipal, commercial and financial services; upgrading sports and cultural facilities for youth; and enhancing the service delivery capacity of municipalities.

D. Project Description

The Additional financing (AF) is aligned with the original design of the EODP to complement the government's stabilization efforts following the liberation of several localities from ISIS control, to restore the delivery of public services via reconstruction and rehabilitation of priority infrastructure, and to pave the way for the sustainable and equitable development of the country. Fierce and protracted fighting in newly liberated areas, especially Mosul, ISIS's last urban bastion in Iraq, has resulted in extensive damages impacting service delivery and basic commercial activities. The AF will

finance the scale-up of existing project activities geographically to new municipalities in the Salah Ad-Din and Diyala governorates, as well as in the governorates of Kirkuk, Anbar (including Ramadi), Ninewa (including Mosul) and the three KRG governorates (Dohuk, Erbil and Sulaymaniyah).

Specific components of the EODP (P155732) will be restructured with the AF including the following: (i) Component 1 on restoring electricity infrastructure and connectivity will be expanded to the new geographic locations and to works and activities related to installation of the supplied equipment; (ii) Component 2 on restoring municipal waste and sanitation services will be extended to the new geographic areas; (iii) Component 3 on restoring transport infrastructure will be extended to the new geographic areas, and to the financing a feasibility study for Mosul airport operation and maintenance under a Public Private Partnership scheme; and (iv) Component 5 on restoring health services will be removed since Kuwait's Fund for Arab Economic Development has provided a US\$100m grant to achieve the same goal. The allocation for technical assistance will also be refined to include inter alia: (i) additional activities for fostering community and social inclusion across components; (ii) support for cultural heritage restoration as an engine for reconciliation; and (iii) technical assistance for decentralization reforms. Corresponding results indicators and targets will also be adjusted.

Component Name:

Restoring Electricity Infrastructure and Connectivity

Comments (optional)

This component aims to support restoration of electricity services to the liberated areas, with particular emphasis on (i) public sector led interventions covering the reconstruction of damaged transmission and distribution assets (as per the original EODP) and (ii) where feasible, private sector- led efforts to expand access to electricity based on service contracts for installing new infrastructure for distributed generation (fee per KWh) and SPV systems for institutions and households.

Component Name:

Restoring Municipal Waste, Water and Sanitation Services

Comments (optional)

This component is largely similar to that described for the EODP and aims to restore water, wastewater and solid waste services through the repair, reconstruction, and rehabilitation of damaged infrastructure in selected municipalities. Reconstruction of public works will generate local employment opportunities, and successful completion of public works in this sector will reduce the incidence of public health risks through water-borne diseases.

However, the AF will incorporate the following modifications to the original component: i) it will now focus on four governorates (Al Anbar, Diyala, Nineveh and Salah Ad-Din, including the districts and sub-districts surrounding Mosul and Al Anbar) and ii) prioritize reconstruction and rehabilitation of sewage treatment plants, storm water pu

Component Name:

Restoring Transport Infrastructure and Services

Comments (optional)

The objective of this component under the AF is to expand coverage to liberated areas in Al Anbar, , Salah Ad-Din and Ramadi governorates to restore service delivery, connectivity and access to economic and social services that have been disrupted due to the destruction of roads and bridges in military operations against ISIS. Activities under this component will include the reconstruction of key bridges that have been fully destroyed, and rehabilitation of partially damaged bridges in affected areas, particularly in Mosul that has endured wide-ranging destruction to physical assets and infrastructure.

Component Name:

Restoring Health Services

Comments (optional)

EODP financing will continue with the available funding but with minor revision i.e. EODP will finance the repair and supply of medical equipment to partially damaged hospitals and clinics in place of supply of mobile hospitals. No additional funding is proposed to this component. The State of Kuwait, through the Kuwait Fund for Arab Economic Development has made available a grant of US\$ 100 million to restore the country's health services in areas recently regained from the ISIS.

Component Name:

Technical Assistance

Comments (optional)

This component will develop and espouse a strategic and coherent approach towards recovery and reconstruction efforts across a range of potential sector investment projects. It will continue to implement a detailed and nuanced approach to various facets of state/citizen trust-building and promoting reconciliation in the broader Project context

Component Name:

Project Management, Sensitization and Communications and Monitoring and Evaluation

Comments (optional)

This component will continue to cover costs associated with the management and coordination of the Project, including social and environmental safeguards, procurement and financial management, communication and community sensitization, and monitoring and evaluation (M&E). The remit of this component will be extended to supervise effective execution of citizen's engagement initiatives.

Component Name:

Restoring Agriculture Productivity

Comments (optional)

The key focus of this component is to revive agricultural and related activities in the conflict-affected regions across the country. Project activities will utilize a combination of emergency and short-term measures to improve the capacity of the Ministry of Agriculture to support farmers with critical agricultural services, technologies and investments.

Component Name:

Emergency repair of water control, infrastructure and irrigation schemes

Comments (optional)

Iraq has an elaborate drainage network consisting of water hydraulic infrastructure that comprises of a series of dams and barrages that are located on the Euphrates and Tigris rivers and their tributaries. The big dams are multi-purpose (hydroelectric, irrigation, flood control). Smaller dams have been built to supply water to cities and irrigation schemes. Much of this needs urgent repairs as it is crucial to ensure rapid increases in agricultural crop yields. Of urgency, is the need to prepare the conditions for IDPs from rural areas and the agricultural sector, in order to increase food security for all and re-generate rural livelihood and employment.

Component Name:

Restoring Education Services

Comments (optional)

This component aims to support the restoration of education services in liberated and affected areas of Iraq, while laying the foundation for further development in the education sector. It will place emphasis on vocational education for youth and the economic empowerment of women.

Component Name:

Restoring Basic Urban Infrastructure and Services and Cultural Heritage Preservation in Selected Municipalities

Comments (optional)

This component will support the restoration of basic urban infrastructure and services in the selected municipalities in Al Anbar, Salah Ad-Din, Diyala and Nineveh governorates, paving the way for the return of displaced residents and laying the ground work for extensive housing repair and reconstruction in the future.

Component Name:

Unallocated

Comments (optional)

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

The exact locations of the project interventions are still not defined. However, the EODP is currently focusing on the originally seven targeted municipalities/cities in two governorates that were identified during project preparation in May 2015 including the cities of Tikrit, Dour, Al Dhulo'eyya and Al-Alam in the Salah ad-Din governorate and Jalula, As-Sadiya and Al-Azeem in the Diyala governorate. The EODP is already expanding its support to additional municipalities such as Ramadi and few others that were liberated over the past year, where immediate support to reinstate services was much needed.

The additional financing would expand the support further to other liberated areas and extend to other priority sectors. The expansion is expected to go beyond today's Salah Ad-Din and Diyala governorates to more cities that have been recently liberated in two additional governorates such as Mosel in Ninawa, Ramadi in Anbar and few others which have not yet been identified at this stage. In addition, suburban areas, villages and infrastructure across open range land may also be included for project-financed activities.

The common feature for all project interventions is the strict adherence to pre-existing footprints of buildings, structures and linear infrastructure, which was damaged, destroyed, sabotaged or stolen during combat activities and occupation by the terrorist groups.

The majority of interventions is expected in urbanized areas, which currently are characterized by very low environmental baseline conditions, mainly due to acts of war and related deterioration and negligence (such as: rubble and UXO presence, unregulated waste disposal, breakdown of environmental services, and presence of contaminations from oil / fuels and ammunitions). Some larger reconstruction sub-projects, such as bridges and barrages, will be located at major rivers and within areas with slightly higher environmental sensitivities, but again within existing transport corridors and on existing footprints.

Climate:

The climate of Iraq is mainly a hot desert climate or a hot semi-arid climate to the northernmost part. Averages high temperatures are generally above 40 °C (104 °F) at low elevations during summer months (June, July and August) while averages low temperatures can drop to below 0 °C (32 °F) during the coldest month of the year during winter. Most of the rainfall occurs from December through April and averages between 100 and 180 millimeters annually.

Geographical features

Iraq can be divided into the following five physiographic zones (FAO/UNESCO/WMO, 1962).

a) Zagros Mountain Region

- b) Foothills Region
- c) Desert Region
- d) Jazeera Region
- e) Mesopotamian Plain Region

Concerning EODP-AF, the expected interventions and activities will take place between Jazeera Region and the lower fold of the Mesopotamian Plain Region which is mainly composed of flat plateau.

Water Resources

Surface Water Resources

Iraq is traversed by two major rivers, the Tigris and the Euphrates, both of which rise in the eastern mountains of Turkey and enter Iraq along its northwestern borders. Before their confluence just north of Basra, the Euphrates flows for about 1,000 km and the Tigris for some 1,300 km within Iraqi territory. Downstream from this point, the combined rivers form the tidal Shatt al-Arab waterway, which flows 190 km into the Gulf. Within Iraq, the Tigris River receives water from four main tributaries, the Khabour, Great Zab, Little Zab and Diyala, which rise in the mountains of eastern Turkey and northwestern Iran and flow in a southwesterly direction until they meet the Tigris.

Water quality in the Euphrates is affected by return flows from irrigation projects in Turkey and Syria, and is expected to worsen as irrigated land is added. Within Iraq, much of the return flow is now drained into the Persian Gulf through the Main Outfall Drain, but considerable saline return flow enters the river system. On the Tigris River, the quality is further degraded with flood flows diverted into off-stream storage in the highly saline Tharthar Lake, and later returned to the river system carrying salts washed from the lake.

Groundwater

There is no specific aquifer in the area, and according to the water table contour lines in the map the nearest water table is more than 100m away from the surface. Therefore, the interaction between the project activities and the water aquifer is not expected.

Biodiversity

The ecosystem conditions in the areas where EODP and EODP-AF activities will take place are considered near the "Plateau Area" and is far from the marchlands (which is located in the east-southern part of Iraq) and far from the desert areas (located in the far west of the country). In the EODP and EODP-AF intervention areas (plateau), the fauna and flora species are not classified as rare or endangered. These species are common and abandoned in many locations. No significant terrestrial habitats or ecosystems are present in the EODP or EODP-AF intervention areas. The only important habitat is mainly the aquatic environment of the rivers which cross through the intervention areas.

Borrower's Institutional Capacity for Safeguard Policies

During the implementation of the parent EODP, the borrower has gained experience and knowledge about the World Bank safeguard policies. Also, several awareness and training sessions were provided by the Task Team to the different PMTs. For the newly added components, the new PMTs will need to be trained on the safeguard policies.

At the field level, it is expected that the new PMTs will assign environmental and social focal points who will conduct regular field supervision to ensure compliance of contractors, their workers and practices, to the ESMPs. PMTs will also require the engineering and technical firms to recruit specialized staff in environment, social development and health and safety to conduct daily supervision on field activities and prepare non-compliance reports on which the PMT will investigate and take action accordingly.

For effective environmental/social safeguards management, the project agencies will require

implementation support in three main areas; (i) dedicated staff and resources (ii) technical assistance and (iii) training and awareness.

In addition, the implementation of the ESMPs will largely be the contractors' responsibility and for this the contractor will have to nominate qualified environmental, health and safety consultant and a social development consultant (if needed) in order to ensure compliance with the ESMPs during construction.

F. Environmental and Social Safeguards Specialists

Chaogang Wang, Social Safeguards Specialist

Ehab Mohamed Mohamed Shaalan, Environmental Safeguards Specialist

Ibrahim Ismail Mohammed Basalamah, Social Safeguards Specialist

Mohammad Farouk Ibrahim Kandeel, Environmental Safeguards Specialist

II. IMPLEMENTATION

Institutional and implementation arrangements, continue to emphasize GoI ownership of the Project while maintaining an appropriate balance between ensuring rapid delivery and effective execution of the project. The overall responsibility for Project coordination will remain with the Iraqi Council of Ministers through a Project Coordination Unit (PCU) as part of the RF that the Bank will continue to liaise with. In turn Project Management Teams (PMTs) that have been established within counterpart Ministries will be responsible for sectoral project implementation. At the national level, Ministries of Agricultural, Water Resources and Education will be included to implement activities in those sectors.

Two PMTs have been established in the- Ministry of Construction, Housing, Municipalities and Public Works for the Directorate of Roads and Bridges and the Directorate of Water and Municipalities. PMTs have also been or will be established in the Ministry of Education, Ministry of Electricity, Ministry of Agriculture and the Ministry of Water Resources and Irrigation. The ability of these ministries to implement their sub-components is uncertain despite Bank's previous engagements in two of the three several years ago. Their limited capacities could lead to associated challenges and delays. To accelerate project implementation and rapidly restore urban services, implementation is being extended to include four Governorates (subnational governments). As per changes that have been incorporated into the AF Project components, the Ministry of Housing and the Ministry of Health are no longer implementers for Project activities.

In addition, the four governates of Al Anbar, Diyala Sala Ad-Din and Nineveh will be responsible for the implementation activities to enhance urban services within their jurisdictions. It is likely that there will be both institutional and capacity constraints within these governates that will require the project to initiate capacity building programs to assist with project, financial, procurement and safeguards management. The Project will also provide technical assistance at the PMT level, to support the relevant counterparts.

Technical staff from the Ministries' regional offices will also provide support to PMTs in each municipality and governorate. The management structure proposed for this Project is based on lessons learned during implementation of the parent project and other ongoing Bank-financed projects, as well as consideration of difficult security conditions and the weak implementation

capacity of several institutions.

Under the RF, the PCU will be responsible for overall strategic guidance and monitoring of the Project. It will be headed by the Chief Secretary who will be assisted by a team of technical experts. The PCU will formally approve Project investments, coordinate the activities of PMTs and line departments and provide such guidance as it may deem necessary for effective Project implementation. It will review budgets and progress reports as well as the findings of audit and evaluation reports and convene review meetings on a semi-annual basis.

The PCU will continue to monitor overall implementation progress and consolidate and present sectoral reports to the World Bank. It will maintain the Management Information System and utilize it to track Project-related grievances and prepare quarterly reporting . The PCU will also put into place a monitoring mechanism that will use IT to enable both photo identification as well as a geo-referenced tracking system to monitor public works. The PMTs will be responsible for incorporating the required information into the system. The PCU will also undertake communication and sensitization activities with assistance from PMTs and other technical assistance as needed.

Seven additional Project Management Teams (PMTs) which will be set up no later than October 31, 2017. The identification and prioritization of sub-projects will be undertaken by respective ministries, with the PMTs being tasked with the responsibility for overall project management, planning and implementation of activities pertaining to their jurisdiction, and the day-to-day follow up on procurement and administration of Project funds; quality control, management of social and environmental safeguards and risks; and Project supervision and reporting. Making payments to suppliers, consultants and contractors, and ensuring that funds are disbursed per Bankguidelines and procedures will also be the responsibility of the PMTs.

In accordance with Bank guidelines and procedures, PMTs will be staffed with qualified and experienced specialists including engineers, environmental and social safeguards specialists and financial management and procurement specialists who will serve as the focal points for communication, in addition to their technical functions. PMTs will be responsible for preparing ToRs for tendering, bid evaluations, contract awards, contract management, and giving technical assistance to consultancies and implementing firms, financed under the IBRD Loan; providing contractors and consultants with support, guidance and training during project implementation; and supervising the compliance of contractors and suppliers with their contractual obligations and World Bank safeguards requirements.

III. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The Project will involve substantial physical/civil works, dealing with the removal and cleanup of rubble and debris and reconstruction. These activities will be implemented on an incremental basis while adhering to the original blueprint of the

		building and infrastructure that are to be rehabilitated. An ESMF has been prepared and it includes general measures to avoid, minimize and mitigate potential negative impacts routinely associated with construction activities of the foreseen scale. During implementation, site-specific ESMPs (or ESIA's for larger subprojects) will be prepared to address more specific environmental and social risks. Therefore, OP4.01 is triggered.
Natural Habitats OP/BP 4.04	No	Due to the project being confined to existing footprints of structures, roads, bridges etc., and mainly located in urbanized areas, no sensitive or protected habitats will be affected.
Forests OP/BP 4.36	No	Due to the project being confined to existing footprints of structures, roads, bridges etc., and mainly located in urbanized areas, no forests are existing within the project boundaries.
Pest Management OP 4.09	Yes	OP 4.09 has been triggered as investments in the agriculture sector might include rehabilitation of seeds multiplication, processing facilities (which will use pesticides) and distribution of farm tools, possibly including pesticides, to farm households. The ESMF includes measures for selecting pesticides according to OP 4.09 requirements, handling requirements of pesticides and using adequate PPE. The ESMF also includes requirements for preparing Pest Management Plans for activities that will comprise procurement of pesticides or pesticides application tools
Physical Cultural Resources OP/BP 4.11	Yes	Iraq is a country extremely rich in Physical Cultural Resources (PCR), and the destruction experienced during combat activities between ISIL and Coalition forces are highly likely to have affected historical buildings, religious sites such as mosques and shrines, and monuments. Destruction may have been random acts of war, but also targeted acts of sectarian violence. Dealing with PCR has been included into the ESMF and will be part of the planned TA component.
Indigenous Peoples OP/BP 4.10	No	No stakeholders qualifying as Indigenous Peoples (IP) will be affected by the project activities.
Involuntary Resettlement OP/BP 4.12	Yes	As a general principle, all activities are

		<p>planned to take place on existing footprints. Nevertheless there is a small possibility that reconstruction works may temporarily affect access to livelihoods or residences, or require temporary use of private land. Hence this policy was triggered in a precautionary manner and a RPF as overall guidelines for resettlement planning and implementation of the whole project and site specific RAP/ARAP as needed will be produced, cleared by the Bank, and disclosed both in country and at the Bank InfoShop before the start of physical works. The planned TA component will include advisory services on social inclusion and participatory processes, to ensure just and equitable access of all stakeholders to the project's services.</p>
Safety of Dams OP/BP 4.37	No	<p>No reconstruction activities involving dams will be included into the project, nor infrastructure that is directly dependent on the technical soundness and functioning of an existing dam (such as e.g. irrigation networks). A safety assessment of the barrage will be undertaken during project implementation period. The assessment will include the inspection of the concrete structures, possible scouring of downstream apron and damage of sheet piles, etc. In addition to the electro-mechanical system of the gates, the rehabilitation design of civil structures associated with gates, such as pillars, grooves, built-in parts, etc. will be incorporated into the package. The safety assessment will also cover the operation and maintenance aspects of the barrage and recommend any required refurbishment / installation of monitoring instruments and enhanced safety management program.</p>
Projects on International Waterways OP/BP 7.50	Yes	<p>The policy is triggered because the project will finance water supply and wastewater infrastructure that use or rely on water sources that are considered international waterways for the purpose of OP7.50. However, the project will only finance the rehabilitation of ongoing schemes. The nature of these works may involve additions, alterations or reconstruction of existing facilities, but it will not involve works and activities that would exceed original schemes, change their nature,</p>

		or alter or expand their scope and extent to make them appear new or different schemes. None of the works are therefore expected to lead to appreciable adverse effects on hydrological flows, or water quality of any international waterway. Thus the team has sought an exception from the policy notification requirement, and the expected date for the exception is September 20, 2017.
Projects in Disputed Areas OP/BP 7.60	No	While the project will target areas recently liberated from ISIS, these are not deemed 'disputed' in the sense of this policy, as ISIS has no international recognition and would thus not be a claimant with any legitimacy to their controlled territories.

IV. 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:

The proposed project and its subcomponents are expected to have major positive environmental and social benefits which will contribute to the improvement of the living conditions of the Iraqi people in addition to improvement in the overall environmental status in the liberated lands. The following is a list of key economic, environmental and social benefits which will result from EODP-AF activities:

- Economic and social development of the liberated lands;
- Improved environmental conditions due to management of solid and liquid wastes;
- Reduced air pollution and traffic congestions
- Improved accessibility of people, goods and services;
- Improved public health due to provision of clean drinking water, reliable sanitation systems and municipal waste management;
- Improved safety conditions due to provision of reliable electricity service;
- Improved productivity of agriculture land and livestock
- Improved management of water resources
- Restoration of some PCR sites under the municipal services sector
- Provide incentives to IDPs to return to their farms and return to normal life Job creation and local economic development

The following safeguard issues and potential negative impacts associated with the project. All the impacts listed below are largely of moderate significance. The anticipated impacts are limited to the specific sites, associate are localized, reversible and time limited and therefore can be mitigated with simple measures. The impacts can be rated to be of low to moderate significance. However, with mitigation measures in place, the impacts will be either neutralized or decreased to the minimum. None of the listed impacts is considered irreversible or of potential large scale as described below.

During Construction

Activities	Receptor/EHS Aspects	Related Potential Impacts
General construction activities		
Air		
		<ul style="list-style-type: none"> • Emission of pollutants from engines of construction machinery and equipment. • Dust “lifting” due to earthwork and movement of construction trucks and equipment on unpaved roads.
Noise		
		<ul style="list-style-type: none"> • Noise emission from engines of construction machinery and equipment
Soil, subsoil and land		
		<ul style="list-style-type: none"> • Land occupation due to the installations in the working areas • Soil/subsoil contamination due to accidental spills and leaks from construction equipment • Improper discharge of domestic sewage from construction camps/offices. • Improper disposal of wastes from construction camps/offices.
Solid and hazardous waste		
		<ul style="list-style-type: none"> • Production of construction wastes/demolition debris • Solid wastes from construction camps/offices • Improper disposal of fuel barrels, removed asphalt, paint containers, asbestos materials.... etc. • Improper disposal of dredging waste of irrigation channels
Water resources		
		<ul style="list-style-type: none"> • Improper disposal of debris or construction wastes on river banks • Improper discharge of domestic sewage from construction camps/offices into surface or subsurface water bodies • Improper use of construction chemicals in underwater structures
Water consumption for construction works		
Biodiversity and sensitive habitats		
		<ul style="list-style-type: none"> • Removal of trees or green cover for rehabilitation or construction purposes may result in loss of habitats • Pollution of rivers or waterways may negatively affect the aquatic ecosystem,
Cultural heritage		
		<ul style="list-style-type: none"> • During rehabilitation, sites or structures of cultural significance may be negatively affected from construction works.
Socio-economic environment		
		<ul style="list-style-type: none"> • Temporary nuisance and inconvenience as a result of the construction activities including noise, emissions. • Influx of work ers and the potential implications on communities’ privacy. • Employment, working conditions and safety of workers at the construction site • Suffering hearing loss from noise
General construction activities		
Land acquisition and resettlement		
		<ul style="list-style-type: none"> • Temporary or permanent land acquisition; • Temporary restriction to access to livelihoods or residents

During Operation

Receptor/EHS Aspects Related Potential Impacts

Air

- Emission of pollutants due to increased traffic and mobility on the rehabilitated roads
- Emissions from landfill operations and waste incinerators in veterinary clinics
- Increased emissions due to increase in electricity consumption

Noise • Increase in noise emission due to increased traffic and mobility on the rehabilitated roads

Soil, subsoil and land

- Improper management of landfills may result in contamination of soil and land
- Improper disposal of sewage
- Leakages in sewage networks

Solid and hazardous waste

- Improper management of waste disposal sites and untreated sludge
- Disposal of empty chemical containers used in water/wastewater treatment and agrochemicals
- Medical wastes from mobile clinics and hospitals

Water resources

- Increase in fresh water consumption
- Leakages in water network
- Release of contaminants during maintenance of irrigation channels

Biodiversity and sensitive habitats

- Improper disposal of sewage and wastes
- Improper use of pesticides

Cultural heritage • Increase in vibration levels due to heavy traffic in roads passing through culturally important sites.

Socio-economic • Positive Social amenities and social benefits

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

The Project activities are not expected to result in negative indirect/long term impacts. Rather, the Project is expected to have a broader positive impact including rejuvenation of the previous levels of economic activities and restoration of public and environmental services.

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

Since this Project will finance only the reconstruction and restoration of pre-existing structures, no other relevant alternatives were considered. In the case of sub projects that may have a variety of design options, ESMPs to be deployed for every sub-project will promote design options that are sustainable and are likely to have the most positive environmental and social impacts.

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 borrower has prepared an ESMF and RPF for the parent project, which were reviewed

and cleared by the Bank. During the implementation of the parent project the borrower has timely prepared site specific safeguards instruments, ESIA's, ESMPs and checklist ESMPs) which have also been cleared by the Bank. All those instruments were disclosed in-country and on the Bank external website.

For the Additional Finance, the borrower, with full support from the Task Team has updated both the ESMF and the RPF to reflect the new geographical and sectoral expanded scope. The updated ESMF describes the entire scope of the investment sub-projects for both the EODP and the EODP-AF, divide them into typologies along environmental and social criteria and impacts, and for each typology define the suggested, specific instruments and processes. This would also be the instrument that would be disclosed and consulted, before any physical activities would start. The ESMF also includes a positive list of likely activities and investments to be financed, and a negative list of activities, equipment, and goods that will not be financed by the project due to their potential, negative environmental impacts.

The ESMF provides clear guidance on (i) the scope of project typologies, ranging from simple, routine civil reconstruction works (e.g. road repair, buildings rehabilitation, etc.) to more complex repairs of e.g. bridges and larger structures; (ii) which types of safeguards instruments will be required. The types of safeguards instruments anticipated for the project range from abbreviated, checklist type ESMPs for simple, routine repair works, over more elaborate and comprehensive ESMPs to ESIA's within clearly defined project boundaries. All project activities involving civil works on any scale will require some type of environmental / social management instrument, as defined by the ESMF.

Most typologies within the expected scope of subprojects are expected to involve routine, simple civil works pertaining only to existing structures and footprints, where conflict-related damage was incurred.

For these typologies abbreviated ESMPs will be prepared as appropriate safeguards instrument, and freestanding, comprehensive ESIA's will be not be required, as the structures and installations will have existed before, and the project would only finance their repair, reconstruction or reinstatement.

All subprojects under this typology, will require safeguards instruments in form of ESMPs (E&S management plans) that would become part of the works contracts, set the E&S standards and compliance mechanisms, and serve as contractual basis for supervision and enforcement of good E&S practice during the works.

For some larger projects, e.g. bridge, barrage reconstruction, a limited ESIA may be required, as the works would be more substantial in scale, and rivers may be more sensitive and vulnerable to environmental impacts, which would be integrated into the ESMP. Also, the ESMPs would be more specific on measures to protect water quality, riverine / aquatic ecosystems, and retain the hydrological regime around the bridge/barrage. Also, additional social considerations, such as continued access to the river for fishing and water abstraction, may become relevant Linked to the ESMF (though under different management and control) is the risk of ERW (explosive remnants of war), including UXO (unexploded ordnance), AXO

(abandoned explosive ordnance) and booby traps in the project areas. As the project, will be implemented in areas recently liberated, and as the liberation often took place with considerable combat activities, the presence of ERW is a certainty.

Thus, all project areas will have undergone or undergo a screening (technical survey) for ERW and will have to be declared safe prior to any works, be it relating to rubble removal, reconstruction of damaged structures, or any works below ground level.

Project Management Teams have been established in relevant line ministries involved in the parent EODP project implementation. During the implementation of the parent EODP, the borrower has gained experience and knowledge about the World Bank safeguard policies. Also, several awareness and training sessions were provided by the Task Team to the different PMTs.

For the newly added components the new PMTs will need to be trained on the safeguard policies. As experienced in the parent EODP, PMTs has no capacity to implement the safeguard policies. Therefore, these new PMTs will require (i) dedicated staff and resources (ii) technical assistance and (ii) training and awareness.

The PMTs will also have to rely heavily on consultants. The capacity of national consultants is relatively low and their awareness about the World Bank safeguard policies is weak. Therefore, the PMTs may be required to rely on regional or international expertise to work together with national consultants at least in the start-up phase until the national consultants are able to deliver acceptable quality documents. This will help the project in avoiding delays in submission, review and clearance of the safeguard instruments which will be required to be prepared by the PMTs prior to the commencement of any field activities.

Similar to what took place in the parent EODP, the Bank Task Team will provide training and guidance to the PMTs as needed prior to and during the project implementation.

In terms of borrower/implementing agency capacity to implement ESMPs, it is evident that there is no minimum environmental or social capacity sufficient to implement or supervise ESMPs within the new PMTs. The implementation of the ESMPs will largely be the contractors' responsibility and for this the contractor will have to nominate qualified environmental, health and safety consultant and a social development consultant (if needed) in order to ensure compliance with the ESMPs during construction. In addition, the PMTs will require the Project Engineer (Consultant) to hire external consultants to work closely with the borrower/implementing agency to ensure the ESMP requirements are adequately implemented.

In all cases, the borrower will ensure, through its contractual arrangements with the contractors, that all ESMP/RAP requirements will be embedded in construction contracts and will be binding for all contractors

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

The key stakeholders are (i) the PMTs (project management teams) from the sector line

Ministries, (ii) the Administrations of the affected Governorates, and (iii) the Municipalities., and (iv) project beneficiaries and people potentially affected by the project. Consultations with relevant stakeholders have been carried out in preparation of the updated ESMF and RPF. The site-specific safeguard instruments (ESMPs, checklists and RAPs/ARAPs) will also be part of the focused group discussion/consultations that will precede individual subproject implementation, and will be organized by the municipalities.

The purpose of the consultations sessions is to present the overall project design; explain to attendees its broader benefits at the national level; and begin to outline some of the anticipated adverse environmental and social impacts expected to result from project activities, and to enable the stakeholders to understand the project and its activities, as well as to ensure that their concerns and issues are considered during all phases of the project, including at the planning phase.

The findings of the consultations will be disclosed at the RF website, relevant line ministries and the governorates where the interventions will take place. All project affected people should be aware and can provide feedback if needed.

GRIEVANCE REDRESS MECHANISM

During the first six months of project implementation, multi-level arrangements for registering and addressing grievances and complaints from subproject-affected people will be conducted by all sectors through accessible hotline and social media. The primary purpose of the project's grievance redress mechanism is to provide clear and accountable means for affected persons to raise complaints and seek remedies when they believe they have been harmed by the project. An effective and responsive grievance redress mechanism also facilitates project progress by reducing the risk that unaddressed complaints eventually lead to construction delays, lengthy court procedures, or adverse public attention.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	20-Sep-2017
Date of submission to InfoShop	20-Sep-2017
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Iraq	20-Sep-2017
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	20-Sep-2017
Date of submission to InfoShop	20-Sep-2017
"In country" Disclosure	

Iraq	20-Sep-2017
<i>Comments:</i>	
Pest Management Plan	
Was the document disclosed prior to appraisal?	No
Date of receipt by the Bank	NA
Date of submission to InfoShop	NA
"In country" Disclosure	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why::	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment						
Does the project require a stand-alone EA (including EMP) report?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP 4.09 - Pest Management						
Does the EA adequately address the pest management issues?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is a separate PMP required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input checked="" type="checkbox"/>
OP/BP 4.11 - Physical Cultural Resources						
Does the EA include adequate measures related to cultural property?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

OP/BP 4.12 - Involuntary Resettlement						
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is physical displacement/relocation expected?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	TBD	<input checked="" type="checkbox"/>
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	TBD	<input checked="" type="checkbox"/>
OP 7.50 - Projects on International Waterways						
Have the other riparians been notified of the project?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Has the RVP approved such an exception?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
The World Bank Policy on Disclosure of Information						
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
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	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
All Safeguard Policies						
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have costs related to safeguard policy measures been included in the project cost?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>

documents?

V. Contact point

World Bank

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VII. Approval

Task Team Leader(s):	Name:Ibrahim Khalil Dajani	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Brandon Enrique Carter (SA)	Date: 26-Sep-2017
Practice Manager/Manager:	Name: Ayat Soliman (PMGR)	Date: 28-Sep-2017
Country Director:	Name:Saroj Kumar Jha (CD)	Date:05-Oct-2017