

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC13147

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Benin	Project ID:	P149117
Project Name:	Benin Cross Border Tourism and Competitiveness Project (P149117)		
Task Team Leader(s):	Magueye Dia		
Estimated Appraisal Date:	18-Jan-2016	Estimated Board Date:	25-Mar-2016
Managing Unit:	GTC07	Lending Instrument:	Investment Project Financing
Sector(s):	Central government administration (20%), SME Finance (15%), Agro-industry, marketing, and trade (15%), Other domestic and international trade (15%), General industry and trade sector (35%)		
Theme(s):	Other Private Sector Development (80%), Micro, Small and Medium Enterprise support (20%)		
Financing (In USD Million)			
Total Project Cost:	50.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			50.00
Total			50.00
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The project development objective is to contribute to the expansion and enhanced competitiveness of the cross-border tourism value-chain.

C. Project Description

Component 1: Competitiveness and enabling environment (\$6m).

Subcomponent 1.1: Strengthening the enabling environment for investment and development of tourism and its related value chains

This subcomponent will finance:

- a) Technical assistance and Public-Private Dialogue (PPD) to update tourism-related policies and regulations. Specifically, this activity will finance the PPD mechanism for updating tourism regulations, such as restaurant regulations dating from 1987, Tour Operator regulations from 1985, and the drafting of regulation of Guides (currently inexistent), the revision of which was proposed by the National Tourism Policy (PNT) but yet to be carried out.
- b) Streamlining of the procedures for classification and licensing of tourism establishments. It can take one year each to obtain a business license, a construction permit, and classification rating. This activity will finance technical assistance to build capacity in the Chamber of Commerce for quality assurance and hand holding of entrepreneurs through the licensing process, streamlining the classification process through online portals, followed by an accredited inspection and verification and the creation of practical guidelines for construction, renovation and classification of hotels.
- c) Updating the tourism investment code through PPD discussions and technical assistance for drafting key aspects of the code, drawing on international experience and adapted to national circumstances.
- d) Promote energy cost reduction measures and promote alternative energies. Due to the poor construction, inefficient climate control systems, frequent generator use and lack of preferential energy tariffs, one-third of hotel survey respondents cited energy as one of the highest variable costs of their establishments, covering between 15-45% of their revenue. This activity aims to reduce these costs by financing technical assistance to prepare issue papers for negotiations of industrial energy tariffs to hotels, as well as a technical guide for energy conservation in hotels.

Subcomponent 1.2 Updating the institutions and programs for skills development in tourism

This subcomponent will provide demand-driven capacity building and skills development activities to three main groups of beneficiaries, resulting in a comprehensive workforce development program around tourism-related skills required to increase the competitiveness of Benin's tourism sector. The three groups are: i) line-level tourism workers, ii) entrepreneurs and managers, and iii) public tourism planners and developers. In order to upgrade and improve this system, this subcomponent will finance:

- a) PPD in order to create demand-drive skills development programs as well as better integrate graduates into the labor force. This includes consultations between ministries, private sector associations and training institutes
- b) Creation of a National Tourism and Hospitality Institute.
- c) Updating curriculums and teaching manuals for diplomas in tourism & hospitality, including piloting of programs in key establishments.
- d) Implementing a "training of trainers" program.
- e) Creation of professional certificates on entrepreneurship and business management in tourism and hospitality.
- f) Training program and capacity building for government officials in tourism planning and development (MCAAT, local officials and planners), which includes a study tour and knowledge exchange for tourism practitioners on tourism development and management
- g) Training and capacity building for tourism associations.

Subcomponent 1.3: Increasing demand through marketing, promotion and travel facilitation

Since marketing activities will upgrade general tools and systems to target international and regional visitors, with a specific focus on the Nigerian market, this sub-component will finance the following activities, at both national and regional levels:

- a) Supporting destination branding, marketing and improve travel trade linkages through improving national marketing/promotion institutions and mechanisms.
- b) Embedding a tourism marketing specialist in the MCAAT in order to build marketing management capacity and systems in the institution.
- c) Redesigning the official Benin tourism website, in French and English, targeting consumers, tourism professionals, event planners and media.
- d) Technical assistance to engage a representative agency in Nigeria for the buildout of brand Benin. This representative agency will be charged with public relations, media awareness raising, organization and management of annual press trips, social media campaigns and other promotional actions
- e) Creation of marketing and promotion collateral, including a tourism image and databank and tourism brochures for pilot destinations.
- f) Undertaking marketing and promotional activities towards three specific Nigerian market segments. The Nigerian Demand Assessment identified three key market segments with high potential for visitor growth and revenue generation, which include i) MICE, ii) Shopping, and iii) Leisure.
- g) Finance cross-border travel facilitation activities, from improving and clarify the process for required documentation to implementing streamlined procedures and assistance for tourists.

Subcomponent 1.4 Upgrading Benin's tourism statistics and information management system

Benin's tourism statistical capacity and systems remain weak, not integrated with customs databases and lack regular exit surveys or studies on its tourism arrivals, demographics, itineraries, destination image, spend or satisfaction. As such, the project plans investments in upgrading Benin's Tourism Statistics and Information Management System (TIMS) to better measure and evaluate impacts and markets. The project will finance an assessment and creation of a program for upgrading its TIMS, as well as finance priority actions for its upgrading.

Component 2: Development of Catalytic infrastructure and critical services (US\$ 28 million)

The objective of this component is to finance catalytic investments in tourism destinations in order to improve the quality and variety of tourism products and services in Benin, as well as infrastructure improvements to remove roadblocks for the growth of related value chains. In order to maximize the creation of agglomeration economies in the tourism sector, infrastructure and services investments will be clustered geographically in the Southern Benin growth corridor, comprising of two hubs and their connecting coastline, known as the "Route Des Pêches". To this end, the project will focus investments in the following four selected areas within this pilot zone: i) Ouidah, as the cultural and eco-tourism hub, ii) Fidjiosse, as the leisure and entertainment hub, iii) structuring and laying the groundwork for the "Route Des Pêches" integrated coastal development project, located between Fidlirosse and Ouidah, and iv) investments in infrastructure for the growth of value chain linkages. The potential for investing in Benin's northern tourism Hub (Natitingou) and the Pendjari National Park is also currently being explored.

Subcomponent 2.1: Integrated destination and product development in Ouidah

The historic city of Ouidah will be developed as the cultural hub, located strategically along key touristic routes (Coastal route, slave route, Voodoo cradle). The project will carry out an integrated approach to developing this destination, including investments in i) improving infrastructure, utilities and basic services (solid waste management, public areas, lighting) in its historic core; ii) upgrading sites/attractions and creating value chain linkages (interpretation centres, signage, asset rehabilitation); and iii) ensuring the sustainability of products through implementing management, operations and maintenance systems and forging local economic linkages. Sites will require infrastructure and access upgrades in order to be transformed into products, and subsequently quality visitor experiences. The proposed activities will improve the destination's liveability, enhance its competitiveness as an attractive destination for visitors, conserve and revitalize its historic core and increase private sector investments in and around the destination. Specific investments are being identified.

Subcomponent 2.2: Pilot development of the Fidjrosse beachfront as leisure and entertainment zone

The Fidjrosse beachfront and environs is the starting point for the government anchor project "Route Des Pêches". The entire area extends along 5km with a surface area of 50 hectares. This area is currently occupied by a number of unregulated precarious structures, suffering from coastal erosion without solid waste management, parking, lighting or beach infrastructure and services. A pilot area has been selected within this zone for development, with the aim of transforming it into a quality leisure and entertainment zone, creating spaces for and facilitating events, sports, leisure and gastronomy, active during the day and evening and accessible to a wide variety of different users in a convivial, serene and authentic setting. This will be carried out by upgrading its public spaces and creating opportunities for the upgrading and expansion of quality private sector establishments. The investments will be structured in a manner to maximize the private sector participation in the construction and management of infrastructure and services. The specific investments are being finalized.

Subcomponent 2.3: Investments in infrastructure for the growth of value chain linkages

Infrastructure investments will be undertaken to improve the linkages to value chains related to tourism.

Sub-Component 2.4: Support to effectively structure and implement the Route Des Pêches Integrated Coastal Tourism Project

This subcomponent will finance comprehensive analytical work to prepare the structuring and scaling-up of the "Route Des Pêches" program beyond the pilot phase, including the following activities:

- a) Improving effectiveness of the "Route Des Pêches" implementing agency. This activity will strengthen the planning and coordination capacities of the Government unit tasked to implement the "Route Des Pêches" Program such that it can effectively deliver the tourism competitiveness platform program. The Agence de Développement Touristique de la Route des Pêches (ADTRDP) is anchored at the MCAAT and overseen by a board including several ministries, local communities and few private sector representatives. The mandate of the agency is to plan, regulate and develop the

“Route Des Pêches” Coastal Tourism Project; it is operational but is yet to produce concrete results. The agency is a good candidate to serve as delivery unit for the competitiveness platforms program and has volunteered to play this role. The project will support a gradual transformation of the ADTRDP into a more flexible, agile entity able to, develop, promote and manage the tourism competitiveness platform. Its board composition would be enlarged to include key players in the implementation of government priority projects such as the Agence Béninoise des Grands Travaux (ABGT) but also give a more prominent role to the private sector. The project will help recruit and finance costs associated with the management team of the new agency and any other aspect relating to the agency capacity building.

- b) Structuring of the Special Economic Zone for Tourism (“Route Des Pêches”): The GoB requires assistance in drafting the regulatory texts for the development of the zone as well as technical assistance in the structuring, phasing and rollout of the zone’s development.
- c) Investment promotion support for the first phase of the zone: the ADTRDP will receive technical support in the packaging and promotion of the zone to potential investors, including investor strategy, conditions, identification and attraction.

For component 2, prior to the issuance of the bidding documents for the works contract for each investment subproject, the MCAAT/PIU shall prepare and submit to the Bank for its approval: i) the draft bidding documents, and ii) the draft contract for said works to ensure that the provisions of the site-specific Environmental Management Plans are adequately included in said contract. If an investment subproject requires land acquisition or resettlement, prior to the commencement of the works under such an investment subproject, MCAAT/PIU shall ensure that the owners and users of the land where said works are to be implemented are fully compensated in accordance with the provisions of the Resettlement Action Plan (RAP).

The component will also support the integration of stakeholders and communities to each of the proposed investments, in order to create ownership over the management and maintenance of the sites. As such, the project will finance knowledge exchange and courses for tourism site management, as well as awareness raising initiatives to include local communities.

Component 3: Support to SME upgrading and expansion (\$10m)

Subcomponent 3.1: Support private sector development through programs targeting sub-sectors’ constraints and increasing job creation in the tourism sector.

The main issues hindering the competitiveness of tourism enterprises in Benin are i) the lack of quality facilities meeting international norms and standards, and specifically the needs of potential markets, ii) the lack of effective marketing tools and approaches (websites, B2B linkages), iii) insufficient employee training, iv) outdated accounting, purchasing, reservations and rooms management systems and tools, v) high energy costs, and vi) the lack of linkages to local value chains (furnishings, crafts, foodstuffs). There is also a dearth of tourism business development service providers in Benin. At this stage, the project is exploring a number of options to address these constraints, which include:

- a) Dedicated lines of credit.
- b) Training of business development service (BDS) providers and provision of BDS, partnering with a Central Bank program to provide credit lines.
- c) A partial guarantee scheme.
- d) Matching Grants/Innovation fund to support the provision of BDS and investments for facility upgrading.

Subcomponent 3.2: Enhance linkages of the tourism sector with the local economy

The objective of this component is to provide an integrated support to selected value chains to consolidate and expand backward linkages in the tourism sector. Proposed support aims to increase the competitiveness of these value chains as suppliers to the tourism industry and increase value addition in Benin. Specific value chains within the agricultural, arts and craft manufacturing, as well as services (e.g. construction) sectors will be considered in view of the future developments under the coastal integrated resort development project.

Proposed focus on these value chains will be mainly driven by their high potential to increase jobs in the local economy. The component will address key bottlenecks along the selected value chains that could include regulatory challenges, access to finance and skills, provision of appropriate infrastructure, quality of products and linking of suppliers.

The project will help facilitate the access of supported products/value chains to the densely populated and economically prominent Nigerian southwest. Additionally, the sub-component will finance supplier development programs to connect the supported firms with tourism actors (hotels, restaurants, etc.).

One related value chain that is being explored is that of supporting the crafts industry by providing advisory, technical assistance and financing in order to better link the industries to the tourism value chain. Interventions in the craft sector could include: i) training and capacity building of craftsmen and their systems, ii) facilitating access to financial services through technical assistance for craft advisors and business plan preparation, iii) the creation of a centralized purchasing platform for raw materials.

Component 4: Project Management and Institutional strengthening (\$6m)

This component aims to provide the necessary technical, advisory and financial support for the adequate implementation, management and coordination of the Project through the financing of equipment, consultant compensation, operating costs, organizational budgets, monitoring and evaluation, systems development, training and communication to beneficiaries, capacity building, and technical assistance. More specifically, this includes:

- a) The establishment and operation of a Project Implementing Unit (PIU). The PIU will include
 - i) PIU Director
 - i) Senior tourism specialist (responsible for Comp 1)
 - ii) Senior municipal Engineer/ Architect/Project Manager (responsible for Comp 2)
 - iii) Private sector development and local economic linkages specialist (responsible for Comp 3)
 - iv) Procurement specialist
 - v) Accountant
 - vi) Communications and citizen engagement specialist
 - vii) M&E and tourism statistics specialist (part-time)
 - viii) Environmental and social management specialist.
- b) Construction supervision support by an international consulting firm partnering with a local enterprise. It will ensure quality implementation and sustainable management of sites.
- c) Recruitment of an international tourism consulting firm for the first year to provide technical advisory support in drafting terms of reference for project effectiveness in order to ensure timely disbursement of initial funds
- d) Communications, citizen engagement and stakeholder coordination activities. This includes
 - i) the development of a comprehensive communication strategy for each Project target area as well as the preparation of all communication materials and, where appropriate, the organization of awareness raising events;
 - ii) the coordination of stakeholder involvement and in project activities; and
 - iii) the

implementation of a citizen engagement plan.

e) Secretariat services for the technical project steering committee.

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

The technical assistance activities (components 1.1, 1.3, 2.3, 3.1 and 3.2) will be nation-wide and do not raise any specific safeguard concerns. In contrary, the catalytic investments under component 2 will occur in an area structured by a coastal lagoon (Ouidah and "Route des Pêches") with associated mangrove vegetation (*Racemosa* sp.; *Avicennia* sp.) and planted palm oil trees; because of this ecosystem contribution to fisheries, tourism development and biological conservation (Habitat of stopover of Afrotropical and Palearctic migratory birds, habitat of Sitatunga and African manatee) the country had designated it a Ramsar site (Ramsar no. 1017). Named "Lower valley of the Couffo, Aho channel, coastal lagoon and Lake Aheme", Ramsar site no. 1017 is a 47,000 hectares 'continental O' category of wetland consisting in a complex of coastal lagoon, lake and ria located in the southern region of Benin nearby the Atlantic ocean in the eastern part of the gulf of guinea. The area is among the country's most densely populated region (Cotonou, the country's biggest economic metropole is located in and other medium and small cities are in the same watershed) suggesting why primary rainforests have been replaced with man made landscapes and megafauna' species have almost disappeared. The high population growth rate in the region will induce increasing pressure on natural resources even in a 'no project' situation. Tons of fish, crab, shrimp and oyster are produced by these ecosystems that support tens of thousands of community jobs. Therefore the safeguard analysis has to inform on what threats the mangrove ecosystems and the watercourses would sustain due to the project investments and further activities though the development objective suggest clearly a wise use of biodiversity resources for ecotourism development.

E. Borrowers Institutional Capacity for Safeguard Policies

The country's institutional and regulatory framework for environmental assessment is known among the soundest ones in the West Africa region. The Benin Environmental Agency has good track records in overseeing the implementation of environmental and social safeguard requirements of donor funded projects including the World Bank ones. However, the implementation entity of the proposed project, like many other sectoral entities in the country, still need capacity support to handle efficiently the implementation of safeguard instruments throughout project lifecycle.

F. Environmental and Social Safeguards Specialists on the Team

Abdoul Wahabi Seini (GSU01)

Maman-Sani Issa (GEN07)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project is category A because some of the investments of component 2 will be located in the Ramsar site no. 1017 which is a particular ecosystem (coastal lagoon and associated mangrove vegetation) though the activities aim at supporting tourism development including ecotourism, thereby helping to protect biodiversity conservation in a densely populated area. The negative impacts of such

		<p>investments, as well as of the catalytic ones are expected to be moderate to significant if managed poorly. So would be the indirect negative impacts of the support to the value chains (agribusiness, manufacturing) supported outside the Ramsar site if poorly managed.</p> <p>As a technical support to the development of the tourism area Master Plan, a Strategic Environmental and Social Assessment (SESA) will be financed under component 1.2. The ToRs for will be prepared and disclosed before appraisal.</p> <p>Because, potential specific investments under component 2 and 3 will only be known in the course of implementation, an Environmental and Social Management Framework (ESMF), a Resettlement Policy Framework (RPF) and a Pest Management Plan (PMP) will be prepared, consulted upon and disclosed prior appraisal. The ESMF will (i) provide guidelines and criteria for selecting the sites taking into consideration the characteristics of the ecosystem, and (ii) include criteria and procedures for selecting subproject sites and designs that would prevent selecting any subproject that could significantly damage the natural habitats or biodiversity of the Ramsar site. An Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) and, as needed a Resettlement Action Plan (RAP), of the catalytic investments in the selected sites of Djegbadji and Adouanko or Fidjrossè, will be prepared and disclosed in-country and at the Bank Infoshop prior to appraisal.</p>
Natural Habitats OP/BP 4.04	Yes	<p>The coastal area of Benin, which will host the catalytic investments for tourism development, is a portion of the Ramsar site no. 1017 because of its mangrove vegetation and the lagoon that hosts indigenous birds and receives seasonally Afrotropical and Palearctic migratory waterfowl. Though the project aims at supporting the valorization through tourism development, specific attention should be paid to the footprint this activity would induce on the conservation of species. The ESMF will provide guidelines to prepare an ESIA and EMP and (i) enhance the sustainability of the ecotourism activities to develop, and (ii) recommend</p>

		support to existing conservation initiatives at national and community levels.
Forests OP/BP 4.36	No	The project will not finance activity in forest degradation, forestry of forest products commercialization.
Pest Management OP 4.09	Yes	Fostering agribusiness activities is likely to induce indirect increase the use of pesticides, fertilizer and others chemical inputs namely in horticulture, food storage and conservation. A Pest management plan will be developed and disclosed prior appraisal. In any event as indicated in the project description, only horticulture and vegetable production in support of tourism activities will be developed. The PMP will prescribe natural vector control and agrobiological techniques to avoid/lower use of chemicals thereby minimizing indirect long term pollution risk.
Physical Cultural Resources OP/BP 4.11	Yes	The investments area was part of the ancient kingdom of Danxome famous by its contribution in slave trade. For instance, Ouidah city was the principal port of departure to the Americas through the Gore/Senegal stopover. In addition, some sacred areas punctuate the mangrove vegetation and some portion of the coastal lagoon. Civil works may uncover and destroy archeological artifacts or sacred habitats if appropriate measures were not in place during implementation. The ESMF and subsequent ESIA/ESMPs will provide clear guidelines and measures for handling chance find uncovered resources as well as known religious sites. Furthermore, activities in the historic city will require that specific attention is paid in the ESIA to physical cultural resources (including description of baseline and identification of possible issues) and in subsequent EMP/cultural management plans.
Indigenous Peoples OP/BP 4.10	No	There are no indigenous people in the project intervention area.
Involuntary Resettlement OP/BP 4.12	Yes	The project may trigger physical resettlement or temporary loss of revenues. Since the exact location of investments are not known before the implementation start, a Resettlement Policy Framework (RPF) will be prepared, consulted upon and disclosed prior appraisal. It will guide the preparation of Resettlement Action Plans (RAP) as needed during project implementation. Also, the Resettlement Action Plan (RAP) of the catalytic infrastructures in Djegbadji and Adouanko or

		Fidjrossè will be prepared, consulted upon and disclosed in-country at the Bank Infoshop prior to appraisal.
Safety of Dams OP/BP 4.37	No	The project will not finance dam construction or activity associated with existing dam.
Projects on International Waterways OP/BP 7.50	No	The project will not finance activity located on international waterways or that will directly affect such waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project area is not located in a disputed zone.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 31-Aug-2015

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

The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The ESMF, RPF, ESIA, RAP and the PMP will be completed by end of August 2015, including the consultation of stakeholders.

IV. APPROVALS

Task Team Leader(s):	Name: Magueye Dia	
Approved By:		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 04-Feb-2016
Practice Manager/ Manager:	Name: Jean Michel Noel Marchat (PMGR)	Date: 04-Feb-2016

¹ 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.