

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC1136

Date ISDS Prepared/Updated: 28-Jan-2015

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Chile	Project ID:	P152319
Project Name:	CL Integrated Water Resources Management & Infrastructure Development (P152319)		
Task Team Leader(s):	Marie-Laure Lajaunie		
Estimated Appraisal Date:	07-May-2015	Estimated Board Date:	25-Aug-2015
Managing Unit:	GWADR	Lending Instrument:	Investment Project Financing
Sector(s):	General water, sanitation and flood protection sector (60%), General transportation sector (20%), Public administration- Transportat ion (10%), Public administration- Water, sanitation and flood protection (10%)		
Theme(s):	Water resource management (65%), Other public sector governance (15%), Administrative and civil service reform (10%), Infrastructure services for private sector development (10%)		
Financing (In USD Million)			
Total Project Cost:	45.00	Total Bank Financing:	45.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			0.00
International Bank for Reconstruction and Development			45.00
Total			45.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The Project Development Objective (PDO) is to strengthen the capacity of the Ministry of Public

Works for water resources management and public infrastructure development at national level and in selected river basins.

C. Project Description

Component 1: Water Resources Management (US\$35 million)

This component aims at improving WRM, through the strengthening of the Ministry of Public Works' capacity for participatory, integrated, basin-scale WRM, at central level and in selected river basins. It will include 4 sub-components:

(a) Modernization of the institutional framework for water resource management. This activity is aimed at improving the Ministry's capacity at the central and basin levels by supporting the implementation of new WRM institutional arrangements proposed by the joint-study program and adopted by the Government, i.e., the creation of a Water Resources Sub-secretary under MOPW and the strengthening of the current DGA that will be under it. More specifically, the Project will finance, through consulting services and training: (i) the detailed design of the new water resources management organizational structure at national and basin levels; (ii) the revision and improvement of related regulatory instruments; operating guidelines, procedures and manuals; (iii) the identification and development of WRM financing mechanisms and (iv) the formulation of a human resources capacity building program and its partial financing.

(b) Strengthening the National Water Information System. This activity will finance: (i) the upgrading of the national water information system, including observation networks (water quantity, quality and use); studies/modeling (groundwater and surface water modeling in priority basins); and water information platform; and (ii) the updating of the National Water Use Rights Registry and the development of a water market transaction information system.

(c) Development and improvement of WRM instruments. This activity will finance: (i) the methodology for and the formulation of the national water plan and the regulatory instruments insuring its effective use; (ii) the methodology for the formulation of participatory, integrated, basin-scale plans and the regulatory instruments insuring their effective use; (iii) the design and implementation of a strengthened water users control and enforcement system, and (iv) large hydraulic infrastructure inventory, safety assessment and risk management plan formulation of selected dams.

(d) Improving WRM in selected basins. This subcomponent aims at supporting the implementation of the new institutional framework and WRM tools developed in (a), (b) and (c) in selected river basins. More specifically, the Project will support: (i) the formulation of participatory, integrated, basin-scale planning; (ii) the establishment of stakeholders participatory mechanisms for basin planning and management; (iii) the updating of the water rights registry; (iv) the implementation and testing of the water market transaction information system and (v) the implementation and testing of the strengthened water users control and enforcement system.

Component 2: Infrastructure Planning and Concession (US\$8 millions). This component aims at strengthening MOPW capacity to implement its growing public infrastructure program through the following activities:

(a) Infrastructure Planning. This activity will strengthen the MOPW capacity for infrastructure, including concession, planning at national and sub-national level. This will include revising the methodology and its implementation in selected regions.

(b) Institutional and regulatory framework for infrastructure concessions. This activity is aimed at improving the institutional capacity (CCOP) and regulatory framework for the generation and management of infrastructure concessions.

(c) Infrastructure concessions monitoring and information systems. This activity will improve internal and external (other government agencies and general public) access to information for

project monitoring, control and evaluation. It will include the development of grievance mechanisms. (d) Contract management. This activity will strengthen the management of infrastructure concession contracts during both construction and operation phases, insuring that feedback and lessons learned are generated and used in the development and structuring of future concession contracts.

Component 3: Project implementation (US\$2 million). This component will finance overall project implementation, monitoring and evaluation.

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

Chile in general and priority regions to be determined in particular (component 1).

E. Borrowers Institutional Capacity for Safeguard Policies

This loan will finance consultancies (e.g. assessments, institutional and regulatory frameworks formulation, planning, capacity building, etc.) and goods for the institutional strengthening of the Ministry of Public Works' National Directorate for Water Resources. This loan does not include the financing of civil works or infrastructure. The Ministry of Public Works, the Project executing agency, is familiar with Bank environmental and social safeguards. MOPW's National Directorate for Water resources has a team of experienced and seasoned staff. Under the National Directorate for Water Resources is the Water Resources Conservation and protection Department. This Department has a team of 15 specialists (e.g. environmental engineers, geographers, biologists, etc.)

F. Environmental and Social Safeguards Specialists on the Team

Alonso Zarzar Casis (GSURR)

Raul Tolmos (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The Project is categorized as environmental risk Category B because while it does not finance any physical works, nor detailed designs for civil works, it will support the formulation of WRM and infrastructure plans. The activities prioritized in the plans, will not be implemented by the Project, however some of them may have potential adverse social and environmental impacts. For this reason, the Environment Assessment policy applies. To ensure conformity with this policy, the methodology/terms of reference for the formulation of the plans will consider the Bank's environmental and social policies, include specific reference to understanding social and environmental risks, and will follow rigorous consultation processes with relevant stakeholders. TORs will include an assessment of key relevant environmental issues, and be subject to prior review by the Bank. A summary of the environmental and social approach to be followed in

		the planning process will be disclosed before appraisal.
Natural Habitats OP/BP 4.04	TBD	It is not clear at this stage whether the policy should be triggered or not because the basins in which the Project will intervene have not been identified yet. In any case, the Project is not expected to have negative impacts on biodiversity or natural habitats and the planning processes will take into account such potential impacts.
Forests OP/BP 4.36	No	This policy does not apply since the Project does not involve, nor support, conversion of forest lands to other economic alternatives and does not involve any changes to forest management
Pest Management OP 4.09	No	This policy does not apply since the Project does not involve procurement or use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	This policy does not apply since the Project activities consist of technical assistance for institutional strengthening and improvement in planning capacities and tools. Nevertheless, the terms of reference/methodology for the plans would make sure that, during the planning process, the prioritized interventions that, when implemented, may have negative impacts on physical cultural resources be identified.
Indigenous Peoples OP/BP 4.10	TBD	The decision to trigger this policy or not will depend on the basins selected for the basin planning interventions. The team will consider how the principles of OP 4.10 relating to social assessment, stakeholder engagement and meaningful consultation could be incorporated into the guidelines and other planning instruments to be developed that will later be used for contacting civil works.
Involuntary Resettlement OP/BP 4.12	TBD	This project is financing primarily capacity building with no specific civil works but because this technical assistance will strengthen the Ministry of Public Works' capacity in infrastructure planning and concession, including for a variety of water infrastructure as well as improvement of regulatory instruments such as guidelines, operating manuals, and procedures, the project will consider how principles of OP 4.12 could be incorporated into the guidelines and other instruments to be developed that will later be used for contracting civil works.
Safety of Dams OP/BP 4.37	No	This policy does not apply because the Project will not support the construction or rehabilitation of dams nor will it support any other investments which rely

		on the services of existing dams. Since the project includes dam safety assessment and risk management, explicit reference to the application of international standards and good practice on dam safety will be included in the operations Manual.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered given that the project is not financing any civil works, detailed design studies, nor any activity that will involve the use or pollution of international waterways.
Projects in Disputed Areas OP/ BP 7.60	No	The project 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: 16-Mar-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:

Before appraisal, the environmental and social approach to be followed in the planning processes will be disclosed. It would be a 4-5 page document including a brief description of the project, the generic environmental and social benefits and risks associated with the planning processes, the social and environmental approach to be followed during the planning process to comply with the Bank safeguards and the associated responsibilities/implementation arrangements. The cost of the approach will be an integral part of the cost of the planning process.

IV. APPROVALS

Task Team Leader(s):	Name: Marie-Laure Lajaunie	
Approved By:		
Regional Safeguards Coordinator:	Name:	Date:
Practice Manager/ Manager:	Name:	Date:

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.