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INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE

Report No.: 99763

Date ISDS Prepared/Updated: August 11, 2015

I. BASIC INFORMATION

1. Basic Project Data

Country:	Chile	**Project ID:**	P152820
Project Name:	Technical Assistance for Geothermal Development		
Task Team Leader:	Migara Jayawardena, Mariano González Serrano		
Estimated Date of Approval:	October 29, 2015		
Managing Unit:		**Lending Instrument:**	Investment Project Financing
Sector(s):	Other Renewable Energy (100%)		
Theme(s):	Climate Change (50%) Infrastructure services for private sector development (50%)		
Fragile and/or Capacity Constraints [ ]			
Financing (in USD Million)			
Total Project Cost:	4.05	Total Bank Financing:	3.5
Total Complementary financing (IDB):	(50)	Financing Gap:	
Financing Source ESMAP Clean Technology Fund BORROWER/RECIPIENT Complementary financing (IDB)			**Amount** 0.5 3 0.55 (50)
BORROWER/RECIPIENT Agencia de Cooperación Internacional – Ministerio de Relaciones Exteriores (AGCI)			
Total			4.05
Environmental Category	B		
Is this a Repeater project?	No		

Is this a Transferred project?	No

2. Project Development Objective(s)

The development objective of the Technical Assistance for Sustainable Geothermal Development project is to assist the Government of Chile (GoC) in resolving specific barriers to improve the geothermal energy market conditions. By addressing key legal, social and market barriers, this technical assistance will contribute to the development of commercializeable geothermal resources.

3. Project Description

The activities in the proposed project will be carried out under the two components with the intention of comprehensively addressing several key barriers to geothermal development in Chile:

Component 1: Improve policy framework and strengthen management capabilities to help mobilize investments in geothermal. This component will assist the GoC in addressing potential legal, regulatory and administrative burdens that are undermining market confidence and hampering the development of the geothermal sector. The component's goal will be to dismantle some key constraints that have prevented investments from being mobilized for the substantial number of geothermal concessions in place.

(a) *Review and reform geothermal concession management framework.* A significant number of geothermal concessions remain in place with limited or no investments being made in exploration. To address this bottleneck, the geothermal concession process—including its eligibility criteria, terms and obligations, compliance and oversight, monitoring and evaluation procedures, and transparency and information dissemination aspects—will be reviewed and necessary reforms identified. Subsequent support will be provided to the GoC to implement key revisions to the concession management framework.

(b) *Enhance legal and regulatory framework*. A comprehensive review of the present Law on Geothermal Energy Concessions (No. 19.657), its implementing regulations, and other related policies and regulations that impact geothermal development will be undertaken. This review will aim to identify key shortcomings that contribute to the slow pace of investments in geothermal development. Revisions to the appropriate legal and regulatory instruments will be made in order to create incentives and to provide greater certainty for sector investments. Modifications also will be sought in related policy frameworks that are identified as being critical to the sector's successful development.

(c) *Capacity building and institutional strengthening.* Given the nascent state of geothermal development in Chile, there is limited capacity within the Ministry of Energy (MoE) to support development and oversight of the sector. The project will mobilize specialists with global expertise in geothermal development, including a full-time Technical Advisor who will work with MoE to enhance its institutional capacity. In order to meet evolving sector needs, global geothermal specialists associated with the World Bank will support the MoE on an as-needed basis. This pool of experts will cover a broad spectrum of expertise, including legal, technical (exploration, drilling, and power), economic, financial, social and environmental areas. There also will be a provision for ad-hoc, just-in-time support to address unanticipated issues, providing sufficient flexibility in mobilizing international expertise to help develop and and support the implementation of the proposed reforms. Since the World Bank is administering the overall CTF Grant, an administrative fee (Multilateral Development Bank - MDB fee) of 5% of the grant amount (US$ 140,000), will also be applied to cover the administrative

costs such as project supervision, procurement oversight, and compliance with safeguards.

(d) *Stakeholder engagement to address social and environmental considerations of geothermal development.* A stakeholder engagement strategy, informed by a social assessment, will be developed to improve engagement with affected communities and to increase knowledge and awareness of scientific, social and environmental aspects of geothermal development among stakeholders, including indigenous peoples. Activities will include, among other things, developing communication materials and guidance notes, facilitating knowledge exchange, and strengthening consultation processes by facilitating stakeholders' access to independent expertise.

Component 2: Enhance market conditions for promoting sustainable development of the sector. The sustainable, long-term development of geothermal would depend on successfully facilitating the multi-stage development process, from exploration to power plant operation. In order to scale-up and sustain development, it will be important to mobilize risk capital beyond the support of CTF, to expand the overall market size of the sector to achieve economies of scale, and to better integrate geothermal into the overall power sector in Chile. Component 2 undertakes several key reform activities focused on longer-term, sustained sector development. These activities include:

(e) *Geothermal resource risk mitigation framework to help mobilize investments in exploration and production drilling.* Through the project, the Bank will support the design and preparation of a geothermal risk mitigation framework based on successful international experience and customized for the specific circumstances of the Chilean geothermal and energy markets. It will identify the most suitable ways in which risk capital can be mobilized toward early stage drilling, and help design an incentive framework to catalyze developer action in line with the overall GoC development goals and with the goals for the expansion of the Chilean geothermal sector. With the GoC, the IDB has developed MiRiG, which will initiate support to at least two specific geothermal projects in addressing their technical, financial and commercial viability. The proposed CTF and Bank technical assistance will complement MiRiG support by addressing some of the key shortcomings developers face. In turn, the experience of MiRiG will create a feedback loop and inform the design of the risk mitigation framework.

(f) *Integration of geothermal power in the broader power market in Chile.* There is a need to rationalize the scale and timeframe for geothermal expansion in Chile and to ensure that the country's power markets can adequately integrate geothermal into their respective systems. This is essential in order to provide sufficient incentives for geothermal developers to invest in the multiple stages of upstream and downstream development. This activity will carry out a comprehensive analysis of the two large power markets in Chile, the markets' bidding and PPA conditions, potential non-rewarded externalities of geothermal and the social justification for deploying an incentive framework. The analysis will lead to design and development of market incentives for expanding geothermal utilization commensurate with the development goals of the country. The proposed project will help the GoC implement the selected reforms and incentives within the broader power market in order to promote geothermal development.

(g) *Design of a strategy to enhance geothermal competitiveness in the long term by exploring synergies with alternate uses and related domestic sectors.* Based on the few fields where there has been drilling, there is evidence that initial investments in geothermal can be costly on a financial basis. This is especially the case with drilling, particularly due to the rugged terrain, limited duration of drilling due to weather conditions that restrict drilling time, and the remote location of many sites. There may be existing industries in Chile that can suitably provide services at lower costs, if they are sufficiently developed to support geothermal development. Combining other purposes, such as direct use of low and medium enthalpy geothermal, the overall viability of geothermal projects may be enhanced by

taking advantage of co-benefits of the technology. An industrial analysis and a study on the uses of low and medium enthalpy geothermal will be carried out to identifying approaches and incentives that may be required to promote these uses in order to expand geothermal markets and to capture the benefits of cost reductions and greater economies of scale. Such efforts will contribute to transforming the current nascent geothermal sector into a robust one over time.

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

The project will address the geothermal policy framework for the country of Chile. Chile has geothermal resources throughout much of the Andes that extend north-south throughout the country. There is a concentration of geothermal resources identified in the far north and central-south regions, but it is possible that projects (including low enthalpy direct uses) may be developed in multiple regions in Chile. Geothermal resources have been identified in environmentally, economically, and/or culturally sensitive areas and in areas where indigenous peoples are present, and concessions for exploration have been awarded without prior consultation. Current regulations in Chile stipulate developers are only legally obliged to consult with local communities after exploration occurs. Communities near projects are generally uninformed about the potential impact of exploration activities, and often mistrusting. In several areas, consultation processes are currently being undertaken between developers, the relevant government departments and the indigenous communities.

The project will entail direct technical advisory support to the Ministry of Energy, analytical and diagnostic studies, capacity building and institutional strengthening as well as information, engagement and consultation activities with key stakeholders. The project support will not include any physical investment or the implementation of any geothermal program on the ground. While the project is conceived as mostly technical assistance and direct advisory support at this stage, key policy and regulatory reforms and changes in the geothermal sector will be recommended for implementation in the future that will have downstream impact. The analytical and diagnostic studies as well as the engagement and consultations with key stakeholders that will be supported through this project will be used to manage any potential risks associated with future procedures/ frameworks being proposed for the geothermal sector in Chile.

5. Environmental and Social Safeguards Specialists on the Team

Noreen Beg (GENDR)

Peter LaFere (GSURR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	**Yes**	The policy is triggered as this is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector which will indirectly have bearing on environmental and social management issues relating to the geothermal exploration and generation. Existing country guidelines (including

		but not limited to the ***Guía para la Evaluación de Impacto Ambiental de Centrales Geotérmicas de Generación de Energía Eléctrica,*** prepared in 2012, which serves as a guideline for Environmental Impact Assessment for geothermal energy generation and is generally consistent with the World Bank Group EHS Guidelines on Geothermal Power) and legislation referenced below, will be used as a basis. Environmental assessment evaluation of the majority of infrastructure projects (process described below) is managed by the Servicio de Evaluación Ambiental, an agency that is based within the MMA, (Ministerio de Medio Ambiente). The procedure followed in determining the requirement for a full Environmental Impact Assessment is largely in line with OP 4.01, with the one exception that project alternatives are not explicitly considered within the scope of the EIA. Given that the development of geothermal energy is entirely linked to the existence of the resource in a specific location, project alternatives would generally be limited to the specific infrastructure works, generation technologies, and wastes-emissions management issues among others as well as not to proceed with the project. The Project Environment and Social Specialists will review Terms of Reference (ToRs) for all studies prepared as part of the Project, to ensure that all environmental and social concerns related to geothermal exploration in Chile are adequately addressed. This work will include a review of any stakeholder mapping exercises already conducted, whether there are any special provisions under existing law for geothermal development in protected areas, etc. It is understood that the draft law governing geothermal energy

		development will not directly address environmental management, as this is regulated under the following laws: *Ley N^{o} 19.300, (Sobre Bases Generales del Medio Ambiente); DS N^{o} 40, (del Ministerio del Medio Ambiente, Reglamento del Sistema de Evaluación de Impacto Ambiental; and Ley N^{o} 19.880, (Establece Bases de los Procedimientos Administrativos que Rigen los Actos de los Órganos de la Administración del Estado)* With regard to the ToR for the analytical review of the existing concessions already granted, social and/or environmental concerns impeding the development of geothermal in Chile, such as land acquisition/land use/protected habitats, will be examined, and proposals will be made as to how such concerns might be remedied in future concessions (and existing concessions in the event that amendments to existing contracts are permitted). Any advice related to remedial issues will be consistent with World Bank Policy. A Social Assessment will be conducted in order to scope and identify key issues with stakeholders and inform strategic planning in the geothermal sector. This social assessment will provide the basis to commence an interactive process with stakeholders on areas of environmental or social importance such as the impacts of water abstraction during exploration and drilling; impacts of hydrogen sulfide emissions on sensitive receptors; sensitivity around areas of cultural, archaeological, and historical importance, land acquisition and private property rights; indigenous rights and consultations; and effects on natural flora and fauna. All TA activities, recommendations, and advice, will be consistent with the

		objectives and requirements of World Bank OP 4.01 and the Bank Group General and industry specific EHS Guidelines.
Natural Habitats OP/BP 4.04	Yes	This is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector. The project support will not include any physical investment or the implementation of any geothermal program on the ground. All TA activities, recommendations, and advice, will be consistent with the objectives and requirements of the World Bank's OP 4.04.
Forests OP/BP 4.36	Yes	This is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector. The project support will not include any physical investment or the implementation of any geothermal program on the ground The SEA works closely with CONAF *(Corporación Nacional Forestal*) which is responsible for protection of indigenous forests (including trees that are designated as Natural Monuments) and xerophytic formations. They also administer protected forests. All TA activities, recommendations, and advice, will be consistent with the objectives and requirements of the World Bank's OP 4.36
Pest Management OP 4.09	**No**	The Project activities will not include purchase of pesticides or provide TA that could lead to increased use of pesticides.
Physical Cultural Resources OP/BP 4.11	Yes	This is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector. The project support will not include any physical investment or the implementation of any geothermal program on the ground.

		Nevertheless, given the likelihood that geothermal development will take places in areas populated and/or owned by indigenous peoples, for whom certain physical features hold cultural and religious significance, the Social Assessment will include this topic, and will propose a consultation and feedback mechanism to enable stakeholders to voice any grievances or concerns. It should be noted that any project, regardless of scope, requires a full EIA if indigenous peoples are affected, given their status as a protected people under the *Ley Indígena*. All TA activities, recommendations, and advice, will be consistent with the objectives and requirements of the World Bank's OP 4.11.
Indigenous Peoples OP/BP 4.10	**Yes**	The policy is triggered as the TA project will provide direct technical support to the Ministry of Energy on developing provisions and guidelines for a policy framework on sustainable development of the geothermal sector across the country, including in areas where indigenous people are present. The TA will, however, not identify or specifically endorse any energy projects, and will not finance any feasibility studies, technical engineering studies, or bidding documents. The project will provide technical advice to the Ministry of Energy on the development of a new concession law for geothermal development which will include social and environmental aspects and links with existing legislation such as the Ley Indigena no. 19,253 and the Decreto Supremo no. 66. The project will also strengthen the capacity of both the Ministry of Energy and indigenous groups to enhance potential downstream consultation processes. The Social Assessment (SA) will include an evaluation of all potential impacts

		(positive and adverse) on Indigenous Peoples that may originate from the current and proposed draft concession law. The SA will inform the provision of technical advice on how a stakeholder engagement strategy should be undertaken. The stakeholder engagement strategy is aimed at increasing knowledge and awareness of geo-scientific, social and environmental aspects of geothermal development among stakeholders, including indigenous communities, and to improve engagement and consultations with indigenous and non-indigenous communities. To this effect, the project will also finance the implementation of select activities of the stakeholder engagement strategy, including the organization of relevant study tours for the Ministry of Energy and key stakeholders representing Indigenous Groups, the provision of specific technical advice on request of stakeholders and the development of outreach materials. The project will coordinate closely with the División de Participación y Diálogo Social in the Ministry of Energy in developing policy recommendations and will actively engage and consult with indigenous peoples' organizations to seek their feedback. All TA activities, recommendations, and advice, will be consistent with the objectives and requirements of the World Bank's OP 4.10.
Involuntary Resettlement OP/BP 4.12	**Yes**	The policy is triggered as the TA project will provide direct technical support to the Ministry of Energy on developing provisions and guidelines including on the management of issues of involuntary resettlement, land acquisition, concessions, access to protected areas in the course of proposing relevant legal, regulatory and procedural reforms for the geothermal sector. Existing country

		guidelines and legislation regarding involuntary resettlement, and land acquisition will be reviewed as part of the implementation of the TA project. All TA activities, recommendations, and advice, will be consistent with the objectives and requirements of the World Bank's OP 4.12. No resettlement instruments are required because activities will not result in land acquisition or involuntary resettlement.
Safety of Dams OP/BP 4.37	**No**	The Project will not support the construction or rehabilitation of dams nor will support other investments which rely on the services of existing dams.
Projects on International Waterways OP/BP 7.50	**No**	The Project will not affect international waterways as defined under the policy nor will the Technical Assistance prepare any projects that would directly utilize underground geothermal resources.
Projects in Disputed Areas OP/BP 7.60	**No**	The Project will not affect disputed areas as defined under the policy.

II. 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:
This is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector. The project support will not include any physical investment or the implementation of any geothermal program on the ground. Therefore, this TA project will not have any direct large scale, significant or irreversible environmental impacts. The stakeholder engagement process and strategy aims to address social and environmental considerations of geothermal development, will enhance consultations with stakeholders (including Indigenous Peoples), and could result in significant positive impacts if transparently and effectively implemented.
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
This is an upstream TA project that will provide direct technical support to the Ministry of Energy on developing provisions and guidelines on issues in the geothermal sector. The project support will not include any physical investment or the implementation of any geothermal program on the ground. It is however, expected that geothermal energy development will lead to increased industrial activity in areas immediately surrounding geothermal development areas as downstream development of the

sector will require the construction of access roads and transmission lines.

A number of the locations with geothermal energy potential are in areas where Indigenous Peoples are present, in protected forests, or in areas with a cultural significance and potential for touristic development. In these areas, stakeholders may be sensitive to increased geothermal development.

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

No project alternatives were considered given that i) geothermal power generation is a key component of the GoC Energy Strategy to boost the utilization of renewable energy and diversify the country's power generation mix; ii) there is a low likelihood that adverse social or environmental impacts will originate from Technical Assistance; and iii) no site specific impacts/alternatives can be assessed in a Technical Assistance operation. It is expected that the enhancement of the policy and regulatory framework by taking into account social and environmental considerations will contribute to avoiding potential adverse downstream 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 will undertake a broad based Social Assessment to evaluate the positive and adverse impacts of the proposed changes in the legal and regulatory framework, including and specifically on Indigenous Peoples. The Social Assessment will also inform the stakeholder engagement strategy with a view on improving consultation and participation of Indigenous Peoples throughout potential downstream geothermal development projects. The findings and recommendations of the Social Assessment will be developed, consulted and disclosed in accordance with OP 4.10.

The *División de Participación y Diálogo* Social in the Ministry of Energy was established in 2014 and has the specific objective to engage with communities and listen to their concerns in regards to energy projects. The division is well staffed, technically strong, and has been actively engaged in the consultation processes among geothermal developers, Chilean local and national authorities, and Indigenous Peoples. Technical Assistance activities include capacity building of the *División*, including providing international expertise to aid the implementation of the stakeholder engagement strategy and improve on the management, evaluation, and consultation processes of downstream geothermal development activities.

The environmental management and evaluation process in Chile is regulated under the following laws

Ley N^{o} 19.300, (Sobre Bases Generales del Medio Ambiente); DS N^{o} 40, (del Ministerio del Medio Ambiente, Reglamento del Sistema de Evaluación de Impacto Ambiental; and Ley N^{o} 19.880, (Establece Bases de los Procedimientos Administrativos que Rigen los Actos de los Órganos de la Administración del Estado)

The *Servicio de Evaluación Ambiental*, an agency that is based within the MMA, (*Ministerio de Medio Ambiente*) is responsible for the environmental approval process of the majority of infrastructure projects, including energy generation facilities that are greater than 3 MW, HV transmission lines, and associated substations. Applications are made to the SEA describing the proposed project, and based on the level of environmental impact, either a Declaration of Environmental Impact (DIA) or a full Environmental Impact Assessment (EIA) is prepared. An EIA is required if it is determined that one of the following conditions exists: (1) risk to human health (for example, as a result of air or water pollution); (2) risk to natural resources (e.g., groundwater, trees) (c) resettlement or alteration to a

community's livelihood (4) protected species are in the project area, and (5) protected peoples (indigenous communities) live in the project area.

The difference between the DIA and EIA is the level of information provided, and the proposal of concrete measures to mitigate impacts in the case of an EIA. Both are made public prior to final approval. Consultations are only held on the DIA if there are any perceived environmental issues and it is requested by stakeholders. Consultations are always held on the EIA, and always when indigenous peoples are present in the project area (as their presence automatically triggers the requirement for a full EIA). EIAs are comprehensive documents, and also include social issues, such as payment of compensation and resettlement plans.

Both DIAs and EIAs are submitted for evaluation to the *Administracion del Estado con Competencia Ambiental* (OAECA), and at the same time are made available to the public. Any requests for clarification, correction or amplification are submitted to the EIA preparer (the project sponsor) and after further review by SEA (Informe Consolidado de Evaluacion - ICE) the Evaluation Committee (which includes all concerned ministries – Hydrology, SNASPE – Sistema Nacional de Areas Silvestre Protegidas por el Estado) , Agriculture, Roads, CONAF, etc.) issues a *Resolucion Calificacion Ambiental* (RCA).

It is important to note that all environmental permits are still required for smaller projects that do not require a DIA or EIA. It is just that there is no consolidated process for approval, and the project sponsor must apply separately for permits from each ministry for each project. The process of application is explained in detail on the website of the Ministry of Energy: http://infopermisoselectricos.minenergia.cl/sitemap

Grievances (in the case of a DIA) are directed to the Executive Director of SEA, and in the case of the EIA, to a Committee of Ministers. Following a submission to the Committee of Ministers, appeals can be made through an Environmental Tribunal, then to the Court of Appeals, and finally to the Supreme Court.

The procedure followed in determining the requirement for a full Environmental Impact Assessment, and the required contents of an EIA, are largely in line with OP 4.01, with the one exception that project alternatives are not explicitly considered within the scope of the EIA. However, given that the development of geothermal energy is entirely linked to the existence of the resource in a specific location, the project alternative would be not to proceed with the project at all.

The SEA is a well-staffed and technically robust agency. While the environment team within the Ministry of Energy itself performs largely a liaison function, officers in the Sustainable Energy Division of the Ministry of Energy are well–versed in the environmental evaluation process, and have on-staff geologists and engineers who are familiar with the environmental impact of geothermal energy development (for example, heavier groundwater use during the exploration phase/disposal of brine during generation).

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

Key stakeholders are the *División de Participación y Diálogo Social* in the Ministry of Energy who will continue supporting geothermal developers and local communities in the consultation processes, the geothermal developers, Indigenous Peoples Organizations and Civil Society Organizations representing Indigenous Peoples at national, regional and local levels. Key stakeholders are also

Indigenous Peoples present in areas where geothermal concessions were granted to private developers under previous laws and were geothermal exploration or exploitation might occur downstream. The development of the Social Assessment in the first phase of the Technical Assistance project is a key component of the implementation of the safeguards policies and will include a detailed description of the stakeholders, the positive and adverse impacts on different groups of the population, and recommendations for the stakeholder engagement strategy. The SA will be consulted with stakeholders and will be disclosed publicly in country and through Infoshop in accordance with the provisions and spirit of OP 4.10.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	
Date of submission to InfoShop	
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"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 [ ]	No [X]	NA [ ]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [ ]	No [X]	NA [ ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ ]	No [X]	NA [ ]
The World Bank Policy on Disclosure of Information			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ ]	No [ ]	NA [X]
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 [ ]	No [ ]	NA [X]
All Safeguard Policies			
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ ]	No [ ]	NA [X]

Have costs related to safeguard policy measures been included in the project cost?	Yes [X] No [ ] NA [ ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [X] No [ ] NA [ ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ ] No [ ] NA [X]

III. APPROVALS

Task Team Leader(s):	Name: Mariano Gonzalez	
Approved By:		
Practice Manager/Manager:	Name: Antonio Barbalho	Date: 24-Sep-2015