

**INTEGRATED SAFEGUARDS DATA SHEET
ADDITIONAL FINANCING**

Report No.: ISDSA1128

Date ISDS Prepared/Updated: 21-May-2015

Date ISDS Approved/Disclosed: 21-May-2015

I. BASIC INFORMATION

1. Basic Project Data

Country:	Sri Lanka	Project ID:	P152623
		Parent Project ID:	P113036
Project Name:	North East Local Services Improvement Project - Additional Financing (P152623)		
Parent Project Name:	North East Local Services Improvement Project (NELSIP) (P113036)		
Task Team Leader(s):	Seenithamby Manoharan, Abdu Muwonge		
Estimated Appraisal Date:	13-May-2015	Estimated Board Date:	24-Jun-2015
Managing Unit:	GSURR	Lending Instrument:	Investment Project Financing
Sector(s):	General public administration sector (25%), Rural and Inter-Urban Roads and Highways (25%), Water supply (25%), Irrigation and drain age (24%), Sub-national government administration (1%)		
Theme(s):	Rural services and infrastructure (25%), City-wide Infrastructure and Service Delivery (25%), Municipal governance and institution building (25%), Natural disaster management (25%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	20.00	Total Bank Financing:	20.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			20.00
Total			20.00
Environmental Category:	B - Partial Assessment		

Is this a Repeater project?	No
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2. Project Development Objective(s)

A. Original Project Development Objectives – Parent

The primary development objective of the project is to improve the delivery of local infrastructure services by local authorities in the Northern and Eastern Provinces of Sri Lanka in an accountable and responsive manner.

B. Proposed Project Development Objectives – Additional Financing (AF)

3. Project Description

Project Description

The parent project was initially financed with IDA resources. A co-financing grant was received from the Australian Department of Foreign Affairs and Trade (DFAT) and World Bank partnership for South Asia to continue the activities supported by the project. The project activities eligible for financing will remain as it is for the DFAT funds and the previous additional financing in 2013.

The proposed additional financing which is being processed in May 2015 is to provide an additional of credit 20 million would close a financing gap caused by a shortfall in the Governments original counterpart financing and to deepen overall the project impact. The AF will be used to finance activities that were already planned, detailed and budgeted for under the original project. No new activities are proposed under this AF and hence no new safeguard policies will be triggered.

There are five components in the project:

Current Project Development Objective (PDO) is to support local authorities in the Northern and Eastern Provinces and Adjoining Provinces to deliver services and local infrastructure in a responsive and accountable manner.

Revised Project Development Objective (PDO): NIL

The project components and implementation arrangements remain unchanged.

Component 1: Infrastructure Service Delivery: The objective of this component is to improve the quantity and quality of public goods delivered and maintained by Local Authorities (LAs). These may include rural roads, drains, culverts and bridges, public buildings, markets and fairs, waste disposal, rural water supply, parks, recreation facilities and libraries, nursery schools, playgrounds and dispensaries.

Component 2: Institutionalizing Accountabilities: This component aims at ensuring that LAs undertake public expenditures and deliver local services in a transparent and accountable manner. It will strengthen upward and downward accountability systems at the LAs and will support: (a) transparent and independent annual financial audits of LAs to ensure their financial accountability;

(b) social and technical audits of public expenditures undertaken by LAs to ensure effective use of funds in line with citizen expectations; and (c) systems and processes to bring greater transparency in LA affairs and strengthen citizen voice in planning, budgeting and monitoring. This component will also support an Information Education & Communication (IEC) campaign aimed at disseminating project related information to different stakeholders at all levels.

Component 3: Building Capacities: This component aims at strengthening the service delivery systems and capacities of the LAs to deliver their mandated services as well as strengthening the monitoring capacities of the provincial and national level institutions. It will support (a) improving the efficiency of current systems and procedures relating to planning, budgeting, financial management, revenue management and procurement at the LA level, (b) improving the efficiency, timeliness and follow up of the internal and external audits of LAs, (c) training elected representatives and staff of LAs on financial management, procurement and project management, (d) providing effective hand holding support to LAs on day to day basis, and (e) developing a long term capacity building strategy for LAs. It will also support the strengthening of the capacities of the national and provincial level institutions that play a critical role in the support and oversight of local government functions.

Component 4: Assessments and Evaluation: This component will finance: (i) activities pertaining to establishing a comprehensive monitoring system, including baseline assessment, repeater surveys of social assessments, social accountability assessment, gender assessment, and capacity assessments; (ii) evaluating technical and social audits and preparation of citizens score cards; and (iii) other needed analysis as and when they are needed.

Component 5: Project Management: This component will support the key agencies at the central, provincial and local levels that are involved in the day to day management of the project to procure necessary consultancies, equipment and operational support for the smooth implementation of the project.

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

Project location and salient physical characteristics relevant to the safeguard analysis (if known)
Project will be located in the Northern, Eastern, North Central, North Western and Uva Provinces of Sri Lanka. These provinces are located in the low country dry zone in Sri Lanka.

Northern Province: Northern Province has an area of 8,884 square kilometers. The province is surrounded by the Gulf of Mannar and Palk Bay to the west, Palk Strait to the north, the Bay of Bengal to the east and the Eastern, North Central and North Western provinces to the south.

The province is divided into two distinct geographic areas: Jaffna peninsula and the Vanni. Jaffna peninsula is irrigated by underground aquifers fed by wells whereas the Vanni has irrigation tanks fed by perennial rivers. Major rivers include: Akkarayan Aru, Aruvi Aru, Kanakarayan Aru, Kodalikkallu Aru, Mandekal Aru, Nay Aru, Netheli Aru, Pali Aru, Pallavarayankaddu Aru, Parangi Aru, Per Aru, Piramenthal Aru, Theravil Aru. The province has a number of lagoons, the largest being Jaffna Lagoon, Nanthi Kadal, Chundikkulam Lagoon, Vadamarachchi Lagoon, Uppu Aru Lagoon, Kokkilai lagoon, Nai Aru Lagoon and Chalai Lagoon. Most of the islands around Sri Lanka are to be found to the west of the Northern Province. The largest islands are: Mannar island, Kayts, Neduntivu, Karaitivu, Pungudutivu and Mandativu.

The Northern Province tends to be hot and dry in the dry season (February to September), and moderately cool and wet in the wet season (October to January) when the North-east monsoons takes place. Province's climate is tropical and therefore during monsoons there is always the chance of a deluge. In the lowlands the climate is typically tropical with the average temperature is around 28° to 30° for the year. Relative Humidity varies from 70% during the day to 90% at night. Annual rainfall is less than 1250 mm in the north west and south east of the Inland.

Majority of the people earn their livelihood as farmers, fishers and professionals in the civil and business sectors. Agriculture is the prominent source of livelihood for vast majority of the people. Jaffna peninsula is irrigated by underground aquifers fed by wells whereas the Vanni has irrigation tanks fed by perennial rivers. Agriculture is the prominent source of income for the people of the province. The Major agricultural crops produced in this province are Paddy, Chilli, Red Onion, Black gram, Green gram, Cowpea, Groundnut, Bombay Onion. Other agricultural productions are Fruits such as Banana, Mango, Papaya, Lime, Orange, Guava. Major vegetables grown in this province are Beans, Capsicum, Tomato, Cabbage, Beet root, Carrot, Vendakkai, Snakeguard, Bitterguard, Brinjal, Ashplantain, Long beans, Manioc and sweet potatoes.

The Province has a wide range of flora and fauna, although there are hardly much information of their status. The Province has wide range of ecosystems spanning from deep jungles in the interior lands, scrub forest, thorn forest, dry lands, wetlands and as well as beaches, estuaries, salt marshes, mangroves, and to coral reefs of the Bay of Bengal and Gulf of Mannar providing habitat to diverse array of fauna and flora.

Eastern Province: Eastern province has an area of 9,996 square kilometers. The province is surrounded by the Northern Province to the north, the Bay of Bengal to the east, the Southern Province to the south, and the Uva, Central and North Central provinces to the west. The province's coast is dominated by lagoons, the largest being Batticaloa Lagoon, Kokkilai lagoon, Upaar Lagoon and Ullackalie Lagoon.

The climatic conditions of the Eastern Province are similar to Northern Province with similar wet and dry periods. Eastern Province has long coastline. The average temperature is around 24° to 32° for the year. Relative Humidity varies from 40% during the day to 100% at night. Average rainfall is from 70 mm in January and 396 mm in October.

The mains economic activities of people in North and Eastern provinces are paddy cultivation and fishery. Paddy is the main economic activity of adjoining provinces and accounts for the highest proportion of the countries rice production.

The ecosystems of North Central, North Western and Uva provinces are similar to the Northern and Eastern Provinces and very little is known of their biodiversity.

Under the DFAT Additional Financing approved in early 2014, project covered three additional provinces; North Central, North Western and Uva which included the districts of Anuradhapura, Polonnaruwa, Puttalam and Monaragala. Anuradhapura and Polonnaruwa belong to the North Central province that borders the Eastern and Northern Province. Puttalam belongs to the North western province and borders the Northern Province while Monaragala belongs to the Uva province and borders the Eastern province. These areas have dry climatic conditions similar to that of the Northern and Eastern province as they too belong to the dry zone. Anuradhapura and Pollonaruwa are both sites of historic significance, where the main city areas have been built around the remains

of the archaeological remains of two historical cities of the same names. The area around the main cities, where the project has been active are located well away from these main city areas and are mostly Paddy and Chena land and settlements and populations are fairly dispersed. The above adjoining districts consist by population belong to all three main ethnic groups with large majority of Sinhala community. No identifiable indigenous groups live in these districts.

Under the current additional financing, there will be no new project locations, the project will cover the same areas as described above.

5. Environmental and Social Safeguards Specialists

Mohamed Ghani Razaak (GSURR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project has a fully fledged ESMF developed by the GoSL which has been in implementation successfully cover the course of the parent project and will be applicable for the additional financing as well. All the safeguard procedures that apply to the parent project will apply to the AF. Based on the project experience thus far there have not been any major environmental impacts from the physical intervention funded by the project and it is not envisioned that any further interventions of the same nature will not pose major, irreversible environmental impacts due to their nature and scale. In order to mitigate potential impacts that may be caused predominantly during the construction phase as well as to ensure that all such activities undertaken are conducted in an environmentally sound manner the EMF includes environmental assessment and preliminary analysis guidelines, environmental codes of practice, has identified preliminary impacts and outlines a generic Environmental Management Plan (EMP) which will be used as guidance to prepare site specific EMP for all subprojects, environmental safety guidelines, monitoring mechanisms etc. that are in line with bank safeguard requirements whilst maximizing the use of country systems
Natural Habitats OP/BP 4.04	Yes	OP/BP 4.04 is triggered more on a precautionary basis and measures to ensure any possible impacts to natural habitats or sensitive environments are avoided/mitigated have been covered in the ESMF.
Forests OP/BP 4.36	No	No activities in forests or in close proximity to forest areas are expected
Pest Management OP 4.09	No	Not Applicable as no project interventions are made where significant use of pesticides and other such substances are utilized.
Physical Cultural Resources OP/BP 4.11	Yes	OP/BP 4.11 is triggered more on a precautionary basis as project interventions are not envisioned to be conducted

		in areas close to sites of cultural importance. Renovation, rehabilitation and improvements will be made to buildings built over the last few decades and not deemed socially or culturally important. Measures to safeguard chance finds have been included as part of the measures taken under Environmental Assessment OP/BP 4.01
Indigenous Peoples OP/BP 4.10	No	OP/BP 4.10 is not triggered because the national population census does not show presence of IP population in the areas covered under the AF.
Involuntary Resettlement OP/BP 4.12	Yes	Project interventions will be confined to the Government lands or lands owned by Local Authorities. OP/BP4.12 is triggered as a precautionary measure in case there are illegal occupants/encroachers in the Government lands that will be used for project purposes. Social impact mitigation measures outlined under the parent project to guide in managing potential social issues related to lands and assets will be applicable to the present (AF) project as well.
Safety of Dams OP/BP 4.37	No	Not applicable as the project does not involve new construction/rehabilitation of any Dams
Projects on International Waterways OP/BP 7.50		Not Applicable
Projects in Disputed Areas OP/BP 7.60		Not Applicable

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>With the reconstruction and resettlement activities that have already started and will be taking place in the near future, there is a high potential of negative environmental impacts taking place, unless appropriate measures are taken during the planning processes to mainstream environmental concerns into these development efforts. Currently, the following environmental issues can be identified in these areas: (1) loss and change of natural habitats due to human settlements, agriculture activities and infrastructure expansion, (2) destruction of forests and mangroves for military purposes, collection of fire wood, construction of houses and fishing crafts, (3) pollution due to inadequate sewage systems and solid waste management, (4) promotion of destructive fishing in the coastal areas, (5) contamination of groundwater due to agriculture intensification and poor drainage systems within human settlements impacting water quality, (6) flooding due to poor drainage, (7) poor sanitation among settlements, (8) unplanned natural resource extraction for development activities, and (9) contributing to the human-elephant conflict. The project is expected to ensure that these issues are addressed as part of the PS service delivery activities. Nevertheless, the proposed activities of the PSs have a potential to be negatively impacting on the environment and will need to take necessary actions to ensure that impacts are avoided or minimized through suitable mitigation measures.</p>
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PSs have been conducting their planning process and prioritization of activities that will be funded through this project. Based on the preliminary list of potential activities that will be carried out by the PSs, the following overall environmental impacts have been identified, which will need to be taken into consideration and will require mitigation measures when planning and implementation of these activities.

Impacts due to raw material extraction: Most of the proposed sub-project activities will require number of natural resources such as sand, timber, metal, clay, etc. in order to implement the activities thereby increasing the demand for these materials. This increased demand for raw material will invariably intensify mining and extraction from the environment. In addition, due to lack of consolidated planning for sustainable extraction of required quantities, it is difficult to assess the resultant environmental damage and their long-term implications. Therefore, it is important to consider the cumulative impacts of natural resource extraction and follow the guidelines for extraction and management of the resources. All World Bank funded projects should not extract resources or carry out any activities within protected areas gazetted under the Flora and Fauna Protection Ordinance and forest reserves under the Forest Ordinance.

Impacts on environmentally sensitive sites: The locations of sub-projects are crucial in determining the nature and magnitude of human-environment interaction. While reconstruction activities may have less potential to create negative impacts on sensitive areas, new construction activities will have high potential for negative impacts. Site selection continues annually as part of the local authority planning exercises and during site selection for activities, the safeguard process ensures that encroachment on environmentally sensitive areas such as forests, mangroves, lagoon, marshes, archaeological reserves, river/stream/tank reservations, etc. have not taken place.

Overall, the project is expected to have general positive and little or no negative social impacts. The expected positive impact is improved delivery of public goods and services from LAs along with effective community involvement in the decision making process in managing resources. The potential adverse social safeguard related impacts, as anticipated at this stage, would largely result from obtaining public lands and physical/economic displacement of encroaches/squatters which may be required in connection with the PS investments in rural infrastructure such as rural access, rural water, sanitation, street lighting, rural markets, and intra & inter village infrastructure.

Most communities of Indigenous Peoples in Sri Lanka live scattered in remote locations. However there are no official census data or statistics to indicate presence of IP community in Sri Lanka. Additional financing will not cover areas where the scattered IP population are reside. However, measures to safeguard chance finds have been included as part of the measures to cover OP 4.10 requirements.

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

The above mentioned direct impacts will also have a potential to cause indirect and long term impacts to the environment and natural resources. Resource extraction has the possibility of degrading the land, reducing the watershed and hence the quality and quantity of water available for natural ecosystems, people and their economic activities unless it is sustainable. Also if the investments are provided for activities to take place even closer to sensitive ecosystems, through time there is a high potential for communities to encroach into these areas. Therefore, it is essential to conduct sub-project specific environmental assessments once the types and localities are identified incorporating mitigation measures taking direct, indirect, short-term and long-term

impacts into considerations.
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Not applicable.
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.
<p>A comprehensive policy and regulatory framework for the conservation of natural resources and environmental management in existence Sri Lanka. The Central Environmental Authority (CEA) is the key regulatory body that is mandated by the National Environmental Act (NEA) to implement all regulatory provisions outlined in its statutes. All development projects, that fall in to a set of prescribed categories are required to conduct a comprehensive environmental screening and mitigation planning process (EIA or IEE). These processes are largely consistent with the Bank’s safeguard policy on Environmental Assessment. With over three decades of experience the CEA demonstrates the technical expertise in evaluating environmental impacts of development projects. However even with an enabling legal environment and abled CEA, field level enforcement of legal instruments and subsequent monitoring of environmental management activities has been very low.</p> <p>Specifically for the project, the borrower has developed an Environmental and Social Management Framework (ESMF) to ensure compliance with the World Bank’s environmental and social safeguard policies and the relevant provisions under the National Environmental Act (NEA), the Land Acquisition Act and the National Involuntary Resettlement Policy (NIRP) and associated regulations. ESMF has been prepared in lieu of a project specific EA, as the specific sites of interventions within proposed districts are not known at this point of time. The ESMF provides the necessary background for environmental and social dimensions to be built into the design of the project in order to ensure that project implementation will take place in an environmentally and socially sustainable manner. To aid this process, the ESMF sets a framework of guidelines and procedures, which is intended to direct the process of planning and managing environmental and social concerns of project activities. The ESMF will serve as a template document, identifying potential risks and based on which specific social and environmental impact assessments will be conducted for specific project components or sub-components later in the project cycle.</p> <p>The ESMF has been prepared taking the following Bank safeguards policies into consideration: OP/BP 4.01 Environmental Assessment OP/BP 4.10 Indigenous Peoples OP/BP 4.11 Physical Cultural Resources OP/BP 4.12 Involuntary Resettlement</p> <p>Certain types of activities that the PSs generally carry out as part of their service delivery such as waste management has been dropped off from this project, as there possibilities of opening up for adverse environmental and social issues due to land issues. The ESMF has identified a negative list of activities that will not be supported in addition to the negative list of the NEA.</p> <p>All infrastructure sub projects are planned to be assessed for environmental and social safeguards. The economic returns of sub projects should not be compensated for the negative environmental and social impacts they will have on the project sites and the immediate environment, as well as the wider environment. Once planning process of the PSs have been completed and sub-projects and technologies have been identified, the project should prepare a set</p>

of guidelines to prepare activity and technology specific EMPs to be incorporated as part of an Environmental Manual.

It is expected that each sub-project and site will be subjected to a separate environmental analysis. The PSOM will provide the institutional input that is required to manage and clear the environmental assessments and Environmental Manual will provide technical guidelines for specific activities and sites.

According to GOSL regulations, reconstruction and rehabilitation activities will not require an environmental assessment. Similarly new constructions will require an environmental assessment only if it falls into one of the prescribed categories. Since the sites are not yet known as yet, it is too early to review on the level of analysis that the PAA will recommend. However, as per the World Bank safeguard policies, the borrower and CEA have agreed that all sub-projects and sites will be subjected to an environmental assessment and be cleared before fund disbursement takes place. The ESMF Coordinator at the national level and Environmental and Social Safeguards Officers at the provincial level will be directly responsible for all environment related work and will take the lead role in initiating the processes described above and for obtaining GOSL and IDA concurrence for each EA, as relevant. The Environmental Committee at the PS level will be responsible to assess the proposals initially ensuring all necessary safeguards documents are in place and also contribute to the monitoring process once the implementation commence. In addition, the implementing agency is planning to conduct an independent audit once in every two years from the date of project effectiveness to review environmental safeguards compliance.

Each sub-project and site will also be subject to a social screening to determine whether land acquisition will be required or any indigenous communities will be affected by the planned investment. The Local Authority Operations Manual will provide the institutional input that is required to conduct the social screening and will provide technical guidelines for land acquisition process, Indigenous People's Plan and Chance Find Procedures. The PSOM also provides the process to be followed for both environmental and social safeguard requirements.

OP/BP 4.01: All proposed and potential PS service deliver activities that require infrastructure development will be subjected to the sub-project specific EAs. The composite GOSL environmental clearance process, in principle, is consistent with World Bank environmental assessment and public disclosure requirements. The exception being the screening criteria adopted in the GOSL process under the NEA, where project thresholds are used to determine the type of clearance required and the content of public consultation. However, under the CEA the PAA can take a decision based on anticipated impacts even if the project does not fall into the listed categories and under the CCA and the FFPO the director has the discretion to request for an EA. However, all activities under the proposed project will be subjected to the EA process regardless of the project threshold, prior to disbursement of funds.

OP/BP 4.12: The AF will support interventions that utilize Government lands or lands be owned by Local Authorities. However, since the exact location of project interventions are not know at appraisal, and will be determined on a continuous basis according to the annual grants received by the PS, the GOSL has prepared a Framework for Land Acquisition and Involuntary Resettlement, consistent with the requirements of the NIRP and OP/BP 4.12. In the event that land acquisition is unavoidable, the land acquisition process, consultation and compensation procedures and principles will be as per Sri Lankan Governmental Laws, policies and compliant with OP 4.12.

OP/BP 4.11: The proposed operations pose limited risks of damaging physical cultural resources since subprojects will largely consist of small investments in community infrastructure and minor public works situated in settlements well away from historic and archeologically sensitive areas. Further, the ESMF comprises a list of negative subproject attributes, which would make a subproject ineligible for support, including any activity that would adversely impact cultural property. The stipulated procedures for identification, protection from theft, and treatment of discovered artifacts as chance finds has been included in the ESMF as a request to be included in standard bidding documents.

OP/BP 4. 10: There are no statistical information or official data on the presence of any IP communities in the areas covered by the project. If it seems likely that any of these communities are to be directly impacted by any NELSIP sub-project, a diagnostic consultation will be undertaken at that point with the communities in question to minimize the possibility that interventions by the program and/or its contractors inadvertently create adverse effects within the communities. Based on the consultation report, NELSIP will prepare IPPs and decide the specific implementation modalities vis-à-vis these communities.

Borrower's capacity to implement safeguards measures: The proposed implementation agencies of this project currently do not have dedicated staff to implement safeguards measures. However, at the PS level as per the PS Act, there is provision for Social Audit Committee and Environmental Committee with responsibilities to ensure that social and environmental issues are taken care of in their activities. In addition to that, the project proposed to include an Environmental and Social Coordinator and an Environmental and Social Officer at the provincial level.

Overall, the experience with the parent project and DFAT additional financing, has been the sites selected for various activities were existing sites to be rehabilitated such as roads, markets, and drainage connected to roads. The initial assessments after project implementation also indicated these sites are generally are not selected within sensitive areas. No impacts (direct or indirect) towards physical cultural resources have been observed. It was also witnessed that impacts were often low in scale, as the sub-projects supported have been small in scale. Hence the project has focused mainly on preparing site-specific Environmental Management Plans (EMPs). Since the design of the project was to improve internal capacity to manage small works as part of the Local Authority mandate, an attempt is being made to internalize the preparation of site-specific EMPs through the support from Provincial Council to the relevant Local Authority. Since the budget allocations have to be managed by the respective local authority to ensure maximum benefit towards community is achieved, the EMPs were simplified focusing more on site-specific issues with more detailed specification on environment, health and safety included in the bid document. The project has provided initial training to prepare EMPs and compliance monitoring. Project has been preparing bi-annual progress reports on the implementation of EMPs and identifying practical challenges during implementation. It is proposed that continuous training should be provided to the Technical Officers of the Local Authorities on integrating safeguards into the local authority activities.

Implementation support missions have reviewed the documentation process and implementation of safeguard requirements at the site-level and found to be improving since the commencement of the project, but have space for further improvements. Documentation has been generally prepared in local languages and has been made available at the PCs, offices of CLGs, ACLG and PSs. An environmental audit was due to be conducted in 2014 by the project, which has been pushed back due delays in line with elections being held in Sri Lanka and a sudden change in government. A

<p>TOR for the audit was cleared by the Bank and finalized as at September 2014 and it will be undertaken as part of the current additional Financing.</p> <p>Districts like Moneragala, Polonnaruwa, Anuradhapura and Puttalam in the adjoining provinces were affected during the conflict which resulted in a severe strain on their already thin stretched infrastructure and service delivery systems. Hence the Government of Sri Lanka was desirous of extending the scope of NELSIP to selected LAs in the adjoining provinces that were significantly impacted during the conflict. The same safeguard mechanisms and activities implemented in the Northern and Eastern Province will be duplicated in to the adjoining Districts as well.</p>
<p>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</p>
<p>ESMF was shared with the Provincial Council (PC) staff, Commissionaires of Local Government (CLG, Assistant Commissionaires of Local Government (ACLG) and Pradeshiya Sabha (PS) staff of North and East Provinces for their review and comments during the parent project. Overall consultation with this group was held on August 31, 2009 and their inputs and suggestions were incorporated into the ESMF at the project's initial stages. Consultation with affected people and other stakeholders in preparing the EMPs will be an integral part of the project and will be held prior to the finalization of sub-project proposals. All documents will be made available all times to public throughout the project period at the PCs, offices of CLGs, ACLG and PSs.</p> <p>The project has continued to hold consultations with affected people and stakeholders as activities are selected for financing. The ESMF of the parent project was updated to reflect the co-financing received by the DFAT and has been re-disclosed prior to commencing the additional financing and consultations were held with stakeholders in the additional four districts accordingly.</p> <p>The same ESMF will be applicable for this additional financing meant to cover the funding gap of US\$ 20 million as there are no changes to the project locations or interventions. The updated ESMF has been disclosed since 2/28/2014 in country as well as in the World Bank's InfoShop.</p>

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	28-Feb-2014
Date of submission to InfoShop	28-Feb-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	////
"In country" Disclosure	
Sri Lanka	28-Feb-2014
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	27-Feb-2014
Date of submission to InfoShop	28-Feb-2014
"In country" Disclosure	
Sri Lanka	28-Feb-2014
<i>Comments:</i>	
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 checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats			
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]	NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input 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"/>]
OP 7.50 - Projects on International Waterways			
Have the other riparians been notified of the project?	Yes [<input type="checkbox"/>]	No [<input 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 type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Has the RVP approved such an exception?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
OP 7.60 - Projects in Disputed Areas			
Has the memo conveying all pertinent information on the international aspects of the project, including the procedures to be followed, and the recommendations for dealing with the issue, been prepared	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input type="checkbox"/>]
Does the PAD/MOP include the standard disclaimer referred to in the OP?	Yes [<input 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 checked="" type="checkbox"/>] No [<input 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 checked="" type="checkbox"/>] No [<input 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 documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader(s):	Name: Seenithamby Manoharan, Abdu Muwonge	
<i>Approved By</i>		
Safeguards Advisor:	Name: Zia Al Jalaly (SA)	Date: 21-May-2015
Practice Manager/ Manager:	Name: Ming Zhang (PMGR)	Date: 21-May-2015