

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC13727

Date ISDS Prepared/Updated: 06-Nov-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Myanmar	Project ID:	P156124
Project Name:	Myanmar EITI Implementation Project		
Team Leader(s):	Morten Larsen		
Estimated Date of Approval:	15-Dec-2015		
Managing Unit:	GEEX1	Lending Instrument:	Lending Instrument
Sector(s):	Other Mining and Extractive Industries (100%)		
Theme(s):	Other accountability/anti-corruption (60%), Other public sector governance (40%)		
Financing (in USD Million)			
Total Project Cost:	3.5	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Myanmar Strategic Partnership			3.5
Environment Category:	C - Not Required		

B. Project Development Objective(s)

Increase transparency and accountability in Myanmar's management of extractive industry data, revenue, and impacts. The project is expected to achieve this objective by supporting the implementation of the Myanmar Extractive Industries Transparency Initiative.

C. Project Description

The project duration is expected to be four years (2016, 2017, 2018, 2019) in support of the implementation of the MEITI work plan for the period 2016 - 2019. The four objectives of the MEITI work plan are: i) Reform of resource governance; ii) Creating an enabling environment for EITI; iii) Implementing EITI; and iv) Increasing accessibility of data. Specific activities include coordination of MSG and sub-committee meetings, outreach events, studies, capacity building and training, communications, and the preparation of annual EITI Reports and a validation report in 2017. Moreover, it is also envisioned that the project will support the development of a digitized mineral cadastre system. This is not a routine component of EITI support, but will help Myanmar comply with the 2013 EITI Standard by directly addressing the issue of data quality which is particularly prevalent in Myanmar. This project will aim to support the range of institutions and

stakeholders involved in reaching compliance with the EITI requirements.

Project Components:

Component 1 – Support to the MSG and EITI Secretariat (Estimated cost: \$1.6 Million) This component will support the activities essential to EITI implementation and meeting Myanmar's obligations as an EITI member under the 2013 Standard. Central to this will be the production and dissemination of the annual EITI Reconciliation Report. The Myanmar government covers the costs of office space, staff, utilities, and some communications costs, while the grant will cover the operation costs associated with the activities. These include the day to day activities carried out by the EITI Secretariat unit, under the oversight of the MSG. It will also emphasize capacity building to create the necessary skills among MSG members, constituency stakeholders, and the EITI Secretariat unit within the Ministry of Finance. It is anticipated that many of the activities will be carried out in close collaboration with civil society.

Given the breadth of extractive industries in Myanmar, the MSG has identified the need to undertake baseline studies of certain sectors. Baseline studies on the gemstone sector and the hydro sector have been included in the work plan. These studies will analyze the institutional structure of the industries and attempt to map and quantify the flow of funds accruing to central government and regional administration. The objective of the studies will be to determine the relevance and complexity of integrating these sectors under the EITI reporting framework.

Component 2 – Improving data quality and operators' readiness for EITI implementation (Estimated Cost: \$150,000) Component 2 will cover activities aimed at improving the capacity of reporting entities to meet EITI reporting requirements and enhance the overall standard of the data they produce. This will be coordinated with and build on training in reporting templates typically provided by the Independent Administrator. It will aim to improve overall quality, availability and accessibility of EITI related data among both private sector operators and SEEs (such as audit procedures, verification of production statistics and others). Specific attention will be given to domestic companies and to SEEs.

Component 3 – Institutional development for EITI Implementation – Ministries (Estimated Cost: \$1.75 Million) Component 3 will support the work plan activities specific to line Ministries, including the Ministry of Mines, the Ministry of Energy, the Ministry of Environmental Conservation and Forestry, and Ministry of Finance outside the EITI Secretariat unit. Specifically this will include development of a mineral cadastre registry system. EITI Standard 3.9 requires that countries have a publicly available registry of mining licenses, including information about license area, dates of award or duration, or type of permit. In addition to supporting EITI implementation, the creation of a modern mineral cadastre and license system will significantly improve mining governance and stewardship of natural resources by introducing greater transparency in the decision-making. The Mineral Cadaster Management System will be designed in a way that requires mandatory safeguards review before the award of a mineral license and that the system will prompt safeguards reporting deadlines as a flag in the monitoring system. The support to the mineral cadastre will be done in collaboration with the national land management authorities which hold overall responsibility for spatial planning and management. This activity will build on initial map consolidation support provided by Finnish support.

Component 3 will also support the capacity of Ministry of Finance to compile and manage EITI data across a range of governmental agencies including the Internal Revenue Department and Customs.

This component will also support collaboration across traditional ministry lines in order to include agencies such as the National Statistical Office and the Office of the Auditor General.

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

The Project will provide only TA and there are no physical investments on the ground. Trainings will take place in Yangon, Naypyitaw and regions affected by extractive industries with a broad set of stakeholders, including communities and civil society and community based organizations and oil/gas and mining companies. The project will only support the multi-stakeholder group and government agencies to make recommendations related to improving transparency and reporting on financial and sector-specific information and will not make recommendations related to investments for specific sites. Studies or reports developed under this grant will not contribute to further infrastructure investments or policy interventions related to investment promotion in the oil and gas; mining and gemstones, or hydropower sectors.

E. Borrower's Institutional Capacity for Safeguard Policies

Client institutional capacity for implementing of safeguard policy is low. Nonetheless some progress has been made in terms of stakeholder consultation, and the EITI has created a forum for addressing issues related to EI companies' environmental and social performance. Environmental and social impact assessment and management will be integrated parts of the training events and workshops which are envisaged in order to improve agencies' and stakeholders' understanding of the extractive industries.

F. Environmental and Social Safeguards Specialists on the Team

Ruxandra Maria Floroiu (GENDR)

Satoshi Ishihara (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	This is a technical assistance project focused specifically on improving the institutional management of extractive industries, including relevant consultations and training. There are no physical investments being supported under the project. Studies to be financed by the grant will be limited to baseline assessment of institutional structures and payment flows. The grant will not finance studies or assessments linked to potential development oil and gas; mining and gemstones, or hydropower investments or related infrastructure. Since none of the project activities have any impact on the ground nor any derived down-stream impacts, the category is proposed to be C.
Natural Habitats OP/BP 4.04	No	This policy is not triggered as project activities are not expected to have any impacts on natural habitats.

Forests OP/BP 4.36	No	This policy is not triggered as project activities are not expected to have any impacts on the management of forest.
Pest Management OP 4.09	No	This policy is not triggered as the project will not finance the procurement or use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	This policy is not triggered as project activities are not expected to have any impact on physical cultural resources.
Indigenous Peoples OP/BP 4.10	No	<p>This policy is not triggered given that project activities are not expected to cause any impacts on Indigenous Peoples.</p> <p>The team notes that the EITI is inherently a multi-stakeholder initiative with responsibility to increase transparency and accountability of the extractive industries by publishing and disseminating yearly reports. Myanmar EITI is governed by a multi-stakeholder Group (MSG) which includes nine members of civil society with a diverse representation of states and regions.</p> <p>Moreover, two decentralized MSG committees have been established in Mandalay and Maway regions.</p> <p>Furthermore, the EITI Standard EITI requires that the report is “comprehensible, actively promoted, publicly accessible, and contribute to public debate” (Requirement 6).</p> <p>In this regard, the Myanmar EITI is in the process of developing a communication strategy with the support of the World Bank EITI MDTF first grant (P143321). This will include procedures for consultations and dissemination of EITI material in local languages.</p>
Involuntary Resettlement OP/BP 4.12	No	This policy is not triggered given that project activities are not expected to cause any physical or economic displacement, nor any restriction in access to natural resources.
Safety of Dams OP/BP 4.37	No	This policy is not triggered given the project is not financing any dam construction or rehabilitation nor any activities that rely on the operations of existing dams.
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered given the project is not financing any activities in international waterways as defined by the policy.
Projects in Disputed Areas OP/BP	No	This policy is not triggered given the project is

7.60		not financing any activities in disputed areas as defined by the policy.
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III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

IV. APPROVALS

Team Leader(s):	Name: Morten Larsen	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Josefo Tuyor (SA)	Date: 20-Oct-2015
Practice Manager/ Manager:	Name: Paulo De Sa (PMGR)	Date: 20-Oct-2015

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.