

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA16370

Date ISDS Prepared/Updated: 23-Feb-2016

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Sri Lanka	Project ID:	P132833
Project Name:	Transport Connectivity and Asset Management Project (P132833)		
Task Team Leader(s):	Amali Rajapaksa		
Estimated Appraisal Date:	22-Feb-2016	Estimated Board Date:	09-May-2016
Managing Unit:	GTI06	Lending Instrument:	Specific Investment Loan
Sector(s):	Rural and Inter-Urban Roads and Highways (90%), General transportation sector (10%)		
Theme(s):	Other rural development (50%), Other urban development (50%)		
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:	125.00	Total Bank Financing:	125.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			125.00
Total			125.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The Project Development Objective is to strengthen the Road Development Authority's capacity for asset management and improve the road service delivery on the selected corridor.

3. Project Description

2. The proposed project is designed to support modern road asset management in the RDA. It

focuses on creating an enabling environment for more effective asset management and includes interventions to develop systems and capacity within the RDA and the industry. It would demonstrate the implementation of asset management principles in selected priority road corridors of the national road network. The project would particularly focus on the institutional and system changes that are necessary to transform RDA from a provider of infrastructure to a service provider in line with the ambition and needs of a middle income country. The asset management contract representing Design-Build-Maintain-Operate and Transfer (DBMOT), methodology through the use of an Output and Performance based Contract (OPRC) format is being piloted on a selected corridor to meet this overarching objective. The Bank through this project will continue to support the country's road safety strategy and particularly, the provision of safe infrastructure which is seen to substantially impact the road safety outcome of Sri Lanka.

3. The project components are as given below:

Component 1: Institutional Strengthening and Capacity Building for Asset Management (US\$ 25 Million). This component would finance activities to support the RDA in institutionalizing the use of DBMOT/OPRC and implement institutional and system changes necessary to sustain and expand the use of DBMOT/OPRC in the RDA and in the construction industry. The following sub-components have been identified for project support:

(a) Road Asset Management: This sub-component would provide support to: (i) Operationalize the web-based, multi-user asset management system to improve network data collection and finance additional software and technical support for the customization of the computerized road asset management system; (ii) Establish an asset management unit within the RDA that would be responsible for planning and implementation of DBMOT contracts and its variants; (iii) Carry out a study to assess staffing, skills, and institutional capacity building needs to institutionalize asset management practices within the RDA; (iv) Enhance capacity of RDA's technical and managerial staff, contractors, consultants, regulatory bodies, auditors and other stakeholders to build awareness and capacity in the implementation of DBMOT contracts; (v) the Monitoring consultant to monitor and evaluate the pilot contract; (vi) Carry out the necessary preparatory work for DBMOT/OPRC formats in the event of a scale up of the operation; (vii) Carry out a Cost efficiency assessment of DBMOT contracts using OPRC contract format that would include all of RDA contracts financed by ADB and the Bank.

(b) Operational Improvements: This sub-component would provide the support to the RDA to transform itself into a more efficient and service-oriented organization. Specifically, it would include support for: (i) developing a Financial Management Information System for the RDA to obtain timely information for appropriate decision making; (ii) establishing a system for monitoring and evaluation of projects; (iii) Establishing a Grievance Redress System to better enable RDA to receive, manage, and respond to public complaints related to national roads and (iv) Incremental Operating cost of the project.

Component 2: Piloting the Implementation of Road Asset Management Principles (US\$ 100 Million). This subcomponent will finance the DBMOT contract for the approximately 65 km along the Peliyagoda to Madampe section of the A03 corridor. The contract will incorporate all interventions needed during a ten-year period, including road upgrading, rehabilitation, sealing and patching, repaving, drainage structures, widening in selected stretches, sidewalks and all maintenance requirements to achieve a prescribed level of service of the road. The design features will include enhanced road safety, automated traffic management as well as infrastructure demanded by urban population. The corridor also may require minimum widening in identified locations to ensure safety.

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

4. The proposed section targeted under the project is approximately 65 km along the Peliyagoda to Madampe section of the A3 corridor. The corridor has two distinct sections; (i) Peliyagoda to Ja-Ela (18km) that has been rehabilitated in 2015 and (ii) Ja-Ela onwards on the Peliyagoda to Puttlama corridor (82-107 km) that was last rehabilitated in 2001.
5. Peliyagoda to Madampe Road section (A03) is an existing paved national road that covers mainly Gampaha district and small extent within Puttlam- district. Gampaha District is located in the west of Sri Lanka and has an area of 1,387 square Kilometers. It is bounded by Kurunegala and Puttalam districts from north, Kegalle District from east, Colombo District from south and by the Indian Ocean from west. The borders of the district are the Maha River on the north, Kelani River on the south and 1,000 feet contour line on the east. Gampaha has a tropical monsoon climate. The annual rain fall is about 2500mm and the average temperature is about 27.9 °C. The Puttlam district has a land area of 3,013 square Kilometers including inland water bodies and a coastal belt of 288 Kilometers in length. Puttalam has a short dry season from June to September and a second dry season from January to March. The wet season is mainly from October to December. Temperatures remain steady throughout the year with little variations in between.
6. The road section to be supported under the project traverse through highly built up area. There are number of religious sites along the section. A number of rivers go across the road section including Attanagalu Oya and Dandugam Oya that falls into the Negombo lagoon, Maha Oya, and Gin Oya. One man-made tank names Maha Oya is located closer to Madampe section of the road. There are trees planted within the Right of Way (RoW) in some places.
7. There may be activities off the area of the road to be rehabilitated and maintained, including borrow-pit areas, disposal sites for soil spoil material, establishment of workers camps, equipment storage areas, and operation of quarries, which are to be identified by the contractor.
8. The total population of the two districts amounts to 2.99 million (2280860 – Gampaha District, 709677 – Puttalam District) according to Census of Population conducted in 2012 spread within a total land area of 4459 Km. The total population of the Divisional Secretariat areas covering the road section from Ja-ela to Madampe in both Gampaha and Puttalam Districts amount to 808,202, i.e Gampaha (3 DSDs) - 578948 and Puttalam (4 DSDs) - 229254 (Department of Census, 2012).
9. The share of population of the 7 Divisional Secretariat Divisions of the project area indicate that the area is predominantly Sinhalese consisting of over 81% of the total population, 11% Sri Lankan Moor and 6% Sri Lankan Tamils. The balance 2% is comprised of other ethnic groups such as Indian Tamil, Malay Burger and others. The share of population also shows that Katana, Ja-Ela and Negombo DS areas in Gampaha District and Wennappuwa DS Division in Puttalam District have a large concentration of people within the vicinity of the project area, also considered as the more frequent road users of the A-03 Road. The other significant feature that can be observed is the large concentration of Muslims located in the Negombo DS Division.
10. Similarly, the male population in the eight DS divisions in Puttalam District is 48% of the total population and the female population stands at 52%. The total female population in all DS Divisions in the Gampaha District is 51% and the male population accounts for 49%.

11. The economically active population (between the ages of 15 -59) in Gampaha district forms 63.6%, which is little above the national average of 61.8%. On the other hand, the economically active population in Puttalam district is 66.7%.

12. Fishing and tourism are thrust economic activities along the long coastal line from Ja-Ela in Western Province and Wennappuwa to Madampe in the Puttalam district. Just beyond the project area, specifically in Puttalam, is one of the largest lagoons in the Country and the salt production is a major industry in this district. In addition lagoons located in Negombo and Chilaw have plenty of potential for fishing and recreation activities.

5. Environmental and Social Safeguards Specialists

Darshani De Silva (GEN06)

Susrutha Pradeep Goonesekera (GSURR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Although the road corridor is known (existing), the detailed engineering design has not yet been done. A framework approach for safeguards was recommended, as the detailed design will be done by the DBMOT/OPRC contractor considering the prevailing conditions of the road. The existing ESMF of RDA was updated. In addition, based on the current alignment and conceptual design proposed, an Environmental Assessment (EA) has also been done. This EA will be updated by the OPRC contractor parallel to completing the detailed design during project implementation.
Natural Habitats OP/BP 4.04	Yes	The natural habitats along the selected road corridor include few small rivers, two man-made tanks and a lagoon. An initial, assessment of potential sites that may get impacted has been identified in the EA including mitigation measures to manage significant negative impacts.
Forests OP/BP 4.36	Yes	There are no natural forests along the selected road corridor, However, there may be off-site impacts to the forests as many of gravel and metal extraction sites are located within natural forests in Sri Lanka. EA identifies potential impacts and mitigation measures, as well as potential sites outside forests to be considered by the contractor.
Pest Management OP 4.09	No	The project does not involve pest management activities.
Physical Cultural Resources OP/BP 4.11	Yes	This policy is applicable because there are number of religious sites along the road corridor, but out from the ROW that may require protection when rehabilitation and upgrading activities take place.

Indigenous Peoples OP/ BP 4.10	No	There are no indigenous people living within the identified project area.
Involuntary Resettlement OP/BP 4.12	Yes	Given the detailed engineering design is to be carried out in the future, a framework approach (ESMF, RPF) has been adopted based on the conceptual design available. In addition, a Social Impact Assessment (SIA) and a Resettlement Action Plan (RAP) have been prepared based on the consultations that have already been carried out and these documents have now been publicly disclosed. The specific instruments will be updated by the OPRC contractor parallel to completing the detailed design.
Safety of Dams OP/BP 4.37	No	The project does not involve dam related works.
Projects on International Waterways OP/BP 7.50	No	The project does not affect international waterways.
Projects in Disputed Areas OP/BP 7.60	No	There are no disputed areas along the project corridor.

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>The project activities will include rehabilitation and/ upgrading and routine and periodic maintenance as well as instituting road safety measures and traffic management along a 65km section of the existing road corridor of A3. The Project has been assigned Environmental Category B because the environmental impacts are generic to upgrading, rehabilitation, and maintenance works of existing roads that will be predictable, localized and readily mitigated. The potential environmental impacts of the proposed road corridor of the project include: clearance of trees that have been planted on the road side due to realignment and safety needs (to avoid black spots), changes in drainage patterns to address current flooding issues within the road corridor and its immediate impact areas and increase in sediment load into waterways, and soil and water contamination due to spillage and leakage of oils and other toxic materials, noise, dust and air pollution from road works, health and safety issues due to operation of borrow pits, quarries, crushers and asphalt plants. There are no potential large scale, significant and/or irreversible impacts anticipated given the fact that the proposed road corridor follows the existing road alignment, with likely road re-alignment not causing any changes to physical cultural resources or natural habitats.</p> <p>The Social impacts intrinsic to rehabilitation and maintenance works are localized and readily mitigated. There could be some land acquisition for possible road re-alignment to rectify identified black-spots, which may include physical displacement / relocation of shops. Deviation from the present alignment will be for engineering and safety reasons and will avoid or minimize resettlement.</p> <p>In addition, the potential social impacts will also include the following: the most significant</p>

<p>benefits perceived by the affected HHs were the improvement of the quality of environmental conditions, high demand for land, and prospect of appreciating the value of land. The other notable advantage is the improvement of road safety. On economic advantages, a reduction in the cost of living had been perceived. The other impacts perceived by the affected HHs were the development of business premises, work place and social infrastructure. There are, however, a significant amount of mobile vendors along the proposed corridor that will need some specific attention during the implementation of the project.</p> <p>Except for the effect on women who are in occupation of possible affected structures due to the rectification of identified black-spots (as stated above), there appears to be no other major impact on their daily lives as most of them have facilities at close proximity to their dwellings for health, education and preschools for children. The issues of women selling fish in temporary huts should be looked into. Wayside fruit, vegetable and corn sellers are mostly women. Except for the probable income loss that they may suffer during construction, they would not face any other economic disadvantages as a result of the planned improvement.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p>
<p>NA</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
<p>Realignment to rectify identified black spots is being considered as part of the conceptual design. However, these are proposed to be avoided by introducing some deviations from the existing alignment to minimize or avoid potential environmental and social impacts.</p>
<p>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>
<p>The potential environmental impacts of rehabilitation, upgrading and maintenance works for the existing national road, A003 will be mostly localized and can be easily managed through good planning and established good practices. Therefore, the project has been assigned Environmental Category B.</p> <p>At this stage of the project, the targeted road section for DBMOT/OPRC has been identified with a conceptual design. However, the final engineering design including the specific road works required for the various sections and timing is not yet determined and will be carried out by the Contracting Entity (CE) once selected. Therefore, the Environmental and Social Management Framework (ESMF) for World Bank projects was updated and used as a guiding document for the conceptual design and to develop the site-specific safeguard instruments. The ESMF has established clear guidelines and methodologies for the identification and assessment of environmental and social impacts. Therefore, in line with the ESMF, the Environmental Assessment (EA), Environmental Management Plan (EMP), Social Impact Assessment (SIA) and Resettlement Action Plan (RAP) were developed for the project by the Road Development Authority (RDA) in close consultation with key stakeholders. In addition, a stand-alone Resettlement Policy Framework (RPF) has been adopted to provide guidance on the resettlement and rehabilitation principles to be applied in the preparation of the RAP.</p> <p>The EA/EMP and SIA/RAP provide the environmental and social baseline condition of the road corridor, identify potential impacts as per the conceptual design and propose mitigation measures to avoid, mitigate and/or compensate for significant environmental and social impacts associated</p>

with project activities.

The Contracting Entity who will be preparing the detailed design is expected to update the EA/EMP and SIA/RAP and get it approved by RDA and Bank prior to commencement of physical activities on the ground. The EA and SIA identify significant impacts anticipated due to the project as described above under sub-section IIA1.

The potential environmental and social impacts and proposed mitigation measures for the impacts identified as included in EA/EMP and SIA/RAP will be included in the bidding document of the OPRC format and will form the basis for monitoring by the Borrower and the Monitoring Consultant to be engaged under the project. The frameworks (ESMF and RPF), on the other hand, will provide guidance to the Contracting Entity in the likely event that more interventions are identified during the 10-year implementation period. The bidding document will also include the need to update the safeguard instruments in line with the detailed design and preparation of an Environmental Methods Statement in line with the EMP and construction method statement to be kept regularly updated satisfactory to the RDA and the Bank.

The most critical environmental issues have been identified as the flooding due to the extensive hydrological system present in some parts of the corridor. In order to understand how the current hydrological system is functioning a detailed hydrological study has been also carried out. The potential issues that require attention under the project including maintaining the quality of surface water bodies/natural habitats and proposed mitigation measures have been identified through this study have been included in the EA and the conceptual design of the project. In addition, there is one archeological site and some religious and sensitive sites closer to the RoW of the road that could be impacted due to road works. While there will not be any physical relocation of these sites, during rehabilitation/upgrading works impacts due to dust, noise and temporary access issues are anticipated. The EA as part of the EMP, provides suitable measures to mitigate and/avoid such impacts. The EA also includes monitoring plan for these sensitive receptions both during pre-construction, construction and operations and maintenance periods. Some trees that have been planted within the RoW may have to be removed or pruned to ensure safety if the road users. The EA proposes to avoid the removal of threatened species as much as possible or try to relocate them to a new location if cost-effective or ensure replanting similar plants in a public place.

The interventions proposed by the project for the corridor does not require national approval from Central Environmental Authority (CEA), as this project does not fall within the prescribed project list identified as part of National Environmental Act. However, site clearances requires permission from CEA and local authorities. Environmental Protection Licenses, Licenses from Geological Survey and Mines Bureau and local authority permits will be necessary for offsite activities such as quarry operations, crusher plants, borrow pits, etc. The EA identifies potential sites that are currently been operated with the necessary licenses/permits outside sensitive areas such as significant natural habitats and forests. The EA also indicate that sites outside the RoW that will the supporting the road works need to be redeveloped prior to abandoning or handing over to the owners.

The most critical social issue is identified as the possible acquisition of land and the resulting physical displacement due to the proposed rectification of black-spots. As the black-spots were identified subsequent to the SIA and the finalization of RAP, the RPF will give guidance on the principles to be applied in the relocation of the project affected persons, which should be reflected in the updates made by the CE.

RDA already has a Project Management Unit (PMU) set up with a seasoned Environmental and Social Specialist who is very conversant with the environmental and social safeguard requirements of the Bank to manage project related safeguard activities. RDA also has an Environmental and Social Division with adequate capacity who will also support the PMU in reviewing documents and monitoring.

Nevertheless, further (and continuous) training programs will be proposed on environmental and social safeguard compliance, targeting the staff of RDA, the general public / local CBOs and NGOs in the project area, as well as the staff and laborers of the CE. This training will mainly focus on sensitizing the need for environmental and social safeguards compliance in road development projects and use of safeguards instruments in place to mitigate potential impacts.

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

During preparation of safeguards instruments for the project, consultations with key stakeholders and potential project affected persons were carried out and has been documented as part of the EA and SIA.

The key stakeholders for the project are the people living and working along the identified road corridor, as well as the road users. A participatory approach was undertaken to carry out a comprehensive consultation process to study the socio economic status and to identify key impacts of the project. Stakeholder meetings, Focused Group Discussions and Key Informants Discussions were held with identified persons, in addition to a Socio Economic Survey and Road Users Survey.

Stakeholder meetings were carried out during the month of January 2015, usually held at the Divisional Secretary's (DS) office, chaired by the Divisional Secretary himself. At the stakeholder meeting carried out in Puttalam, for example, thirty six participants were present including affected persons, the DS, Urban Councilor, Chief incumbent priest of the Puttalam Buddhist centre, the divisional engineers of Chilaw and Puttalam of RDA. A framework has been proposed for continuing consultations during the implementation.

The EA and SIA have been publicly disclosed in country and the documents have also been disclosed in Bank's Infoshop.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	15-Dec-2015
Date of submission to InfoShop	22-Feb-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	08-Jan-2016
Date of submission to InfoShop	22-Feb-2016

"In country" Disclosure	
<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 type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" 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"/>]
Is physical displacement/relocation expected?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input type="checkbox"/>]
257 Provided estimated number of people to be affected	
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input type="checkbox"/>]
66 Provided estimated number of people to be affected	
OP/BP 4.36 - Forests	
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Does the project design include satisfactory measures to overcome these constraints?	Yes [] No [] NA []
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes [] No [] 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 []
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 []
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 []
Have costs related to safeguard policy measures been included in the project cost?	Yes [×] No [] NA []
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [×] 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 []

III. APPROVALS

Task Team Leader(s):	Name: Amali Rajapaksa	
<i>Approved By</i>		
Safeguards Advisor:	Name: Maged Mahmoud Hamed (SA)	Date: 24-Feb-2016
Practice Manager/ Manager:	Name: Karla Gonzalez Carvajal (PMGR)	Date: 24-Feb-2016