

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC5805

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I. BASIC INFORMATION

A. Basic Project Data

Country:	India	Project ID:	P146936
Project Name:	Uttar Pradesh Pro-poor Tourism Development Project (P146936)		
Task Team Leader:	Stefania B. Abakerli B		
Estimated Appraisal Date:	14-Jul-2015	Estimated Board Date:	17-Nov-2015
Managing Unit:	GSURR	Lending Instrument:	Investment Project Financing
Sector(s):	Public administration- Other social services (55%), Sub-national government administration (30%), SME Finance (15%)		
Theme(s):	Other social development (50%), Participation and civic engagement (20%), Cultural Heritage (20%), Micro, Small and Medium Enterprise support (10%)		
Financing (In USD Million)			
Total Project Cost:	300.00	Total Bank Financing:	210.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			90.00
International Bank for Reconstruction and Development			210.00
Total			300.00
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The project development objective is to improve living standards and increase income opportunities for the poor population living in/and close to the primary tourism attractions of the Buddhist Circuit and the Braj-Agra Corridor.

The project will also assist the Government of Uttar Pradesh to restructure its tourism sector in a pro-

poor manner by (i) providing public services to poor communities living in some of the state's heritage rich, but lagging areas, (ii) enhancing the management of the state's natural and cultural assets as endogenous sources of inclusive development, and (iii) enabling private sector investments and associated job creation (e.g. for youth and women). The project is expected to inform policymakers in other states while responding to the Indian Ministry of Tourism's request for a demonstration project on pro-poor tourism policies and investments.

C. Project Description

1. Description

The project will support the state's plans for restructuring its tourism sector in a pro-poor manner with a view to increasing benefits to local communities and improving the management of its tourism destinations. Many developing countries have recognized pro-poor tourism as an effective means of reducing poverty and becoming a driver for a more inclusive economic growth, as well as a means of contributing to steward their heritage assets (see Annex 1). Tourism's pro-poor potential relies on the fact that, when well-planned and managed, it is consumed at the point of production, is labor intensive, and can finance basic services in backward areas often overlooked by traditional tourism development schemes.

At its core, the project emphasizes the government's key role in structuring and regulating tourism development for its adequate growth in a pro-poor manner. Experience shows that the greatest impediment to pro-poor benefits from tourism is not the type or size of tourism, but the way the tourism sector is structured, its approach to development, supply chains, linkages and expenditure reach. Governments also have a central role to play in removing bottlenecks to private sector critical investments in tourism through adequate policies, regulations and focused public investment.

The pro-poor approach adopted by the project also aims at catalyzing the impact of key sectors in a given area, such as accessibility/connectivity, environmental preservation, asset management and business development on local communities. The project will do so by promoting an integrated area-based approach in which tourist destinations and their iconic heritage assets are planned, promoted, served, stewarded and linked geographically. This area-based approach also allows for improved understanding of a given area's potential and linkages with other industries, the strengthening of the skills of the local population, and the promotion of small-scale entrepreneurship, especially amongst poor women and youth.

Such an approach has been deployed successfully in other circuits and routes worldwide, which originally faced similar challenges. The project design and components build upon the lessons learned and experience from these and other similar experiences. Based on lessons learned from programs worldwide, five main principles will guide the projects' investments, as follows:

- Cluster initiatives by destination. Tourism is multisectoral but most tourism projects tend to focus on sectoral interventions (i.e., hotel development), overlooking the totality of investments required for a destination's development. By geographically clustering investments and providing the destinations with an investment package comprising of branding and promotion, services and infrastructure, institutional strengthening and local economic support, pro-poor tourism investments often contribute to increase synergies and sustainability of actions.
- Target visitors with higher inducement value (proportion of spend that reaches the poor) instead of just higher spending. Large influxes of revenue—usually brought by international tourists

—are often captured by elites and operators, often increasing inequalities at a destination. Thinking needs to shift to metrics by which policymakers judge tourism’s success on the proportion of tourist spending that reaches the poor.

□ Focus on domestic and regional rather than international tourists. Tourism policy and products development in India, including UP, focuses on foreign tourists, but these are actually the minority. Regional tourism in South Asia is a large and rapidly growing market: Indian travelers by far make up the largest number of tourists in India, Nepal, Bhutan, Bangladesh and Sri Lanka. Although spending less per-capita, these tourists are more in volume, can have a greater inducement and can have a proportionately larger effect on poverty reduction.

□ Disperse the geographic, temporal and economic distribution of tourism to surrounding communities, which decreases the stress on tourist destinations, infrastructure, fragile environments and cultures, and allows for a wider range of communities to benefit from tourism. Spreading out the seasonality of tourism allows for more stable profits as well as facilitates planning for both destinations and businesses. Facilitating the creation of Micro, Small and Medium Tourism Enterprises (MSMTEs) in surrounding communities increases the distribution of tourism revenues, generating additional income opportunities for local communities.

□ Reinforce sustainability. Sustainability principles refer to the environmental, economic, and socio-cultural aspects of tourism development, and the need to achieve a suitable long-term balance. Most destinations continue to focus on increasing tourist numbers and their spending, which while important, need to be carefully managed to ensure they improve the lives of residents, benefit the built and natural environment and increase the enjoyment of the tourists. Pro-poor tourism has shown to strive to sustain its benefits for future generations.

2. Project Components

The project has four components, which will be further refined during preparation. These are:

Component 1 – Destination Planning and Governance aims at strengthening the policies, systems, tools and capacities of concerned state and local government agencies and civil society for the integrated development and management of the project target areas, through:

- i) Review of state tourism policy and regulations centered on poverty reduction
- ii) Development of tourism statistics and information system
- i) Development of a vision and "storyline" for each project target area, including branding, promotion and marketing
- ii) Preparation of integrated tourism development plans (in a participatory manner) based on tourist products potentials for promoting local development and the sites' heritage, social and environmental vulnerabilities with operation and maintenance (O&M) plans
- iii) Preparation of communication campaign aimed at community (e.g., in local schools), visitors (e.g., in airports and sites) and tour operators sensitization
- iv) Capacity strengthening of government officials and other relevant agencies on pro-poor tourism approaches and management, including tourism statistics

Component 2 – Tourist Products Development & Management aims at supporting new tourist products in the project target areas based on the following criteria, as per global standards: (i) income earner/poverty impact, (ii) heritage significance, (iii) status of conservation, and (iv) investment sustainability. Key investments will be done in (i) tourist assets/attractions enhancement, (ii)

interpretation, (iii) promotion of new activities (e.g. museums, meditation halls, festivals), (iv) services provision (e.g. accommodation, sanitation), (v) access improvement (e.g. roads, transportation), and (vi) training (e.g. guides, hotel staff), among others.

Component 3 – Support to Local Creative Economies aims at improving business development and entrepreneurs’ skills and participation in tourism products and markets in the project target areas, through (i) support for Tourism Cluster Analysis, (ii) access to financing, improved technology and skills for entrepreneurs/small firms (including from the informal sector) to develop and implement quality business plans, increase productivity, and become certified, and (iii) access to financing, improved technology, coordination (consortia) and skills for business development service providers through public private dialogue (PPD) to improve quality of services provided and diffuse information on tourism business opportunities and market development

Component 4 – Project Management will finance a dedicated team (the State Project Coordination Unit – SPCU) to be based in Lucknow and responsible for overall management, accountability and coordination of the project’s activities and funds. The SPCU will be supported by competitively selected decentralized technical support units (TSU) based in each of the core project areas to ensure the necessary coordination with concerned local stakeholders (from the Urban Local Bodies and Municipal Corporations to cultural authorities, community and local business associations), and thus a smooth implementation of the project investments in the area. The SPCU and the decentralized dedicated site teams will be supported by also competitively recruited experts, as needed. The project will finance salaries, expert services as well as operating costs (e.g. rent, vehicles, equipment, workshops and training). The project will also finance monitoring and impact evaluation activities as well as project-specific communication activities at sites, state, country and regional levels.

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

The Uttar Pradesh Pro-Poor Tourism Development Project will target its investments in the hubs and surrounding areas of the two main tourist areas in the state – the Braj Agra Corridor and the Buddhist Circuit. The proposed project targeted destinations are: (i) Agra, Mathura, Vrindavan, Barsana, Nandgaon, Gokul-Mahavan, Baldeo and Govardhan in the Braj Region, and (ii) Varanasi, Sarnath and Kushinagar and Sravasti in the Buddhist Circuit.

Uttar Pradesh, India’s most populous state, has also the largest number of destinations in India with religious, cultural, historical significance that attracts yearly a millions of pilgrims and tourists. Agra city, for instance, is home to three World Heritage Sites, including the iconic Taj Mahal – the India image to the world. Sarnath and Khushinagar are two of the four main Buddhists sites in the world. Sub projects will be located in the surroundings of these cultural and historic sites, and may be located in sensitive zones such as TajGanj. Hence impacts of building infrastructure in these areas will need to be assessed and the appropriate environmental and social mitigation measures, including cultural properties management will be integrated in the project design.

E. Borrowers Institutional Capacity for Safeguard Policies

The overall management of the project will reside with the Uttar Pradesh State Tourism Department. A State Project Coordination Unit (SPCU) will be established within the Tourism Department in Lucknow for overall management and coordination with relevant national agencies and state and local government departments. The SPCU will be supported by competitively selected decentralized teams to be located in the main hubs of the project target areas, responsible for the day-to-day coordination, technical support and oversight of investments at local and site level. The UP Tourism

Department has not implemented investment projects supported by the World Bank. Hence their capacity in safeguard policies implementation is weak; as so strengthening of the implementing agencies safeguard capacities will be carried out during project preparation and implementation through deployment of qualified Safeguard Specialists. A close monitoring of triggered safeguard policies and provisions of applicable laws during project preparation and implementation along with adequate staffing of the selected SPCU and decentralized teams with both social and environmental staff will be ensured.

F. Environmental and Social Safeguards Specialists on the Team

Stefania B. Abakerli B (GSURR)

Pradeep Dadlani (GSURR)

Parthapriya Ghosh (GSURR)

Harinath Sesha Appalarajugari (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	OP 4.01 is triggered because the project will support civil works, such as the rehabilitation of local infrastructure in touristic areas and around heritage sites. Environmental impacts envisaged may relate to the construction phase. Specific investments for year1 will be further assessed through specific Cultural, Environmental and Social Impact Analysis.
Natural Habitats OP/BP 4.04	TBD	Some of the project activities may be located in environmentally sensitive areas. OP/BP 4.04 applicability will be determined during project preparation, depending on the exact location of project investments and their potential impact on the natural balance of existing natural habitats.
Forests OP/BP 4.36	TBD	Some of the project activities involve landscaping of tourist and pilgrimage areas. The applicability of the policy will be determined during project preparation.
Pest Management OP 4.09	No	Project activities do not involve activities related to pest management.
Physical Cultural Resources OP/ BP 4.11	Yes	OP 4.11 is triggered because the project will support civil works, such as the rehabilitation as well as the promotion of tourism in communities surrounding cultural and historic sites. Impacts envisaged may relate to the execution of rehabilitation works and the provision of basic services and access to surrounding communities, where lesser known monuments may be present. The specific

		investments will be identified during preparation, after which a Physical Cultural Resources (PCR) Plan will be formulated for identified specific investments. The possible discovery of archeological sites or random findings during the execution of civil works requires special treatment, and measures to manage chance find will be included in the PCR Plan.
Indigenous Peoples OP/BP 4.10	No	There are no tribal areas in the project target areas.
Involuntary Resettlement OP/BP 4.12	Yes	OP 4.12 is triggered as the project will support civil works including rehabilitation of heritage assets and upgrading of local infrastructure in some densely populated or visited areas. Most adverse impacts are expected to happen during construction stage, especially for improvement of access roads, construction of tourist amenities and household basic services (i.e., toilet), and upgrading of public spaces.
Safety of Dams OP/BP 4.37	No	Project activities do not involve dams and their safety.
Projects on International Waterways OP/BP 7.50	No	Project activities are not located / do not involve international waterways.
Projects in Disputed Areas OP/BP 7.60	No	Project activities are not located in disputed areas.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 28-Mar-2015

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

Given that the project target areas contains World Heritage Sites, presence of nationally designated historic and cultural properties, and environmentally sensitive zones, and the possibility of impact on natural habitats the project is categorized "Category is A". The final category will be defined during appraisal. A project level Environmental and Social Management Framework (ESMF) will be developed during project preparation to provide guidance on cultural properties, environmental and social management aspects from the design, execution and operation of the works and investments to be financed under the project, while enhancing the expected positive impacts of project activities.

Once sub projects are identified during preparation, investment specific Cultural, Environmental and Social Impact Assessments (CESIA) will be undertaken to address investment specific impacts and prepare mitigation measures and site specific plans, applying provisions of ESMF. The ESMF and the investment specific ESIA (for first year of projects) will require about 4 months for preparation, and will be completed prior to appraisal, by which time PAD Stage ISDS would be prepared.

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.

IV. APPROVALS

Task Team Leader:	Name: Stefania B. Abakerli B	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Francis V. Fragano (RSA)	Date: 04-Nov-2014
Practice Manager/ Manager:	Name: Maitreyi Das (PMGR)	Date: 04-Nov-2014