

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
CONCEPT STAGE**

Report No.: PIDISDSC15414

Date Prepared/Updated: 30-Oct-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Colombia	Project ID:	P156239
		Parent Project ID (if any):	
Project Name:	CO Plan PAZcifico:WSS Infrastructure & Service Delivery Proj (P156239)		
Region:	LATIN AMERICA AND CARIBBEAN		
Estimated Appraisal Date:	20-May-2016	Estimated Board Date:	20-Jul-2016
Practice Area (Lead):	Water	Lending Instrument:	Investment Project Financing
Sector(s):	General water, sanitation and flood protection sector (100%)		
Theme(s):	Pollution management and environmental health (25%), City-wide Infrastructure and Service Delivery (75%)		
Borrower(s):	Fondo para el Desarrollo del Plan Todos Somos PAZcifico		
Implementing Agency:	National Unit for Disaster Risk Management		
Financing (in USD Million)			
	Financing Source	Amount	
	Borrower	31.00	
	International Bank for Reconstruction and Development	115.00	
	Inter-American Development Bank	2.00	
	Total Project Cost	148.00	
Environmental Category:	A - Full Assessment		
Concept Review Decision:	Track II - The review did authorize the preparation to continue		
Is this a Repeater project?	No		
Other Decision (as needed):			

B. Introduction and Context

Country Context

1. Despite Colombia's strong macroeconomic performance, the sharing of that prosperity across its residents remains a challenge. With a population of 48 million, Colombia represents Latin America's fourth-largest economy. It is home to a large and stable domestic market and is endowed with a rich natural resources base. During approximately a decade (2004–2014) of continuous and robust economic growth, the country has posted an annualized growth rate of real per capita Gross Domestic Product (GDP) averaging 4.8 percent, coupled with a significant decline in the prevalence of poverty. Despite such advancements, Colombia continues to have the region's greatest inequality in income distribution or consumption expenditure among individuals or households, with a Gini coefficient of 0.54, compared to the Latin America and Caribbean average of 0.52. Uneven territorial development—made worse by the armed conflict, underinvestment, weak local governance and service delivery, poor market access, and inadequate rural-urban market linkages—has led to persistent gaps in living standards between rural and urban areas, across geographic regions (for example, the Atlantic, and Pacific regions), and even across departments and municipalities.

2. The Government of Colombia (GoC) is focusing on the Pacific Region to bridge uneven territorial development gaps. The National Development Plan 2014–2018 (NDP) “Todos por un nuevo país,” seeks to foster inclusive economic growth, reduce extreme poverty, and promote education. The Plan was developed based on a multisectoral and inter-regional dialogue aligned with Colombia's peace process and with OECD accession process. The Plan follows a territorial approach to development, establishing specific strategies for each region. The NDP singles the Pacific region out for priority attention given that it demonstrates the greatest economic inequality and intra-regional gaps in socioeconomic development (specifically between the sub-regions of the Pacific Coast and the Andean Pacific) of all regions (see table 1). To address these challenges, the GoC developed the Plan Todos Somos PAZcífico (Plan Pacífico). Spearheaded by the Presidency, the Plan Pacífico's objective is to invest in priority sectors identified as pivotal to promoting broad-based development of the Pacific Coast. Based on the findings of a recently completed socioeconomic analysis, the GoC has prioritized water supply and basic sanitation (WSBS), energy, waterway transportation, and land management as key to promoting poverty reduction, public health, economic growth, and competitiveness. The GoC has earmarked funding to support the Plan's implementation and has established a standalone trust fund “Fondo para el Desarrollo del Plan Todos Somos PAZcífico” through the NDP law, which provides the GoC the legal, financial and operational vehicle to execute strategic multi-sectoral investments at the central level.

Table 1
Socioeconomic Indicators Comparing the Pacific Coast, Andean Pacific, and National Weighted Averages for 2014

Indicator	Weighted Averages (%)		
	Pacific Coast	Andean Pacific	National
Mid-secondary education coverage	17.5	36.7	42.0
Sewerage network coverage	24.4	77.7	73.1
Water network coverage	38.1	88.1	82.0
Electricity coverage	66.8	94.5	93.6
Unsatisfied basic needs	60.1	23.8	27.8

Source: Estrategia Todos Somos PAZcífico, Presidencia de la Republica, 2015

Sectoral and Institutional Context

3. Colombia's reforms in the 1990s resulted in the expansion of effective water supply and basic sanitation (WSBS) services in urban areas—particularly in large and medium-sized cities. The main characteristics of the reforms, which constitute the current model, included (i) the decentralization of public service provision by a shift in the responsibility from the Government to public or private companies, coupled with the adoption of a tax-sharing mechanism to transfer resources to municipalities; (ii) the establishment of municipally-owned, private, or mixed ownership Public Services Companies (ESP); and (iii) the separation of the policy, regulatory, and operating functions. The allocation of these functions recognized the Ministry of Housing, City, and Territory (MVCT) as the sector policy maker; the Commission for the Regulation of Water Supply and Sanitation (CRA) as the independent regulator; the Superintendency of Residential Public Services (SSPD) as the overseer and inspector of service providers; and the municipalities as the parties responsible for ensuring efficient services. These reforms have allowed Colombia to test various models of WSBS service delivery, including public, private, and mixed-capital companies and such an approach has succeeded in addressing many performance issues in large and medium-sized cities.

4. Specific efforts were also made to improve WSBS services in small cities and rural areas, however, important challenges still remain. Colombia has roughly 1,122 small, relatively poor, and geographically scattered municipalities—conditions that add a layer of complexity to the coverage and delivery of high quality WSBS services. In response to this challenge, in the 2000s and with support of the Water Sector Reform Assistance Project (Loan 7077-CO) and the Water and Sanitation Sector Support Project (Loan 7281-CO) the MVCT initiated a Business Modernization Program (EMP) aimed at attracting the private sector to manage and operate WSBS in small and medium-sized municipalities. In addition, in 2006, the MVCT through the then newly created Viceministry of Water, developed Departmental Water Plans (PDAs in Spanish), which effectively rendered departmental governments and municipalities co-responsible for providing water services. The on-going La Guajira Water and Sanitation Infrastructure and Service Management Project (Loan 7434-CO) supported the first Department Water Plan in Colombia. Although these efforts were generally successful in medium cities, it is difficult to fully address the inherent challenges of WSBS services in small and poor cities and rural areas because many departments (i) lack the capacity to provide high-quality support to weak municipalities; (ii) have difficulties attracting specialized water operators to work in poor, challenging, and financially unsustainable municipalities; and (iii) are straddled with high investment needs due to significant infrastructure backlogs.

5. Important lessons have been learned from the implementation of the above-referenced projects including (i) the importance of strong support from the national government for the decentralized implementation and coordination of WSBS investments at the local government level, (ii) provision of WSBS to low-income populations requires transparent subsidies to become financially viable, (iii) when there are successful private operators in larger municipalities it is easier for such operators to extend their scope of operations to nearby smaller municipalities and (iv) projects should ensure that less developed service providers have targeted technical assistance to improve project designs and implementation. Finally, a 2014 World Bank study of the impacts of regional PDAs concluded that the current regulatory and policy framework is directed at medium and large cities, and that additional reforms are needed to address the special circumstances of small cities and rural areas, particularly those that are poor and, consequently, inherently less financially sustainable. The study also encouraged regionalization of WSBS

services to obtain economies of scale and financial sustainability.

6. The Plan Pacifico builds on the lessons learned from previous sector reforms in order to improve WSBS along the Pacific Coast. Since 2014, the GoC has embarked on a series of initiatives to improve sustainable WSBS in small municipalities and rural areas. To this end, the GoC approved a national policy on rural WSBS and a tariff scheme for small service providers, started pilot projects with selected departments and specialized operators to consolidate services, and injected public capital investments in priority areas. The four main cities singled out for priority attention in the Plan Pacifico on the basis of the 2015 socioeconomic gap analysis are Buenaventura, Quibdo, Guapi, and Tumaco. Given low local government capacities, the GoC proposes to execute investment projects through a centralized, multi-sectorial implementation arrangement in the Pacific Coast (refer to section C). The MVCT would continue to work with specialized operators and local governments (municipalities and departments) to ensure financial and operational sustainability. The MVCT's strong involvement would allow the Project to support regionalization and institutional reform that is more targeted to ensure that Colombia's public service to poor municipalities is more equitable and efficient.

7. The Bank is well positioned to support Plan Pacifico's WSBS component. As mentioned above, the World Bank has a long history of supporting infrastructure investments and sector reforms in Colombia through a number of lending operations from which many lessons have been learned. In addition, knowledge services supported by the World Bank, such as the 2014 Regionalization Study and the 2014 Preparing for the National Strategy for the Infrastructure Development in Water Supply and Sanitation Study, have provided valuable input to the NDP and ongoing sectoral initiatives. The Project would also benefit from the Bank's global experience in the provision of WSBS in challenging situations. The Bank is well placed to share knowledge related water sector reform to access the poor, technical and management solutions in high risk, informal settings, and overall planning and project management implementation.

Relationship to CAS/CPS/CPF

8. The proposed operation is fully aligned with the Bank's strategic engagement in Colombia as detailed in the Country Partnership Strategy (CPS) for the period FY2012–2016. Specifically, the Project would support: Engagement Area 2: Sustainable Growth with Enhanced Climate Change Resilience and Outcome 3: Improved Access to Sustainable Urban Services in Transport, Housing and Water. The Project is also strongly aligned with the 2015 Systematic Country Diagnostic (SCD), which identifies lack of territorial integration as a major constraint to inclusive development, and points to the Pacific as the most unequal region of the country, with the highest poverty rates of Colombia and with important gaps associated to public services provision.

9. The Project will directly support the World Bank's twin goals (end extreme poverty and shared prosperity) by focusing on a region characterized by high levels of poverty, violence, forced displacement and poor basic service provisions. The proposed operation will finance WSBS investments in the Pacific, a region that has the highest poverty rate in the country at 65.9 percent, compared to the national mean of 28.5 percent, and the highest extreme poverty rate in Colombia at 39.1 percent. The municipalities the Project would support, Guapi and Tumaco, lack reliable water and sanitation services, and in Guapi solid waste is disposed of in open-air locations and, on occasion, near houses or water bodies, contributing to environmental problems and posing a risk to public health. In fact, intestinal parasitism is one of the main causes of doctor visits in both municipalities and the infant mortality rate is also much higher than the national

average, with Tumaco's being twice the national infant mortality rate of Colombia . A recent study developed as part of the economic analysis of the Project, estimates that between 38 and 45 percent will be saved in health costs by improving WSBS services in both municipalities. In addition, the Project will support an area that has suffered from the historical presence of armed groups, such as FARC, ELN, and organized crime groups that fueled drug trade and illegal mining, and generated an environment of violence that led to severe human rights violations. Both municipalities, particularly the island areas of Tumaco, show evidence of overpopulation and poor housing conditions, the most concerning of which is vulnerable, stilt houses located near or in water bodies. Both cities, in particular Tumaco, are exposed to risks of sea-level rise, earthquakes, tsunamis, and ensuing liquefaction.

C. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The Proposed Development Objectives are (i) to improve coverage and service quality of water supply and basic sanitation in urban areas in the municipalities of Tumaco and Guapi and (ii) to improve operational efficiency of the utilities in these two municipalities.

Key Results (From PCN)

Preliminary Indicators. Preliminary Indicators to measure progress towards meeting the PDOs, as well as the number of beneficiaries, will be refined at a later stage in project preparation. Initial indicators being considered include:

To improve coverage and service quality of water supply and basic sanitation in urban areas in the municipalities of Tumaco and Guapi

- Direct project beneficiaries (number), of which women (%), of which poor (%)
- People provided with access to improved water sources under the project
- People provided with access to improved sanitation facilities.
- People benefitting from adequate collection and disposal of solid waste in sanitary landfills
- Average number of hours of supply in the area of intervention of the project (hrs/day)
- Improved water quality index (tbd)

To improve operational efficiency of the utilities in these two municipalities

- Revenue collection rate, or the proportion of the total billed water value actually collected by the operators,
- Non-Revenue Water in the area of intervention of the project (liters / connection - tbc)
- Energy saved in the systems where the Project is being implemented, kWh

D. Concept Description

10. The Government allocated USD 245 million to support WSBS investments in the Pacific Coast and has requested support from the World Bank—with USD 115 million for the municipalities of Tumaco and Guapi (Pacífico Sur)—and from the Inter-American Development Bank (IDB)—with USD 130 million for Buenaventura and Quibdo (Pacífico Norte).

11. Project beneficiaries and focus. The proposed Bank-financed Project would benefit about 129,700 inhabitants located in the urban perimeters of Guapi (18,111 people) and Tumaco (111,589 people). The Project focuses on (i) delivering the necessary WSBS infrastructure in urban areas to expand coverage and increase efficiency and quality in providing services

following a demand management approach, including non-revenue water and energy efficiency activities and comprehensive sanitation management that includes a combination of on-site sanitation and sewerage systems and appropriate treatment technologies; (ii) supporting utilities' institutional performance through targeted capacity building and institutional strengthening measures to promote regionalization and the consolidation of highly specialized operators to ensure service sustainability; and (iii) implementing a comprehensive social plan with a civil-engagement strategy to foster the population's behavior change and Project acceptance.

12. The WSBS service providers have a key role in project design and implementation. In Guapi, service was provided by the municipality's public service unit. However, following financial and operational difficulties in 2007), the SSPD decertified the municipality and the Department of Cauca is now responsible for public service provision. As part of the regionalization strategy, the Department and the MVCT introduced for one year the specialized operator (Empresas de Acueducto y Alcantarillado de Popayán -EAAP) in Popayán, the Department's capital, into Guapi to implement an emergency plan to improve water supply service, to develop a capital improvement plan, and to assist the municipality in designing and implementing an operational and institutional structure to ensure adequate WSBS service provision. The Project would support institutional strengthening and capacity building to the municipality of Guapi to ensure it can introduce a specialized operator long term and to support regain SSPD certification. In Tumaco, the public service company (Aguas de Tumaco) and its specialized operator (Aquaseo) have been responsible for providing WSBS services since 2010. However, an infrastructure backlog and cuts in royalties from oil have not allowed the operator to provide adequate services. The Project will provide much-needed investment financing while supporting financial incentives and technical assistance to the current operational model for improved service performance.

Table 3. WSBS situation in Tumaco and Guapi compared to national average

Service Level Indicators	National	Tumaco	Guapi
Coverage of water network	94.3%	50%	60%
Coverage of sewerage network	89.7%	0% sewerage; inadequate latrines and septic tanks;	41% sewerage coverage; no treatment, 13 raw sewage discharges. Inadequate latrines and septic tanks
Water Continuity	20hrs/day; 7 days/week	24 hours/day; 2 days a week	Varies from 1hr/week to 2hrs/day-sector
Non-Revenue Water	34.1%	75%	90%
Micrometering	80%	0.4%	0
Collection Rate	71%	42%	0
Water quality	Suitable/unsuitable	Unsuitable	Unsuitable
Solid waste management coverage		95% *	100% collection and final disposal. Future capacity limited Inadequate collection and there is no area for final disposal. Solid waste is being disposed in the streets.

Source: SSPD junio 2015, REDI 2014, and MVCT project data sheet

*79% de los municipios disponen adecuadamente los residuos y se recogen el 95% de los producidos

13. Project Cost and Duration. The Project's preliminary cost is US\$ 148 million, including an IBRD loan of US\$ 115 million , US\$ 31 million in counterpart funding and US\$ 2 million

from IADB. Based on the experience of water projects in Colombia and from similar projects in the Water Practice, it is anticipated that the Project will be implemented over a period of six years to allow sufficient time for successful completion of the Project's Development Objectives. A preliminary estimated project cost is included in table 4.

Table 4. Project Estimated Cost

Components	Total Amount	WB Loan	IADB Loan	Counterpart
(US\$ millions)				
Component 1. Water Supply and Basic Sanitation Improvements in the Municipality of Guapi.	\$23	\$23		
Component 2. Water Supply and Basic Sanitation Improvements in the Municipality of Tumaco.	\$116	\$87	\$29	
Component 3. Capacity Building and Institutional Strengthening of Service Providers in Guapi and Tumaco.	\$5	\$3	\$2	
Component 4. Project Management and Environmental and Social Management Plan.	\$4	\$2	\$2	
Total	\$148	\$115	\$2	\$31

14. Project Components. Considering the PDO and the Project content described above, the Project would have the following components:

15. Component 1. Water Supply and Basic Sanitation Improvements in the Municipality of Guapi (US\$23 million IBRD). The Project would finance civil works, equipment, and services to improve WSBS coverage and service quality in Guapi's urban perimeter. Specifically, the component's activities include (i) constructing a new water-intake structure and related water mains; optimizing the existing water treatment plant, and rehabilitating and constructing networks; (ii) expanding and rehabilitating the sanitation solution (sewerage and on-site sanitation), and constructing the wastewater treatment plant; and (iii) improving the collection system for solid waste, and constructing a final disposal solution. The Project would also finance a project management consultancy for the works (referred to in Colombia as the interventor) to provide quality control, monitoring and inspection, contract administration, and general coordination and management.

16. The municipality considers the infrastructure works to be of high priority. The works derive from various engineering studies, including a master plan for wastewater management. The Department and EAAP are undertaking additional consultancies to define the most cost-effective solution, taking into consideration management strategies for non-revenue water and energy efficiency, as well as land availability. These consultancies will develop final designs, cost estimates, and bidding documents for all the works proposed under this Project. It is expected that the MVCT, through its Ventanilla Unica approval process, will approve 50 percent of the funds assigned for investment works in Guapi during project preparation. During the first year of implementation, it is expected that the Ventanilla Unica will approve all works, and that about 30 percent of the works will be contracted.

17. Component 2. Water Supply and Basic Sanitation Improvements in the Municipality of Tumaco (US\$ 116 million including US\$87 million IBRD). The Project would finance civil works, equipment, and services for WSBS activities to improve coverage and service quality in Tumaco's urban perimeter. Specifically, the component's activities include (i) rehabilitating the

water-intake structure; optimizing the existing water treatment plant, and rehabilitating and constructing networks; (ii) implementing a sanitation solution (sewerage and onsite sanitation) and constructing a wastewater treatment plant; and (iii) improving the collection system for solid waste and constructing a final disposal solution. The Project would also finance a project management consultancy for the works (referred to in Colombia as the interventor) to provide quality control, monitoring and inspection, contract administration, and general coordination and management.

18. The municipality of Tumaco considers the infrastructure works to be of high priority. The proposed works derived from a water master plan. Aquaseo is undertaking a series of consultancies to define the most cost-effective solution, taking in consideration management strategies for non-revenue water and energy efficiency, and land availability. The MVCT is about to contract a wastewater master plan consultancy for urban Tumaco. These consultancies will develop final designs, cost estimates, and bidding documents for all the works proposed under this Project. The Vice Ministry of Water, through its Ventanilla Unica approval process, would approve about 14 percent of the funds assigned for investment works during project preparation. During the first year of implementation, it is expected that the Ventanilla Unica will approve about 50 percent of works, and that about 20 percent of them would be contracted.

19. Component 3. Capacity Building and Institutional Strengthening of Service Providers in Guapi and Tumaco (US\$5 million including US\$ 3 million IBRD). The Project would finance goods and services for capacity building and institutional strengthening activities to support improved utility performance and to ensure efficient, sustainable services. Specifically, in Guapi, to support the regionalization strategy, the Project would finance the existing agreement between EAAP and the Department of Cauca for one year with counterpart funds, to continue supporting the municipality efforts to improve its service. In addition, the Project would evaluate long-term operational models to incorporate a specialized operator in Guapi and would provide technical assistance to the municipality to structure, implement, and oversee the selected institutional and operational model. In addition, the Proyecto would provide assistance to structure a tariff and financial model with transparent subsidies following the Colombian tariff regulation to ensure financial sustainability. In Tumaco, since there is a functioning operational structure, the Bank Team during preparation would apply the Utility Assessment Tool developed by the Water Global Practice to have a better understanding of the situation and develop targeted activities based on specific needs to benefit the municipality and the specialized operator. Potential activities could include technical assistance and capacity building to improve (i) strategic planning, contract supervision, and performance monitoring; (ii) operational and commercial efficiency; (iii) customer orientation and transparency; and (iv) overall sanitation management by focusing on nonconventional technologies and management models. Furthermore, in both municipalities, the Project would support the development and updating of emergency and contingency plans for service providers and studies to assess storm-water management issues and provide recommendations.

20. Component 4. Project Management and Environmental and Social Management Plan. (US\$4 million including US\$2 million IBRD). The Project would support the functioning of the Program Implementing Unit (PIU) with technical specialists and training to strengthen the Unit's fiduciary and safeguards management capacity. In particular, this component would support the implementation of the Environmental and Social Management Plan, which contains a civil-engagement strategy, gender analysis, and Grievance and Redress Mechanism (GRM). A social

assessment will be conducted during project preparation to define the scope of these activities. Meaningful consultations with affected communities will be carried out based on timely disclosure of information to affected communities. If IPs are affected the policy calls for free prior informed consultation leading to broad community support and will include a communication strategy. The IDB would also finance the operation of the PIU under their loan.

II. SAFEGUARDS

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

21. The Project activities will benefit the approximately 111,589 inhabitants in the municipality of Tumaco (in the Department of Nariño) and the approximately 18,111 inhabitants in the municipality of Guapi (in the Department of Cauca), both of which are located on the Pacific coast of Colombia. The Project activities are focused in the urban or semi-urban environments of the two municipalities. The area in these two Departments is characterized by a rich biodiversity and diverse topography rising from sea level to Andean geography where important rivers supplying water to 70 percent of the Colombian population begin their course. The following table provides a snapshot of the municipalities' physical characteristics:

Characteristic	Municipality of Tumaco	Municipality of Guapi
Area	3600km ²	2680km ²
Average Elevation	0 – 400 masl	5 masl
Average temperature	26 °C	29 °C
Average rainfall	2843 mm/year	4000mm/year.

22. In environmental terms, the overall area includes mangrove forests, and those near Tumaco and Guapi are important for local economy (fishing). The municipality of Guapi, has an Environmental Zoning Study for Mangrove prepared in 2009 by the DIMAR, the Regional Autonomous Corporation of Cauca CRC and the Ministry of Environment. Based upon the existing information on the proposed Project activities, the works will not be near the mangroves areas and should not have adverse environmental effects and impacts on these ecosystems. Also near the town of Guapi is the Sanquianga National Natural Park, which is part of the subsystem of marine protected areas of Colombia. None of the Project work will be in proximity to the National Natural Park.

23. The municipality of Tumaco does not currently have a sewerage collection network, with residential and commercial waste water disposal by septic tanks, cesspools and/or disposal into receiving waters. Due to the extreme poverty of the communities, the vast majority of septic tanks and latrines were built with low quality specifications and do not receive regular maintenance, this has resulted in contamination of subsurface waters (groundwater). The water supply company (operator) has identified events of cross contamination due to seepage of contaminated groundwater in the water supply network.

B. Borrower's Institutional Capacity for Safeguard Policies

26. Implementing Agency for the Project and the overall Plan Pacifico is the National Unit for Disaster Risk Management (Unidad Nacional de Gestión del Riesgo de Desastres-UNGRD). The UNGRD is an entity of national level, which reports directly to the Presidency of the Republic, based in Bogotá, but with a decentralized operation. The UNGRD is also the implementing agency for some grants and loans that are a national priority, including the Program to Support Sustainable Development of San Andres (a USD 70 million loan financed by IDB approved in 2013). However,

UNGRD is a relatively new organization with still limited experience with infrastructure operations financed by multilateral banks. The UNGRD will create a Project Implementing Unit (PIU) responsible for overall project implementation, including compliance with Bank environmental and social requirements. The UNGRD is already in the process of hiring a core team, which includes social and environmental specialists. During Project preparation, the Department of Cauca, EAAB, MVCT and Aquaseo, through consultancies, will prepare environmental and social assessments associated with known Project works (sub-projects). The PIU and/or other entities will be responsible to prepare the Project environmental and social assessments and plans during Project implementation. The MVCT and DNP staff working of this Project have prior experience on the compliance of environmental and social safeguards, particularly those of the Inter-American Development Bank (IADB) and the World Bank. The Project will include technical assistance and training to the PIU, municipalities and operators to increase capacity in the application of social and environmental safeguards. Bidding documents for works and project management consultancies will include standard environmental and social measures designed during project preparation to ensure that contractors comply with safeguard policies. In addition, the existing ventanilla unica (MVCT project approval process) includes mechanisms associated with social, resettlement, and environmental aspects in the proposed Project works.

C. Environmental and Social Safeguards Specialists on the Team

Carlos Alberto Molina Prieto (GSURR)

Carlos Vargas Bejarano (GENDR)

D. POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The Project is proposed to be classified as Environmental Category A due to the two solid waste landfills; although all these projects will result in significant environmental positive impacts. The remaining Project works (sub-projects) are considered Environmental Category B as they do not present significant environmental impacts and can be mitigated with relatively standard measures.
Natural Habitats OP/BP 4.04	Yes	While no significant negative impacts on natural habitats, including in particular mangroves, are anticipated by Project works, this policy is triggered given the types of works and the potential locations and associated environmental conditions. At the moment, the exact location of the sanitary landfills of Guapi and Tumaco remains to be defined, but the available information indicates that they will be outside urban environments.
Forests OP/BP 4.36	Yes	The Project will only finance activities in urban or peri-urban areas. The Project does not contemplate intervention in forests. However, the policy will be triggered as mangrove forests may be affected directly or indirectly by some of the project works.

		The environmental assessment and management will be part of instruments developed under OP/BP 4.01.
Pest Management OP 4.09	No	The Project will not finance activities involving the acquisition or use of pesticides in large quantities.
Physical Cultural Resources OP/BP 4.11	Yes	This safeguard is only triggered in a preventive manner. Based on a preliminary assessment it is unlikely that physical cultural resources would be found in the areas directly affected by the Project sub-projects.
Indigenous Peoples OP/BP 4.10	TBD	Whether this safeguard will be triggered or not will be decided once the social assessments are conducted. The Project will only be implemented in urban areas of the municipalities. No impact on Indigenous Peoples is expected. However, the assessments will identify whether indigenous peoples groups will be affected by project activities or not. If IPs are indeed present in the project area, it should be noted that projects will be designed to ensure that IPs receive culturally appropriate
Involuntary Resettlement OP/ BP 4.12	Yes	The main activity relevant to this safeguard is the construction of the sewerage system in the two municipalities. Although the current design does not identify any needs for land acquisition, land tenure arrangements are not known with certainty and thus this safeguard is triggered taking into consideration the future possibility of land requirements for the location and construction of pumping stations and other sanitation infrastructure.
Safety of Dams OP/BP 4.37	No	The Project will neither support the construction or rehabilitation of dams nor will it support other investments which rely on services of existing dams.
Projects on International Waterways OP/BP 7.50	No	The Project will not finance activities involving the use or potential pollution of international waters.
Projects in Disputed Areas OP/ BP 7.60	No	The Project will not finance activities in disputed areas as defined in the policy.

E. Safeguard Preparation Plan

1. Tentative target date for preparing the PAD Stage ISDS

26-Apr-2016

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

Sub-Project Environmental Assessments and Project Environmental Management Framework
March 2016

Consultation of Sub-Project Environmental Assessments and Project Environmental Management

Framework March 2016
 Resettlement Framework
 Social Management Plan
 Social Inclusion Plan December 2015
 Distribution of social documents January 2016

III. Contact point

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Borrower/Client/Recipient

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V. Approval

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Country Director:	Name: Jutta Ursula Kern (CD)	Date: 09-Nov-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.