



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 16-Mar-2023 | Report No: PIDA35341



BASIC INFORMATION

A. Basic Project Data

Country Jamaica	Project ID P179642	Project Name Kingston Waterfront Improvement Project	Parent Project ID (if any)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 27-Mar-2023	Estimated Board Date 15-May-2023	Practice Area (Lead) Urban, Resilience and Land
Financing Instrument Investment Project Financing	Borrower(s) Jamaica	Implementing Agency Jamaica Social Investment Fund (JSIF)	

Proposed Development Objective(s)

Revitalize Kingston's downtown waterfront area, expand economic development opportunities, and enhance the institutional capacity to enable future private sector-led redevelopment.

Components

Green, resilient, and inclusive waterfront
Urban upgrading and economic development in Downtown Kingston
Enhance the institutional capacity to enable future private sector-led redevelopment
Project management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	40.00
Total Financing	40.00
of which IBRD/IDA	40.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	40.00
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Environmental and Social Risk Classification

Substantial

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Prior to the sharp economic contraction caused by the COVID-19 pandemic in 2020, Jamaica had made significant strides to address macroeconomic instability, while deepening poverty reduction.** Jamaica's economic growth had been anemic for decades, averaging less than 1 percent per year, among the lowest in Latin America and the Caribbean. An aggressive fiscal consolidation and structural adjustment program between 2013 and 2019 helped generate an annual average primary surplus of over 7 percent of the gross domestic product (GDP). In turn, the public debt stock fell to 94.7 percent of GDP in 2019 from 146 percent in 2013. Unemployment fell to a historic low of 7.2 percent in 2019, with a sharp increase in female employment. In 2018, the poverty rate was 12.6 percent, the lowest recorded in 10 years. The Government's successful effort to consolidate its fiscal balances spans two political administrations and is anchored in a social partnership (the Economic Program Oversight Committee) involving stakeholders from public, private, and civil society. The implementation of sound policy reforms strengthened the economy and allowed for more broad-based reforms to enhance the country's ability to withstand shocks.
- 2. Jamaica is recovering from the sharpest contraction of real GDP in its history but is at risk of reversal given the onset of overlapping crises.**¹ In 2020, the COVID-19 pandemic led to a contraction of real GDP by a record 10 percent, and the near closure of most tourism and tourism-related activities depressed the income of more than 40 percent of the country's workforce. As COVID waned, stopover flight arrivals had rebounded to pre-crisis levels, and 2022 real GDP growth is expected to be around 4 percent. A marked slowdown in global economic growth amidst tightening financial markets, inflation pressures, rising natural disaster risks, and the possibility of a worsening of the war in Ukraine poses significant risks to continued recovery. Nevertheless, the policies pursued by the Government have struck a balance in responding to shocks, protecting the vulnerable, countering inflationary pressures, and further securing debt sustainability.
- 3. Jamaica is highly exposed to natural disasters and climatic shocks that are expected to intensify, posing macroeconomic and development risks.** Jamaica is the third-most-exposed country in the world

¹ <https://www.imf.org/en/News/Articles/2023/02/08/pr2337-imf-executive-board-concludes-2022-article-iv-consultation-with-jamaica>



to multiple hazards, with over 96 percent of the country's GDP and population at risk from two or more hazards. Jamaica is highly exposed to earthquakes and to extreme weather events such as tropical cyclones, droughts, floods, and landslides, all of which are expected to increase in frequency and intensity due to climate change. Furthermore, Jamaica is vulnerable to other expected climate impacts, such as increased temperatures and sea level rise which could directly affect not only coastlines but also the availability of fresh water due to saltwater intrusion.² These events often lead to the damage of infrastructure, the disruption of livelihoods, decreased economic output, loss of production systems, and the disruption of social services such as access to water for sanitation and hygiene. Approximately 90 percent of the country's US\$14 billion GDP is produced within coastal zones, exposing its tourism industry and manufacturing and agriculture assets to more frequent and intense climate shocks. Between 1993 and 2003, 26 natural disasters have resulted in total losses of US\$2.22 billion, or 1.5 percent of Jamaica's average annual GDP over the period, the same amount as the total GDP growth during the period. The average damaging hurricane reduces Jamaican per capita consumption by approximately 1.1 percent; more destructive events can cause reductions multiple times this amount.

Sectoral and Institutional Context

4. **Jamaica's population, economic activity and development are concentrated in and around the capital city Kingston, which faces important challenges in terms of urban livability, climate risks, and competitiveness.** Kingston is the largest English-speaking city of the Caribbean. It is the smallest in geographic size of the fourteen parishes in Jamaica and the most densely populated. The city's urban core and historic downtown trace the waterfront of one of the world's largest natural harbors. The location of the island and the natural physical structure of its harbor are key factors in Kingston's success as a major transshipment port in the region. As the city expanded and Kingston's built-up area sprawled inland, Downtown Kingston, including its port and waterfront, have become peripheral and declined in importance as the city's main urban function. Pockets of distressed and decaying areas, underutilized plots of land, and perception of insecurity in Downtown Kingston weaken the appeal of the area and undermine access to and enjoyment of the city's waterfront and downtown.

5. **The decline of Downtown Kingston and the historic urban core along the Kingston waterfront has long been a concern for local and central government administrations and the private sector.** Successive administrations have tried to regenerate the waterfront, which spans around a mile in breadth at the southern end of Downtown Kingston between Port Authority to the west and where Gold street meets Port Royal street to the east; revitalize underused and underutilized land, much of it Government-owned; and attract private sector development. A major transformation of the area was initiated in the late 1960s, with the construction of multiple high rises that replaced the commercial activity of the original waterfront district. It was at this time that government buildings, a high-rise hotel, an apartment complex, shopping arcades, and Ocean Boulevard, the main road along the waterfront, were built. The original vision for the redevelopment of the area was revisited in subsequent decades, and incremental improvements were pursued to increase foot traffic and incentivize private sector development in the area. However, a lack of consistent leadership, a weak institutional framework, and the absence of an anchor investment to signal government commitment to the private sector, have held back the

² Jamaica's Adaptation Communication (2022). Available at: <https://unfccc.int/sites/default/files/ACR/2022-12/Adaptation%20Communication%20for%20Jamaica>



development of the area. The proposed project is designed to address these bottlenecks and challenges to catalyze the regeneration of Downtown Kingston.

6. **Recovering the Kingston waterfront is key to catalyzing redevelopment in Downtown Kingston and improving urban quality of life.** Urban quality of life and competitiveness depend in large part on having equitable access to shared, open, and green spaces and streets. A functioning network of open public spaces and streets creates the setting for formal and informal economic and social activities, recreation, and livelihoods, particularly for the urban poor. Public spaces, if designed and maintained well, contribute to city vibrancy, inclusion, safety, and a wide range of positive health outcomes. Researchers have also found that parks have a positive effect on social cohesion, increase levels of social engagement across diverse communities, and increase levels of social capital,³ alongside the enormous economic and environmental value they create (see box 1). In Kingston, the share of the urban area allocated to open public space is only 1.8 percent, significantly below the recommended 15–20 percent.⁴ Taken together, the share of urban areas allocated to streets and open public spaces in Kingston is only 11.3 percent, compared to a recommended 45–50 percent to ensure the effective and equitable functioning of the city.

Box 1. Key Impacts Related to Public Space Investments

Economic impacts. Public investment in well-designed and well-managed public spaces yield significant returns by catalyzing new development, increasing property values, raising tax revenues, and increasing spending on goods and services in adjacent areas. In addition, public space and park investments create jobs and foster local economic growth. For example, a study of the economic impact of investments in riverfront parks in Boston, Atlanta, Cincinnati and Chattanooga showed returns on investment ranging from 6:1 to 40:1 (Riverlife 2015. Three River Park Economic Analysis). In Seoul, the creative reuse of abandoned railway infrastructure land to create the *Gyeongui Line Forest Park* saw a doubling of adjacent local businesses, with average monthly sales per shop increasing by more than 150 percent (Kaw, Jon Kher, Hyunji Lee, and Sameh Wahba. 2020. *The Hidden Wealth of Cities*). In Washington, DC, it is expected that by 2040, the Capitol Riverfront development will have generated a cumulative net fiscal impact of US\$8.3 billion since 2007—a return of nearly US\$7.40 per every initial dollar invested by the District (RCLCO. Riverfront Recaptured. How public vision & investment catalyzed long-term value in the Capitol Riverfront, 2018.). Property values surrounding the Brooklyn Bridge Park (New York City), have more than doubled since the conception of the park plans, from US\$725 per square foot to the current US\$1,800 (Brooklyn Heights Association Statement on Proposed Modification to the Modified General Project Plan for the Brooklyn Bridge Park Project. 2016. Recovered). The urban transformation of Puerto Madero, in Buenos Aires, stimulated the job market and led to the creation of more than 4,000 construction jobs per year over 20 years (Garay et al. 2013. Puerto Madero. A Critique. Lincoln Institute of Land Policy: Washington DC.).

Health impacts. Park access is associated with increased levels of physical activity across several studies, especially among youth. Conversely, physical activity and physical and mental health and well-being has consistently found strong positive associations, including, importantly, among children. For example, a recent report demonstrates that a US\$6.9 billion capital investment in urban green infrastructure in the United Kingdom would deliver US\$252 billion in physical and well-being benefits to the most disadvantaged communities in the United Kingdom (The Coalition of Urban Transitions. 2020. The Economic Case for Greening the Global Recovery Through Cities). Similarly, the Florida Park System estimated US\$118 million in health care cost savings. Moreover, outdoor working environments, which

³ Cohen, Mychal, Kimberly Burrowes, and Peace Gwam. 2022. *The Health Benefits of Parks and their Economic Impacts. A Review of the Literature*. The Urban Institute. 2022. https://www.urban.org/sites/default/files/2022-03/the-health-benefits-of-parks-and-their-economic-impacts_0.pdf.

⁴ Data.unhabitat.org.



apply to much informal employment, can result in productivity losses during hot weather of 60–70 percent. Urban green spaces reduce heat exposure and lower temperature in outdoor and nearby indoor spaces.

Environmental impacts. Urban parks have an established impact on air quality and the presence of a developed tree canopy can counteract some of the temperature increases caused by the urban heat-island effect. Additionally, decreasing the amount of impervious surface area and increasing the amount of grassy and vegetative surfaces contribute to decreases in temperature as well. Green spaces can also serve a crucial role in protecting against flood risk by reducing runoff and improving water filtration. For example, the Brooklyn Bridge Park design took into consideration climate change and rising sea levels, and its topography, soil, and native vegetation choices helped to protect the park—and surrounding neighborhoods—from damages stemming from Hurricane Sandy. Finally, urban parks can contribute to urban emission reductions by sequestering carbon and reducing residential electricity use. For example, in a study of 35 Chinese cities, green spaces amounting to just over 6 percent of urban land use sequestered around 18.7 million tons of carbon a year, while, in the United States, forests, croplands, and urban trees currently offset 11.5 percent of carbon emission in the country (The Coalition of Urban Transitions. 2020. The Economic Case for Greening the Global Recovery Through Cities).

Social impacts and violence reduction. Urban parks are important assets for recreation and leisure, promote urban and community development, and facilitate social cohesion by creating space for social interactions and connecting diverse neighborhoods. Urban parks can provide the venue for out-of-school programs which lead to higher self-esteem, greater academic achievement, and lower instances of delinquency among participating youth. Importantly, investments in public space and neighborhood upgrading can contribute to substantial reductions in violence: in Medellín, Colombia, the decline in homicide rate was 66 percent greater in neighborhoods receiving public space and infrastructure upgrading investments, compared to control neighborhoods, and resident reports of violence decreased 75 percent more (Cerdeña et al. 2012. Reducing violence by transforming neighborhoods: a natural experiment in Medellín, Colombia. *Am J Epidemiol*). Communities in Medellín with a new Library Park, combining a library building and park land, also experienced a 17 percent higher employment rate growth than other neighborhoods (Volkman, S., 2018. The Role of Library Parks as Places of Learning and Culture in the Transformation of the Learning City of Medellín, Colombia. UNESCO).

7. Parks and urban green spaces can serve as a natural way to increase urban resilience to the effects of climate change. Kingston faces significant climate risks, particularly related to flooding, sea level rise, and urban heat island effects, as well as accessibility to potable water. A flood risk assessment conducted for the proposed project suggests that more than a quarter of the city is exposed to pluvial flood hazard. Moreover, average summer land surface temperatures across Kingston reach 39.5°C, which are potentially dangerous heat levels, particularly for vulnerable populations and, in a context in which climate change is expected to result in longer and more frequent heat waves, will require targeted infrastructure investments to reduce the urban heat island effect.⁵ In Kingston and St. Andrew alone, approximately 50 percent of squatter settlements reside within 100 m of a waterway.⁶ Targeted investments will be needed for the city and its population to be able to cope with expected climate change impacts. For example, urban nature-based solutions to reduce impermeable surfaces, expansion of urban green spaces, and increase in tree and vegetative cover, as envisaged under the proposed project, will lower surface and air temperatures, reduce stormwater runoff, and help with drainage and water retention.⁷ The restoration of coastal wetlands and mangroves will also decrease storm surges and

⁵ Data based on a rapid risk assessment conducted for the project by the City Resilience Program.

⁶ <https://www.jamaicaobserver.com/columns/the-beginning-of-the-end-of-squatting-part-2/>.

⁷ [https://www.epa.gov/heatislands/heat-island-cooling-strategies#:~:text=Many%20communities%20are%20taking%20action,5\)%20utilizing%20smart%20growth%20practices.](https://www.epa.gov/heatislands/heat-island-cooling-strategies#:~:text=Many%20communities%20are%20taking%20action,5)%20utilizing%20smart%20growth%20practices.)



strengthen biodiversity. Finally, targeted investments to reduce the carbon impact of the built environment, as pursued under the proposed project, will be critical to reduce urban emissions.

8. **Despite improvements in public safety in the city, concerns about security remain and have constrained the development of urban areas associated with criminal activity.** A complex set of risk factors contribute to Jamaica’s crime problem, including poverty, income inequality, and social exclusion. Crime locations are predictable and violent crimes are concentrated in known areas or ‘hot spots’ that are vulnerable to criminogenic risk factors such as drugs, guns, gangs, and high rates of youth unemployment.⁸ The presence of multiple low-income communities in Downtown Kingston that form a perceived ‘belt’ of insecurity between uptown Kingston and the waterfront area, has constrained the development of the area. The Government’s approach to crime and violence prevention has included targeted programs in inner-city communities such as the Citizen Security and Justice Programme (implemented by the Inter-American Development Bank [IDB]), and the Inner City Basic Services for the Poor Program (with funding from the World Bank). The creation of inclusive public spaces that provide recreational opportunities and out-of-school programming for youth from diverse sets of backgrounds, can have important spillover effects in adjacent low-income communities in terms of individual and community health and well-being, reduction in crime, especially violent crime,⁹ and positive health outcomes.

9. **Competing priorities, under-resourced national and municipal planning entities, overlapping responsibilities, and an ineffective regulatory framework have constrained the definition and implementation of a clear development vision for the city.** Land-use planning in Jamaica is somewhat fragmented, governed by a complex legislative framework and requiring the input of multiple government agencies.¹⁰ Most of the institutions involved in the planning process are characterized by inadequate capacity, a shortage of trained and technical staff, and inadequate financial resources to effectively carry out their regulatory or executive functions. The absence of a lead planning agency has undermined the ability of the Government to formulate a coherent vision for the city’s development that could generate the buy-in and confidence of the private sector. For example, more than ten masterplans have been developed for Downtown Kingston over the past 25 years, but none of these plans has been fully implemented, nor do they adequately prioritize the need to steer Kingston’s development toward a more climate-resilient and low-carbon future. Another area of concern relates to the lengthy development approval processes which can span several years; relatedly, the high number of building and subdivision violations suggests that squatters as well as developers tend to bypass the planning system.¹¹ The current Government is committed to streamlining the institutional framework related to urban and land-use planning, as laid out in the *Vision 2030 Jamaica National Development Plan*, to use the Downtown Kingston and Port Royal redevelopment plan as the key plan to guide downtown redevelopment, and to address the main bottlenecks that have prevented the revitalization of strategic areas in the past

10. **Kingston has a significant opportunity to put in place a program for the urban transformation of strategic areas.** The Government of Jamaica (GoJ) is committed to revitalizing Kingston through a

⁸ Harriott, Anthony, and Marylyn Jones. 2016. “Crime and Violence in Jamaica: IDB Series on Crime and Violence in the Caribbean.” IDB Technical Note; 1060

⁹ Researchers in Chicago found that an increase in green spaces can result in a decrease in neighborhood crime rates, particularly for violent crime. Schusler, Tania, Leah Weiss, David Treering, and Earvin Balderama. 2018. “Research Note: Examining the Association between Tree Canopy, Parks and Crime in Chicago.” *Landscape and Urban Planning* 170: 309–13

¹⁰ Vision 2030 Jamaica National Development Plan – Urban Planning and Regional Development Sector Plan.

¹¹ Vision 2030 Jamaica National Development Plan – Urban Planning and Regional Development Sector Plan.



multipronged strategy to unlock the vibrancy and latent economic value of the city and ensure its alignment with low-carbon and climate-resilient pathways. Under this vision, the Government is focusing on three development poles within the city: (a) the modernization of National Heroes Park to accommodate the new Houses of Parliament and a government campus consisting of approximately eight ministries and agencies of government, a new national museum, public green space and mixed-use development (*under construction*); (b) the regeneration of the Market Commercial and Business District to the north of the waterfront area and the proposed project; and (c) the revitalization and increased climate resilience of the Kingston waterfront and its transformation into a 25 km urban ‘Harbour Walk’ trail of which the proposed project focusing on the Downtown Waterfront is one section. Additionally, the Government seeks to address key infrastructure issues in Downtown Kingston, including water and sanitation,¹² public transportation, and developing the city’s transit centers and terminals. Finally, over the past two decades, the GoJ has pursued programs to enhance the human, social, economic, and environmental development of inner-city communities in a holistic model with the objectives of expanding access to basic services, fostering economic development, and improving safety and perception of safety, including with World Bank support. Over the next five years, the Government, through the Jamaica Social Investment Fund (JSIF), plans to invest about US\$10 million in communities in East and West Kingston to address issues of poverty, social exclusion, and poor infrastructure and services provisions.

11. **The Urban Development Corporation (UDC) is the principal public sector organization responsible for planning, managing, and facilitating urban development in Jamaica.**¹³ The UDC is under the direct authority of the Prime Minister (PM) with special powers related to urban development within designated areas. The revitalization of Downtown Kingston is one of the UDC’s strategic priorities and includes the Kingston ‘Harbour Walk’, a 25 km urban trail park, the government campus and the new Houses of Parliament, and the development of the Downtown Kingston market and commercial district. In UDC-designated areas, including the Kingston waterfront, planning and development approvals only need to be coordinated with one other government body (the National Environmental and Planning Authority, NEPA), before being sent for approval by the PM—thus making the planning and implementation of urban development priorities more efficient and less cumbersome.

12. **The proposed project aims to accelerate the regeneration of Downtown Kingston through the transformation of the downtown waterfront into a world-class, climate-resilient park and public space that will serve the community and attract follow-on private investments in adjacent areas.** Embedded within a long-term vision for urban revitalization and low-carbon, climate-resilient development, the proposed project will invest in strategic urban infrastructure upgrades in the urban core, where pockets of under-utilized properties exist in what is the country’s prime real estate. Those surgical interventions, coupled with enhanced institutional capacity for urban development management and public-private collaboration, will aim to generate private sector interest and help reverse decade-old processes of urban flight from the downtown areas toward other areas of the city. Momentum has been building in recent years with the relocation of private sector corporations to Downtown Kingston, including Digicel Caribbean and GraceKennedy Limited, and public sector entities such as the Ministry of Foreign Affairs and Foreign Trade. The revitalization is expanding with the rehabilitation and recent opening of a hotel at

¹² National Water Commission (NWC). Master and Development Plan Study – Water and Wastewater Downtown Kingston, November 2021

¹³ Downtown Kingston, Hellshire, Caymanas, Ocho Rios, Montego Bay’s Waterfront, and Negril. The UDC Corporate Strategic Plan and Budget – 2020/2024.



the waterfront; the recently completed Port Royal Street Coastal Revetment work under the Disaster Vulnerability Reduction Project (DVRP, P146965) and the promenade to the east of the proposed project site; the emergence of an arts district supported by the Kingston and St. Andrew Municipal Corporation (KSAMC) and local nongovernmental organization ‘Kingston Creative’; and the restaurants and entertainment hot spots along the waterfront. An increasing number of formal and informal events organized along the waterfront also points to increased interest and willingness of residents to make use of the area. The Government’s strategy to address poverty, crime, and violence through community-based programs, undertake critical infrastructure upgrades (through upgrading the city’s water supply and sewer network), and provide the upfront costs of an iconic anchor investment through this proposed project, is meant to send a strong signal about its intention to develop Downtown Kingston and provide the physical conditions and enabling environment to mobilize subsequent private investments in the area.

C. Relevance to Higher Level Objectives

13. **The Kingston Waterfront Improvement Project (KiWI) will build on the successful activities completed under previous World Bank Projects.** These include, most importantly, the Jamaica DVRP (P146965), implemented by JSIF, which supported the construction of the Port Royal promenade and rock revetments along the Downtown Kingston waterfront and adjacent to the proposed project site. The proposed project will connect to that promenade and create a contiguous pedestrian waterfront corridor (which will then connect to the GoJ 25 km ‘Harbour Walk’ trail along the harbor). The proposed project will also build upon the Integrated Community Development Project (ICDP, 2014–2021) and the Inner City Basic Services for the Poor Project (ICBSP, 2005–2013), both implemented by JSIF, which together benefited 30 inner-city and peri-urban communities island-wide. Finally, the project will draw on JSIF’s experience in the implementation of the Rural Economic Development Initiative (REDI) Project (P166279), in particular with regard to strengthening and micro, small, and medium enterprises (MSMEs).

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

14. The proposed project aims to revitalize Kingston's downtown waterfront area, expand economic development opportunities, and enhance the institutional capacity to enable future private sector-led redevelopment.

Key Results

15. The key PDO-level results indicators for the proposed project are the following:

- People provided with improved urban living conditions, of which women (CRI)¹⁴
- People reached with economic development opportunities under the project, of which percentage women
- Cities with improved livability, sustainability, and/or management (CRI)

¹⁴ CRI = Corporate Results Indicator.



- Number of measures implemented by design to mitigate and adapt to climate change

D. Project Description

16. **The proposed project is designed to set in motion an urban regeneration process that will maximize benefits for local residents and businesses and serve poor communities in Downtown Kingston.** The design and construction of an iconic waterfront park and public space in Downtown Kingston, financed under Component 1, will generate numerous benefits for local communities, including health, environmental and social benefits (see Box 1), and create a new destination for the city of Kingston that will draw local and international tourists. To ensure that the benefits derived from this investment serve the poor communities in Downtown Kingston, activities under Component 2 are specifically designed to create the conditions for existing local vendors and businesses in the area to take advantage of the new economic opportunities generated by the redevelopment, and maximize economic spillovers in surrounding neighborhoods and communities. Finally, institutional strengthening activities under Component 3 will include targeted policy advice to improve the lives of low-income residents, including more job opportunities and improved access to services and amenities.

17. **The proposed project will condition financing and disbursement for any civil works under Component 1 on the prior approval of the detailed design by the Jamaican Public Investment Management Committee (PIMC).** The PIMC, chaired by the Minister of Finance, recommends any capital expenditures to be included in the Public Sector Investment Program, based on a prior technical review and appraisal of project concept and detail design. As the detailed design of the waterfront park will be procured under the proposed project, it was agreed with the Government that the PIMC review process would take place after the proposed project is approved and effectiveness is granted. Therefore, based on a request by the GoJ, a disbursement condition will be added to the Legal Agreement, whereby there will be no disbursement to finance the construction of the park before the PIMS has completed its review process

18. **Component 1: Green, resilient, and inclusive waterfront (US\$25 million).** This component will finance the construction of a linear, multi-use park along Downtown Kingston's waterfront between Port Authority to the west and where Gold street meets Port Royal street to the east. The park will include investments, financed through an integrated works contract, including, among others, recreational facilities, such as bike paths, playgrounds, and sport grounds; permeable and natural walkways; street furniture and landscaping; street lighting and signage; green infrastructure like retention pools and floodable park areas; the rehabilitation of the seawall; multi-purpose community centers; adaptable market and event spaces for art and entertainment that will generate income-generating opportunities for local entrepreneurs; and amenities such as police posts and public toilets.

19. **The conceptual design of the park is expected to be completed in May 2024¹⁵.** Following the completion of the conceptual design, this component will finance the detailed design, construction and supervision of the park under one of two procurement scenarios: (a) assuming satisfactory performance of the design firm undertaking the conceptual design of the park, a follow-on contract for the detailed design and construction supervision will be awarded to the same firm in May 2024, with construction

¹⁵ The conceptual design of the park is financed under the Foundation for Competitiveness and Growth Project (P173165)



estimated to commence in October 2025; or (b) upon the completion of the conceptual design it is determined that a different firm will be procured for the detailed design (and supervision) of the park, a contract for which would be expected to be awarded by March 2025 and construction of the park will commence in May 2026. In both scenarios, the satisfactory review of the social and environmental impacts associated with the final park design will be critical.

20. **The park will feature world-class design and high-quality amenities, specifically intended to catalyze follow-on private sector investment in the areas adjacent to the waterfront.** The park will provide a new and inclusive venue for year-round, family friendly use and programming. Community engagement, and gender-inclusive¹⁶, participatory design will be an integral part of defining the vision for the park, which seeks to recast the underutilized waterfront into a regional destination, embracing the Kingston harbour as a recreational amenity and balancing urban ecology with active program elements. It is expected that the park will attract locals as well as tourists who value the park and spend money on goods and services while visiting the park. The park will be designed with an eye towards practical considerations of maintenance as well as long-term financial sustainability generate revenue for operations and maintenance (O&M) and activate the wider area for future investment and private sector-led development. The park investment will also create employment opportunities during the construction of the park space, as well as more long-term permanent jobs in the area including for the O&M of the space, through the provision of upgraded amenities for formalized vendors in the vicinity of the proposed project site and technical assistance (TA) (through Component 2) to improve their product offering.

21. **The aim of this component is to promote low-carbon development and adaptation to climate risks.** The proposed project will assess and calibrate the carbon impact of proposed design solutions from the early stages of planning, with a view to including optimal design options, land uses, structural systems, and landscape and façade materials, including through the reuse of existing structures (pavement, seawall, and concrete piers) to create new typologies unique to the waterfront and thus reduce the carbon footprint of construction. The waterfront park will pedestrianize Ocean Boulevard and connect to the waterfront promenade and coastal protection measures developed along Port Royal Street under the DVRP (P146965), thus creating a contiguous and resilient recreation corridor to encourage active mobility and a modal shift away from cars. The construction of the park will adhere to high resource efficiency standards, high energy efficiency and low carbon building standards, as well as onsite renewable energy generation, and will look to certify any construction with relevant green building standards. The park will be designed to reduce flood risks by allowing for greater permeability, address risks related to sea level rise and storm surges by rehabilitating the seawall and provide adaptation measures for extreme temperature by increasing tree cover and shade areas. The proposed project will prioritize nature-based solutions, green infrastructure, indigenous vegetation, and educational sites that raise awareness about coastal resilience and stormwater surges and the ecological and symbolic significance of Kingston's natural harbor.

22. **Component 2: Urban upgrading and economic development in Downtown Kingston (US\$8 million).** This component will finance three sub-components: (i) basic urban infrastructure upgrading; (ii) fostering economic development; and (iii) community outreach, activation, and inclusion.

¹⁶ The waterfront improvement will be designed to promote gender impacts in project design and programming, for more information refer to paragraph 19



Sub-component 2.1: Basic urban infrastructure upgrading (US\$5 million). This subcomponent will finance small-scale infrastructure works and urban upgrading in the commercial district, bordering the Kingston waterfront.¹⁷ Investments will prioritize the enhancement of critical corridors and thoroughfares in the area to enhance the area’s resilience, facilitate access to the waterfront, and improve the conditions for commercial activities in the area. Investments will include (i) street scaping, widening, rehabilitating, and permeable paving for roads or sidewalks to reduce surface runoff¹⁸ and promote active mobility; (ii) improving stormwater drainage; (iii) installing LED¹⁹ street lighting; and (vi) making investments to increase accessibility, promote active mobility, and road safety (for example, improved sidewalks, crosswalks, and signage).

Subcomponent 2.2: Fostering economic development (US\$2 million). Investments under this subcomponent are designed to enable existing vendors and MSMEs in and around the project site, including the Kingston waterfront and the adjacent commercial district, to take advantage of the economic opportunities generated by the waterfront investment and associated development, based on a comprehensive mapping and business needs assessment financed under this subcomponent. Business support activities financed under this subcomponent will include: (a) skills and knowledge transfer programs, including training in the following areas: business plan development, operations, accounting, marketing, human resources, and finance; and (b) in-kind support in the form of equipment. The detailed design of this subcomponent will be concluded within the first 6 months of implementation, based on the findings of the MSMEs mapping exercise and business needs assessment. Criteria for the prioritization and selection of beneficiaries under this component are expected to include, among others: (a) geographic scope (MSMEs located in the geographic scope of Component 2), (b) socioeconomic vulnerability (presence of the elderly, female-headed businesses, presence of people with disabilities, presence of economically vulnerable people, and so on), (c) potential for local impact, (d) technical and financial feasibility, and (e) E&S sustainability.

Subcomponent 2.3. Community outreach, activation, and inclusion (US\$1 million). This subcomponent will finance deep community engagement throughout the project cycle. The stakeholder engagement process will build on existing structures in place for community engagement and will be designed to (a) communicate and generate buy-in and ownership among community members and residents about the waterfront redevelopment; (b) elicit community views and contributions during the planning process of the waterfront park, to ensure that the design concept engages the experiences and uses of a wide diversity of Kingstonians and addresses concerns the community might have about the proposed redevelopment; and (c) create inclusive activation and programming of the waterfront redevelopment that draws on the creative and entrepreneurial potential of local residents and businesses. Community outreach and communication campaigns, including radio ads and special events, have shown to be a critical element for attracting new park visitors and will specifically target girls and women and other vulnerable groups and address perceptions of insecurity which may prevent them from accessing the site.

¹⁷ The commercial district stretches north until Beckford Street/South Parade and Laws Street; South: Harbour Street; West: Pechon Street/Rose Lane; and East: Hanover Street.

¹⁸ A flood risk assessment conducted for the project suggests that more than a quarter of the city is exposed to pluvial flood hazard.

¹⁹ LED = Light-Emitting Diode.



Finally, the proposed project will develop strategies to include at-risk youth through out-of-school programming, events, and cultural activities at the waterfront and Downtown Kingston, including after school activities, summer camps, volunteering, training, and access to practice and performance spaces.

23. **Component 3: Enhance the institutional capacity to enable future private sector-led redevelopment (US\$3 million).** This component will finance TA to relevant government agencies to help attract private investors to develop blighted and underutilized sites within and adjacent to the waterfront. Real estate market demand has been rising in Kingston in recent years, and the private sector has expressed interest in investing in Downtown Kingston and the waterfront. The Government is keen to unlock the latent economic and social value in Downtown Kingston and seeks technical support to clarify the regulatory framework for urban planning and development; to align planning and investment efforts focused on Downtown Kingston; to develop an associated implementation strategy on which the private sector can depend; and to attract, negotiate, and manage future private sector investments. This may include helping to upgrade technical knowledge among the primary public sector entities with formal responsibilities for the development and urban management of this area, proposing adjustments to the regulatory framework and streamlining existing development plans for Downtown Kingston. Furthermore, this component will finance technical advice to develop sustainable O&M mechanisms for urban public spaces, including, most importantly, the waterfront park financed under Component 1.

24. **Activities under this component will include, among others:** (a) advisory services to explore the creation of a Downtown-Kingston City Improvement District²⁰ or a similar professionally and independently managed entity, to ensure the sustainable O&M of the waterfront park; (b) TA to develop and manage public-private collaboration in implementing urban regeneration, including related to the potential use of land-based financing instruments; negotiation of market-viable transaction structures; and selection of real estate development partners; and (c) TA to strengthen public sector planning capacities and support to align institutional, private sector, community, and other stakeholders around a medium- to long-term redevelopment vision.

25. **Component 4: Project management (US\$4 million).** This component will support the administrative management of the proposed project by JSIF and implementing partners through, but not limited to, (a) a project coordinator; (b) financial management (FM) and procurement specialists to carry out the fiduciary aspects of the project, including audits; (c) monitoring and evaluation (M&E) specialists; (d) technical experts needed for project preparation and implementation (including E&S management and social protection specialists); and (e) technical focal points, including project managers with expertise in real estate development and urban development and engineering in the UDC. JSIF will coordinate the provision of training and workshops and manage the financing of necessary goods, equipment, and operating costs, including costs associated with convening and reporting to different government stakeholders.

²⁰ City Improvement District (CID) and Business Improvement Districts (BID) are geographically defined, self-taxing districts established by a majority of property owners within that district, who agree to contribute a supplemental levy or assessment. BIDs are privately directed, publicly sanctioned non-profit organizations that supplement municipal and/or local public services (e.g., public lighting, trash pick-up, street signage) and seek to enhance the economic vitality of the district.



Legal Operational Policies

Triggered?

Projects on International Waterways OP 7.50

No

Projects in Disputed Areas OP 7.60

No

Summary of Assessment of Environmental and Social Risks and Impacts

26. The proposed project's Environmental and Social Risk Classification (ESRC) is Substantial. The study on conceptual design of civil works will be finalized after project approval. However, considering the current available information, the environmental risk classification is Substantial under the World Bank Environmental and Social Framework based on the location, type, sensitivity, and scale of project intervention, nature and magnitude of potential E&S risks and impacts, and client capacity and ownership. The project area is urbanized and may be considered a brownfield redevelopment. The possible project environmental risks under Component 1 include negative effects typical of civil works associated with waterfront park development (noise, dust, water quality, solid and liquid waste, stormwater runoff, and turbidity) and worker health and safety.

27. The social risk classification of the project is Substantial. While the project is expected to bring positive benefits to both the Kingston waterfront and the surrounding communities, there are social risks related to its implementation. Potential social risks include risks of social exclusion—including the exclusion of communities around the project physical area—safety, security, economic and physical displacement, interactions between contractor(s) and the public, traffic management, and risks related to chance findings of cultural heritage in the project area. Persons from the communities around the project area often feel excluded from decisions, development, and improvements because they are often not effectively consulted. Also, the waterfront improvements and the new park could lead to broader development in the area, which could push out the existing community (gentrification). The implications of some of the abovementioned risks are far-reaching and include implications for safety and security. If socially included, it is believed that the members of the surrounding communities will ensure that users of, for example, the park are kept safe, thus contributing to reducing crime-related activities and the endeavor's social sustainability.

28. To address the abovementioned potential risks and impacts, the project has developed an initial E&S review document covering the E&S setting of the proposed sites, possible E&S issues, and outlines of the E&S instruments to be prepared during the project implementation phase. The proposed project is also developing a SEP with its grievance mechanism and an Environmental and Social Commitment Plan (ESCP). The client has disclosed the draft SEP and ESCP on its website and in the physical offices of JSIF **On March 10, 2023**. The SEP addresses the inclusion of vulnerable groups in the consultation process undertaken very early during project preparation and a summary of the results of those consultations and how their feedback has informed the project design. The consultation methodology ensures differentiated measures/methods for consulting vulnerable and disadvantaged individuals and groups. The SEP also encloses a feedback mechanism for vulnerable and disadvantaged groups so that, where feasible, their



concerns will be integrated into the project design. As agreed in the ESCP, the other E&S documents to be prepared for the project during implementation are an Environmental and Social Impact Assessment (ESIA) with an Environmental and Social Management Plan (ESMP) for Component 1 through a consultant firm independent of the design studies, Environmental and Social Management Framework (ESMF) for Component 2, Labor Management Procedures (LMP) for the overall project, and Resettlement Action Plans (RAPs), if any, to include an examination of the dimensions of vulnerability, in particular concerning direct and indirect impacts, which will feed into the design of subproject activities. In addition, the selected contractor of Component 1 will prepare the Contractors' Environmental and Social Management Plan (CESMP).

29. As indicated in the ESCP, the final SEP and LMP will be established and publicized no later than 90 and 60 days, respectively, following the Effective Date of the project; the ESMF shall be disclosed and adopted before the start of work under Component 2; the ESIA and ESMPs shall be approved by the World Bank and consulted and disclosed before launching the bidding processes for the works; and the RAPs, if any, with its grievance mechanism that will be same as that of the SEP, shall be adopted and implemented, before taking possession of land and related assets, including full compensation having been provided under the timeline of the approved RAPs. Regarding the risk of gentrification, the project will look at how to protect these communities from this kind of indirect impact; this will be addressed as part of the strategic dialogue with stakeholders in the public sector and vulnerable groups, the latter being part of the responsibility of the PSC. As set out in the Loan Agreement, the proposed project shall establish and maintain a PIU at JSIF, with qualified staff and resources to support management of Environmental, Social, Health, and Safety (ESHS) risks and impacts of the project, including an environmental specialist and a social specialist.

30. The TA under Component 3 may include TA activities of type 3 (strengthening borrower capacity) according to the 2019 Operations Environmental and Social Review Committee Advisory Note on Technical Assistance and the Environmental and Social Framework. The requirements set out in paragraphs 14–18 of ESS1²¹ will be applied to TA activities as relevant and appropriate to the nature of the risks and impacts.

31. The World Bank will review the ESRC on a regular basis throughout the project life cycle to determine whether it continues to accurately reflect the level of risk the project presents.

Note: To view the Environmental and Social Risks and Impacts, please refer to the Appraisal Stage ESRS Document.
Please delete this note when finalizing the document.

E. Implementation

Institutional and Implementation Arrangements

²¹ ESS = Environmental and Social Standards.



32. **Based on the respective agencies' technical capacity, formal authorities, and prior experiences implementing World Bank projects, the primary partners for the proposed project are JSIF and the UDC.** The Ministry of Finance and Public Service, Planning Institute of Jamaica (PIOJ), KSAMC, Ministry of Local Government and Rural Development, NEPA, National Works Agency (NWA), and NWC are also project partners with key roles and responsibilities linked to their respective areas of responsibility. The institutional arrangements and responsibilities of the different institutions are outlined below. Detailed roles and responsibilities will be further outlined in the Project Operational Manual (POM). A Project Implementation Unit (PIU), with key technical staff, will be established for project implementation.

33. **JSIF is the lead implementing agency in charge of the PIU with overall responsibility for project implementation as well as fiduciary, procurement, E&S risk management, M&E aspects, citizen engagement, and communication.** The UDC will serve as the lead technical agency for Components 1 and 3, and JSIF will serve as the lead technical agency for Component 2. The proposed project will support the engagement of qualified consulting companies to support the UDC in investment design and contract supervision elements. The UDC will not execute funds under the proposed project.

34. **A critical aspect to achieve successful implementation will be effective communication, including broad-based information and dissemination campaigns and proactive stakeholder engagement,** especially in the early stage of implementation to reach out to potential beneficiaries and engage community input during the design process. As such, JSIF will also be responsible for citizen engagement and will work together with the UDC to organize stakeholder meetings and provide information to the public to explain the proposed project goals, benefits, and implementation progress, disseminating and addressing feedback from the community as well as the GRMs. JSIF should also ensure equal participation of women in all community engagement processes.

35. **Ensuring sufficient technical staff within the executing and implementing agencies to ensure effective implementation of the various project components will be critical.** The POM will include the project team's organizational structure and describe the duties and responsibilities of all staff responsible for the project's technical, administrative, FM, procurement, E&S management, and M&E procedures. In addition, due to the nature of the proposed project, effective interinstitutional coordination and proactive involvement of all government entities early in the life of the proposed project will also be critical for the success of the proposed project. JSIF will enhance the coordination mechanisms between the PIOJ, NWA, NWC, UDC, KSAMC, and NEPA by setting up an operational working group to convene on a regular basis (at minimum, monthly); the committee's purpose would be to review progress toward established deadlines, address deadlocks and constraints that arise, set defined metrics and hold participating agencies accountable for meeting deadlines and achieving those metrics, and streamline decision-making.

36. **JSIF.** Established in 1996 as a limited liability company to reduce poverty and help create an environment for sustainable development, JSIF has recognized executing capacity for projects spanning multiple sectors, including rural development, and institutional capacity related to procurement, FM, safeguards, and M&E. JSIF will establish a PIU that will be responsible for overall technical implementation and will coordinate with all relevant national institutions on component implementation. JSIF has been



the implementing agency of numerous World Bank projects including the ICDP (2014–2021) and the ICBSIP (2005–2013); the DVRP (P146965), the REDI Project (P105122), and the REDI II Project (P166279).

37. **UDC.** As the agency responsible for urban development in Jamaica, the UDC will provide technical leadership and ensure effective coordination with project partners related to implementation of Components 1 and 3. Among the key roles and responsibilities of the UDC are (a) leading the urban design studies, (b) reviewing consultant deliverables as relevant, (c) periodic monitoring of project implementation progress, (d) exercising supervision and oversight and participating in key meetings, (e) providing the required approvals in accordance with the regulatory framework, (f) consulting and garnering the support and endorsement of the KSAMC and relevant agencies, and (g) obtaining the required approvals from NEPA. The UDC was established in March 1968 by an act of Parliament to ensure the development of Jamaica in a sustainable and holistic manner, within the framework of national priorities. The UDC’s mandate is to work in designated areas, including Downtown Kingston, Hellshire, Caymanas, Ocho Rios, Montego Bay’s Waterfront, and Negril. Along with extensive work in these areas, the UDC has planned, managed, and facilitated projects on behalf of government agencies and other organizations supporting improvements to national infrastructure for education, public health, housing, culture, commercial activity, and national security. The UDC manages the Tax Incentive Programme (TIP) for Urban Renewal on behalf of the Ministry of Finance, aimed at stimulating urban renewal by encouraging private capital investment.

38. **Project Steering Committee (PSC).** A PSC including the main project stakeholders, namely, representatives from the Ministry of Finance and Public Service, PIOJ, UDC, JJSIF, KSAMC, Ministry of Local Government and Rural Development, NEPA, NWA, and NWC, and representatives from other relevant government agencies with formal roles and authorities related to the project will be established. The PSC will provide strategic guidance for project implementation and will play a role in the overall project oversight, support stakeholder coordination, and solve major crosscutting issues or bottlenecks emerging during project implementation. JSIF will serve as secretariat of the PSC together with the PIOJ, meetings will be chaired by JSIF’s managing director (MD), main discussion points and decisions will be made public, and project timeframes and metrics will be published as per the Jamaica Access to Information Act.

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APPROVAL

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