

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA24638

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|---|---|
| Project Name | Andhra Pradesh Disaster Recovery Project (P154847) |
| Region | SOUTH ASIA |
| Country | India |
| Sector(s) | General agriculture, fishing and forestry sector (10%), General energy sector (30%), General water, sanitation and flood protection sector (30%), General transportation sector (30%) |
| Theme(s) | Natural disaster management (50%), Rural services and infrastructure (30%), Climate change (20%) |
| Lending Instrument | Investment Project Financing |
| Project ID | P154847 |
| Borrower(s) | Department of Economic Affairs |
| Implementing Agency | Revenue and Disaster Management Department, Government of Andhra Pradesh |
| Environmental Category | A-Full Assessment |
| Date PID Prepared/Updated | 01-May-2015 |
| Date PID Approved/Disclosed | 01-May-2015 |
| Estimated Date of Appraisal Completion | 29-Apr-2015 |
| Estimated Date of Board Approval | 15-Jun-2015 |
| Appraisal Review Decision (from Decision Note) | |

I. Project Context

Country Context

India is highly vulnerable to a range of natural hazards, particularly earthquakes, flood, drought, cyclone and landslides. Close to 60% of India's land mass is prone to earthquakes of varying magnitude; over 60% of the area is drought prone; and 12% is susceptible to floods and landslides. With a coastline of 7,516km, of which 5,700km is prone to cyclones of various degrees of intensity, approximately 40% of the total population living within 100km of the coastline can be potentially affected. As climate change, storm surges and the resultant sea level rise become more pronounced, hazard events are set to grow in frequency and intensity.

The Government of India (GoI) has made great strides in moving from a reactive emergency response to being proactive and implementing disaster preparedness and risk reduction initiatives. India enacted the Disaster Management Act in 2005 and established the National Disaster Management Authority (NDMA) and State Disaster Management Authorities (SDMAs). NDMA

has proactively formulated guidelines and procedures for dealing with specific natural disasters and is mandated to frame policies, plans and guidelines for Disaster Management.

For more than a decade, the Bank has been assisting GoI in effectively responding to disasters. This partnership between GoI and the Bank and their joint learning experience of disaster recovery and reconstruction are leading to an increased focus towards future oriented risk mitigation programs and strategies that will ultimately benefit millions of people vulnerable to natural disaster risks at the national, state and district - including village - level in India.

Sectoral and institutional Context

Andhra Pradesh is one of the most natural hazard prone states in India because of its long coastline and geographical location. About 44 percent of the state is vulnerable to tropical storms and related hazards. In addition to cyclones and related hazards, monsoon depressions bring heavy to very heavy rains causing floods in the inland rivers between June and September. Many areas in the state adjacent to coastal districts are vulnerable to flash floods. Coastal erosion is an important problem, out of the total coastal length of about 974 km, about 440 km faces coastal erosion. Andhra Pradesh is also exposed to earthquakes, though the State lies in low relatively risk zones (Zone I, II and III).

The state has a population of 49.4 million (population density – 308persons/sq.km), out of which proportion of rural population is 70.4% while that of urban is 29.6%. Visakhapatnam is the most urbanized district of the state having 47.5% as urban population. Out of total 13 districts in the state, nine are coastal districts and account for approximately 69% (34.19 million) of its total population.

Under the provisions of Disaster Management Act 2005, The Andhra Pradesh Disaster Management Rules 2007 were issued. As part of the rules, the GoAP has constituted the AP SDMA which is the nodal agency for disaster management at the state level and has two distinct objectives: i) develop and update plans and strategies to handle any type of disaster as pre-disaster efforts – this includes the development of disaster preparedness plans for the State, multi-hazard disaster response plans and district disaster management plans; and ii) undertake projects for restoration and strengthen of infrastructure damaged by disasters during post-disaster scenario.

Situation in Urgent Need of Assistance

On October 12, 2014, a Very Severe Cyclonic Storm (VSCS) ‘Hudhud’ made landfall on the coast of Andhra Pradesh, near the city of Visakhapatnam. At the time of landfall, the estimated maximum sustained surface wind speed associated with the cyclone was about 180 kmph and height of the waves up to 3 meters. The tide gauge at Visakhapatnam reported maximum storm surge of 1.4 meters above the astronomical tide. By October 14, Hudhud drifted northwards toward Uttar Pradesh and weakened into a well-marked low-pressure area over east Uttar Pradesh and neighborhood.

The Government of Andhra Pradesh (GoAP) was proactive in preparing for the cyclone Hudhud. In addition to the updates from India Meteorological Department (IMD), the intensity and magnitude of the cyclone were continuously tracked at AP State Disaster Management Authority (AP SDMA) and a range of preparatory measures were launched to face the cyclone. Relief and rescue team were deployed in the coastal districts most likely to be impacted and regular warnings to vulnerable

populations were issued through various channels. This, supplemented by the evacuation of close to 250,000 persons, mostly living in vulnerable kutchas or low-lying areas, helped limit the death toll from the cyclone to 61.

Cyclone Hudhud and the floods that followed the associated heavy rainfall caused extensive devastation in all the affected districts, uprooting vast number of trees, damaging roads, public buildings, livelihoods and disrupting telecommunications and power infrastructure.

Joint Rapid Damage and Needs Assessment

The World Bank and the Asian Development Bank (ADB), upon receiving a request from the Department of Economic Affairs (DEA), GoI, carried out a Joint Rapid Damage and Needs Assessment (JRDNA) during December 11 to December 17, 2014.

Cyclone Hudhud caused major damage in 26 cities and towns, in Visakhapatnam, Vizianagaram, Srikakulam, and East Godavari districts, and affected about 9.2 million persons including 3 million urban population. The JRDNA report estimated the cost of damage reconstruction to be about US \$2.16 billion, of which the livelihoods sector was the most severely hit with recovery needs estimated to be around US\$ 443 million, followed by housing sector (US\$439 million) and the roads sector (US\$ 375 million). Based on the findings of the JRDNA, the DEA, and the World Bank agreed on providing assistance for disaster recovery and future risk reduction to the state of AP.

II. Proposed Development Objectives

The Project Development Objective (PDO) is to restore, improve and enhance resilience of public services, environmental facilities, and livelihoods in targeted communities of Andhra Pradesh, and increase the capacity of the State to respond promptly and effectively to an eligible crisis or emergency.

III. Project Description

Component Name

Resilient electrical network

Comments (optional)

The objective of this component is to reduce the vulnerability of the city's electrical network by laying the power distribution system underground.

Component Name

Restoration of connectivity and shelter infrastructure

Comments (optional)

This component will finance investments to permanently restore, upgrade, and increase resilience towards future disasters of Roads and Cyclone Shelters.

Component Name

Restoration and protection of beach front

Comments (optional)

This component will support priority investments along the beach front of the city of Visakhapatnam. This component will entail: a) shore protection works; and b) beach front restoration.

Component Name

Restoration of environmental Services/facilities and livelihood support

Comments (optional)

This component will finance the reconstruction of the severely damaged zoological park at Visakhapatnam and ecological park at Kambalakonda. It will also assist in restoring the lost shelterbelts, windbreaks and mangroves along the coast to build disaster resilience and support livelihoods opportunities of poor vulnerable coastal families by supporting nurseries and farm forestry.

Component Name

Capacity Building and Technical support for disaster risk management

Comments (optional)

This component will support investments to enhance the capabilities of GoAP entities and other stake holders in managing disaster risks, enhancing preparedness, and achieving resilient recovery. The component will entail capacity augmentation for disaster management and technical support for risk reduction and response preparedness.

Component Name

Project implementation support

Comments (optional)

This component will support the incremental operating costs of the Project, including establishing and operating the Project Management Unit (PMU) and the Project Implementation Units (PIUs) and other partner agencies.

Component Name

Contingency emergency response

Comments (optional)

Following an adverse natural event that causes a major natural disaster, the government may request the Bank to re-allocate project funds to support response and reconstruction. This component would draw resources from the unallocated expenditure category and/or allow the government to request the Bank to re-categorize and reallocate financing from other project component to partially cover emergency response and recovery costs. This component could also be used to channel additional funds should they become available as a result of the emergency.

IV. Financing (in USD Million)

| | | | |
|---|--------|-----------------------|---------------|
| Total Project Cost: | 370.00 | Total Bank Financing: | 250.00 |
| Financing Gap: | 0.00 | | |
| For Loans/Credits/Others | | | Amount |
| BORROWER/RECIPIENT | | | 120.00 |
| International Development Association (IDA) | | | 250.00 |
| Total | | | 370.00 |

V. Implementation

The State level Project Steering Committee constituted at apex level for NCRMP will oversee and monitor the overall progress of project. The State Project Implementation Unit (SPIU) for NCRMP will act as the Project Management Unit for the project. The PMU will be supported by sector

experts drawn from each of the Line Departments (LDs) implementing the project investments. The LDs shall be responsible for actual execution of the works and further maintain the infrastructure created. LDs will appoint nodal officers and will execute the project through respective field offices.

The lead implementing agency for Component 1 will be EPDCL, which will also be responsible for quality assurance through third party audits. Component 2 will be implemented through Panchayati Raj Department (PRD) for Sub-component 2.1, and Roads and Buildings Department (R&BD) for Sub-component 2.2 under the supervision of one Project Implementation Unit (PIU). The implementing agency for Component 3 will be GVMC. GVMC will plan for infrastructure identified in sub-components 3.1 and 3.2. While VUDA will implement defined activities under sub-component 3.2. Components 4 will be implemented by the Andhra Pradesh Forest Department (FD). The FD will have a PIU at Visakhapatnam to implement this component. The Civil works will be executed through an arrangement with Andhra Pradesh Industrial Infrastructure Corporation (APIIC).

VI. Safeguard Policies (including public consultation)

| Safeguard Policies Triggered by the Project | Yes | No |
|--|-----|----|
| Environmental Assessment OP/BP 4.01 | x | |
| Natural Habitats OP/BP 4.04 | x | |
| Forests OP/BP 4.36 | x | |
| Pest Management OP 4.09 | x | |
| Physical Cultural Resources OP/BP 4.11 | x | |
| Indigenous Peoples OP/BP 4.10 | x | |
| Involuntary Resettlement OP/BP 4.12 | x | |
| Safety of Dams OP/BP 4.37 | | x |
| Projects on International Waterways OP/BP 7.50 | | x |
| Projects in Disputed Areas OP/BP 7.60 | | x |

Comments (optional)

The State of Andhra Pradesh have developed the necessary experience and capacity to undertake Environment and Social Screening (as developed as part of the Environment and Social Management Framework (ESMF) for NCRMP I). The same process will apply to APDRP in the line with provisions set forth in the ESMF. The Environment and Social Management Framework (ESMF) will be adopted for the project. It includes: (a) Environment and Social Screening approach and methodology and; (b) Environment and Social Assessment for certain type of sub-projects (such as saline embankment/bund works and underground electric cabling works); (c) provides specific guidelines and generic management measures for all category of works/activities proposed under the project. The ESMF also sets out principles and procedures for carrying out social screening, and preparing and implementing Resettlement Action Plans (RAP) based on safeguards categorization during screening. The ESMF, will include RPF, IPF and Gender Equity and Social Inclusion (GESI) Guidelines and implementation arrangements for implementing the same, and this shall be finalized and disclosed prior to the conclusion of Project Negotiations.

The Government of Andhra Pradesh has established strong capacities in designing and implementing R&R programs. The capacities were built over a period of long association of the Bank with the state, as several Bank assisted projects were implemented and presently are under implementation. In addition, the SPIU, the implementing agency of NCRMP I is identified as the

nodal agency for implementing APDRP and already has social and environmental specialists. The State Government has established State level Commissionerate, R&R office.

VII. Contact point

World Bank

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Borrower/Client/Recipient

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Implementing Agencies

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