

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA16613

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Mauritania	Project ID:	P151058
Project Name:	Nouadhibou Eco-Seafood Cluster Project (P151058)		
Task Team Leader(s):	Alexandre Hugo Laure, Berengere P. C. Prince, Peter Kristensen		
Estimated Appraisal Date:	19-Jan-2016	Estimated Board Date:	24-Mar-2016
Managing Unit:	GTC07	Lending Instrument:	Investment Project Financing
Sector(s):	General agriculture, fishing and forestry sector (25%), Public administration-Industry and trade (15%), Ports, waterways and shipping (15%), Agro-industry, marketing, and trade (30%), Other domestic and international trade (15%)		
Theme(s):	Judicial and other dispute resolution mechanisms (5%), Infrastructure services for private sector development (35%), Micro, Small and Medium Enterprise support (10%), Export development and competitiveness (25%), Trade facilitation and market access (25%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	9.25	Total Bank Financing:	7.75
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			1.50
IDA Grant			7.75
Total			9.25
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

The objective of the proposed project is to support the development of a seafood cluster in

Nouadhibou that promotes sustainable management of fisheries and generates value for the communities.

3. Project Description

The project will contribute to the Government competitiveness agenda (fisheries, Free Zone, and national private sector development strategies and investment frameworks) and it will address four binding constraints that inhibit the competitiveness of the seafood industry in Nouadhibou: (a) excess fishing effort that threatens sustainability of raw material supply and profitability of the fishing industry, (b) insufficient coordination between actors and product diversification, (c) inadequate fish landing infrastructure as well as lack of private initiative in developing and managing shared facilities (including storage) and handling services, and (d) limited linkages effects to the rest of the economy. Noting that without an appropriate management regime for controlling access to fish resources, investments aimed at facilitating fish landing or processing could lead to further increase in fishing effort and overexploitation of fish resources, the Project will comprise two components to achieve the PDO: (a) Planning, reorganizing and promoting a sustainable seafood cluster in Nouadhibou and (b) Increasing the value of products produced at and marketed from the seafood cluster with the participation of local actors in Nouadhibou.

Component 1: Planning, reorganizing and promoting a sustainable seafood cluster in Nouadhibou (US\$5.95 million)

The first component will build the capacity of the Nouadhibou Free Zone Authority and stakeholders to plan/ design, reorganize and promote the cluster so that the objective of sustainable management of fish resources is well integrated in the development of a competitive seafood value chain that originates in Nouadhibou. Component 1 consists of the following two subcomponents, which together will uplift industry norms and catalyze responsible investments: the first subcomponent will foster a public-private dialogue to help design and implement a sustainable seafood cluster strategy; while the second will promote investment opportunities in a way it attracts responsible investors.

The following approach will ensure the transparency of the activities in this component. The process and output of public-private dialogue, in particular the comprehensive strategy of the cluster, will be made publicly available, while outreach activities to attract responsible private participants of the cluster will also be done in a transparent manner by publicly disclosing the solicitation information and ensuring not to discriminate certain groups against others in terms of access to information. Note that transparency with regards to publication of selected fisheries management data and the mode of fishing rights allocation are monitored within the results framework of the SOP C1 project. Further, the SOP C1 project also includes an activity of integrating the octopus industry in the framework of international transparency initiatives (e.g. EITI and FiTI). The World Bank will continue to support such activities to put into practice the concepts of transparency initiatives.

Subcomponent 1.1.: Promote public-private dialogue to develop a vision for sustainable seafood cluster in Nouadhibou and accelerate nation-wide reforms impeding its development (US\$2.6 million).

In 2014, the Nouadhibou Free Zone approved a Master Plan and Investment Plan, and its law provides for the creation of development zones; the Eco-Seafood Cluster is selected as the first of such development zones. At the same time, the Ministry of Fisheries and Maritime Economy completed a sector strategy and a multi-donor investment framework in 2015. It is expected that fisheries management plans will be implemented, starting with the one for octopus (cephalopod)

which has already been adopted by decree. However, it is not yet well understood by stakeholders how coordination between implementation of fisheries management plans and activities of Nouadhibou seafood cluster can catalyze synergies to maximize the benefits of the seafood sector for the economy. Thus this subcomponent will strengthen Nouadhibou Free Zone stakeholders' capacity in understanding the intricate linkages inherent in the actions of various participants and design the physical and institutional functions of the cluster accordingly. It will finance consultants' services, trainings of stakeholders and operating costs in order to: (a) develop a holistic vision of the cluster that encompasses and clarifies certain key concepts (e.g. sustainability of fish resources, rights and responsibilities of participants, inclusiveness, transparency, and competitiveness); (b) design a robust cluster strategy (identification of target value chain, planning process, master & investment plans); and (c) develop an adequate framework (legal, institutional, fisheries management coordination schemes) and required operational tools (land GIS, M&E) for the formal establishment of Nouadhibou Eco-Seafood Cluster (NESC).

Meanwhile, this subcomponent will address the two nationwide thematic areas critical to the cluster development: investment climate and public private partnership (PPP). First, while Mauritania's investment climate is poor, there is an unprecedented opportunity to build on the ongoing strong reforms momentum, to which Project preparation has contributed. Mauritania is among the Top 10 Reformers in the Doing Business Report 2016. Second, Mauritania has no legal and regulatory framework for PPP, neither does it have an institutional mechanism to identify, structure and execute PPP transactions. Thus this subcomponent will also develop stakeholder's (public and private) capacity to formulate, prioritize and foster indicator-based reforms in the local (Nouadhibou) fisheries sector and at national levels (investment climate, PPP) to lower barriers to investment through: (a) a technical assistance to the ANZF and MAED to establish a strong track-record of competitive industries efforts and follow up on recommendations, as well as (b) supporting operating costs that contribute to well-developed and functioning PPD processes. (c) It will also carry out a program of activities (consultant services, goods and non-consulting services) focusing on the establishment of a PPP framework and the reduction of investment restrictions and procedures.

Subcomponent 1.2.: Generate responsible investments in Nouadhibou seafood cluster (US\$3.36 million).

So far, the Nouadhibou Free Zone has identified flagship projects (such as seafood cluster, deep sea port, new international airport). The seafood industry is already vibrant in Nouadhibou and warrants further support in light of the sector paradigm shift toward sustainable fisheries, with the implementation of fisheries management plans and the introduction of total allowable catch (TAC) for some species. For truly effective management of fisheries resources and successful seafood cluster, a comprehensive perspective of the entire seafood value chain needs to be incorporated in the cluster design and implementation, which in turn calls for participation responsible private actors through Public Private Partnerships (PPP). Thus this subcomponent will carry out a program of activities aimed at building the implementation capacity of Nouadhibou Free Zone stakeholders in the development of NESC and identifying/ attracting responsible investors for the flagships projects through: (a) commercial viability assessment to enable mobilization of private sector and institutional investor capital, (b) targeted investment promotion activities and media coverage of investment attraction, facilitation and after-care such as promotional material, communications campaigns, targeted missions, NESC's website and an Investor Tracking System, and (c) skills training and technical assistance (environmental, legal, financial, fiduciary) required to generate, negotiate, facilitate, monitor and retain responsible investments.

Component 2: Increasing the value of products produced at and marketed from the seafood cluster with the participation of local actors in Nouadhibou (US\$3.30 million).

The second component aims at increasing the value of products produced at and marketed from the seafood cluster and increasing the participation of local population in the activities of the cluster. This will involve, among other things, improving supply chain logistics and infrastructure, and investing in private sector capacity enabling improved handling of landed fish and a reduction of post-harvest losses/discards through ports, onshore facilities and services that are managed efficiently by the private sector. Activities implemented under this component are expected to result in an increase of investments (in particular in trade logistics), productivity growth and rise of exports in the fresh fish segment. Component 2 has two subcomponents which together will catalyze investments and grow exports volume and value of target seafood products: the first subcomponent aims at improving fish landing and export capacity as well as facilitating trade; and the second will better integrate local small-scale suppliers and vulnerable groups into target seafood value chains.

The fish landing and export infrastructure, whose operational efficiency to be improved by the project activities of this component, will serve all responsible participants of the cluster that wish to use them, without excluding any from accessing the facilities. Transparency of transactions at these facilities will also be ensured, following the good practices of recording and disclosing information as recommended by international transparency initiatives. While all of the activities of this project will be implemented in an inclusive and transparent manner by ensuring that the process of PPD and preparation for PPP will include all relevant stakeholder groups, activities under this component most directly benefit the poor and the vulnerable. For example, the improved operation of the port used by the artisanal and coastal fishing segments (EPBR) will provide smaller-scale fishers stronger links to the value chain. The technical assistance of capacity building in the second subcomponent can directly increase the incomes of those engaged in post-harvest handling of fish (where women dominate) by reducing product losses and raising productivity. Note that a legal covenant of the SOP C1 project ensures equitable allocation of fishing rights for octopus, hence ensuring that none of existing fishers will be excluded in the process of initial rights allocation.

Subcomponent 2.1.: Improve handling of landed catch and promote export of fresh fish at the seafood cluster in Nouadhibou (US\$2.19 million).

Even though much of Mauritanian fish are harvested by foreign fleets, often from Asia and Europe and are contractually obliged to land in Mauritania, only a limited amount is landed domestically. In Nouadhibou, the main fishing landing site in the nation, this is partially due to lack of adequate equipment and human capital at the existing landing infrastructure. Even of the catches of the national industrial fleet, only 10 percent is off-loaded for processing in Mauritania. Moreover, even though Mauritania is situated in relative proximity to major seafood consuming market of Europe, the country does not currently exploit this advantage. While Nouadhibou's main fish products is frozen whole octopus for export to Europe and Japan, fresh octopus could command much higher price. Export of fresh filleted fin fish to southern Europe could also achieve high value if conditions were met, including stability of raw material supply, sanitary and other quality of the products, and transport and other infrastructure. To the extent it is appropriate vis-à-vis the country's comparative advantage in landing and processing fish catches, which is to be determined in the analysis for identifying target fisheries value chain in sub-component 1.1, investing to improve the operational efficiency of the existing fish landing sites can increase the volume of landings in Mauritania and investing to improve the conditions to allow higher proportion of fish landed in Nouadhibou to be exported fresh rather than frozen, including efforts on trade facilitation, can substantially increase the

value of landed catch. Thus this subcomponent aims at improving the organization and management of three key infrastructures: the commercial port (PAN), the artisanal fishing port (EPBR) and their extension zones, and the Nouadhibou International Airport). The subcomponent also aims at improving handling of landed fish and reduction of post-harvest losses through ports, onshore facilities and services that are managed efficiently by private sector. The Project will finance: (a) consultants' services for improving the operation efficiency of the PAN and EPBR and operationalizing their extensions; (b) works for a refrigerated warehouse freight terminal at Nouadhibou International Airport; and (c) technical assistance to modernize trade services and regulations and increase fresh fish exports via ground transport.

Subcomponent 2.2.: Build local suppliers' and vulnerable groups' capacities to capture greater benefits from productive and inclusive seafood value chains (US\$1.11 million).

Negotiations around the EU fishing agreement have included conditions to increase the employment of Mauritians on European fishing vessels and greater off-loading of the catch for processing in Mauritania. The latter would create processing jobs and thus benefit women in particular. In addition, while there is a priority given in Government strategy to re-focus fisheries development on coastal and industrial fishing segments, all of artisanal, coastal and industrial segments of fisheries are going to co-exist in the Nouadhibou Eco-Seafood Cluster. It is particularly important that all fishing segments understand and become active participants of the new paradigm of fisheries management, which principally is brought about by the implementation of fisheries management plans. Thus the proposed Project will strengthen the capacity of stakeholders, including local small-scale fishers and vulnerable groups (such as women, the less educated, and marginalized population), to promote the acceptance and participation in the successful implementation of the fisheries management plans, as well as the capacity for improving post-harvest fish handling in Nouadhibou. This subcomponent aims at maximizing linkages between the cluster and the local population by better integrating fisheries' local small-scale suppliers and disadvantaged groups in value chains with potentially high impacts on their livelihoods. A private sector support facility will be housed at the National Fisheries Federation (Fédération Nationale des Pêches de Mauritanie – FNP) to develop sustainable fisheries in Nouadhibou in partnership with the Fishing School (Academie Navale), IMROP, and ONISPA.

Based on value chains scan and prioritization exercise, the facility's non-financial support will be articulated around three main pillars, where the first two will focus primarily on training and promoting champions in the sector while the third will exclusively address participation of small-scale fishers and vulnerable groups in the cluster. The proposed Project will finance a program of activities, which includes trainings for all relevant seafood cluster's stakeholders:

- Management and investment training to support the transition of private enterprises to the new fisheries management regime under the octopus management plan and rationalize their harvesting efforts and processing capacity.
- Technical assistance to help industries and institutions comply with internal product quality control procedures, and acquire and retain important certifications on food safety and quality management, on environmental management systems, on conformity assessment, on testing and calibration laboratories, on quality management systems and eco-certification.
- Focusing on the artisanal fishing segment and small-scale handling and processing of their catches (often by women), the project will provide local actors with capacity building training aiming at (i) reducing post-harvest losses and (ii) promoting good fishing and management practices.

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

The project is rated category B. The first Administrative Division of the project is Dakhlet Nouadhibou. Project activities will be implemented in Nouadhibou within the site of the airport.

5. Environmental and Social Safeguards Specialists

Melissa C. Landes (GEN07)

Salamata Bal (GSU01)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The policy OP/BP 4.01 is triggered and the project is rated "B". The installation of a refrigerated warehouse for fish storage under the project entails certain negative social and environmental impacts during installation and operational phases.</p> <p>Negative impacts may include, among others, pollution and waste generation related to demolition, occupational and health risks, air pollution and soil contamination. During operation there is potential for soil contamination, air pollution and climate impacts, as well as occupational health risks, among others.</p> <p>An Environmental and Social Impact Assessment (ESIA) has been prepared and disclosed. It defines measures to mitigate the negative impacts associated with this project during installation and operation in an associated Environment and Social Management Plan (ESMP).</p>
Natural Habitats OP/BP 4.04	No	The project will not affect natural habitats.
Forests OP/BP 4.36	No	The project will not have any adverse impact on forests, nor engage in afforestation.
Pest Management OP 4.09	No	The project does not entail pest management.
Physical Cultural Resources OP/BP 4.11	Yes	The project does not foresee any negative impacts physical cultural resources. Procedures for chance finds during project implementation have been included the Environmental and Social Management Plan.
Indigenous Peoples OP/ BP 4.10	No	There are no communities in the project area who meet the specific Indigenous Peoples criteria of OP 4.10.
Involuntary Resettlement OP/BP 4.12	No	The project does not involve involuntary resettlement or restriction of access.
Safety of Dams OP/BP 4.37	No	The project does not involve construction of dams nor will it rely on dams.
Projects on International Waterways OP/BP 7.50	No	The project does not involve international waterways.

Projects in Disputed Areas OP/BP 7.60	No	The activities under this project do not involve disputed areas between countries, as defined in OP 7.60/
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II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>OP/BP 4.01 and OP/BP 4.11 policies are triggered and the project is rated "B". The installation of a refrigerated warehouse for fish storage under the project entails certain negative social and environmental impacts during installation and operational phases. However, those impacts are expected to be small, site specific and fairly easy to mitigate.</p> <p>Potential impacts are both at the construction and operations phases:</p> <p>a. During construction, the following negative impacts have been identified: sites degradation due to collection of raw material (sand, cement), degradation of air quality due to dust, soil pollution due to wastes, and workers safety;</p> <p>b. During operations, the following negative impacts have been identified: quality of air, workers safety, risk of fire or explosion, nuisance to neighbors, quality of fish stored, energy consumption, and costs of production.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>No further potential indirect or long-term impacts due to anticipated future activities in the project area are foreseen.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p> <p>N/A</p>
<p>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</p> <p>The borrower prepared an ESIA in compliance with OP 4.01 and 4.11. The ESIA was validated and consulted on in country, reviewed by the Bank and disclosed on 01/21/2016 in-country and on 01/20/2016 at the InfoShop .</p> <p>Activities to plan and implement mitigation measures are described below:</p> <p>a. During construction, the following negative impacts have been identified (cost at US\$ 60,000): drafting an internal procedures manual, drafting manual for maintenance of the warehouse, signalization for travelers at airport, technical assistance to management committee of the warehouse, safety and security equipment, analysis of products stored, evaluation of implementation progress of the ESMP;</p> <p>b. During operations, the following negative impacts have been identified (US\$40,000 annually) : recruitment of an environmental expert at the Nouadhibou Free Zone Authority, signalization for users of the warehouse, technical assistance to management committee of the warehouse, safety and security equipment, analysis of products stored, evaluation of implementation progress of the ESMP.</p>
<p>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</p> <p>Consultations with various actors were organized between December 15 till 18, 2015. Stakeholders fell in three broad categories: technical, environmental and social. These included</p>

representatives of the relevant line ministries, representatives of the Free Zone, NGOs, as well as representatives of project affected people working or involved in the local fishing industry. Stakeholders' comments and recommendations were recorded and taken into consideration in the Environmental and Social Management Plan (ESMP) for the project.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	03-Jan-2016
Date of submission to InfoShop	20-Jan-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	////
"In country" Disclosure	
Mauritania	21-Jan-2016
<i>Comments:</i> Disclose on Nouadhibou Free Zone Authority website and the Portail Mauritanien du Développement website	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's InfoShop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader(s):	Name: Alexandre Hugo Laure, Berengere P. C. Prince, Peter Kristensen	
<i>Approved By</i>		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 27-Jan-2016
Practice Manager/ Manager:	Name: Jean Michel Noel Marchat (PMGR)	Date: 01-Feb-2016