

**INTEGRATED SAFEGUARDS DATASHEET
APPRAISAL STAGE**

I. Basic Information

Date prepared/updated: 01/31/2014

Report No.: 84402

1. Basic Project Data

Original Project ID: P123201		Original Project Name: Cities and Climate Change	
Country: Mozambique		Project ID: P146059	
Project Name: Cities and Climate Change PPCR - AF			
Task Team Leader: Paula Dias Pini			
Estimated Appraisal Date: February 5, 2014		Estimated Board Date: May 22, 2014	
Managing Unit: AFTU1		Lending Instrument: Investment Project Financing	
Sector: General water, sanitation and flood protection sector (50%); Sub-national government administration (50%)			
Theme: Climate change (40%); Other urban development (10%); Municipal finance (25%); Municipal governance and institution building (25%)			
SPF Amount (US\$m):		0	
GEF Amount (US\$m.):		0	
PCF Amount (US\$m.):		0	
Other financing amounts by source:			
Borrower		0.00	
Strategic Climate Fund Credit		6.50	
Strategic Climate Fund Grant		9.25	
		15.75	
Environmental Category: B - Partial Assessment			
Simplified Processing		Simple <input type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Project Objectives

The Project Development Objective (PDO) is to strengthen municipal capacity for sustainable urban infrastructure provision and environmental management to enhance resilience to climate related risks.

The proposed Additional Financing does not change the PDO.

3. Project Description

The Mozambique Cities and Climate Change Project (MCCCP) (P123201) is a US\$120 million Investment Project Financing (IPF), approved on April 3, 2012, which became effective July 18, 2012. The project has the following two components:

Component 1: Strengthening the municipal sector; and
Component 2: Enhance resilience of strategic coastal cities to climate change.

Aligned with the different nature of each component, the project has two implementing agencies: the Ministry of State Administration (MAE) implements Component 1; and, the Administration of Water and Sanitation Infrastructure (AIAS), implements Component 2.

The proposed AF will scale-up the development impact of the MCCCCP by means of additional activities under Component 2 - Enhance Resilience of Strategic Municipalities in Coastal Cities. The AF will scale-up implementation of Component 2 by financing green infrastructure investments to protect and improve selected natural environment within the urban area that plays a key role in abating flooding in the city of Beira. These include: the banks of the Chiveve River, sections of the banks along the open-air canals, and some low-lying areas identified for flood detention basins.

More specifically, the AF would: (i) map, delineate and improve the planning of green infrastructure assets in the city; (ii) prepare concept and detailed designs for green infrastructure investments for selected areas within the city of Beira; (iii) undertake public works to implement the green infrastructure investment in the selected areas; and (iv) promote the sharing of knowledge with government and municipalities by supporting multiple events to disseminate information on the green infrastructure benefits and detailed technical issues.

The main green infrastructure investment supported by the AF targets the Chiveve River, which is a natural drainage located in the heart of the older part of the city of Beira. The Chiveve mouth has been severely restricted by the construction some years ago of a fish port, and whose drainage channel has been severely degraded by the deposit of solid waste and sedimentation caused by extremely poor flushing during rains and floods. The left bank of the downstream portion has a small park with benches and tables that are in various states of disrepair. KfW is developing a project to clean up and improve flushing conditions in Rio Chiveve, and the Bank has been asked to help finance a greenbelt zone on its perimeter to "convert" the image of Rio Chiveve in the eyes of the population from that of a polluted, smelly, disease-harboring wasteland to one of a desirable urban amenity that offers recreational opportunities as well as ecosystem services (biodiversity, drainage and flood mitigation).

In preparation of the Additional Financing, a site visit was made on September 16, 2013, to review the proposed urban greenbelt's environmental and social setting, identify potential impacts and risks, and understand how the MCCCCP's Safeguards documents, primarily an ESMF and an RPF, may require updating. The site visit was carried out with Hassane Abechande, Environmental Specialist with AIAS, the implementing agency for MCCCCP in Beira.

One of the key objectives of the site visit was to determine whether OP 4.12 is triggered by the AF (it is triggered as part of the original project). The question focuses on a small,

informal settlement called Mangal, and a few households bordering the Rio Chiveve in the settlement of Goto.

Mangal. A group of 34 households, comprising 44 families, is located in the downstream section on the right bank of the Chiveve River floodplain, in an informal settlement called Mangal. They are living in a severely polluted location affected by frequent floods and highly prone to waterborne diseases. No potable water is available, and the municipal water supply cannot be extended to this area since residential use is not allowed in the area given the risks associated with frequent flooding. Water is drawn from a poorly dug well located in the Chiveve River flood plain, where ground water is saline and almost certainly highly contaminated with fecal coliforms because the Chiveve River is used as an open-air toilet. Houses are made of predominantly scavenged materials (wood, bamboo, plastic sheeting) or wood taken from the mangrove habitat along the lower Chiveve, and located in an environmental area where settlements cannot be formally authorized, therefore land title cannot be provided. Although these households will not be adversely affected by either KfW's project or the proposed investments by the Bank in urban green space, the Municipality of Beira nevertheless is in the process of resettling these families to an area safe from floods and appropriate for urban settlements, irrespective of whether KfW's or the Bank's proposed project proceeds. The resettlement package offered includes 44 titled urban land plots (one per family) in the area known as Nhangau, located approximately 11 km from the removal area. Replacement homes made of sturdy materials will be provided with water supply services and electricity, and is part of a new neighborhood being developed in this city expansion area. The 44 families have already chosen their respective urban plots, and preliminary land title documents have been signed identifying the urban plot in the settlement development plan. The resettlement is planned to be concluded by February 2014. Their livelihoods, derived primarily from sales of goods in informal road-side stands or on ground cloths, can continue in an improved situation at a road-side market located about 3 km from the resettlement site. The Municipality has agreed to provide means of transport for the resettled communities for ease of access to schools, clinics, and the road-side market. Detailed information on the resettlement is provided on the environmental and social impact study developed as part of the feasibility study prepared for the KfW project, even though the KfW project does not require resettlement of the families at Mangal.

Goto. Goto is a very large, densely populated informal area located on the southwestern side of the golf course, which will be the southern-most part of the proposed greenbelt project. A few households are located on the right (east) bank of the Rio Chiveve in this area, with latrines and other non-residential structures on the edge of the bank. In this area of the proposed greenbelt project, the proposed bikeway and pedestrian walkway are located on the left (opposite) bank of the Rio Chiveve. Relocation of structures or households, therefore, in the Goto area is not needed to develop the green infrastructure investments. The Rio Chiveve, however, is used as a deposit for solid waste by the nearby residents of Goto, and this issue is being addressed under the KfW project to ensure sustainability of the project. In a similar manner and for similar reasons, relocation of the Mangal residents by the Municipality for community health and safety reasons also benefits the sustainability of the proposed Bank-financed green

infrastructure project, particularly because this area of the project (Section 1 in the preliminary design) has highest potential for significantly improved aesthetic and biodiversity value.

Following are key findings of the site visit, organized for use in preparing the ISDS for the Additional Financing (AF). The ESMF for the original project will require minor modification, to include a short description of the urban green infrastructure.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

A comprehensive urban-environmental initiative which is designed to support strengthening the Municipality of Beira's resilience to present and future climate-related impacts has been built by the donors' community. Activities aligned with this initiative through parallel financing by various donors include improvement of the hydraulic capacity of the Chiveve River, a project supported by KfW, currently under preparation. The AF will add to this important KfW-financed drainage improvement project by building green space park and recreational facilities around its perimeter, increasing probability of long-term sustainability. An environmental and social impact study has been prepared for the KfW-financed activities.

With a total 3.5 km length, the Rio Chiveve constitutes a natural river in an urbanized area, which drainage basin covers approximately 1,320,000 square meters, encompassing Beira downtown commercial area and low to medium income residential neighborhoods. A significant expanse of mangrove vegetation is still present in the downstream section of the Chiveve River, but degradation and sedimentation have prevented recruitment of new mangrove plants. In the upstream section the most significant natural feature is its wide flood plain, water-saturated most of the year, where non-native vegetation such as grasses, reed and some bushes are dominant. Photos from the 1960's show a much wider Chiveve river and large extensions of mangroves within the urban area. Today, the Chiveve is much narrower, and its floodplain and mangroves are smaller. The remaining mangrove stands are covered by excessive sedimentation, ubiquitous garbage, and are used for open air defecation practices. However the remaining areas, which encompass the Chiveve river plains and banks that are still free from urban encroachment, continue to play an important role in draining ground and surface water, thus contributing to control flood levels in the city of Beira. Under climate change uncertainties, the key role played by this area to control floods significantly increases.

A preliminary conceptual design for the green infrastructure investments for the Chiveve River has been prepared. This conceptual design aims at enhancing the environmental services provided by the Chiveve River to the city of Beira, including flood control while also unleashing its potential as an urban amenity. In order to achieve this potential, main green infrastructure investments proposed include: (i) creation of a walking/biking pathway surrounding the mangrove vegetation along the 3.5 km length of the Chiveve River – this will clearly define the limits of the environmentally protected area along the river slopes and waterway, while also creating a recreational facility greatly appreciated

in urban area; (ii) removal of excessive accumulated sedimentation covering the mangrove trees respiratory roots (pneumatophores) which causes the degraded condition of this ecosystem, hinders the seedlings to emerge and triggering the visible lack of biodiversity, while also reducing the flood storage capacity of the river plain – this must be carried out by hand or by usage of small devices to avoid further damaging the mangrove trees while also preserving the natural wetland system; (iii) improvements in the existent secondary drainage system draining to the creek to increase its conveyance capacity while also adopting technical solutions to lessen urban run-off into the creek in order to control sedimentation; (iv) improvements in the secondary road systems surrounding the Chiveve River in order to ensure the roads play the double role of protecting the river while also unleashing its potential as an urban-environmental asset; (v) provision of public urban furniture, such as benches, recreational equipment for children and adults, lavatories, as well some structures to support economic activities compatible with the protection of the Chiveve River and that have potential to generate revenues for the maintenance of the improvements financed; and, (vi) landscaping investments to improve and expand the green coverage, while also use landscaping solutions to create an urban amenity asset and clearly define limits of the area assigned to public use and environmental protection purposes.

The proposed AF will also finance green infrastructure investments of similar nature (but of more simple scope) as described for the Chiveve River in other smaller areas of Beira that also play important role in draining and storing storm water. A preliminary identification of these areas was carried out by the ongoing hydraulic assessments being undertaken for the rehabilitation of Beira drainage canals, financed under the MCCCCP. In addition, the ongoing preparation of the Beira Urban Master Plan, financed by the Netherlands Government, has also focused on identifying areas for flood detention basins. These two ongoing studies are being developed in an integrated manner and adopting consistent approaches. Based on these ongoing studies, areas suggested for the additional green infrastructure investments under the AF include: (i) Sections of the banks along the open drainage canal (which rehabilitation is funded under the MCCCCP) free from urban encroachment and offering enough space for some green infrastructure investments; (ii) Areas surrounding low lying areas where frequently ground water surfaces and storm water accumulates. The selection of these areas will be made as part of the ongoing technical studies financed under the MCCCCP for the rehabilitation of the drainage system in Beira. It is expected that green infrastructure investments in these areas will discourage urban encroachment by offering attractive environment for community gathering and recreation, while also restraining impulses of irregular dumping of solid waste.

5. Environmental and Social Safeguards Specialists

Ms. Kristine Schwebach (AFTCS)

Mr. Sanjay Srivastava (AFTN3)

Mr. Paulo Jorge Temba Sithoe (AFTN3)

6. Safeguard Policies Triggered	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

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The following safeguard policies were triggered in the original project: Environmental Assessment OP/BP 4.01, and Involuntary Resettlement OP/BP 4.12. Although the AF is expected to benefit the mangroves, the Natural Habitats Policy has been triggered for the activities proposed for the AF. No change is anticipated on the original project EA Category: B – Partial Assessment. The description of the new activities proposed for the AF are included in both the Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) prepared for the original project, and now updated. The overall environmental and social impacts of both the original project and the proposed additional financing are expected to be positive for all the inhabitants of Beira and especially in low income neighborhoods where recurrent flooding is a serious health and safety issue, while also triggering loses of limited assets. Negative impacts, however, may arise during cleaning and improvements of man-made or natural drainage ways. On the original project, the most sensitive social issue was determined to be the resettlement of an estimate of fifty households, and compensation for impacts on fences, latrines, fruit trees and similar structures and assets that may need to be temporarily removed or relocated in order to rehabilitate the man-made drainage canals. The activities proposed for the AF does not entail such sensitive social issues because the designs for the green infrastructure investments can be flexible and will be designed to avoid involuntary resettlement and limited to the areas free from urban encroachment and residential occupation.

The proposed green infrastructures investments under the AF may temporarily affect existing crudely assembled racks consisting of stick, bamboo, wire, string, and in some cases plastic sheeting, and used for displaying different types of articles sold by street vendors. Improved displays for these vendors are planned to be built as part of the green infrastructure investments in the area. These economic activities are compatible with the green infrastructure investments, provided sanitary facilities are offered as well as appropriate solid waste collection and disposal services. During the green infrastructure

construction phase, it is envisaged that groups of the street vendors can temporarily move few meters away while the improvements in this site is underway, with no adverse impact on their economic activity. The detailed plan to prevent the green infrastructure investments affecting these street vendors' livelihood (RAP or ARAP) will be prepared in consultation with the vendors, and integrated with the green infrastructure design phase, which will provide specific information on the investments to be undertaken as well as on the new facilities that will be made available to the street vendors.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The primary objective of the AF is to provide long term improvements to the ecosystem services provided by Rio Chiveve, and to transform it into the core of an urban green environment and transform it into a recreational asset that will be valued by the community and discourage its continued use as a receptacle for garbage and human wastes.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The only alternative seriously considered is to not develop an urban greenbelt and recreational resource around Rio Chiveve, in which case the sustainability of KfW's financing of cleanup and rehabilitation of this natural drainage system is at significant risk.

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.

The Administration for Water and Sanitation Infrastructure (AIAS), a specialized semiautonomous agency under the supervision of the Ministry of Works and Public Services (MOPH), is the implementation agency for Component 2. No significant change in AIAS implementation capacity in place would be required since the activities proposed for the AF would be implemented in the city of Beira where the original project already implements a number of activities. The Project Operational Manual will be updated for the additional sub-component. AIAS has two full time environmental/social specialists. Also two full time specialists (one for environment and another for resettlement) are part of the key staffs under the ongoing consultant contract developing the technical studies in Beira. Preliminary activities to develop the EIA and RAP have initiated in parallel and integrated with the technical studies.

The current ESMF and RPF would accommodate the additional activities and safeguard risks, which have been assessed as Moderate for the original project. The ESMF and RPF will be updated to clarify that it also is to be used as needed in guiding development of the urban green space around Rio Chiveve. Given the appropriate capacity the government agency has demonstrated in implementing the original project, it is expected that the Moderate safeguard risk is also adequate for the AF.

As the subprojects get identified, the ESIA's and RAPs will be prepared, based on ESMF and RPF guidance, and publicly disclosed in Mozambique and the Bank InfoShop, following a set of public consultations and Bank clearance.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Primary beneficiaries are the poor who are most affected by floods and the consequent losses of assets and diseases outbreaks, as well as by the lack of access to urban amenities such as green and recreational areas. Secondary beneficiaries include businesses, institutions and residences that are also at risk of flooding as well as all Beira's inhabitants in general. These interventions will generate multiple benefits for the population of Beira. They should (i) reduce exposure to floods and increase the city resilience to cope with the expected scenario of "increased rainfall conditions" caused by climate change; (ii) create disincentives for irregular urban encroachment on these sensitive natural environments; (iii) create recreational alternatives in the city; (iv) reduce malaria, cholera and diarrheic outbreaks associated with each flood event; (v) contribute to abate the urban phenomena of the 'heat island effect'; and (vi) generate lessons and experience for other municipalities. The design solutions adopted and the activities already financed under the original project provide for increasing the overall sustainability of these interventions. Among the primary beneficiaries, women and children will benefit the most because they are the most exposed to floods, permanent humidity in their homes, and water-borne diseases, since they tend to stay longer inside their home, while men usually spend more time away from home.

Both the ESMF and RPF for the original project were publically disclosed in country and at the Bank's InfoShop on December 8, 2011, following open and transparent public consultations with key project stakeholders prior to appraisal of the original project. For the purposes of this AF, the updated ESMF and RPF will be re-disclosed in Mozambique and in the Bank InfoShop before AF appraisal.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	11/05/2013
Date of "in-country" disclosure	11/14/2013
Date of submission to InfoShop	01/16/2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

Resettlement Action Plan/Framework/Policy Process:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	11/05/2013
Date of "in-country" disclosure	11/14/2013

Date of submission to InfoShop

01/16/2014

Indigenous Peoples Plan/Planning Framework:

Was the document disclosed **prior to appraisal?**

Date of receipt by the Bank

Date of "in-country" disclosure

Date of submission to InfoShop

Pest Management Plan:

Was the document disclosed **prior to appraisal?**

Date of receipt by the Bank

Date of "in-country" disclosure

Date of submission to InfoShop

*** If the project triggers the Pest Management and/or Physical Cultural Resources, 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 (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report? Yes

If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report? Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan? Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats? Yes

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank? Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared? Yes

If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan? Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

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

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Ms. Paula Dias Pini	01/23/2014
Environmental Specialist:	Mr. Sanjay Srivastava	01/23/2014
Social Development Specialist	Ms. Kristine Schwebach	01/23/2014
Additional Environmental and/or Social Development Specialist(s):	Mr. Paulo Jorge Temba Sithoe	01/23/2014
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Ms. Alexandra C. Bezeredi	01/23/2014
Comments:		
Sector Manager:	Ms. Rosemary Mukami Kariuki	01/23/2014
Comments:		