



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 01/14/2021 | Report No: ESRSC01789



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
South East Asia	EAST ASIA AND PACIFIC	P175659	
Project Name	Southeast Asia Regional Program on Combating Marine Plastics (SEA-MaP)		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	4/5/2021	9/28/2021
Borrower(s)	Implementing Agency(ies)		
The Association of Southeast Asian Nations (ASEAN)	ASEAN Secretariat, Environmental Division, Sustainable Development Directorate		

**Proposed Development Objective**

Program Development Objectives: support long-term solutions to reduce marine plastics through strengthening institutions, harmonizing policies, and catalyzing actions at the regional and national level in ASEAN

Development Objectives for the ASEAN Project (Pillar 1): pilot innovative and sustainable marine plastics solutions and harmonize policies aimed at reducing single-use plastics products and plastic pollution in ASEAN

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>20.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The project aims to strengthen institutional capacity, support harmonization of standards and guidelines, and finance pilot innovations to contribute towards the reduction, reuse and recycling of plastics across the ASEAN region.



#### D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The Project will cover both IDA countries (Lao PDR, Myanmar, Cambodia) and IBRD countries (Vietnam, Thailand, Philippine, Indonesia and Malaysia). The landmark publication by Jenna Jambeck (Science 347, 2015 ) pointed the top ten biggest contributors of marine plastic debris, five of them were ASEAN countries, i.e. Indonesia (2nd), Philippine (3rd), Vietnam (4th), Thailand (6th) and Malaysia (8th). ASEAN region accounts for about 20% of global plastic production. Plastics and plastic-derived products represent a significant trade sector of ASEAN, with 41.65 billion US\$ in exports and 49.28 billion US\$ in imports. Consumption preferences are shifting from traditional fresh food to packaged food, while at the same time, shopping on digital platforms (e-commerce) increases, further increasing the consumption of plastics and plastic-derived products.

Among ASEAN countries, the growth in plastic production and consumption is strongest in Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam. In Vietnam, the plastic industry grew on average by 16-18% from 2010 to 2015, and plastics consumption increased sharply from 33 kg per capita in 2010 to 41 kg per capita in 2015. In Indonesia, the annual plastic consumption has risen to 17 kg per capita. The country imports more than 40% of its plastics from Malaysia, Thailand, Singapore, Europe and the US. Malaysia’s plastic consumption is about 35 kg per capita and year, and the country has over 1,500 production companies, exporting to other ASEAN countries as well as to China and Europe. Thailand’s plastic production industry has grown rapidly with over 5,000 companies operating in the country, while its annual plastic consumption (40 kg per capita) is one of the highest in the ASEAN region. In the Philippines, its plastic industries are expected to grow with a compound annual growth rate of 6.11% during 2018-2023, while its current annual plastic consumption is about 8 kg per capita.

Waste management in ASEAN countries show waste generation is increasing. Municipal solid waste among ASEAN members countries is composed of 10-18% plastic. The consumption of single-use packaging has dramatically increased in ASEAN member states due to economic growth, rapid urbanization and changing consumption and production patterns. In the ASEAN region, plastics and plastics packaging value chains still follow a linear model of “take, make and dispose” rather than a circular economy of “reduce, reuse, and recycle”.

The momentum to deal with plastics suffered a major setback with COVID 19 pandemic. With public health now being of utmost priority, along with close monitoring of economic and social impacts, the implications of COVID-19 in the environment remains largely undervalued. Unmanaged plastics waste is particularly concerning due to its implications to natural ecosystems and public health and safety. Major legislation aimed at reducing plastics packaging has stalled as countries’ priorities shifted elsewhere. Single-use plastic use has seen an exponential increase from disposable masks and gloves, and plastic take-out food containers. The oil market collapsed, making plastic cheaper to use than ever. Recycling systems are starting to break down; contributing further to health risks.

Against this backdrop, the project seeks to catalyze actions to strengthen and support regional platforms to reduce plastics pollution flow across the South East Asia Region’s marine environment. It will support policy formulation and harmonization, regional coordination, research and monitoring for improved management of plastic debris; regional and community-based awareness, behavioral changes and capacity building; collection of plastics in oceans, beaches and rivers; and adoption of innovative technologies and solutions to reduce, reuse, recycle and repurpose



D. 2. Borrower’s Institutional Capacity

The ASEAN Secretariat (ASEC) will house the Project Management Unit (PMU). The association was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei Darussalam then joined on 7 January 1984, Viet Nam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999, making up what is today the ten Member States of ASEAN.

This Southeast Asia regional intergovernmental organization aims to promotes intergovernmental cooperation and facilitates economic, political, security, military, educational, and sociocultural integration among its members and other countries in Asia. Among the objectives of ASEAN are i) to accelerate the economic growth, social progress and cultural development in the region; ii) to promote regional peace and stability; iii) To promote active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields; iv) to promote Southeast Asian studies; v) to provide assistance to each other; vi) to collaborate more effectively; vii) to maintain close and beneficial cooperation with existing international and regional organizations with similar aims and purposes.

The project will be implemented by a Project Management Unit (PMU) that will be established within the Sustainable Development Directorate of the ASEAN Secretariat (ASEC) based in Jakarta. They have in-house staff experienced in the environmental management of plastic wastes and basic training in the concept of Social plastic innovations that will be pursued under the project. The ASEC, through the Sustainable Development Directorate, has been leading the coordination of activities and initiatives on marine plastics, including the preparation of the ASEAN Regional Action Plan for Marine Plastics. The ASEC has some limited experience with the World Bank, but only with a small size grant. ASEC will assign or hire an environmental specialist and a social specialist based on the TORs agreeable to the Bank and manage environmental and social risks and impacts according to the ESMF to be prepared during preparation, including the screening of E&S risks and review of environmental and social management plans to be prepared by the beneficiaries of the Plastics Circularity Fund (see ESS1 below).

A detailed E&S capacity assessment of the ASEC will be conducted during preparation and a capacity building program, as required, will be developed and supported by the project, including the recruitment of a consultant firm that will provide technical support to the ASEC to start up and manage the initial phase of project implementation including environmental and social aspects. An assessment of capacity to adequately perform relevant E&S functions for sub-contracted tasks will be part of the procurement process. The implementation of the capacity building program will be documented in the Environmental and Social Commitment Plan (ESCP) of the implementing agencies.

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Moderate

**Environmental Risk Rating**

Moderate

The Project is expected to have largely positive impacts for the ASEAN region which is one of the biggest contributor of marine plastic debris. The Project will improve the capacity of key institutions to enable knowledge sharing,

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support capacity, build regional platforms for innovation solutions to reduce plastics use, increase plastics circularity and reduce plastics leakage into rivers and seas to implement ASEAN Framework of Action on Marine Debris. The Project will also help reduce plastic generation, use and dumping of plastic wastes in waterways that end up in coastal areas and oceans. The Project consist of three components with activities cover 1) technical assistance (TA) type activities and 2) activities to support investments in innovative and environment-friendly and sustainable technologies, through competitive grants and private sector engagement. Details are provided in ESS1

Should the Component 2 support 3R or cleanup pilot, there might also be health risks and impacts to those working in the recycling, reuse and repurposing due to potential exposure to harmful materials and chemicals during the recycling process. However, if proper health and safety measures in work places are implemented, the risks and impacts should be minimal. Resource use patterns will also need to be assessed in these facilities to ensure resources (energy, water and raw materials) are used in an efficient and sustainable manner.

The E&S capacity of ASEAN Secretariat (ASEC) as the Implementing Agency for E&S risk management is less known, although this project will be implemented by Environmental Division of ASEAN. As the project advances and stakeholder engagement with Environmental Division is initiated, the E&S management capacity will be assessed. Noting that the institutional capacity strengthening will be supported by the Project, this may include hiring more resource (e.g. E&S consultancy firm) to support management E&S risks and impacts

The ESMF will be developed before appraisal to guide the E&S screening of subprojects for eligibility for funding. More details of ESMF instrument is provided in ESS1.

The environmental risk is rated Moderate. The project will not support any resource intensive, non-environment-friendly and unsustainable practices and technologies. Residual risk will still exist, this risks stems from activities under the Project Component 2, particularly on innovation of 3R and clean-up that will result in residual wastes or plastics wastes that cannot be reused, recycled and repurposed, that will have to be disposed and managed properly. Yet this residual plastic should be minimal given the project focused on 3R activities. Proposal for innovative solution may also have risks and impacts, in which it will warrant proper screening and assessment. Proposal for the innovation of 3R will also build in risk based approach; therefore, activities that will require land acquisition or potential risks to waterways and livelihoods that may last long-term, irreversible and highly sensitive will not be funded. While it is noted that the restrictions around the activities to be supported by the “Plastics Circularity Fund” under Component 2, there could be impacts to indigenous peoples and land. This E&S risks and impacts is to be further assessed in preparation of ESMF. Furthermore, as a regional project, institutional capacity and fiduciary risks are often challenging; for this, the Component 3 will support strengthening of the regional entity in terms of project management, disbursement of grants, financial management, procurement, and environment and social risk management on particularly the Environmental Division of ASEC, This may include hiring staffs to work with each countries. The task team will monitor these risks as the fund is being set up to see to what extent these risks will affect E&S risk management implementation. There may be a need to revisit the risk rating at Appraisal.

**Social Risk Rating**

Moderate

Social risk of this Project is considered moderate. Overall, the Project is expected to have positive social impact as it will contribute to a long-term sustainability of environment and natural resources from which local population in particular poorer and more vulnerable groups often gain substantial livelihoods directly. Development of new,



greener industries can also potentially increase new job opportunities for local population, and may contribute to economy recovery from COVID-19. “Social plastic” innovations to be pursued under the Project will bring in communities and gender considerations. Potentials to actively support young/ female entrepreneurs who may be interested in pursuing innovative solutions that meet the project objectives and selection criteria will be explored. Informal workers are often observed in waste management and recycling industries, and how such vulnerable workers can be integrated in community-level activities and benefit from innovative technologies to be promoted under the project will be explored during preparation and into implementation.

Potential negative social impact may arise from Component 2 which aims to establish the “Plastics Circularity Fund” and provide grant financing to innovative technology, investments and business models. The exact types and scale of activities to be supported under the Fund will not be known till proposals are submitted by interested parties during implementation, however, small size (just-in-time) grants will provide financing up to \$150,000, while medium-size catalytic grants will provide financing up to \$1.5 million. A preliminary scoping of the typology of activities that may be supported under the Plastics Circularity Fund will be conducted based on the assessment of similar initiatives conducted in or outside the ASEAN region, and risk mitigation measures will be included in the ESMF. No activities that may pose Substantial or High social risk will be eligible for financing. Eligibility criteria and screening procedures will be spelled out in the ESMF to ensure no activities posing Substantial or High social risks will be financed under the Project.

No involuntary acquisition of land or non-land assets is expected under the project, although willing-buyer willing-seller based land transactions may occur under Component 2. The Project ESMF will include principles that should be followed if activities to be financed under Component 2 impact private land or non-land assets. Labor risk is considered to be low to moderate depending on the types and scale of activities to be supported under Component 2. The ESMF will assess potential labor risks that may be relevant to this Project, and risk mitigation measures will be included in the Labor Management Procedure (LMP), which will be annexed to the ESMF. Potential impact on Community Health and Safety (CHS), livelihoods and income for local population, and cultural heritage will be assessed during preparation and mitigation measures will be included in the ESMF if relevant. It is possible that some activities under Component 2 may be implemented where Indigenous Peoples (IP) are present. The ESMF will include the Indigenous Peoples Planning Framework (IPPF) as an annex to describe processes and procedures to screen the presence of IP population in project areas, carry out a meaningful consultation with them and develop an Indigenous Peoples Plan (IPP) if necessary. ESMF will also include procedures to identify vulnerable and disadvantaged groups and ensure that negative impact will not fall on them disproportionately and that they will benefit from the Project.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

The proposed project is expected to have positive and beneficial impacts for ASEAN region and its oceans as a whole as the combination of supporting the enabling environment, coordination and capacity building, and innovation and support to the 3Rs is expected to have positive long-term effects in reducing the dumping of plastic wastes in waterways that end up in coastal areas and oceans.



The Project will consist of three components with activities cover:

- 1) technical assistance (TA) type activities such as policy diagnostics, formulation and harmonization, regional coordination, research, awareness raising and capacity building. The specific TA activities to be supported are not clear at this concept stage, however, they will be similar or complementary to the TA activities requested by or implemented in 8 of the 10 ASEAN countries on marine plastics reduction action plans, especially linked to their integrated solid waste management agendas. For example, in Indonesia, the World Bank is carrying out several analytical tasks supported by the Oceans, Marine Debris and Coastal multi-donor trust fund (financed by Norway and Denmark). Altogether the WB-managed trust funded activities across ASEAN countries amounts to about \$8 million.
- 2) activities to support investments in innovative and environment-friendly and sustainable technologies, through competitive grants and private sector engagement. At this point specific types of innovative technologies (e.g. affordable and low maintenance cleanup equipment that will intercept plastic flowing into ocean) and solutions to reduce, reuse and recycle plastics that will be supported by the project are not known. The project design will ensure that only investments that are resource efficient, environment-friendly and sustainable will be supported.

Nonetheless, the ESS1 is still relevant to the project as innovative and environment-friendly and sustainable technologies and solutions to collect and recycle, reuse or repurpose plastics may still pose risks to marine life, freshwater ecosystem (waterways), waste workers and waste pickers and communities risks. Nonetheless, impacts are expected to be moderate. Any residual plastics that cannot be recycled, reused or repurposed will need to be properly disposed and managed according to the country regulation.

In addition, TA activities, such as, policy formulation, data collection, research and monitoring will be screened for environmental and social risks and impacts and, where warranted, E&S risk management will be integrated into the TORs and products of these TA activities. Examples of TA activities may i) include plastic policy formulation which will focus on extended producers responsibility (EPR) to support the implementation of circular economy; ii) formulation of single-use plastic ban and other non-necessary plastic usage that is difficult to be recycled (e.g. straw, expanded polystyrene); iii) enhance packaging design to improve 3R (e.g. embossed labeling in plastic bottle)

Prior to project appraisal, Environmental and Social Management Framework (ESMF) will be developed to guide the E&S screening of proposals/sub-projects for eligibility for funding by the project; the positive and negative lists of sub-projects will also be included in the ESMF. The ESMF will spell-out the screening process to exclude any resource-intensive, non-environment friendly and unsustainable technologies and practices of 3Rs. The ESMF will also contain generic Environmental and Social Management Plan (ESMPs) for grant recipients to manage E&S risks and impacts of the civil works including the small pilot project for 3R innovation technology for 3R and clean-up. For evaluation of proposal, resource use patterns will be assessed to ensure resources (energy, water and raw materials) are to be used in an efficient and sustainable manner, both at the inflow and outflow.

Furthermore, the positive and negative lists of subprojects and processes and procedures for risk mitigation including for the preparation of subproject-specific ESMP based on a preliminary assessment of potential Project E&S risks such as: (a) baseline of each ASEAN country (i.e. generation, collection and mismanaged plastic wastes); (b) environmental and social regulation and legislation; (c) plastic policies on reduction, use and promoting 3R; (d) innovative technologies and solutions to clean up the waterways and oceans; and (e) socioeconomic impact of the plastic policy on livelihood of waste pickers and gender also including the aspect of health and safety of the workers and informal





sector. Proposals that are pollutive, non-sustainable and resource intensive will be in the negative list and ineligible for project financing. At this point, it is not clear if one ESMF can be prepared by the ASEC that will be applied in all countries or one ESMF needs to be prepared for each country. The legal and administrative arrangements that exist between the ASEC and the ASEAN member countries will be reviewed during preparation and the option that is legally valid and implementational simple will be adopted.

The Project Subcomponent 2.1 Plastics Circularity Fund for Innovations to 3R Plastics would help support circular plastic economy solutions to reduce plastic waste through a “Plastics Circularity Fund” -- that would have eligible private sector entities, social enterprises, NGOs/CBOs from ASEAN member states apply and compete for grants. While the regional IDA funding will only benefit applicants from IDA countries, parallel financing leveraged from others (development partners, private sector etc.) will be able to provide grants to applicants from IBRD countries. Examples of these activities would include rounds on:

- 1) Innovations for reducing the consumption of single-use plastic products
- 2) Pilots for new materials, product, packaging, designs, or business models to transition to a circular economy;
- 3) Innovative business models for community recycling, reusing, upcycling existing plastic waste, and optimizing plastic-smart supply chains;
- 4) “Social plastic” innovations bringing in communities and gender considerations, including green stimulus initiatives that help create jobs from plastics recycling and cleanup activities
- 5) Innovative and cost-effective clean-up technologies coupled with viable value chains to process/recycle/ upcycle plastic waste, which can mitigate greenhouse gas emissions, reduce flood risks and increase resilience to climate-induced flood events

The ESMF will also include principles on willing-buyer willing-seller land transactions, and measures to mitigate risks on labor, CHS, livelihoods and income, and to identify disadvantaged or vulnerable groups and address negative impact that may fall on them. A LMP and an IPPF will be annexed to the ESMF too. The LMP to be annexed to the ESMF will include requirements and procedures to minimize labor risks in the implementation of subprojects in line with the ESS2, although employees of grant beneficiary are not considered Project Workers for the purpose of ESS2. The ESMF will also assess women's participation in waste management, especially in plastic recycling and production of reusable items, identify women's organizations active in this area and develop measures that may help address the constraints that they face in increasing their income in an environmentally sustainable manner.

A Stakeholder Engagement Framework will be developed during preparation to promote broad, inclusive stakeholder engagement and participation in all phases of the project. Finally, an Environmental and Social Commitment Plan will also be prepared by the implementing agencies.

**Areas where “Use of Borrower Framework” is being considered:**

The use of Borrower Frameworks will not be considered for this regional project. ESF requirements will apply.

**ESS10 Stakeholder Engagement and Information Disclosure**

ASEAN Secretariat has conducted a series of workshops with interested parties across ASEAN countries, which led to the development of ASEAN regional action plan for marine debris which the project would support implementing. Besides representatives from ASEAN working groups on marine plastics, representatives from relevant international





organizations, public private partnerships on marine debris, and private sector experts working on marine plastics issues, also participated in the workshops and provided feedbacks. The project will build on the stakeholder engagement carried out in the past and conduct similar workshops with interested parties during preparation to seek inputs for the design of the project. A Stakeholder Engagement Plan (SEP) will be prepared and disclosed by the ASEC before appraisal that will describe the list of stakeholders and how the project would reach out to them, the consultations conducted with and the feedbacks received from them, and present the action plan for continuing engagement with stakeholders during project implementation.

Grant beneficiaries of Plastics Circularity Fund will be required to engage with stakeholders on the activities they will conduct with the grant financing from the project. The SEP will describe the stakeholder engagement that they will be required to undertake as a condition of grant financing, and grievance mechanisms to address grievances from them.

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The standard is relevant. The project will involve Direct Workers including the staff of the Project Management Unit (PMU) to be set up within the ASEAN Secretariat. Some consultants will also be hired by the PMU as Contracted Workers to carry out some analytical work and training, and facilitate capacity development and knowledge sharing events. Their labor risks are deemed low since they will be hired following the Bank's procurement guidelines under written contracts; and no vulnerable workers such as migrant workers or low-wage workers who may face discrimination including on the basis of gender or disability are expected to be hired. A Labor Management Procedure (LMP) will be prepared and attached to the ESMF to address the low labor risks that may be assessed to exist as part of the preparation of the ESMF. No primary supply workers or community workers are expected to be hired, but it will be confirmed during preparation.

Grant beneficiaries of the Plastics Circularity Fund may well hire their own workers to carry out activities with the grant financing of the project. Such workers are not considered to fall under the category of Project Workers for the purpose of the ESS2. However, the LMP will include measures to address labor risks associated with such workers such as child/ forced labor, Occupational Health and Safety (OHS) issues, fair and equal opportunity for hiring process and pay, and workers grievance mechanisms. Written contracts will be required between grant beneficiaries and their employees. The LMP will be attached in the ESMF and measures to address relevant labor risks of the employees of grant beneficiaries will be included in grant selection procedures.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Based on the current project design and potential funded activities, the ESS3 is relevant especially because of the Project Component 2 that will support innovative solution that could finance small pilot project for river or ocean plastic debris clean up that will be followed with sorting, recycling, re-used and disposed of for material that cannot



be recycled or re-used. The recycling plants will be required to use resources sustainably during recycling/repurposing work. The project will also proactively support resource efficiency, waste minimization, plastic pollution prevention and plastic reduction. Any technology or practice of 3Rs that will be resource-intensive, non-environment friendly and unsustainable (e.g. biodegradable plastic bad made by mixing plastic polyethylene and organic binders) will be screened out and rendered ineligible for project financing.

The TORs for developing policies and capacity building and investments will promote resource efficiency, recycling and reuse with reference to Good International Industry Practice (GIIP) and WBG EHS for waste management facilities and other relevant guidelines. The relevance of GHG emissions from the project will be assessed during preparation and calculations will be done accordingly if significant emissions are expected.

#### **ESS4 Community Health and Safety**

This standard is relevant. Social and environmental impact of this project on community health and safety is expected to be generally positive as the reduction in marine plastic wastes will contribute to improving ecosystem services available to local communities. Some activities to be financed through Plastics Circularity Fund may cause some health and safety risks to local communities, although the scale of risk including those related to labor influx is not considered significant. The ESMF will carry out preliminary assessment of potential risks and impact related to health and safety including GBV risks and include mitigation measures as relevant, including mandatory Code of Conducts that grant beneficiaries will be required to follow. Risks related to Community Health and Safety, and physical, chemical, and biological hazards connected to the marine litter collection, sorting, and disposal process, will be addressed in the ESMF. The risks of COVID 19 and preventative measures will be included as well.

#### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

This standard is not considered relevant, as no involuntary acquisition of land or non-land private assets is expected under the project. There is a potential that activities to be financed under Plastics Circularity Fund to be established under Component 2 require acquisition of private lands. The Project will ensure that such land transactions will be conducted based on a willing-buyer willing-seller basis. The Project ESMF will include principles on willing-buyer willing-seller land transactions, reporting requirements that grant recipients have to meet and monitoring and due diligence procedures that should be followed by the PMU.

#### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

The ESS6 is relevant as project activities will benefit coastal (including mangrove) and marine ecosystems as well as oceans and pelagic systems. The innovative technologies (e.g. solar powered river interceptors, automatic or robotic trash racks, river booms etc.) and solutions suggested to cleanup the oceans and rivers may have risks & impacts on marine life. The ESMF to be developed during project preparation will start assessing the impacts and benefits of the project on freshwater ecosystem, coastal and marine biodiversity as well as ocean ecosystems and mitigation hierarchy will be applied to manage the risks and impacts.



**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

It is possible that some activities under Component 2 may be implemented where Indigenous Peoples (IP) are present. The ESMF will include the Indigenous Peoples Planning Framework (IPPF) as an annex to describe processes and procedures to screen the presence of IP population in project areas, carry out a meaningful consultation with them and develop an Indigenous Peoples Plan (IPP) if necessary.

**ESS8 Cultural Heritage**

It is not clear if the standard is relevant. While major civil works are unlikely to be supported under Plastics Circularity Fund, some minor civil works may be carried out by grant recipients which may involve chance finds. The ESMF will carry out further assessment and include mitigation measures proportionate to the risk level. Chance finds clause will be included in the ESMP of activities to be supported under Plastics Circularity Fund.

**ESS9 Financial Intermediaries**

This standard is not considered relevant.

**B.3 Other Relevant Project Risks**

N/A

**C. Legal Operational Policies that Apply**

<b>OP 7.50 Projects on International Waterways</b>	TBD
<b>OP 7.60 Projects in Disputed Areas</b>	No

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?** No

**Financing Partners**

N/A

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

1. ESMF including an IPPF acceptable to the Bank is disclosed and consulted. Decision on whether one ESMF should be prepared that apply to all countries, or one ESMF should be prepared in each country will be made during preparation based on the assessment of the legal and administrative arrangement between the ASEC and ASEAN member countries.

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- 2. LMP acceptable to the Bank is disclosed and consulted.
- 3. SEP including the GRM acceptable to the Bank is disclosed and consulted.
- 4. ESCP acceptable to the Bank is disclosed and consulted.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

- 1. One environmental specialist and one social specialist will be retained by the PMU
- 2. Willing-buyer willing-seller land transaction protocol acceptable to the Bank will be included in ESMF.
- 3. ESMPs will be prepared by the recipients of Plastics Circularity Fund.
- 4. Recipients of Plastics Circularity Fund will follow provisions in LMP for their employment of personnel for activities funded by the project.
- 5. Recipients of Plastics Circularity Fund will carry out stakeholder engagement in line with the SEP.

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

05-Apr-2021

**IV. CONTACT POINTS**

**World Bank**

Contact:	Anjali Acharya	Title:	Senior Environmental Specialist
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Telephone No:	5720+13753 / 65-650-13753	Email:	aacharya@worldbank.org
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Contact:	Tao Wang	Title:	Senior Environmental Specialist
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Telephone No:	+1-202-473-2390	Email:	twang2@worldbank.org
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**Borrower/Client/Recipient**

Borrower: The Association of Southeast Asian Nations (ASEAN)

**Implementing Agency(ies)**

Implementing Agency: ASEAN Secretariat, Environmental Division, Sustainable Development Directorate

**V. FOR MORE INFORMATION CONTACT**

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The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

**VI. APPROVAL**

Task Team Leader(s):	Tao Wang, Anjali Acharya
Practice Manager (ENR/Social)	Janamejay Singh Recommended on 11-Jan-2021 at 15:39:37 GMT-05:00
Safeguards Advisor ESSA	Nina Chee (SAESSA) Cleared on 14-Jan-2021 at 14:31:41 GMT-05:00