

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC8677

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Brazil	Project ID:	P147272
Project Name:	Bahia Road Transport for Regional Development Project (P147272)		
Task Team Leader:	Gregoire Francois Gauthie		
Estimated Appraisal Date:	10-Oct-2014	Estimated Board Date:	30-Dec-2014
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Rural and Inter-Urban Roads and Highways (80%), General transportation sector (20%)		
Theme(s):	Export development and competitiveness (60%), Regional integration (20%), Rural services and infrastructure (20%)		
Financing (In USD Million)			
Total Project Cost:	300.00	Total Bank Financing:	200.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			100.00
International Bank for Reconstruction and Development			200.00
Total			300.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The Project Development Objective is to contribute to enhance the condition and the safety of state highways and feeder roads in selected regions. This objective seeks to underpin the broader goal of spurring sustainable development in those regions.

C. Project Description

The proposed Project would consist of four components, totaling \$300 million.

- Performance-based State highway rehabilitation and maintenance (\$210 million). Building on the success of the previous Bahia road project, this component aims at consolidating the performance-based road management in Bahia. Approximately 2,000 km of State roads have been pre-identified, based on the following criteria: (i) strategic importance of the road corridors for Bahia's logistics needs, (ii) overall road condition of the corridors, (iii) looking for synergies with the new railway line under construction in Bahia (FIOL, Ferrovia de Integracao Oeste – Leste); and (iv) inclusion of the previous Bahia road project's corridor, aiming at sustainability of the maintenance. These will be 5-year rehabilitation and maintenance contracts, part of the contractors' payments being based performance. Lessons learned from the previous project, as well as from latest best practice, will be factored in the contract design. Pushing further the limits of the model, the State has agreed to implement a pilot 10-year performance-based contract; Bahia will continue to be at the forefront.
- Feeder road improvement (\$50 million). This component will finance the suppression of critical points on rural local roads, either state or municipal. Works would primarily include replacing wood bridges by standardized concrete bridges, as well as the construction of adequate drainage. These investments would contribute to the infrastructure sustainability. This component is considered as the necessary complement to the State road one, providing capillarity to the road network, for producers to be able to send their products from farms to markets. While the areas of focus of this component are not yet defined, the concept is, as much as possible, to find synergies with the areas of focus of the Bahia Sustainable Rural Development Project (P147157). This latter project, under preparation, will foster rural production and development, for eight product chains, in the poorest areas of the State. The combination of both projects could have a multiplying effect on beneficiaries.
- Road safety (\$15 million). This component would finance two kinds of activities. First, institutional strengthening activities, specific to road safety governance and knowledge. These activities could include: building a momentum for road safety in Bahia, working towards the creation of a Bahia road safety lead agency, working on road safety monitoring and reporting, drivers licensing, etc. The second activity would establish a road safety pilot corridor; the concept is to address road safety in an holistic manner and demonstrate a best practice replicable example. Interventions would range from communication campaigns to infrastructure retrofit, in a road safety perspective, including law enforcement (primarily, speed and drink-driving) and detailed monitoring/evaluation.
- Institutional strengthening (\$25 million). Besides of the Project Coordination unit operating costs, this component would finance selected institutional strengthening activities in line with sustainability: (i) identify new options for sustainable road sector funding mechanisms, bridging the sector funding gap; (ii) improve road asset management; (iii) "DERBA 100 years": prepare Bahia's road agency for its upcoming challenges; (iv) improve logistics efficiency in Bahia; (v) monitor/evaluate, better capturing the socio-economic impact of investments, transport in particular.

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

The project activities will be located across all the state of Bahia territory, with some maintenance activities being executed in road stretches covered by the previous Project, Bahia Integrated State Highway Management Project (P095460).

E. Borrowers Institutional Capacity for Safeguard Policies

The Borrower has satisfactory capacity for safeguard policies implementation. It has a thorough legal framework and has demonstrated adequate institutional capacity (including staffing and budget) for identifying, avoiding and mitigating social and environmental impacts of its programs and projects. The proposed Project will likely adopt similar institutional arrangements as those designed for the Bahia Integrated State Highway Management Project (P095460). This means that the technical responsibility for preparation, supervision, monitoring and evaluation of Project activities and results – including safeguards – are expected to remain with the Borrower’s respective sector agencies (i.e. Environmental Secretariat, Road Agency, etc.) under the coordination of the Project Coordination Unit.

With a proposed allocation of US\$ 25 million under its Institutional Strengthening component, the proposed Project may continue strengthening social and environmental impact management in Bahia. Under the proposed set of activities, improvement in the monitoring of safeguard application outcomes will be sought through the strengthening of the State government’s capacity to monitor environmental quality.

F. Environmental and Social Safeguards Specialists on the Team

Jason Jacques Paiement (GURDR)

Marcio Cerqueira Batitucci (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>Direct environmental impacts resulting from rehabilitation (on existing State paved roads) and surfacing (on existing dirt roads) works are expected to be minor, and mostly related to civil works' execution. For improvements of the municipal roads (the interventions consisting in the construction of small bridges and culverts allowing water crossing) and improvements of traffic safety on State unpaved roads (consisting in the replacement of existing narrow often wooden structures by culverts and bridges), direct environmental impacts are also expected to be minor and related to the construction phase.</p> <p>For rehabilitation works: environmental management frameworks establishing specific environmental programs will be prepared by the Borrower, and reviewed by the Bank. Their implementation will be monitored by specific environmental supervision and Bank's team field visits.</p> <p>An Environmental and Social Impact Assessment (ESIA) will be prepared during</p>

		<p>Project preparation to evaluate potential impacts and propose mitigation measures. In accordance with the potential impacts, adequate mitigation and monitoring measures will be established based on specific EMPs and for the component activities and sub-projects. For any road segments already identified during Project preparation as part of the set to be improved during project implementation, the specific EA and EMP will be prepared, consulted, and disclosed before Project appraisal.</p> <p>The elaboration of the ESIA will be contracted to specialized consulting firms, through Terms of Reference to be agreed upon by the Bank. The ESIA will contain: (i) the criteria for road and works selection, detailed mechanisms to screen out high risk subprojects from an environmental and social perspective; (ii) draft terms of reference for the environmental and social assessment of these investments; (iii) mitigation measures, institutional capacity building measures, and monitoring and evaluation arrangements as necessary.</p>
Natural Habitats OP/BP 4.04	Yes	<p>While the works for improvement of road transport conditions may affect riparian vegetation in water crossings on a very marginal fashion, the Project may result in indirect or induced impacts which are presently unknown. The safeguard has been triggered given that the specific road segments and their locations have not been identified. The ESIA will include screening criteria to identify the presence of natural habitats, assess potential impacts, and determine appropriate measures to avoid, mitigate, or compensate for any possible direct or indirect impacts.</p>
Forests OP/BP 4.36	TBD	<p>The Project will not directly involve forest management or activities in forest areas. However under its roadworks activities, it may have activities that affect natural forests. Thus, in accordance with OP/BP 4.01, Environmental Assessment, the Project's Environmental and Social Impact Assessment (ESIA) will assess the potential impact of the Project on forests and/or the rights and welfare of local communities and, if necessary, establish the appropriate mitigation measures. Project</p>

		screening criteria would review the possible impacts on forests and appropriate measures to mitigate any possible direct or indirect impacts. Decision on triggering this policy will be based on the ESIA findings.
Pest Management OP 4.09	Yes	<p>Although the Project will not finance the manufacture, use, or disposal of environmentally significant quantities of pest control products, this policy is triggered as there is a potential for future use of pesticides/herbicides outside of the project timeline.</p> <p>The Project Operational Manual and Catalogue for contractors will explicitly prohibit the use of pesticides/herbicides for works and services financed by the Project. The ESIA will evaluate the Project interventions in the context of this policy.</p> <p>The ESIA will also evaluate the possibility of future pesticide/herbicide application during subsequent road maintenance outside of the Project timeline, including the need for the future adoption of an economically and environmentally sustainable Integrated Pest Management (IPM) in relation to the roads associated with this Project. Project safeguard instruments would include guidance on good practice that should be adopted by the project in case the need arises for the use of such substances.</p>
Physical Cultural Resources OP/ BP 4.11	Yes	<p>Negative impacts on physical cultural resources are not expected during project implementation as the Project's civil works will normally be located within the existing right-of-ways of road sections. However, "chance findings" during works are possible, and to handle such findings, Brazil has a well-developed legislative and normative framework, which is under the oversight of the National Institute for Protection of Historical and Archeological Sites (IPHAN). These procedures will be described in the ESIA mentioned above and provisions for proper handling of the issue by contractor will be part of bidding documents and works contracts.</p>
Indigenous Peoples OP/BP 4.10	TBD	<p>Between 7,000 and 11,000 indigenous peoples live in or near one of the seven officially recognized indigenous territories in the State. The Bank project team shared a draft Terms of</p>

		<p>Reference (TOR) with the Client for contracting a specialized firm to conduct a project specific Environment and Social Impact Assessment (ESIA). These comprehensive TOR cover a wide range of social issues including gender and communications, and participation and consultations, in addition to Bank safeguards and applicable state and national legislation. The ESIA will evaluate whether any project funded activities may be implemented in areas where indigenous peoples are present. As many project locations will not be determined until after implementation begins, the Client may decide to prepare an Indigenous Peoples Planning Framework (IPPF). Where relevant, the IPPF will assist the Government of Bahia to determine whether indigenous peoples are present in any of the eventual project areas, and if so, to ensure that the interested communities support the proposed activities as well as any additional measures required to maximize their culturally appropriate benefits and/or avoid potentially adverse impacts. Decision on triggering this policy will be based on the ESIA findings.</p>
<p>Involuntary Resettlement OP/BP 4.12</p>	<p>Yes</p>	<p>The project is not expected to require any land acquisition or involuntary resettlement. However, because the exact location and design specifications for the proposed investments—for example, localized road realignments, the elimination of accident-prone points, and the widening of bridges—remain unknown at this time, a Resettlement Policy Framework (RPF) will be prepared and disclosed prior to appraisal. The RPF will clarify resettlement principles, organizational arrangements, and design criteria to be applied to subprojects to be prepared during project implementation. Also, the ESIA will evaluate whether project activities related to biodiversity conservation, land use management, and water resources management could result in restrictions of access to natural resources in legally designated parks or protected areas, with adverse impacts on local livelihoods. Should this occur, a Process Framework will also be prepared.</p>

Safety of Dams OP/BP 4.37	No	Not applicable. The Project will not finance the construction of a new dam, rely on the performance of an existing dam or a dam under construction, nor require increases in the capacity of an existing dam, nor changes in the characteristics of the impounded materials of the dam.
Projects on International Waterways OP/BP 7.50	No	Not applicable. None of the Project activities are located in any international waterways and there are no other riparians impacted by the Project.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable, because the activities financed by the Project are not located in disputed areas.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 30-Sep-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

- Draft ESIA ToR: April, 2014
- Hiring ESIA consultancy: July, 2014
- Draft ESIA: September, 2014

IV. APPROVALS

Task Team Leader:	Name: Gregoire Francois Gauthie	
Approved By:		
Regional Safeguards Coordinator:	Name: Dianna M. Pizarro (RSA)	Date: 15-Jul-2014
Sector Manager:	Name: Aurelio Menendez (SM)	Date: 15-Jul-2014

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.