

**INTEGRATED SAFEGUARDS DATA SHEET  
APPRAISAL STAGE**

**Report No.: ISDSA13113**

**Date ISDS Prepared/Updated:** 16-Sep-2015

**Date ISDS Approved/Disclosed:** 20-Oct-2015

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Ecuador	<b>Project ID:</b>	P147280
<b>Project Name:</b>	EC Ibarra Transport Infrastructure Improvement Project (P147280)		
<b>Task Team Leader(s):</b>	Mauricio Cuellar, Anna R. Okola		
<b>Estimated Appraisal Date:</b>	05-Oct-2015	<b>Estimated Board Date:</b>	08-Dec-2015
<b>Managing Unit:</b>	GTI04	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	General transportation sector (50%), Urban Transport (50%)		
<b>Theme(s):</b>	City-wide Infrastructure and Service Delivery (100%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	91.03	Total Bank Financing:	52.50
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			38.53
International Bank for Reconstruction and Development			52.50
Total			91.03
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

The Project Development Objective (PDO) is to improve mobility of Ibarra and the use of recreational spaces in the Yahuarcocha lagoon area.

**3. Project Description**

Component 1: Improve mobility in the city. (US\$85.8 m. total; US\$50.0 m. IBRD) This component will support infrastructure investments including: (i) construction of the ring road; and (ii) associated

works supervision. The project includes the construction of a four lane ring road serving as a bypass for east-west traffic, particularly along the northern section connecting to national roads with important logistics characteristics for goods movement to the northern part of Ecuador. Most sections of this corridor will be built upon existing roads, traversing some of the poorest neighborhoods in the northern section, while forming an urban expansion perimeter in the southern section. This component will enhance traffic flows; improve access to and around the city; relieve congestion within the city center, including the historic core, by providing an alternate path for through traffic; and define limit areas for the southern urban expansion which has in the past been rather unplanned.

Component 2: Improve public and tourist spaces. (US\$2.5 m. total; US\$1.4 m. IBRD) This component seeks to improve the quality and quantity of public spaces including outdoor, recreational and tourist friendly spaces. In the highly touristic and recreational area of Yahuarcocha Lagoon, the component will finance the construction and restoration of infrastructure to support sustainable tourism including the provision of sidewalks, footpaths, cycle infrastructure, as well as enhancing streetscapes, urban environment, green spaces and installation of urban community equipment to promote social interactions and potentially increase economic activities.

Component 3: Provide technical assistance. (US\$1.6 m. total; US\$0.9 m. IBRD) This component will provide technical assistance to support units in the Municipality of Ibarra responsible for mobility, public works, traffic, and urban planning. Specifically, these activities will be focused on: (i) strengthening institutional capacity for road asset management, (ii) support for the creation of a gender informed non-motorized transport and road safety plan, and (iii) assistance for the completion of an integration, urban planning, densification and mobility study, that should include a reorganization of the public transport routes.

Component 4: Provide Project Management capacity. (US\$0.95 m. total; US\$0.08 m. IBRD) This component will finance targeted incremental costs associated with overall project management, such as the hiring of a new project coordinator, project-related audits, monitoring and evaluation, environmental and social management, beneficiary assessments, feedback mechanisms, publication on newspapers of the procurement processes and the purchase of new equipment.

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

The Project is located in the Municipality of Ibarra. Project activities under different components will take place in various locations in the municipality, primarily in semi-urban areas. The city of Ibarra (pop. 182,000 in 2010, 18% of which is Indigenous and Afro-Ecuadorian; with 77% living in urban areas and 23% in rural parishes, is a medium-sized fast growing mountain valley city with agriculture, service industry, and tourism as its main economic activities. One of the activities to be financed by this project will involve works near the Laguna de Yahuarcocha, which is a sensitive environmental and tourist area. The proposed road works will involve construction in mostly peri-urban areas, possibly requiring the acquisition of private land, as well as the removal of a number of residential and commercial structures. The proposed works are reportedly not in any environmental protected areas.

#### **5. Environmental and Social Safeguards Specialists**

Claudio Luis Daniele (GENDR)

Martin Henry Lenihan (GSURR)

Robert H. Montgomery (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project team proposes an environmental category of B per OP/BP 4.01, as the activities in components 1 and 2 involve relatively standard works with no significant long-term environmental or social negative impacts and that can be readily prevented or mitigated with standard measures.</p> <p>An Environment Impact Assessment (EIA) has been completed for the corridor around the city (ring road) to assess the potential environmental and social impacts. The EIA was submitted for approval by the Ministry of Environment (Ministerio de Ambiente del Ecuador, MAE) and will be consulted with the public. The EIA includes an Environmental Management Plan (EMP). The EMP and its implementation will be subject to an environmental audit by a third party, as part of the Environmental License issued by the Ministry of Environment. Complementary to this EIA, the Bank requested the municipality an extension of EIA of this ring road, to include additional topics (land uses, urban development, etc.) and the assessment of cumulative impacts and synergies in the medium and long term. A draft version of this new expanded EIA, was already delivered by the municipality and reviewed by the Bank. It is expected to soon receive a new version of this expanded EIA.</p> <p>According to local legislation, the improve public and tourist spaces in the boulevard Yahuarcocha are simpler and do not require an EIA. On this basis, the city developed a "Ficha Ambiental" (environmental profile), that was sent to MAE. These document have been approved and received the environmental license (Licencia Ambiental) of MAE.</p> <p>All project works/components are being developed and implemented according to Ecuadorian environmental law (e.g., obtaining environmental license, etc.). Appropriate information disclosure and consultation (including disclosure of EIA and EMPs) will be performed. In addition, other actions as deemed appropriate will be implemented (e.g., environmental clauses for construction contracts, supervision by municipality, use of independent environmental supervisors for some works, etc.).</p>
Natural Habitats OP/BP 4.04	Yes	There are no environmental protected areas in the direct area of influence of the proposed project works and the

		<p>project will not result in any significant conversion or degradation of critical natural habitats. Both Components (Ring Road and Yahuarcocha) received of the MAE, the certificate of "no intersection" with the national system of protected areas.</p> <p>Part of the works of Component 1 and 2 will be near the Yahuarcocha lagoon, which is a sensitive ecosystem. However the works will likely not result in any direct or indirect significant impacts on the lagoon since the works are relatively minor and will be carried out in areas already affected. The lagoon is located approximately 600 to 700 m from the Boulevard, and is separated by an area of agriculture, residential and tourist use. The concern for the appearance of impacts in the medium and long term, especially by the induced tourism development led to ask for a specific EIA and EMP of component 2. This new EIA complements and extends the EA (Ficha Ambiental) required by the Ministry of Environment. EIA and EMP will provide an assessment and mitigation of these potential environmental impacts. The EIA will also specifically assess the potential indirect impacts that could occur due to the proposed project, such as those caused by increased traffic and increased tourism in the project's area of influence.</p> <p>During some of the works of the Ring Road, it may be necessary that a few isolated trees located in one of the new bridge area will be removed and new ones planted. Given the types of works and planned locations, this policy will be triggered and the assessment and mitigation of any potential impacts will be managed by the EIA developed under OP/BP 4.01. The relevant EMPs will include the appropriate measures to mitigate the impacts, including long term potential impacts due to the increased activity in this area.</p>
Forests OP/BP 4.36	No	There are no forests, as defined under OP/BP 4.36, in the project area. Nevertheless, any potential impacts on vegetation and habitats will be evaluated as part of the Ring Road EIA which will include screening mechanisms. Both Components received of the MAE, the certificate of "no intersection" with forests, protecting vegetation and forest heritage of the state.
Pest Management OP 4.09	No	The project will not involve the purchase or use of any significant quantities of pesticides.
Physical Cultural Resources OP/BP 4.11	Yes	Component 2 will support construction and restoration of infrastructure for community use and cultural heritage preservation, in the Boulevard by Yahuarcocha Lagoon.

		<p>The National Institute of Cultural Heritage declared the Yahuarcocha as the third sacred lake of the country. The lagoon and its surrounding area have been heavily modified, being a major attraction of tourism, sports and recreation, residential and agricultural use. The area is reportedly visited by more than 20,000 people per month. There are some existing environmental problems with the lagoon, including water pollution (eutrophication). Works (to more than 600 m of the lagoon) are made on a wide Avenue in an already fully modified environment. However, no significant or long-term negative impacts are expected on the cultural heritage in Ibarra or of the lagoon. Regardless, this policy will be triggered for precautionary measures, and as required, applicable measures included in the EIA (see OP/BP 4.01) which will include specific screening provisions for evaluating potential impacts on cultural resources and provide specific guidance on chance finds procedures.</p> <p>The project-related EIA/EA for works near the Yahuarcocha Lagoon will assess potential impacts and the relevant EMPs include appropriate mitigation measures. The National Institute of Cultural Heritage (Instituto Nacional de Patrimonio Cultural) has no objection to the making both Components (Ring Road and Boulevard) .).</p> <p>However, no significant or long-term negative impacts are expected on the cultural heritage in Ibarra or of the lagoon. Regardless, this policy will be triggered for precautionary measures, and as required, applicable measures included in the EIA (see OP/BP 4.01) which will include specific screening provisions for evaluating potential impacts on cultural resources and provide specific guidance on chance finds procedures.</p> <p>The project-related EIA/EA for works near the Yahuarcocha Lagoon will assess potential impacts and the relevant EMPs include appropriate mitigation measures. The National Institute of Cultural Heritage (Instituto Nacional de Patrimonio Cultural) has no objection to the making of the work.</p>
Indigenous Peoples OP/ BP 4.10	Yes	Ibarra is a multicultural Canton with indigenous and afro-descendent people accounting for 18% of the population. According to the 2001 Census, 9% of the population is indigenous. The four major indigenous groups in Ibarra include the Karanki, Imbaya, and Natabuela, who mostly speak Kichwi, as well as the Awá, whose language is

		Awapít. Although the project will not directly impact indigenous communities, an indigenous peoples plan was prepared and consulted with indigenous and afro-descendent communities closest to the city. The indigenous peoples plan prepared in accordance with the requirements of OP 4.10 . Specific actions recommended under the IPP to ensure the project is culturally appropriate include bilingual signage (Kichwa and Spanish), an ongoing socialization campaign targeted to indigenous residents of the Canton as well as a dedicated grievance redress mechanism and focal person within the citizen participation team.
Involuntary Resettlement OP/BP 4.12	Yes	This policy is triggered because the proposed Anillo Vial road works will require the acquisition of parts of 827 properties (43 has), and the resettlement of up to 29 households, and the acquisition of 4 commercial structures. The rehabilitation of a recreational area under Component 2 also requires the acquisition of two parcels of land. Given that the location of activities will be known prior to appraisal, a resettlement plan has been prepared and disclosed in accordance with the requirements of OP 4.12. This plan includes arrangements for the monitoring and registering the land acquisition using a tailored geographic information system, as well as a for an impact evaluation (using a social survey of PAPs) of the entire process following completion of the implementation of the plan. The plan also includes a multi-stage grievance redress mechanisms that allows PAPs to escalate issues to the Mayor’s office and request independent assessments when there is a dispute related to compensation.
Safety of Dams OP/BP 4.37	No	The Project will not support the construction or rehabilitation of dams nor will support other investments which rely on the services of existing dams.
Projects on International Waterways OP/BP 7.50	No	Project activities will not affect international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The Project will not be implemented in areas known to involve disputed areas.

## 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:

Overall the Road Ring project will result in positive social impacts by enhancing access and mobility. The main impacts include land acquisition and resettlement, with the project requiring the acquisition of 43 hectares of land from 641 owners, the displacement of 25 residential structures housing 115 people, and the removal 10 commercial structures. Improvements in

transport and accessibility will promote social and urban development, especially in marginal sectors currently. New infrastructure will improve Yahuarcocha Boulevard current uses, reducing the impact of current recreational activities. They will also promote more sustainable forms of tourism.
<b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b>
Long term impacts of Ring Road may include induced urban development along the project area. In Yahuarcocha, an inappropriate tourism development could result in deterioration of the natural habitats of the lagoon and its surroundings.
<b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b>
The Ring Road project preparation process has evaluated options to minimize impacts, and found the project as proposed the best alternative. In addition, complementing the project the university has developed a comprehensive management plan for the Yahuarcocha watershed. This plan includes a set of programs of ecological restoration, integrated water management, biological monitoring and tourist and recreational use. The municipality has also prepared a plan for tourism development.
<b>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.</b>
A resettlement action plan has been prepared. For both components an environmental management plan has been prepared. Additional capacity will be required during implementation, thus the Municipality has planned to hire consultants.
<b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b>
Consultations have been held during preparation. The municipality has conducted a number of meetings in neighborhoods in the area to socialize ring road project benefits. As part of the environmental licensing, the MAE will be responsible for leading further socialization processes and public consultation to local communities about the impacts of road ring.  The indigenous peoples plan has been disclosed, and received broad community support through free, prior and informed consultation meetings with representatives of afro-descendent and indigenous communities close to the City of Ibarra (2 meetings in Caranqui Parish and 1 meeting in Ambuquí Parish). These meetings were conducted in March and May 2015, and were attended by the leaders of these communities (Parochial board members). During the meetings these representatives confirmed their support for the project and the actions outlined in the plan. The overall project socialization process also accommodated different sub-populations within the urban contexts, being sensitive to the needs of women, afro-descendants, and indigenous communities in those areas.

### ***B. Disclosure Requirements***

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	00000000
Date of submission to InfoShop	00000000
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	00000000

"In country" Disclosure	
<i>Comments:</i>	
<b>Resettlement Action Plan/Framework/Policy Process</b>	
Date of receipt by the Bank	30-Jun-2015
Date of submission to InfoShop	00000000
"In country" Disclosure	
<i>Comments:</i>	
<b>Indigenous Peoples Development Plan/Framework</b>	
Date of receipt by the Bank	30-Jun-2015
Date of submission to InfoShop	00000000
"In country" Disclosure	
<i>Comments:</i>	
<b>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.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	
The Ring Road EMP contains a program of protection of cultural heritage and archaeological finds. The MAE will be responsible for leading a new cycle of public consultation and disclosure to local communities about the impacts and its EMP.	

### ***C. Compliance Monitoring Indicators at the Corporate Level***

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
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 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 type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.04 - Natural Habitats</b>	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
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 [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]
<b>OP/BP 4.11 - Physical Cultural Resources</b>	
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"/> ]



<b>OP/BP 4.10 - Indigenous Peoples</b>	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.12 - Involuntary Resettlement</b>	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Is physical displacement/relocation expected?  Provided estimated number of people to be affected	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] TBD [ <input type="checkbox"/> ]
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)  Provided estimated number of people to be affected	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] TBD [ <input type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input 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 type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
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 type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

**III. APPROVALS**

Task Team Leader(s):	Name: Mauricio Cuellar, Anna R. Okola
<i>Approved By</i>	

Practice Manager/ Manager:	Name: Aurelio Menendez (PMGR)	Date: 20-Oct-2015
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