

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC13247

Date ISDS Prepared/Updated: 27-Apr-2015

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I. BASIC INFORMATION

A. Basic Project Data

Country:	South Asia	Project ID:	P154580
Project Name:	Bangladesh Regional Connectivity Project 1 (P154580)		
Task Team Leader(s):	Diep Nguyen-Van Houtte		
Estimated Appraisal Date:	11-May-2015	Estimated Board Date:	15-Dec-2015
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	General transportation sector (50%), Rural and Inter-Urban Roads and Highways (20%), Other domestic and international trade (15%), Information technology (15%)		
Theme(s):	Regional integration (25%), Trade facilitation and market access (25%), Infrastructure services for private sector development (25%), Rural services and infrastructure (25%)		
Financing (In USD Million)			
Total Project Cost:	135.00	Total Bank Financing:	120.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			15.00
International Development Association (IDA)			120.00
Total			135.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The development objective is to decrease border crossing time at selected border crossing points and to enhance connectivity for trade along strategic regional transport corridors.

C. Project Description

The proposed investment project aims to facilitate connectivity, trade and transport for national and regional trade. The multi-sector project is expected to provide an estimated US\$120 million to finance the following components. Components 1, 2 and 4 (US\$90 million) are proposed to be financed by regional and national IDA (2/3 and 1/3, respectively), whereas Component 3 will be financed by national IDA.

Component 1a: Investments in infrastructure, systems and procedures to modernize key selected land ports essential for trade with India and Bhutan (US\$57 million). Two greenfield land ports will be developed and at least two existing land ports will be improved/modernized. Designs will consider and incorporate the needs of women traders such as female-only waiting rooms and lines for clearances, female toilets, and other infrastructure areas specifically allocated for female traders. A simplified clearance regime will be implemented for small traders, many of which are female. The selection of border posts was guided by several factors including: a) client request; b) volume of current or potential traffic; c) location on SAARC or other sub-regional strategic corridors; d) potential to enhance regional connectivity; e) gaps in financing after considering Government and other development partner support; and, f) availability of technical assessments. The implementation agency for this component would be Bangladesh Land Port Authority. Cost estimates are as follows:

(a) Thegamukh Land Port Development (US\$10 million): Thegamukh is currently a dormant border crossing on Bangladesh's eastern border with the state of Mizoram, NE India, although it was once an important passageway with large numbers of goods traded and a thriving commercial center. It is on the road (and river) from Chittagong to southern Mizoram in India, about 150-160km from Chittagong Port. The opening of new trade routes between Bangladesh and the north-eastern states of India, including Mizoram and Tripura, through the Thegamukh-Kawrpucchuah border point is considered a high priority for both the Government of India and Government of Bangladesh. Thegamukh could also serve as a transit point between West Bengal and Mizoram, and, potentially, Myanmar.

(b) Ramgarh Land Port Development (US\$10 million): Ramgarh is located on the border with Sabroom in Tripura state, Northeast India, less than 100km from Chittagong Port. The Land port is expected to create important trade linkages from Bangladesh and mainland India to Tripura and the rest of Northeast India as well as to East Asia.

(c) Bhomra Land Port Expansion (US\$22 million): Bhomra land port is located approximately 75km from both Kolkata in India and Khulna in Bangladesh, two major economic centers, and 250km from Dhaka. Once the Padma Bridge is completed, it will be on the shortest route from Kolkata to Dhaka. The land port was built in anticipation of the expected significant increase in trade traffic.

(d) Improvements/Modernization of 1-2 Other Land Ports: US\$15 million

Component 1b: Develop (pilot) programs to support female traders at selected land ports (US\$8 million). Building on the recommendation included in the Ministry of Finance's gender budget 2013/2014, the Ministry of Commerce (MoC) committed to "Encourage trade bodies to provide awareness raising trainings on workplace related violence and harassment against women". Activities could include: (i) sensitization programs for Customs officers and other staff working at land ports; (ii) public information campaigns on safety issues for women traders; (iii) educational, communication, and sensitization programs to educate female traders on the law, their rights and obligations; (iv) in partnership with Bangladesh Women Chamber of Commerce and Industry (BWCCI), providing support for training and knowledge programs for women traders to learn skills related to better production, preservation, transport and marketing of their products; (v) establishing an institutional mechanism for women traders to communicate their needs and issues linked to

national and cross-border trade to relevant Government officials; and, (vi) developing improved facilities along the supply chain between production centers and border points to address the needs of women traders, such as border haats and cold storage structures (separate from land port infrastructure). WB-financed studies currently underway in some border areas will help inform the design of these programs. BLPA would lead the implementation of this activity in close coordination with Ministry of Commerce and Department of Customs. Discussions are currently underway between the World Bank Group and AUSAid to fund among other trade facilitation measures, a program to increase the number of women-owned/operated enterprises along the key trade corridors of the Eastern Corridor of South Asia (through improving existing enterprises and creation of new enterprises), including along the corridors and land ports discussed in this project. This trust-funded program will be complementary to and implemented in parallel with the proposed Project.

Component 2: Studies for Connecting Roads/Last Mile Links to Key Land Ports (US\$10 million). Many of the existing and greenfield land ports have missing or poor quality connecting roads. This component will prepare feasibility and design studies as well as bidding documents to address these missing links. Studies will include detailed feasibility, design and bidding documents, and environmental and social studies for the connecting roads to Thegamukh Land Port, Hili Land Port, and Ramgarh Land Port among others. It is expected that a follow-on World Bank project (Regional Connectivity Project 2) would finance the missing road links once the studies are completed. The implementation agency for this component would be LGED.

Component 3: Customs Modernization and National Single Window Development (US\$30 million). The implementation agency for this component would be the Customs Department in National Bureau of Revenue.

(a) Bangladesh National Single Window (NSW) Implementation including back-office automation in 6 Licensing and Permit issuing agencies. This activity will include Business Process simplification, software development and ICT infrastructure to support NSW implementation (US \$20 million).

(b) Strengthening Customs Modernization through (i) Implementation of a sophisticated Risk Management Module as well as providing resident technical assistance and Capacity Building for Risk Management generally across an 18-24 month period followed by peripatetic visits during the life of the project; (ii) Implementation of a Valuation database as well as providing resident TA and Capacity Building for the valuation processes across a 12-18 month period followed by peripatetic visits during the life of the project; and, (iii) Customs business process harmonization and simplification through business process re-engineering and implementing the new processes in ASYCUDA World (US\$5 million). The TA and Capacity Building activities proposed here will build upon and further strengthen initiatives currently underway supported by WBG's Trade and Competitiveness Practice (formerly IFC Advisory Services).

(c) ICT Infrastructure for selected Land Ports/Border Crossings including Hardware, Communications Infrastructure including last-mile connectivity between crossing points and Government Network backbone (US\$5 million).

Component 4: Institutional Development to enhance cross-sector collaboration for border management, trade and transport facilitation (US\$7 million). Fund technical assistance, secretariat and project management support to establish and operate a National Trade and Transport Facilitation Committee, a Border Management (Sub)-Committee, and a National Single Window (Sub)-Committee, and to fund the two Project Management Units in Ministry of Shipping and Ministry of Commerce, and the project management cells in the implementation agencies.

(a) Fund PMU in Ministry of Commerce and sub-PMU in Customs/NBR), and technical assistance, secretariat and project management support to establish and operate a National Trade and Transport Facilitation Committee, a Border Management (Sub)-Committee, and a National Single Window (Sub)-Committee (US\$5 million). These committees will also coordinate with their Indian, Bhutanese and Nepalese counterparts to coordinate and harmonize issues related to cross-border trade.

(b) Fund PMU in Ministry of Shipping (US\$2 million, approximately US\$400,000 per year for 5 years)

Contingency (US\$8 million)

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

Bhomra is an existing land port on the border with the town of Ghojadanga in West Bengal, India. The existing land port is approximately 15.73 acres in size. Government would like to expand the land port and estimates that another 46.3 acres will be required which will impact approximately 100 households.

Thegamukh is a greenfield land port on the border with the State of Mizoram in Northeast India, along the Karnafuli River. The 10 acres required has been identified and approximately 15 households will be affected. The Government of India plans to build a bridge across the river to link the land ports of the two countries.

Ramgarh is a greenfield land port on the border with the State of Tripura in Northeast India, along the Feni River. The 10 acres required has been identified and approximately 5 households will be affected. The Government of India plans to build a bridge across the river to link the land ports of the two countries.

E. Borrowers Institutional Capacity for Safeguard Policies

While the Government of Bangladesh has implemented many World Bank projects, the Ministry of Shipping has not implemented a World Bank project in the last decade and its agency Bangladesh Land Port Authority (BLPA) has never implemented a World Bank project. BLPA implements land ports and border post infrastructure regularly on behalf of the Government of Bangladesh and is required to follow GoB environmental and social regulations. Nonetheless, the Project Implementation Unit in Ministry of Shipping will certainly need to hire additional staff with expertise in environmental and social safeguards through the project, to boost its capacity in these areas. Training for the PMU will be arranged through the project to ensure that all team members with a role in safeguards aspects of the project fully understand the concepts of environmental and social management as well as specific requirements applicable to the project. In addition, construction activities will be overseen by an independent Construction Supervision Consultant with environmental and social team members to provide oversight on compliance with all required management plans and measures.

F. Environmental and Social Safeguards Specialists on the Team

Leanne Farrell (GENDR)

Mridula Singh (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>This policy will be triggered due to anticipated impacts to be caused by the construction or rehabilitation of an estimated 5-6 land ports. Project activities will include both "greenfield" construction, as well as rehabilitation/extension of existing facilities.</p> <p>To mitigate and manage environmental and social impacts, an Environmental Management Framework (EMF) will be prepared, including environmental screening and preliminary identification of mitigation and management measures for the three identified ports (Bhomra, Thegamukh, Ramgarh), as well as procedures and requirements for completing detailed EAs/EMPs once detailed design studies are underway for these and other future land ports yet to be identified.</p> <p>The EMF will also specify that, for all future connecting roads and "last mile links" to key land ports to be prepared under Component 2, the necessary safeguards studies will also be carried out in parallel, including environmental assessments and EMPs in accordance with this policy.</p>
Natural Habitats OP/BP 4.04	TBD	<p>Based on preliminary screening, the three identified land port locations are all in modified terrain, mostly under current agricultural use. Therefore, this policy is not considered likely to be triggered. Nonetheless, its applicability will be assessed, and avoidance or mitigation measures recommended as needed, during the environmental screening of identified land ports as part of the EMF. For the land ports which are not yet identified, as well as for preparation studies of future "last mile links" and connecting roads under Component 2, the EMF will include appropriate criteria to screen for the presence of natural habitats, ensure avoidance of any areas of critical habitat, and provide for adequate mitigation measures as required in accordance with the policy.</p>
Forests OP/BP 4.36	TBD	<p>Based on preliminary desk-based screening, the three identified land port locations do not appear to impact forests. Nonetheless, this will be verified through the environmental screening process for identified land ports. If needed, the EMF will indicate appropriate management measures to be fully developed during</p>

		the detailed design / EIA and EMP phase of investment preparation. For unidentified future land ports under Component 1 as well as all future connecting / 'last mile' infrastructure investments to be prepared under Component 2, the EMF will include appropriate criteria to screen for any potential impacts to forests, and ensure management measures are developed as required in accordance with the policy.
Pest Management OP 4.09	TBD	This policy is not expected to be triggered; however, the EMF will include criteria to screen project activities to determine applicability (such as with any potential use of rodenticides or other pest control products at the land port facilities) and ensure appropriate management of pest issues in accordance with the policy.
Physical Cultural Resources OP/BP 4.11	TBD	The applicability of this policy to the identified land ports, and any required compliance measures, will be determined through environmental screening. For future land ports to be developed or expanded through the project, as well as future connecting / "last mile" infrastructure to be prepared under Component 2, appropriate screening criteria and assessment/management procedures, including consultations with stakeholders, will be specified in the EMF.
Indigenous Peoples OP/BP 4.10	Yes	The policy is applicable as some of these regions are inhabited by tribal communities and they may be adversely affected. An Indigenous Peoples Planning Framework (IPPF) will be prepared, outlining the process and requirements for social impact assessment to determine the scale and to prepare appropriate site specific Indigenous Development plans as applicable.
Involuntary Resettlement OP/ BP 4.12	Yes	Based on the preliminary information available, land will be acquired for land port development. There may also be a need to upgrade existing infrastructure facilities for easy flow of traffic movement. A Resettlement Policy Framework (RPF) will be prepared, including requirements for Social Impact Assessments to be carried out to prepare Resettlement Action Plans for specific land ports and any other activities requiring land acquisition that trigger the policy.
Safety of Dams OP/BP 4.37	No	This will not be triggered as the project does not contain any dam related activities.

Projects on International Waterways OP/BP 7.50	No	<p>This policy is not expected to be triggered. While Ramgarh, Tamabil, and Thegamukh are close to rivers that run along international borders, the actual lands identified for the land ports are not on the river itself, and the nature and scale of project works is very site-specific and should not affect the quantity or quality of water in international waterways in any way.</p> <p>If any construction works associated with future unidentified land ports affect international waterways, this policy's applicability will be re-assessed and riparian notification will be carried out in accordance with the policy if necessary.</p>
Projects in Disputed Areas OP/BP 7.60	No	<p>This policy is not expected to be triggered, as none of the known project sites are in disputed areas. Nonetheless, all future proposed land port locations, as well as locations of connectivity infrastructure to be prepared under Component 2, will be screened to determine whether any of these activities could trigger this policy, and notifications made as required before the project would proceed to support any infrastructure in any disputed area.</p>

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 11-May-2015

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:

The draft environmental and social impact studies for the three land ports to be financed, as well as the EMF for future land ports, will be completed prior to Appraisal.

IV. APPROVALS

Task Team Leader(s):	Name: Diep Nguyen-Van Houtte	
Approved By:		
Safeguards Advisor:	Name: Zia Al Jalaly (SA)	Date: 28-Apr-2015
Practice Manager/ Manager:	Name: Karla Gonzalez Carvajal (PMGR)	Date: 28-Apr-2015

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.