COMBINED PROJECT INFORMATION DOCUMENTS / INTERGRATED SAFEGUARDS DATA SHEET (PID /ISDS)
ADDITIONAL FINANCING

Report No.: 123671

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I. BASIC INFORMATION

Sector(s):	Renewable Energy Biomass (10%); Renewable Energy Mini Hydro (10%); Renewable Energy Solar (40%); Renewable Energy Wind (40%)
Theme(s):	Climate Change
Borrower(s)	Government of Argentina
Implementing Agency	Ministry of Energy and Mining

RenovAr Program	**Parent Project**	**Additional Financing**	**Total**
Total Project Cost	3,224	2,258	5,482
Total Financing	3,224	2,258	5,482
Estimated Private Equity @ 35 percent	1,128	790	1,919
Estimated Debt @ 65 percent	2,096	1,468	3,563
Of which commercial borrowing	1,397	979	2,376
Of which Development Finance Institutions & Export Credit Agencies	699	489	1,188
Security Package[1]			
(i) Estimated FODER liquidity amount	400	169	569
(ii) Estimated FODER termination coverage	1,700	716	2,416
RenovAr Program directly benefiting from the IBRD guarantee	**Parent Project**	**Additional Financing**	**Total**
Total Project Cost	1,374	592	1,966
Total Financing	1,374	592	1,966
Estimated Private Equity @ 35 percent	481	207	688
Estimated Debt @ 65 percent	893	385	1,278
Of which commercial borrowing	595	257	852
Of which Development Finance Institutions & Export Credit Agencies	298	128	426
Security Package[2]			
(i) Estimated FODER liquidity amount	170	44	215
(ii) Estimated FODER termination coverage	724	188	912
Of which backed by the IBRD guarantee	**480**	**250**	**730**

Environmental Category	FI
Decision	To go ahead with project appraisal
Other Decision (as needed)	

[1] Preliminary estimates for Round 2 on data for Round 1 and 1.5 adjusted for capacity awarded and reduction of liquidity account support (as explained in the 'Project Description' section).

[2] Preliminary estimates for Round 2 on data for Round 1 and 1.5 adjusted for capacity awarded and reduction of liquidity account support (as explained in the 'Project Description' section).

Is this a Repeater project?	No
Is this a Transferred project? (Will not be disclosed)	No

B. Introduction and Context

Sectoral and Institutional Context

Argentina is one of the largest and most developed power markets in Latin America. With total electricity demand of approximately 126 Terawatt hours (TWh) per year, Argentina is the third largest power market in the region after Brazil and Mexico. Roughly 41 percent of demand is driven by the 40 million residential customers (98 percent of Argentinians have access to electricity), 30 percent by industrial users and 28 percent by commercial consumers. Fairly well-developed policies, regulations, and institutions govern the sector[3], which has been opened to private investment and competition since 1992. Private companies are the main operators in all subsectors. However, the progress toward adopting clean sources of energy is yet to take place. Installed capacity as of October 2017 is 35.97GW,[4] of which 62 percent is thermal,[5] 31 percent hydro, 5 percent nuclear, 1 percent mini hydro and 1 percent wind. Solar represents only 8 MW (0.02 percent).

The Argentina power sector is vertically separated into generation, transmission, and distribution businesses and dominated by private sector providers. Generation companies, dominated by private operators, operate through licenses in a competitive environment and are subjected to the scheduling and dispatch rules set out in the respective regulations and managed by *Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima* (CAMMESA). As the wholesale energy market administrator, CAMMESA coordinates dispatch operations, determines wholesale prices, administers the economic transactions in the national interconnected system (*Sistema Argentino de Interconexión*, SADI), and acts as Governmental off-taker in certain power purchase agreements (PPAs).[6] Transmission and distribution businesses, also dominated by private providers, operate under public concessions.

Investments in generation have been significantly constrained as the power sector became dependent on government transfers. Set up in 1992, the wholesale power market was expected to function as a competitive market, fully indexed in the US dollar. However, macroeconomic and market conditions in the aftermath of the 2001 economic crisis made full indexation to the US dollar unsustainable. Tariffs for residential consumers were practically frozen from 2002 to 2015 despite high inflation, exchange rate variation, and investment needs.[7] Investment in generation became limited and at times forced by the government (e.g. through the requirement for power generators to reinvest profits). Also, government contributions and ad hoc arrangements became key to manage the cost increases in generation and mitigate their impact on end users. By 2015,

[3] Argentina followed Chile (in 1982) as one of the first countries in Latin America to initiate power sector reforms in 1992. Subsequently, Peru (1993), Colombia (1994), and Brazil (1995) carried out various power sector reforms.

[4] CAMMESA, Monthly Report - http://portalweb.cammesa.com/memnet1/Pages/descargas.aspx

[5] Thermal technologies' breakdown is 47 percent combined cycle, 20 percent steam turbines, 25 percent gas turbines, and 8 percent diesel.

[6] In recent years, the mechanism applied for remunerating the electricity generation led CAMMESA to accrue debt with power generators. In some cases, debt was collected through the pledging of funds for the construction of new generation plants; approximately 1,700 MW were installed under this mechanism.

[7] For example, in the case of the Greater Buenos Aires area (one-third of the country's population) tariffs were frozen (in Argentine peso terms) between 2002 and 2008, only minor increases were allowed for medium and large residential clients. In the Metropolitan Areas of Buenos Aires, tariffs remain unchanged for over ten years.

the government transfers covered 70 percent of the average cost of energy supply while users covered the remaining 30 percent. Argentina's energy subsidies were the third highest in the region. In addition to their large fiscal impact (3.9 percent of Gross Domestic Product (GDP)) (IMF, 2015), they were unevenly distributed.

The current administration has implemented measures to ensure that tariffs reflect generation, transmission and distribution costs. In January 2016, the GoA restored the pass-through mechanisms established in 1992 in the wholesale power market and increased the wholesale electricity prices. It also mandated comprehensive tariff reviews for transmission and distribution service charges to move electricity tariffs towards cost reflecting levels.[8] The reduction of subsidies for residential customers has been significant, decreasing from 70 percent in 2015 to 49 percent in 2016 and 18 percent in 2017. From 2019 onwards, subsidies for residential customers are expected to account for 10 percent of the costs. For industrial and bigger commercial consumers, tariff subsidies were reduced by 50 percent in both 2016 and 2017, and are expected to be fully passed onto the consumers in 2018. To offset the impacts of such measures on the poor, the GoA also created a new reduced "social tariff" which has benefitted approximately 4.2 million customers, and launched new energy efficiency incentives for residential customers aimed to induce energy saving.

The current administration has also prioritized the development of renewable energy sources by implementing a new renewable energy law enacted in 2015. This law overhauls the previous regulatory framework and seeks to: (a) create competitive and transparent market rules and contract mechanisms; (b) diversify the energy matrix by requiring the use of different clean energy technologies; (c) incentivize local and regional development; (d) establish mandatory pass-through of PPA costs to consumers; and (e) create fiscal incentives for independent power producers (IPPs) and local supply chains, among others. The 2015 renewable energy law sets mandatory renewable energy targets of 8 percent of overall electricity consumption by the end of 2017, and 20 percent by 2025.[9]

The 2015 renewable energy law created the Fund for the Development of Renewable Energy (*Fondo para el Desarrollo de Energías Renovables* or FODER) to facilitate the financing for renewable projects, and mitigate liquidity and country risks. FODER is set up to provide guarantees as well as direct financing (debt or equity) and other financial instruments as required. FODER is funded mainly by: (a) resources from the national budget, equal or higher to 50 percent of the savings achieved by switching from fossil fuels to renewables; (b) specific taxes to energy demand; and (c) revenues from the issuance of trust securities by the Fund's trustee. MEM defines FODER's financial instruments and funding needs. The "*Banco de Inversión y Comercio Exterior*" (Investment and Foreign Trade Bank - BICE) was appointed trustee of FODER ("Trustee"), and carries-out day-to-day fiduciary activities in accordance with FODER Trust Agreement signed with MEM.

[8] Resolution 6/2016 of Ministry of Energy and Mining (MEM) increased tariffs starting February 1, 2016 with wholesale market prices instantly increased to roughly 140 percent while some industrial, commercial or industrial tariffs increased as much as 673 percent. Resolutions 7/2016 and 196/2016 of MEM authorized the National Regulatory Agency (ENRE), the national electricity regulator, to undertake an integral tariff revision of distribution and transmission charges. In November 2017, ENRE approved averaged tariff increases for the Distribution and Marketing Company of the North (EDENOR) and the South Distribution Company (EDESUR) of 43 percent in December 2017 and 24 percent in February 2018.

[9] Argentina would need to construct roughly 10,400 MW in the next nine years – about 1,200 MW per year – to achieve the 2025 target.

MEM, which is the public entity responsible for implementing the renewable energy law, established the RenovAr Program to achieve GoA's clean energy goals. The Program seeks to increase the amount of renewable generation capacity developed by private investment through auctions to purchase renewable energy generation from private sector led IPPs. Under the RenovAr Program, CAMMESA is the off-taker and signatory of the corresponding PPAs when awarded to the proposed IPPs.

To attract the required levels of financing to achieve the objectives of the RenovAr Program, the Bank approved the FODER - Argentina Renewable Fund Guarantee Project (P159901) in support of RenovAr Rounds 1 and 1.5 (the "parent Project") on February 28th, 2017. While the risk mitigation instruments provided by FODER were welcomed by potential financiers, market sounding exercises indicated that they would not be sufficient to attract the required investments. Financiers expressed cautious interest in undertaking renewable projects given (i) their concerns with Argentina's track record in the last 15 years of significant policy reversal and non-compliance with contractual undertakings (i.e. political risk), and (ii) their lack of recent experience financing energy sector projects in Argentina. To mitigate risks perceived by financiers, the parent Project is supporting the GoA with an IBRD guarantee of US$480 million that is benefiting renewable energy IPPs that opted for the IBRD guarantee within Round 1 and 1.5 of the RenovAr Program.

The proposed Additional Financing (AF) would support the GoA in the implementation of RenovAr Round 2 with an IBRD payment guarantee of up to US$250 million. The proposed AF is needed to: (i) provide an optional IBRD guarantee in Round 2 consistent with the one offered in Round 1 and 1.5; and (ii) keep building RenovAr's track record. It responds to a formal request from the Government of Argentina (GoA) received on August 11, 2017, to scale up the activities currently being implemented under RenovAr Rounds 1 and 1.5. The proposed AF builds on the structure and capacity created under RenovAr Rounds 1 and 1.5 and the parent Project that it is supporting them.

C. Proposed Development Objective(s)

Development Objective

I. Original Project Development Objectives – Parent

The Project Development Objective (PDO) is to increase electricity generation capacity from renewable energy sources through private investment in the energy sector.

II. Proposed Project Development Objectives - Additional Financing (AF)

No changes are proposed to the existing PDO. The PDO remains to increase electricity generation capacity from renewable energy sources through private investment in the energy sector. The proposed AF's objectives are fully aligned with the parent Project's PDO and would not require changes to Project objectives, design, and implementation arrangements.

Key Results

No changes are proposed to the existing results indicators. The Intermediate Results Indicator and PDO Indicators remain the same but with updated targets.

Progress towards achieving the PDO will be measured by monitoring the following indicators

- Generation capacity of renewable energy (other than hydropower) constructed under the Project (MW)
- Generation capacity of wind energy constructed (MW)
- Generation capacity of solar energy constructed (MW)
- Generation capacity of mini-hydro energy constructed (MW)
- Generation capacity of biogas and biomass energy constructed (MW)
- Private capital mobilized (million US$)
- GHG emissions avoided (million tCO_2)

The proposed AF beneficiaries continue to be both private and public entities and ultimately the consumers. The IBRD guarantee would benefit FODER and eligible renewable energy sub-projects that opted for the IBRD guarantee.

D. Project Description

Parent Project Status

The FODER Argentina Renewable Fund Guarantee was approved by the Bank on February 28, 2017. The parent Project has one component: an IBRD guarantee in an aggregate amount of up to US$480 million to backstop Government's failure to fund FODER when it has to pay a Put Price. The overall risk rating of the parent Project is substantial.

The Indemnity and Guarantee Agreements were signed on August 9, 2017 and the Guarantee became effective on December 7, 2017. The Bank has reviewed the eligibility reports for the sub-projects that requested the IBRD guarantee in Round 1 and 1.5 and confirmed all of them met the eligibility criteria set for by the Bank.[10] Each eligible sub-project will now sign an Acknowledgement and Consent Agreement with IBRD as soon as GoA has approved its Environmental and Social Management System (ESMS).

Rationale for Additional Financing

Argentina has a strong political commitment to tap into its abundant renewable energy resources to diversify its energy matrix and promote the use of clean energy technologies. Argentina has issued a total of three Request for Proposals (RfP) in record time (13 months). RenovAr Rounds 1 and 1.5 were launched in July and October 2016 respectively. CAMMESA issued the third RfP, i.e. RenovAr Round 2, for 1,200 MW (Phase 1) On August 16, 2017, and it added 500 MW (Phase 2) on November 29, 2017.

The risk mitigation instruments provided under RenovAr Round 1 and 1.5 to help meet its renewable energy goals have been successful in attracting private investors and spur renewable energy in the country. Despite the cautious interest initially showed by financiers when the RenovAr Program was launched in 2016, results from Rounds 1 and 1.5 proved that the mechanisms put in place by GoA helped address private sector concerns, such as the lack of

[10] i.e.: (a) be a private entity; (b) demonstrate capacity to handle environmental and social aspects compliant with World Bank Performance Standards; (c) not be sanctioned or debarred by the World Bank; and (d) meet industry standards for technical, economic viability, financial management and procurement

Argentina's track record with supporting financial obligations and financing energy sector sub-projects. RenovAr Rounds 1 and 1.5 were oversubscribed, respectively receiving about six times and four times as much capacity as originally tendered.

Specifically, the IBRD guarantee has been instrumental to help improve the credibility and attractiveness of RenovAr Program. Out of the 59 sub-projects awarded in Round 1 and Round 1.5, 27 requested the IBRD guarantee. The sub-projects that requested the IBRD guarantee accounted for 1,033 MW of the 2,424 MW awarded in both rounds. For RenovAr Round 1, 15 of the 29 awarded sub-projects requested the IBRD guarantee. For RenovAr Round 1.5, 12 of the 30 awarded sub-projects requested the IBRD guarantee. Considering the achievements so far, the GoA has recognized (i) the need to continue providing risk mitigation mechanisms to private investors; (ii) the value added an expansion of the scope of the parent Project would have on the renewable energy market in Argentina; and (iii) the significant co-benefits (both climate and economic) of scaling up the parent Project's activities.

WBG support continues to be critical to rebuild the sector's financial sustainability and the trust and track record with international financiers. Sub-projects under Round 1 or 1.5 have struggled to raise financing under an international project finance structure, a common way to finance such projects. Raising international financing in Argentina is still challenging and some investors would not participate without an IBRD involvement and guarantee. Many international lenders are still considering the risks and benefits of re-entering Argentina, and the local developers' lack of experience with project finance is also slowing down some projects. International lenders are notably concerned about sovereign credit rating that remains below investment grade, long term regulatory stability, the still high portion of electricity subsidies, or certain contractual clauses (such as the lengthy arbitration process). The sources of financing currently used by developers (loans from domestic banks with a tenor of five to seven years, bond issuances, development finance institutions (DFI), export credit agencies (ECAs), and equity) are likely not sufficient for the overall RenovAr Program to deliver on its ambitious goals.

Further support is also needed to ensure the development of a sustained renewable energy market and to meet GoA's 2025 renewable energy goals. RenovAr Program, through a set of guarantees (including the IBRD guarantee), has been successful in kicking off the development of a renewable energy industry in the country as well as in recovering investors' confidence. However, the renewable energy market is still incipient, and the support provided by RenovAr needs to be maintained to ensure the development of a sustainable and solid renewable energy market.

The proposed AF

The proposed AF would support GoA in the implementation of the RenovAr Program Round 2 with an IBRD payment guarantee of up to US$250 million. This guarantee would backstop Government's failure to fund FODER when it has to pay a Put Price to eligible renewable energy sub-projects as a result of IPPs exercising a Put Option under their FODER Trust Adhesion Agreement. Specifically, the Project would benefit renewable energy IPPs that opted for the IBRD guarantee within Round 2. Similar to Rounds 1 and 1.5, a complimentary GoA and IBRD package of guarantees to mitigate key risks was formally offered to the market in September 2017 as part of the bidding package. At the sub-project level, the guarantee remains optional and up to US$500,000 per MW.

The proposed AF activity would be implemented as a new component to the parent Project: "Component 2: an IBRD guarantee of up to US$250 million for Round 2". The proposed AF

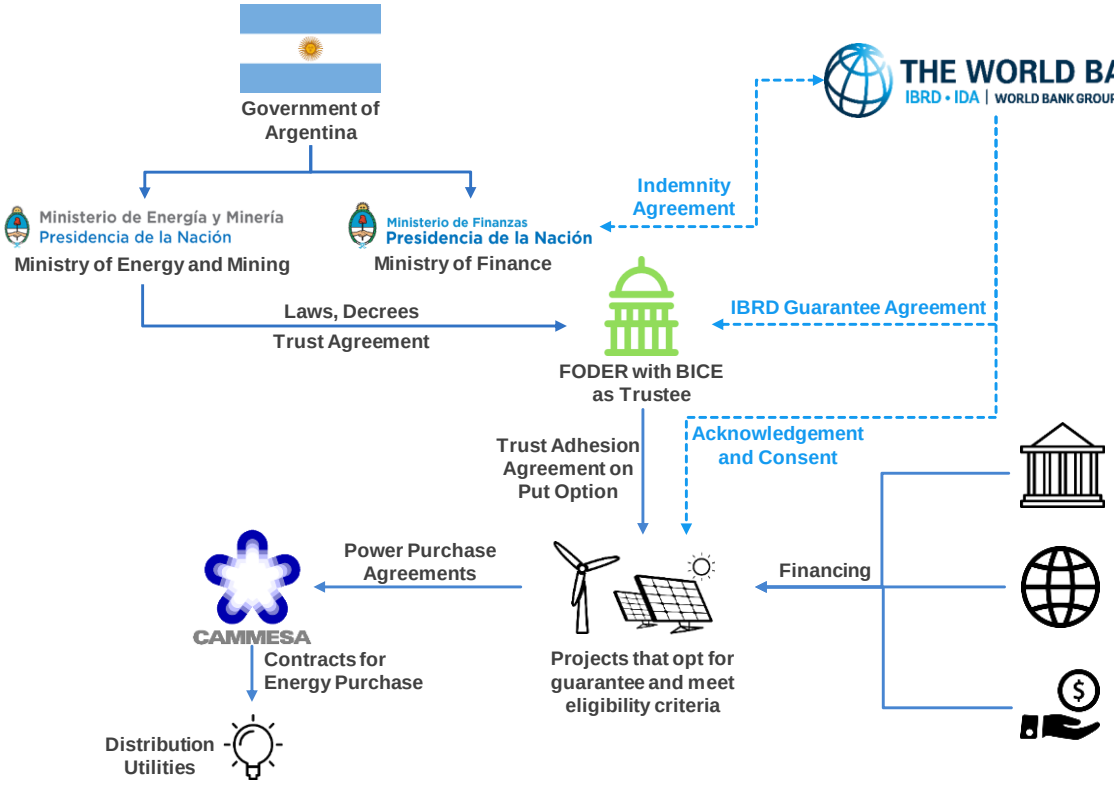
beneficiaries continue to be both private and public entities and ultimately the consumers. The IBRD guarantee would benefit FODER and eligible renewable energy sub-projects that opted for the IBRD guarantee. Of the 88 sub-projects awarded in Round 2, 15 have requested the IBRD guarantee. These sub-projects account for 605 MW of the 2,043 MW awarded. The share of awarded MW requesting the IBRD guarantee has remained significant in Round 2 (30 percent), although it has declined from 42 percent in Rounds 1 and 1.5. This is positive as more investors are willing to assume the risks linked to such projects in Argentina.

This AF would be implemented under the same modalities and approach of the parent Project. Therefore, the proposed AF would continue to involve a Financial Intermediary structure composed by the Investment and Foreign Trade Bank (BICE by its acronym in Spanish), in its capacity as trustee of FODER, and MEM, as implementing authority of FODER.

GoA only introduced limited changes in Round 2. Among the most relevant ones is GoA's decision to reduce the FODER liquidity reserve from 12 months to 6 months of revenues for each winning bidder. This reflects the lower risks for investors coming in Round 2. Also, GoA has incorporated a take-or-pay clause to mitigate risks due to potential transmission congestion in some transmission lines. Of the 2,043MW awarded under Round 2, around 940MW (13 sub-projects) have take-or-pay clause related to transmission in their PPA contracts.

The IBRD guarantee structure remains the same in Round 2 as shown in the figure below:

Figure 1: IBRD Guarantee Structure for Round 2



E. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

Under the RenovAr Program, the MEM has launched a series of "auctions" (or Request for Proposals, RfPs) for renewable energy generation throughout the whole country. RenovAr Rounds 1 and 1.5 included 59 subprojects out of which 27 requested the WB guarantee that is covered by the parent Project, P159901. These subprojects are located in nine provinces in Argentina (Buenos Aires, Chubut, La Pampa, La Rioja, Mendoza, Neuquén, Río Negro, Salta, San Juan, Santa Cruz, and Santa Fe). The proposed AF would support GoA in the implementation of the RenovAr Program Round 2, which included 88 subprojects out of which 15 requested the WB guarantee covered by the AF. This new set of 15 subprojects are located in nine provinces (Buenos Aires, Catamarca, Cordoba, La Pampa, Mendoza, Salta, San Juan, Santa Fe y Tucuman).

As per renewable energy generation inherent characteristics, these subprojects are located mainly in rural or peri-urban areas. Thus, it is possible for renewable energy generation related works to be located in natural habitat zones potentially affecting forests and/or forest dependent communities, to use pesticides or herbicides needed for minor management of facilities and for access roads maintenance respectively, and to be located in known or suspected physical cultural resources zones. Nevertheless, sub-projects are of small-to-medium scale with relatively moderate, localized and site-specific adverse environmental and social impacts which are non-irreversible, not significant, and that can readily be prevented or mitigated with routine/standard measures.

As a result of a preliminary screening process carried out by MEM, it was identified that some of these subprojects are in areas where Indigenous Peoples (IPs) are likely to be present. In addition, it is important to highlight that proposals will need to demonstrate land-use legal rights for sub-project specific locations, including land that may be needed for the right of way for transmission lines to the nearest connection point. It is expected that in the majority of cases land transactions will be conducted in a fully voluntary – willing buyer-willing seller – basis, but it is possible that in some cases sub-projects would require land easement and/or acquisition that might entail involuntary resettlement.

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F. Environmental and Social Safeguards Specialists on the Team
Elba Lydia Gaggero (GEN04)
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II. IMPLEMENTATION

The parent Project and this proposed Additional Financing involve a guarantee structure via a financial intermediary (FI). In practical terms, the FI consists of two entities: a) MEM in its capacity as implementing authority of FODER, and (b) BICE, in its capacity as trustee of FODER. Thus, the MEM is the implementing agency of the guarantee project, with BICE as the fiduciary agency. Technical decisions related with the renewable energy subprojects as well as the environmental and social screening and monitoring will be done by the MEM.

The energy sector in Argentina has a relatively strong and consolidated environmental legal framework. There are diverse legal instruments which define the environmental requirements for generation, transmission and distribution of energy. For example, Resolution S.E. N° 149/90 (issued by the former Secretariat of Energy, SoE) requires the presentation of a comprehensive

Environmental Impact Assessment as part of the inscription process as agent of the wholesale energy market (*Mercado Eléctrico Mayorista*), i.e. generation, transmission and distribution agents. Also, Resolutions S.E. Nº 15/92 and Nº 153/93 provides a legal status to the Environmental Management Manual for Energy Transmission and the Environmental Management Manual for Thermal Energy Generation – 1988, respectively. In addition, the Resolution Nº 555/01 (issued by ENRE on Oct 24, 2001 and ratified by SoE through Resolution S.E. Nº 402/02), requires that certain (although the majority) agents of the wholesale energy market *"... elaborate and implement an Environmental Management System on a documentary basis that includes, as a minimum, the organizational structure; the planning activities; the responsibilities; the practices, procedures and processes; as well as the resources to develop, implement, review and maintain the Environmental Policy of such agents."*

As the authority of application of the sectorial environmental legal framework, the former SoE, upgraded at present in the Ministry of Energy and Mining (MEM), has developed capacities for the environmental and social management of the diverse activities related to the sector, including the knowledge of and coordination with the different jurisdictional EIA systems given that Argentina is a federal country. MEM already has social and environmental staff, with experience including Bank's safeguards management (e.g., PERMER II, P133288). Specifically for the parent guarantee Project and this AF, the MEM has strengthened the Environmental and Social Unit (UAyS) of the National Directorate of Renewable Energy by adding specialized human resources (at present, the Unit counts with three environmental specialists, three social specialists and a part time lawyer), and has stablished budget allocation to fulfill the implementing agency's obligations related to the implementation of the Environmental and Social Management Framework developed for the operation. As an FI operation, the MEM has been assessed by the Bank team as having the capacity for environmental and social management (details below).

The specific renewable energy sub-projects will be developed by private companies (i.e., private companies and sponsors will be in charge of sub-project's design, construction/installation, and operation & maintenance, including the environmental and social assessments, assurance of legal compliance and risk management). The UAyS will also assess and identify, as pertinent, private sector company capacity needs.

III. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	**Trigger-ed?**	**Explanation (Optional)**
Environmental Assessment OP/BP 4.01	Yes	The parent Project and this proposed AF will have a largely positive impact on the environment by promoting the supply, through private companies, of renewable energy in Argentina, thereby reducing the demand for use of fossil fuels for energy generation. In this sense, ambitious objectives have been established: mandatory renewable energy targets of 8% of electricity consumption by the end of 2017 and 20% by 2025 for all consumers. Overall, the parent Project and this proposed AF will support the GoA's objectives to improve energy security, diversify the energy matrix, and reduce environmental impacts. Consistent with the parent Project, OP/BP 4.01 is triggered for the AF and the AF is proposed to be classified as FI since it

		involves a guarantee structure via a financial intermediary (FI). In practical terms, the FI consists of two entities: (a) MEM in its capacity as implementing authority of FODER, and (b) BICE, in its capacity as trustee of FODER. Thus, the MEM is the implementing agency of the guarantee project, with BICE as the fiduciary agency. Technical decisions related to the renewable energy sub-projects, as well as the environmental and social screening and monitoring, will be done by the MEM. Parent Project and this proposed AF's sub-projects involve a limited number of relatively standard/typical renewable energy generation infrastructure projects/works. These are of small-to-medium scale[11] with relatively moderate, localized and site-specific adverse environmental and social impacts which are non-irreversible, not significant, and that can readily be prevented or mitigated with routine/standard measures. During construction stage, potential negative environmental impacts related to renewable sub-projects generation and connectivity are related to civil works at project site/area, access roads, substations, distribution lines and distribution networks. These potential impacts during construction stage are basically common for all foreseen technologies under the RenovAr Program: Construction activities may lead to temporary change/loss in vegetation and natural habitat (land clearance, for example); air emissions (dust and vehicle emissions); noise related to excavation, construction and vehicle transit; solid waste generation and wastewater generation from temporary building sites and workers' accommodation (construction camps). During operation stages, potential impacts will depend on the different sub-projects technologies. In general terms, risks and potential adverse impacts could be, for example, on landscapes, local fauna, avifauna, indigenous plants and trees. As examples of potential impacts per technology, it can be mentioned the following: a) Wind: incidental damages on avifauna and bats (collisions); alteration of landscapes; noise; b) Solar: incidental damages on avifauna (collisions, blindness); alteration of landscapes; c) Biomass and biogas: air emissions; alteration of soil properties when utilizing forest wastes as raw material; d) Small-hydro schemes: alterations on riverine and/or aquatic ecosystems. Cumulative environmental impacts are not expected to be significant, as the project is nationwide in scope. For the parent Project, an Environmental and Social Management Framework (ESMF) has been developed by MEM, which defines the environmental and social management

[11] Nominal power ranges in MW, by technology, are: A) Rounds 1 and 1.5= (a) wind: from 1 to 100 MW; (b) solar photovoltaic: from 1 to 100 MW; (c) biomass: from 1 to 65 MW; (d) small-scale hydro: from 1 to 20 MW; and, (e) biogas: from 1 to 15 MW; B) Round 2= (a) wind: from 1 to 100 MW; (b) solar photovoltaic: from 1 to 100 MW; (c) biomass: from 0.5 to 50 MW; (d) small-scale hydro: from 0.5 to 50 MW; and, (e) biogas: from 0.5 to 10 MW.

		procedures to be implemented by MEM and the individual renewable energy subprojects covered by the guarantee (Rounds 1 and 1.5). The ESMF includes screening by MEM of proposed subprojects developed by private companies. The ESMF excludes the use of the Project guarantee for subprojects which could be defined as Category A under Bank policies. The same ESMF will be applied to this proposed AF (Round 2). Given that subprojects will be developed by private companies (which will be in charge of subprojects' design, construction / installation, and operation & maintenance, including the environmental and social assessments, assurance of legal compliance and risk management), and considering OP 4.01 guidelines, the instruments that better cover the type, extent, and deep of analysis and management required for these subprojects that involve the private sector are the World Bank Performance Standards for Private Sector Activities (PS1 to PS8). Thus, the ESMF requires the private sector companies to comply with Performance Standards. In addition, the use of such standards may facilitate their access to private sector financing. This implies that, in the context of this Financial Intermediary operation, the requirements of the relevant safeguard policies are best met by requiring the private awardees to comply with the PSs. The ESMF also defines supervision and reporting requirements. As an FI operation, the Ministry of Energy and Mining has been assessed by the Bank team as having the capacity for environmental and social management (details below); also, no Category A subproject will be eligible for the Bank's guarantee coverage. Based on that, Bank review for the subproject-specific assessments carried out by the Environmental and Social Unit (UAyS) of the National Directorate of Renewable Energy of MEM will be done only for a sample of projects, at least one of each technology; this revision will help assure the UAyS has an adequate understanding of WB Safeguards Policies and Performance Standards. The rest of the processes will be monitored by the Bank based on the annual reports prepared by UAyS and the need of any additional review will be determined based on the level of compliance of the environmental and social requirements. The Bank may also perform site visits to any subproject at any time, should considered it necessary or convenient. These criteria are described in the ESMF, which, in turn is part of the Operational Manual of the parent Project and the AF.
Natural Habitats OP/BP 4.04	Yes	Since rural areas are mainly targeted, it is possible for renewable energy generation related works to be located in natural habitat zones; also, there may be impacts from the wind-power investments on avifauna and bats and from small hydro on aquatic ecosystems. Therefore, OP/BP 4.04 Natural Habitats is triggered. The ESMF developed by MEM includes provisions

		to ensure that, as appropriate, subprojects comply with the applicable World Bank's Performance Standard (Biodiversity Conservation and Sustainable Management of Living Natural Resources; PS6).
Forests OP/BP 4.36	Yes	It is possible for renewable energy generation related works to potentially affect forests and/or forest dependent communities. Therefore, OP/BP 4.36 Forests is triggered. The ESMF includes provisions to ensure that, as appropriate, sub-projects comply with the applicable World Bank's Performance Standard (Biodiversity Conservation and Sustainable Management of Living Natural Resources; PS6).
Pest Management OP 4.09	Yes	OP 4.09 Pest Management is triggered since, for example, potential use of pesticides could be needed for minor management of facilities and potential use of herbicides could be needed for access roads maintenance. The ESMF developed by MEM includes provisions to ensure that, as appropriate, sub-projects comply with the applicable World Bank's Performance Standard (Resource Efficiency and Pollution Prevention; PS3).
Physical Cultural Resources OP/BP 4.11	Yes	Since rural areas are mainly targeted, it is possible for renewable energy generation related works to be located in known or suspected physical cultural resources zones. In addition, some subprojects may involve excavations and soil movement and, therefore, there is a potential for chance finds of physical cultural resources. Thus, OP/BP 4.11 Physical Cultural Resources is triggered. The ESMF includes provisions to ensure that, as appropriate, sub-projects comply with the applicable World Bank's Performance Standard (Cultural Heritage; PS8).
Indigenous Peoples OP/BP 4.10	Yes	As stated above, Round 2 of the RenovAr Program included 15 subprojects that requested the WB guarantee, which are located in nine provinces in Argentina, mainly in rural or peri-urban areas. As a result of a preliminary screening process carried out by MEM, it was identified that some of these subprojects are in areas where Indigenous Peoples (IPs) are likely to be present. In this context, OP/BP 4.10 Indigenous Peoples is triggered for this proposed AF, that will apply the Indigenous People's Planning Framework (IPPF) prepared for the parent Project and consulted with the IPs representatives at the national level. The IPPF includes a second screening process mandatory for all awardees that have requested the IBRD Guarantee. This process consists on a formal inquiry to the National Institute of Indigenous Affairs (Istituto Nacional de Asuntos Indígenas - INAI) and the Indigenous Peoples Participation Councils (Consejos de Participación Indígena – CPIs) about the presence of Indigenous Peoples in the subproject area of influence. For those cases where Indigenous Peoples are present in the subproject area of influence, awardees must carry out free, prior and informed consultations with Indigenous Communities gaining the broad community support (and, when required,

		awardees will seek Free and Prior Informed Consent) and prepare an Indigenous Peoples Plan or a Community Development Plan in accordance to what is stablished in the IPPF. The IPPF has also been incorporated as part of the Environmental and Social Management Framework (ESMF) and the Operational Manual of the Project, to ensure that, as appropriate, subprojects comply with the applicable World Bank Performance Standard (Indigenous People; PS7), including with Free, Prior and Informed Consent, when required.
Involuntary Resettlement OP/BP 4.12	Yes	OP/BP 4.12 is triggered. Proposals need to demonstrate land-use legal rights for sub-project locations. Project-related land acquisition in areas with land disputes or where the ownership of land is not clear or there are unresolved claims by IPs or other groups will be excluded. Since renewable energy highest potential normally is strongly related to specific locations, particular premises may be needed for a sub-project, including land that may be needed for the right of way for transmission lines to the nearest connection point. It is expected that in the majority of cases land transactions will be conducted in a fully voluntary – willing buyer-willing seller – basis (i.e. following two operative principles: (i) informed consent and (ii) power of choice - the latter is only possible if the Project location is not fixed-). But it is likely that in some cases sub-projects would require land easement and/or acquisition that might entail resettlement as defined by OP 4.12 (loss of assets, physical displacement, or livelihood losses and/or restriction on land use). In accordance with the procedures included in the ESMF of the parent Project, MEM has prepared a Resettlement Policy Framework (RPF) that will apply to this AF too. The RPF guides the preparation of site specific Resettlement Action Plans to ensure that, as required, analysis of alternatives and appropriate compensation and support to potentially affected people are incorporated into the sub-projects' design to ensure that they will comply with the applicable World Bank's Performance Standard (Land Acquisition and Involuntary Resettlement; PS5).
Safety of Dams OP/BP 4.37	Yes	As the parent Project, the proposed AF could support small-scale hydro run-of-river electricity generation facilities (ranging from 0.5 to 50 MW), some of which may require a small weir or pondage to provide water for the penstock; thus OP/BP 4.37 is also triggered. The ESMF developed by MEM includes provisions to ensure that renewable energy subprojects comply with the applicable World Bank's Performance Standard (Community Health, Safety and Security; PS4).
Projects on International	No	The Policy on International Waterways has not been triggered for this AF, as it is the case for the parent Project. Initial

Waterways OP/BP 7.50		screening of pre-identified subprojects to be considered for support under Round 2 are not located on waterways defined as international ones according to OP/BP 7.50.
Projects in Disputed Areas OP/BP 7.60	No	The Policy is not triggered since the Project will not be implemented in or will not affect areas known to involve disputed areas.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

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

No large scale, significant or irreversible potential negative impacts are anticipated for the Project and this proposed AF. Sub-projects involve a limited number of relatively standard/typical renewable energy generation infrastructure projects / works. These are of small-to-medium scale with relatively moderate, localized and site-specific negative environmental and social impacts which are non-irreversible, not significant, and that can readily be prevented or mitigated with routine/standard measures. During construction stage, potential negative environmental impacts related to renewable sub-projects generation and connectivity would be related to civil works at project site/area, access roads, substations, distribution lines and distribution networks. Construction activities may lead to temporary change/loss in vegetation and natural habitat (land clearance, for example), air emissions (dust and vehicle emissions), noise related to excavation, construction and vehicle transit, transportation of materials, solid waste generation and wastewater generation from temporary building sites and worker accommodation (construction camps). During operation stages, potential impacts will depend on the different sub-projects technologies. In general terms, risks and potential adverse impacts could be, for example, on landscapes, local fauna, avifauna, indigenous plants and trees. As examples of potential impacts per technology, it can be mentioned the following: a) Wind: incidental damages on avifauna and bats (collisions); alteration of landscapes; noise; b) Solar: incidental damages on avifauna (collisions, blindness); alteration of landscapes; c) Biomass and biogas: air emissions; alteration of soil properties when utilizing forest wastes as raw material; d) Small-hydro schemes: alterations on riverine and/or aquatic ecosystems.

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

No long term negative impacts are anticipated. Cumulative environmental impacts are not expected to be significant, as the Project, including this proposed AF, is nationwide in scope.

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

Given the characteristics of the operation, analysis of alternatives of sub-project locations does not apply; sub-projects will be implemented in the awardees premises. However, recommendations on improvements of sub-project design / implementation might arise from the socio-environmental screening and assessment process included in the ESMF.

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.

An Environmental and Social Management Framework (ESMF) has been developed by MEM, which defines the environmental and social management procedures to be implemented by MEM and the individual renewable energy subprojects covered by the IBRD guarantee. The ESMF includes screening by MEM of proposed subprojects developed by private companies. The ESMF excludes the use of the Project guarantee for subprojects which could be defined as Category A under Bank policies. The ESMF describes typical environmental and social potential impacts and risks associated to the different technologies foreseen under the RenovAr Program, as well as measures to manage such risks and potential impacts, including the requirement of developing and implementing a Code of Conduct by private companies and sponsors. The ESMF also defines supervision and reporting requirements.

Given that subprojects will be developed by private companies (which will be in charge of subprojects' design, construction / installation, and operation & maintenance, including the environmental and social assessments, assurance of legal compliance and risk management), and considering OP 4.01 guidelines, the instruments that better cover the type, extent, and deep of analysis and management required for these subprojects that involve the private sector are the World Bank Performance Standards for Private Sector Activities (PS1 to PS8). Thus, the ESMF requires the private sector companies to comply with Performance Standards. This implies that, in the context of this Financial Intermediary operation, the requirements of the relevant safeguard policies are best met by requiring the private awardees to comply with the PSs. In addition, the use of such standards may facilitate their access to private sector financing.

Subprojects that requested the WB guarantee under Round 1, Round 1.5 and Round 2 of the RenovAr Program are located mainly in rural or peri-urban areas and as a result of a preliminary screening process carried out by MEM, it was identified that some of these are areas where Indigenous Peoples (IPs) are likely to be present. In this context, an Indigenous People's Planning Framework (IPPF) has been prepared by MEM as part of the ESMF, to ensure that, as appropriate, subprojects comply with the applicable World Bank's Performance Standard (Indigenous People; PS7), including with Free, Prior and Informed Consent, when required.

In addition, MEM has prepared a Resettlement Policy Framework (RPF). The RPF guides the preparation of site specific Resettlement Action Plans, to ensure that, as required, analysis of alternatives and appropriate compensation and support to people potentially affected by the subprojects are incorporated into the subprojects' design to ensure that they will comply with the applicable World Bank's Performance Standard (Land Acquisition and Involuntary Resettlement; PS5). In this sense, it is important to highlight that proposals need to demonstrate land-use legal rights for subproject locations and subproject-related land acquisition in areas with land disputes or where the ownership of land is not clear or there are unresolved claims by IPs or other groups will be excluded. In addition, since renewable energy highest potential normally is strongly related to specific locations, particular premises may be needed for a sub-project, including land that may be needed for the right of way for transmission lines to the nearest connection point. Nevertheless, it is expected that in the majority of cases land transactions will be conducted in a fully voluntary – willing buyer-willing seller – basis (i.e. following two operative principles: (i) informed consent and (ii) power of choice - the latter is only possible if the subproject location is not fixed-).But it is likely that in some cases subprojects would require land easement and/or acquisition that might entail resettlement as defined by OP 4.12 (loss of assets, physical displacement, or livelihood losses and/or restriction on land use). For that reason, MEM prepared the RPF

mentioned above.

As the authority of application of the sectorial environmental legal framework, the former Secretariat of Energy, upgraded at present in the Ministry of Energy and Mining (MEM), has developed capacities for the environmental and social management of the diverse activities related to the sector, including the knowledge of and coordination with the different jurisdictional EIA systems given that Argentina is a federal country. MEM already has social and environmental staff, with experience including Bank's safeguards management (e.g., PERMER II, P133288). Specifically, for the parent guarantee Project and this proposed AF, the MEM has strengthened the Environmental and Social Unit (UAyS) of the National Directorate of Renewable Energy by adding specialized human resources (at present, the Unit counts with three environmental specialists and three social specialists) and has stablished budget allocation to fulfill the implementing agency's obligations related to the implementation of the ESMF.

Under the parent Project (Rounds 1 and 1.5 of the RenovAr Program) the UAyS developed a preliminary assessment, or screening, of those proposed subprojects that opted to benefit from the Bank's guarantee, as part of the eligibility process and in accordance with the procedures established in the ESMF. This preliminary assessment took into account all the information submitted with the proposals, but in particular: a) the Environmental Impact Assessment (EIA) of each subproject developed by environmental and social experts or specialized consulting firms, legally recognized to perform those studies by national, local and/or sectorial requirements; b) approval of the local Environmental Authority of the subproject's EIAs, including any pertinent condition or recommendation. From this information, UAyS specially analyzed: i) area of influence of subprojects (direct, indirect and operative); ii) identified social and environmental impacts and its level of significance; and iii) identified measures to avoid, minimize or mitigate adverse impacts. For the assessment, UAyS also considered the sworn statement from bidders by which they committed to comply with the Performance Standards and to provide all necessary resources to ensure a proper implementation. Potential impacts and risks, and corresponding measures for the environmental and social management of subprojects proved to be consistent with the typical ones associated to the different technologies as described in the ESMF; no particularly special risks or particularly sensitive conditions were identified for the finally eligible subprojects.

The specific renewable energy subprojects will be developed by private companies (i.e., private companies and sponsors will be in charge of sub-project's design, construction/installation, and operation & maintenance, including the environmental and social assessments, assurance of legal compliance and risk management). The UAyS will also assess and identify, as pertinent, private sector company capacity needs as part of the project-specific assessments of the Environmental and Social Management Systems that are being prepared by the private companies according to PS1 and considering PS2-PS8 as applicable.

As an FI operation, the MEM has been assessed by the Bank team as having the capacity for E&S management; also, no Category A subproject will be eligible for the Bank's guarantee coverage. Based on that, Bank review for the project-specific assessments carried out by the Environmental and Social Unit (UAyS) of the National Directorate of Renewable Energy of MEM will be done only for a sample of projects, at least one of each technology; this revision will help assure the UAyS has an adequate understanding of WB Safeguards Policies and Performance Standards. The rest of the processes will be monitored by the Bank based on the annual reports prepared by UAyS and the need of any additional review will be determined based on the level of compliance of the environmental and social requirements for the parent

Project and this proposed AF. The Bank may also perform site visits to any subproject at any time, should considered it necessary or convenient. These criteria are described in the ESMF, which, in turn is part of the Operational Manual of the parent Project and the AF.

MEM will develop an M&E, supervision and monitoring system through which MEM will be able to compile information, request, and gather data from relevant stakeholders and produce reports as needed and committed. In particular, the system will manage to produce, inter alia, annual reports that will include information on compliance and non-compliance of any action required through the triggered environmental and/or social safeguards.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
Key stakeholders are project-affected groups and nongovernmental organizations (NGOs), particularly those groups/organizations who have interests or potential concerns about the Project (parent Project and this proposed AF).

An advanced draft version of the ESMF, including the IPPF and the RPF as annexes, was disclosed in the MEM Website and in the World Bank external Website on December 14, 2016. These draft documents were consulted by MEM from December 15, 2016 to January 5, 2017 involving an ample sample of institutions -state bodies, academia, private associations, and nation-wide & local-presence NGOs- identified by MEM as key stakeholders. Some of them are: i) Public Sector: Servicio Meteorológico Nacional (Mediciones del recurso solar); CNEA (Comisión Nacional de Energía Atómica. Pruebas de instalaciones de energía distribuida, convenio con IRESUD); INTI (Instituto Nacional de Tecnología Industrial); Subsecretaria de Recursos Hídricos; Autoridades de Cuenca Hídricas; Departamento Irrigación de Mendoza; Dirección de Recursos Energéticos de San Juan; Departamento Hídrico Provincial de Río Negro; EPEC (Empresa Provincial de Energía de Córdoba); PROBIOMASA; CAMMESA; INVAP (Investigación Aplicada - Sociedad del Estado, Provincia de Río Negro); ENHIDRO (Emprendimientos Hidroeléctricos Sociedad del Estado Provincial del Neuquén); ii) Academia: Universidad Nacional de la Plata (Estudios eólicos, solares e hidráulicos; Banco de pruebas Hidráulicas); Universidad Nacional de Lujan (Estudios eólicos y solares); Universidad Tecnológica Nacional (Estudios eléctricos y de ingeniería); Universidad de Cuyo (Facultad de Ingeniería); Universidad de Santiago del Estero (Estudios del recurso forestal y subproductos); Universidad de Buenos Aires (Facultad de Ingeniería); iii) Private Associations: CADER (Cámara Argentina de Energías Renovables); Cámara de Comercio Alemana (Desarrollos solares); Cámara de Generadores Eólicos; CIPIBIC (Proyectos e Ingeniería de Bienes de Capital); CREE (Centro Regional de Energía Eólica); and, iv) NGOs: Fundación Ambiente y Recursos Naturales (FARN); Fundación Vida Silvestre; Aves Argentinas; The Nature Conservancy; Fundación Avina; Red de Comunidades Rurales; Red Argentina para la Cooperación Internacional; Asociación Cultural para el Desarrollo Integral; and Fundación Gran Chaco. It is important to highlight that the last four NGOs included in the list are mainly dedicated to support vulnerable groups in rural and peri-urban areas (these groups include indigenous communities).

Feedback received during consultations was incorporated, as appropriate, into the parent Project design and a revised version of the ESMF (Note: The RenovAr Program had a first stage of broad dissemination and open public consultation of a preliminary Call of Proposals -*"pre-Pliego"*-, which took place from May 17, 2016 to July 1st, 2016. Input received was used to refine the operation's design). The revised version of the ESMF was published on the Borrower's website and on the World Bank external website on January 16, 2017.

The draft versions of the IPPF and the RPF were also published in the MEM Website and in the World Bank external Website on December 14, 2016, as stand-alone documents to facilitate access for Indigenous Peoples and any other potential affected people of communities. In the case of the IPPF, the document was specifically consulted with the indigenous authorities at the national level from December 22, 2016 to January 5, 2017: National Institute of Indigenous Affairs (Instituto Nacional de Asuntos Indígenas - INAI) and the eight members of its Legislative Commission (who represent the provinces of Buenos Aires, Chaco, Chubut, Entre Ríos, La Pampa, Neuquén, Salta and Santiago del Estero - five of which will host renewable energy projects with IBRD Guarantee) participated in these consultations; none of these representatives expressed any opposition to the Project during the consultation period. Relevant feedback received during such consultations was used to inform project design accordingly and incorporated, as relevant, into a revised version of the instrument, which was published on the Borrower's website and on the World Bank external website on January 16, 2017. In addition, the instrument was also consulted with IP representatives at the National Indigenous Peoples Participation Council (Consejo de Participación Indígena – CPI) on February 14-15, 2017. Results of this new consultation and of further meetings with INAI during May 2017 were also incorporated, as appropriate, in a new version of the IPPF that was re-published on August 17, 2017 on the Borrowers website and on August 18, 2017 on the Bank's external website.

UAyS organized and implemented two workshops aimed at awardees of Round 1 and Round 1.5 that opted to benefit from the WB's guarantee on April 20, 2017 and on July 11, 2017. These workshops were focused on introducing in detail the safeguards instruments developed for the parent Project and the socio-environmental requirements to be accomplished by subprojects. Valuable feedback received in these meetings, mainly wording improvements and clarifications, were incorporated in final versions of the ESMF, the IPPF and the RPF. These final versions were published in the MEM website on August 15, 2017 and in the WB's external website on August 18, 2017. All the above-mentioned safeguard instruments developed for the parent Project will be applied to this proposed AF.

Awarded private companies will undertake all the necessary risks assessments, identify and implement the mitigation measures, and develop an appropriate monitoring framework to ensure that the power plants supported under the Project and this AF are in compliance with the World Bank's Performance Standards for Private Sector Activities.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Dec-14-2016
Date of submission to World Bank's external website	Dec-14-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	N/A
"In country" Disclosure	Dec-14-2016

Comments:

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Dec-14-2016
Date of submission to World Bank's	Dec-14-2016

external website
"In country" Disclosure Dec-14-2016

Comments:

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank	Dec-14-2016
Date of submission to World Bank's external website	Dec-14-2016

"In country" Disclosure Dec-14-2016

Comments:

Pest Management Plan

Was the document disclosed prior to appraisal?	N/A
Date of receipt by the Bank	N/A
Date of submission to World Bank's external website	N/A

"In country" Disclosure N/A

Comments:

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. YES

If in-country disclosure of any of the above documents is not expected, please explain why:

N/A

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?	Yes [X]	No [ ]	NA [ ]
If yes, then did the Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [X]	No [ ]	NA [ ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [X]	No [ ]	NA [ ]

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ ]	No [X]	NA [ ]
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 [ ]	No [ ]	NA [X]

OP 4.09 - Pest Management

Does the EA adequately address the pest management issues?	Yes [X]	No [ ]	NA [ ]
Is a separate PMP required?	Yes [ ]	No [X]	NA [ ]

If yes, has the PMP been reviewed and approved by a safeguards specialist or SM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes	[ ]	No	[ ]	NA	[X]
OP/BP 4.11 - Physical Cultural Resources						
Does the EA include adequate measures related to cultural property?	Yes	[X]	No	[ ]	NA	[ ]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes	[X]	No	[ ]	NA	[ ]
OP/BP 4.10 - Indigenous Peoples						
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes	[X]	No	[ ]	NA	[ ]
If yes, then did the unit responsible for safeguards or Practice Manager review the plan?	Yes	[X]	No	[ ]	NA	[ ]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Social Development Unit or Practice Manager?	Yes	[ ]	No	[ ]	NA	[X]
OP/BP 4.12 - Involuntary Resettlement						
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes	[X]	No	[ ]	NA	[ ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes	[X]	No	[ ]	NA	[ ]
Approximate number of people affected by physical relocation	NA					
Approximate number of people affected by economic displacement	NA					
OP/BP 4.36 - Forests						
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes	[ ]	No	[ ]	NA	[X]
Does the project design include satisfactory measures to overcome these constraints?	Yes	[ ]	No	[ ]	NA	[X]
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes	[ ]	No	[X]	NA	[ ]
OP/BP 4.37 - Safety of Dams						
Have dam safety plans been prepared?	Yes	[ ]	No	[ ]	NA	[X]
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	Yes	[ ]	No	[ ]	NA	[X]
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	Yes	[ ]	No	[ ]	NA	[X]
OP 7.50 - Projects on International Waterways						
Have the other riparians been notified of the project?	Yes	[ ]	No	[ ]	NA	[X]
If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?	Yes	[ ]	No	[ ]	NA	[X]
Has the RVP approved such an exception?	Yes	[ ]	No	[ ]	NA	[X]

The World Bank Policy on Disclosure of Information							
Have relevant safeguard policies documents been sent to the World Bank's external website?	Yes	[X]	No	[ ]	NA	[ ]
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	[X]	No	[ ]	NA	[ ]
All Safeguard Policies							
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes	[X]	No	[ ]	NA	[ ]
Have costs related to safeguard policy measures been included in the project cost?	Yes	[X]	No	[ ]	NA	[ ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes	[X]	No	[ ]	NA	[ ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes	[X]	No	[ ]	NA	[ ]

V. Contact point

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VII. Approval

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Approved By:		
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Practice Manager (GTPFS):	Name: Pankaj Gupta	Date: February 19, 2018
Practice Manager (GEE04):	Name: Antonio Barbalho	Date: February 15, 2018
Country Director:	Name: Jesko S. Hentschel	Date: February 20, 2018