

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

SURINAME

PARAMARIBO URBAN REHABILITATION PROGRAM II (PURP II)

(SU-L1068)

PROJECT PROFILE

PROJECT PROFILE

SURINAME

I. BASIC DATA

Project Name:	Paramaribo Urban Rehabilitation Program II (PURP II)		
Project Number:	SU-L1068		
Project Team:	Tatiana Kopelman (CSD/HUD), Team Leader; Luis Schloeter and Carlos Salazar (CSD/HUD), Alternate Team Leaders; Francine Vaurof (CSD/CCS); Rajant, Gangadin (CCB/CSU); Manuela Palacio; Silvia Perez; Dianela Avila; Sofia del Castillo; María Alejandra Villota (CSD/HUD); Maria Sofia Greco, and Daniela Acevedo (LEG/SGO); Cleide Berlanda, and Veerle Combee (VPC/FMP); Maria Paz Covolo and Nicolas Bujak (VPS/ESG).		
Borrower:	Republic of Suriname		
Loan Modality:	Specific Investment Operation (ESP)		
Executing Agency:	Ministry of Education, Science, and Culture		
Financial Plan:	IDB (ORC-Ordinary Capital):	US\$	30,000,000
	Total:	US\$	30,000,000
Safeguards:	Risk Classification:	High	
	Impact classification:	B	
Processing track:	<input type="checkbox"/> Standard		<input checked="" type="checkbox"/> Special
Country Strategic Alignment:	IDB Group Country Strategy with Suriname 2021-2025 (GN-3065)		
Strategic Alignment:			
Challenges:	<input checked="" type="checkbox"/> Social Inclusion	<input checked="" type="checkbox"/> Productivity and Innovation	<input checked="" type="checkbox"/> Economic Integration
Crosscutting:	<input checked="" type="checkbox"/> Gender Equality	<input type="checkbox"/> Diversity	<input checked="" type="checkbox"/> Environmental Sustainability
		<input type="checkbox"/> Climate Change	<input checked="" type="checkbox"/> Institutional Capacity and Rule of Law

II. GENERAL JUSTIFICATION AND PROGRAM STRATEGY

- 2.1 **Background.** Suriname, a former Dutch colony, gained its independence in 1975. This country is particularly vulnerable to external shocks as the exchange of commodities highly drives its economy. Between 2001 and 2014, the favorable commodities prices were reflected in strong economic growth. However, the country's revenue fell sharply, contracting the Gross Domestic Product (GDP) by 3.4% in 2015 and 5.6% in 2016, putting the balance of payments under distress.¹ By 2020, Suriname faced the Covid-19 pandemic without having fully recovered

¹ IDB, 2021. IDB Group Country Strategy with Suriname.

from the recession,² resulting in a GDP contraction of 15.9% that far exceeded the Latin American and Caribbean (LAC) average during the same year (6.8%). Since then, headline inflation has remained over 50% increasing the social demand for additional public expenditures. Responding to the macroeconomic context described before, the Government of Suriname prepared in 2020 a macroeconomic sustainability restoration plan to stabilize the economy, protect the poor, restore debt sustainability, rebuild international reserves, and create a strong foundation for inclusive growth and prosperity. To support this plan, the International Monetary Fund (IMF) approved a three-year program (\$688 million) in December 2021. The Government of Suriname has thus, prioritized providing essential services and infrastructure for the most vulnerable which has led to a restriction on the country's fiscal space for investment in the productive sectors. As a result, the Government of Suriname requires support to leverage investment in other critical sectors for economic development.³

- 2.2 **Suriname's diversity and multiculturality have great potential to contribute to the country's economy.** According to the last census, the country has 541,638 inhabitants, of which 91% identify themselves as part of some ethnic group: Hindustan (25%), Creole (16%), Maroon (13%), Javanese (13%), mixed (11%) and others (12%).⁴ The District of Paramaribo, the capital, is one of the places that concentrates the historical and cultural richness of the country. It houses 44%⁵ of the national population. It is a historic city center developed during the 16th and 17th centuries, which was listed in 2002 by United Nations Educational, Scientific and Cultural Organization (UNESCO) as a World Heritage Site. Paramaribo World Heritage Site (PWHS) obtained this designation as an exceptional example of the fusion of European and Indigenous South American culture, architecture, and construction techniques. Its cultural heritage is reflected in tangible assets such as 158 formally protected monuments, other landmarks, and public spaces distributed in the core area and two buffer zones (159 ha). Also, intangible assets include oral traditions and expressions, performing arts, social practices, rituals, festive events, and traditional craftsmanship.⁶
- 2.3 This cultural heritage can serve as a critical driver for sustainable development. Through the promotion of Creative and Cultural Industries (CCI) and tourism, employment opportunities are generated, and productivity is increased, thus providing regular income streams to safeguard the conservation of these valuable assets.⁷ For instance, in Mexico and Colombia, the cultural sector accounts for 11% and 6% of employment.⁸ However, the recent deterioration of its heritage assets and urban environment hinders this potential. The cause of this problem is fourfold.

² Khadan, J. 2020. COVID-19: Socioeconomic Implications on Suriname. Technical Note: IDB-TN-1920. Washington, DC: InterAmerican Development Bank.

³ Republic of Suriname. Multi Annual Development Plan 2022-2026.

⁴ General Statistic Office of Suriname, 2012. [Eight Population and Housing Census in Suriname](#).

⁵ Ibid.

⁶ Republic of Suriname, 2019. The Historic Inner City of Paramaribo - World Heritage City Management Plan 2020-2024.

⁷ UNESCO Sustainable Tourism Strategy for World Heritage Properties in Suriname.

⁸ WIPO 2014 (Panama PP).

- 2.4 Firstly, as the International Council on Monuments and Sites (ICOMOS) highlighted in its 2013 report,⁹ there is a **lack of articulated urban planning and management in the PWHS**. The current legal and institutional frameworks for PWHS management have dualities and omissions, leading to inefficient and uncoordinated management. The institutional framework is entangled, with responsibilities scattered among multiple institutions.¹⁰ To respond, the Surinamese Built Heritage Foundation (SBHF) has been enacted through a designation by the Ministry of Education, Science and Culture (MESC). However, it lacks sufficient staff and technical expertise, with only one full-time employee. Likewise, it does not have the legal mandate to coordinate and fully supervise the sustainable development of the historical center. Coupled with this, the SBHF, receives limited government resources to finance its daily operations.
- 2.5 This problem is further contributed by the lack of a unifying vision for the future of the PWHS, including a clear urban development policy. Currently, through a non-reimbursable technical cooperation from the IDB, the Government of Suriname is working to develop legal frameworks to guide development within urban areas.¹¹ Nevertheless, given its monumental nature, the PWHS must incorporate a comprehensive approach that goes beyond the property and integrates itself into the urban dynamics of the city. For instance, with over 70% of the city building stock dedicated to government activities, the PWHS requires urban planning instruments that encourage vibrant mixed-uses and generate economic and social development opportunities.
- 2.6 Secondly, Suriname like other countries faces the challenge of retaining funds to maintain its cultural resources. On the one hand, there is a critical need to develop a sustainable financial plan to fund activities and increase capacity for the overall management of the PWHS,¹² particularly for publicly owned buildings. On the other hand, the IDB through the Paramaribo Urban Rehabilitation Program - PURP I ([3905/OC-SU](#)) identifies the pressing need to include private sector participation to ensure the long-term sustainability of urban heritage regeneration. However, the entrepreneurial climate is unfriendly, with limited incentives for business startups and product development. For instance, in 2020, Suriname ranked 162nd out of 190 countries in the Ease of Doing Business Index.¹³
- 2.7 As a result, **the lack of funding sources and private investment to preserve the PWHS** has long been identified as one of the critical points for long-term sustainability.¹⁴ With approximately twenty percent of buildings in the PWHS belonging to the Government of Suriname or public entities,¹⁵ carrying out

⁹ ICOMOS, 2013. Report on the ICOMOS advisory mission to historic inner city of Paramaribo, Suriname.

¹⁰ See the [current Institutional framework of the Paramaribo World Heritage Site](#).

¹¹ Current legislation includes the Planning Act and the Urban Development Act both developed in 1973. Under SU-T1146, the IDB supported the Government of Suriname in developing a Spatial Planning Act which recognizes the need for special management areas, as well as the need to develop zoning plans for urban areas. This Spatial Planning Act and the accompanying instruments will be implemented under the SU-L1067 investment loan planned to be approved in 2024.

¹² Republic of Suriname, 2019. The Historic Inner City of Paramaribo - World Heritage City Management Plan 2020-2024.

¹³ Republic of Suriname, 2021. [Multi-Annual Development Plan 2022-2026](#).

¹⁴ Republic of Suriname, 2019. The Historic Inner City of Paramaribo - World Heritage City Management Plan 2020-2024.

¹⁵ Republic of Suriname, 2019. The Historic Inner City of Paramaribo - World Heritage City Management Plan 2020-2024, page 88.

conservation efforts represents a fiscal burden. This has led to poor maintenance of the historic buildings and public spaces, resulting in a deteriorated built environment. Today, many buildings of historic value are in a moderate to deteriorated state of conservation (20%) and public spaces lack quality infrastructure making them less appealing for recreational, commercial, and residential use.

- 2.8 **Thirdly, the lack of awareness of the heritage value and cultural potential of heritage assets contribute to their continual deterioration.** According to ICOMOS, there is limited government and civil society awareness of the significance and responsibility of cultural heritage.¹⁶ At the institutional level, communication and visibility activities have been carried out seeking to raise public awareness of the significance of the historic center and encourage private owners, residents, and other citizens to support its preservation. However, there is a lack of a robust cultural offer that highlights heritage value and at the same time promotes its preservation, socioeconomic development, and sustainability.¹⁷ The reasons have to do with the focus on the physical recovery of heritage due to its urgent nature, and the limited technical and management institutional capacities to identify the vocation of the spaces and develop a diverse programmatic offer around tangible and intangible assets.
- 2.9 Finally, in the PWHS, **vulnerability to natural and anthropogenic hazards** exacerbates the deterioration of heritage assets. The area is located in Suriname's low-lying plains, around two (2) meters above the sea level, which makes it particularly vulnerable to coastal and inland flooding produced by high precipitation, rising sea and river water levels, and poor drainage. The site-specific analysis estimates that around eight hectares in the PWHS are directly impacted by flooding and that climate change will sharpen this risk.¹⁸ Another serious threat is fires, as wooden structures are specially exposed. Fires are mainly associated with malfunctions in the building's electricity systems and limited control and response capacities from the authorities.¹⁹ According to the World Heritage City Management Plan 2020-2024, strategies and optimal solutions must be identified to mitigate the existing and emerging hazards in the historic center. Moreover, disaster risk management plans must reflect and coordinate mitigation actions, and properties must be assessed and protected against risks.
- 2.10 **Program Strategy.** The Bank has been supporting the Government of Suriname in the medium-term vision for the urban heritage revitalization process of the PWHS. To meet this objective, the Paramaribo Urban Rehabilitation Program I (PURP I), was approved in 2017 to support the physical restoration of heritage buildings and public spaces and improve public awareness. The PURP I will conclude on October 2nd, 2025. Building off the lessons, efforts and successes achieved through the PURP I, this program (PURP II) seeks to continue to contribute to realizing this vision. This is done by addressing the main problems related to the PWHS's deterioration that continue to challenge its revitalization and the city's sustainable and inclusive economic development.

¹⁶ ICOMOS, 2013. Report on the ICOMOS advisory mission to historic inner city of Paramaribo, Suriname.

¹⁷ Republic of Suriname, 2021. [Multi-Annual Development Plan 2022-2026](#).

¹⁸ ERM, 2018. Site-Specific Risk Analysis for Paramaribo Climate Change Adaptation Fund.

¹⁹ Republic of Suriname, 2019. The Historic Inner City of Paramaribo - World Heritage City Management Plan 2020-2024.

- 2.11 The PURP II incorporates a comprehensive approach that recognizes that: (i) the interventions and management of the historic center must accompany the current monumental restoration with the development of a cultural offer that makes tangible and intangible heritage visible, triggers more significant activity in the area and investments; (ii) the planning, development, and management of the historic center must be carried out based on a complete and integrated vision; and (iii) financing and sustainability aspects are essential to ensure the maintenance and continuity of the actions. The PURP II strategy is aligned with the country's development vision defined in Suriname's Multiannual Development Plan (2022-2026) through actions that promote livable environments, contribute to efficient and effective governments, and can detonate investments, entrepreneurship, employment, and economic diversification. It will also advance in achieving the objectives of the World Heritage City Management Plan (2020-2024) that incorporates the requirements and recommendations of UNESCO and will inform its update for the 2025-2029 period.
- 2.12 **Strategic alignment.** This operation is consistent with the Second Update of the Institutional Strategy – UIS (2020-2023) (AB-3190-2) through the following development challenges: (i) Social Inclusion and Equality by promoting universal access for persons with disabilities in the built environment through inclusive wayfinding, improved walkability and urban mobility and upgraded public spaces; (ii) Productivity and Innovation by creating new instruments for private sector participation; and (iii) Economic Integration by developing employment opportunities, as well as touristic products which lead to economic growth. Additionally, the program is aligned with the crosscutting themes of: (i) Gender Equality by incorporating universal and gender-perspective designs; (ii) Environmental Sustainability by promoting the adoption of resilient and eco-efficient interventions in heritage buildings and the use of Nature-based solutions to address the vulnerability to climate change-induced flooding; and (iii) Institutional Capacity and Rule of Law by strengthening institutional articulation for resilient and sustainable urban planning and management, as well the creation of key instruments for planning and management. It also contributes to Corporate Results Framework – CRF 2020-2030 (GN-2727-12) in the result target beneficiaries of public services that have been adapted for diverse groups. Moreover, it is consistent with the Sector Framework Document of Urban Development and Housing (GN-2732-11) by promoting local economic activities and entrepreneurship, particularly those which add value and uniqueness to commercial and retail districts, restoring urban heritage assets and leverage local cultural and creative expressions to catalyze economic growth, incorporating universal design standards within the assessments of restored heritage buildings. Through the promotion of inclusive and accessible infrastructures and services within the intervened buildings and spaces, this operation contributes to the Gender and Diversity Sector Framework (GN-2800-13), first action line “Address gaps that arise from structural factors.” It is also consistent with the “IDB Integrated Strategy for Climate Change Adaptation and Mitigation, and Sustainable Renewable Energy” (GN-2609-1), with the “Climate Change Sector Framework Document” (GN-2835-13).
- 2.13 Moreover, this operation is aligned with the IDB Group Country Strategy with Suriname 2021-2025 (GN-3065) in its second strategic area by promoting private sector competitiveness as it aims to incentivize private sector participation in the

PWHS urban regeneration process and support the country's economic diversification through: (i) the improvement of the built environment (public spaces, roadways, and buildings) and the promotion of mix-uses to increase visitation; (ii) a coordinated and transparent governance which includes private sector participation; and (iii) the creation of the necessary instruments to enable private sector investment (both local and international) in heritage restoration, and creative and cultural industries.

2.14 **Objectives and components.** The objective of the Paramaribo Urban Rehabilitation Program II is to contribute to the rehabilitation and management of heritage assets and their urban environment in the PWHS. The specific objectives are: (i) restore to value cultural heritage assets and their urban environment; and (ii) strengthen the PWHS' governance for its' sustainable management. The program is comprised of three (3) components:

2.15 **Component 1. Rehabilitation and promotion of heritage assets and their urban environment (US\$21,000,000).** This component seeks to revert deterioration and put into value tangible and intangible cultural assets, by supporting the physical restoration of heritage buildings, the improvement of their surrounding public spaces, as well as the identification and promotion of its cultural value. It will have two (2) subcomponents:

a. **Subcomponent 1.1 Restoration of heritage buildings and promotion of their cultural value (US\$12,500,000).** It will support: (i) restoration designs and works of publicly owned heritage buildings, following the recommendations of the Retrofitting Guidelines for Historic Building developed under PURP I and incorporating principles of universal accessibility, resilience, and climate change considerations aiming to achieve EDGE levels of energy and water efficiency or equivalent certification.²⁰ Buildings to be restored include the Tower Building, Mirandastraat 17, Mirandastraat 5-7, Herenstraat 10-12, Keizerstraat 25 and Onafhankelijkheidsplein 7. These were selected due to their state of decline, emblematic character, strategic location, ownership status, potential to incorporate a mix of uses and complementarity with buildings restored under PURP I;²¹ (ii) the elaboration of vocation studies for heritage buildings to identify their potential use and develop the programmatic content that the mixed-use buildings could have. This will be assessed as a comprehensive system to ensure the different proposed uses are responsive to each other and the surrounding environment; and (iii) the creation of a museum within the 1790 building through restoration works and the curation of a museography program for its full rehabilitation. This will include institutional strengthening activities for the development and management of the museum.

²⁰ EDGE ("Excellence in Design for Greater Efficiency") is a free software, standard and international certification system for sustainable construction. It establishes 3 dimensions of minimum resource savings: 20% in energy, 20% in water and 20% of energy incorporated in the materials with respect to a conventional construction.

²¹ Buildings being restored with PURP I include: The National Assembly Building, Waterkant 30-32, Mirandastraat 10, Grote Combeweg 3, Henck Aron Straat 1 and Cultuur Studies. The proposed buildings coupled with the intervened streets and upgraded public spaces aim to create a network of targeted investments which build off each other's activity to generate a greater impact in the revitalization process.

- b. **Subcomponent 1.2 Rehabilitation of the urban environment (US\$8,500,000).** It will support: (i) rehabilitation designs and works to transform key streets into active, inclusive, safe, and resilient public spaces and sustainable mobility corridors that connect and highlight cultural heritage. Designs will incorporate the guidelines of the Strategic Urban Mobility Plan for Paramaribo Historic Center (SUMP) in terms of active, safe, and universal mobility.²² They will also apply where possible Nature Based Solutions (NBS) with the potential to mitigate climate-related hazards and safeguard interventions; (ii) the implementation of the Parking Policy developed under PURP I; and (iii) the formulation and implementation of an urban image strategy that harmonizes the appearance and integration of key elements of the historic center to highlight and give them value. The strategy will include commercial signage codes, a lighting plan, and a wayfinding system in public spaces to indicate location, main destinations, information on heritage, parking regulations, as well as walking and cycling distances and times.
- 2.16 **Component 2. Articulated urban planning and management (US\$5,000,000).** This component seeks to strengthen institutional articulation for resilient and sustainable urban planning and management by supporting the consolidation of a unified office to manage the PWHS and the creation of key instruments that will guide planning and management. It will have two (2) subcomponents:
- a. **Subcomponent 2.1 Creation and strengthening of the PWHS Office (US\$1,000,000).** It will support the establishment of a centralized authority which oversees the management of PWHS. This includes drafting of the legal mandate in a parliament-ready format, technical and institutional capacity building.
 - b. **Subcomponent 2.2 Urban regulation and planning instruments for PWHS (US\$4,000,000).** It will support the development of an overarching medium- and long-term vision for the PWHS sustainable development. This includes: (i) the development of a Masterplan for the PWHS and buffer areas; (ii) a special area zoning plan; and (iii) updated building codes.
- 2.17 **Component 3. Financial strategies for PWHS sustainability (US\$2,500,000).** This component seeks to promote the continuity and sustainability of rehabilitation efforts in the PWHS. It will support the identification and design of potential financing schemes, including: (i) income generation schemes such as leaseholds, concessions, advertising, and public-private partnerships; (ii) monuments fund to support owners who renovate their listed monuments; and (iii) special incentive packages to promote private investment in revitalization projects.
- 2.18 **Program Administration, Monitoring and Evaluation (US\$1,500,000).** It will finance: (i) the hiring of the Program Implementation Unit (PIU); (ii) supporting staff and equipment for the program's administration; (iii) monitoring and evaluation of the program activities; and (iv) external financial auditing.

²² The SUMP was developed by IDOM in 2018 as part of the PURP I. It seeks, among others, to create a walkable historic center, bike inclusive and accessible that connects new and existing urban areas. To guarantee an inclusive nature of the works, designs will incorporate universal and gender-perspectives using participatory processes such as women audits.

- 2.19 **Benefits and Potential Beneficiaries.** The beneficiary of the Program is the Republic of Suriname. Government agencies that have shared functions in the PWHS will benefit from clear planning and management guidelines or mandates and strengthened capacities to perform their functions through more efficient management processes. They will also benefit from financing and sustainability strategies that will leverage investments and generate income for the rehabilitation of the historic center. Ultimately, the PWHS residents, homeowners, business owners, workers, and visitors will benefit from a more vibrant historic city center and the socioeconomic opportunities that it offers.
- 2.20 **Modality of the financial instrument.** The Program will support the Government of Suriname through a Specific Investment Loan. This instrument has been selected considering that the operation will finance specific projects wholly defined to give continuity to PURP I that, at the time of the Bank's approval, have estimations in terms of cost, design, and technical, financial, and economic feasibility.

III. SECTOR KNOWLEDGE AND PREPARATION PLAN

- 3.1 **Bank experience in the sector and in the country.** In Suriname, the Bank has previously supported the socioeconomic revitalization of the PWHS through PURP I ([3905/OC-SU](#)). Additionally, the Bank has supported for nearly a decade the recovery and enhancement of multiple historic centers in the region through programs such as: "Comprehensive Tourism and Urban Development Program for the Colonial City of Santo Domingo" in Dominican Republic ([3879/OC-DR](#)); "Investment Program to Improve the Historic Centers Of Lima, Arequipa, Trujillo, and Ayacucho" in Perú ([4892/OC-PE](#)); "Support for the Conservation and Management of Cultural and Natural Heritage" in Panamá ([4450/OC-PN](#); [4451/OC-PN](#)); "Protection and Recovery of Cultural Heritage Assets Program" ([2678/OC-EC](#)), "Renewal of Downtown Areas and Land Management in Cuenca" ([1761/OC-EC](#)) and "Rehabilitation of Historical Downtown Quito" ([822/OC-EC](#); [1630/OC-EC](#)) in Ecuador; "Reactivation of the Center of La Paz" in Bolivia ([1557/SF-BO](#)); and "Downtown São Paulo Rehabilitation Procentro" in Brazil ([1479/OC-BR](#)).
- 3.2 **Lessons learned applicable to the program.** The Program incorporates lessons learned with the PURP I. These include: (i) given the multisectoral nature of the interventions, there is a need for robust inter and intra-agency coordination mechanisms to ensure efforts are not overlooked or duplicated; (ii) a strong communication strategy is key to raising awareness on the value of the PHWS and maintain the public informed of the activities being carried out by the Program, as well as the potential implications these may have; and (iii) due to the PURP II taking place in the political, economic, and social center of Suriname, many actors are affected by the actions being proposed and implemented, in this sense, there is a need for thorough and continual stakeholder engagement processes. The program also incorporates relevant lessons learned from other Bank experiences in the Region, such as: (i) the need for integrated interventions with a territorial and multisectoral approach; (ii) the creation of knowledge exchange opportunities to leverage best practices and mitigate potential challenges in execution; (iii) the generation of political commitment, installation of capacities within the institutions

for the management of the historic center and the support actions for the sustainability of the projects to ensure the sustainability of the projects and the continuity of the efforts, it is key; (iv) the consolidation of public-private partnerships stimulates investment and allows for long-term sustainability; and (v) the use of heritage assets as a means to foster productive, resilient, inclusive and sustainable development.

3.3 Environmental and social aspects and Environmental Classification.

According to the IDB's Environmental and Social Policy Framework (ESPF), the program is classified as "Category B" since its activities (restoration of heritage buildings and rehabilitation of the urban environment) are likely to cause mostly local and temporary negative environmental and social impacts mainly during the construction phase, for which effective mitigation measures are available. Expected adverse impacts during construction are related to air emissions, dust, and noise; increase in traffic; waste generation; chance finds; health and safety of the community and workers; nuisances to community due to traffic of heavy machinery and equipment; and temporary blockages of access to residences, business, and public infrastructure. In addition, the civil works under Component 1 will generate permanent physical displacement of informal residents of the buildings to be rehabilitated. Likewise, the projected activities could cause the temporary and/or permanent economic displacement of businesses and vendors located in public spaces to be intervened. These impacts are expected to be moderate, however, will be confirmed during due diligence, and a Resettlement Plan (RP) or Livelihood Restoration Plan (LRP) will be prepared, as needed. The program interventions are not located within Indigenous and/or Maroon territories, although the presence of people belonging to these communities has been identified in the project area. No significant negative impacts are anticipated for these groups. No critical, natural, or modified habitats are preliminarily identified within the area of influence of the project.

3.4 The Environmental and Social Risk Rating (ESRR) has been classified as "High" due to expected moderate-scale physical and economic displacement related to the civil works of Component 1; the limited capacity of the executing agency for socioenvironmental management; and the recent riots against the economic measures implemented by the government at the beginning of 2023 that occurred in Paramaribo.

3.5 The Disaster and Climate Change Risk Classification (DCCRC) is "High" since the program's area of influence is subject to storm surges, tropical storms, and floods, and the criticality of the infrastructure is also high (high heritage value). The ESA will include an analysis of disaster and climate change risk following the Disaster Risk and Climate Change (DRCC) methodology of the IDB ([Disaster Risk Methodology](#)).

3.6 An Environmental and Social Assessment (ESA), an Environmental and Social Management Plan (ESMP) -including an RP or RLP (as needed), and a Stakeholder Engagement Plan (SEP) will be prepared as initial documents and disclosed prior to the analysis mission estimated in September 2023. All these documents will be part of the Environmental and Social Management System (ESMS) of the Program. Consultations will be carried out on the ESA/ESMP of the operation, as well as the specific consultation with the potential affected by

resettlement. The updated versions of the ESA/ESMP, RP or LRP and SEP, and the ESMS, and the consultation reports, will be disclosed prior to OPC estimated in October 2023.

IV. TECHNICAL ASPECTS, ENVIRONMENTAL RISKS AND EXECUTION AND FIDUCIARY ASPECTS

- 4.1 **Executing Agency, financing modality, and source of financing.** The borrower of the Program is the Republic of Suriname through the Ministry of Finance and Planning (MOFP) and the governmental entity responsible for implementing the Program is the Ministry of Education, Science and Culture (MESC) through the Program Implementation Unit (PIU) established within its Directorate of Culture. The PIU will be the responsible entity for carrying out all the operational and fiduciary obligations (including procurement, financial management, and social and environmental safeguards) necessary for program execution. To this end, the PURP II will be implemented by the existing PIU established to oversee the execution of PURP I. This PIU is comprised of qualified and specialized personnel fully dedicated to the Program, including the following professionals: Program Manager; Financial Specialist; Procurement Specialist; Operations Officer; Construction and Engineering Specialist; Administrative Assistant; Social Specialist; Environment, Health, and Safety Specialist, and Communication and Liaison Officer, technical advisor. This PIU will be complemented by an additional Operations Officer, an additional Construction and Engineering Specialist, and an Environmental, Health, and Safety assistant. This Specific Investment Loan of US\$30,000,000 is financed with resources from the Bank's Ordinary Capital. Its execution period is 5 years.
- 4.2 Additionally, the Program will build off the lessons learned from PURP I and continue to work with a Project Steering Committee conformed of decision-making authorities of the relevant ministries involved in the activities. The program will also work with the Technical Advisory Group (TAG) currently formed under PURP I.
- 4.3 **Fiduciary Aspects.** Acquisitions financed with loan proceeds will follow policies GN-2349-15 and GN-2350-15; and financial management will follow the provisions of Guide OP-273-12. No exceptions to Bank policies are anticipated; it will be reconfirmed in the Proposal for Operation Development (POD). Fiduciary risks will be identified and analyzed, and their level and guidelines that need to be included in the operating manual will be determined.
- 4.4 **Retroactive financing and initial disbursement.** The Bank may finance retroactively under the loan up to US\$6 million (20% of the proposed loan amount), eligible expenses incurred by the Borrower prior to the date of loan approval by the Bank's Board of Executive Directors to finance activities under Component 1 provided that all the requirements are substantially like those set out in the loan agreement requirements. These expenses must have been incurred on or after the Project Profile approval date, and under no circumstances shall expenditures incurred more than 18 months prior to the loan approval date be included.
- 4.5 **Risks.** Identified high risks are: (i) the possible unwillingness of some parties in government to allow for a central authority be enacted; (ii) the presidential

elections of 2025 can lead to a reorientation of priorities which can affect the program's objectives and successful implementation; (iii) changes in government policy can affect the long-term sustainability of the program's interventions; (iv) the lack of willingness from the private sector to engage in urban rehabilitation processes can overburden the public expenditure. Other low risks identified include a negative influence on the PIU's ability to attract local and international firms to respond to a request for proposals and expressions of interest due to increasing globalization, heightened currency volatility, and changes in exchange rates in Suriname.

- 4.6 Mitigation measures include the early involvement of the TAG in the program design and implementation to gather the necessary support from the represented ministries in safeguarding the program's implementation, including the enactment of the central authority. To mitigate potential risks associated to the change of government, the program will create strong communication and visibility strategies, to maintain the authorities informed of the development objectives to be achieved through the program. Likewise, to mitigate risks associated with the private sector, the program will include thorough stakeholder engagement processes, which leverage the existing working relationships with the organized private sector, to incorporate their feedback in the proposed activities.

V. RESOURCES AND TIMETABLE

- 5.1 **Resources and Preparation Timetable.** Preparation costs are estimated at US\$161,400 from the transactional budget, (see Annex II). The distribution of the POD to QRR is planned for October 2023, the Draft Loan Proposal to the OPC for November 2023, and the presentation of the Loan Proposal to the Board of Directors is for December 13th, 2023.
- 5.2 **Justification of preparation period.** This program will be prepared under the special processing track given the need to approve this operation during 2023. The current state of heritage assets to be included in this loan has been rapidly deteriorating, for which the response must be immediate. Given that PURP I is still in execution, the preparation of this subsequent loan will be supported by the structures and staff currently in place, allowing for a swift response time.

Annexes

- I. Summary of the Environmental and Social Review.
- II. Timetable and Preparation Resources.
- III. Filters for determining the processing track.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK



SURINAME

PARAMARIBO URBAN REHABILITATION PROGRAM (PURP) II

SU-L1068

INITIAL ENVIRONMENTAL AND SOCIAL REVIEW SUMMARY (ESRS)

July 2023

This document was prepared by:
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With the support of the Project team:
Tatiana Kopelman (Team leader) and Manuela Palacio (CSD/HUD)

Initial Environmental and Social Review Summary	
Operation Data	
Operation Number	SU-L1068
IDB Sector/Subsector	Urban Development and Housing / Urban Rehabilitation and Heritage (CSD/HUD)
Type of Operation & Modality	Specific Loan Operation (LON/ESP)
Initial E&S Impact Classification (ESIC)	B
Initial E&S Risk Rating (ESRR)	High
Initial Disaster and Climate Change Risk Classification (DCCRC)	High
Borrower	Republic Of Suriname
Executing Agency	Ministry of Education, Science and Culture (MESC)
IDB Loan Amount (and total project cost)	\$30,000,000.00 (\$30,000,000.00)
Applicable ESPS's with requirements	ESPS 1; ESPS 2; ESPS 3; ESPS 4; ESPS 5; ESPS 7; ESPS 8; ESPS 9; ESPS 10
Executive Summary	
<p>According to the IDB's Environmental and Social Policy Framework (ESPF), the program is classified as "Category B" since its activities (restoration of heritage buildings and rehabilitation of the urban environment) are likely to cause mostly local and temporary negative environmental and social impacts mainly during the construction phase, for which effective mitigation measures are available. Expected adverse impacts during construction are related to air emissions, dust, and noise; increase in traffic; waste generation; chance finds; health and safety of the community and workers; nuisances to community due to traffic of heavy machinery and equipment; and temporary blockages of access to residences, business, and public infrastructure. In addition, the civil works under Component 1 will generate permanent physical displacement of informal residents of the buildings to be rehabilitated. Likewise, the projected activities could cause the temporary and/or permanent economic displacement of businesses and vendors located in the public spaces to be intervened. These impacts are expected to be moderate, however, will be confirmed during due diligence, and a Resettlement or Livelihood Restoration Plan will be prepared, as needed. The program interventions are not located within Indigenous and/or Maroon territories, although the presence of people belonging to these communities has been identified in the project area. No significant negative impacts are anticipated for these groups. No critical, natural, or modified habitats are preliminarily identified within the area of influence of the project.</p> <p>The Environmental and Social Risk Rating (ESRR) has been classified as "High" due to expected moderate-scale physical and economic displacement related to the civil works of component 1; the limited capacity of the executing agency for socioenvironmental management; and the recent riots against the economic measures implemented by the government at the beginning of 2023 that occurred in Paramaribo.</p>	

The Disaster and Climate Change Risk Classification (DCCRC) is “High” since the program’s area of influence is subject to storm surges, tropical storms, and floods, and the criticality of the infrastructure is also high (high heritage value). The ESA will include an analysis of disaster and climate change risk following the Disaster Risk and Climate Change (DRCC) methodology of the IDB ([Disaster Risk Methodology - Home \(sharepoint.com\)](#)).

An Environmental and Social Assessment (ESA), an Environmental and Social Management Plan (ESMP) -including a Resettlement or Livelihood Restoration Plan (as needed), and a Stakeholder Engagement Plan (SEP) will be prepared as initial documents and disclosed prior to the analysis mission estimated in September 2023. All these documents will be part of the Environmental and Social Management System (ESMS) of the Program. Consultations will be carried out on the ESA/ESMP of the Operation, as well as the specific consultation with the potential affected by resettlement. The updated versions of the ESA/ESMP, RP or LRP and SEP, and the ESMS, and the consultation reports, will be disclosed prior to OPC estimated in October 2023.

Operation Description

The Paramaribo Urban Rehabilitation Program (PURP) II is the second phase of the PURP. The first phase was approved by the Bank in 2017 (SU-L1046) and is currently undergoing modification, with additional funding from the European Union (SU-G1006), both of which are expected to be approved in late July 2023.

The objective of the PURP II, a new and independent operation, is the same as PURP I. The scope of the interventions of the new operation complements that of the previous one, as they have the same area of influence, and includes the implementation of the parking policy and the placemaking strategy that are products of PURP I. The financial resources of PURP II are independent of the first phase.

The objective of the PURP II is to contribute to the rehabilitation and management of heritage assets and their urban environment in the Paramaribo World Heritage Site (PWHS). The specific objectives are: (i) restore to value cultural heritage assets and their urban environment; and (ii) strengthen the PWHS’ governance for its sustainable management. See Figure 6 in Annex A for the approximate location of the interventions within the PWHS. The program is comprised of three (3) components:

- Component 1. Rehabilitation and promotion of heritage assets and their urban environment (US\$21,000,000). This component seeks to revert deterioration and put into value tangible and intangible cultural assets, by supporting the physical restoration of heritage buildings, the improvement of their surrounding public spaces, as well as the identification and promotion of their cultural value. It will have two (2) subcomponents:
 - a) Subcomponent 1.1 Restoration of heritage buildings and promotion of their cultural value (US\$12,500,000). It will support: (i) restoration designs and works of publicly owned heritage buildings, following the recommendations of the Retrofitting Guidelines for Historic Building developed under PURP I and incorporating principles of universal accessibility, resilience, and climate change considerations aiming to achieve EDGE levels of energy and water efficiency or equivalent certification. Buildings to be restored include the Tower Building, Mirandastraat 17, Mirandastraat 5-7, Herenstraat 10-12, Keizerstraat 25 and Onafhankelijkheidsplein 7 (see Annex A). These were selected due to their state of decline, emblematic character, strategic location, ownership status, potential to incorporate a mix of uses and complementarity with buildings restored under PURP I; (ii) the elaboration of vocation studies for heritage buildings to identify their potential use and develop the programmatic content that the mixed-use buildings could have. This will be assessed as a comprehensive system to ensure the different proposed uses are responsive to each other and the surrounding

environment; and (iii) the creation of a museum within the 1790 building through restoration works and the curation of a museography program for its full rehabilitation. This will include institutional strengthening activities for the development and management of the museum.

- b) Subcomponent 1.2 Rehabilitation of the urban environment (US\$8,500,000). It will support: (i) rehabilitation designs and works to transform key streets into active, inclusive, safe, and resilient public spaces and sustainable mobility corridors that connect and highlight cultural heritage. Designs will incorporate the guidelines of the Strategic Urban Mobility Plan for Paramaribo Historic Center (SUMP) in terms of active, safe, and universal mobility. They will also apply where possible Nature Based Solutions (NBS) with the potential to mitigate climate-related hazards and safeguard interventions; (ii) the implementation of the Parking Policy developed under PURP I; and (iii) the formulation and implementation of an urban image strategy that harmonizes the appearance and integration of key elements of the historic center to highlight and give them value. The strategy will include commercial signage codes, a lighting plan, and a wayfinding system in public spaces to indicate location, main destinations, information on heritage, parking regulations, as well as walking and cycling distances and times.
- Component 2. Articulated urban planning and management (US\$5,000,000). This component seeks to strengthen institutional articulation for resilient and sustainable urban planning and management by supporting the consolidation of a unified office to manage the PWHS and the creation of key instruments that will guide planning and management. It will have two (2) subcomponents: Subcomponent 2.1 Creation and strengthening of the PWHS Office (US\$1,000,000); and Subcomponent 2.2 Urban regulation and planning instruments for PWHS (US\$4,000,000).
 - Component 3. Financial strategies for PWHS sustainability (US\$2,500,000). This component seeks to promote the continuity and sustainability of rehabilitation efforts in the PWHS. It will support the identification and design of potential financing schemes.

The beneficiary of the program is the Republic of Suriname. Government agencies that have shared functions in the PWHS will benefit from clear planning and management guidelines or mandates and strengthened capacities to perform their functions through more efficient management processes. They will also benefit from financing and sustainability strategies that will leverage investments and generate income for the rehabilitation of the historic center. Ultimately, the PWHS residents, homeowners, business owners, workers, and visitors will benefit from a more vibrant historic city center and the socioeconomic opportunities that it offers.

The Executing Agency (EA) of the program is the Ministry of Education, Science and Culture. The EA has a proven track record in managing ESHS aspects in IDB-financed operations (e.g., SU-L1046, currently disbursing at 51.46%), although it has been under the Bank's previous operational policies. Therefore, it has been preliminarily identified the need to strengthen the EA to address environmental and social management under the ESPF requirements. Please see ESPS 1, institutional capacity section, for further detail.

Physical works are expected to occur within the city center of Paramaribo. They will imply demolitions, excavations, embankments, use of heavy-duty equipment and vehicles, soil compaction, wet and dry construction, pavement breakage, temporary traffic interruptions, establishment of offices and other facilities, generation of waste, use of hazardous materials such as fuel, oils, greases, coolants, etc.

A spatial pre-screening of natural hazards and applicable socioenvironmental aspects (i.e., Indigenous and Afro-descendant territories, and biodiversity) can be found in Annex A.

Rationale for Classifications/Rating

<i>E&S Impact Classification</i>	According to the IDB's ESPF, the program is classified as "Category B" since its activities (restoration of heritage buildings and rehabilitation of the urban environment) are likely to cause mostly local and temporary negative environmental and social impacts mainly during the construction phase, for which effective mitigation measures are available. Expected adverse impacts during construction are related to air emissions, dust, and noise; increase in traffic; waste generation; chance finds; health and safety of the community and workers; and nuisances to community due to the presence of heavy machinery and equipment; and temporary blockages of access to residences, businesses, and public infrastructure. In addition, the civil works under component 1 will generate permanent physical of informal residents of the buildings to be rehabilitated. Likewise, the projected activities could cause the temporary and/or permanent economic displacement of businesses and vendors located in the public spaces to be intervened. These impacts are expected to be moderate, however, will be confirmed during the due diligence. The program interventions are not located within Indigenous and/or Maroon territories, although the presence of people belonging to these communities has been identified in the project area. No significant negative impacts are anticipated for these groups. No critical, natural, or modified habitats are identified within the area of influence of the project.
<i>E&S Risk Rating</i>	The Environmental and Social Risk Rating (ESRR) has been classified as "High" due to the physical and economic displacement related to the civil works of component 1 (cause); the limited capacity of the EA for socio-environmental management (performance); and the recent riots against the economic measures implemented by the government at the beginning of 2023 that occurred in Paramaribo (context).
<i>DCC Risk Classification</i>	The Disaster and Climate Change Risk Classification (DCCRC) is "High" since the program's area of influence is subject to storm surges, tropical storms, and floods, and the criticality of the infrastructure is also high (high heritage value).
Use of Borrower E&S Framework	
No	
The operation will not use the Borrower framework and will comply with the requirements of the ESPF.	
Is a framework approach applied?	
No	
The operation will not use a framework approach.	
Will the operation be co-financed or is there a possibility of being co-financed?	
No	
The operation will not be co-financed.	
Environmental and Social Performance Standards (ESPSs) that apply to the proposed project	
ESPS-1. Assessment and Management of E&S Risks and Impacts	
Yes	

An Environmental and Social Management System (ESMS) comprising its seven pillars will be prepared for this Operation, as per ESPS 1. The ESMS will contain any relevant evaluations and requirements to comply with ESPSs 1 to 10, following a mitigation hierarchy strategy. The ESMS will complement that prepared for the approval of SU-G1006¹ (Additional Non-Reimbursable Financing “Climate Change Adaptation Investments for Paramaribo’s Resilience”), which is part of the package of the modification of SU-L1046 – PURP phase I. Additionally, the ESMS might use as reference, whenever relevant, all the documents prepared for the original loan approval of SU-L1046, its modification, and any project-specific assessment prepared during its execution². However, the due diligence for the PURP II will be carried out independently and in a comprehensive fashion following the ESPF requirements developing the environmental and social assessments and management plans mentioned in the following paragraphs and sections.

The ESMS will include an ESA/ESMP and all 7 elements according to ESPS 1: project-specific framework; identification of risks and impacts; management plans; organizational capacity and competency; emergency preparedness and response; stakeholder engagement; and monitoring and review.

Currently, there are no previous environmental and social studies for the proposed interventions other than those prepared for the scope of PURP I. Although the area of influence is similar (the PWHS), an Environmental and Social Assessment (ESA) will be prepared for the proposed physical interventions, including a Sociocultural Analysis (SCA), as well as an Environmental and Social Management Plan (ESMP) to meet the requirements of relevant ESPSs. A Resettlement or Livelihood Restoration Plan will also be prepared, as well as a cultural heritage plan if the due diligence deems necessary.

The EA has a proven track record in managing ESHS aspects in IDB-financed operations (SU-L1046, with a safeguards performance rating – SPR of “Satisfactory”, as of September 2022), although it has been under the Bank’s previous operational policies. For the modification of PURP I it is currently being required as a contractual condition to designate an environmental and a social specialist for managing environmental and social aspects since it has been already identified during project execution the need to strengthen the EA with one or more specialists that can address the issues of livelihood restoration, Indigenous Peoples, and gender. The EA’s capacity will be nonetheless assessed during preparation and also using the Bank’s Institutional Capacity Assessment Platform (ICAP). If a gap is found, a strengthening strategy will be put in place, which will include training sessions and a contractual condition for hiring ESHS specialists for specific issues. A special emphasis will be given to the EA’s capacity in managing involuntary resettlement activities under best international practice.

Guidelines for emergency preparedness and response will be prepared so that the AE, in collaboration with appropriate and relevant third parties and relevant government agencies and authorities, will be prepared to respond to accidental and emergency situations associated with the project in a manner appropriate to prevent and mitigate any harm to people and/or the environment. This section will also include the response to disaster and climate change risk that is identified in ESPS 4 box.

Regarding meaningful consultations, a Stakeholder Engagement Plan (SEP) will be developed in accordance with the ESPS 1 and 10. As part of the due diligence, the Grievance Redress Mechanism of the AE will be evaluated and, if necessary, improved to reach the ESPF requirements. For additional and expanded information, please see section ESPS 10.

¹ Given that SU-G1006 was granted eligibility after the date of effectiveness of the Bank’s ESPF, that was the governing instrument. Therefore, although SU-L1046 and its modification are under the previous operational policies, the EU grant will have in place an ESMS, as per ESPS 1.

² Available at: <https://www.iadb.org/en/project/su-l1046>.

Finally, the ESMS will contain guidelines on ESHS monitoring and supervision, and the EA will inform the Bank about the compliance of environmental and social management activities in its semi-annual report. The initial version of the ESA/ESMP, and the Resettlement and/or Livelihood Restoration Plan (if needed) will be disclosed prior to the analysis mission in August 2023. Consultations on the ESA/ESMP of the project will be carried out, as well as specific consultations with those potentially affected by resettlement (if any). A Stakeholder Engagement Plan (SEP) will be prepared and disclosed as part of the ESA/ESMP for all works in August 2023, in accordance with ESPS 1 and 10. These will guide the consultation process before the Board approval, and the engagement with the communities during the execution phase. The ESMS will include a grievance redress mechanism for the Program. The consultation report describing the results of the meaningful consultation process and the updated versions of the ESA/ESMP and LRP or RP (if needed) will be disclosed before OPC, estimated to occur in October 2023. Based on an initial screening, there are no Indigenous territories or communities within the area of influence, nor natural or key biodiversity areas given the urban development context of the project (only modified habitat). However, the ESA will study more closely the possibility of works being within or close to natural habitat or critical habitat.

ESPS-2. Labor and Working Conditions	Yes
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Physical activities for this Operation (the ones described in the Description box) involve minor to moderate health and safety occupational risks. These include accidents, ergonomic risks, noise and vibrations, and poor air quality, among others. Additionally, there could be a risk of handling hazardous materials such as fuel, oil, and lubricants that will be used during construction. Furthermore, asbestos containing materials (ACM) might appear during demolition works, which may pose risks to workers. The ESMP will include an Occupational Health and Safety Risk Management Plan, an asbestos containment plan, and an emergency response management plan.

No significant adverse occupational risk or impact is expected during the operation phase, but the due diligence will confirm this assessment.

Related to risks of forced labor in supply chains, the inclusion of solar panels as part of the operation activities is likely (street lighting and building illumination). This information will be confirmed during the due diligence and an estimate of the installed capacity of panels that could be acquired will be made in the Procurement Plan. The IDB Group guidelines for due diligence on forced labor risks in the solar PV primary supply chain will be implemented.

No risks of child or forced labor are expected for the works, however, this will be confirmed during due diligence. The minimum age for formal employment in Suriname is 18 years (higher than that imposed by the Bank's ESPF), and the operation will comply with this requirement.

During the due diligence, the code of conduct that the MOHW implements with its contractors (for example the one that is currently used under SU-L1046 – PURP I) will be evaluated and benchmarked against the requirements of the ESPF and, if necessary, strengthened and included in the ESMP. Finally, the condition of non-discrimination and freedom of association, and collective bargaining will also be evaluated.

The works entails processes of construction and mobilization of personnel which present risks and impacts associated with labor and working conditions. The ESA will study the labor conditions in Suriname and labor practices of the AE, including an analysis of risk of child labor and any gaps in ensuring human rights of workers as a contextual risk. The ESMP will include required measures to address any risks identified through a series of Labor Management Procedures (LMP). The LMP will prohibit child labor and give clear conditions for ensuring that workers human rights and occupational health and

safety will be guaranteed, which will be part of any contractor bidding documents. A grievance redress mechanism specific for workers will be developed, as well as a code of conduct.

ESPS-3. Resource Efficiency and Pollution Prevention

Yes

During the construction phase, the physical interventions of the project activities are expected to be of minor to moderate magnitude, with adverse environmental risks and impacts typical of urban and peri-urban civil works: noise pollution; dispersion of dust; generation of vibrations; emanation of gases and particulate matter; potential spillage and eventual runoff into water bodies of hazardous materials (if not properly handled) such as fuels, solvents, oils, greases, coolants, anti-corrosives, herbicides, etc.; potential for poor management of liquid and solid waste and the consequent proliferation of unwanted fauna; soil erosion; and damage to natural drainage, among others. Also, since the rehabilitation of historical buildings can include demolitions, there is a risk of contamination by asbestos.

During the operation phase, no significant adverse impact is expected, to be confirmed during the due diligence.

The ESA will assess all direct, indirect and cumulative impacts and risks and identify appropriate mitigation measures following the mitigation hierarchy according to ESPF and World Bank Group ESHS Guidelines.

Lastly, there is still insufficient information on the generation of greenhouse gases (GHG). It is estimated that less than 25,000 tons of CO₂eq will be generated during construction. However, during the due diligence process, this information will be confirmed and gross GHG emissions will be calculated using the Bank's "Greenhouse Gas Inventory Tool for IDB Operational Portfolio". The preparation of environmental studies will include the analysis of technological alternatives (including ones to avoid or minimize project-related GHG emissions) and best environmental practices of the industry for the extraction of sand and its discharge, and actions to minimize possible impacts on the environment.

ESPS-4. Community Health, Safety, and Security

Yes

During the execution of the works, it is expected that the surrounding population will be exposed to noise, vibrations, dust, vehicle and heavy machinery emissions, traffic disruptions, temporary blockage of access to homes and/or businesses, increased insecurity, risk of accidents (workers and community), potential conflicts between workers and communities, etc. Hazardous materials such as fuels, oils, and other lubricants, among others, will be used. If they are not stored and handled correctly, there is a low risk of contaminating water sources. In addition, greater production of liquid and solid waste, assimilable to domestic and construction waste, is expected, so it will be managed in accordance with best practices to avoid soil and water source contamination. Finally, there is a considerable risk of exposure to asbestos containing materials (ACM) for the population living nearby historical buildings. Section ESPS 3 details guidelines for managing these types of risks and impacts (e.g., the World Bank Group ESHS Guidelines), which must be included in the ESMP.

Second, with respect to the risk of disease, if the current COVID-19 pandemic continues, there is an exacerbated risk of contagion among the community and workers due to the influx of workers into the area of influence of the project, and possible non-compliance with the recommended hygiene and protection measures. The national health regulations in force at the time of execution will be followed, in addition to the ESHS guidelines in the ESMP. Likewise, the risk of other contagious diseases due to the influx of workers must be considered, including an increased risk of sexually transmitted diseases to the population. There is also the risk of diseases related to the attraction of vectors (such as mosquitoes and other insects, rodents, etc.) due to the accumulation of stagnant water and waste, which, if not properly managed with the tools of the ESMP, could be exacerbated.

With respect to security personnel, the risks from their use are estimated to be low. If security personnel are required, the code of conduct indicated in ESPS 2 will also be adopted by these employees.

The ESA will study the main risks and impacts to community health, safety and security and include measures in the ESMP to address them.

The program is preliminarily classified with a DCCRC of High since the urban area of Paramaribo is exposed to flooding and tropical storms and the infrastructure criticality/vulnerability is deemed to be high, given that it is a world heritage site (WHS). The DCCRC of the PURP I has also been considered high, and a Hazard and Risk Management Summary and a Benefit-Cost Analysis were done to ensure that renovations and new infrastructure do not increase natural hazards or vulnerability of the surrounding communities or environment. The [Disaster and Climate Change Risk Assessment Methodology for IDB Projects](#) will be followed. A narrative (Step 3 DCCRM) will be prepared, and additional steps (DRMP) will be taken if necessary. In this sense, the narrative will indicate if it is necessary to move toward the next step. If this is the case, it will be evaluated whether the studies from the previous operation apply to this one and/or whether additional assessments are required.

ESPS-5. Land Acquisition and Involuntary Resettlement	Yes
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According to the information available to date, it is anticipated that the activities of Component I of the program will generate the permanent physical displacement of informal residents of the buildings to be rehabilitated. Likewise, the projected activities could cause the temporary and/or permanent economic displacement of businesses and vendors located in the public spaces to be intervened. According to the Paramaribo homeless population census financed by the IDB (February 2023), a total of 144 homeless people were identified in the city center. The public areas where this operation's interventions are being considered and where homeless people were registered are Kerkplein, Henck Arron Straat, and Heerenstraat. In these public areas, 24 homeless people agreed to be surveyed. This will be confirmed during the due diligence and a new census for the project activities will be carried out. There is no baseline yet for the potential economic displacement of businesses and vendors, as this will be part of the due diligence too. Following the mitigation hierarchy, it would be assessed if these impacts can be first avoided and minimized.

In this regard, as part of the ESA/ESMP, a Resettlement and/or Livelihood Restoration Plan will be prepared, and a specific consultation process will be carried out with the affected people, in accordance with ESPS 5 requirements.

No land acquisition on this loan is expected, however, this will be verified during the due diligence. If applicable, a Land Acquisition Plan will be developed in accordance with ESPS 5 requirements.

ESPS-6. Biodiversity Conservation and Sustainable Management of Living Natural Resources	No
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All physical works are to occur in urban and peri-urban environments, with minor to no impacts on biodiversity or wildlife (e.g., minimal impacts to urban vegetation such as pruning). A preliminary assessment indicates that there are no critical, natural, or modified habitats. Nonetheless, the due diligence will confirm this.

ESPS-7. Indigenous Peoples	Yes
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The program interventions are not within Indigenous and/or Afro-descendant territories (See Annex A). However, the presence of people belonging to Indigenous and Maroon communities has been identified in the area of influence of the project, as they use some of the public spaces where project works will take place for annual celebrations.

Consequently, the ESA will include a Socio-Cultural Analysis (SCA) to assess risks and impacts and enhance project benefits and develop guidelines to carry out a specific meaningful consultation process and include culturally appropriate mitigation measures as needed in the ESMP.	
ESPS-8. Cultural Heritage	Yes
<p>As indicated above, the program will be developed in the PWHS (UNESCO World Heritage Convention 2001) and aims to rehabilitate and manage the heritage assets and the urban environment of the site (see Annex A), which would all be considered critical heritage as per ESPS 8. Based on the information available to date, the potential adverse impacts identified on cultural heritage will not be significant given the nature and spatial context of the interventions, which consist of the physical restoration of heritage buildings and the improvement of their surrounding public spaces (positive impacts are expected). The ESA will confirm this and the ESMP will contain the necessary mitigation measures to manage the identified impacts in accordance with the NDAS 8 requirements.</p> <p>The PURP I has a Cultural Heritage Management Plan (ESIA 2018) that includes a Chance Finds Procedure (CFP) to mitigate potential impacts. Both documents will be complemented under the ESA and ESMP to be developed for this operation. The CFP must be adopted by the Contractor carrying out the works.</p> <p>All interventions will be subject to meaningful consultation with all relevant stakeholders and will also allow for the development of management plans and measures (Cultural Heritage Management Plan and CFP, in addition to any additional assessment and management plan identified as needed during due diligence) to avoid or minimize the impacts of the program on the PWHS, as well as strictly comply with the measures and specifications proposed by UNESCO, which will be consulted prior to the start of any physical work, as currently practiced under PURP I. This coordination with UNESCO will be further detailed in the ESA/ESMP for the works.</p>	
ESPS-9. Gender Equality	Yes
<p>The Project will consider a cross-cutting gender approach and in compliance with ESPS 9, potential gender risks and impacts will be identified in the ESA particularly related to the influx of workers to include effective measures to avoid, prevent or mitigate them in management plans, as well as part of the SEP to promote equal participation in the process.</p> <p>During construction works, there could be conditions of gender-based violence among workers and within the community that will be mitigated through the measures defined in ESPS 2 (the grievance mechanism for the project and workers, the code of conduct, and training workers on the code). The grievance mechanisms should be properly equipped to deal with these cases, if necessary. In addition, the ESMP will include a code of conduct addressing gender-based violence will be included in the ESMP.</p> <p>The Resettlement and/or Livelihood Restoration Plan will contain measures to ensure equitable access to compensation for women or any other vulnerable group.</p>	
ESPS-10. Stakeholder Engagement and Information Disclosure	Yes
<p>So far there have been no stakeholder engagement processes or information disclosure for the current operation. The previous phase of the program (PURP I) is currently in execution and subject to modification of its components; hence, several rounds of meaningful consultation have taken place in the area of influence of the project. It is to be noted that significant stakeholder fatigue has been observed within the population.</p> <p>During the due diligence, in compliance with ESPS 1 and 10, a Stakeholder Engagement Plan (SEP) will be prepared.</p>	

The stakeholder mapping will pay special attention to parties that present levels of vulnerability, such as the homeless, indigenous peoples, and women vendors. The SEP will be culturally appropriate.

The ESMP will include an appropriate grievance redress mechanism for the project and for workers.

The SEP will guide consultations during preparation phase, as well as engagement with stakeholders during project implementation. In this regard, it is expected that a consultation process will be carried out during the due diligence process in accordance with the progress of the corresponding environmental and social studies, proportional to the scope to be financed, and careful not to aggravate the aforementioned stakeholder fatigue.

Reports of the consultations conducted (of the project in general and with those affected by resettlement) will be prepared and their feedback must be integrated into the ESA/ESMP and RP or LRP, respectively, and published on the IDB website prior to OPC estimated to be in October 2023.

IDB Environmental and Social Due Diligence

Strategy for Due Diligence

<i>E&S Assessment requirement</i>	<i>Status of development</i>	<i>Estimated resources to finalize (specify Bank or Borrower cost)</i>	<i>Estimated timeline to finalize (inc. consultation)</i>
Environmental and Social Assessment (including a DRA – if needed) and Environmental and Social Management Plan (ESA/ESMP) including SEP – all these will be part of ESMS	Hiring process started. To be developed.	\$70,000 (Bank)	Execution: 5 months. Intended start: July 2023. Consultation: October of 2023.
Resettlement and/or Livelihood Restoration Plan (will be part of ESMS)	Hiring process started. To be developed.	\$70,000 (Bank) part of same consultancy	Execution: 5 months. Intended start: July 2023. Consultation: October of 2023.
Environmental and Social Management System (ESMS)	Hiring process started. To be developed.	\$70,000 (Bank) part of same consultancy	Execution: 5 months. Intended start: July 2023. Consultation: October of 2023.
Annexes			
Annex A.	Environmental and Social Maps		

Annex A. E&S Maps



Figure 1. Key Biodiversity Areas (KBA) and legally protected areas (light and dark green, respectively) in Paramaribo. Preliminary Screening

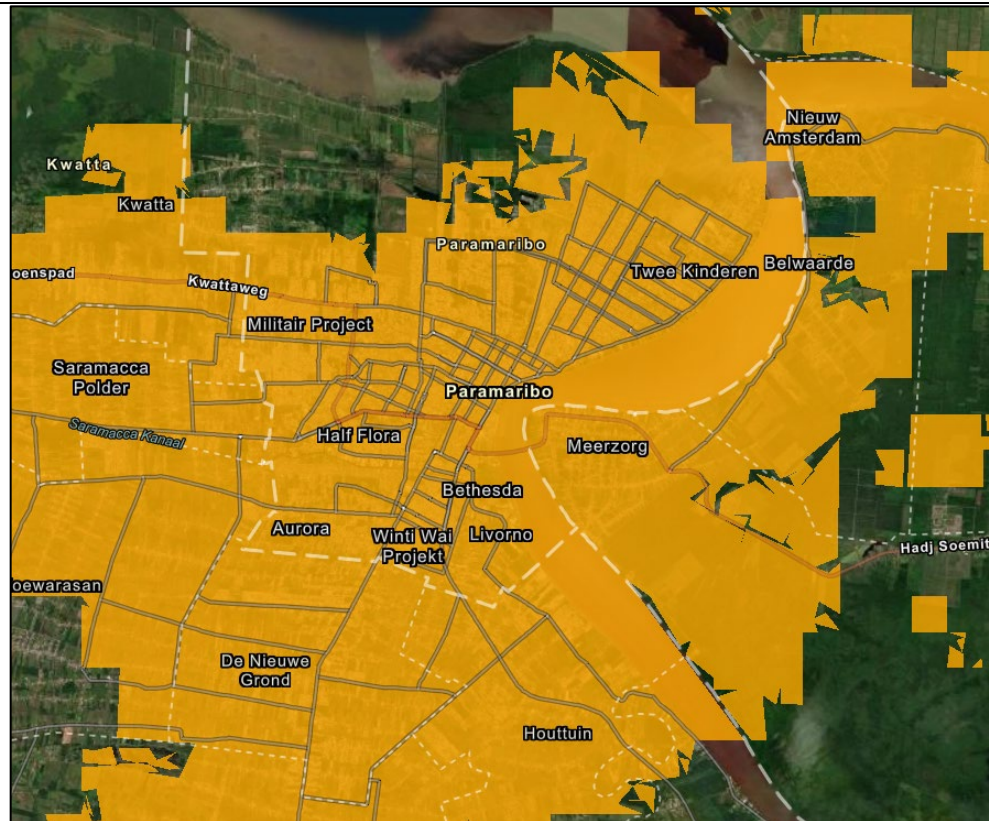


Figure 2. Flooding hazard (moderate) in the Paramaribo area. Preliminary Screening.



Figure 3. Buildings to be restored under component 1 (preliminary selection)

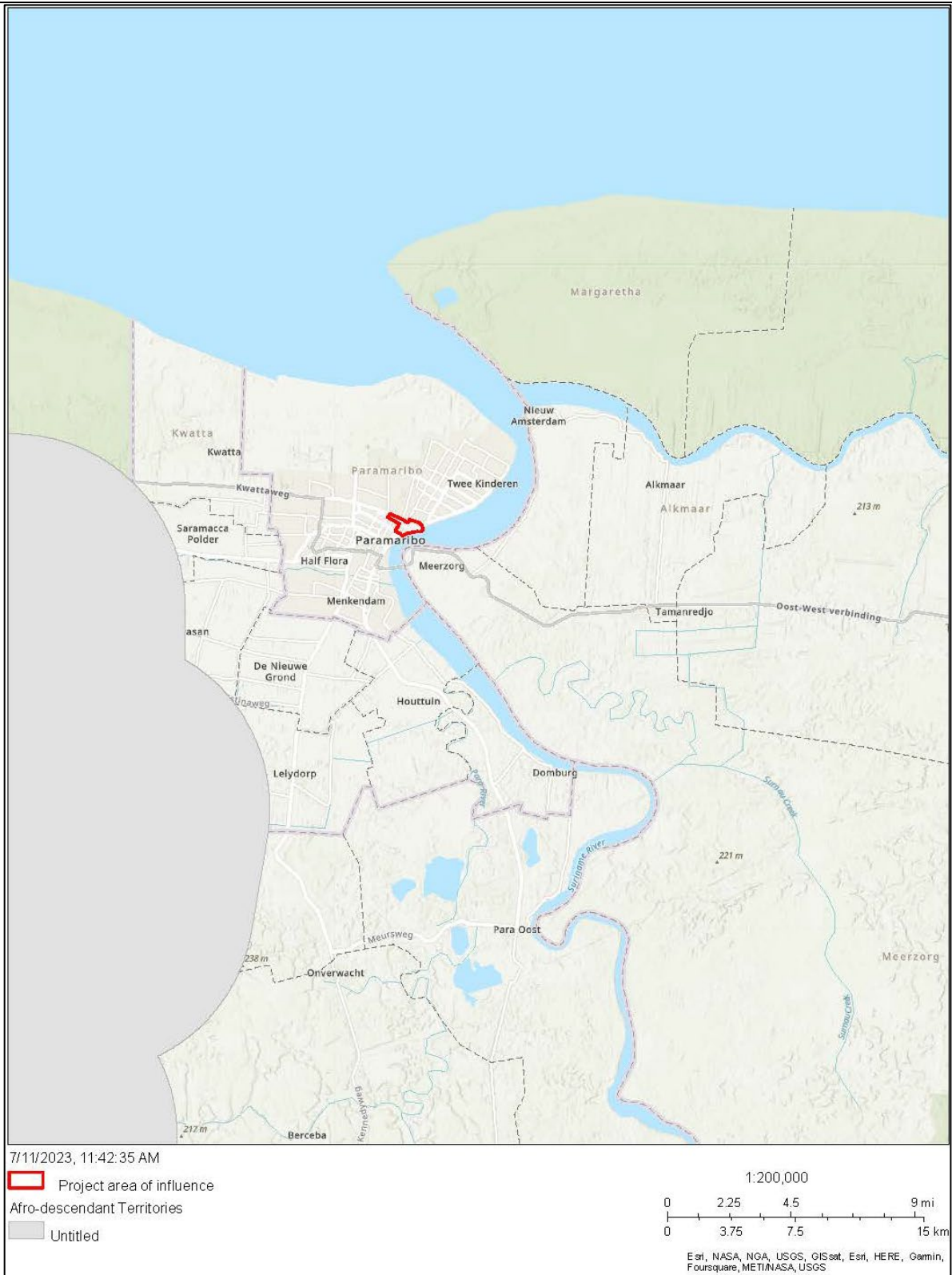


Figure 4. Indigenous and Afro-descendant territories in Paramaribo. Preliminary Screening

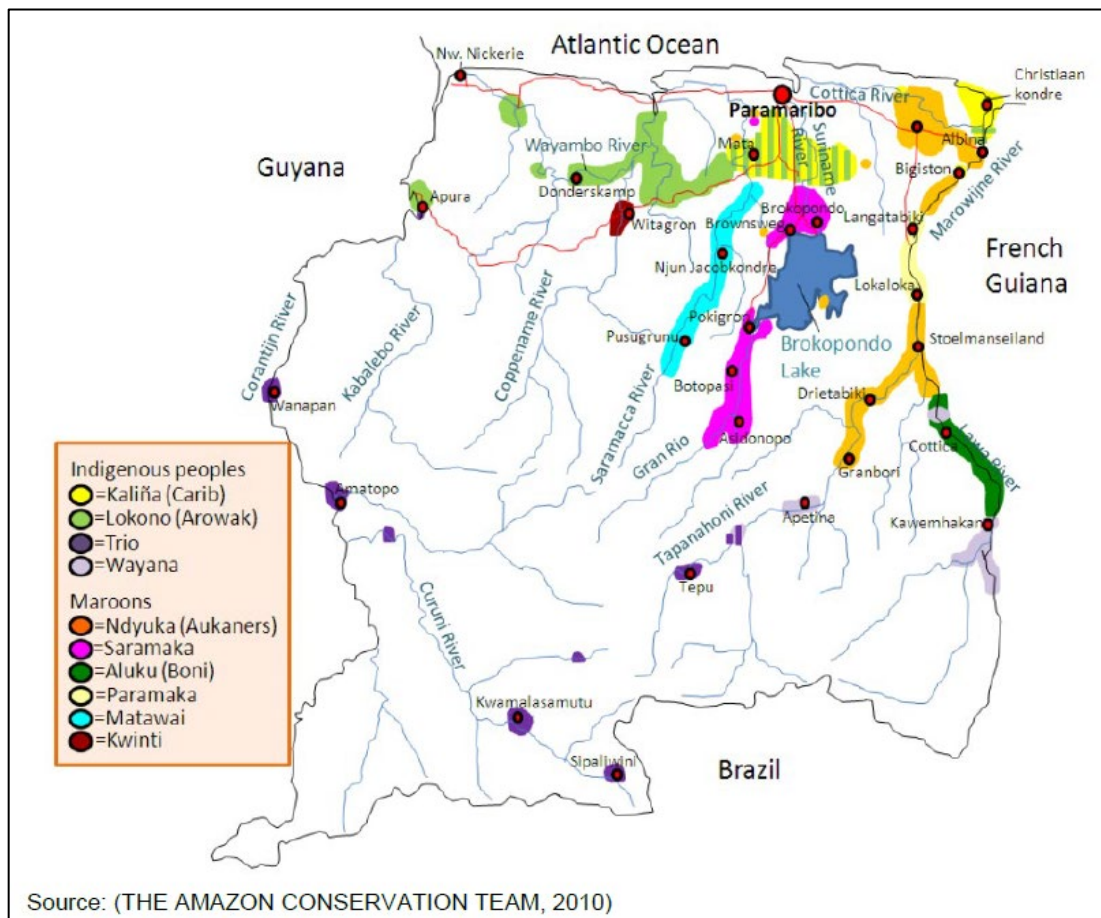
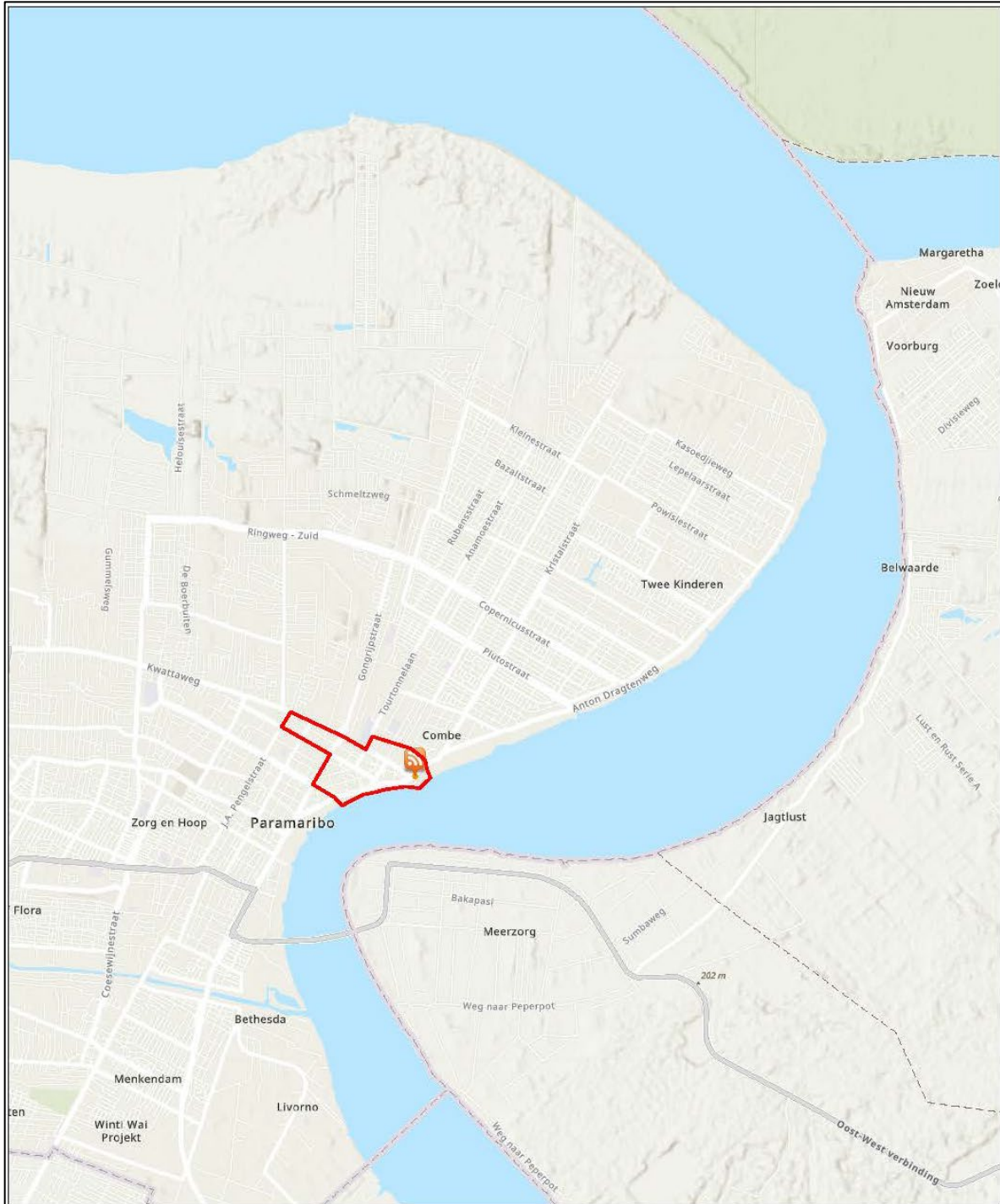
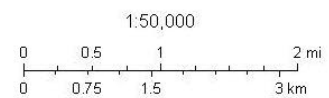


Figure 5. Indigenous communities living within the territory of Suriname (PURP I, ESA 2023 update).



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- Project area of influence
- UNESCO World Heritage Convention 2021



Esi, NASA, NOAA, USGS, GISdata, Esri, HERE, Garmin, Foursquare, METI/NASA, USGS

Figure 6. Paramaribo World Heritage Site (UNESCO World Heritage Convention 2001)

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¹ The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.

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