



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 04-Dec-2019 | Report No: PIDISDSA27775



BASIC INFORMATION

A. Basic Project Data

Country Caribbean	Project ID P171791	Project Name CARIBBEAN REGIONAL COMMUNICATIONS INFRASTRUCTURE PROGRAM ADDITIONAL FINANCING	Parent Project ID (if any) P114963
Parent Project Name Caribbean Regional Communications Infrastructure Program	Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 20-Nov-2019	Estimated Board Date 10-Jan-2020
Practice Area (Lead) Digital Development	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance, Planning, Economic Development and Physical Development (GRE), Caribbean Telecommunications Union, Ministry of Finance, Econ. Planning, Sustainable Development and Information Technology (SVG), Department of Finance, Ministry of Finance, Econ. Growth, Job Creation and Ext. Affairs (St. Lucia)	Implementing Agency Ministry of Finance, Econ. Planning, Sustainable Development and Information Technology (SVG), Ministry of Infrastructure Development, Public Utilities, Energy, Transport and Implementation (GRE), Ministry of Finance, Econ. Growth, Job Creation, Ext. Affairs & Public Service (St. Lucia)

Proposed Development Objective(s) Parent

The development objective of CARCIP is to increase access to regional broadband networks and advance the development of an ICT-enabled services industry in the Caribbean Region.

Components

- Component 1 - Regional Connectivity Infrastructure
- Component 2 - ICT-led innovation.
- Component 3 - Implementation Support



PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	11.60
Total Financing	11.60
of which IBRD/IDA	11.60
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	11.60
IDA Credit	11.60

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

B. Introduction and Context

Country Context

1. **The Caribbean region's diversity, strategic location, small size, and natural environment present opportunities and challenges in almost equal measure.** The combined impact of small size and inadequate economies of scale, high reliance on the service sector (particularly tourism and related construction) increased competition from other tourist destinations, and in a number of cases, single-source income (e.g., oil in Trinidad and Tobago, and apparel in Haiti), also present challenges to the region in its response to external shocks (such as natural disasters or financial/economic crisis in the target markets) and make it more challenging for the countries to compete in international markets. Most of the countries exhibit lower economic performance compared to other small-size economies that have based their economic growth on gaining international competitiveness, such as Singapore, Cyprus, and Ireland.

2. On a related aspect, all three countries are highly vulnerable to climate change, which can negatively impact digital infrastructure. Grenada is already experiencing changes in its climate system, evidenced by increased incidence of drought, longer dry seasons, shorter rainy seasons, increased temperature, coastal degradation and intrusion of saline water into aquifers, among others. Saint Lucia faces threats from sea level



rise; more intense and possibly more frequent extreme weather events; changes in rainfall distribution and intensity, resulting in both floods and droughts; degradation of coastal resources; and saline intrusion into aquifers. Similarly, Saint Vincent and the Grenadines (SVG) are at risk to several natural hazards, including floods, hurricanes, cyclones, droughts, landslides, as well as volcanic eruptions. The governments of Grenada, St. Lucia, and SVG consider adaptation to climate change as a priority to reduce their vulnerability, as evidenced by the commitments under their respective Nationally Determined Contributions (NDCs).

3. The transformational potential of digital technologies or Information and Communication Technologies (ICT) makes it a critical sector for stimulating growth, competitiveness and diversification in the region. The region's prosperity depends on how well it is integrated into the global economy. ICT, particularly affordable and good quality high-speed Internet, is playing an increasingly central role in this – enhancing trade, facilitating cross-border payments, increasing investment – all key components of economic growth/diversification and poverty reduction. Safeguarding digital infrastructure from extreme climatic events can contribute to the overall resilience by ensuring that the systems on which the Caribbean region relies on still function adequately.

4. The challenging economic geography of the Caribbean region makes it particularly important for a regional approach to infrastructure development and harmonized implementation of programs. While Caribbean countries have similar economies based on tourism, agriculture, and manufacturing, their competitiveness as isolated countries is limited. An integrated approach at various levels (economic and social strategy, communications, infrastructure) not only helps to increase competitiveness within the international market but also allows the small-scale economies to leverage regional economies of scale and share the fixed costs of regional infrastructure. Furthermore, the establishment of regional networks, supported by the regional infrastructures and harmonized policies, is essential to share best practices and knowledge, and enable countries to benefit from possible synergies.

Sectoral and Institutional Context

5. The ICT sector faces similar geographic challenges - highly fragmented market and uneven distribution of resources. To mitigate these challenges, the region developed a Regional ICT Strategy, aimed at harmonizing efforts towards fast-tracking the formation of the Single CARICOMICT Space and CARICOM Digital Agenda 2025¹. The CARCIP program is designed to support this regional approach through a holistic “umbrella” ICT-enabled development framework, strongly anchored in CARICOM's regional ICT agenda.

C. Development Objective(s)

Project Development Objective

6. The development objective of CARCIP is to increase access to regional broadband networks and advance the development of an ICT-enabled services industry in the Caribbean Region.

Key Results

7. Under component 1, the Project financed the installation of a Unified Communications System in St. Lucia

¹ <https://caricom.org/work-areas/overview/information-and-communication-technologies>



leading to 80 percent cost savings on the Government's overall monthly telecom expenditures; as well as the installation and launch of an Internet Exchange Point (IXP) in Grenada and in Saint Vincent and the Grenadines, which will result in faster connectivity for final users.

8. The Broadband network is the largest activity under CARCIP and includes:

- (i) Government Wide Area Networks (GWAN) in the three countries, connecting a total of 164 Government buildings in Grenada, 220 in St. Lucia, and 176 in St. Vincent and the Grenadines with 10GE line speed;
- (ii) Education Networks in Saint Lucia and Grenada connecting 164 schools in Grenada and 134 in St. Lucia with 1 GE speed; and
- (iii) submarine cable between Grenada and Saint Vincent and the Grenadines, including landing points in the following islands, Bequia, Mustique, Canouan, Union Island, and Carriacou.

9. This network will bridge the remaining gaps in regional digital connectivity for these three countries. It will be implemented through a three-country-pooled procurement and is a public-private partnership (PPP) arrangement, implying significant complexity in its design. Works for the deployment of the network started in September 2018 and the networks in the three countries are expected to be functioning by December 2019. As of August 2019, important progress has been made for the deployment of the network including,

- (i) laying of the Undersea Cable between Grenada and Saint Vincent and the Grenadines;
- (ii) the construction of Beach Manholes in the landing points for the submarine cable in each of the islands to be connected; and
- (iii) the roll out of 330 km. of terrestrial fiber cable in Grenada, 450 km. in St. Lucia, and 290 km. in SVG.

10. Under component 2, the project financed the implementation of the Information and Communications Technology (ICT) business incubation grants program across all three countries, which has supported 94 businesses; as well as the ICT-skills training program, resulting in the training of over 1,800 individuals in ICT skills, and the certification of over 700 trainees.

11. In addition, under the grant implemented by the Caribbean Telecommunications Union (CTU), the project has supported the development of 4 Regional Studies and guidelines aiming at fostering regional harmonization, as follows (i) Objectives and Constraints for Broadband Infrastructure and PPPs, (ii) Regionally-harmonized approaches to PPPs in Broadband, (iii) Legal and Regulatory Framework for Open Access to Broadband Infrastructure, and (iii) a Regional information technology (IT)-enabled services regional strategy.

D. Project Description

12. The three components under the AF are the same as those under the Parent Project,

13. Component 1. Regional Connectivity Infrastructure. The AF will finance activities to complete construction, testing and operation of the broadband network as well as its supervision during the first year of its completion. Several consultancies will be carried out. In all three countries, consultancy is required to prepare site readiness of each of the buildings to be connected to the Regional Broadband Network considering energy efficiency measures; Consultancy for the necessary supervision of the buildout of the Regional Broadband Network; Consultancy for the development of a communication, public education, and awareness strategy in order to create high visibility, sensitize the public and promote CARCIP and strengthen the resilience of ICT; Consultancy to ensure resilience and sustainability of networks taking climate risks into account.



14. **Component 2. ICT led-innovation.** The AF will finance activities needed for achieving the results established in the parent project in Grenada and SVG. In Grenada, the AF will provide support to complete the incubator program as originally designed, as well as additional training and business incubation grants. In SVG, the AF will cover (i) the development of the skills and certification program; and (ii) capacity building activities for the Centre of Excellence.

15. **Component 3. Implementation Support.** This component will continue supporting implementation, institutional and capacity building as well as monitoring and evaluation support. In St. Lucia, the AF will provide support for completing the audit impact assessment that will strengthen the institutional capacity for implementation, management coordination, monitoring and evaluation of the Project. In SVG, the AF will provide capacity building and support for strengthening the institutional capacity for implementation, management, coordination, monitoring and evaluation of the Project.

E. Implementation

16. **After initial delays, the Program implementation has accelerated in the past year due to the award and signature of the Regional Broadband Network contract in July 2018.** As of October 2019, the Program has made substantial progress in all components. Progress toward achievement of the PDO and implementation performance have been rated Moderately Satisfactory since September 2018. In addition, as of October, the project had a cumulative disbursement of USD18.95 million, equivalent to 82.5 percent of the total proceeds (including loss of exchange rate).

17. **The institutional and implementation arrangements center on the contractor (Digicel), which is a well-organized ISO-14001 certified international company with vetted and qualified subcontractors.** In-country environmental safeguards supervision capacity was found to need strengthening and accordingly the role of Supervision Consultant Firms reporting to the PCUs was expanded for all three countries.

18. **The Governments of Grenada, St. Lucia, and SVG project executing and financial teams will continue implementing the Caribbean Regional Communications Infrastructure Program.** In addition, this Additional Financing will not include the CTU, as all of the activities will be carried out at the national level, and the US\$3 million grant the entity received closed in February 28, 2019. The implementation arrangements in the countries remains the same, except for Grenada where the implementation is taken over by the Ministry of Implementation that was recently created to manage all multilateral investment projects. The technical counterpart is still under the Ministry of Infrastructure Development, Public Utilities, Energy, Transport and Implementation.

19. **Furthermore, in-country environmental safeguards supervision capacity was found to need strengthening and accordingly the role of Supervision Consultant Firms reporting to the PCUs was expanded for all three countries.** An Environmental Consultant was retained for the PCU in Grenada, the PCU in Saint Vincent and the Grenadines relies on shared environmental staff, and TORs were cleared for an Environmental



Engineer in the Saint Lucia PCU, but the position has not yet been filled and so the PCU Social Specialist serves to coordinate all safeguards. There is an opportunity for the PCUs to learn from the international contractor's systems, practice, and performance. As of the last mission (February 2019) performance was satisfactory and environmental risk was moderate

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

Grenada, St. Lucia and St. Vincent and the Grenadines. The AF will be used to complete the project as originally planned, except that only three countries are participating (Saint Lucia, Grenada, and Saint Vincent and the Grenadines) whereas the original scope could have also included the Dominican Republic or more extensive offshore cable routes. For the three countries participating, the AF activities and areas affected are the same as those originally undertaken and will not trigger any new safeguards policies. Onshore works for the project are located on the island nations of and consist of a terrestrial broadband network with about 1,250 km of cables, as well as data centers and cable site installations in schools and government buildings. These onshore works present minimal environmental challenges because cables are being strung alongside existing roads, site installations at existing buildings are minimally invasive, and data centers are small buildings with only minor associated civil works. Offshore works consist of about 225 km of cable and 9 landing stations on Grenada, Carriacou, Saint Vincent, and larger islands of the Grenadines. These carried risk of negative impact primarily to coral reefs and beach landing stations in Grenada and Saint Vincent and the Grenadines (there are no offshore works in Saint Lucia); therefore, an Environmental and Social Impact Assessment (ESIA) was completed and received the Bank's no-objection prior to initiating works in 2019.

G. Environmental and Social Safeguards Specialists on the Team

Gibwa A. Kajubi, Social Specialist
Shakil Ahmed Ferdausi, Environmental Specialist
Michael J. Darr, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	Yes	
Forests OP/BP 4.36	No	



Pest Management OP 4.09	No
Physical Cultural Resources OP/BP 4.11	Yes
Indigenous Peoples OP/BP 4.10	No
Involuntary Resettlement OP/BP 4.12	Yes
Safety of Dams OP/BP 4.37	No
Projects on International Waterways OP/BP 7.50	No
Projects in Disputed Areas OP/BP 7.60	No

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

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

In accordance with Bank environmental safeguards requirements, the parent project was classified as Category B. This remains applicable for the additional financing which does not propose any new activities. The Bank policy on Environmental Assessment (OP/BP 4.01) is triggered. Natural Habitats (OP/BP 4.04) was also triggered to consider sensitive marine, reef, and shoreline ecosystems, and Physical Cultural Resources (OP/BP 4.11) was also triggered as a precaution in case of chance finds of historically or culturally significant resources during construction of works. An ESMF was prepared in 2012 for the parent project in 2012 and was disclosed on March 2, 2012. Overall, there are no large scale, significant, or irreversible impacts identified.

In accordance with Bank Social Safeguards requirements, OP/BP 4.12 is triggered. An RPF was prepared for the parent project in 2012, to guide any eventual land acquisition. There has been no land acquisition in the project. There are no large scale, significant, or irreversible impacts identified from a social perspective. Project funds will not be used to finance land acquisition/resettlement/compensation costs.

The Additional Financing that will cover skills training and incubation grants as well as schools connection to the education network. The countries involved are committed to necessary action to address social risks in a timely manner. Digicel, which is responsible for the works related to connectivity, also has a well-organized ESMS system which is consistent with Bank standards.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area: There are no indirect and/or long-term impacts foreseen. Periodic maintenance of infrastructure and equipment would be guided by ESMPs included in the ESIA.

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

A number of alternatives for the offshore cable route were evaluated and considered in the ESIA. The optimum routing was selected to minimize effects to reefs and beaches.



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.

The PCU prepared an Environmental and Social Management Framework for the Parent project. The ESMF provided guidance for an ESIA prepared in 2019, for the submarine fibre optic cable between Saint Vincent and the Grenadines and Grenada, to mitigate and minimize potential environmental and social negative impacts, and ESMPs guide both on-shore and off-shore works.

The Resettlement Policy Framework (RPF), developed under the Parent Project will remain relevant as the additional investments are, in scope and nature, the same as investments under the Parent Project. Should the development of Resettlement Plans become necessary, the RPF will guide the development and implementation of Resettlement Action Plans and associated compensatory and mitigation measures.

The PCUs are managing the supervision of environmental compliance through contracting of an external consultant (in Grenada), assigning shared environmental and social staff (Saint Vincent and the Grenadines), and relying on a social specialist while TORs for an Environmental Engineer were issued (Saint Lucia) but not yet filled. To strengthen in-country environmental safeguards supervision capacity, the role of Supervision Consultant Firms reporting to the PCUs was expanded for all three countries. Finally, Environmental, Social, Health and Safety (ESHS) protocols were included in the contract documents for the primary contractor, Digicel, an ISO-14001 certified international company with vetted and qualified subcontractors. The technical clauses of the contracts also included sections on Gender based violence and sexual exploitation and abuse.

Social safeguards management will be handled by the individual PCUs, which have experience with the Bank's Involuntary Resettlement Policy (OP 4.12) through the implementation of other Bank-financed projects. Specifically, social risks are managed either through dedicated staff at the project coordinating unit (Saint Vincent and Grenadine, Saint Lucia) or through third party consultants (Grenada). In addition, core members of the PCU have also recently received capacity building in the implementation of OP 4.12, including a Climate Change Coordinator and Communications / Liaison Officer who are also in charge of direct communication with communities regarding project activities.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The updated ESIA and ESMPs have been disclosed and subject to public comment, as were the original ESMF and RPF for the Parent Project.

Selection of beach landing stations in the Grenadines was subject to additional public consultation events, which are described in the ESIA.

In the case of land acquisition and/or resettlement, any eventual RAPs will be consulted in the identification, development, and implementation of the mitigation measures.



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	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
28-Feb-2012	02-Mar-2012	

"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure
29-Feb-2012	02-Mar-2012

"In country" Disclosure

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

If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?

No

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?

No

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

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?

Yes

Is physical displacement/relocation expected?

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?

Yes

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



All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

CONTACT POINT

World Bank

Doyle Gallegos
Lead Digital Development Specialist

Rocio Sanchez Viguera
Digital Development Specialist

Borrower/Client/Recipient

Ministry of Finance, Planning, Economic Development and Physical Development (GRE)
Patricia Clarke
Permanent Secretary (Ag)
pdmclarke@gmail.com

Caribbean Telecommunications Union
Bernadette Lewis
Secretary General
bernadette.lewis@ctu.int

Ministry of Finance, Econ. Planning, Sustainable Development and Information Technology (SVG)
Camillo Gonsalves
Minister
cenplan@svgcpd.com

Department of Finance, Ministry of Finance, Econ. Growth, Job Creation and Ext. Affairs (St. Lucia)
Cointha Thomas



Permanent Secretary
cointha.thomas@govt.lc

Implementing Agencies

Ministry of Finance, Econ. Planning, Sustainable Development and Information Technology (SVG)

Roxanne John

Project Coordinator

rjohn@svgcpd.com

Ministry of Infrastructure Development, Public Utilities, Energy, Transport and Implementation (GRE)

Imi Chitterman

Project Coordinator

mychitterman@gmail.com

Ministry of Finance, Econ. Growth, Job Creation, Ext. Affairs & Public Service (St. Lucia)

Cheryl Mathurin

Project Coordinator

chmathurin@gosl.gov.lc

FOR MORE INFORMATION CONTACT

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 473-1000

Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Doyle Gallegos Rocio Sanchez Viguera
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Approved By

Safeguards Advisor:	Marco Antonio Zambrano Chavez	10-Dec-2019
Practice Manager/Manager:	Nicole Klingen	13-Dec-2019
Country Director:	Kathryn Ann Funk	16-Dec-2019

