



Additional Financing Appraisal Environmental and  
Social Review Summary  
Appraisal Stage  
**(AF ESRS Appraisal Stage)**

Date Prepared/Updated: 03/07/2024 | Report No: ESRSAFA697



**I. BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Borrower(s)	Implementing Agency(ies)
Grenada, St. Lucia, St. Vincent and the Grenadines, OECS Countries	LATIN AMERICA AND CARIBBEAN		
Project ID	Project Name		
P181493	Unleashing The Blue Economy Of The Caribbean Additional Financing		
Parent Project ID (if any)	Parent Project Name		
P171833	Unleashing the Blue Economy of the Caribbean (UBEC)		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	3/20/2024	4/30/2024
Estimated Decision Review Date	Total Project Cost		
3/18/2024	30,000,000		

Public Disclosure

**Proposed Development Objective**

To strengthen the enabling environment for the blue economy, economic recovery, and resilience of selected coastal assets in participating countries and provide immediate and effective response to an eligible emergency.

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

Yes

**C. Summary Description of Proposed Project Activities**

The UBEC Project will be implemented as a Series of Projects (SOP) over a fifteen-year period (with each project having a five-year life cycle) as per projected country demand. The UBEC project, under phase 1 of the SOP, is



designed to stimulate economic recovery and support marine and coastal resilience in Grenada (GRE), Saint Lucia (SLU) and Saint Vincent and the Grenadines (SVG) by strengthening the sustainability and competitiveness of two critical, interconnected sectors – tourism and fisheries – and one underlying enabling infrastructure service, waste management.

The Project will achieve its objectives by: (a) strengthening regional and national policies and institutional frameworks to bring back business and attract new investments; (b) scaling up innovative financing mechanisms aimed at enhancing employment, productivity and liquidity in the tourism, fisheries and waste management value chains through a regional MSME matching grant program and a regional climate-risk fisheries insurance scheme; (c) supporting investment in key infrastructure to de-risk and leverage private investment in blue economy activities, and build resilience to climate change; and, (d) adopting a contingency emergency response mechanism to promptly respond to natural disasters. While these challenges are regional in nature, addressing them will require interventions at both regional and national levels.

Component 1 involves both institutional and policy strengthening and capacity building interventions at regional and national levels. Subcomponent 1.1. will be implemented by the OECS Commission at the regional level and support: i) revision of the OECS Common Tourism Policy to increase competitiveness based on a blue economy approach; ii) update of the OECS Regional Fisheries Policy and develop a regional strategy to combat Illegal, Unreported and Unregulated (IUU) fishing; and, iii) the use of Management Strategy Evaluation processes to enhance collaboration between resource managers and decision makers and to explore the trade-offs in performance of promising candidate management strategies through national, sub-regional and regional processes; and, iv) development of an OECS Waste Management Policy and Action Plan, and other regional policy reforms to address marine litter. Subcomponent 1.2 will be implemented by each participating country and support development and implementation of sector standards, policies, and operational guidelines as well as capacity development to ensure the region has access to a skilled workforce (e.g., specialized skills targeting new tourism and fisheries products to reach domestic and export markets; internet and social media marketing; greening operations to address climate adaptation and mitigation).

Component 2 will support introduction of innovative finance mechanisms for direct investments in economic activities that enhance ocean health and resilience, leading to an increase in employment and greater GDP contribution from ocean assets. Sub-component 2.1 (a) will support business development services (BDS) and matching grants to increase the productivity, job creation, and upgrade the capabilities of MSMEs and communities within blue economy value chains. The matching grants will be provided at the individual firm level (Window 1) and at the value chain group level (Window 2). Specific attention will be given to assisting youth and women-owned MSMEs to be successful, and those that work within regional supply chains to address and build business ideas out of critical regional challenges such as plastics or sargassum. The program will be managed at the regional level by the OECS Commission to foster greater regional collaboration.

Subcomponent 2.1. (b) will finance continuation and expansion of the Caribbean Ocean and Aquaculture Sustainability Facility (COAST) fisheries risk insurance scheme. COAST insurance supports governments' efforts to rapidly channel financial resources to those fishers impacted by extreme weather events, by providing funding to cover the most immediate needs of fishers following a natural disaster or extreme weather event. COAST has been



available to Grenada and Saint Lucia since 2019 and the Project will now extend it to SVG and continue support for GRE and SLU.

Sub-component 2.2 will scale up coastal infrastructure investments in tourism, fisheries/aquaculture, and waste management that are sustainable, technologically advanced and resilient. Activities will be selected based on the following criteria: a) potential for job creation; b) potential economic impact in the short term; c) sustainability and resilience; and d) potential for catalyzing private sector investment. Example of activities to be financed include: i) enhancements of marine-based tourism infrastructure (e.g., visitor information, signage, access) to improve visitor experience and generate value from marine and coastal natural assets; ii) targeted investments in waste collection, segregation, recycling and disposal infrastructure to improve solid waste management systems and reduce plastics pollution; iii) pre- to post-harvest fisheries improvements to increase the value of fish products, and investments in aquaculture to support food security and economic diversification for local communities; and, iv) restoration of nature-based infrastructure for coastal resilience (e.g. replanting mangroves) and adoption of innovative technologies to strengthen monitoring and surveillance of the marine ecosystems.

Component 3 is a Contingent Emergency Response Component (CERC) : On May 5, 2023, at the request of the three CRW-ERF recipient countries, the World Bank activated the CERC to address the food insecurity challenges and strengthen the resilience of the local food systems which were impacted by supply chain disruption and high food price inflation as a result of the COVID-19 pandemic and the war in Ukraine. The activation of the CERC created a financing gap of USD 30 million in the UBEC project which would be replenished by the approved USD 30 million IDA CRW-ERF credit. These priority areas were: (i) Crop production: fruits, vegetable and root crops; provision of inputs (seeds, fertilizers, equipment, planting material); greenhouses, propagation facilities, mechanization (power tiller, tractors, weed whackers), support to agro-processors and training; (ii) enhanced livestock production: artificial insemination facility, semen and equipment, import of small ruminants, feed, tools, equipment, water harvesting and training; and, (iii) Enhanced Safe Fishery Production and reduction in food loss and waste: deployment of fish aggregating devices (FADs), improved sanitary and phytosanitary conditions, improvements in cold chain infrastructure, and improvements to safety at sea regimes.

Component 4 will ensure effective project implementation, monitoring of activities and final project evaluation. The component will finance goods, consulting and non-consulting services, training and operating costs of the Project Implementation Units (PIU) in each country and at the Commission for expenditures related to project activities, including compliance with environmental and social standards, stakeholder and citizens' engagement, and grievance redress mechanisms.

## **D. Environmental and Social Overview**

### **D.1 Overview of Environmental and Social Project Settings**

The UBEC Project will be implemented as a Series of Projects (SOP) over fifteen years (with each project having a five-year life cycle) as per projected country demand. The UBEC project, under phase 1 of the SOP, is designed to stimulate economic recovery and support marine and coastal resilience in Grenada (GRE), Saint Lucia (SLU), and Saint Vincent and the Grenadines (SVG) by strengthening the sustainability and competitiveness of two critical, interconnected sectors – tourism and fisheries – and one underlying enabling infrastructure service, waste management. This A-ESRS is for the Additional Financing (AF) credit to replenish the financing gap created by the activation of the Contingency



Emergency Response Component (CERC) under the Unleashing the Blue Economy of the Caribbean Project (P171833). The Project Development Objective (PDO), implementation arrangements, Environmental and Social Risk classification, and fiduciary arrangements remain unchanged. In response to the activation of the CERC, the Parent Project would also be restructured to (i) update the project Results Framework (RF); and (ii) extend the project closing date by 12 months to compensate for the extended time the three participating countries spent to achieve Effectiveness and to prepare their Crisis Response Window Early Response Financing (CRW-ERF) request and (iii) reallocate funds between disbursement categories and project components.

The Environmental and Social Team of the World Bank has assessed the Environmental and Social Standard Performance of the Parent Project and CERC activities as satisfactory. The CERC activities under the project are in compliance with the ESSs, Finance Agreement (FA), and ESCP obligations. The approved CERC activities being implemented by the respective recipients are aligned with the FA, ESCP, and the CERC ESMF. The AF is to cover activities of the Parent Project, but whose funding was used to cover the activities of the CRW. Therefore, the ESCP of the AF will be the same as of the Parent Project (save some updates to the timeframe of the instruments, and because, all instruments, and as part of the Parent Project, are already elaborated, consulted, approved, and disclosed.)

**D.2 Overview of Borrower’s Institutional Capacity for Managing Environmental and Social Risks and Impacts**

Consistent with the Borrower's Capacity for the Parent Project, the AF activities will be implemented at the national and regional levels under a coordinated framework. At the national level, the Ministry of Finance (MoF) of SLU, the Ministry of Implementation (MOIID) in GRE, and the Ministry of Tourism and Sustainable Development (MTSD) in SVG are responsible for project execution through the National Project Implementation Unit (PIU), in close collaboration with the implementing line ministries for each project component.

At the regional level, the OECS Commission is the institution responsible for regional coordination, knowledge exchange, and providing additional capacity to project implementation and monitoring of impacts. Overall oversight of the project is conducted by the Project Steering Committee (PSC) which is comprised by a Permanent Secretary-level representative from the Ministry of Finance from each country, and a representative from the OECS Commission. The PSC will meet quarterly, and the chair of the PSC will rotate among the three participating countries with the OECS Commission acting as Secretariat and member of the PSC.

A regional PIU has been established and housed in the OECS Commission. It is responsible for (a) providing input and coordinating support to the PSC on strengthening and harmonizing regional policies among the three participating countries to support economic recovery, jobs and ecosystem health (Subcomponent 1.1); (b) providing input to the RSC on overall implementation progress and any coordination challenges among participating countries; (c) managing and monitoring the Regional Micro, Small and Medium-sized Enterprises (MSME) Grant program to foster the recovery and the resilience of MSMEs in the region (Subcomponent 2.1a); (d) managing regional M&E and consolidating M&E data received from the national PIUs; and (d) fiduciary functions (procurement and financial management) for regional activities. The OECS Commission will have an environmental specialist and a social specialist assigned to the Project to support the regional activities. The OECS Commission is the implementing agency for several regional World Bank projects such as the Caribbean Regional Oceanscape Project (CROP-P159653)



approved in 2017, the Caribbean Regional Health Project (P162877) approved in 2018 and the Caribbean Digital Transformation Project (CARDTP - P171528) approved in 2020. The implementation progress as well as safeguards and ESS ratings have been satisfactory for all projects. The PIU of CROP is housed within the Environmental Sustainability Cluster (ESC) of the OECS Commission and has Environmental and Social (E&S) staff assigned to the Project. The UBEC project is also housed in the ESC with an environmental specialist and a social specialist assigned to the project. Though the OECS Commission, particularly the ESC, has experience implementing World Bank projects, additional training was provided (with capacity building as an ongoing process) for the E&S specialists assigned to the UBEC Project.

Each country has a national PIU, responsible for implementing national-level activities and coordinating with relevant national ministries. National-level PIUs have a full-time project manager who is at the Ministry of Finance for SLU, the Ministry of Tourism for SVG, and at the Ministry of Implementation for GRE. Each national PIU also has an environmental specialist and a social development specialist responsible for implementing E&S issues related to national project activities. The ESCP will require the recipient countries to maintain the already installed capacity in the respective PIU and if necessary hire and appoint new staff within 90 days of the AF Project's effectiveness or as needed.

## II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Substantial

#### A.1 Environmental Risk Rating

Substantial

Consistent with the ESRC of the Parent Project, the environmental risk rating of the AF project is Substantial under the World Bank Environmental and Social Framework based on the location, type, potential sensitivity of project intervention, nature and magnitude of potential E&S risks and impacts, and client capacity. Though the specific sites for the investments are not known, each country has provided a preliminary list of possible activities across the tourism, fisheries and aquaculture, and solid waste management sectors which will be implemented across the islands. Risks related to investments aiming to improve selected tourist sites; harvest and post-harvest fisheries facilities; construction of a waste separation, recovery, and treatment center; and construction of a composting center are expected to be site-specific related to (i) waste management, handling, and disposal; (ii) community health and safety; (iii) workers occupational, health and safety; and (iv) air, water, and noise pollution. However, depending upon their scale and location, construction-related impacts are possible in ecologically sensitive areas both in the terrestrial and marine environments. Activities such as rehabilitation of the natural reef, coral reef development/restoration, tours, and research at Ramsar site (Levera wetland in Grenada) which will occur in sensitive areas risk disturbance to marine habitat and damage to aquatic ecosystems; impacts to the Ramsar site if tours are poorly managed; and occupational health and safety risks. Risks related to upgrading landfills (to improve the operational condition) include leachate, toxins, and greenhouse gas management. While Fish Aggregating devices (FADs) can reduce pressure on reefs and improve local food security, FADs can risk making stock vulnerable to overfishing by aggregating individuals together, altering migration routes, and redistributing stocks. Component 1 supports the development of policies, strategies, and plans such as updating the national solid waste management

Public Disclosure



plan, developing national aquaculture policies, and developing a national policy for enhanced management of the yachting, cruise shipping, and diving sectors. The potential adverse risks are related to the design and implementation of the policies in relation to terrestrial, coastal, and marine ecosystems. Depending upon the activities to be implemented, E&S risks such as those related to civil works are possible when the CERC is activated. The capacity of the PIUs in the three countries to manage the environmental risks is also of concern.

**A.2 Social Risk Rating**

Substantial

Consistent with the ESRC of the Parent Project, the Social Risk Rating of the AF Project is Substantial. The main social risks and impacts expected include: (i) dispersed geographical area, which encompasses both onshore and offshore areas of three countries in the OECS, including some small islands and cays that are difficult to reach and can present challenges to monitoring social standards; (ii) potential restriction of access to fishers, tourism tour operators and yachting sector to areas in which they usually earn a livelihood, due to strengthened regulations and policies; (iii) negative reaction of formal and informal businesses in the three sectors to new policies and standards (e.g., licensing system for tourism operators, phytosanitary standards applicable for those in the fisheries sector, financial framework for waste management) and the the potential that they could be cost-restrictive; (iv) potential exclusion of some groups from project benefits and activities, particularly access to the MSMEs grant matching scheme, COAST insurance, and infrastructure investments, if there is no adequate socialization of project activities, criteria do not account for the wide range of potential beneficiaries including informal businesses, and if no measures are taken to avoid elite capture; (v) potential land acquisition, involuntary resettlement, and/or economic displacement at the subproject level, particularly related to infrastructure works under component 2.2; (vi) other limited adverse site-specific impacts derived from construction works; and (vii) community health and safety and labor conditions to be monitored in a wide geographical area. These potential social risks are exacerbated due to the lack of existing E&S capacity at the country level to assess, manage, and monitor them. To mitigate these risks, the Project will support, among other measures: (i) an extensive stakeholder engagement process to ensure that stakeholders are adequately identified, and their views incorporated into subproject design; (ii) preparation of a consolidated Resettlement Policy Framework and Process Framework (RPF) to address potential risks related to land acquisition, involuntary resettlement and/or economic displacement as well as potential restriction of access and to guide the preparation of A-RAPs, as warranted; (iii) coaching and provision of specific technical support for the implementation of the regional grants program; (iv) inclusion of social considerations in the selection of MSMEs to be benefitted by the matching grant mechanism; (v) Labor Management Procedures (LMP) with a dedicated GRM for workers; (vi) well-functioning Grievance Redress Mechanism (GRM) to allow concerns to be adequately channeled and resolved; and (vii) an Environmental and Social Management Framework (ESMF) that guides the assessment and risk management at the subproject level, including the preparation of Environmental and Social Management Plans (ESMPs).

Public Disclosure

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1 Relevance of Environmental and Social Standards**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

Relevant

The description of this section is consistent with that of the Parent Project. Preliminary investments identified include, amongst others: (i) in fisheries and aquaculture: investments in harvest and post-harvest fisheries like small-scale





solar-powered processing/cold storage facilities and solar dryers; (ii) in tourism: upgrading tourist sites to enhance visitors experience (e.g., visitor centers, seafront upgrades, signage,), and rehabilitating coral reefs; and (iii) in waste management: construction of a plant for the separation, recovery, and treatment of waste, construction/installation of green points for waste collection, construction of a composting plant and, closure and rehabilitation of existing landfills. Impacts from these activities are expected to be site-specific that can be mitigated. Typical construction-related impacts are likely for new construction and refurbishment such as those related to waste management and disposal; air, water, and noise pollution; sedimentation; occupational and community health and safety. The Project has adopted a framework approach to environmental and social risk management. As such, an environmental and Social Management Framework (ESMF) was developed to provide information on the requirements and processes for Environmental and Social (E&S) due diligence of future activities, in particular with respect to component 2.

The ESMF includes among others: (i) relevant national policies and legislation of the participating countries; (ii) potential E&S risks and generic mitigation measures, (iii) identification of vulnerable groups, (iv) the process whereby E&S risks of individual activities are identified, assessed, and managed; (v) stakeholder engagement at the subproject level; (vi) description of the Grievance Redress Mechanism (GRM); (vii) occupational health and safety; (viii) assessment of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) risks; (ix) capacity building and, (x) monitoring and reporting.

All potential sub-projects will be screened based on the criteria outlined in the ESMF. Based on the screening, the level of due diligence to be implemented will be identified, such as undertaking environmental and social impacts assessments (ESIAs) and/or developing Environmental and Social Management Plans (ESMPs). Due diligence will also include the identification of the most vulnerable populations within the project area and measures to enhance their participation in the activities and benefits of the Project will be included. A negative list of activities that the Project will not fund is included.

Activities under Component 1 will be technical assistance (TA) to support the drafting/review of policies, plans, strategies, and regulations which can have direct or indirect E&S impacts when implemented. Consultancies, studies, capacity-building activities, training, and any other activity of technical assistance provided under the Project will be carried out in accordance with the Terms of Reference (TORs) which will incorporate all ESSs relevant requirements. These TORs will be reviewed by the Bank to ensure E&S issues are adequately addressed and incorporated and no objection of the Bank will be required before launching the respective bidding process. Outputs will be reviewed to ensure E&S issues have been considered and incorporated in accordance with the requirements of the ESF.

For Component 3 (Contingent Emergency Response Component, CERC), the project will adopt a manual that describes the relevant procedures and requirements to comply with the ESF. The CERC-specific E&S requirements are detailed in the ESMF. This includes potential activities that could be financed (positive list), a screening process for the potential activities, monitoring, capacity-building measures that may be required, and institutional arrangements in case the CERC is activated.

The ESMF, Labor Management Procedures (LMP), the consolidated Resettlement Policy Framework and Process Framework (RPF), and Stakeholder Engagement Plan (SEP), were consulted by the national governments with key





stakeholders between October 11 and November 10, 2021. A summary of the consultations and feedback received is included in the Stakeholder Engagement Plan (SEP).

### ESS2 Labor and Working Conditions

Relevant

The description of this section is consistent with that of the Parent Project. Project implementation will involve various workers, ranging from PIU consultants to specialized personnel of consulting and implementation firms as well as unskilled laborers. Consultants will be engaged to support technical assistance type of activities and capacity building while contractors will partake in civil works associated with investments in blue economy infrastructure. Unskilled workers are also expected to be hired to undertake said civil works. Hence, the Project anticipates relying on direct and contracted workers, per ESS2 definitions. It is not anticipated that the Project will engage primary supply and community workers, per ESS2, but related provisions have been considered in the LMP.

Government Civil Servants and OECS Commission employees involved in project implementation will remain subject to the terms and conditions of their contracts unless there is an effective legal transfer of their employment to the project. For this category of worker, only certain requirements under ESS2 apply, as set out in paragraph 8 of ESS2. At this stage, it is not clear whether community labor will be engaged in the project. If community workers are engaged, the project will determine whether the labor will be voluntary or based on individual or community agreements, per the LMP. For community labor, working conditions and OHS provisions of ESS2 will be assessed and applied in a manner consistent with the nature and scope of the sub-project; the specific project activities in which the community workers are engaged; and the nature of the potential risks and impacts to the community workers.

The participating countries developed an LMP during project preparation to manage labor-related risks and impacts. The LMP provides an overview of the expected types of personnel to be hired under the project, applicable legislation, and measures to comply with ESS2, including specific provisions on OHS, child labor, and terms and conditions of employment. The LMP also includes a description of the dedicated GRM available to project workers as well as a code of conduct with provisions related to the prevention of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) as specified in the Bank's GBV guidance note for civil works. Labor-related requirements specific to construction activities for each subproject will also be incorporated into the site-specific ESMPs and bid documents for all investments.

Regarding the health and safety of workers during project implementation, the ESMF includes guidance to develop an Occupational Health and Safety Procedure (OHSP) and an Infectious Disease Prevention and Response Procedure (IDPRP) for potential communicable infectious diseases that could affect project workers. The OHSP will include requirements for the use of Personal Protective Equipment (PPE), planning of training activities, and investigation/reporting of accidents, while the IDPRP will include measures for prevention, infection control, and case management of infectious diseases. The OHSP will also include key provisions to ensure safe and healthy working conditions during the implementation of project-related activities as part of the various ESMPs. The ESMF also includes guidance to develop Emergency Response Procedures (ERP) that will include emergency prevention, preparedness, and response arrangements in the event of any environmental and/or social, labor-related, and/or natural disaster situation that could take place or evolve during project implementation. The guidance in the ESMF will

Public Disclosure



serve as the basis for the development of specific OHSPs and ERPs that will be required in site-specific ESMPs, as necessary. Bidding documents for all investments will include OHSP, IDPRP, and ERP requirements, a worker Code of Conduct, and requirements for other labor issues such as non-discrimination, equal opportunity, and prevention of all forms of forced labor.

Project workers will be mostly above a minimum age of 18. However, in exceptional circumstances, children under the age of 18 can be employed or engaged but only if permitted by law (minimum ages are: GRE 16, SLU 15, and SVG 14). Hiring of workers under the age of 18 will be subject to rigorous scrutiny. Under no circumstances will a child under the age of 18 be employed or engaged in connection with the project in a manner that is likely to be hazardous or interfere with the child’s education or be harmful to the child’s health or physical, mental, spiritual, moral or social development. All project workers will be asked to produce identification documents (ID) that are acceptable in local laws, employment, and human resources practices as “proof of age”.

Gender-based violence risks were screened for the project and determined to be low. A list of available GBV services and points of service, including contact information for participating countries is included in the LMP as an annex. A person will be assigned in each PIU (most probably the social specialist) and trained to deal with SEA/SH grievances, should they arise.

**ESS3 Resource Efficiency and Pollution Prevention and Management**

Relevant

The description of this section is consistent with that of the Parent Project. Investments in waste management such as improving collection, segregation, recycling, and disposal of waste with an emphasis on reducing plastic pollution are likely to have a positive environmental effect. During the upgrading of landfill(s) to improve their operation and closure of landfills, leachate, toxin, and GHG emissions will have to be managed to avoid environmental impacts. In addition, during civil works, impacts related to air, water, and noise pollution along with waste disposal are likely. Based on the procedures laid out in the ESMF, subprojects will be screened to identify possible E&S impacts and the level of due diligence required, including the development of site-specific ESIA and ESMPs

**ESS4 Community Health and Safety**

Relevant

The description of this section is consistent with that of the Parent Project. The project will fund civil works that will take place near communities and fishing landing sites. Noise generated from construction works and the movement of heavy vehicles depending on the scale of the construction activities may have potential community health impacts. Civil works may also create risks related to unsafe construction works and work practices, changed road traffic patterns during construction, and risks related to increased volume of transport vehicles. These, however, are likely to be short-term and can be managed. Other community health and safety risks may be related to improvements to landfill sites and the waste collection system.

SEA/SH risks are considered low due to the nature of Project activities which are not expected to involve labor influx, but on-site interventions. A list of available GBV services and points of service, including contact information, for participating countries is included in the LMP as an annex. A person will be assigned in each PIU (most probably the social specialist) and trained to deal with SEA/SH grievances, should they arise. Staff of PIU, consultancy firms,

Public Disclosure



contractors, and supervision firms will be required to sign a workers' code of conduct, including provisions on SEA/SH. A sample of the Code of Conduct is included in the LMP as an annex.

Where technically and financially feasible, civil work designs shall incorporate the concept of universal access as described in the ESMF, including during the restoration/replacement of ramps, elevators, and toilets for persons with disabilities.

The ESMF includes guidance to assess the risks to community health and safety from infrastructure investments. Mitigation measures will be included in the relevant ESMPs.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Relevant

The description of this section is consistent with that of the Parent Project. Component 1 will finance the strengthening of regional and national policies that may create potential restrictions of access to fishers, tourism tour operators, and the yachting sector to areas in which they usually earn a livelihood. Regulations for sensitive marine protected areas may result in areas that are traditionally used for tourism or fishing activities becoming exclusion areas.

Under Component 2.2, the UBEC Project will fund blue economy-based infrastructure in fisheries and aquaculture, tourism, and waste management. The type and location of these activities have not yet been determined. Therefore, it is not yet known whether the project will result in any land acquisition, involuntary resettlement, or economic displacement, or even temporary relocation as a result of these activities.

To address potential risks and impacts under ESS5, the participating countries developed a consolidated Resettlement Policy Framework and Process Framework (RPF). The RPF includes (i) examination of the national legal and institutional context for resettlement, including the legal framework, gap analysis with ESS5, methods of valuing assets and institutional roles for implementing the RPF; (ii) eligibility criteria and cut-off dates; (iii) stakeholder consultations guidance; (iv) procedures for screening land acquisition, resettlement, and restriction of access; (v) guidelines for the preparation of resettlement plans; (vi) measures to mitigate economic displacement due to restricted access to resources; (vii) arrangement for funding impacts covered by ESS5; (viii) description of the GRM; and, (ix) monitoring arrangements. Once the location of subprojects is determined and the specific information is available, Resettlement Actions Plans (RAPs) will be prepared for those subprojects causing impacts covered under ESS5 and in line with the RPF. No construction activities will be undertaken before compensation is given to all affected persons. The type of compensation should be based on adequate analysis and is not necessarily limited to cash payments.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

Relevant

The description of this section is consistent with that of the Parent Project. Through sub-component 2.2, the Project will fund activities aiming to enhance visitor experience from marine and nature-based tourism. Investments in the restoration and management (e.g., zoning demarcation) of key marine habitats (i.e., corals, mangroves, seagrasses), coral reef development/restoration and aquaculture technologies are some of the activities envisaged. The ESMF includes screening criteria for sub-project selection and based on the risks identified due diligence will be carried out to



ensure that project activities do not alter or cause destruction to critical or sensitive natural habitats. The project also aims to support the development and implementation of sector standards, policies, and operational guidelines across the three sectors. The ToRs for the analytical work will be reviewed and the E&S considerations included to protect the marine and terrestrial ecosystems during future investments

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Not Currently Relevant

There is no population in the areas of intervention that can be considered indigenous peoples as per the criteria set forth in ESS7.

**ESS8 Cultural Heritage**

Relevant

The description of this section is consistent with that of the Parent Project. This standard is considered RELEVANT since the project activities will be implemented in areas that may be valued for their cultural heritage. Sub-project screening as described in the ESMF will determine the existence of tangible or intangible cultural heritage. The ESMF includes chance-find procedures to be implemented in line with national legislation and the requirements under ESS8. Construction contracts will include clauses requiring civil contractors to take proper protective measures in case cultural heritage sites are discovered, including stopping activities if cultural property sites are encountered during construction. Additionally, the ESMF includes the provision to prepare a Cultural Heritage Management Plan (if needed), to ensure potential impacts on traditional conservation practices and/or natural features with cultural significance to local communities, are properly managed.

**ESS9 Financial Intermediaries**

Not Currently Relevant

The project will not involve any financial intermediaries.

**ESS10 Stakeholder Engagement and Information Disclosure**

Relevant

The description of this section is consistent with that of the Parent Project. Stakeholders are: (i) national government ministries, departments, and agencies working directly or indirectly in the three prioritized sectors (tourism, fisheries and aquaculture, and waste management); (ii) OECS Commission (iii) micro, small, and medium-sized enterprises and the associations representing their interests active in these sectors (e.g., domestic commercial/artisanal/subsistence fishing, crab harvesting, and sea moss harvesting; diving & snorkeling, yachting & marine charters, water taxis, vendors, small tour guides, tour operators, chambers of commerce); (iv) civil society organizations and civil society at large (e.g., non-governmental organizations (NGOs), community-based organizations (CBOs), universities and technical schools, the media); (v) government and civil society organizations active in the tourism, fisheries & aquaculture, and waste management sectors operating at a regional scale; and (vi) vulnerable individuals and groups, including female-headed households and those less able to care for themselves, notably children, the elderly, persons with disabilities, seasonal resource users, and Lesbian, Gays, Bisexual, Trans, and Intersex (LGBTI) people.

The three participating countries developed a Stakeholder Engagement Plan (SEP) in proportion to the nature and scale of the project and its associated risks and impacts. The SEP has a description of the project-level GRM that was shared

Public Disclosure



during consultations with key stakeholders. It includes (i) a description of the grievance redress process, including 3 levels of grievances with their internal process and assigned responsibility for resolution; (ii) steps, roles, responsibilities, and timeline; (iii) available channels to submit grievances; (iv) appeals process; (v) socialization of GRM; (vi) anonymity; (vii) reference to the World Bank Grievance Redress Service (GRS); (viii) considerations to address GBV complaints; and, (ix) estimated budget. The GRM has several channels to submit grievances, including telephone, email, and in person. The SEP includes specific information on these channels; however, this information will be confirmed or adjusted when the PIUs are formed and effectively working. At that point, the countries and the OECS Commission may want to assign the responsibility of the GRM to the Social Specialist or even the Project Manager. A section on project-level GRM implementation will be included in the quarterly reports prepared by PIUs and submitted to the WB.

**B.2 Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

**OP 7.60 Projects in Disputed Areas** No

**B.3 Other Salient Features**

**Use of Borrower Framework** No

None

**Use of Common Approach** No

None

**C. Overview of Required Environmental and Social Risk Management Activities**

**C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required during implementation?**

None

**III. CONTACT POINTS**

**World Bank**

Task Team Leader: Cary Anne Cadman Title: Senior Environmental Specialist

Email: ccadman@worldbank.org

Public Disclosure



**IV. 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>

**V. APPROVAL**

Task Team Leader(s):	Winston Dawes, Ms. Anisi, Samantha Jane Cook, Cary Anne Cadman
ADM Environmental Specialist:	Svetlana Khvostova
ADM Social Specialist:	Norman Russle Howard Taylor
Practice Manager (ENV/SOC)	Maria Gonzalez de Asis Cleared on 08-Mar-2024 at 12:30:2 GMT-05:00
Safeguards Advisor ESSA	Marco Antonio Zambrano Chavez (SAESSA) Concurred on 02-Apr-2024 at 17:36:49 GMT-04:00