



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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**I. BASIC INFORMATION****A. Basic Operation Data**

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P506594	Investment Project Financing (IPF)	Pagkilos	2026
Operation Name	Philippines Community Resilience Project		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Philippines	Philippines	EAST ASIA AND PACIFIC	Social Sustainability and Inclusion
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Department of Finance, Government of the Philippines	Department of Social Welfare and Development	03-Feb-2025	28-Jul-2025
Estimated Concept Review Date	Total Project Cost		
25-Jun-2024	874,750,000.00		

Proposed Development Objective

The objective of the project is to strengthen community capacities for participatory resilience planning and deliver resilience investments in vulnerable areas

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

No

C. Summary Description of Proposed Project Activities

Pagkilos is a community resilience project which aims to strengthen resilience through local participatory climate and disaster resilience planning and investments. The project targets 500 vulnerable municipalities rural areas selected based on high poverty incidence, high level of exposure to climate hazards, presence of indigenous people and high rates of malnutrition. The Project will target vulnerable populations at-risk to climate change and disaster impact, including 4P beneficiaries, Indigenous People and women, and will be implemented over a five-year period. The Project will have four components supporting (i) Community Resilience: Strengthening risk informed planning through a



participatory locally-led process and financing resilience investments, including small resilience infrastructure (green and grey) and livelihood infrastructure and practices; (ii) Institutional Support for Local Resilience: Support for capacity building of project staff and partner agencies for enhanced risk-informed planning and a resilience knowledge platform to put in place risk resilience planning resources for communities and barangay and municipal local government units; (iii) Project Monitoring, Evaluation and Management; and (iv) a Contingent Emergency Response Component. The Project will be implemented and managed by the Department of Social Welfare and Development (DSWD) through the existing Kalahi community platform, which delivers through locally-led development. The Kalahi platform has through the last 20 years accumulated invaluable capacity for service delivery at the local level and this mechanism, with a proven track record for delivery and results, is therefore well placed to support the critical and urgent agenda on local resilience. The DSWD, who will lead the coordination and oversight to the target municipalities and communities, has as its core mandate to support community resilience. DSWD will be supported by the Department of Interior and Local Government, which has a mandate for government planning and National Commission for Indigenous People.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

The project will include 500 climate vulnerable municipalities, including municipalities with IP communities, mostly in rural areas across all regions of the country, excluding the National Capital Region. These were selected based on susceptibility to a range of climate hazards (storm, landslide, inundation, heat, drought and floods), poverty above the national average of 18.1% and inclusion of vulnerable communities particularly a minimum of 10 percent IPs representing roughly 35 percent of the total IP population in the country. Municipalities in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM), which have high climate hazard susceptibility and poverty incidence and are amongst the most climate vulnerable in the country, are not expected to be covered by the project. Discussions are ongoing between DSWD and their main BARMM counterpart, the Ministry of Social Services and Development (MSSD), on potential DSWD programming in BARMM municipalities.

The Project will be implemented by the Department of Social Welfare and Development (DSWD) through the existing KALAH-CIDSS community platform, under which the National Community Driven Development Projects (NCDDP, P127741) is being implemented since 2014. This platform is well placed to implement local climate resilience initiatives, given the experience accumulated over the past 20 years, and the demonstrated capacity for service delivery at the local level.

The Project will finance climate adaptation planning and locally-led adaptation sub-projects including climate resilient infrastructure in vulnerable, rural communities and nature-based solutions for ecosystem conservation or protection such as rehabilitation and preservation of natural resources (community forests, waterways, mangroves, etc.) that could alleviate or mitigate the impact of climate change. Sub-projects will be later defined and determined through a rigorous process of project identification, selection and approvals similar to NCDDP.

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

An institutional E&S assessment of DSWD's KALAH CIDDS platform that was conducted in May 2024 demonstrated the Department's high level of technical and institutional capacity in managing various activities and sub-projects typical for community-driven development (CDD) projects of similar nature and scale as those anticipated under the Pagkilos project. DSWD, under the KC platform, has strong, tested, and tried institutional arrangements and proven track record



for managing safeguards/E&S risks; a rigorous E&S assessment and management system is in place and embedded within the approvals and implementation procedure for subprojects. This model will be followed in Pagkilos.

This existing capacity is attributed to the Department's extensive 10-year experience in implementing community-driven development projects financed by the World Bank following the Safeguards Policies regime, particularly the ongoing National Community Driven Development Project (P127741). Additionally, DSWD is currently implementing the Bank-financed Philippines Multi-sectoral Nutrition Project (P175493) under the requirements of the Bank's Environmental and Social Framework (ESF). Any lessons learned from these ongoing Bank-financed projects will be adopted in the preparation of the Pagkilos project's E&S instruments.

While there is evident capability in implementing projects under the Bank's Safeguards Policies or ESF, DSWD currently appears to have limited capacity and experience in preparing and conducting the Borrower's E&S assessment required by the Bank's ESF before Appraisal due to resource limitations. Additional support and resources would then be necessary in this regard.

During implementation, additional E&S specialists will be hired at the regional project management level to manage and oversee E&S risk management while municipal level staff will also be trained in the ESF especially in the preparation, implementation and monitoring of the site-specific E&S management plans.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Moderate

A.1 Environmental Risk Rating

Moderate

Environmental risk is considered moderate. The nature and complexity scale of the works to be done under the Pagkilos project will be small in scale, where at barangay (sub-municipal) level the value of subprojects would only range between \$27,000 to \$40,000, similar to the scale of subprojects being implemented under the ongoing related project NCDDP (P127741). E&S risks are typically low with few moderate risk subprojects, attributed to the scale of works and a rigorous E&S assessment and management system in place embedded within the approval and implementation procedure for subprojects. This model will be followed in Pagkilos and any lessons learned will be adopted in the preparation of the Project's E&S instruments. Further, Pagkilos will only finance subprojects that result in enhancement and net positive impact; any proposed subprojects that are likely to have significant adverse E&S risks or impacts shall be excluded and shall form part of the Project's negative list. Activities that may have environmental risks and impacts are associated with Component 2a, which include the development of climate-resilient infrastructure (water supply, health, food security and access facilities), livelihood-related facilities, and ecosystem conservation and protection activities including nature-based solutions. These risks include occupational and community health and safety, and generation of solid waste in relation to construction of various infrastructure (e.g., embankments, coastal, landslide and slope protection; pre- and post-harvest, and storage facilities); proper waste management measures may be relevant for operations. These risks are, however, expected to be predictable, temporary, reversible, low in magnitude, confined within the subproject footprint, avoidable, can be readily mitigated, and are unlikely to require extensive or unproven mitigation strategies. Other non-infrastructure components of the Project will have negligible or low environmental risk.



Moderate

A.2 Social Risk Rating

Social risk is considered moderate. The Project is expected to have long term positive social benefits towards the communities and household beneficiaries such as increased resilience and adaptive capacities and access to infrastructures and basic services. The cumulative impact of which are increased human development outcomes and sustainable incomes. Despite these, the Project's design and inherent characteristics present risks that must be managed. These include labor and working conditions, community health and safety concerns stemming from noise and air pollution, minimum issues on road traffic and accessibility linked to civil works, and ensuring equitable and inclusive access to project benefits especially among marginalized and vulnerable groups. Given the relatively small-scale nature of the sub-projects, land acquisition, right of way, and temporary resettlement are deemed minimal. These risks associated with small civil works activities are, however, predictable, site specific and likely to have minimal adverse social impacts that are mitigable with the appropriate amount of actions and measures to be put in place, plus the increased capacity of the Borrower. Community participatory processes and trainings will also pose risks related to health e.g. communicable diseases, and inclusion concerns with emphasis on gender and power dynamics, and mobility considerations especially for persons with disabilities (PWDs). Mitigation and gender and inclusion strategies can be outlined in the Environment and Social Management Plan (ESMP) and Project Operation Manual (POM). More importantly, lessons learned from the implementation of the KC-NCDDP will also be crucial in enhancing the project's design and strategy to avoid and mitigate these types of risks mentioned. Contextual risk include security due to presence of armed conflict in some parts of the country, this risk is however assessed to be low.

B. Relevance of Standards and Policies at Concept Stage

B.1 Relevance of Environmental and Social Standards

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

Relevant

The Borrower will prepare the Environmental & Social Commitment Plan (ESCP) and Environmental and Social Management Framework (ESMF) for the Pagkilos Project, which will require due diligence and/or E&S assessment of subprojects. At minimum, every subproject will be subject to E&S screening, assessment, and preparation of an E&S management plan (ESMP). This model has been successful in NCDDP and will be adopted. Any associated activities or facilities would be identified as part of the screening step, and where applicable, the ESMP would include and describe mitigating measures that would apply to such associated facilities. Where CERC is triggered, the same E&S risk assessment and management process would apply, including the assessment and preparation of ESMP specifically for the CERC activity to mitigate any E&S risks and impacts, to be done rapidly before commencement of the activity. Other management plans may be identified and included during the course of project preparation.

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

Affected parties include direct beneficiary communities where the sub-projects will be located, and adjacent communities that will be indirectly affected or benefitting and local government units affected by the civil works and other project activities. Vulnerable and disadvantaged groups comprise women, senior citizens, PWDs, children, and IPs. A stakeholder analysis will be prepared to identify stakeholders' project-related needs and interests. Meaningful engagement with affected parties and stakeholders will be undertaken including understanding of the political



economy and dynamics to ensure that risks and impacts are identified, avoided, and or mitigated and ensure maximum benefits-sharing. A project-wide SEP will be developed before the appraisal that will outline activities on the conduct of public dialogues, strategies for meaningful participation and will include an accessible GRM.

ESS2 - Labor and Working Conditions

Relevant

Based on the KALAH experience, community sub-projects will employ between 10-20 laborers, 80-90 percent of this will be sourced from local communities, thus, no labor influx is expected. The Project will involve direct workers, some contracted workers and community workers. Child labor is a potential risk for this project especially in rural communities such as haulers of construction materials. The Labor Management Plan (LMP) shall adopt the Labor Code of the Philippines (PD442), OHS standards of the Philippines (RA11058), forced and child labor laws, it will also contain provisions covering community workers, primary supply workers, SEAH/SH and GBV actions, and the labor GRM. The LMP will be included in the ESMF. Occupational health and safety measures including insurance are necessary for the protection of workers during the preparation and implementation of sub-projects activities for various infrastructure.

ESS3 - Resource Efficiency and Pollution Prevention and Management

Relevant

The requirements of ESS 3 will apply to the management of risks and impacts associated with construction activities of various infrastructure subprojects including impacts to air, water, and soil quality, as well as generation of solid wastes. These may be addressed through proper construction methods and practices that eliminate or minimize air emissions (dust and combustion gases), erosion/run-off control, and wastewater and solid waste generation. Resource efficiency measures should be integrated into the project design to ensure project activities does not compete with existing resource requirements of nearby communities (water supply). Greenhouse gas (GHG) accounting is not necessary for this project considering that emissions are not likely to be significant.

ESS4 - Community Health and Safety

Relevant

Civil works pose health and safety risks to communities. Foremost to this is the air and dust pollution, traffic, accessibility issues especially for road works, and water supply disruption and possible contamination of water brought about by the civil works. Increasing water access also translates to an increase of wastewater and sanitation issues demanding safe disposal and management. Site-specific mitigation measures shall be outlined in the ESMP to be developed before project implementation. Moderate GBV and SEAH/SH risks stemming from presence intermingling of male and female community workers, and exposure of children to laborers especially in isolated communities. GBV and SEA/SH orientation among workers shall be undertaken and community-level mechanisms shall be tapped by the project to mitigate this risk. The project shall apply universal access and design principles, in a manner financially and technically feasible. No Security Management Plan is required.

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

Relevant

Land acquisition is anticipated to be done by the local government units (LGUs) e.g. barangay, municipal and or provincial). While some of these lands are owned by the LGUs, this has the potential to involve private land owners, holders of temporary use of rights to the land and informal settlers. In addition, road right of way acquisition and temporary displacement of vendors is also possible. With this, a Land Acquisition Resettlement Framework (LARF) will be prepared and integrated in the ESMF. The LARF will cover land acquisition, resettlement, economic displacement



and a GRM. If temporary displacement of some enterprises, fisherfolks and farmers are unavoidable, the requirement under ESS5 is to consult the affected parties and come up with alternative locations or livelihood support. The LARF will also cover any risks or impacts arising from restriction of access of communities to ecosystem services, particularly provisioning functions, where relevant (see ESS 6).

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

The Project may include activities within key biodiversity areas as it would cover nature-based solutions for the conservations and protection of ecosystems. These solutions may include restoration of wetlands and rivers, upstream forest management, mangrove rehabilitation, and sustainable forest management. While the activities under this Project are limited to rehabilitation and preservation initiatives, there may be adverse risks such as restriction of access to provisioning services, inadvertent introduction of harmful invasive species or human-wildlife conflict due to reforestation initiatives, biodiversity reduction or habitat loss for some species, and alteration of local hydrology, sedimentation pattern, and water quality. These will be avoided by excluding any subprojects that are assessed to have significant adverse effects on biodiversity as part of the Project's negative list. E&S assessment at subproject level will be prescribed in the Project's ESMF (see ESS 1).

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

Relevant

This project will include IP communities located in different regions. Given that the Project will apply an affirmative action specific for IP communities, no IP Participation Plan is necessary. These affirmative actions include adoption of local-tribal decision-making and planning processes for communities with IP majority, and inclusion strategy in the local planning process and IP dedicated communities subprojects for with non-majority IP groups (25%). IP communities shall also be consulted, and strategies for their meaningful participation shall be outlined in the SEP. The GRM shall also include IP-sensitive strategies and processes and shall build on existing IP-led GRM systems when applicable and compliant to the ESF. DSWD and the National Commission on Indigenous People are having discussions on streamlining FPIC processes and IP consultation strategies, the outcome of this shall be integrated in the SEP.

ESS8 - Cultural Heritage

Relevant

This standard is relevant. There is a possibility that the project may negatively affect physical cultural heritage due to significant soil excavation required for civil works, which calls for the development of chance-find protocols to be included in the POM. Initial environmental and social screening at the Project Concept Note (PCN) stage suggests that cultural heritage will not be impacted by the project. However, a detailed examination of this standard and its stipulations will be undertaken once Indigenous Peoples communities are recognized as stakeholders, to evaluate any potential effects on non-physical cultural heritage.

ESS9 - Financial Intermediaries

Not Currently Relevant

B.2 Legal Operational Policies that Apply



OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

In Part

For ESS2, the governing labor laws i.e. PD 442, RA11058, anti-trafficking, forced labor and child labor laws of the country will be utilized as part of the LMP as there are aligned with the ESS2 standards. Additional labor-specific conditions to protect community-workers, primary supply workers and labor-specific GRM shall be included as part of the LMP which will form part of the ESMF.

Use of Common Approach

No

Not applicable.

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 by Appraisal?

Prior to appraisal, the following instruments comprising the Borrower's E&S Assessment will have to be prepared and disclosed:

1. Environmental and Social Commitment Plan (ESCP) - The ESCP will contain the material measures and actions, including corresponding timeframes and responsible parties, that shall be met by the Borrower throughout the implementation of the Project.
2. Environmental and Social Management Framework (ESMF) - As the subproject details would only be known during implementation, the ESMF is deemed appropriate in meeting the ESS 1 requirement for E&S assessment, which will provide guidance for assessment at subproject level. The ESMF will describe the E&S context of the Project at program level and will determine anticipated E&S risks and impacts based on information that is known at project preparation stage and corresponding mitigation measures. It will provide the procedure for assessing E&S risks and impacts once subproject details are defined during project implementation, and will provide the Borrower a set of fundamental E&S assessment tools and management plans. Instruments and management plans to be included in the ESMF following the NCDDP model will include the following at the minimum: an Exclusion List (ie negative list), Screening Checklist, and an Environmental and Social Management Plan (ESMP) template. Other specific management plans may be identified and included during the course of project preparation. The Labor Management Procedure (LMP) and Land Acquisition and Resettlement Framework (LARF) will be integrated in the ESMF.
3. Stakeholder Engagement Plan (SEP) - A project-wide SEP will be developed before the appraisal that will outline activities on the conduct of public dialogues, strategies for meaningful participation and will include an accessible GRM. It will include a stakeholder analysis to identify stakeholders and their needs and interests within the context of the Project. It will consider vulnerable and disadvantaged groups including senior citizens, persons with disabilities, children, persons and IPs. It will outline a plan for meaningful engagement with affected parties and stakeholders to be



undertaken including understanding of the political economy and dynamics to ensure that risks and impacts are identified, avoided, and or mitigated and ensure maximum benefits-sharing.

III. CONTACT POINT

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