

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC12370

Date ISDS Prepared/Updated: 04-May-2015

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Brazil	Project ID:	P149496
Project Name:	Brazil -Salvador Social Project (P149496)		
Task Team Leader(s):	Gaston Mariano Blanco		
Estimated Appraisal Date:	20-Jul-2015	Estimated Board Date:	08-Oct-2015
Managing Unit:	GSPDR	Lending Instrument:	Investment Project Financing
Sector(s):	Sub-national government administration (20%), General education sector (25%), Health (25%), Other social services (25%), Urban Transport (5%)		
Theme(s):	Administrative and civil service reform (20%), Social Safety Nets/Social Assistance & Social Care Services (25%), Education for all (25%), Health system performance (25%), Urban planning and housing policy (5%)		
Financing (In USD Million)			
Total Project Cost:	400.00	Total Bank Financing:	400.00
Financing Gap:	0.00		
Financing Source		Amount	
Borrower		0.00	
International Bank for Reconstruction and Development		400.00	
Total		400.00	
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

25. The objectives of the proposed Project are to: (i) increase the access of families living in the Municipality of Salvador to education, health, and social assistance services; (ii) support the implementation of actions and systems to improve the quality of municipal services in the areas of

education, health, and social assistance; and (iii) modernize the municipality's public sector management

C. Project Description

The proposed Project would be a US\$400 million Investment Project Financing (IPF) and would have two components. The first Component would provide support for the implementation of the Eligible Expenditure Programs (EEP), and the second Component would provide technical assistance to support activities financed in Component 1, including those involving design, implementation, monitoring and evaluation of results, urban mobility studies, and public sector evaluations. To this end, the proposed Project would follow: (a) a Sector Wide Approach (SWAp) under Component 1; and (b) a traditional investment approach under Component 2.

Component 1 – Support the implementation of Sector Strategies. This Component with a preliminary total of US\$370 million will provide support for the implementation of Eligible Expenditures Programs (EEPs) in selected sectors. The EEPs are a sub-set of existing budget programs in the education, health and social assistance sectors, which will be selected as priority programs. As with other SWAp projects in Brazil, the proposed Project would take a results-based financing approach for the implementation of agreed programs. Under Component 1, Municipal Secretariats of Education, Health and Social Assistance are expected to achieve specific results, which would then trigger disbursements. Thus, this Component will partially reimburse government expenditures in EEPs conditional on the achievement of disbursement linked indicators (DLIs). The preliminary Project design of Component 1 is organized around three Sub-components:

Sub-component 1.1: Education. This Sub-component would provide support for the implementation of EEPs in the following areas: (i) expansion of municipal ECE coverage and upgrading of facilities; (ii) strengthening students' assessment, monitoring and evaluation; (iii) improving teacher practice to guarantee literacy at the right age; and (iv) holding schools accountable for results.

Sub-component 1.2: Health. Focusing on diabetes and hypertension, this Sub-component would provide support to the implementation of EEPs in the following areas: (i) prevention of NCDs, and promotion of healthy life styles; (ii) detection and treatment of NCDs; and (iii) improved management of the local health system to address NCDs.

Sub-component 1.3. Social Assistance. This Sub-component would provide support for the implementation of EEPs in the following areas: (i) improving access to and quality of services of the Municipal Social Assistance network; and (ii) strengthening the monitoring of co-responsibilities of BF and the management model of BSM.

Component 2 – Technical Assistance and Investment support. This Component would provide technical assistance to support activities financed in Component 1, including those involving design, implementation, monitoring and evaluation of results, the urban mobility studies, and the public sector evaluations. The preliminary design of Component 2 is organized around five Sub-components: (i) Education, (ii) Health, (iii) Social Assistance, (iv) Urban Mobility, and (v) Public Management. This Component will finance Consultant Services, Non Consultant services, Training, Goods and Operating Costs.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The Project will be located in Salvador, capital of the state of Bahia. Salvador is the third largest city

in the country with a population of almost 2.9 million people (IBGE, 2014) and is the twelfth largest municipal economy in the country (R\$38.8 billion in 2011, IBGE). Salvador concentrates approximately 19.2 percent of the State's population and 74 percent of the metropolitan region of Salvador, which comprises 13 municipalities. It has the second largest municipal GDP of the Northeast region after the Municipality of Fortaleza.

Salvador is characterized by relatively high levels of inequality compared with other state capitals of Brazil. In the last 50 years, the share of people living in cities doubled. The country's rapid urbanization and decades of poor urban planning have led to high concentrations of poverty in urban areas, enduring inequality, insufficient access to basic services and public transportation, and settlement of poor populations in high risk areas. Moderate and extreme poverty rates in Salvador have declined by 71 percent and 66 percent, respectively, well above Brazil's national pace of 52 percent, leaving Salvador with 3.3 percent of extreme poverty and 7.2 percent of moderate poverty, slightly lower than other large cities in the Northeast (Recife and Fortaleza). However, Salvador is still the second most unequal city in the country, just behind Brasilia, with a Gini coefficient of 0.57 in 2012.

The city's population is mostly comprised of Afro-Descendants, and self-ascribed skin-color has a strong correlation with educational attainments and income. Race and gender continue to determine individuals' abilities to climb the social ladder. Poverty among afro-descendants is 35 percent higher than among whites. The incidence of moderate and extreme poverty in households led by women is 10 percent higher than those led by men.

Among the total population, 37 percent has not completed fundamental school. This rate increases to 43 percent among those who declared to be "black," 39 percent among those who declared to be "pardos" (mixed race Brazilians) and 41 percent among the indigenous peoples, and drops to 25 percent among those who declared to be white among the population of Salvador. With regard to income, 60.8 percent of the population has average monthly incomes up to one minimum wage; this average equals 71.1 percent among the self-declared "blacks" and 63.3 percent among the "pardos."

Rapid, unplanned urban development has led to the occupation of areas at risk of landslides and flooding by low income families. Thus, a large part of the city's population live in households located in slums (32 percent) and poverty rates are higher among them (72 percent have an average monthly per capita income up to one minimum wage). These areas also tend to be underprovided by public services.

Environmentally, Salvador, like other Brazilian cities, faces a number of problems and challenges related either to urban planning, natural resources management and environmental enforcement, or to a weak municipal legal framework. The environmental quality of Salvador is depreciating gradually, since the urban rivers are degraded and polluted by sewage, the dunes and mangroves are impacted by the expansion of urban dwellings, the loss of vegetation cover interferes with the temperature and air humidity, and there is no systematic monitoring of air quality. Moreover, protected areas in the city are not well managed and no ecological corridors exist between them. Only recently has a municipal environmental policy been discussed and a municipal register of potentially degrading activities and activities that use natural resources been considered.

E. Borrowers Institutional Capacity for Safeguard Policies

The Municipality of Salvador (MOS) has no previous experience with the World Bank's Operational

Policies. The Client's institutional capacity for safeguard policies will be further assessed by the World Bank Team during preparation and the need for capacity enhancement will be determined.

F. Environmental and Social Safeguards Specialists on the Team

Alberto Coelho Gomes Costa (GSURR)

Marcio Cerqueira Batitucci (GENDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The proposed Project foresees the construction, rehabilitation, expansion or repair of small buildings (Early Childhood Education Centers – CMEIs, health units, and Social Assistance Centers – CRAS, etc.), which may cause negative environmental impacts. Although these impacts are expected to be minor, and mostly related to civil works' execution, the Environmental Assessment Safeguard Policy (OP/BP 4.01) is triggered and the Borrower will conduct an environmental assessment process. Therefore, a Category B is proposed for this Project.</p> <p>The Project also proposes technical assistance on Urban Mobility as part of Component 2, for which environmental and social implications may be significant. Although the nature of such implications will be better understood only when the TA itself is carried out, it is possible to process some level of analysis of the related environmental and social issues.</p> <p>As the exact circumstances related to the proposed works are not yet detailed, the Borrower would prepare an Environmental and Social Management Framework (ESMF), which would identify the main environmental and social impacts and risks of the proposed Project and suggest mitigating measures. It would also assess the institutional capacity to manage and mitigate social and environmental risks and define a capacity building strategy – as needed. A draft Terms of Reference (ToR) of this study was shared with the Borrower and the final version will be submitted to the Bank for approval before the hiring process begins. The ESMF will be reviewed by the Bank and publicly disseminated in the Infoshop prior to Appraisal and in the external website of the MOS.</p>

		As an integral part of the ESMF, the Borrower will carry out a social assessment. The social assessment would be gender and ethnic sensitive and would consider the distributional impact of the interventions. The social assessment will incorporate broader issues related to non-discrimination, particularly as it relates to the LGBTI and Afro-descendant communities as well as issues related to persons with disabilities. Finally, the social assessment would evaluate the Client's systems for citizen participation in the Municipality of Salvador (users' feedback, grievance redress, ombudsmen, etc.), and would propose measures to be adopted as the Project's Grievance Redress Mechanism (GRM).
Natural Habitats OP/BP 4.04	TBD	Locations and field conditions of new buildings for Education, Health, and Social Assistance are not yet completely known. If new constructions occur in areas with presence of Natural Habitats (OP/BP 4.04), the policy should be triggered. Different ways of dealing with this issue can be considered: (i) the Project would not support new constructions located in areas with the presence of natural habitats, which excludes triggering the Policy; (ii) the Project would support all activities and, then specific procedures would be required to ensure compliance with the policy. During Project preparation, the team will confirm with the MOS the most appropriate way to handle this issue in Salvador. If the second option is confirmed, the policy would be triggered and the ESMF would include screening criteria to identify the presence of natural habitats, assess potential impacts, and determine appropriate measures to avoid, mitigate, or compensate for any possible direct or indirect impacts.
Forests OP/BP 4.36	No	The Project would be executed in the urban area of Salvador. Therefore, no impacts on forests are expected.
Pest Management OP 4.09	Yes	Although the Project will not finance the use or disposal of pest control products, the appearance of urban pests during rehabilitation, repairs, maintenance and expansion works is not unusual and always requires the use of such chemicals. Therefore, the OP 4.09 is triggered in a precautionary basis. The ESMF would evaluate the Project interventions in the context of this policy, the potential for future use of pesticides/ herbicides outside of the proposed Project timeline including the need for the future

		adoption of an economically and environmentally sustainable Integrated Pest Management (IPM) in relation to the facilities associated with the Project.
Physical Cultural Resources OP/BP 4.11	Yes	Locations and field conditions of new buildings for Education, Health and Social Assistance are not yet completely known. Negative impacts on physical cultural resources are not expected during project implementation. However this policy will be triggered given the richness of historical sites in Salvador and because the construction, rehabilitation, repairs, maintenance and expansion works planned for Component 1 may affect physical and cultural resources – PCR (historical and archeological). Chance find procedures will be included as part of the ESMF and moving forward the team will determine whether there is a need to prepare specific plans dependent upon the sites selected. If during works, physical cultural resources are found, procedures and provision for proper handling – following the Federal legislative and normative framework developed by the National Institute for Protection of Historical and Archaeological Sites (IPHAN) – will be followed.
Indigenous Peoples OP/BP 4.10	TBD	The likelihood of triggering OP 4.10 Indigenous Peoples is small given the location of the Project. Nonetheless, it will only be defined after the screening for the presence of Indigenous Peoples is conducted. The 2010 Census conducted by IBGE recognizes the presence of 7,563 indigenous peoples in Salvador, but the screening will confirm or not whether indigenous peoples in Salvador fulfill the four characteristics of the policy and in particular the requirement of collective attachment.
Involuntary Resettlement OP/ BP 4.12	Yes	This policy would be triggered because result-activities envisaged under Component 1 may require land acquisition and lead to adverse impacts related to involuntary resettlement as well as because some Technical Assistance activities under Component 2 may have downstream resettlement-related impacts. Component 1: Considering the characteristics of the constructions of new facilities for children’s education and provision of health and social assistance services to be supported under this Component, the scope and magnitude of expected adverse impacts related to physical and economic displacement due to land acquisition, are expected to

		<p>be limited to a small number of families in each intervention.</p> <p>Two different approaches are being considered with regards to these activities.</p> <p>a. The Project would not support specific activities that require land acquisition. The Project would consider providing support only to the construction of new Education, Health and Social Assistance facilities that would be located in lands that: (i) are already owned by the Municipality of Salvador; and (ii) are free of squatters. In this case, no instrument related to involuntary resettlement would have to be prepared by the Client and the Project's Manual of Operations would establish as a “rule of thumb” that no land acquisition would be allowed for activities supported by the Project. This alternative may not be feasible because the Municipality of Salvador may not have a sufficient stock of owned lands available on the areas in which the new facilities are mostly needed. The Client would carry out a stocktaking exercise of the areas owned by the Municipality of Salvador in the neighborhoods targeted for the construction of these new facilities to assess the feasibility of this approach.</p> <p>b. The Project would support all activities regardless if they require land acquisition. In this case, different procedures would be required to ensure compliance with the Involuntary Resettlement Policy.</p> <p>i. Where the Project considers providing retroactive financing for facilities already built by the Client, the Client would carry out a stocktaking exercise of the land tenure situation of the areas used for these constructions as well as provide evidences on how they have been acquired and how these early procedures complied with the principles and guidelines of OP 4.12. On the basis of this stocktaking exercise, the Bank would identify the activities that could be considered for retroactive financing. The most precautionary procedure may be considering for retroactive financing only the facilities that have been built in areas previously owned by the Municipality of Salvador and free of</p>
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		<p>occupants.</p> <p>ii. Where the Project considers providing support to the construction of new facilities that would have their location already chosen, the Client would carry out a screening exercise of the land tenure situation of the areas required for these new constructions and would prepare and submit to the Bank evaluation and no objection the proper Involuntary Resettlement Plans (IRP) whenever these areas: (i) are privately owned and need to be acquired by the municipality; or (ii) are owned by the Municipality of Salvador but remain occupied by squatters. These IRPs would be submitted to the Bank, consulted with the affected population and publically disclosed before Appraisal.</p> <p>iii. Finally, where the Project considers providing support to the construction of new facilities that would not have their location chosen before Project's Appraisal, the Client would prepare and submit to the Bank a Resettlement Policy Framework (RPF), describing the principles, guidelines and procedures that would be followed when activities supported by the Project need land acquisition and may have adverse impacts related to involuntary resettlement. The RPF would be submitted to the Bank, publically consulted and disclosed before Appraisal.</p> <p>These alternative approaches would be discussed with the Client and they would be chosen on the basis of the stocktaking land tenure exercise that would be carried out by the Client.</p> <p>Component 2: Some activities envisaged under Sub-Component 2.4 and related to Urban Mobility – namely: developing mid-term planning processes for urban mobility, in particular updating Salvador's public transport plan Rede Integrada de Transportes (RIT) de Salvador and supporting Bus Rapid Transit functional design in selected corridors – could have downstream resettlement-related impacts. The team would ensure that these Technical Assistance activities would follow the guiding principles set at the World Bank's "Interim Guidelines on the Application of Safeguard Policies to Technical</p>
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		<p>Assistance (TA) Activities in Bank-Financed Projects and Trust Funds Administered by the Bank” and “Interim Guidance Note on Land Use Planning.” The Terms of Reference for the preparation of these activities would be submitted to the Bank for review and no objection before the hiring process. The Plans and designs resulting from these activities would also be submitted to the Bank. The Bank would ensure that these Terms of Reference, Plans, and Designs include all guidelines needed to ensure that the implementation of Technical Assistance activities and the treatment they propose for dealing with downstream resettlement-related impacts would be consistent with the World Bank’s Involuntary Resettlement Policy. The principles and guidelines to be applied to deal with downstream resettlement-related impacts from Technical Assistance activities would be incorporated on the RPF to be prepared by the Client, submitted to the Bank, publically consulted and disclosed before Appraisal.</p> <p>The proper documents related to involuntary resettlement would be disclosed prior to appraisal at the World Bank’s external website and locally, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.</p>
Safety of Dams OP/BP 4.37	No	Not applicable. The Project would not finance the construction or any other intervention related to a dam nor will rely on the operations of existing dams.
Projects on International Waterways OP/BP 7.50	No	Not applicable. None of the Project activities are expected to have any impacts on international waterways.
Projects in Disputed Areas OP/ BP 7.60	No	Not applicable, because the activities financed by the Project are not located in disputed areas.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 19-Jun-2015

B. Time frame for launching and completing the safeguard-related studies that may be needed.

The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

May 30, 2015.

IV. APPROVALS

Task Team Leader(s):	Name: Gaston Mariano Blanco	
Approved By:		
Safeguards Advisor:	Name: Glenn S. Morgan (SA)	Date: 04-May-2015

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

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Practice Manager/ Manager:	Name: Margaret Ellen Grosh (PMGR)	Date: 07-May-2015
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