

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
APPRAISAL STAGE**

Report No.: PIDISDSA20377

Date Prepared/Updated: 28-Dec-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Pakistan	Project ID:	P158099
		Parent Project ID (if any):	
Project Name:	PK: Punjab Tourism for Economic Growth Project (P158099)		
Region:	SOUTH ASIA		
Estimated Appraisal Date:	28-Dec-2016	Estimated Board Date:	14-Mar-2017
Practice Area (Lead):	Agriculture	Lending Instrument:	Investment Project Financing
Borrower(s):	Islamic Republic of Pakistan		
Implementing Agency:	Punjab resource Management		
Financing (in USD Million)			
Financing Source			Amount
BORROWER/RECIPIENT			5.00
International Development Association (IDA)			50.00
Financing Gap			0.00
Total Project Cost			55.00
Environmental Category:	B - Partial Assessment		
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Pakistan's economy has gradually progressed from stagnation to growth in the last few years but the country's trade and investment records leave room for improvement. The gross domestic product (GDP) per capita (constant 2010 US\$) grew by an average of 1.7 percent per year in the decade ending 2015. The economy was stagnant in 2008-11 on a per capita basis but it has since then increased every year and it reached 3.4 percent in 2015. The country's trade and foreign direct investment (FDI) records are weak. Net inflows of FDI dropped from an average of 2.5 percent of GDP in 2006-10 to 0.5 percent of GDP in 2011-15. The trade deficit has remained large over time. In 2015, exports of goods and services exceeded imports of goods and services by 67 percent. Pakistan could attain a higher economic growth rate if it attracted more productive investment. The US\$46 billion China-Pakistan Economic Corridor is expected to improve Pakistan's transport and energy infrastructure and there are high hopes that this mega-project will have a catalytic effect on trade and investment.

In spite of Pakistan's positive record of reducing poverty a majority of Pakistanis find themselves in vulnerable occupations in the informal sector. The poverty headcount ratio (at national poverty lines) fell from 64.3 percent in 2001 to 29.5 percent in 2013. According to national statistics, Pakistan has the second lowest headcount poverty rate in South Asia after Sri Lanka. This strong record of poverty eradication is overshadowed by the fact that many Pakistani families live just above the official poverty line. Few citizens have the incentive or can afford to register as unemployed. Thus, only 5-6 percent of the labor force are officially unemployed. But nearly two-thirds of those employed find themselves in vulnerable employment. Approximately four-fifths of the labor force work in the informal economy. In 2015, the labor force participation rate was 56.6 percent and most women remain outside the labor force. The Government of Pakistan (GoP) needs to build a stronger foundation for private sector-led and inclusive growth to generate more jobs.

Tourism is a large and growing market that Pakistan could better serve to create more and better jobs. Pakistan is home to numerous important historic sites linked to the Indus Valley civilization, a Bronze Age civilization in north-western Pakistan, the Mughal Empire and colonial era monuments. It hosts the holiest sites of Sikhism and many important pilgrimage sites for Buddhists, Hindus and Muslims. In 2014, the direct contribution of travel and tourism in Pakistan was 2.9 percent of GDP and the sector supported 1.4 million jobs. The total contribution of travel and tourism was 6.9 percent of GDP and the sector supported 3.5 million jobs. This is significantly lower than in South Asia at large: according to the World Travel and Tourism Council, in 2014, the travel and tourism industry in South Asia generated 9 percent of GDP and supported 5 percent of employment. Approximately 40 percent of the world tourism revenue is linked to religious tourism and this is a market with tremendous potential that Pakistan has hardly started to develop. The tourism sector could be turned into an important income source and engine for employment.

Sectoral and institutional Context

Pakistan's natural, cultural and heritage assets are extraordinary and the country's travel and tourism sector has been remarkably resilient during difficult times. The World Bank's World Development Indicators highlight that Pakistan's tourism sector's captured by international tourist arrivals and tourism receipts has expanded despite continued issues of insecurity. In 1995-2000, the number of tourist arrivals grew by 8 percent annually. The September 11 terror attacks in the United States and follow-up security operations in Afghanistan had a negative effect on tourist arrivals in 2001-03 (-11 percent). International tourist arrivals then

returned to growth and despite setbacks in 2007-08, when Pakistan became a frontline on the war on terror, the compound annual growth rate of international tourist arrivals was 11 percent in 2003-11, with a peak of 1,161,000 tourists reached at the end of that period. Arrivals dropped by 17 percent in 2012 as a result of a series of domestic terror attacks. While 2013 also showed declining trend, an improvement in national security in 2015-16 is a positive development that will most likely be reflected in an increase in tourist arrivals.

The growth in receipts from international tourism has been relatively strong but it still underperformed GDP growth in the last decade. In 2003-11, receipts from international tourism grew annually by 8 percent to reach US\$1.13 billion. By 2014, however, it had declined to US \$0.97 billion, as reflected by a drop in arrivals. Roughly two-thirds of the receipts from international tourism were linked to transport. In 2014, investment in travel and tourism, which captures transport and domestic and international tourism, was 9.2 percent of total investment in Pakistan. Receipts from international tourism made up 0.4 percent of GDP in the same year; down from 1.0 percent of GDP in 1997. The data seem to indicate that the sectors that rely on tourism and the mobility of people more broadly (such as the transport sector, accommodation and hospitality sectors) have done relatively well. A majority of Pakistan's international visitors belong to the diaspora and visit for family reunion and business reasons. The market segment that caters specifically to international leisure tourism may on the other hand have lost out during the last two decades.

Spending on travel and tourism is predominantly linked to domestic leisure tourism and Pakistan's travel and tourism sector is catering more to the outbound than inbound market. In 2014, leisure travel and business travel (domestic and outbound) generated 83 percent and 17 percent, respectively, of spending in the travel and tourism sector. While business travel grew faster than leisure travel in 2015, the leisure travel category is expected to grow slightly faster than business travel (5.5 percent per year versus 5.1 percent per year) in the coming decade. Domestic tourism generated 92 percent of revenue in the sector compared to 8 percent for foreign visitor spending. Expenditure on outbound travel exceeds visitor exports by 2:1 and almost all travel agencies and air transport companies consulted in Lahore and Islamabad focus almost exclusively on promoting outbound tourism. Promotion of inbound tourism is currently targeted at particular niche markets largely catering to cultural and heritage tourism.

The key challenge to the development of tourism in Pakistan is international perceptions of insecurity. Recurrent violence and instability in the region have had a strong negative impact on inbound tourism in Pakistan. High profile terror attacks on Pakistani soil have also deterred international tourism. This has also led to lack of awareness and perception with respect to the softer and secure image of Pakistan, which is one of the key barriers towards affecting mindsets and decision-making process of international tourists, resulting in reluctance towards opting Pakistan as a site for heritage tourism. National security has improved in recent years due to great efforts by the government however. In particular, the army's continued presence in all regions of Pakistan and a crackdown on violent groups have led to a reduction in attacks. The occasional high profile terror attack on soft targets like schools and religious minorities still takes place. A continued improvement in the security environment will certainly have a positive effect on the tourism sector.

The governance of most tourist sites remains complex and requires reform. Historical sites are

managed by various entities, some are with Archaeology Department, some are managed by the Auqaf Department, few fall under the domain of Municipal bodies whereas a number of sites remain under private ownership. Archaeology department regulates 402 sites, including 142 under its direct control whereas remaining are private properties. Of these 140 are regulated through Antiquities Act 1975, amended after 18th Amendment as the Antiquities (Amendment) Act 2012 whereas remaining 362 fall under the purview of the Punjab Special Premises (Preservation) Ordinance, 1985. Auqaf Department established under Punjab Waqf Properties Ordinance, 1979, manages 24 important Mosques and 37 Sufi shrines across the province. Some of the religious and cultural sites, according to the Evacuee Trust Properties (Management and Disposal) Act 1975, are the primary responsibility of the Evacuee Trust Property Board (ETPB), which is a federal authority.

Overlap of tourism management functions between federal and provincial governments still needs clarity. After the 18th constitutional amendment, the tourism, culture, archeology, youth affairs and sports functions were devolved to the provinces, including the Tourism Services Department (TSD) of the Ministry of Tourism. However, some tourist sites remained in the federal domain. The provinces control their own tourism development corporations but the Pakistan Tourism Development Corporation (PTDC) remains in operation under the Federal Ministry of Information, Broadcasting and Cultural Heritage (MoIB). The future of assets owned by the federal tourism ministry is yet to be decided. The Islamabad TSD has been mapped to the Ministry of Capital Administration and Development (CAD). The Punjab TSD is part of the provincial Department of Youth Affairs, Sports, Archaeology and Tourism, which operates independently of the Tourism Development Corporation of Punjab (TDCP). Customs, aviation and immigration remain under the Federal Government. An effective tourism promotion program would require coordination and dialogue between these public institutions and the business community, coalescing key institutions and stakeholders to work towards a shared vision of promoting heritage and tourism to deliver high quality tourism services.

Hotel developers and tour operators argue that federal and provincial government-owned companies and agencies crowd out private investment. Tourism-related services are underdeveloped and some niche markets are dominated by state-owned agencies. The private sector wants the public sector to facilitate and promote private tourism development rather than control and manage assets and activities that could be delivered by the private sector. Relatively few citizens derive their main livelihoods from tourism around touristic sites, though some Sufi shrines currently yield substantial economic benefits to local populations. Only the private sector has the capital, the relevant expertise and necessary business networks to build sustainable businesses that can realize the potential of the sector. For example, the private sector currently has a very limited role, and influence, in catering to the market for pilgrimage tourism, which is dominated by the ETPB. The TDCP is running everything from guided bus services to an extensive and expanding hotel network. The Government of Punjab (GoPb) is currently developing a Tourism Policy to provide a clear vision of private sector-led growth in the tourism sector.

Investors in the tourism sector are also concerned about site specific infrastructure, availability of skills and the implementation of rules and regulations in the sector. The infrastructure around many sites is underdeveloped, including access roads, road-side facilities, parking, pedestrian areas and boarding and lodging facilities. There is a severe shortage of accommodation facilities for visitors during major festivals which has negative economic implications for Lahore city.

Some of the sites have been neglected and require restoration. The ETPB has a vision for some sites but the plans need to be refined, anchored locally and adequately financed. Coordination and a shared vision between the GoPb and the ETPB is needed to execute these plans effectively. Private investors highlight the need of a pro-market tourism policy and incentives to support their investment plans. They are requesting more clarity with regards to opportunities for public-private partnerships, access to land, permit and license requirements, etc.

Tourism development is a priority both at the federal and provincial levels and the World Bank has worked closely with the GoPb in assessing the sector. The GoP and the GoPb both target tourism development as a means to generate more jobs and to promote regional cooperation. In 2014, the GoPb requested support from the World Bank Group (WBG) to produce a series of studies to assess the potential of the sector and explore options for a lending program. The analytical work and consultations conducted until date highlight that a stronger historical, leisure and cultural and heritage tourism sector would not only help promote economic development and better protect the country's cultural heritage but also help project a softer image of the country and its most populous province.

There is proven private sector interest to invest in new accommodation and improved infrastructure and logistics services linked to tourism. A combination of an inadequate response by concerned authorities and regulatory burdens impede progress.

There is strong interest in the GoP and the GoPb to implement a tourism for economic growth project and the private sector and civil society are strongly supportive of this. The Chief Minister of Punjab established a Steering Committee on July 7, 2015, to oversee tourism, especially cultural and heritage tourism, promotion in the province. It is chaired by the Minister of Tourism and comprises senior representatives from the Planning and Development Department (P&DD), Tourism, Archaeology and Youth Affairs, Home Affairs, Finance, Construction and Works, the TDCP and a Member of the Punjab Assembly. Two private sector representatives have also been invited to join the committee. A sub-committee was formed in November 2015 with key focal points from the TDCP, the ETPB and District Coordination Officers (DCOs). The DCOs serve as lead persons, or project directors, for the sites in their areas. Finally, the GoPb has also recently set up an Advisory Council comprising distinguished professionals to oversee the overall policy related to the promotion of tourism and project implementation. These proactive initiatives show a commitment to turn this project into an effective vehicle for tourism development and engine economic growth.

The project would help strengthen the governance and institutional capacity to promote and leverage private participation in order to realize the economic potential of the sites for the benefit of local populations. The WBG financed the preparation of a new Tourism Policy of Punjab in FY17Q1-2 and the IDA credit will support the implementation of this policy. The project will enable the engagement of private tourism sector to lead the development of the market and ensure that public institutions facilitate rather than impede this process while fulfilling their mandates. It will aim to put in place a solid foundation for private sector participation to drive tourism development. The ultimate rationale of WBG engagement is to ensure that local populations get a fair chance to participate in this process through improved service delivery, better skills development opportunities, stronger governance, and a more prominent say in local development plans with a special focus on improving female labor force participation.

C. Proposed Development Objective(s)

Development Objective(s)

The Project Development Objective (PDO) is to strengthen institutional capacity, increase private sector participation and improve infrastructure services in support of the tourism sector in Province of Punjab.

Key Results

- i. Increased number of visitors to the targeted sites;
- ii. Number of reforms implemented (as outlined in the Punjab Tourism Policy);
- iii. Amount of private tourism-related investment facilitated;
- iv. Number of individuals benefiting from improved infrastructure and training.

D. Project Description

The Project will have four components: (i) ►(Policy, Institutions and Governance for Tourism Development►(for better policy and sector coordination, public governance, and knowledge/outreach; (ii) ►(Private Investment and Entrepreneurship Promotion►(to encourage private participation and leadership in the development of the sector and the emergence of a better trained workforce; (iii) ►(Public Investment Facility►(to strengthen infrastructure services that can improve access and support facilities to and around the sites; and (iv) ►(Project Management, Monitoring and Evaluation►(for daily implementation activities

Component 1: Policy, Institutions and Governance for Tourism Development (US\$12mn): will address market failures linked to sector coordination failures, uncompetitive markets and legacy information failures. The project activities will support implementation of the new Tourism Policy by: (i) reforming and strengthening public institutions mandated with sector regulation and governance aimed at improving market competition; (ii) improving tourism data collection and strengthening sector coordination between federal, provincial and local authorities, including relevant authorities, and tourism industry associations, religious institutions and civil society; (iii) improving management and the protection of sites; and (iv) improving the quality of information about the sites, their cultural significance, and facilities within and around the sites that can be accessed by visitors. A tourism promotion and marketing campaign will also project a nuanced view of Punjab Province as a safe, secure and vibrant destination, targeting diaspora and international tourist community. Communication will also address information bottlenecks at the service delivery level that affect how the potential target audience perceive information about cultural heritage sites, interact and engage with different aspects of service provision in the tourism industry in Pakistan, e.g. ensuring awareness and visibility of tourist infrastructure, security, hospitality facilities and amenities around the heritage sites. In addition, a multi-pronged outreach campaign will promote the heritage sites through mainstream, digital and social media, creatively engaging target audience (particularly diaspora) to generate interest and excitement for participation in heritage tourism and visit the potential sites in Punjab.

Component 2: Private Investment and Entrepreneurship Promotion (US\$9.0mn): will address pockets of uncompetitive markets as well as missing markets associated with public ownership of commercial properties and services. It will promote positive externalities linked to people-to-people contact and a better informed local population. The project activities will address: (i) weak capacity for facilitation and promotion of private investment in the tourism sector; (ii) insufficient

options and quality of training in tourism-related institutes of learning; (iii) weak cooperation and product coordination between tourism and other important market segments; and (iv) entry barriers affecting female labor force participation. For example, the main festivals attract large numbers of visitors that the hospitality industry cannot serve despite the fact that the numbers are subdued due to considerable access barriers. A more strategic, coordinated and private sector-led approach to tackle marked seasonality would help generate more sustainable businesses. Targeted communications and engagement activities will facilitate dialogue among provincial authorities and private sector players, including participation from local hospitality, tourist infrastructure, service providers, entrepreneurs and practitioners from creative and culture heritage industries. A consultative process will engage key sector players through seminars and workshops to facilitate ideas for promotion, investment and local entrepreneurship in tourism.

Component 3: Public Investment Facility (US\$30mn): will provide public goods to improve access to the historical, leisure, cultural heritage sites and reduce negative externalities such as over-crowding and site-specific environmental degradation. The project activities will seek to address: (i) poor access to some sites (access roads, parking, and select border facilities); (ii) health and safety concerns for visitors; and (iii) potential strains on basic infrastructure and services resulting from a projected increase in the number of visitors. It will finance technical assistance, equipment and works to improve secondary and tertiary road access, upgrade and build new parking areas, and install tourist and family friendly facilities along the main transport network and near the sites (but not within any of the sites/compounds themselves).

Component 4: Project Management, Monitoring and Evaluation (US\$4mn): will finance a Project Implementation Unit (PIU) in charge of project management and daily implementation of project activities, including procurement, financial management, safeguards management, monitoring and evaluation (M&E), communications, community outreach and stakeholder consultations. It will also finance TA to embed international expertise to prepare and monitor implementation of activities on a needs basis. A support program will be tailored to improve implementation capacity and a specific training program will be developed to build the capacity of staff to understand how growing tourism affects women, specifically focusing on factors that facilitate female entry into the labor force and promote female enterprise development. Training will involve local communities and the private sector to facilitate grassroots-level initiatives and encourage partnerships. It will also cover sustainable development issues in order to promote a shared understanding of the social and economic dimensions of the project.

Component Name

Comments (optional)

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

Environment: The project will be implemented in various parts of the Punjab Province. The project sites vary in location from being situated in northern to central districts of Punjab. The climatic and other associated conditions vary thus across the project sites. Rawalpindi and Chakwal are rain-fed, with higher precipitations during July-August period, with a hilly terrain, and high variations in elevation, supporting scrub to coniferous forests. Land use patterns show

agriculture as the primary land use, followed by forest area and built-up area. Project sites are in peri-urban areas, surrounded by agricultural fields and low level built-up structures. Gujranwala and Sheikhpura, on the other hand, are canal irrigated, with high precipitation during months of May-September, supporting plain and flat lands highly suitable for agriculture. Hence the primary land use is agriculture in these districts. The project sites in these districts are surrounded either by agricultural lands or by densely populated areas. In comparison, northern districts of Rawalpindi and Chakwal have a higher percentage of forest cover as well as naturally occurring habitats, which support several wildlife species, as compared to the central districts of Gujranwala and Sheikhpura which are primarily agricultural areas having minimum natural habitats left that can support wildlife. None of the project site is near a habitat of a critical wildlife species nor is in the proximity of a protected area of any classification. The highest concentration of wildlife is in Districts Chakwal and Rawalpindi. The project physical interventions mainly related to rehabilitation of public facilities and improvement of access and approach roads for the selected sites i.e. District Rawalpindi ➤(Mankiala Stupa, Taxila Museum, Julian Remains, District Chakwal ➤(Katas Raj, District Gujranwala ➤(Gurdwara Rori Sahib, District Sheikhpura ➤(Gurdwara Sacha Sauda Sahib.

Social: The Project will be implemented around sites of religious and cultural significance that are hubs of tourism. There are regular visitors to all sites especially during religious events when the visitors swell in numbers. Small scale commercial and business activities, largely related to tourism, also take place around such sites. Several religious sites have management committees to oversee management of sites and are active in organizing religious events.

F. Environmental and Social Safeguards Specialists

Rahat Jabeen (GEN06)

Salma Omar (GSU06)

II. Implementation

Institutional and Implementation Arrangements

A Project Implementation Unit (PIU) will be anchored in the Punjab Resource Management Program (PRMP) under the P&DD, which coordinates all development policy programs in the Punjab Province. This arrangement is due to the complex coordination role, the policy articulation role, and the strategic communication associated with the project. The GoPb has appointed the Head of PRMP as chief counterpart for the Project and he will initially be supported by a Deputy Director and two consultants in the sub-unit to coordinate implementation with the relevant line departments. The positions of a full-time Project Director and specialists in financial management, procurement, environmental and social safeguards, M&E and project planning and development will be filled once the loan negotiations have been concluded. Deputy Commissioners at the district level will be responsible for execution of site specific activities.

The Chairman of the P&DD will chair a Project Steering Committee (PSC), to act as advisory council for policy guidance and executive direction, and have the responsibility for coordination with the federal government. The PSC will comprise members from the GoPb, the private tourism sector and civil society. At the operational level, the Secretary of P&DD will provide guidance and support to the PIU and empower PRMP for effective coordination among provincial departments.

Environmental Safeguards: The environmental safeguard officer will be based in PIU reporting to the

Project Director and are responsible for the implementation of ESMF in project and sub projects including monitoring and reporting of the ESMMP.

Social Safeguards: The PIU will have a Social Safeguard Specialist to oversee the social aspects of the Project. In addition, a Resettlement Unit will be formed within the PIU to oversee all aspects of resettlement. The Unit will prepare and implement Resettlement Action Plans where required and will ensure that they are monitored. Contractors will be required to recruit staff to assist on implementation of social aspects. Quarterly progress reports will be prepared by the Resettlement Unit and submitted to the Bank.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project activities particularly under Components 1,2 and 3 may potentially cause negative environmental and social impacts most of these impacts are likely to be small scale, localized, and reversible in nature. The project assessed the environmental safeguard category as B with partial assessment. The proposed interventions like improvement and upgrading of access roads including secondary & tertiary, improving public facilities at selected sites will have some localized environmental impacts during road constructions and civil works etc. The Borrower will carry out an Environment Assessment and prepare a mitigation plan in accordance with this OP.
Natural Habitats OP/ BP 4.04	No	Most of the proposed activities will be carried out in the built-up area where natural habitat has long been modified. Therefore, the proposed activities are unlikely to affect any natural habitats.
Forests OP/BP 4.36	No	Most of the proposed activities will be carried out in the built-up area where no forests exist. Therefore, the proposed activities are unlikely to affect any forests.
Pest Management OP 4.09	No	The project interventions will not carry out any agriculture related activities that require Pest Management therefore this OP is not triggered under this project.
Physical Cultural Resources OP/BP 4.11	Yes	Some of the proposed activities will be carried out adjacent to the religiously important and sacred sites. A PCR plan may need to be developed in accordance with this policy.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in Punjab where the project will be implemented.
Involuntary Resettlement OP/BP 4.12	Yes	There may be limited/temporary resettlement as a result of infrastructure refurbishment. However, the impacts are expected to be small scale and localized especially since there is no land acquisition foreseen. For the rehabilitation of access roads and other infrastructure, limited social impacts are expected and will be captured in the ESMPs or RAPs as

		appropriate. An RPF has been prepared to guide the development of RAPs.
Safety of Dams OP/ BP 4.37	No	No dam-related activities are included in the proposed project.
Projects on International Waterways OP/BP 7.50	No	No works will be carried out at or in any international waterways.
Projects in Disputed Areas OP/BP 7.60	No	No disputed territories as defined in the OP exist in the Province.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>The proposed project will finance under component 3 some physical low-scale interventions for example to provide improved access, better road conditions and public convenience facilities. The project assessed potential impacts on the environment through the upgrading of secondary and tertiary road access for some heritage and sacred sites such as Tope Mankiala Stupa, Taxila Museum, Julian Remains, Katas Raj, Gurdwara Rori Sahib, Gurdwara Sacha Sauda in districts of Rawalpindi, Chakwal, Gujranwala, and Sheikhupura which may have localized and reversible environmental impacts linked to soil erosion, dust and noise, and social disturbance during civil works. This also holds for the proposed interventions for public convenience facilities like the upgrading and building of new parking areas, and installation of tourist and family friendly facilities along the main transport network and near the sites. The development of master plans in sub-component 1.2 will address similar type of physical interventions. However, potential large scale and/or significant environmental impacts are not expected.</p> <p>The Project will not undertake land acquisition. Any land required will be on a temporary basis. Small scale resettlement and/or impact on livelihoods is likely to take place but this is expected to be localized. A Resettlement Planning Framework (RPF) has been prepared. Resettlement Action Plans will then be prepared for relevant sub-projects where screening indicates social impact. Social risks can emerge from a lack of public participation and involvement in sensitive issues around religious sites. An Environmental and Social Management Framework (ESMF) has been prepared and assesses PCR requirements to guide the preparation of Cultural Resources Management Plans where required. There will be no significant or irreversible impacts envisaged from rehabilitation works which are expected to be minor.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>There are no indirect or long term impacts due to anticipated activities in the project area as they are relatively minor.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p> <p>The Project selected interventions based on greatest impact without leading to large-scale irreversible environmental and social impacts. The project is, therefore, not undertaking any large scale infrastructure interventions and focuses on upgrading and refurbishment of existing facilities.</p>

These will avoid land acquisition and large scale resettlement of people. Such interventions will also not lead to irreversible impacts on religious sites.

The project is expected to result in the overall improvement of the tourism in the country both at policy, planning levels and provide support with respect to upgrading the facilities for the visitors in some historical and sacred sites. As a part of the project design, relevant care has been factored to minimize risks and / or adverse impacts.

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.

As a part of project preparation, the PRMP prepared an ESMF for the project to mitigate any negative impacts. The ESMF outlined the process and the type of management plans, such as Environmental and Social Management Plan (ESMP), to be prepared after the scope of civil works in initially selected sites has been identified (e.g. access roads and public convenience facilities). The site specific ESMPs will provide the basis for identifying and costing mitigation measures against adverse impacts of sub-projects. The GoPb will share the site specific ESMPs with the WBG for review and get final approval before commencement of civil works. A Resettlement Policy Framework has also been prepared and a Resettlement Unit will be operational within the PIU. All RAPS, where required, will be fully implemented before commencement of civil works. Where required, a Cultural Resources Management Plan will also be prepared and implemented.

The ESMF outlines: (i) institutional arrangements to manage the environmental impacts of the project; (ii) monitoring requirements to ensure effective implementation of mitigation/enhancement measures; (iii) training needs; and (iv) reporting and documentation requirements. It elaborates human resource requirements for project execution covering the PIU, contractors, and supervision consultants, and it requires an annually conducted third-party validation of site specific ESMP implementation. The implementation agency does not have adequate skills to address the social and environmental issues of the project satisfactorily. Therefore, the implementing agency will hire dedicated full-time Social and Environmental Specialists (one each) to oversee environmental monitoring of ESMF and site specific ESMPs and provide technical support to works consultants in the development of site specific ESMPs. Regular monitoring will be undertaken and findings will be part of quarterly progress reports prepared by the implementing agencies.

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

The key stakeholders consist of (i) local communities and religious visitors to the sites (ii) firms in the tourism sector benefiting from lower transaction costs and a more conducive investment climate, improved infrastructure and access to a better trained workforce; (ii) federal, provincial, local authorities ; and (iii) individuals and households benefiting from training programs and improved infrastructure services, including women (disaggregated).

The Project undertook consultations with both women and men during ESMF and RPF preparation. A Consultation Framework has been prepared in the ESMF and will ensure public participation/consultation in planning activities and inclusion of women in sub-project design as well as implementation. Consultations will also be undertaken where RAPs are prepared and implemented.

Several project interventions will specifically benefit women and families. The final ESMF (after Bank's approval) will be disclosed locally subject to consultations with GoPb on provincial websites, a project website and the World Bank's Info. Shop.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	19-Dec-2016
Date of submission to InfoShop	28-Dec-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	19-Dec-2016
Date of submission to InfoShop	28-Dec-2016
"In country" Disclosure	
<i>Comments:</i>	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	
N.A.	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Is physical displacement/relocation expected?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input checked="" type="checkbox"/>]
Provided estimated number of people to be affected	
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input checked="" type="checkbox"/>]
Provided estimated number of people to be affected	
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

V. Contact point

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VII. Approval

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<i>Approved By</i>		
Practice Manager/ Manager:	Name: Shobha Shetty (PMGR)	Date: 28-Dec-2016
Country Director:	Name: Patchamuthu Illangovan (CD)	Date: 04-Jan-2017