

World Bank

Unleashing the Blue Economy of the Caribbean (UBEC)

Environmental and Social Management Framework

Draft for Consultation

October 1, 2021

DRAFT

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1. INTRODUCTION

1.1 Program Description

The Unleashing the Blue Economy of the Caribbean (UBEC) Program is to be implemented as a Series of Projects (SOP) over a five to fifteen-year period, with each project implemented over a five-year period as per projected country demand¹. UBEC's Proposed Development Objective (PDO) is to strengthen the enabling environment for the blue economy and to enhance resilience of selected coastal infrastructure in and across participating countries. The PDO serves as an overall framework for strengthening the management and resilience of marine and coastal assets to stimulate select OECS economies at the regional, national and community levels. In particular, participating countries will benefit from improved competitiveness of their economies in three critical and interconnected sectors: tourism, fisheries & aquaculture and waste management.

While the UBEC program challenges are regional in nature, addressing these will require interventions and institution building at both the regional and national levels. Coordination among participating countries is critical for enhancing synergies given their economic dependence on tourism and their shared marine ecosystems and fishery resources, as well as mitigating coastal and marine pollution.

The SOP approach enables countries to join the program when they are ready, and to participate at different implementation levels within the same PDO framework. Investment projects to be initiated in FY2022 are to be led by the governments of Grenada, Saint Lucia, Saint Vincent and the Grenadines (SVG) and the OECS Commission. A second phase comprising at least one additional country-level investment projects is expected to be initiated in FY2023-2025. These could involve Antigua and Barbuda and Dominica, among others. Other Caribbean countries may participate from FY2024 onwards. The design of the second and subsequent phase of projects will consider the capacity of institutions, technical competencies, and challenges, and will benefit from lessons learned from phase one.

The phase 1 project in the SOP is designed to stimulate economic recovery and support marine and coastal resilience in the three participating countries by strengthening the sustainability and competitiveness of two critical, interconnected sectors – tourism and fisheries – and one underlying enabling infrastructure service, waste management. These objectives are to be accomplished through four program components.

COMPONENT 1: STRENGTHENING GOVERNANCE, POLICIES AND CAPACITY BUILDING FOR KEY PRODUCTIVE SECTORS

This component, through its two sub-components, targets national and regional policies, strategies, institutions, legal frameworks, and capacity building by the public sector necessary to support economic recovery and jobs and to improve the management of natural assets contributing to the regional marine environmental health and resilience.

Subcomponent 1.1 Strengthening Regional Policies, Institutions and Coordination: This subcomponent will support the harmonization of regulations and government procedures, while boosting regional cooperation to allow for stronger economies of scale in the region. With the OECS Commission playing a strategic role in strengthening regional integration and helping to manage shared economic resources in the interest of OECS countries, the regional approach will address potential transboundary issues and increase the impact of national interventions. The regional

¹ The term "Program" refers to a Series of Projects (SOP). The SOP approach provides flexibility for considerable economies of scale and facilitates positive spillovers that accommodate for financial constraints.

approach is essential to address transboundary issues such as fisheries, intra-regional tourism, and for phasing out single-use plastics. This subcomponent will support the update of regional policies on tourism, fisheries, and waste management and marine litter, as well as the development and management of regional knowledge and data systems and regional knowledge exchanges.

Subcomponent 1.2 Strengthening National Policies, Institutions and Capacity Building: This subcomponent is designed to strengthen governance and the regulatory framework of tourism, fisheries and aquaculture, and waste management at the national level in the three participating countries. This will be achieved through (i) support for sectoral standards, policies, and/or operational guidelines, (ii) policy measures aimed at increasing value added investments and reducing plastic pollution and enhancing domestic waste management, and (iii) capacity development to ensure the region has access to a skilled workforce.

COMPONENT 2 - SCALE UP ACCESS TO FINANCE AND INFRASTRUCTURE INVESTMENTS IN THE BLUE ECONOMY

Delivered through two subcomponents, this component includes an innovative financing mechanism to enable private sector-led growth and direct investments into economic activities that enhance ocean health and resilience leading to an increase in employment and greater GDP contribution from ocean assets.

Subcomponent 2.1-Scale Up Access to Finance to Small and Medium Enterprises (SMEs) and Fisherfolk Communities: The project will focus on two financing mechanisms under this subcomponent: Regional SME matching grants program and Expansion of the regional climate-risk insurance for fisheries.

(a) *Regional SME matching grants program:* designed to finance business development services (BDS) and matching grants to increase the productivity, job creation, and upgrade the capabilities of SMEs and communities within blue economy value chains. The Regional SME matching grants program seeks to fund activities that will: (a) support tourist operators, fish workers, service providers, and coastal communities to increase employment, productivity and innovation while ensuring sustainable management of the marine and coastal natural resources; and (b) enhance market linkages and business relations for target beneficiaries with other value chain actors. 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 SMEs 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. Eligibility criteria will ensure SMEs with commercial viability adopt an approach of building back better, respecting the integrity and resilience of the regional coastal ecosystems. The program will be managed at the regional level by the OECS Commission to foster greater regional collaboration. Details pertaining to management of the program will be included in the Project Operational Manual.

(b) *Expansion of the regional climate-risk insurance for fisheries:* The Caribbean Ocean and Aquaculture Sustainability Facility (COAST) fisheries risk insurance scheme is an innovative hydro-meteorological and climate risk insurance product. COAST supports governments' efforts to rapidly channel financial resources to those fishers most impacted by extreme weather events, by providing governments with funding to cover the most immediate needs of fishers following a natural disaster or extreme weather event. COAST enhances inclusiveness by covering, among others, fish vendors and processors, most of whom are women. Through formal registration in the scheme, these women, for the first time, will be insured to support their livelihoods. On a pilot basis, the Caribbean Catastrophe Insurance Facility (CCRIF) SPC has made the COAST product

available to two countries, Grenada and Saint Lucia, for the 2019/20, 2020/21 and 2021/22 policy years. This Project UBEC will now extend this risk insurance product to SVG and continue to support Grenada and Saint Lucia to scale up efforts in the application of this insurance product.

Subcomponent 2.2 Scale Up Infrastructure Investments for Economic Resilience and Ocean Health:

This subcomponent will support direct investments in resilient coastal infrastructure that generate jobs in the short-term and lay the foundation for long-term recovery through investments that help build a low-carbon, less polluting, more sustainable and resilient coastal economy that is adaptive to climate change. Public investments supported by this sub-component will serve to de-risk private investment by improving, restoring or preserving healthy and functioning marine ecosystems, and measures to prevent further degradation of key marine/coastal hotspots. This activity will also finance pre-feasibility studies, climate risk screening, cost-benefit analysis, environmental and social impacts, and public consultations.

COMPONENT 3: CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC)

This component will support the capacity of the participating countries to rapidly respond in the event of a future eligible crisis or emergency defined as “an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters.” Such events may include a disease outbreak such the COVID-19 pandemic. This component would draw from uncommitted loan resources from other project components to cover the emergency response.

COMPONENT 4 - PROJECT MANAGEMENT, COMMUNICATION AND REGIONAL COORDINATION

The objective of this component is to ensure effective project implementation, monitoring of activities and final project evaluation. The component will finance the expenditures of Project Implementation Unit (PIU) in each country related to project coordination and management; compliance with environmental and social safeguards; monitoring, evaluation, and impact assessment; data collection; fiduciary administration, accounting and financial/technical audits; stakeholder and citizens’ engagement mechanism, including a grievance redress mechanism; communications; and regional coordination.

1.2 Purpose of the Environmental and Social Management Framework (ESMF)

The ESMF establishes a process and defines the roles and responsibilities for screening and addressing environmental and social (E&S) issues for sub-projects from selection through review and approval, to implementation and monitoring across the three sectors covered by the Project. The guidance is presented as a framework as the location and design of the UBEC sub-projects are not known during project preparation.

At its core, the ESMF offers guidance for the assessment and management of environmental and social risks and impacts associated with the implementation of sub-projects through a methodologically rigorous process of due diligence. In particular, the ESMF will define generic measures according to the hierarchy of avoidance, minimization, mitigation, offset or compensation. This will include the preparation of E&S risk management tools such as E&S Impact Assessments (ESIAs), E&S Management Plans (ESMPs), Resettlement Action Plans and Environmental Codes of Practice. All potential sub-projects will be screened based on the criteria developed in the ESMF consistent with the E&S risk classification to inform the selection process by the PIU.

Box 1 World Bank Environmental & Social Standards Mitigation Hierarchy

1: Avoidance. The most preferred form of mitigation. As a first step, the environmental and social assessment will identify and evaluate technically and financially feasible alternatives. When determining technical and financial feasibility of alternatives, both cost and benefits should be considered. The evaluation should impact on project design enabling the Borrower to choose alternatives that anticipate and avoid adverse environmental and social risks and impacts. (See

2: Minimization. Where avoidance is not possible, the environmental and social assessment will identify specific actions to minimize or reduce adverse environmental and social risks and impacts that are likely to arise throughout the project life cycle.

3: Mitigation. To manage the residual risks and adverse impacts after the avoidance and minimization steps, the environmental and social assessment will identify mitigation measures by establishing specific actions to ensure the project will meet the requirements of applicable ESSs and comply with relevant national laws and regulations. In case of existing facilities, these actions will include measures to rectify the prevailing risks and adverse impacts identified in the environmental and social audits or due diligence reports. All these measures normally form part of the environmental and social management plan (ESMP) for the project.

4: Offset or Compensation. Where avoidance, minimization, or mitigation is not adequate to manage significant adverse risks and impacts, it may be appropriate to design and implement measures that compensate/ offset for residual risks and impacts. These measures do not necessarily eliminate the identified adverse risks and impacts, but they seek to offset them with comparable positive ones.

Source: World Bank. 2018. ESS1 Guidance note.

Due diligence will also include the identification of the most vulnerable populations, notably fishers and small-scale tourism operators. The ESMF offers specific guidance to identify the potential for gender exclusion and gender-based violence (GBV). Similarly, it lays out the process to identify and analyse the risks of exclusion of persons with disabilities. This includes both the risk of exclusion from participation in project activities and the risk of discrimination as part of project implementation. ESMF guidance will ensure that these vulnerable populations are considered in any mitigation measures.

The ESMF explains the institutional context within which this risk assessment and response is to occur. This includes a description of the institutional roles and responsibilities to ensure sound E&S management during project implementation, and an analysis of the legal and institutional framework of each of the three participating countries. Any gaps between the requirements of the World Bank Environmental and Social Standards (ESSs) and national laws and regulations are clearly identified with corresponding measures to address these gaps.

ESMF guidance will focus primarily on Subcomponent 2.1- Scale up access to finance to SMEs and communities (Regional SME grants program) and Subcomponent 2.2. Scale up resilient infrastructure investments in key blue economy sectors (Project Preparation Facility and Direct investment in blue economy infrastructure). Additionally, the ESMF will address the potential E&S impact of Subcomponent 1.1- Strengthening Policies and Institutions at the National level.

As the CERC (component 3) is designed to provide swift response in the event of an eligible crisis or emergency, the ESMF also includes general guidance for screening the possible investments to be supported under the CERC, activities not to be supported under the CERC, possible mitigation and monitoring measures. This will include potential activities that could be financed, a screening process for the potential activities, institutional arrangement for E&S due diligence and monitoring, and capacity building measures that may be required.

Specific training and capacity building actions and activities will be included to address environmental and social risks and enhance positive outcomes.

The ESMF includes a negative list of activities comprising activities with a high or substantial environmental and social risk classification such as those with the potential to cause adverse impacts to critical habitat, or activities that can lead to the conversion, deforestation or degradation of natural forests or other natural habitats. These activities are ineligible for financing by the project.

The ESMF includes guidance for contractors and beneficiaries to manage risks associated with a number of other Environmental & Social Standards relevant to the project. This guidance is presented in the annexes to the ESMF including ESS3-Resource Efficiency and Pollution Prevention and Management (Annex 7), ESS4-Community Health and Safety (Annex 8), ESS6-Biodiversity Conservation and Sustainable Management of Living Natural Resources (Annex 9) and ESS8-measures to protect cultural heritage in the form of Chance Find Procedures (Annex 10).

1.3 Institutional Roles and Responsibilities

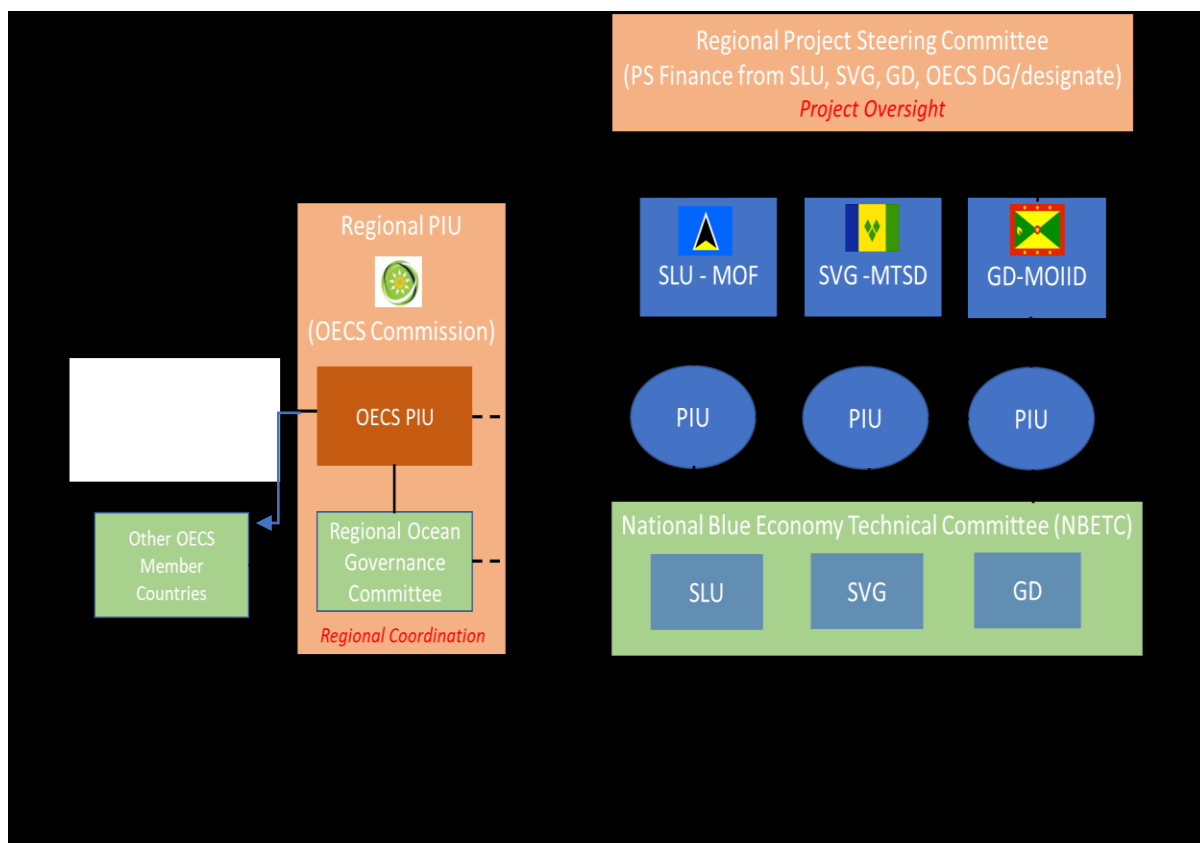
The program will be implemented at both the national and regional levels, under a coordinated framework. The implementation arrangements are designed to ensure clear ownership of the project components and to strengthen regional and inter-ministerial coordination among and within the participating countries. The implementation of this ESMF requires involvement of several stakeholders each with different roles and responsibilities to ensure sound environmental and social management during project implementation, as shown in Figure 1.

UBEC Phase 1 national participants will include the governments of Grenada, Saint Lucia and Saint Vincent and the Grenadines, with the OECS Commission as the regional entity (See Figures 2 to 5 for context maps). At the national level, the Ministry of Implementation in Grenada, the Ministry of Finance, Economic Development and Youth Economy of Saint Lucia, and the Ministry of Tourism, Civil Aviation, Sustainable Development and Culture of Saint Vincent and the Grenadines will be responsible for project execution, in close collaboration with the implementing line ministries for each component. At the regional level, the OECS Commission will be the institution principally responsible for regional coordination, knowledge exchange, and providing additional capacity to project implementation and monitoring of impacts.

The Regional Project Steering Committee (PSC) will conduct the overall management/oversight of the project. The PSC would be composed of a Permanent Secretary-level representative from the Ministry of Finance from each country, and a representative from the OECS Commission (Director General or delegate). The PSC will be responsible for: 1) oversight of annual workplans, 2) regional procurement decisions, 3) discussion and agreement on regional policy issues related to the blue economy, 4) oversight of regional fiduciary matters; and 5) oversight of reporting requirements from National PIUs. 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 dedicated PIU will be established within the OECS Commission and within each participating country. The regional PIU will be led by a full-time Project Manager and will include a full-time M&E specialist, a full-time procurement specialist, a dedicated technical specialist for each of the three project sectors, an environmental safeguards specialist and a social safeguards specialist.

Figure 1. Institutional Arrangements for the Project



The regional PIU will be responsible for (i) facilitating the regional coordination of the Project through implementation support to the National PIUs, and (ii) implementing the regional grant-financed activities. More specifically, the regional PIU will be responsible for (a) providing input and coordinating support to the PSC on strengthening and harmonizing regional policies among the two participating countries to support economic recovery, jobs and ecosystem health (Subcomponent 1.1); (b) managing and monitoring the Regional Small and Medium-sized Enterprises (SME) Grant program to foster the recovery and the resilience of SMEs in the region (Subcomponent 2.1a); (c) 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.

Each country will have a national PIU responsible for implementing national-level activities and coordinating with relevant national ministries. National level PIUs will have a full-time project manager that will be housed at the Ministry of Implementation for Grenada, the Ministry of Finance, Economic Development and Youth Economy of Saint Lucia for SLU, and the Ministry of Tourism, Civil Aviation, Sustainable Development and Culture for SVG. The full-time project manager will be responsible for ensuring the delivery of all national activities, including obtaining the necessary approvals for procurement and safeguards documents, data collection and reporting on national M&E indicators. The Financial Management function will be managed at the country level, either within the PIU or through an existing centralized arrangement (Grenada). Each national PIU will also have an environmental safeguards specialist and a social safeguards specialist responsible for approval of ESF documents at the national level, and supervision of safeguard matters related to national project activities.

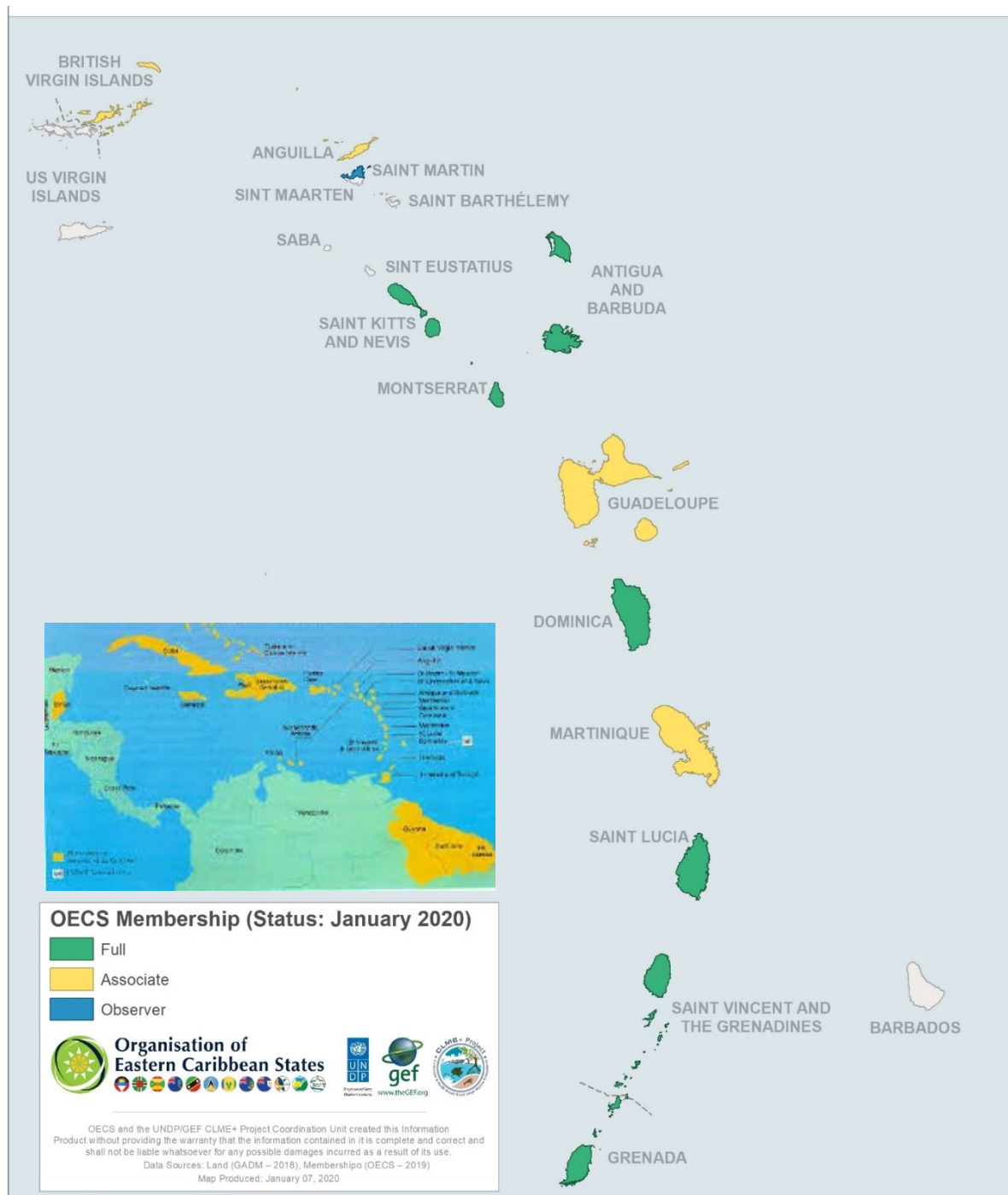
In each country, the National Ocean Governance Committee will serve as the National Blue Economy Technical Committee (NBETC) for the Project. The NBETC will advise the national PIUs on the technical implementation and contracting of activities related to the areas of Tourism, Fisheries and

Aquaculture, and Solid Waste Management, and the Regional PIU on policy issues. The Regional Ocean Governance Team (OGT) will work to facilitate coordination between the governments and regional institutions and help address strategic issues impacting project implementation. It will also be responsible for oversight of the regional activities and ensure coordination with other OECS countries not participating in the Project.

Responsibilities of the national E&S safeguards specialists will include approval of national ESF documents and the supervision of all national-scale safeguard matters, including monitoring and reporting on national scale project and sub-project compliance with ESF instruments. E&S safeguards specialists will also participate in national scale sub-project screening and risk assessment. E&S safeguards specialists will benefit from technical support from regional counterparts contracted by the OECS Commission.

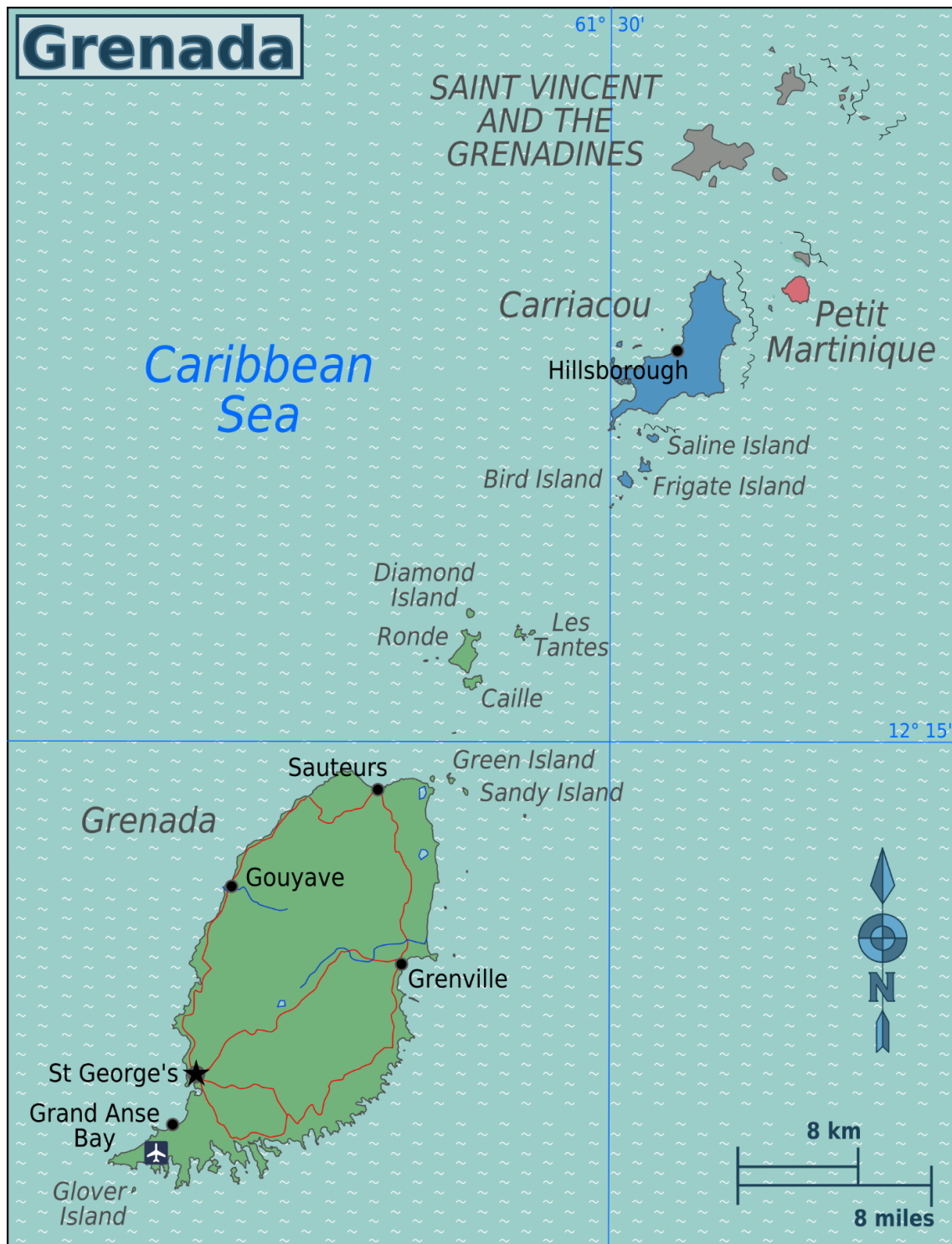
National PIUs will be supported by various resources. The regional PIU will provide extensive support to the national PIUs, including the drafting of ESF instruments and preparation of bidding documents, though the approval of all ESF documents and supervision of the application of the ESF will remain the responsibility of the national PIU. For complex procurement activities, the Project will also use a Hands-on Expanded Implementation Support (HEIS), in which the WB will provide specific procurement support, though the approval of bidding documents, bid evaluations and awards will still be the responsibility of the regional or national PIUs. For the regional SME grant program, the regional PIU at the OECS Commission will manage it in close consultation with national PIUs.

Figure 2. The Eastern Caribbean Region²



² Source: <https://clmeplus.org/doculibrary/members-of-the-organisation-of-the-eastern-caribbean-stated-oecs-map/>

Figure 3. Map of Grenada³



³ Source: https://commons.wikimedia.org/wiki/File:Grenada_Regions_map.svg

Figure 4. Map of Saint Lucia⁴



⁴ Source: https://upload.wikimedia.org/wikipedia/commons/3/3f/Saint_Lucia_geography_map_en.png

Figure 5. Map of Saint Vincent and the Grenadines⁵



⁵ Source:
https://upload.wikimedia.org/wikipedia/commons/thumb/8/86/Saint_Vincent_and_the_Grenadines.svg/330px-Saint_Vincent_and_the_Grenadines.svg.png

2. LEGAL AND INSTITUTIONAL FRAMEWORK

2.1 World Bank Environmental and Social Framework

The World Bank Environmental and Social Framework (ESF) protects people and the environment from potential adverse impacts that could arise from Bank-financed projects and promotes sustainable development. This framework provides broad coverage, including important advances on transparency, non-discrimination, social inclusion, public participation and accountability. The ESF also places more emphasis on building Borrower governments' own capacity to deal with environmental and social issues. The ESF consists of:

- The World Bank's Vision for Sustainable Development.
- The World Bank's Environmental and Social Policy for Investment Project Financing, which sets out the requirements that apply to the Bank.
- Ten Environmental and Social Standards (ESSs), which set out the requirements that apply to Borrowers.
- Bank Directive: Environmental and Social Directive for Investment Project Financing.
- Bank Directive on Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups.

Table 1 depicts the ESSs that are anticipated to be relevant to the Project and offers an overview of the relevance of the Standard for the Project.

Table 1. World Bank Environmental & Social Standards Relevant to the Project

Environmental & Social Standard	Relevance	Justification
ESS1 Assessment and Management of Environmental and Social Risks and Impacts	Relevant	Assessment of environmental risks and impacts will be required for investments under Sub-component 2.1 and 2.2 and Component 3. Preliminary investments identified include improving the wastewater management system; building or refurbishing fish landing and processing facilities; and developing scuba diving trails and artificial reefs to improve the marine tourism experience. Impacts from such activities are expected to be site specific and reversible. Typical construction related impacts are likely for new building construction and refurbishment. The location for the activities planned in the marine environment will be selected based on the recommendations of the Coastal Master and Marine Spatial Plans prepared under the Caribbean Regional Oceanscape Project (CROP).
ESS2 Labour and Working Conditions	Relevant	<p>The project will likely include direct workers engaged by the project itself, contracted workers both engaged by sub grantees as consultants and as local contractors engaged to complete the civil works for the blue economy infrastructure and primary supply workers.</p> <p>In all cases, project stakeholders must adhere to the higher standard of either national labour laws or the World Bank ESS.</p> <p>Government, OECS and grantee employees involved in project implementation will remain subject to the terms and conditions of their contracts unless there is an effective legal transfer of</p>

Environmental & Social Standard	Relevance	Justification
		<p>their employment to the project. For this category of worker, only the OHS requirements under ESS2 apply.</p> <p>Potential labor risks include discrimination, workplace injuries and the transmission of COVID-19.</p> <p>Labour Management Procedures (LMP) with a dedicated Grievance Redress Mechanism (GRM) for project workers have been prepared.</p>
ESS3 Resource Efficiency and Pollution Prevention and Management	Relevant	<p>Investments in waste management such as improving the wastewater system, collection, segregation, recycling and disposal of waste with emphasis to reduce plastic pollution will take place. The ESMF describes the process to screen potential sub-projects and manage the E&S risks during implementation. Step 1 of the E&S process serves as a pre-screening step, with E&S specialists within national PIUs reviewing all potential projects before these are presented for technical review by the PIU/technical review committee.</p>
ESS4 Community Health and Safety	Relevant	<p>The project will fund civil work activity that will take place within communities and fishing landing sites. Noise generated from construction works and the movement of heavy vehicles depending on the scale of the construction activities are potential community health impacts. These, however, are likely to be short term and not cause excessive nuisance.</p> <p>The ESMF includes guidance to assess the risk to community health and safety of any infrastructure investment. Mitigation measures will be included in the relevant ESMPs.</p>
ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant	<p>Component 1.1 may fund “regulations for sensitive marine protected areas”. This may result in areas that are traditionally used for tourism or fishing activities becoming exclusion areas, thereby affecting the livelihood of tourism operators or fishers who visit the spots to earn a living. As a result, the project has developed a Resettlement and Process Framework (RPF) that will be used to design project activities, determine eligibility criteria, reach agreements on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, managing conflicts and grievances and arrange of participatory implementation and monitoring.</p> <p>Component 2.2 (ii) will fund blue economy-based infrastructure in each of the three focus areas. The type and location of these civil work activities has not yet been determined. Therefore, it is not yet known whether the project will result in any land acquisition, involuntary resettlement or economic displacement as a result of these activities. The RPF also addresses any potential cases of physical and/or economic displacement. The guidance offered by the ESMF and RPF are designed to ensure that assistance offered to displaced persons are</p>

Environmental & Social Standard	Relevance	Justification
		standardized and consistent to ensure equality and fairness. This is achieved in part by requiring a participatory approach to developing solutions to resettlement issues.
ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant	The project may fund activities aiming to enhance visitor experience from marine and nature-based tourism. In addition, replanting of mangroves, development of scuba diving trails and artificial reefs are envisaged. The ESMF includes screening criteria for sub-project selection and list possible impacts and management measures covering the different typology of sub-projects to ensure that project activities do not alter or cause destruction of any critical or sensitive natural habitats.
ESS7 Indigenous Peoples/ Historically Underserved Traditional Local Communities	Relevant	SVG is home to formally recognized Indigenous Peoples.
ESS8 Cultural Heritage	Relevant	Project activities will be implemented in areas that may be valued for their cultural heritage, both tangible and intangible. The implementation of the project is not expected to have any negative impact on cultural heritage sites, but rather enhance them for the benefit of the blue economy. The ESMF includes chance find procedures taking into account the national legislation and the requirements under ESS8. Additionally, the ESMF includes guidance to prepare a Cultural Heritage Management Plan to ensure all potential impacts on traditional conservation practices, and/or natural features with cultural significance to local communities are properly managed.
ESS9 Financial Intermediaries	Not relevant	<i>The project design does not involve any financial intermediaries.</i>
ESS10 Stakeholder Engagement and Information Disclosure	Relevant	<p>The main project stakeholders include: (i) government ministries and agencies; (ii) the OECS; (iii) civil society organizations; (iv) Micro, small and medium enterprises (MSMEs) involved in the three blue economy focus areas; (v) national solid waste management authorities; (vi) coastal communities; and, (vii) professional organizations and industry associations such as fishermen groups and tourism associations.</p> <p>Vulnerable groups could include fishers, female headed households, low-income households that depend on fisheries or tourism, the youth, LGBTI community, persons with disabilities. In order to ensure that the project is inclusive and to reduce the risk of elite capture, the project has prepared a robust stakeholder engagement plan (SEP) in proportion to the nature and scale of the project and its associated risks and impacts. The SEP considers the categories of vulnerable groups identified in the Bank Directive: "Addressing Risks and Impacts on Disadvantaged or Vulnerable Individuals or Groups"</p>

2.2 National Policy and Legal Frameworks and Assessment of Gaps with World Bank ESSs

This section provides an overview of the national legal frameworks governing compliance with World Bank ESSs and a summary of international laws and treaties. A detailed listing of these is presented in Annex 3. The section also compares this framework to the requirements of the relevant ESSs, identifies any gaps and suggests measures to address these gaps.

Alignment with Global and Regional Policies and Development Goals

At the global level, the project is well positioned to support the Sustainable Development Goals (SDGs), Nationally Determined Contributions (NDCs), and the Post 2020 Global Biodiversity Framework of the Convention of Biological Diversity (CBD) is to be adopted at the end of 2020. This project will directly contribute toward the achievement of SDG 14, which not only sets the 2030 target of increasing the economic benefits to small island developing states (SIDS) from the sustainable use of marine resources, but is also an indispensable building block supporting additional SDGs⁶ including through sustainable management of fisheries, aquaculture and tourism. Likewise, the project is well positioned to contribute to the climate change policies and measures of the OECS countries outlined in their NDCs. Finally, actions to support sustainable fisheries management in the context of this project will contribute to achieving action targets of the CBD's post 2020 Global Biodiversity Framework.

The project directly responds to the World Bank's overarching goals of eradicating extreme poverty and promoting shared prosperity by helping to develop a sustainable Blue Economy, supporting food security through sustainable fisheries management, creating jobs for coastal populations, addressing marine litter, and increasing resilience to climate variability of those who depend on the marine resources, which are among the poorest and most vulnerable. The project is also consistent with the WBG's OECS Regional Partnership Strategy (RPS) FY2015–2020 Framework, IDA19 Deputies Report, and OECS Regional Tourism Competitiveness Project by contributing to the competitiveness and resilience areas of engagement.

The project will also contribute to the World Bank's Gender Strategy. The proposed project will provide support to improve data on gender gaps in tourism, fisheries and waste management activities. It will also actively work to close gaps in terms of access to finance for women-owned businesses, and to increase the voice and agency of women supported by the project. Tourism-sector training will also address the increased risks of gender-based violence faced by women.

At the regional level, the project is aligned with the Eastern Caribbean Regional Ocean Policy (ECROP). ECROP and the associated Strategic Plan, which provide the framework for enhanced coordination and management of ocean resources within the Eastern Caribbean, where the OECS Commission has a key role to play in regional ocean governance. Endorsed by the OECS' Heads of Government in 2013, ECROP guides the future use of the region's marine waters and provides a basis for enhanced coordination and management of ocean resources within the Eastern Caribbean. In line with ECROP, the World Bank's OECS Caribbean Regional Oceanscape Project (CROP P159653) aims to strengthen the policy and regulatory frameworks for enhanced ocean governance. This 'up-stream' regulatory framework is embodied in the Coastal and Marine Spatial Plans (CMSPs), the regional and national ocean policies, and the cabinet approved National Ocean Governance Committees (NOGCs), all of which are the foundation for growing the blue economy in the region. With these institutional frameworks in place, the specific 'down-stream' investments will encounter

⁶ SDG 1, SDG 2, SDG 3, SDG 5, SDG 8 and SDG 13. See <https://sdgs.un.org/goals> for details on all 17 SDGs.

the institutional support, backed by ocean policies, and even the physical space (outlined in the CMSPs) to be successfully executed to deliver results and further advance the blue economy agenda.

International and Regional Treaties and Conventions

A number of international treaties and conventions to which the three participating OECS member states are signatories cover the three sectors under which sub-projects will be financed, and relate to the ESSs relevant to the project. A more comprehensive list of these is presented in detail in Annex 3.

Key treaties and conventions relevant to development of the Blue Economy include:

Treaty/Convention	Description
International Convention for the Prevention of pollution from ships (MARPOL)	The main international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes, adopted in 1973.
Caribbean Regional Fisheries Mechanism (CRFM)	An inter-governmental organization with a mission to promote and facilitate the responsible utilization of the region's fisheries and other aquatic resources for the economic and social benefits of the current and future population of the region. The CRFM was established in 2002 and is headquartered in Belize City, Belize.
United Nations Convention on the Law of the Sea (UNCLOS)	An international agreement signed in 1982. The convention has resolved several important issues related to ocean usage and sovereignty, such as establishing freedom-of-navigation rights, setting territorial sea boundaries 12 miles offshore and setting exclusive economic zones up to 200 miles offshore.
The Convention for the Protection and Development of the Marine Environment in the Wider Caribbean Region (the Cartagena Convention)	A regional legal agreement for the protection of the Caribbean Sea signed in 1973 and supported by three protocols on Oil Spills, Specially Protected Areas and Wildlife (SPAW) and Land Based Sources of Marine Pollution (LBS).
Convention on Biological Diversity (CBD)	The overall objective of the 1993 CBD is to develop a national strategy for the conservation and sustainable use of biological diversity. The CBD is often viewed as the key document regarding sustainable development. As of 2016, the convention has 196 parties, including all full members of the OECS.

National Legal Frameworks

The legal framework for the project covering the three countries is given in **Annex 3**. In general, it is perceived that, in the countries where sub-projects will be implemented, the national policies respond satisfactorily and in varying degrees to the ESF requirements. For further analysis in regard to gaps, see Table 2, which must be read together with Annex 3.

Table 2. Comparison of ESSs with the National Legal Frameworks in the Project Countries

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
ESS2: Labour and Working Conditions	ESS2 requires that decisions relating to the employment or treatment of project workers will not be made on the basis of personal	The legal framework in the jurisdictions where project workers will be employed or engaged is adequate for addressing the requirements of ESS2.	The project level LMP has been developed to address these gaps prior to the start of project activities in the respective countries.

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
	<p>characteristics unrelated to inherent job requirements (e.g., gender, race, religion, sexual orientation) but be based on the principle of equal opportunity and fair treatment.</p> <p>ESS2 requires that no child under the legal minimum age or the age of 14 (whichever is lowest) be employed or engaged in connection with the project. Each of the project countries establishes a minimum legal age for employment of 14 or older.</p> <p>ESS2 also requires that no child under the age of 18 may be employed or engaged in connection with work that is likely to be hazardous, interfere with the child's education or be harmful to the child's health or physical, mental, spiritual, moral or social development.</p> <p>ESS2 imposes more general requirements related to occupational health and safety that apply to all project workers, not only those under the age of 18.</p> <p>Project workers will be based in the three Caribbean Island</p>	<p>However, gaps exist both in terms of the legal framework itself and institutional capacity to ensure compliance with it.</p> <p>Gaps exist with respect to anti-discrimination legislation. There are also some gaps in the legal protections given to children under the age of 18 from involvement in hazardous work.</p> <p>Anti-discrimination legislation, in one form or another, exists in all project countries. Specific laws have been passed in Saint Lucia. In other cases, general guarantees of equality are provided in the constitution. The protected categories defined by law are not, however, always as comprehensive as those required by ESS2. For instance, while discrimination on the grounds of race, religion, place of origin or sex is prohibited in all countries, such protections are not universal for age, disability and, especially, sexual orientation. As a result of shortcomings with the legal framework</p>	<p>The project will have to implement workplace policies that meet the requirements of ESS2 in relation to anti-discrimination. These will be included in the Code of Conduct which will be a part of the contract for project workers.</p> <p>Contractors and beneficiaries that do not have anti-discrimination policies that are consistent with EES2 will be assisted to develop and implement appropriate policies that are aligned with ESS2. The anti-discrimination clauses will be included in sub-grantee Codes of Conduct for workers.</p> <p>ESS2 permits children under the age of 18 to be employed or engaged only in exceptional circumstances under the project, and subject to rigorous scrutiny. If, for any reason, there are persons working for the project between the minimum age and the age of 18, the project will follow the requirements set forward in ESS2, section B: "Protecting the work force" paragraphs 17-19.</p> <p>Contractors, beneficiaries and any third parties who employ or engage project workers, will develop and implement procedures to establish and maintain a safe working environment, including that workplaces, vehicles, equipment and processes under their control</p>

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
	<p>countries targeted by the project. In each jurisdiction, relevant labour laws are those related to conditions of employment (e.g., minimum wage, hours of work, minimum age, vacation and sick pay, maternity leave), anti-discrimination (i.e., protection from discrimination on the grounds of protected characteristics), industrial relations (e.g., trade union establishment, collective bargaining, arbitration of disputes, etc.) and occupational health and safety.</p> <p>Each of these categories of law is relevant to different requirements of ESS2 and is addressed in the project LMP.</p>	<p>and its implementation in the project countries, it is unfortunately the case that children are still engaged in the worst forms of child labour, including in agriculture and commercial sexual exploitation. The Employment of Women, Young Persons and Children Act of SVG has a similar gap, with discrepancies between the minimum age for work and the maximum age for compulsory education, leaving children without adequate protection from child labour.</p>	<p>are safe and without risk to health. This may require going beyond compliance with prevailing national legislation, due to the existence of gaps with regard to occupational health and safety.</p>
ESS3: Resource Efficiency and Pollution Prevention and Management	<p>ESS3 guidance for management of hazardous and non-hazardous waste requires that the Borrower avoid the generation of hazardous and nonhazardous waste. Where waste generation cannot be avoided, the Borrower will minimize the generation of waste, and reuse, recycle and recover waste in a manner that is safe for human health and the environment. Where waste cannot be</p>	<p>There is considerable variation among the project countries with regard to legislation governing aspects of waste management such as on recycling, landfill or e-waste management.</p>	<p>Given the significant gaps that exist in the legal framework, it will be necessary to introduce additional measures in the site specific ESMPs, and to ensure compliance with the requirements of ESS3. The project will avoid, minimize, and/or manage project-related nonhazardous and hazardous waste including during civil works.</p>

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
	reused, recycled or recovered, the Borrower will treat, destroy, or dispose of it in an environmentally sound and safe manner that includes the appropriate control of emissions and residues.		
ESS4: Community Health and Safety	Project-related risks associated with the implementation of sub-project activities at the community level, which could result in transmission of communicable diseases, such as COVID-19. The Caribbean Region is also at elevated risk of hurricanes, earthquakes and other natural disasters; some of the project countries have enacted laws on disaster preparedness and response.	All three project countries have enacted laws on public health, which provide for control of infectious diseases. In line with these laws, specific guidelines and regulations have been introduced in response to the ongoing COVID-19 pandemic.	Project guidelines include those of the Technical Note: "Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings March 20, 2020" and the ESF/Safeguards Interim Note: COVID-19 Considerations in Construction/Civil Works Projects.
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	ESS5 requires the preparation of a resettlement framework where a risk exists of physical and/or economic displacement due to involuntary resettlement, or where project activities may restrict access to livelihood-generating resources.	<p>All project countries have laws that provide for the establishment of and regulation of activities within protected areas.</p> <p>National constitutions establish rights of protection from deprivation of property.</p> <p>There is no existing legislation or official policy document that specifically supports resettlement</p>	<p>The project has developed a Resettlement and Process Framework (RPF) that will be used to design project activities, determine eligibility criteria, reach agreements on access restrictions, identify measures to assist affected persons in improving or restoring their livelihoods, manage conflicts and grievances and arrange participatory implementation and monitoring.</p> <p>The RPF addresses the gaps between existing legislation and World Bank</p>

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
		<p>initiatives or restoration of livelihoods. Similarly, no prescribed legislation or formal policy exists for relocation of squatters.</p> <p>National laws do not comply with ESS5 in at least one important respect. National Land Acquisition Acts generally allow the government to take possession of land acquired and to commence development before compensation is paid. In contrast, ESS5 requires that the acquisition of land occur only after compensation has been delivered. Where resettlement is required, ESS5 also requires that resettlement sites and moving allowances be provided prior to initiation of any development.</p>	<p>requirements, including a requirement that eligible landowners/occupants be compensated before any development is initiated.</p> <p>Guidance on establishing procedures for resettlement may rely on established practice, but must comply with the principles and requirements laid out in this RPF.</p>
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Regulations for developing and implementing marine protected areas , strengthening the conservation of the marine ecosystem are planned. This will have	Each country's legal framework provides for protection of coastal and marine habitats.	ESMF lays out the sub-project screening criteria. Selected sub-projects will comply with the prevailing regulations and requirements laid out in the ESMF in accordance with ESS6 including conducting

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
	positive environmental outcomes. Activities aiming to enhance visitor experience from marine and nature-based tourism such as replanting of mangroves, development of scuba diving trails and artificial reefs may affect sensitive natural habitats.		EIAs and developing ESMPs as required.
ESS7: Indigenous Peoples	Project implementation is not expected to have any negative impact on Indigenous Peoples, but rather enhance them for the benefit of the blue economy.	Indigenous Peoples are recognized in SVG. There are no known legal gaps.	Project documentation will have to recognize the Kalinago Community of Dominica should that country participate in a later phase of UBEC.
ESS8: Cultural Heritage	Project implementation is not expected to have any negative impact on cultural heritage sites, but rather enhance them for the benefit of the blue economy.	All project countries have legal frameworks, consistent with ESS8, and in varying degrees, providing for preservation of national cultural, historical and/or natural heritage.	The ESMF includes chance find procedures taking into account the national legislation and the requirements under ESS8.
ESS10: Stakeholder Engagement and Information Disclosure	ESS10 recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant	There is limited information on the status of national legislation in terms of Stakeholder Engagement and Information Disclosure. However, the perception for some Caribbean countries is that there is a lack of appropriate channels through which citizens can voice their concerns about issues affecting their communities.	The project and its sub-projects will fully adopt, improve and implement the Stakeholder Engagement Plan developed for the project.

ESS	Aspects Relevant to each country	Gaps	Measures to be taken
	contribution to successful project design and implementation.	Even when such channels are available, citizens may be unaware how to communicate their concerns or how to make specific requests.	

3. ENVIRONMENTAL AND SOCIAL PROCEDURES

This section describes the environmental and social screening and risk classification process for sub-projects to guide environmental and social due diligence. The focus is on project components being implemented at a national scale, notably 2.1.i (regional MSME grants) and 2.2. Component 3 - CERC – is addressed in Annex 5.

The potential impacts of the different typologies of sub-projects being considered, along with generic mitigation and management measures, are presented below. These measures follow the mitigation hierarchy of avoidance, minimization, mitigation, and offset/compensation. A Negative List of Activities ineligible for financing is provided in Annex 4. Guidance for screening possible investments to be supported under the CERC is provided in Annex 5.

3.1 Potential Environmental and Social Risks from the Project

The project's Environmental and Social Risk Classification has been rated as Substantial.

The project will be implemented in the three OECS countries of Grenada, Saint Lucia, and Saint Vincent and the Grenadines. Like most islands of the Caribbean, OECS economies and general way of life are dependent on ecosystems and the biodiversity they contain. This marine ecosystem is characterized by diverse features (i.e. coral reefs, mangroves, sea grasses, sandy beaches, and rocky shores). These features provide a wide array of goods and services contributing to the regional economy including, among others, (a) seafood, (b) tourism and recreation, (c) coastal protection and resilience from reefs and mangroves. However, the coastal and marine ecosystems of the Caribbean Sea are under pressure from both natural and anthropogenic factors.

More than 80% of the population in the OECS countries live in coastal areas and the economic infrastructure is located within the coastal zone. Mangroves, coastal wetlands and flats are being transformed. Beaches and coral reefs are also under-pressure from extensive use for cruise and dive tourism. Pollution from both land and marine sources is an increasing threat. Treatment of sewage from both land and sea sources as well as pollution from drainage, agriculture, industries, storm water runoff continues to be a challenge, impacting the coastal and marine ecosystems. Invasion of Caribbean coral reef fisheries by the "lionfish" and pollution from excessive growth of marine algae (seaweed) are emerging issues.

OECS countries are vulnerable to a number of natural hazards such as hurricanes, earthquakes, volcanic activity, drought, tsunamis, flooding, and landslides. The effects of these can be exacerbated by poor waste management practices, over exploitation of natural resources and unplanned settlements and activities in environmentally sensitive areas.

Environmental Risk Rating

The environmental risk rating of the project is Substantial under the World Bank ESF.

The Project spans three countries and will fund investments in the tourism, fisheries and aquaculture, and waste management sectors. The details of these investments are not known at the project concept stage and requires sound environmental screening/assessment and planning to achieve the desired benefit from the project.

Potential environmental risks identified in the CMSPs for Grenada, Saint Lucia and Saint Vincent and the Grenadines are summarized in the following table:

Table 3. Summary of Environmental Risks Associated with Investment in Tourism, Fisheries & Aquaculture and Waste Management⁷

Driver/Activity	Pressures	Example of UBEC Activities
Tourism		
1. Infrastructure/ Construction	<ul style="list-style-type: none"> • Sedimentation • Extraction of living or non-living resources on seabed and subsoil • Input of organic matter- diffuse sources and point sources • Input of litter (solid waste including plastic waste, micro-sized litter) 	<ul style="list-style-type: none"> • Projects under the Sustainable Tourism Programme and Water Taxi Services focus areas - Enhancement of the Bathway-Levera Area, Carriacou Development Project (GRE) • Development of tourism circuit connecting clusters of community-based experiences along the western corridor (SLC)
2. Cargo and general boat traffic	<ul style="list-style-type: none"> • Input or spread of non-indigenous (invasive) species • Input of organic matter from diffuse and point sources • Introduction of non-synthetic compounds (e.g. heavy metals, organotins⁸ and hydrocarbons) • Input of other substances (particulate matter, SO₂, NO_x). • Input of litter (solid waste, micro-sized litter, fishing gear) • Potential collisions with coral reefs and slow-moving organisms 	<ul style="list-style-type: none"> • Capacity study for internal tourism transportation services (land and marine) (SLC)

⁷ This table is adapted from CROP Coastal Master and Marine Spatial Planning Annex E2 Situation Analysis and has been updated to reflect priority activities identified by sector for the UBEC Project.

⁸ Organotins are pollutants with tin that are used widely by industry as disinfectants, pesticides, and most frequently as biocides

Driver/Activity	Pressures	Example of UBEC Activities
3. Cruise ships & Yachting	<ul style="list-style-type: none"> Physical disturbance to the seabed Input of nutrients from diffuse and point sources Input of organic matter – diffuse sources and point sources Introduction of non-synthetic compounds (e.g. heavy metals, organotins and hydrocarbons) Input of other substances (particulate matter, SO₂, Nox) Input of litter Potential collisions with coral reefs and slow-moving organisms 	<ul style="list-style-type: none"> National policy for enhanced management of the yachting, cruise shipping and diving sectors (GRE)
4. Diving and Snorkelling	<ul style="list-style-type: none"> Physical disturbance to the seabed Disturbance of species due to human activities Potential collisions with coral reefs and slow-moving organisms 	<ul style="list-style-type: none"> National policy for enhanced management of the yachting, cruise shipping and diving sectors (GRE)
Fisheries & Aquaculture		
5. Infrastructure/ Construction	<ul style="list-style-type: none"> Sedimentation Extraction of living or non-living resources on seabed and subsoil Input of organic matter- diffuse sources and point sources Input of litter (solid waste including plastic waste, micro-sized litter) 	<ul style="list-style-type: none"> Upgrade of Fisheries Facilities (SLC)
6. Fisheries/ Marine Plant Harvesting	<ul style="list-style-type: none"> Over extraction of wild species Physical disturbance to the seabed Input of litter (solid waste, micro-sized litter, discarded or abandoned fishing gear) 	<ul style="list-style-type: none"> Construction and installation of Fish Aggregating Devices (FADs) (SLC) Enhancement of Reef Fishery (SLC) Investments in post- harvest fisheries to increase value of fish products (SVG) Adoption of Fish Aggregating Devices (FADs) (SVG)
7. Aquaculture	<ul style="list-style-type: none"> Sedimentation of nearshore coastal habitats Input of nutrients from diffuse and point sources Input of organic matter – diffuse sources and point sources Pesticides and insecticides – diffuse sources and point sources 	<ul style="list-style-type: none"> Seamoss aquaculture technologies (GRE) Review of regulatory framework governing marine aquaculture activities (SLC) Aquaculture technology improvements (SVG)
Waste Management		
8. Infrastructure/ Construction	<ul style="list-style-type: none"> Sedimentation Extraction of living or non-living resources on seabed and subsoil Input of organic matter- diffuse sources and point sources Input of litter (solid waste including plastic waste, micro-sized litter) 	<ul style="list-style-type: none"> Organic waste diversion: construction / installation of green points (GRE) Construction of an “Ecocentre” for the separation, recovery and treatment of certain wastes (GRE)

Driver/Activity	Pressures	Example of UBEC Activities
9. Waste treatment and disposal	<ul style="list-style-type: none"> • Input of nutrients from diffuse and point sources • Input of organic matter- diffuse sources and point sources • Introduction of non-synthetic compounds (heavy metals, organotins, hydrocarbons) • Input of litter (solid waste including plastic waste, micro-sized litter) • Disturbance of species due to human species 	<ul style="list-style-type: none"> • Improvement of Carriacou Landfill (GRE) • Landfill closure preparation - environmental monitoring, closure plan, extension study (SLC) • Rehabilitation of Vieux Fort Landfill/ establishment of Transfer Station (SLC) • Concern around wastewater in some tourism sites (SVG) • Proposal and designs for the closure of the Clifton landfill (SVG) • Upgrade existing landfills to improve their operational conditions (SVG)
10. Energy generation	<ul style="list-style-type: none"> • Input of other substances (e.g. particulate matter, SO₂, NO_x). 	<ul style="list-style-type: none"> • Assess feasibility for upgrade on-island processing of PET bottles, including waste to energy option (SVG)

Social Risk Rating

The project's overall social risk rating has been evaluated as Substantial. While many of these risks exist in principle, and could result in a severe outcome, experience to date suggests their likelihood may not be high. Furthermore, the level of risk may vary from country to country. For example, while the possibility of child labour and forced labour exists, the actual incidence of child labour in the three participating countries would not suggest a rating of high or substantial risk.

- **Occupational Health & Safety.** With respect to labour, there will be the need to utilize primary suppliers, therefore there are risks as it relates to child and forced labour. Labour safety concerns facing people employed or otherwise engaged to work on the project include the risk of exposure to a number of hazards that could result in illness, injury or death. Field work in coastal ecosystems carries a risk of drowning. Activities involving travel carry a risk of road traffic accidents or air accidents, in addition to exposure to infectious diseases, including COVID-19. In addition, project workers throughout the Caribbean Islands are exposed to an elevated risk of natural disasters, especially during the annual hurricane season. Risks related to exposure to crime and violence should also be considered depending on where individual projects will be implemented.
- **Physical, psychological or sexual abuse of project workers.** Project workers could be exposed to physical, psychological or sexual abuse. Risks include both physical forms of abuse (such as violence and sexual assault) and non-physical forms (such as verbal abuse, bullying and unwanted sexual attention), with the latter being more prevalent in the workplace. These risks apply to workers on sub-projects, as well as staff employed and engaged by the regional and national PIUs.
- **Unfair treatment or discrimination of project workers.** As well as being exposed to abuse, project workers could be subjected to unfair treatment or discrimination on the basis of personal characteristics unrelated to job requirements, such as race, gender, religion and sexual orientation. These risks apply to workers on sub-projects, as well as staff employed and engaged by the regional and national PIUs.

- **Transmission of COVID-19 or other communicable diseases.** Activities under all project components involve travel to and/or within the Caribbean Islands, including between countries and between urban centres and rural areas. Project staff and stakeholders may travel to participate in gatherings of large numbers of people, including workshops, seminars, community meetings and training events. Such activities have an elevated risk of transmission of COVID-19 or other communicable diseases. There is a particular risk of transmission of disease to remote coastal communities that may be particularly vulnerable, due to underlying health conditions and lack of access to healthcare.
- **Increased risk of elite capture of and/or social exclusion from project activities and/or benefits.** Given the scale and nature of the sub-projects, many will be unable to engage all members of target communities in project activities or ensure that all receive benefits, such as increased income or employment opportunities, access to the MSME grants mechanism and capacity building training. In this context, there is a risk of elite capture, leading to vulnerable and disadvantaged groups being excluded from project activities and/or benefits. This risk will be mitigated via a robust stakeholder engagement process, which ensures that all vulnerable and disadvantaged groups are identified, consulted, and provided with opportunities to participate in and benefit from project activities. The screening process related to company eligibility for grants may also consider factors such as total revenue and number of persons employed.
- **Restrictions on access to natural resources within a protected area or communally managed property.** While the project activities that will be funded are not fully defined, the project will include the creation of regulations that have the potential to restrict access for fishers and tourism tour operators to areas in which they usually earn a livelihood. The project will also fund the development of licensing regulations for tourism operators which might be accompanied by prohibitive costs for some operators. These impacts include loss of income, diminished social cohesion, reduced economic resilience and loss of cultural identity. Persons with a greater level of dependency on natural resources may be more severely impacted, and they may include some of the most vulnerable members of society.
- **Involuntary resettlement of people, due to physical and/or economic displacement.** Project activities will involve civil works. While the extent and location of these works are not yet identified, they may have the potential to cause some degree of displacement, both temporary and permanent to vulnerable groups. Displacement presents high risks, including loss of income, diminished social cohesion, reduced economic resilience and loss of cultural identity.

Component-by-component assessment of environmental and social risks

Table 4 summarizes the main environmental and social risks related to the project components. Due to the design of the project, which involves the award of grants and technical assistance for sub-projects under Component 2, it is not possible to assess risks in detail at this stage. Therefore, the ESMF presents a framework for screening individual sub-projects against the applicable ESSs and assessing the risks of each separately.

Table 4. Main Risks Related to Each Project Component

Project Component	Primary Risk
1: Strengthen Governance, Policies, and Capacity Building for Key Productive Sectors/Areas	Component 1.1 may fund “regulations for sensitive marine protected areas”. This may result in areas that are traditionally used for tourism or fishing activities becoming exclusion areas, thereby affecting the livelihood of tourism operators or fishers who visit the spots to earn a living.

Project Component	Primary Risk
2: Scale up Access to Finance and Infrastructure Investments in the Blue Economy	<p>Preliminary investments identified include improving the wastewater management system; building or refurbishing fish landing and processing facilities; and developing scuba diving trails and artificial reefs to improve the marine tourism experience. Impacts from such activities are expected to be site specific and reversible. Typical construction related impacts are likely for new building construction and refurbishment. The location for the activities planned in the marine environment will be selected based on the recommendations of the Coastal Master and Marine Spatial Plans prepared under CROP.</p> <p>Pollution Prevention: Investments in waste management such as improving the wastewater system, collection, segregation, recycling and disposal of waste with emphasis to reduce plastic pollution will take place.</p> <p>Resettlement: Component 2.2 (ii) will fund blue economy-based infrastructure in each of the three focus areas. The type and location of these civil work activities has not yet been determined. Therefore, it is not yet known whether the project will result in any land acquisition, involuntary resettlement or economic displacement as a result of these activities.</p> <p>Labour & Working Conditions: Risk will include those related to worker safety affecting local contractors, including the risk of contracting Covid-19. Primary supply workers may face risks of child and/or forced labour as well as worker safety.</p> <p>Community Health & Safety: Project-related risks associated with the implementation of sub-project activities at the community level, which could result in transmission of communicable diseases, such as COVID-19. For construction activities, there is also the risk of increased traffic, dust and noise in project communities.</p>
3: Contingent Emergency Response Component (CERC)	While implementation of Component 3 will comprise a narrower range of activities, a similar range of environmental and social risks may apply as those identified for Component 2.
4: Project Management, Communication and Regional Coordination	The primary risk relates to the health and safety of workers and contractors engaged to implement Component 4 activities.

3.2 Disadvantaged and Vulnerable Groups

All three participating countries are Small Island Developing States (SIDS) which are highly vulnerable to natural hazards and heavily dependent on foreign tourism and domestic marine fisheries for income generation, foreign exchange, jobs, and food security. While they are considered upper-middle income economies⁹, the three participating countries rank low in the Human Development Index relative to other Eastern Caribbean countries, with correspondingly high rates of household poverty (see **Table 5**).

⁹ <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

Table 5. Indicators of Well-being for Eastern Caribbean countries¹⁰

Country	HDI Ranking (2019)	Household Poverty Levels
St. Vincent and the Grenadines	97	30.2%
Dominica	94	28.8%
Saint Lucia	86	28.8%
Grenada	74	37.7%
Antigua and Barbuda	78	18.3%
St. Kitts and Nevis	74	21.0%
Barbados	58	15.0%

In addition to low-income households that depend on fisheries or tourism, vulnerable populations include lone parent and female headed households and those less able to care for themselves, notably children, the elderly, and persons with disabilities. Other vulnerable groups include the landless, disenfranchised/seasonal workers in the tourism and fisheries sectors, immigrant groups with precarious residency status – including refugee claimants, and LGBTQ¹¹ communities. Women, poor people and young people may be particularly vulnerable to personnel abusing their power.

The most vulnerable persons working in the blue economy sectors are identified in Table 6. The sectors most likely to be affected includes fisheries and related marine resource-based activities. A second sector includes coastal and marine-based tourism. Finally, pollution-generating upstream economic activities such as agriculture and agro-forestry may be affected where these activities impact downstream marine ecosystems and water quality. Other types of adverse impacts on livelihoods may occur as a result of new or expanded development activity. These include economic displacement due to changes in land use or an expansion of development activities, or physical displacement due to land acquisition for the purposes of new development. These types of adverse impacts are addressed in the RPF.

Table 6. Vulnerable sectors and populations

Potentially Affected Sector	Potentially Affected Livelihoods ¹²
Fisheries & other marine-based resource extraction activities Exploitation of marine fish stocks	<ul style="list-style-type: none"> • Domestic commercial fishing • Artisanal fishing • Subsistence fishing • Crab harvesting • Sand & aggregate mining • Sea moss harvesting • Sea urchin harvesting
Marine-based tourism activities Tourist facilities in low-lying coastal areas which pose risks to local ecosystems through over-use of recreational areas;	<ul style="list-style-type: none"> • Diving & snorkelling • Yachting & marine charters • Water taxis

¹⁰ HDI Ranking from UNDP. 2020. Human Development Report. <http://hdr.undp.org/en/content/latest-human-development-index-ranking>; Poverty levels from UN. (2016). *Sub-regional country programme document for Barbados and the OECS (2017-2021)*. <https://www.bb.undp.org/content/barbados/en/home/library/sdg/sub-regional-country-programme-document-for-barbados-and-the-oec.html>

¹¹ Lesbian, gay, bisexual, transgender, or queer

¹² Many of these livelihoods overlap. For example, tour guides may also rely on fishing.

Potentially Affected Sector	Potentially Affected Livelihoods ¹²
disposal of untreated sewage; and generation of large volumes of solid waste.	<ul style="list-style-type: none"> • Vending • Horseback riding • Small tour guides • Sport fishermen • Tour operators • Tourist resorts
Upstream activities within the coastal zone with a negative impact on downstream marine environments Agricultural activities in upland watersheds resulting in harmful amounts of pollutants to flow into estuaries and coastal waters	<ul style="list-style-type: none"> • Agriculture • Aquaculture • Forestry • Quarrying

Adapted from OECS. 2019. CROP Process Framework.

The risk of vulnerable and disadvantaged groups being excluded from project activities and/or benefits will be mitigated via a robust stakeholder engagement process. Stakeholder engagement will be designed to ensure that all vulnerable and disadvantaged groups are identified, consulted, and provided with opportunities to participate in and benefit from project activities.

Stakeholder engagement will be guided by the project's Stakeholder Engagement Plan (SEP) which identifies key stakeholders and offers guidance on how they will be engaged, the timing of stakeholder engagement throughout project life cycle, how feedback will be solicited, recorded and monitored, the implementation of a monitoring and evaluation mechanism, who will be responsible for stakeholder engagement.

The ESMF gives special consideration to gender inclusion. A gender-responsive approach, supportive of gender equality and women's empowerment, will be adopted in the design, implementation and monitoring of the overall project and of the individual sub-projects designed and implemented by contractors under Component 2. All contractors and beneficiaries will be expected to comply with the project's gender guidelines included in the project's LMP, and their performance with regard to gender mainstreaming will be tracked throughout the project by means of a Gender Tracking Tool. In addition, the SEP provides a project level GRM with considerations for gender-based violence.

3.3 Environmental and Social Process

The process whereby environmental and social risks in relation to individual sub-projects are identified, assessed and managed is set out below. The assessment of environmental and social risks relates specifically to Subcomponent 2.1(i). Regional SME grants program and Subcomponent 2.2 Scale up resilient infrastructure investments.

All sub-projects requiring investment will be selected by the respective national PIU. The E&S safeguards specialists attached to each national PIU will be responsible for screening each sub-project and conducting a risk assessment.

Step 1. Screening of sub-projects

Before proceeding to technical review by the PIU/technical review committee, all potential sub-projects will be screened by the national E&S safeguards specialists. During the screening step, all potential sub-projects will be reviewed (i) against a negative list (ii) a checklist which will capture

possible impacts such as near protected areas, possibility of environmental degradation, presence of critical habitat, near a cultural heritage etc.

Sub-projects proposing activities on the negative list will be either rejected or allowed to proceed only if the sub-project is redesigned to remove these activities (see **Annex 4**).

The following items can serve as a screening checklist to help identify possible risks:

- Will the proposed project support any physical construction?
- Will the proposed project involve activities that are likely to have adverse impacts on the local community?
- Will the proposed project result in the strengthened management of a protected area?
- Will the proposed project result in reduced or restricted access to the resources in a protected area?
- Will the proposed project result in removal or eviction of anyone from a protected area?
- Will the proposed project include any activities that might impact the health or safety of project staff or other people associated with the project?
- Will the proposed project involve the removal or alteration of any physical cultural resources?

Based on the results of the screening, the sub-project may be rejected or further assessed to determine the E&S risk (see Step 2).

Step 2. Risk assessment

Any sub-project that passes the screening step will undergo a risk assessment for social and environmental risks. The national PIUs will assess the magnitude of each risk/impact against criteria of probability and severity, as shown in Table 7. The probability of each risk/impact will be rated from “rare” (least probable) to “almost certain” (most probable), while the severity of each risk/impact will be rated from “negligible” (least severe) to “catastrophic” (most severe).

Table 7. Risk Assessment Matrix

Probability of risk/impact	Severity of risk/impact				
	Negligible	Minor	Moderate	Major	Catastrophic
Almost certain	Moderate	Substantial	Substantial	High	High
Likely	Moderate	Moderate	Substantial	Substantial	High
Possible	Low	Moderate	Moderate	Substantial	Substantial
Unlikely	Low	Low	Moderate	Moderate	Substantial
Rare	Low	Low	Low	Moderate	Moderate

Based upon these ratings, each risk/impact will be assigned a rating of “low”, “moderate”, “substantial” or “high”. The overall sub-project will take the highest risk rating for individual risks/impacts. For example, a project with three “low” risks and one “substantial” risk will be given the overall rating of “substantial”.

Step 3. Determine Social & Environmental Instruments to be Prepared

The E&S safeguards specialists determine which ESF instruments are to be prepared, in line with the scale of the proposed activity and the level and types of risk. The instruments to be prepared at the sub-project level may include:

- (i) Environmental & Social Impact Assessment (ESIA) and Environmental & Social Management Plan (ESMP)
- (ii) Stakeholder Engagement Plan, including a GRM for stakeholders
- (iii) Health and Safety Plan, including guidance on COVID-19 prevention. And GRM for project workers
- (iv) Resettlement Plan, including livelihoods recovery plan
- (v) Resource Efficiency & Pollution Prevention and Management Plan
- (vi) Community Health And Safety Plan Template
- (vii) Biodiversity Conservation & Sustainable Management of Living Natural Resources Plan Template
- (viii) Chance Find Procedures

Sub-projects with an overall risk rating of “low” will only be required to prepare simplified versions of these documents, using templates provided in the ESMF annex. No additional environmental and social instruments will be required.

Sub-projects with an overall risk rating of “moderate” will be required to prepare instruments for the applicable ESS(s), as shown in Table 8.

Sub-projects with an overall risk rating of “substantial” will be required to prepare instruments for the applicable ESS(s), as shown in Table 8 and will be subjected to enhanced monitoring and further due diligence.

Sub-projects with an overall risk rating of “high” will be rejected.

Table 8. Documentation Requirements by Risk Rating

ESS	Risk rating			
	Low	Moderate	Substantial	High
ESS1: Assessment and Management of Environmental and Social Risks and Impacts	None	Initial Environmental Examination / Environmental and Social Impact Management Plan	Environmental and Social Impact Assessment (ESIA)/ Environmental and Social Management Plan (ESMP)	N/A (application rejected)
ESS2: Labour and Working Conditions	Risk appropriate Labour Management Procedures (LMP) (including GRM)	LMP (including GRM)	LMP (including GRM)	N/A (application rejected)
ESS3: Resource Efficiency and Pollution Prevention and Management	None	ESIA/ESMP capturing appropriate measures.	ESIA/ESMP capturing appropriate measures	N/A (application rejected)
ESS4: Community Health and Safety	Health and Safety Plan	Health and Safety Plan	Health and Safety Plan	N/A (application rejected)

ESS	Risk rating			
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	None	Implementation of measures addressed in the Resettlement & Process Framework (RPF), adapted to the specific context	Implementation of measures addressed in the RPF, adapted to the specific context	N/A (application rejected)
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	None	Initial Environmental Examination / Environmental Management Plan	Environmental Impact Assessment / Environmental Management Plan	N/A (application rejected)
ESS8: Cultural Heritage	None	Cultural Heritage Plan	Cultural Heritage Plan	N/A (application rejected)
ESS10: Stakeholder Engagement and Information Disclosure	Stakeholder Engagement Plan (SEP) (including GRM) proportionate to the specific environmental and social risks of the sub project.	SEP (including GRM)	SEP (including GRM)	N/A (application rejected)

Step 4. Preparation of sub-project ESF instruments

Sub-project contractors and beneficiaries will be guided by the E&S safeguards specialist on the preparation of ESF instruments recommended to be developed during Step 3.

Table 9 below will serve as a guide to site specific ESMP measures to be included.

An ESIA along with an ESMP shall be prepared based on the outlines given in the **Annex 5**. Preparation of ESIA's and ESMPs are the responsibility of the national PIUs and should be approved by the regional PIU and the World Bank prior to implementation. ESIA's will address direct, indirect, induced and cumulative impacts (as applicable).

Table 9. Potential Impacts and Mitigation Measures (Links risks and impacts to those described in Section 3.1

Risk/Impact	Measure/Action			
	Avoidance	Minimization	Mitigation	Offset/ Compensation
<i>Environmental Risks and Impacts</i>				
Permanent loss of species and habitat	Exclude sub-projects that risk permanent loss of	Include provisions in sub-project agreements that prohibit disturbance	Incentivize conservation and/or restoration of	n/a

	Measure/Action			
Risk/Impact	Avoidance	Minimization	Mitigation	Offset/ Compensation
due to human activities	at-risk species or critical habitat	of aquatic species and critical habitat	critical and natural habitats and species	
Potential collisions with coral reefs and slow-moving organisms	Exclude sub-projects posing risks to coral reefs	Subject to monitoring capacity, introduce provisions in project sub-agreements and implement a system of penalties and fines intended to prevent damage to coral reefs	Implement protocols on safe navigation practices; deliver training; implement health and safety plan	n/a
Over extraction of wild species	Exclude sub-projects involving harvesting of species protected under national law, species with low reproductive rates	Include in sub-project agreements measures to regulate seasons, areas, catch effort and/or gear; introduce quotas per household, community or cooperative	Improve habitat quality / area for harvested species	n/a
Sedimentation of nearshore coastal habitats	Exclude sub-projects that contribute to sedimentation affecting sensitive coastal habitats	Subject to monitoring capacity, introduce into project sub-agreements a system of penalties and fines for activities contributing to unauthorized sedimentation	Incentivize conservation and/or restoration of critical and natural habitats and species	n/a
Unmanaged solid waste including plastic waste, micro-sized litter, discarded or abandoned fishing gear	Exclude sub-projects that fail to clearly propose measures to manage solid waste	Subject to monitoring capacity, introduce into sub-project agreements an enforceable system of penalties and fines for unauthorized disposal of solid waste	Implement protocols on disposal of solid waste into marine environments; deliver staff training; implement health and safety plan	n/a
Organic and in-organic matter from point and	Exclude sub-projects that fail to clearly propose measures to	Subject to monitoring capacity, Include in sub-project agreement a	Implement protocols on disposal of organic waste into	n/a

	Measure/Action			
Risk/Impact	Avoidance	Minimization	Mitigation	Offset/ Compensation
non-point sources, including agricultural run-off and pesticides	manage organic waste	system of enforceable penalties and fines for unauthorized disposal of organic waste. ¹³	marine environments; deliver staff training; implement health and safety plan	
Introduction of non-synthetic compounds such as heavy metals, and hydrocarbons	Exclude sub-projects that risk introducing non-synthetic compounds to sensitive marine environments	Subject to monitoring capacity, introduce provisions in project sub-agreements to seek alternatives to heavy metals and impose penalties and fines for unauthorized introduction of hydrocarbons into sensitive marine areas	Subject to monitoring capacity ¹⁴ , implement protocols on safe storage and handling of hazardous waste and hydrocarbons; deliver staff training; implement health and safety plan	n/a
Social Risks and Impacts				
Hazards to project workers	Avoid scheduling project activities during hurricane season, especially ones involving boat travel or visits to remote sites	Use well maintained vehicles; limit boat travel to essential journeys only; avoid travel at night.	Provide workers with personal protective equipment; provide field teams with safety, first aid and communication equipment; implement health and safety plan	Provide workers compensation insurance for all direct workers
Hazards to local people	Avoid scheduling travel or in-person gatherings during hurricane season	Minimize number of local people participating in sub-project activities (e.g. surveys, patrolling, etc.)	Provide training in health and safety to local people; provide personal protective equipment; implement health and safety plan	N/A
Physical, psychological or sexual	Conduct background checks for new regional	Provide workers with workplace	Establish and promote grievance	N/A

¹³ A system of penalties and fines will rely on a mechanism to detect and confirm the presence of such compounds. The project may consider relying on regional accredited agencies such as CARPHA.

¹⁴ The project may consider relying on regional accredited agencies such as CARPHA.

	Measure/Action			
Risk/Impact	Avoidance	Minimization	Mitigation	Offset/ Compensation
abuse of project workers	and national PIU staff, in compliance with applicable local law	environment training	mechanisms, including a toll-free hotline; maintain a list of GBV providers in each country and ensure that their services are available to project workers	
Unfair treatment or discrimination of project workers	Provide project workers with copies of their employer's human resources policies	Provide managers with hiring / firing authority training in fair treatment / non discrimination	Establish and promote grievance mechanisms, including CI's Ethics Hotline	N/A
Security personnel engaging in unlawful or abusive acts against local people implicated in past abuses	Prohibit use of project funds to purchase weapons or support salaries of government security personnel through inclusion of such activities on the negative list; make reasonable inquiries to verify that individuals hired are not	Provide training for security personnel in the appropriate use of force, and appropriate conduct towards communities; implement codes of conduct	Establish and promote grievance mechanisms for local communities; maintain a list of GBV providers in each country and ensure that their services are available to stakeholders who may be the survivors of GBV perpetrated by security personnel	N/A
Transmission of COVID-19 or other communicable diseases	To the extent possible, organize virtual meetings and monitor remotely; comply with applicable (e.g. WHO) guidance and advisories when scheduling travel or in-person gatherings	Minimize number of visits / visitors to remote, rural communities; minimize number and size of in-person gatherings Adhere to guidelines established in the Covid-19 transmission prevention plan	Contractors to implement COVID-19 protocols. Provide project workers and local people with personal protective equipment, hand sanitizer and disinfectant; implement health and safety plan; deliver first aid/ CPR training.	N/A

	Measure/Action			
Risk/Impact	Avoidance	Minimization	Mitigation	Offset/ Compensation
Involuntary resettlement of people, due to physical and/or economic displacement	Prohibit support to sub-projects that involve purchase of land	N/A	N/A	N/A
Resettlement of people through inclusion of such activities on the negative list	N/A	N/A	N/A	N/A
Restrictions on access to natural resources within a protected area or communally managed property	Use alternative area-based conservation measures, such as voluntary commitments	Minimize area / activities covered by restrictions; exempt community members in highly vulnerable groups	Develop and Introduce restrictions in a participatory manner; establish and promote grievance mechanisms; implement other measures identified in the Process Framework	Provide affected people with cash / in-kind compensation or alternative livelihoods
Disturbance or damage to cultural heritage	Disturbance or damage to cultural heritage will be prohibited and avoided.	All works will be planned to avoid disturbance or damage to cultural heritage.	Include Chance Find Procedures in all contracts relating to construction or civil works.	N/A
Risk of elite capture and/or social exclusion	Develop and implement robust Stakeholder Engagement Plans for the project and for each sub-project, which will ensure that stakeholders and vulnerable groups are adequately identified and consulted on project activities	N/A	N/A	N/A

3.4 Stakeholder engagement and consultation at sub-project level

Consultations with key stakeholders, beneficiaries and affected people will be systematically carried out during preparation and implementation of each sub-project, relying on guidance provided by the project Stakeholder Engagement Plan (SEP).

Meaningful consultations will be undertaken in a manner that provides affected communities and other stakeholders with opportunities to express their views on environmental and social risks and impacts of the sub-project, and mitigation measures (including the GRM), and allows the contractor to consider and respond to them.

Contractors may be required to develop sub-project SEPs with affected communities and other stakeholders and following worked examples and other guidance made available on the project website. The plan will ensure that all vulnerable and disadvantaged groups are identified and consulted to reduce the chance of elite capture under the project. This plan must include a GRM for the project. The plan must also detail how the contractor will monitor and evaluate the effectiveness of the stakeholder engagement activities.

Where other E&S instruments are required for a sub-project, the objective and methods of the project SEP should be adapted to the sub-project and prepared as a standalone document. At a minimum, the SEP is to be included as a separate section in the document, provided that the requirements of ESS10 are met.

A baseline survey will be conducted and followed up by mid-term and end-of-project surveys to assess the impact of the project on affected communities and their satisfaction with the performance of the project. For each sub-project, plans for stakeholder engagement will be set out in detail in the SEP, with its GRM.

Consultations may take the form of one-on-one interviews, small-group consultations, public meetings or stakeholder workshops. Consultations may be in-person or virtual. Indeed, virtual meetings may be a necessity, as long as social distancing, travel restrictions and other measures to control transmission of the COVID-19 virus remain in place. For any possible face-to-face consultations, the contractors will ensure that the project adheres to proper physical distancing protocols, such as those established by World Bank Technical Note, "Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings, March 20, 2020".

Whichever forms of consultation are used, attention will be given to ensuring that voices of men and women are both heard. In some contexts, this may require holding separate consultations for men and women. Stakeholder engagement will also be used to ensure that all vulnerable groups within the project area are identified and consulted.

3.5 Implementation of the EMSF

- (i) Environmental & Social Management Plans (ESMPs) should be incorporated into the bid documents
- (ii) Contractors will need to prepare site specific plans as described in the ESMPs
- (iii) National PIUs will need to oversee the construction works.

3.6 Project-level Grievance Redress Mechanism (GRM)

Objectives of the GRM

A grievance refers to an issue, concern, problem or claim, whether actual or perceived, that affects the physical, social and/or economic conditions of individuals and/or communities in the project area of influence. A GRM refers to methods and processes by which a redressal to a grievance is sought and provided. Its design can be specific to a project or it can build on existing institutions and processes whether they are formal or informal.

The project GRM is an effective tool for early identification, assessment and resolution of complaints. It provides an opportunity to voice complains or concerns, and to clarify and resolve misconceptions about project activities. It must be noted that this GRM covers grievances that relate to the impacts that the project may have on people as presented in the Stakeholder Engagement Plan (SEP), the Resettlement and Process Framework (RPF) and the Resettlement Action Plans (RAP).

Grievances that relate to project workers are to be handled by a separate Workers GRM which is included as part of the project's Labour Management Procedures (LMP) that has been prepared.

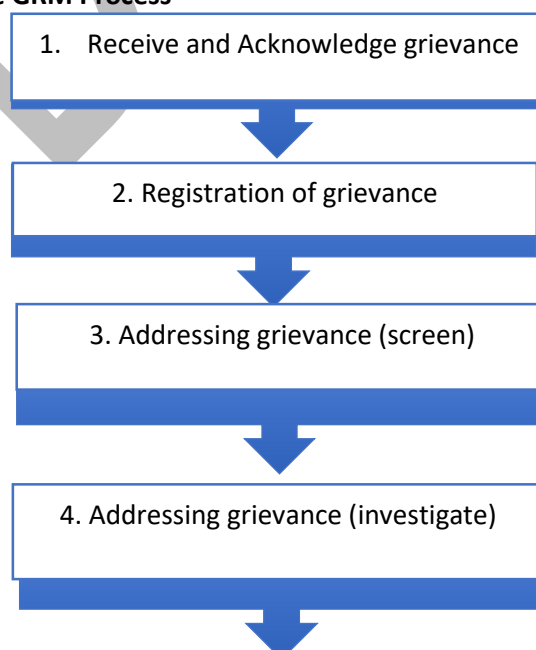
The GRM also specifies an individual who will be responsible for dealing with any gender-based violence (GBV) issues, should they arise. The objectives of the project-level GRM are:

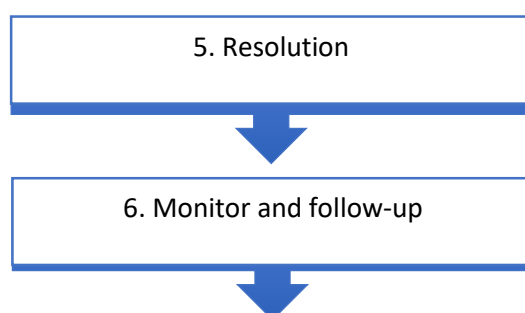
1. Receive, address, resolve and respond to all grievances emanating from the Project activities in a timely manner; and
2. Establish relationships of trust between Project staff and stakeholders.

The Grievance Redress Process

The GRM process identified in the ESMF is consistent with the GRM identified as part of the SEP and RPF and involves a number of steps summarized in Figure 6. Complaints or grievances are also assessed using a three-level classification systems, as follows: Level 1 (Low Risk), Level 2 (Moderate Risk) and Level 3 (High Risk). This risk assessment level and the associated response procedures are described in Table 10. As the level of risk associated with a grievance increases, responsibility moves from the national Environmental & Social (E&S) Specialist to the national Project Manager (PM) to the national Grievance Redress Committee (GRC).

Figure 6. Six steps in the GRM Process





The GRC may be established as an ad hoc committee during the life of the project and is to be chaired in each participating country by the Permanent Secretary of the Ministry of Finance. The GRC will include representation by a Civil Society Member, the Project Manager, the E&S safeguard specialist, and other line ministries participating in the project, as appropriate.

Table 10. Levels of grievances

Grievance Category	Description	Internal response	Responsibility
Level 1 Low risk	When an answer can be provided immediately. E.g. Issues with the communication of information regarding the project.	Respond immediately to complainant. Record and report. It does not require internal consultation	National E&S safeguards specialists
Level 2 Substantial risk	One-off grievance that requires measured response and actions/ commitments to resolve complaint. E.g. Dissatisfaction with response received at level 1; reports of health and safety concerns, complaints about project timeline issues, field staff or civil works.	E&S will review and classify the complaint. If it is classified as a level 2 grievance, the PM will investigate and respond.	National Project Manager
Level 3 High risk	Legal violations on the part of project staff or beneficiaries; Repeated, extensive and high-profile grievances that may jeopardize the reputation of the project. E.g. cases of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH), reports of fraudulent disbursement of funds, failure to deliver promised inputs.	GRC will be in charge of this level. The GRC will provide advice on how to solve complaints within this level. For SEAH cases, a list of GBV service providers will be kept available by the project. If an incident is reported through the GRM, a survivor-centred approach will be used. Any cases of GBV brought through the GRM will be documented but remain	National GRC

Grievance Category	Description	Internal response	Responsibility
		closed/sealed to maintain the confidentiality of the survivor.	

GRM steps, roles, responsibilities and timeline

The three main actors for the implementation and functioning of the GRM are the national E&S safeguards specialists, the national PM and the national GRC. Roles and responsibilities for the GRM are described in the following table.

Table 11. GRM steps, roles, responsibilities and timeline

Steps	Role	Responsibilities	Timeline
1. Socialization / Publicization of the GRM Proper and timely notification about the GRM	E&S safeguards specialists	<ul style="list-style-type: none"> Inform the Project stakeholders about the available channels to submit grievances. 	Throughout project cycle.
	E&S safeguards specialists	<ul style="list-style-type: none"> Coordinate the establishment of a signpost in project sites. 	Before civil works start, during construction, and after finalization.
	E&S safeguards specialists	<ul style="list-style-type: none"> Support and guide Project stakeholders wishing to file grievances (in person, by telephone, email, phone calls, or during public/community interaction). 	Throughout project cycle.
2. Reception	E&S safeguards specialists	<ul style="list-style-type: none"> Receive grievances (including grievances submitted by phone, email, in person, and during public meetings) 	Throughout project cycle.
3. Registration	E&S safeguards specialists	<ul style="list-style-type: none"> Record the grievance on the Grievance Information Form (SEP Annex 2). Add the date of reception and assign a registration number to the aggrieved person. 	Throughout project cycle.
	E&S safeguards specialists	<ul style="list-style-type: none"> Categorize the grievances into level 1,2, or 3 for resolution. The E&S safeguards specialist reviews the complaint, determines the grievance level and determines who will be responsible for its resolution. Grievances in levels 1, 2, and 3 will be monitored by the E&S safeguards specialist. 	Upon reception receipt of grievance.
	E&S safeguards specialists	<ul style="list-style-type: none"> Lodge the grievance in the Grievance Redressal Registration Monitoring Sheet (SEP Annex 4). 	Upon reception of grievance.

Steps	Role	Responsibilities	Timeline
	E&S safeguards specialists	<ul style="list-style-type: none"> Maintain hard copy and electronic records of grievance register and monitor any correspondence. 	Upon reception of grievance.
4. Acknowledgment	E&S safeguards specialists	<ul style="list-style-type: none"> Acknowledge the complaint (including providing a description of the process and estimated times to process the grievance). The E&S safeguards specialist will use SEP Annex 3 form. 	Within 2-3 working days upon reception of grievance.
5. Investigation/ Resolution The investigation will include, but is not limited to, meetings with the grievant/ complainant, in site visits, meetings/ interviews with Project staff and collection of relevant documentation and other forms of evidence. Meeting deliberations and decision will be recorded on the Meeting Record Form (Annex 5). Community representatives or representatives of the complainant will be allowed to sit in on these meetings.	E&S safeguards specialists	<ul style="list-style-type: none"> For level 1 complaints, investigate and evaluate the grievance and provide a response to the grievance. 	Within 3-5 working days upon reception of complaint.
		<ul style="list-style-type: none"> Provide proper and timely information on the solution worked out for each grievance for all levels. 	Depending on the level of grievance
		<ul style="list-style-type: none"> Inform the PM on serious cases at the earliest plausible time. 	Throughout project cycle
		<ul style="list-style-type: none"> Ensure the GRM procedure is being adhered to and followed correctly for all levels 	Whenever a complaint is addressed.
		<ul style="list-style-type: none"> Ensure all grievances are satisfactorily resolved in a timely manner. 	Whenever a complaint is addressed.
	PM	<ul style="list-style-type: none"> For level 2 complaints, investigate and evaluate the grievance and provide a response to the grievance 	Within 5-10 working days upon receipt of complaint.
	E&S safeguards specialists	<ul style="list-style-type: none"> Support PM in handling level 2 grievances (including registration, communication with stakeholders, meetings organization, etc.) 	Whenever a level 2 grievance is addressed
	GRC	<ul style="list-style-type: none"> For level 3 complaints, investigate and evaluate the grievance and provide a response to the grievance 	Within 15-30 working days upon reception receipt of complaint.
	E&S safeguards specialists	<ul style="list-style-type: none"> Support GRC in handling level 3 grievances (including registration, communication with stakeholders, meetings organization, etc.). For meetings, the E&S safeguards specialist will fill the form in SEP Annex 5). 	Whenever a level 3 grievance is addressed
	PM	<ul style="list-style-type: none"> Inform the WB all level 3 grievances as soon as possible. 	No later than a week of learning about the

Steps	Role	Responsibilities	Timeline
			level 3 complaint
	E&S safeguards specialists	<ul style="list-style-type: none"> Once a resolution has been agreed and accepted, the complainant's acceptance will be obtained on the Disclosure Form included as SEP Annex 5. The E&S safeguards specialist will provide this form to the aggrieved for any level 1,2 or 3 complaints. 	Throughout project cycle.
6. Monitoring and reporting	E&S safeguards specialists	<ul style="list-style-type: none"> Prepare the Quarterly Report on the GRM of the Project. 	Quarterly
	PM and E&S safeguards specialists	<ul style="list-style-type: none"> Ensure the grievance mechanism procedure is being adhered to and followed correctly. 	Throughout project cycle.
	PM and E&S safeguards specialists	<ul style="list-style-type: none"> Ensure all grievances (including those in level 3) are satisfactorily and timely resolved. 	Throughout project cycle.
	PM and E&S safeguards specialists	<ul style="list-style-type: none"> Adjust the GRM process based on lessons learned during implementation. 	Throughout project cycle.

Available channels to submit grievances

Complaints can be made in person, writing, verbally over the phone, emails or social media. The public, especially persons living in the project area of influence, must be informed about the project activities, as well as where they can submit their concerns, who will be responsible and the timeframe of the response.

The UBEC Stakeholder Engagement Plan document provides a number of GRM forms, including

- Grievance Information Form (GIF) – SEP Annex 2
- Grievance Acknowledgement Form (GAF) – SEP Annex 3
- Grievance Redressal Registration Monitoring Sheet – SEP Annex 4
- Meeting Record Form – SEP Annex 5
- Resolution Form – SEP Annex 6

The following contact persons may be reached by stakeholders with any questions, concerns, recommendations regarding the project at the level of each implementing entity (See Table 12). Upon staffing of all PIUs, the contact information will be updated to that of the Environmental and Social Specialists in each national and regional PIU.

Table 12. Project contacts (To be completed)

Contact	Grenada	Saint Lucia	SVG	OECS
Name				
Title				
Telephone				
Email address				
Physical Address				

GRM Appeals

An appeals process will be made available at a national and regional level for concerns that cannot be resolved directly by the GRM. This could take the form of either a community-based mediation process or by relying on a retired judge whose decision will be binding on both parties. Appeals should be submitted either by email to the regional or national PIU contact, or by contacting the national PIU by telephone or in writing.

Socialization/Publicization of the GRM

Regional and national E&S safeguards specialists will be responsible for coordination of information dissemination regarding the GRM. The E&S safeguards specialists will inform all project staff working for the OECS, national PIUs, the sub- projects including consultants and contractors, and the staff of the individual country Ministries of the project GRM and explain to them the procedures and formats to be used including the reporting procedures.

Awareness campaigns will be conducted targeting project stakeholders to inform them on the availability of the mechanism; various mediums will be used- as detailed in previous sections of the SEP. The GRM will also be published on the OECS website, responsible Ministries in each participating country's website and the project website or Facebook page if there is one. A project site board will be erected on the sites of sub-projects indicating the existence of the mechanism and a phone number, email and address for further information. The GRM will be translated into local and colloquial expressions if determined to be needed.

Anonymity

Grievances can be submitted without providing the complainant's name or contact details with the understanding this might result difficult in some cases. If the grievance registration form is not available, the following key information should be noted:

- The Project's name
- Name of the person lodging the grievance (if provided)
- Contact information of affected person (if provided)

World Bank Grievance Redressal Service (GRS)

The complainant has the option of approaching the World Bank if they find the project-level GRM cannot resolve the issue. It must be noted that this GRS should ideally only be accessed once the project GRM has first been utilized without an acceptable resolution. World Bank Procedures requires the complainant to express their grievances in writing to World Bank office in Washington DC by completing the bank's GRS complaint form which can be found at the following URL link:

<https://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>.

Email: grievances@worldbank.org

Fax: +1-202-614-7313

By letter: The World Bank
Grievance Redress Service (GRS)
MSN MC 10-1018NW,
Washington, DC 20433, USA

Addressing Gender-Based Violence (GBV)

The project will follow the guidance provided by World Bank Technical Note “Addressing Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) in Investment Project Financing Involving Civil Works”. This GRM will follow the official WB definitions described on the Technical Note.

GBV is an umbrella term for any harmful act that is perpetrated against a person’s will and that is based on socially ascribed gender differences. GBV includes acts that inflict physical, mental, sexual harm or suffering; threats of such acts; and coercion and other deprivations of liberty, whether occurring in public or in private life. Sexual Exploitation (SE) refers to any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. Sexual Abuse (SEA) is an actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions. Sexual Harassment (SH) is any unwelcome sexual advance, request for sexual favour, verbal or physical conduct or gesture of a sexual nature, or any other behaviour of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation to another, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment.

GBV grievances can be received through any of the available channels and will be considered level 3 grievances investigated and addressed by the GRC. A list of GBV service providers will be kept available by the Project. Additionally, if an incident occurs, it will be reported as appropriate, keeping the anonymity and confidentiality of the complainant and applying the survivor-centred approach¹⁵. Any cases of GBV brought through the GRM will be documented but remain closed/sealed to maintain the confidentiality of the survivor. The WB will be notified as soon as the regional Project Manager and the regional E&S safeguards specialists learn about the complaint.

3.7 Occupational Health and Safety

This section presents a summary of the Health and Safety Plan which is presented in detail in the form of the project’s Labour Management Procedures (LMP). The procedures included in the LMP seek to ensure that measures are in place to manage risks associated with employment under the project and help to determine the resources necessary for effective planning and management. The LMP sets out the approach to meeting national requirements as well as the objectives of the World Bank’s ESS2: Labour and Working Conditions and Occupational Health and Safety.

¹⁵ The survivor-centered approach is based on a set of principles designed to guide professionals-regardless of their role-in their engagement with survivors who have experienced sexual or other forms of violence. The survivor-centered approach aims to create a supportive environment in which the survivor’s interests are respected and prioritized, and in which the survivor is treated with dignity and respect. The approach helps to promote the survivor’s recovery and ability to identify and express needs and wishes, as well as to reinforce the survivor’s capacity to make decisions about possible interventions.

Risks related to labour and working conditions and occupational health and safety have been reviewed as part of the project's E&S assessment, and their impact will be avoided or greatly mitigated if managed by the procedures set out in LMP.

The governments of Grenada, Saint Lucia and Saint Vincent and the Grenadines are committed, on a continuous basis throughout the life of the project, to evaluate risks and impacts and to have in place adequate measures and procedures to manage adverse impacts.

Risk to occupational health and safety will be informed by alert levels associated with each participating country:

- **Normal:** This alert level describes a normal state of operations in the country in question; there are no specific events that have occurred or are predicted to occur that would signal a change in the threat environment.
- **Heightened:** An event has occurred or is predicted to occur that necessitates a higher state of alert and consequentially a change in normal operations.
- **Emergency:** An event or series of events has occurred or is predicted to occur that severely disrupts or directly affects operations in that country.

The decision to escalate the alert level can only be made by the regional PIU in consultation with the national PIUs. It is important to note the LMP is a live document and can be updated to meet the demands of the project. Annex 8 includes a generic guideline to be used for the development of a Community Health & Safety Plan and code of conduct.

3.8 Gender and Sexual Exploitation and Abuse and Sexual Harassment

The project is expected to address gender gaps. Women are key players in strategic sectors linked to the health of the Caribbean Sea and the economy of its island states, and are most directly affected by changes and deterioration in marine ecosystem function. They were estimated to account for over 54% of all hotel/restaurant employees in the Caribbean (Global Report on Women in Tourism), and also play an important role in the marine fisheries and aquaculture sector, especially in post-harvest activities such as processing and retailing. Thus, enhancing sustainable tourism and fisheries management has the potential to be a vehicle for empowering women in the OECS.

As such, the project will:

- (a) foster women's participation in engagement activities to bring a powerful voice and visibility to their contribution to Caribbean economies; and
 - (b) through this dialogue, encourage the formulation of gender-sensitive policies for the benefit of the Caribbean's blue economy, particularly pertaining to the region's ocean-based tourism and fisheries.
- The project could incorporate specific interventions to address identified gaps, particularly regarding equality of opportunities, through targeting of beneficiaries, and institutional strengthening.

Gender policy for sub-projects

The ESMF gives special consideration to impacts and benefits for vulnerable social groups, particularly women. A gender-responsive approach, supportive of gender equality and women's empowerment, will be adopted in the design, implementation and monitoring of the overall project and of the individual sub-projects designed and implemented by contractors under Component 2. All contractors and beneficiaries will be expected to comply with the project's gender guidelines

included in the project's LMP, and their performance with regard to gender mainstreaming will be tracked throughout the project by means of a Gender Tracking Tool.

Provisions for sub-projects regarding sexual exploitation and abuse and sexual harassment

As discussed in Step 5 of Section 3.3, special provisions will be made for grievances related to GBV. National PIUs will maintain a list of GBV service providers, vetted by the World Bank, for each project country. This list will be provided to contractors and beneficiaries, who will be required to maintain contact details of the relevant GBV service providers.

Anti-harassment policy for PIU

At the project level, all PIU staff will be required to comply with the project's anti-harassment policy included in the project's LMP.

3.9 Capacity Building

Specific training and capacity building actions to strengthen the implementation capacity of regional and national PIUs will be required to enable compliance with the project ESMF. This will include training for all PIU staff and contractors to develop, guide the preparation of and monitor the implementation of ESS instruments.

Where specific needs in relation to compliance with the ESSs are identified, training will be made available to the regional and national PIUs and contractors by engaging third-party service providers with relevant expertise. This training could be classroom based, adopting appropriate protocols to prevent transmission of COVID-19, or it could be online, using materials available on the project website. Training sessions will be held in various formats, including workshops, lectures or hands-on activities in the field.

In addition to the capacity building that they will deliver directly, if any of the national PIUs determine that a contractor or beneficiary has inadequate legal or technical capacity to carry out key E&S assessment functions, they may require the contractor or beneficiary to include explicit components in the design of its sub-project related to capacity building. This could involve training for existing project staff, resources to employ or engage staff or consultants with relevant expertise, or resources to develop institutional policies on, for instance, gender, anti-harassment or complaints and dispute resolution.

The national PIUs will organize contractor/beneficiary knowledge exchange workshops at project mid-point and end, to facilitate exchange of experience practice among contractors and beneficiaries that implement or have implemented projects in similar thematic areas, and to document and disseminate good practice.

3.10 Monitoring and Reporting

Guidance to national PIUs and project managers for implementation of monitoring and reporting requirements is provided in Annex 2: Format For E&S Monitoring at Sub-Project Level.

National PIUs will have ultimate responsibility for monitoring compliance with the environmental and social requirements. This will apply both to sub-projects implemented under Subcomponents 2.1, 2.2 and Component 3.

Roles and responsibilities will be clearly delineated, with each national PIU leading on monitoring of grants and business development services under Subcomponent 2.1 and each national PIU leading

on monitoring of direct investments under Subcomponent 2.2, with assistance from the regional PIU on an as needs basis.

The basis for monitoring compliance will be the agreed measures for consultation, avoidance and mitigation of adverse impacts and risks, and grievance resolution set out in the sub-project proposal and any standalone environmental and social instruments that have been prepared. When a sub-project is awarded, information on the applicable ESSs will be entered into an online project management system. A reporting schedule will be created for each sub-project, and reflected in the sub-project agreement.

Every six months, the contractor/beneficiary will be required to report on compliance with any ESSs that apply to the sub-project, by means of semi-annual environmental and social monitoring reports. For sub-projects with an overall risk rating of substantial, the E&S monitoring report must be submitted as a stand-alone document. For other sub-projects, it may be combined with the semi-annual performance reports that contractors must submit. Each E&S monitoring report should contain a description of measures taken by the contractor/beneficiary to comply with applicable ESSs over the previous six months, including a summary of stakeholder engagement activities and a grievance log in compliance with ESS10.

In addition to monitoring contractors'/beneficiaries' compliance with the ESS remotely, through review of proposals, instruments, reports and grievances, the national PIU will carry out site visits to all sub-projects with an overall risk rating of substantial, plus a sample of sub-projects rated moderate or low. The national and regional PIUs will jointly develop a site visit plan each year, identifying which sub-projects will be visited, when and by whom. Site visits will involve interviews with contractor/beneficiary staff and review of records on compliance with ESSs, as well as consultations with selected stakeholders, giving priority to project-affected parties. These consultations may take the form of structured or semi-structured interviews, focus group discussions, public meetings or workshops, and will adopt appropriate protocols to prevent transmission of COVID-19. Attention will be given to create a safe space, in which stakeholders can raise concerns without fear of reprisal. Particular attention will be given to ensuring that voices of women and other vulnerable groups can be heard.

At the end of each sub-project, the contractor/beneficiary will be required to summarize the implementation of any measures required to comply with environmental and/or social standards that applied to the sub-project. This information will be provided in the final completion report; release of the final payment under any contract will be conditional upon the receipt of a satisfactory report. Each national PIU will then complete an evaluation form, which includes a question about contractor/beneficiary compliance with the ESSs.

Component 1 contracts awarded under the project for capacity building will need only adhere to ESS2 on Labour and Working Conditions, ESS4 on Community Health and Safety and ESS10 on Stakeholder Engagement and Information Disclosure. It is anticipated that none of these contracts will involve substantial or high environmental or social risks, and that the contractors/beneficiaries will report on their compliance with these standards as part of their routine reporting to national PIUs.

The regional PIU will report on compliance with ESSs under the project as part of its periodic reporting to the World Bank. It will keep detailed records of compliance by contractors/beneficiaries and the national PIUs. These records will be available for review by the World Bank Task Team, as well as by any internal or external consultants involved in evaluating the project. If any project worker contracts COVID-19, this will also be reported on in the regional PIU's periodic reporting to

the World Bank, along with a description of measures taken by the project in light of the contraction of COVID-19. The regional PIU will also disclose information related to every contract awarded, including all E&S instruments, summary information from the application, and the final completion report. Disclosure will be done online, through the Sub-projects pages of the project website. No personally identifiable information about any contractor or stakeholder will be publicly disclosed.

Table 13 sets out the monitoring measures that will be put in place for the project. In each case, the measure is described, the project actor responsible is identified, and a timeline is given.

Table 13. Environmental and Social Monitoring Measures for the Project

Monitoring measure	Description	Responsible party	Timeline
<i>Project-level</i>			
Environmental and social reporting	A report will be prepared that summarizes all ESSs triggered by sub-projects, the measures implemented by contractors to comply with their requirements, and any grievances received. PIUs will be authorized to require contractors to describe safety precautions to be put in place to control risks identified in the risk assessment.	National PIUs	Six-monthly during project implementation
Grievance reporting	All PIUs will maintain a log of grievances received, to be included in the annual report to the World Bank on compliance with the ESSs	National and regional PIUs	Six-monthly during project implementation
Accidents and incidents	The national PIU will inform the regional PIU about any serious incidents (e.g., accidents, fatalities, etc.).	National and regional PIUs	Within 72 hours of the incident
<i>Activities of contractors/beneficiaries</i>			
Environmental and social reporting	Contractors will report on compliance with agreed measures and identify any new risks/impacts that have arisen. This will include a description of safety precautions put in place to control risks identified in the risk assessment, to be submitted to the PIU before critical work components are commenced.	Contractor	Every six months during sub-project implementation
Grievance reporting	Contractors will inform the national PIU about any grievance received, together with a proposed plan to respond to it; a consolidated report of grievances received should be included in the contractors semi-annual reporting to the PIU	Contractor	Within 15 days of receipt of grievance
Site visits	Site visits will be conducted to a sample of sub-projects, and involve interviews with contractor staff and review of records on compliance with ESSs, as well as consultations with selected stakeholders	National PIUs	At least once during sub-project implementation for all sub-projects with an overall risk rating of “substantial”

Monitoring measure	Description	Responsible party	Timeline
Final completion reporting	Contractors will report on compliance with agreed environmental and social risk mitigation measures as part of their final completion reports	Contractor	Within 60 days of end of sub-project
Evaluation	Each sub-project will be evaluated, including with respect to compliance with ESSs; evaluations will be confidential and will inform future contracts with the contractor	National PIU	Within 90 days of end of sub-project
<i>Activities of the PIU</i>			
Progress reporting	National PIUs will report on compliance with agreed measures and identify any new risks/impacts that have arisen	National PIUs	Every six months during project implementation
Grievance reporting	National PIUs will inform the regional PIU about any grievance received directly, reported by a contractor or made by a project worker; a consolidated report of grievances received should be included in the national PIU's semi-annual reporting to the regional PIU.	National PIUs	Every six months during project implementation
Supervision missions	The performance of the national PIUs in monitoring and ensuring contractors' compliance with ESS requirements will be reviewed as part of each regional PIU supervision Mission	Regional PIU	Twice per year during project implementation
Independent evaluation	The performance of the national PIU in monitoring and ensuring contractors' compliance with ESS requirements will be looked at as part of the independent evaluation of each national PIU	Independent consultant	During final year of project

ANNEX 1: PROGRAM DESCRIPTION – UBEC¹⁶

Series of Projects: The UBEC Program¹⁷ will be implemented as a Series of Projects (SOP) over a five to fifteen-year period (each project has a five-year period) as per projected country demand. The SOP approach provides flexibility for considerable economies of scale and facilitates positive spillovers that accommodate for financial constraints. Moreover, the UBEC program employs both a multi-sectoral and multi-country approach for which the SOP will be used to support a multi-sectoral objective based on a common analytical diagnosis with multiple borrowers. The regional program provides an overarching framework for integrating interventions in the tourism, fisheries, and waste management sectors around a common developmental goal. The Program includes interventions at the national and regional levels, which both need to be integrated for a sustainable and effective approach for the small island states in the Eastern Caribbean region, as that will allow for the leveraging of economies of scale as well as aspects of a harmonized approach. Finally, the SOP will allow for a series of national experiences, permitting countries to join when they are ready.

The expected projects in the series are:

- FY22: Grenada, Saint Lucia, Saint Vincent and the Grenadines and OECS Commission investment project
- FY23-FY25: At least one additional country-level investment project each FY (e.g., Antigua and Barbuda, Dominica, among others)
- FY24 onwards: other Caribbean countries

(1) Project Development Objective

The Project Development Objective is to strengthen the enabling environment for the blue economy and enhance resilience of selected coastal infrastructure in participating countries.

PDO Level Indicators: The PDO level indicators will be measured at the country/regional entity level¹⁸, as well as aggregated as summary indicators. The following indicators will be used to measure results at the PDO level. The complete Results Framework is provided in Section VII.

- Endorsement of regional/national policies incorporating blue economy principles (Number).
- Blue MSMEs with improved access to finance (Number), of which women owned/managed supported by the project.
- Beneficiaries with access to coastal infrastructure supported under the project. (Number).
- Beneficiaries with improved access to solid waste services. (Number)

B. Project Components

The Project, under phase 1 of the SOP, is designed to stimulate economic recovery and support marine and coastal resilience in Grenada, Saint Lucia and Saint Vincent and the Grenadines by strengthening the sustainability and competitiveness of two critical, interconnected sectors – tourism and fisheries – and one underlying enabling infrastructure service, waste management. Growth and jobs in these areas have been heavily impacted by the COVID-19 pandemic. For full recovery of these economies,

¹⁶ World Bank. 2021. Project Appraisal Document for The Series Of Projects Under The Unleashing The Blue Economy Of The Caribbean (UBEC) Program. Report No: PAD4167. September 8.

¹⁷ The term “Program” in this document refers to a Series of Projects (SOP)

¹⁸ The participating countries are Saint Lucia, Grenada, and Saint Vincent and the Grenadines. The regional entity is the OECS Commission.

the Program 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 SME 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 including to climate change; and, (d) adopting a contingency emergency response mechanism to promptly respond to future crises, including natural disasters. While these challenges are regional in nature, addressing them will require interventions at both regional and national levels. Coordinating actions among the three participating countries is critical to maximize synergies given their common dependence on tourism, their shared marine ecosystems and fishery resources, and their joint goal of reducing marine pollution.

The Project will be financed with US\$56 million in National IDA and Regional IDA credits and grants over a five-year period. In view of the regional approach being employed and the potential cross-country spillover benefits of project investments, Regional IDA funding has been mobilized to support financing of the Project.¹⁹

Table 1: Project Financing by Institution/Country (US\$ m)

	OECS	GRE	SLU	SVG	Total
Component 1 – Strengthening Governance, Policies, and Capacity Building					10.8
1.1 – Strengthening Regional Policies, Institutions and Coordination	1.5				1.5
1.2 – Strengthening National Policies, Institutions and Capacity Building		2.8	3.8	2.7	9.3
Component 2 – Scale up Access to Finance and Infrastructure Investment					39.2
2.1 (a) Regional SME matching grants program	5.5				5.5
1.1 (b) Expansion of the regional climate-risk insurance for fisheries (COAST)		0.7	0.7	1.5	2.9
2.2 – Direct investments in resilient coastal infrastructure		9.8	11.8	9.2	30.8
Component 3 – Contingent Emergency Response Component (CERC)					0.0
3.1 – Contingent Emergency Response	0.0	0.0	0.0	0.0	0.0
Component 4 – Project Management, Communication & Regional Coordination					6.0
4.1 – Project Mgmt., Communication, Regional Coord.	1.0	1.7	1.7	1.6	6.0
Total	8.0	15.0	18.0	15.0	56.00

¹⁹ This operation is eligible to use the IDA19 Regional Window since it satisfies the 4 eligibility criteria: (1) the operation must involve 3 or more countries, at least one of which is IDA-eligible; (2) the operation must have social or economic benefits that “spillover” country boundaries; (3) there is clear evidence of country and regional ownership of the operation; and (4) the operation provides a platform for high-level policy harmonization between countries and/or is part of a regional strategy. (Source: IDA19 Regional Window Implementation Guidelines, May 19, 2020).

The Project is comprised of four components implemented in the tourism, fisheries and waste management sectors in three Eastern Caribbean countries and at the regional level through the OECS Commission.

COMPONENT 1: STRENGTHENING GOVERNANCE, POLICIES, AND CAPACITY BUILDING FOR KEY PRODUCTIVE SECTORS/AREAS (US\$10.8m). A robust enabling environment that unlocks and sustains economic growth, job generation, environmental health, and climate resilience is critical to the viability and competitiveness of blue economy sectors. The COVID-19 pandemic has further underscored the urgency for these reforms and inter-regional cooperation to take place. This component targets regional and national policies, strategies, institutions, and capacity building by the public sector necessary to support economic recovery, jobs and improve management of natural assets contributing to regional marine environmental health and climate resilience.

Subcomponent 1.1: Strengthening Regional Policies, Institutions and Coordination – (US\$1.5m)

Harmonizing regulations and government procedures and boosting regional cooperation will allow for stronger economies of scale in the region. The OECS Commission plays a strategic role in strengthening regional integration and helping manage a regionally shared economic resource in the interest of the OECS countries. The regional approach is essential to address potential transboundary issues and increase the impact of national interventions. This is particularly important for transboundary fisheries, intra-regional tourism, and for coordination of initiatives to phase out single-use plastics. This subcomponent will support: i) renewal 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 for 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, subregional and regional processes, and iv) the development of an OECS Waste Management Policy and Action Plan, and other regional policy reforms to address marine litter. This subcomponent, implemented by the OECS Commission, will also support the development and management of regional knowledge and data systems (e.g., regional blue economy data platform) and regional knowledge exchanges for increased regional integration and collaboration including with the private sector (ref Annex 2 for details).

Subcomponent 1.2: Strengthening National Policies, Institutions and Capacity Building – (US\$9.3m)

This subcomponent is designed to strengthen governance and the regulatory framework of tourism, fisheries and waste management at the national level. It aims to support development and implementation of sector standards, policies, and operational guidelines²⁰ in the participating countries. Activities will support policy measures aimed at increasing investments in value addition across sector outputs as well as upstream policies in the circular economy to reduce plastics pollution and enhancing domestic waste management. This subcomponent will also support capacity development to ensure the region has access to a skilled workforce as it recovers and grows in the context of increased competition post-COVID-19. Capacity building activities will include 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; adoption of health and safety protocols, among others (ref. Annex 3, 4 and 5 for country details).

²⁰ Guidelines will focus on key areas including (but not limited to): 1) enhancing environmental protocols within new health, hygiene and safety standards, also strengthening the focus on climate adaptation/mitigation; 2) waste reduction and management with a focus on plastics and sanitation chemicals; 3) resource efficiency including circular economy tactics, water and energy usage; 4) nature-based solutions (e.g. climate change adaptation, destination stewardship and waste management); 5) sustainable procurement (e.g. local sourcing, fabrics that do not result in microplastic leakage, etc.); and 6) use of digital platforms.

COMPONENT 2: SCALE UP ACCESS TO FINANCE AND INFRASTRUCTURE INVESTMENTS IN THE BLUE ECONOMY (US\$39.2m). This component includes an innovative financing mechanism to enable private sector-led growth and direct investments into economic activities that enhance ocean health and resilience leading to an increase in employment, greater GDP contribution from ocean assets, and broader uptake of climate resilient approaches. This component will finance: (i) a regional matching grants program to foster the recovery and the resilience of SMEs, ensure business continuity, create jobs and mitigate the socio-economic impacts of COVID-19; and a fisheries risk insurance scheme to support fishers' livelihoods against extreme climatic events; and (ii) scale up coastal infrastructure investments in tourism, fisheries and waste management that are sustainable, technologically advanced and climate resilient. The ongoing pandemic has amplified the need for resilient and adaptive infrastructure that can operate efficiently during singular and multiple system shocks, including natural disasters.

Subcomponent 2.1: Scale Up Access to Finance to SMEs and Fisher Communities (US\$8.4m)

2.1 (a): Regional SME matching grants program (US\$5.5m): This subcomponent is designed to finance business development services (BDS) and matching grants to increase the productivity, job creation, and upgrade the capabilities of SMEs and communities within blue economy value chains (e.g., tourism, fisheries and waste management). The Regional SME matching grants program seeks to fund activities that will: (a) support tourist operators, fish workers, service providers, and coastal communities to increase employment, productivity and innovation while ensuring sustainable management of the marine and coastal natural resources; and (b) enhance market linkages and business relations for target beneficiaries with other value chain actors. 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 SMEs 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. Eligibility criteria will ensure SMEs with commercial viability adopt an approach of building back better, respecting the integrity and resilience of the regional coastal ecosystems. The program will be managed at the regional level by the OECS Commission to foster greater regional collaboration. Details pertaining to management of the program will be included in the Project Operational Manual (ref details in Annex 2).

2.1.(b): Expansion of the regional climate-risk insurance for fisheries (US\$2.9m): the Caribbean Ocean and Aquaculture Sustainability Facility (COAST) fisheries risk insurance scheme is an innovative hydro-meteorological and climate risk insurance product designed to promote food security, enhanced livelihoods, resilient fisheries, and improved fisheries management in the Caribbean. The COAST insurance product supports governments' efforts to rapidly channel financial resources to those fishers most impacted by extreme weather events, by providing governments with funding to cover the most immediate needs of fishers following a natural disaster or extreme weather event. COAST enhances inclusiveness by covering, among others, fish vendors and processors, most of whom are women. Through formal registration in the scheme, these women, for the first time, will be insured to support their livelihoods. On a pilot basis, the Caribbean Catastrophe Insurance Facility (CCRIF) SPC has made the COAST product available to two countries, Grenada and Saint Lucia, for the 2019/20, 2020/21 and 2021/22 policy years. This Project UBEC will now extend this risk insurance product to SVG and continue to support Grenada and Saint Lucia to scale up efforts in the application of this insurance product (ref Annex 3, 4 and 5 for details).

Subcomponent 2.2: Scale up Infrastructure Investments for Economic Resilience and Ocean Health (US\$30.8m)

Direct investments in resilient coastal infrastructure (US\$30.8m): This activity will target coastal infrastructure investments that generate jobs in the short term and lay the foundation for long-term recovery through investments that help build a low-carbon, less polluting, more sustainable and

resilient coastal economy that is adaptive to climate change. The countries either have existing coastal and marine spatial plans or strategies of acceptable quality with priority investments identified or have undertaken assessments that list priority actions for more resilient coastal infrastructure. These public investments aim to de-risk private investment by improving, restoring or preserving healthy and functioning marine ecosystems, and support measures to prevent further degradation of key marine and coastal hotspots. All infrastructure works will be supported by pre-feasibility studies, climate risk screening, cost-benefit analyses, environmental and social impacts, and public consultations, as required.

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 will include: i) enhancements of marine-based tourism infrastructure (e.g. yachting, mooring buoys, 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 (such as small-scale solar powered processing and cold storage facilities), 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 coastal mangroves) and adoption of innovative technologies to strengthen monitoring and surveillance of the marine ecosystems (ref Annex 3, 4 and 5 for country details).

COMPONENT 3: CONTINGENT EMERGENCY RESPONSE COMPONENT (CERC) (US\$0). The objective of this component is to support participating countries to be ready to rapidly respond in the event of a future eligible crises or emergencies defined as “an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or human-made crises or disasters.” Such events may include a disease outbreak, such as the COVID-19 pandemic, and natural disasters. Following an eligible crisis or emergency, the Borrower may request the World Bank to re-allocate project funds to support emergency response and reconstruction. This component would draw from the uncommitted loan resources, as defined in the Financing Agreement for each country, under the Project from other project components (within each country’s financing envelope) to cover the emergency response.²¹ The Project will follow a dedicated CERC Manual that will describe how the Component would be triggered and include clear step-by-step guidelines on disbursement.

COMPONENT 4: PROJECT MANAGEMENT, COMMUNICATION AND REGIONAL COORDINATION (US\$6m) The objective of this component is to 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 for expenditures related to project activities, including: (a) project coordination and management; (b) compliance with environmental and social standards; (c) monitoring, evaluation, and impact assessment; (d) data collection; fiduciary administration, accounting and financial and technical audits, procurement processes; (f) stakeholder and citizens’ engagement, including application of a grievance redress mechanism; (g) communications; and (h) regional coordination. The costs associated with management and coordination at the regional level by a Regional IDA grant managed by the OECS Commission.

²¹ Refer to the CERC Annex of the Project Operations Manual (POM) for detailed information on eligible crisis or emergency and procedure specific information.

ANNEX 2: FORMAT FOR E&S MONITORING AT SUB-PROJECT LEVEL

MONITORING PLAN BY PROJECT COMPONENT

Phase	What (Is the parameter to be monitored ?)	Where (Is the parameter to be monitored ?)	How (Is the parameter to be monitored ?)	When (Define the frequency / or continuous ?)	Why (Is the parameter being monitored ?)	Cost (if not included in project budget)	Who (Is responsible for monitoring ?)

<http://documents1.worldbank.org/curated/ar/770261523000689590/pdf/Environmental-and-social-management-plan.pdf>

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ANNEX 3: NATIONAL REGULATORY FRAMEWORK

This annex details national laws, policies and plans corresponding to World Bank Environmental & Social Standards relevant to this UBEC. The annex also identifies a number of international treaties and conventions in this regard. Finally, the annex includes a profile of Environmental Impact Assessment (EIA) requirements in each of the three countries.

This annex must read together with Section 2.2 National Policy and Legal Framework, which contains aspects of the standard relevant to the project, gaps in regard to each standard, and measures to be taken.

International and Regional Marine Agreements Relevant to the Wider Caribbean Region

	UNCLOS	UNFSA	UNFCCC	CBD	SOLAS	MARPOL 73/78	Cartagena	CRFM	ICCAT	WECAFC
GND	B 1991	B 1995	B 1994	B 1994	B 2004	B 2018	B 1987	B		C
SLA	B 1985	B 1996	B 1994	B 1993	B 2004	B 2000	B 1984	B		C
SVG	B 1993	B 2010	B 1996	B 1996	B 1984	B 1984	B 1990	B	B 2006	C

B = a binding commitment to the agreement by ratification, accession, acceptance, or adoption; C = agreement to cooperate by signing

UNCLOS 1982 United Nations Convention on the Law of the Sea

UNFSA 1995 United Nations Fish Stocks Agreement

UNFCCC 1992 United Nations Framework Convention on Climate Change

CBD 1993 Convention on Biological Diversity

SOLAS International Convention for the Safety of Life at Sea, 1974

MARPOL 1973/1978 International Convention for the Prevention of pollution from ships

Cartagena Convention for the Protection and Development of the Marine Environment in the Wider Caribbean Region

CRFM Caribbean Regional Fisheries Mechanism

ICCAT International Convention for the Conservation of Atlantic Tunas

WECAFC Western Central Atlantic Fisheries Commission

Regional:

- St. George's Declaration (SGD) at the OECS level
- Caribbean Challenge Initiative
- Eastern Caribbean Regional Ocean Policy (ECROP)
- Revised Treaty of Basseterre
- The Treaty of Chaguaramas
- Regional Security System (RSS)

Grenada

Table 14 identifies national laws, policies and plans corresponding to the World Bank's ESF and that address the development of Grenada's blue economy with particular emphasis on tourism, fisheries & aquaculture and waste management.

Table 14. Grenada legislation, policies and plans relevant to development of a blue economy

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Abatement of Litter Act, 2015		✓			✓		
Accidents and Occupational Diseases (Notification) Act	✓		✓				
Beach Protection Act		✓			✓		
Carriacou Land Settlement and Development Act				✓	✓		
Coastal Zone Task Force		✓			✓		
Constitution Order 1973	✓			✓			
Employment Act of 1999	✓		✓				
Environmental Impact Assessment (EIA) Legislation				✓		✓	
Environmental Impact Assessment Regulations, 2011					✓	✓	
Environmental Management Act, 2014		✓			✓		
Fisheries (Marine Protected Areas) Regulations		✓			✓		
Fisheries Act		✓			✓		
Forest, Soil and Water Conservation Act					✓		
Grenada Integrated Water Resources Management Plan 2019		✓			✓		
Grenada National Biodiversity Strategy and Action Plan 2016-2020					✓		
Grenada National Hazard Mitigation Policy					✓		
Grenada National Land Policy					✓		
Grenada National Ocean Policy		✓			✓		
Grenada National Water Policy 2019		✓			✓		
Grenada Protected Area System Plan					✓		
Grenada Solid Waste Management Authority Act		✓					
Grenada Tourism Authority Act, 2013					✓	✓	
Grenada : Marine Non-Native Species Management Framework					✓		
Grenville Local Area Plan					✓	✓	✓
Integrated Coastal Zone Management Act, 2019		✓			✓		
Integrated Coastal Zone Management Policy, 2015		✓			✓		
Land Acquisition Act (CAP 159), 1945 and Land Acquisition (Amendment) Act 16, 1991				✓			
Land and Marine Management Strategy for Grenada		✓			✓		
National Climate Change Adaptation Plan (NAP) for Grenada, Carriacou and Petite Martinique 2017-2021		✓			✓		
National Conservation Trust Fund					✓		
National Disaster (Emergency Powers) Act			✓				
National Disaster Management Plan			✓				

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
National Environment Policy and Management Strategy					✓		
National Heritage Protection Act					✓	✓	
National Parks and Protected Areas Act					✓	✓	
National Physical Development Plan (Draft)		✓			✓	✓	✓
National Sustainable Development Plan 2020-2035					✓		
National Trust Act					✓		
National Water and Sewerage Authority Act		✓			✓		
Non-Biodegradable Waste Control Act, 2018		✓					
Oil in Navigable Waters Act		✓					
Oyster Fishery Act					✓		
Pesticides Control Act		✓			✓		
Petroleum and Natural Gas Deposits Act		✓			✓		
Physical Planning and Development Control Act, 2016		✓		✓	✓	✓	✓
Ports Authority Act					✓		
Power-Craft Act		✓					
Protected Area, Forest and Wildlife Act					✓		
Public Health Act		✓	✓				
Revised Forest Policy for Grenada, Carriacou and Petite Martinique					✓		
Sauteurs Local Area Plan					✓	✓	✓
Strategic Program for Climate Resilience		✓			✓		
Strategy for the implementation of the National Forest Policy 2018-2028 for Grenada, Carriacou and Petit Martinique					✓		
The Factories Act	✓		✓				
The Land Settlement Act (CAP 161) of 1933				✓			
Waste Management Act		✓			✓		
Water Quality Act		✓					

Grenada Environmental Impact Assessment (EIA) Requirements

The national government has the ability to require the preparation of environmental studies and assessments with regard to development in coastal environments.

The *Physical Planning and Development Control Act, 2016* allows the Planning and Development Authority to require that an EIA be prepared as part of the approvals process for the development of land if the proposed development could significantly alter the environment or in instances where development would occur within an identified Environmental Protection Area. The act specifically identifies development within the coastal zone as that which would normally require preparation of an EIA as part of the development approvals process.

Previously-drafted legislation which was not enacted would have granted similarly-broad powers to require EIA studies regarding development in the coastal environment. The draft *Environmental Management Act, 2005* would have enabled the creation of an Environmental Management Agency, with responsibility for assessing “developmental activities which may have an adverse effect on the environment... before such activity is commenced”. That agency would have the power to require that an EIA be prepared prior to the granting of any development approvals for “any project which

may have a significant effect on the environment”, where “environment” was defined as “the land, water and atmosphere of the earth”. Accordingly, while not specific to the coastal space, this requirement for an EIA could have applied to projects within the coastal space.

Several policy frameworks offer direction on the preparation of environmental studies in the context of coastal development. These include:

- *Grenada National Ocean Policy*, which directs decision makers to use environmental impact assessments as part of a risk-based approach to ensuring that activities and developments in the coastal zone are climate resilient and sustainable; and
- *Sauteurs Local Area Plan*, which recommends that EIA studies be undertaken as part of any project to develop port infrastructure in the Sauteurs area.

Saint Lucia

Table 15 identifies national laws, policies and plans corresponding to the World Bank’s ESF that address the development of Saint Lucia’s blue economy with particular emphasis on tourism, fisheries & aquaculture and waste management.

Table 15. Saint Lucia Legislation, policies and plans relevant to development of a blue economy

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Beach Protection Act, 1967					✓		
Biodiversity Conservation and Sustainable Use Bill (draft), 2008					✓		
Climate Change Adaptation Policy, 2015 (SDD)					✓		
Coastal Zone Management in Saint Lucia: Policy, Guidelines and Selected Projects, 2004 (SDD)		✓			✓		
Constitution of Saint Lucia, Cap 1.01, 1979				✓			
Crown Lands Act, 2002 (DPP/SLNT)					✓		
Disaster Management Act, 2006					✓		
Environment Impact Assessment Regulations (draft)		✓			✓		
Environment Management Bill (draft), 2014		✓			✓		
Fisheries Act, 1984		✓			✓		
Forest, Soil and Water Conservation Act, 1945					✓		
Hazard Mitigation Policy, 2006		✓			✓		
Land Acquisition Act, Cap 5.04, 1946				✓			
Land Conservation and Improvement Act, 1992					✓		
Maritime Areas Act, 1984					✓		
Minerals (Vesting) Act, 1989					✓		
National Adaptation Plan (NAP) 2018-2028		✓			✓		
National Agricultural Policy, 2009 – 2015		✓			✓		
National Biodiversity Strategy and Action Plan, 2000					✓		
National Conservation Authority Act, 1999					✓		
National Environment Policy (NEP) and National Environmental Management Strategy (NEMS), 2004		✓			✓		
National Fisheries Plan (draft), 2013					✓		
National Invasive Species Strategy (draft), 2011					✓		
National Land Policy, 2007		✓			✓		
National Tourism Policy (draft), 2009		✓			✓	✓	
National Vision Plan, 2008					✓		
Oil in Navigable Waters Act, 1984		✓					

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Oil Spill Contingency Plan, 2007		✓			✓		
Parks and Beaches Commission Act, 1983					✓		
Physical Planning and Development Act, 2005		✓		✓	✓	✓	✓
Public Health Act, 1975		✓					
Saint Lucia Air and Sea Ports Authority Act, 1983							
Saint Lucia Education Act (1999)	✓		✓				
Saint Lucia Employees (Occupational Health and Safety) Act (1985)	✓		✓				
Saint Lucia Equality of Opportunity and Treatment in Employment and Occupation Act (2000)	✓		✓				
Saint Lucia Labour Code, no. 37 of 2006	✓		✓				
Saint Lucia Minimum Wages Act (1999; amended)	✓		✓				
Saint Lucia National Trust Act, 1975					✓		
Sectoral Adaptation Strategy and Action Plan for the Agricultural Sector (Agriculture SASAP) 2018-2028					✓		
Sectoral Adaptation Strategy and Action Plan for the Fisheries Sector (Fisheries SASAP) 2018-2028					✓		
Sectoral Adaptation Strategy and Action Plan for the Water Sector (Water SASAP) 2018-2028		✓			✓		
Shipping Act, 2000		✓					
Village Tourism Policy and Strategy (draft), 2019					✓	✓	
Tourism Strategy and Action Plan 2020-2030 (2019)					✓	✓	
Waste Management Act, 2004					✓		
Water and Sewerage Authority Act, 1999		✓			✓		
Wildlife Protection Act, 1980		✓			✓		

Saint Lucia Environmental Impact Assessment (EIA) requirements

The national government has the ability to require the preparation of environmental studies and assessments with regard to development in coastal environments. The Planning Act makes the provision of undertaking EIA for specific projects, which may likely affect the environment. Depending on the nature of the proposed development work and likely negative impact on the environment, an EIA report has to be submitted in order to evaluate the application and make decisions. The EIA has to be undertaken on agreed terms of reference and by a qualified professional.

Saint Vincent and the Grenadines

Table 16 identifies national laws, policies and plans corresponding to the World Bank's ESF and that address the development of Saint Vincent and the Grenadines' blue economy with particular emphasis on tourism, fisheries & aquaculture and waste management.

Table 16. Saint Vincent and the Grenadines legislation, policies and plans relevant to development of a blue economy

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Accidents and Occupational Diseases (Notification) Act, 1952	✓		✓				
Beach Protection Act of 1981		✓			✓		

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Birds and Fish Protection (Amendment) Ordinance (No. 18 of 1954)					✓		
Central Water and Sewerage Authority Act of 1991		✓					
Continental Shelf Act					✓		
Convention on Oil Pollution Damage Act		✓			✓		
Customs (Management Control) Act					✓		
Dumping at Sea Act of 2002		✓					
Electricity Supply Act, 1973					✓		
Employers and Servants Act, 1937	✓		✓				
Employment of Foreign Nationals and Commonwealth Citizens Act, 1973	✓		✓				
Employment of Women, Young Persons and Children Act, 1935	✓		✓				
Environmental Health Services Act, 1991	✓	✓	✓		✓		
Environmental Management Bill, 2009				✓			
Equal Pay Act, 1994	✓		✓				
Factories Act, 1955 (Cap. 335)	✓		✓				
Fisheries Act of 1986 and Regulation of 1987					✓		
Forestry Resource Conservation Act of 1945					✓		
General Guidelines for Organisations: Safe Working During the COVID-10 Pandemic – SVGNS 85:2020	✓		✓				
Grenadines Trans-boundary Multi-use Marine Zoning Plan					✓		
High Seas Fishing Act and Regulation of 2001					✓		
Land Acquisition Act, CAP 322, 1947				✓			
Land Adjudication Act CAP 5:06, 1984				✓			
Land Settlement and Development Act, CAP 242, 2009				✓			
Litter Act of 1991		✓			✓		
Management of Ship-Generated Solid Waste Act of 2002		✓					
Marine Parks Act of 1997		✓			✓		
Marine Pollution Prevention Act of 2015		✓			✓		
Maritime Areas Act of 1989		✓			✓		
Maritime Security Act					✓		

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Mayreau Environmental Development (SVG) Incorporation Act		✓			✓		
Medium-Term Economic Strategy					✓		
Mineral (Vesting) Act					✓		
Mustique Conservation Act of 1989					✓		
National Economic and Social Development Plan 2013-2025					✓		
National Emergency and Disaster Management Act, 2006					✓		
National Environmental Management Act (Draft), 2009		✓			✓		
National Environmental Management Strategy and Action Plan (NEMS)		✓			✓		
National Fisheries and Aquaculture Policy					✓		
National Parks Act, 2002		✓			✓	✓	
National Parks and Protected Areas Systems Plan 2010-2014					✓	✓	
National Tourism Policy (2003)					✓	✓	
Occupational Safety and Health Act of 2017	✓		✓				
Oil Fuel (Handling and Storage) Act (RSVGPF)		✓			✓		
Oil in Navigable Waters Act		✓			✓		
Oil Pollution (Liability and Compensation) Act		✓			✓		
Petroleum (Production) Act		✓			✓		
Port Authority Act of 1987					✓		
Powercraft Act					✓		
Protection of Employment Act, 2003	✓		✓				
Public Health Act No. 9 of 1977		✓			✓		
Public Health (Amendment) Act, 2020	✓		✓				
Public Health (COVID-19) Rules, 2021	✓		✓				
Revised National Biodiversity Strategy and Action Plan, 2017		✓			✓		
Constitution Order 1979, Updated 2005	✓		✓	✓			
National Ocean Policy (NOP), 2018					✓		
National Energy Policy (NEP) and National Energy Action Plan, 2009					✓		

National Laws, Policies and Plan	ESS2	ESS3	ESS4	ESS5	ESS6	ESS8	ESS10
Sustainable Integrated Development & Biodiversity Conservation in the Grenadines Islands					✓		
National Trust Act, 2007 (as amended)					✓	✓	
Tobago Cays Marine Parks Act of 1999		✓			✓		
Town & Country Planning Act No. 45, 1992 (amended in 2005)				✓	✓	✓	✓
Trade Disputes (Arbitration and Inquiry) Act, 1940	✓		✓				
Trade Unions Act, 1950	✓		✓				
Wages Councils Act, 1953	✓		✓				
Waste Management Act of 2000		✓			✓		
Wildlife Protection Act of 1987					✓		

Saint Vincent and the Grenadines Environmental Impact Assessment (EIA) requirements

The Physical Planning and Development Board can require the submission of an environmental impact assessment (EIA), as per the Town and Country Planning Act²²:

- *where it is aware that any person proposes to undertake in a prescribed area any enterprise, construction or development of a prescribed description or category; or*
- *where it is of the opinion that the activities of any enterprise, construction or development which has already been established or operational within such prescribed area is causing or is likely to cause pollution or is otherwise having or is likely to have an adverse effect on the environment.*

Failure to submit an EIA to the Board can result in an offence and a potential fine. Project monitoring falls under the mandate of Environmental Health. Cooperation and coordination between the Physical Planning and Development Board and the Environmental Health agency is lacking which hinders the EIA process.

The Town and Country Planning Act (TCPA), 1992, allows the Physical Planning and Development Board to require that an EIA be prepared as part of the approvals process for the development of land if the proposed development where it is of the opinion that the activities of any enterprise, construction or development which has already been established or operational within such prescribed area is causing or is likely to cause pollution or is otherwise having or is likely to have an adverse effect on the environment. As “land” is defined in that act to include “including land covered by water” this requirement could be applied to instances of development involving works taking place on the seabed.

Article 29 of the Town and Country Planning Act requires an EIA for environmentally sensitive projects or activities. The Physical Planning Unit has the legal authority for environmental

²² Amendments to the TCPA, including EIA regulations, were submitted to the Attorney General in 2019.

management in general under this Act, including the evaluation of the need for and level of EIA required. The scope of the EIA is determined through discussion with the PPU.

The draft Environmental Management Bill, 2009 requires that special conditions be placed on coastal, industrial and hillside developments. The draft regulations associated with the draft legislation calls for Environmental Impact Assessments to be used to gauge the degree of risk associated with development in certain geographic areas.

The National Ocean Policy allows the government to require an EIA for developments/projects in coastal and marine spaces:

- Policy 4, Goal 4.2 of the NOP
"To ensure the environmental impacts of all marine and land-based developments and activities are rigorously assessed in a transparent manner"
- Action 7.1 of the NOP SAP
"Adopt measures to protect vulnerable coastal and marine ecosystems from adverse impacts of development activities, including the use of environmental impact assessments"
- Action 10.2 of the NOP SAP
*"Strengthen research facilities for systematic observation of marine pollution, **environmental impact assessment** and development of control mechanisms."*

ANNEX 4: NEGATIVE LIST OF ACTIVITIES

Access to project and sub-project financing in support of any of the following activities listed in this annex are prohibited:

1. Uses of goods and equipment involving forced labour, child labour, or other harmful or exploitative forms of labour
2. Purchase and use of formulated products that fall in the World Health Organization classes IA and IB or formulations of products in class II if they are likely to be used by, or be accessible to, lay personnel, farmers or others without training, equipment and facilities to handle, store and apply these products properly.
3. Financing of elections or election campaigning.
4. Funding salaries or salary supplements of government security personnel.
5. Purchase of firearms or other weapons.
6. Activities that contravene local laws related to purchase and consumption of tobacco, alcoholic beverages and other drugs.
7. Manufacture of alcohol for local consumption and/or cultivation of crops for this purpose.
8. Activities carried out in relation to the adjudication of lands under dispute.
9. Purchase of land.
10. Activities that have potential to cause adverse impacts to critical habitat.
11. Activities that lead to conversion, deforestation or degradation of natural forests or other natural habitats, including, among others, conversion to agriculture or tree plantations.
12. Activities affecting protected areas (or buffer zones thereof)
13. Activities related to commercialization of illegal timber and non-timber forest products.
14. Construction and/or restoration of religious buildings.
15. Removal or alteration of any physical cultural heritage property (includes sites having archaeological, paleontological, historical, religious or unique natural values).
16. Uses of goods and equipment for military or paramilitary purposes
17. Uses of goods and equipment in response to conflict, in any area with active military or armed group operations

ANNEX 5: CERC GUIDANCE

The CERC is guided by the Project Operations Manual (POM) which provides the framework for CERC activation and approved activities that will be coordinated and implemented according to World Bank and national policies and procedures agreed.

The nature of activities to be financed under CERC are event and demand driven and should be consistent with CERC's purpose of providing short-term bridge financing for immediate recovery needs according to eligible emergency.

An Eligible Crisis or Emergency is defined by the World Bank as an event that has caused or is likely to imminently cause a major adverse economic and/or social impact associated with natural or man-made crises or disasters. This may include: (i) cyclone; (ii) earthquake; (iii) storm; (iv) storm surge and strong waves; (v) tornado; (vi) tsunami; (vii) volcanic eruption; (viii) flood; (ix) landslides; (x) forest fires; (xi) drought; (xii) severe weather; (xiii) extreme temperature; (xiv) high winds; and (xv) any natural disaster.

An official letter will be sent from the regional PIU to the World Bank requesting to activate the CERC along with the activation package that includes the following information:

- a. Nature of emergency, its impacts, and confirmation of causal relationship between the event and the need to access the funding through CERC, as supported by the official Statement of Facts.
- b. Rapid Needs Assessment.
- c. Indication of Program's funding to be reallocated to the CERC from other project components, and the distribution of reallocation across components if needed.
- d. An Emergency Action Plan (EAP).
- e. Implementation modalities with respect to decentralized activities, if applicable.

The regional PIU will seek support from the Bank to select a list of activities for financing under the CERC based on (i) the positive and the negative list outlined in the CERC Environmental & Social Management Framework to be developed under the Project, and (ii) priorities identified at the Rapid Needs Assessment of the emergency's impact.

The draft CERC manual identifies the following conditions for requesting CERC activation:

1. *the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include the proposed activities in the Emergency Response Part of the Project in order to respond to said crisis or emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;*
2. *the Recipient has ensured that all environmental and social instruments required for said activities have been prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Section I.D, Schedule 2 of the Financing Agreement;*
3. *the entities in charge of coordinating and implementing the Emergency Response Part of the Project have adequate staff and resources, in accordance with the provisions of Section I.D, Schedule 2 of the Financing Agreement, for the purposes of said activities; and*
4. *the Recipient has adopted the CERC Manual, in form and substance acceptable to the Association, and the provisions of the CERC Manual remain – or have been updated in accordance with the provisions of Section I.D of this Schedule so as to be – appropriate for the inclusion and implementation of the Emergency Response Part of the Project.*

The Emergency Action Plan (EAP) will include the list of activities, procurement methodology and E&S management procedures. The EAP will require consideration of safeguard implication for any proposed emergency supplies procurement of works activities.

The WB, through the no-objection process, will closely examine the nature of the proposed activities, particularly those involving civil works, to ensure:

- i. They are not prohibited under the negative list; and
- ii. That the recipients are aware of the required ESS compliance documentation before initiating the process by which the proposed works will be prepared and implemented.

The regional PIU may request WB technical assistance to undertake the activities (e.g., Rapid Needs Assessment and other related preparatory activities to support CERC activation and implementation activities). This request can be made directly to the Country Director in a written form via letter or electronic communication.

In no case shall the activities for financing under the CERC exceed the environmental and social standards presented in the RISE PAD and in the program's ESMF and RPF prepared prior to project approval. CERC activities will not trigger any new ESS.

The following list of goods, services and works will be deemed as eligible under the CERC²³.

Table 1. Positive list of goods, services and works

Item
Goods
<ul style="list-style-type: none"> • Medical equipment and supplies • Non-perishable foods, bottled water and containers • Tents for advanced medical posts, temporary housing, and classroom/daycare substitution • Equipment and supplies for temporary housing/living (gas stoves, utensils, tents, beds, sleeping bags, mattresses, blankets, hammocks, mosquito nets, kit of personal and family hygiene, etc.) and school • Gasoline and diesel (for air, land and sea transport) and engine lubricants • Spare parts, equipment and supplies for engines, transport, construction vehicles • Lease of vehicles (Vans, trucks and SUVs) • Equipment, tools, materials and supplies for search and rescue (including light motor boats and engines for transport and rescue) • Tools and construction supplies (roofing, cement, iron, stone, blocks, etc.) • Equipment and supplies for communications and broadcasting (radios, antennas, batteries) • Water pumps and tanks for water storage • Equipment, materials and supplies for disinfection of drinking water and repair/rehabilitate of black water collection systems • Equipment, tools and supplies for agricultural, forestry, and fisheries • Feed and veterinary inputs (vaccines, vitamin tablets, etc.) • Construction materials, equipment and industrial machinery • Water, air, and land transport equipment, including spare parts • Any other item agreed to between the World Bank and the Recipient (as documented in an Aide-Memoire or other appropriate formal Project document) • Temporary toilets

²³ These are based on the draft CERC Manual Table 3, positive list of goods, services and works.

<ul style="list-style-type: none"> Groundwater boreholes, cargos, equipment to allow access to site, storage units
Services
<ul style="list-style-type: none"> Consulting services related to emergency response including, but not limited to urgent studies and surveys necessary to determine the impact of the disaster and to serve as a baseline for the recovery and reconstruction process, and support to the implementation of emergency response activities Feasibility study and technical design; Works supervision Technical Assistance in developing TORs, preparing Technical Specifications and drafting tendering documents (Bidding Documents, ITQ, RFP). Non-consultant services including, but not limited to: drilling, aerial photographs, satellite images, maps and other similar operations, information and awareness campaigns Non-consultant services to deliver the activities described in the “Goods” section of this table (e.g., debris removal, dump trucks, drones survey)
Works
<ul style="list-style-type: none"> Repair of damaged infrastructure including, but not limited to: water supply and sanitation systems, dams, reservoirs, canals, roads, bridges and transportation systems, energy and power supply, telecommunication, and other infrastructure damaged by the event Re-establishment of the urban and rural solid waste system, water supply and sanitation (including urban drainage) Repair of damaged public buildings, including schools, hospitals and administrative buildings Repair, restoration, rehabilitation of schools, clinics, hospitals Removal and disposal of debris associated with any eligible activity.
Training
<ul style="list-style-type: none"> Conduct necessary training related to emergency response including, but not limited to the Implementation of EAP. Training on rapid needs assessment and other related assessments.
Emergency Operating Costs
<ul style="list-style-type: none"> Incremental expenses by the Government for a defined period related to early recovery efforts arising as a result of the impact of an eligible emergency. This includes but is not limited to: costs of staff attending emergency response, operational costs and rental of equipment.

The proposed positive list of activities and works as identified in Table 1 are not expected to trigger a new ESS. The expected negative impacts will be managed based on the existing ESS instruments and will be supervised and monitored by the national PIU Environmental and Social experts/officers. However, the contractor may have their own E&S experts but the implementing Agencies must have a supervisory and monitoring role.

The activities will be implemented under emergency situation once the CERC is triggered, and will need prompt actions from E&S team to ensure E&S protection measures are included and implemented through Environmental and Social Management Plan (ESMP).

The ESMP will be prepared in line with the ESMF requirements and will serve as a key ESS instrument for implementation. Depending on the nature of emergency and type of activities under CERC, impacts will be assessed based on the activities identified. Mitigations will be prepared to minimize adverse impacts and management plan particularly ESMP will be prepared and Environment, Health and Safety (EHS) Guidelines will be provided to guide ESS implementation during emergency situation.

The Implementing Agencies, contractors, other workers and labourers who will be supervising, working, managing and monitoring civil works or other works under emergency situation will be subjected to the project Code of Conduct, and must observe and prevent all forms of Gender Based Violence (GBV), sexual assault and abuse, forced labour, child labour and other harmful or exploitation forms of labour in the workers' camps or surrounding communities.

DRAFT

ANNEX 6 : ENVIRONMENTAL & SOCIAL IMPACT ASSESSMENT & ENVIRONMENTAL & SOCIAL MANAGEMENT PLAN TEMPLATES²⁴

Indicative Outline of an Environmental & Social Impact Assessment (ESIA)

Where an environmental and social impact assessment is prepared as part of the environmental and social assessment, it will include the following:

(2) Executive summary

- Concisely discusses significant findings and recommended actions.

(3) Legal and institutional framework

- Analyzes the legal and institutional framework for the project, within which the environmental and social assessment is carried out, including the issues set out in ESS1, paragraph 26.
- Compares the Borrower's existing environmental and social framework and the ESSs and identifies the gaps between them.
- Identifies and assesses the environmental and social requirements of any co-financiers.

(4) Project description

- Concisely describes the proposed project and its geographic, environmental, social, and temporal context, including any offsite investments that may be required (e.g., dedicated pipelines, access roads, power supply, water supply, housing, and raw material and product storage facilities), as well as the project's primary suppliers.
- Through consideration of the details of the project, indicates the need for any plan to meet the requirements of ESS1 through 10.
- Includes a map of sufficient detail, showing the project site and the area that may be affected by the project's direct, indirect, and cumulative impacts.

(5) Baseline data

- Sets out in detail the baseline data that is relevant to decisions about project location, design, operation, or mitigation measures. This should include a discussion of the accuracy, reliability, and sources of the data, as well as information about dates surrounding project identification, planning, and implementation.
- Identifies and estimates the extent and quality of available data, key data gaps, and uncertainties associated with predictions.
- Based on current information, assesses the scope of the area to be studied and describes relevant physical, biological, and socioeconomic conditions, including any changes anticipated before the project commences.
- Takes into account current and proposed development activities within the project area but not directly connected to the project.

Environmental and social risks and impacts

- Takes into account all relevant environmental and social risks and impacts of the project. This will include the environmental and social risks and impacts specifically identified in ESSs2–8, and any other environmental and social risks and impacts arising as a consequence of the specific nature and context of the project, including the risks and impacts identified in ESS1, paragraph 28.

(f) Mitigation measures

- Identifies mitigation measures and significant residual negative impacts that cannot be mitigated and, to the extent possible, assess the acceptability of those residual negative impacts.
- Identifies differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable.
- Assesses the feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of proposed mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the proposed mitigation measures.
- Specifies issues that do not require further attention, providing the basis for this determination.

(g) Analysis of alternatives

- Systematically compares feasible alternatives to the proposed project site, technology, design, and operation—including the “without project” situation—in terms of their potential environmental and social impacts;

²⁴ From World Bank. 2018. ESF Guidance not for ESS1. Annex 1 Section D. Indicative Outline of ESIA and Section E. Indicative Outline of ESMP

- Assesses the alternatives' feasibility of mitigating the environmental and social impacts; the capital and recurrent costs of alternative mitigation measures, and their suitability under local conditions; the institutional, training, and monitoring requirements for the alternative mitigation measures.
- For each of the alternatives, quantifies the environmental and social impacts to the extent possible, and attaches economic values where feasible.

(h) Design measures

- Sets out the basis for selecting the particular project design proposed and specifies the applicable ESHGs, or if the ESHGs are determined to be inapplicable, justifies recommended emission levels and approaches to pollution prevention and abatement that are consistent with GIIP.

(6) Key measures and actions for the Environmental and Social Commitment Plan (ESCP)

- Summarizes key measures and actions and the time frame required for the project to meet the requirements of the ESSs. This will be used in developing the Environmental and Social Commitment Plan (ESCP).

(j) Appendices

- List of the individuals or organizations that prepared or contributed to the environmental and social assessment.
- References—set out the written materials, both published and unpublished, that have been used.
- Record of meetings, consultations, and surveys with stakeholders, including those with affected people and other interested parties. The record specifies the means of such stakeholder engagement that were used to obtain the views of affected people and other interested parties.
- Tables presenting the relevant data referred to or summarized in the main text.
- List of associated reports or plans.

Indicative Outline of an Environmental & Social Management Plan (ESMP)

14. An ESMP consists of the set of mitigation, monitoring, and institutional measures to be taken during implementation and operation of a project to eliminate adverse environmental and social risks and impacts, offset them, or reduce them to acceptable levels. The ESMP also includes the measures and actions needed to implement these measures. The Borrower will (a) identify the set of responses to potentially adverse impacts; (b) determine requirements for ensuring that those responses are made effectively and in a timely manner; and (c) describe the means for meeting those requirements.

15. Depending on the project, an ESMP may be prepared as a stand-alone document or the content may be incorporated directly into the ESCP. The content of the ESMP will include the following:

(a) Mitigation

- The ESMP identifies measures and actions in accordance with the mitigation hierarchy that reduce potentially adverse environmental and social impacts to acceptable levels. The plan will include compensatory measures, if applicable. Specifically, the ESMP:
 - Identifies and summarizes all anticipated adverse environmental and social impacts (including those involving indigenous people or involuntary resettlement);
 - Describes—with technical details—each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate;
 - Estimates any potential environmental and social impacts of these measures; and
 - Takes into account, and is consistent with, other mitigation plans required for the project (e.g., for involuntary resettlement, Indigenous Peoples, or cultural heritage).

(7) Monitoring

- The ESMP identifies monitoring objectives and specifies the type of monitoring, with linkages to the impacts assessed in the environmental and social assessment and the mitigation measures described in the ESMP.⁴⁸ Specifically, the monitoring section of the ESMP provides (a) a specific description, and technical details, of monitoring measures, including the parameters to be measured, methods to be used, sampling locations, frequency of measurements, detection limits (where appropriate), and definition of thresholds that will signal the need for corrective actions; and (b) monitoring and reporting procedures to (i) ensure early detection of conditions that necessitate particular mitigation measures, and (ii) furnish information on the progress and results of mitigation.

(8) Capacity development and training

- To support timely and effective implementation of environmental and social project components and mitigation measures, the ESMP draws on the environmental and social assessment of the existence, role, and capability of responsible parties on site or at the agency and ministry level.
- Specifically, the ESMP provides a specific description of institutional arrangements, identifying which party is responsible for carrying out the mitigation and monitoring measures (e.g., for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting, and staff training).
- To strengthen environmental and social management capability in the agencies responsible for implementation, the ESMP recommends the establishment or expansion of the parties responsible, the training of staff, and any additional measures that may be necessary to support implementation of mitigation measures and any other recommendations of the environmental and social assessment.

(9) Implementation schedule and cost estimates

- For all three aspects (mitigation, monitoring, and capacity development), the ESMP provides (a) an implementation schedule for measures that must be carried out as part of the project, showing phasing and coordination with overall project implementation plans; and (b) the capital and recurrent cost estimates and sources of funds for implementing the ESMP. These figures are also integrated into the total project cost tables.

I Integration of ESMP with project

The Borrower's decision to proceed with a project, and the Bank's decision to support it, are predicated in part on the expectation that the ESMP (either stand alone or as incorporated into the ESCP) will be executed effectively. Consequently, each of the measures and actions to be implemented will be clearly specified, including the individual mitigation and monitoring measures and actions and the institutional responsibilities relating to each, and the costs of so doing will be integrated into the project's overall planning, design, budget, and implementation.

ANNEX 7: RESOURCE EFFICIENCY & POLLUTION PREVENTION AND MANAGEMENT PLAN TEMPLATE (ESS3)

General requirements for preparing a Resource Efficiency & Pollution Prevention and Management Plan are provided below. The following document offers more detailed information on preparing the Plan: <http://documents1.worldbank.org/curated/en/112401530216856982/ESF-Guidance-Note-3-Resource-Efficiency-and-Pollution-Prevention-and-Management-English.pdf>

Addressing resource efficiency and pollution prevention and management is required throughout the project life cycle. The Borrower will apply technically and financially feasible resource efficiency and pollution prevention measures in accordance with the mitigation hierarchy, proportionate to the risks and impacts associated with the project, and consistent with Environmental Health and Safety Guidelines (EHSs) and Global International Industry Practice (GIIP).

The Plan will consider the following components:

Resource Efficiency: Technically and financially feasible measures for improving efficient consumption of energy, water, and raw materials, as well as other resources. Where benchmarking data are available, the Borrower will make a comparison to establish the relative level of efficiency.

- A. **Energy Use:** When the project is a potentially significant user of energy, in addition to applying ESS3 resource efficiency requirements, the Borrower will adopt measures specified in the EHSs to optimize energy usage, to the extent technically and financially feasible.
- B. **Water Use:** When the project is a potentially significant user of water or will have potentially significant impacts on water quality, in addition to applying ESS3 resource efficiency requirements, the Borrower will adopt technically and financially feasible measures to avoid or minimize water usage so that the project's water use does not have significant adverse impacts on communities, other users, and the environment.
- C. **Raw Material Use:** When the project is a potentially significant user of raw materials, in addition to applying ESS3 resource efficiency requirements, the Borrower will adopt measures specified in the EHSs and other GIIP to support efficient use of raw materials, to the extent technically and financially feasible.

Pollution Prevention and Management: Avoiding the release of pollutants or, when avoidance is not feasible, minimizing and controlling the concentration and mass flow of their release using the performance levels and measures specified in national law or the EHSs, whichever is most stringent.

- A. **Management of Air Pollution:** In addition to the resource efficiency measures described in ESS3, the Borrower will consider alternatives and implement technically and financially feasible and cost-effective options to avoid or minimize project-related air emissions during the design, construction, and operation of the project.
- B. **Management of Hazardous and Non-hazardous Wastes:** The Borrower will avoid the generation of hazardous and non-hazardous waste. Where waste generation cannot be avoided, the Borrower will minimize the generation of waste, and reuse, recycle and recover waste in a manner that is safe for human health and the environment. Where waste cannot be reused, recycled or recovered, the Borrower will treat, destroy, or dispose of it in an environmentally sound and safe manner that includes the appropriate control of emissions and residues resulting from the handling and processing of the waste material.
- C. **Management of Chemicals and Hazardous Materials:** The Borrower will avoid the manufacture, trade, and use of chemicals and hazardous materials subject to international bans, restrictions or

phaseouts unless for an acceptable purpose as defined by the conventions or protocols or if an exemption has been obtained by the Borrower, consistent with Borrower government commitments under the applicable international agreements.

- D. **Management of Pesticides:** Where projects involve recourse to pest management measures, the Borrower will give preference to integrated pest management (IPM) or integrated vector management (IVM) approaches using combined or multiple tactics.

The contents of a Resource Efficiency & Pollution Prevention and Management Plan will typically include:

- (a) **Objectives** based on the findings of an environmental and social assessment or similar document(s).
- (b) **Activities** to be carried out, along with any specific project requirements needed to achieve the intended objectives.
- (c) **Project requirements** that the implementing entities follow to achieve objectives.
- (d) **An implementation schedule** for the key activities, taking into account the planned timing of construction and other project activities.
- (e) **Institutional responsibilities** for plan implementation.
- (f) **Cost estimate** for plan implementation, including up-front investment costs and long-term recurrent costs. The plan also specifies funding sources for these costs.

ANNEX 8: COMMUNITY HEALTH AND SAFETY PLAN TEMPLATE (ESS4)

The requirements for preparing a Community Health and Safety Plan (CHSP) are provided below. The following document offers more detailed information on preparing the Plan:

<http://documents1.worldbank.org/curated/en/290471530216994899/ESF-Guidance-Note-4-Community-Health-and-Safety-English.pdf>

A CHSP addresses the risks and impacts of the project on the health and safety of affected communities during the project life cycle, including those who, because of their particular circumstances, may be vulnerable. Mitigation measures identified in the plan will comply with national legal requirements, Environmental, Health and Safety Guidelines (EHSs) and Good International Industry Practice (GIIP).

The CHSP should address the following areas of risk to community health and safety:

- **Infrastructure and Equipment Design and Safety**, including design, construction, operation, and decommissioning of the structural elements of the project, new buildings and structures that will be accessed by members of the public.
- **Safety of Services**, including the provision of services to communities
- **Traffic and Road Safety**, involving potential traffic and road safety risks to workers, affected communities, and road users throughout the project life cycle; vehicles or fleets of vehicles owned or leased for project purposes; and the use of project equipment that could have an impact on public roads or other public infrastructure
- **Ecosystem Services**, involving the project's direct impacts on ecosystem services that may result in adverse health and safety risks to and impacts on affected communities
- **Community Exposure to Health Issues**, including community exposure to waterborne, water based, water-related, and vector-borne diseases, and communicable and non-communicable diseases that could result from project activities, taking into consideration differentiated exposure to and higher sensitivity of vulnerable groups
- **Management and Safety of Hazardous Materials**, avoiding or minimizing the potential for community exposure to hazardous substances that may be released by the project
- **Emergency Preparedness and Response**, including measures to address unanticipated incidents arising from both natural and man-made hazards. Projects having the potential to generate emergency events will conduct a Risk Hazard Assessment (RHA) as part of the environmental and social assessment undertaken pursuant to ESS1.
- **Security Personnel**, addressing risks posed by direct or contracted workers providing security to safeguard its personnel and property to those within and outside the project site.

The contents of a CHSP will typically include:

- (a) **Objectives** based on the findings of an environmental and social assessment or similar document(s).
- (b) **Activities** to be carried out, along with any specific project requirements needed to achieve the intended objectives.
- (c) **Project requirements** that the implementing entities follow to achieve objectives.
- (d) **An implementation schedule** for the key activities, taking into account the planned timing of construction and other project activities.
- (e) **Institutional responsibilities** for plan implementation.
- (f) **Cost estimate** for plan implementation, including up-front investment costs and long-term recurrent costs. The plan also specifies funding sources for these costs.

ANNEX 9: BIODIVERSITY CONSERVATION & SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES PLAN TEMPLATE (ESS6)

The requirements for preparing a Biodiversity Conservation & Sustainable Management of Living Natural Resources Plan (BMP) are provided below. The following document offers more detailed information on preparing the Plan:

<http://documents1.worldbank.org/curated/en/924371530217086973/ESF-Guidance-Note-6-Biodiversity-Conservation-English.pdf>

A BMP is required where significant risks and adverse impacts on biodiversity have been identified. The BMP ensures that the Borrower avoids adverse impacts on biodiversity and habitats, or implements measures to minimize adverse impacts and restore biodiversity when avoidance of adverse impacts is not possible.

The contents of a BMP will typically include:

- (a) **Objectives** based on the findings of the biodiversity baseline and recommendations of the environmental and social assessment or similar document(s). These might include, for example, No Net Loss or Net Gain.
- (b) **Activities** to be carried out, along with any specific project requirements needed to achieve the intended BMP objectives. BMP activities may include, for example, new or expanded protected areas; site-specific habitat restoration, enhancement, or improved management; community benefit-sharing; livelihood restoration activities (to mitigate any negative socioeconomic impacts from newly restricted access to natural resources, in accordance with ESS5); species-specific management interventions; monitoring of project implementation or biodiversity outcomes; or support for increased financial sustainability of conservation actions.
- (c) **Project requirements** that the implementing entities follow to achieve BMP objectives, such as biodiversity-related prohibitions or specific restrictions for civil works contractors and project workers. Seasonal or time-of-day restrictions may also be needed to minimize adverse biodiversity impacts during construction or operation. Examples include (i) limiting blasting or other noisy activities to the hours of the day when wildlife are least active; (ii) timing of construction to prevent disturbance during the nesting season for birds of conservation interest; (iii) timing of reservoir flushing to avoid harming key fish-breeding activities; or (iv) curtailment of wind turbine operation during peak bird migration periods.
- (d) **An implementation schedule** for the key BMP activities, taking into account the planned timing of construction and other project activities.
- (e) **Institutional responsibilities** for BMP implementation.
- (f) **Cost estimate** for BMP implementation, including up-front investment costs and long-term recurrent costs. The BMP also specifies the funding sources for plan implementation as well as recurrent operating costs.

ANNEX 10: CHANCE FIND PROCEDURES (ESS8)

The requirements for preparing Chance Find Procedures are provided below. The following document offers more detailed information for preparing these procedures:

<http://documents1.worldbank.org/curated/en/743151530217186766/ESF-Guidance-Note-8-Cultural-Heritage-English.pdf>

Purpose

During sub-project implementation/construction, there is the possibility that previously unknown cultural heritage items may be discovered. This Chance Find Procedure is intended to manage impacts to unknown cultural heritage items. The procedure should be implemented in collaboration with the relevant national authority responsible for cultural heritage. It is important that all sub-project staff and contractors be aware of the potential to discover chance finds and the procedures outlined here. Prior to start of the sub-project, the relevant contact person at the national authority responsible for cultural heritage will be identified.

Objectives

The objectives of the Chance Find procedure are to:

- Define the steps that must be followed to manage the discovery of previously unknown cultural heritage, including the preservation and appropriate treatment of these finds, while also minimizing the potential disruption to the sub-project schedule.
- Enable compliance with relevant national laws and regulations along with other requirements that relate to the discovery of heritage items.

Scope

This procedure is applicable to all activities conducted by sub-project personnel that have the potential to uncover surface or subsurface items of cultural significance that were previously unknown. The procedure does not include already known and documented items.

Steps

If a chance find is discovered the following steps should be undertaken:

2. Issue a STOP WORK order in the vicinity of the find.
3. Inform the Project Manager.
4. Inform the PIU.
5. Install temporary site protection measures, such as warning tape of avoidance signs, to establish a restricted area around the Chance Find.
6. The Project Manager will record details (location and description) of the find and inform the local/national archaeological department.
7. Inform sub-project personnel about the Chance Find and restricted area.
8. Invite the identified contact person at the national authority responsible for cultural heritage to document the Chance Find, perform a preliminary evaluation to determine whether the Chance Find is cultural heritage and if so, whether it is an isolate or part of a larger site or feature.
9. Determine with the identified personnel when civil works can resume in the vicinity of the find.
10. Artefacts should be left in place if possible; if materials are collected, they will be placed in bags and labelled by an archaeologist and transported to the relevant agency.

Artefacts are not allowed to be taken by any sub-project personnel as personal possessions.

11. The find should be documented via the use of photography, notes, GPS coordinates and maps, as appropriate.
12. If the Chance Find proves to be an isolated find or not of cultural heritage, the archaeologist will authorize the removal of the site protection measures and the resumption of activity in the area.
13. If, however, the archaeologist confirms the Chance Find as a cultural heritage of significance, the relevant national authority will be informed within three days of that determination and initiate discussions about treatment.
14. Prepare and retain archaeological monitoring records, including initial reports, whether they are later confirmed or not. The record shall include coordinates of all observations to be retained by the sub-project.
15. Develop and implement treatment plans for confirmed finds using the services of qualified cultural heritage experts.
16. If a Chance Find is a verified cultural heritage site, a final Chance Find report shall be prepared once treatment has been completed.
17. While investigation is on-going, there will be coordination with sub-project personnel aimed at keeping them informed about the status of and schedule of the investigations into the chance find. Sub-project personnel will also be informed as timing of the resumption of sub-project activities in the vicinity of the find.

Resources

- World Bank. 2018. Guidance Note for Borrowers. Environmental & Social Framework for IPF Operations. ESS1: Assessment and Management of Environmental and Social Risks and Impact. <http://documents1.worldbank.org/curated/en/142691530216729197/pdf/ESF-Guidance-Note-1-Assessment-and-Management-of-Environmental-and-Social-Risks-and-Impacts-English.pdf>
- World Bank. Concept Environmental and Social Review Summary. Concept Stage. (ESRS Concept Stage). Date Prepared/Updated: 10/19/2020 | Report No: ESRSC01520
- World Bank. Annex D: Environmental and Social (E&S) Screening Template. https://open.unido.org/api/documents/3469328/download/Environmental%20and%20Social%20%20Screening%20Checklist_GEF%20ID%208000
- World Bank. Annex 3 Environmental and Social Risk Screening Sheet: https://ewdata.rightsindevelopment.org/files/documents/79/WB-P163679_lv5pfb6.pdf
- World Bank Annex on PPP guidance: https://ppp.worldbank.org/public-private-partnership/sites/ppp.worldbank.org/files/documents/Guidance_on_PPP_Contractual_Provisions_EN_2019_edition.pdf
- World Bank. 2016. Gender Equality, Poverty Reduction, and Inclusive Growth. Gender Strategy 2016-2023. <https://documents1.worldbank.org/curated/en/820851467992505410/pdf/102114-REVISED-PUBLIC-WBG-Gender-Strategy.pdf>
- World Bank. Critical Ecosystem Partnership Fund – Caribbean Hotspot Project (P173464)
- World Bank. 2020. Caribbean Digital Transformation Program (P171528)
- World Bank. Tanzania and Tonga Contingency Emergency Response Component