

PERFIL DE PROYECTO

PAÍS

I. DATOS BÁSICOS

Nombre del Proyecto:	Programa de Seguridad Hídrica en el Marco del Sector de Agua Potable y Saneamiento		
Número de Proyecto:	PN-L1148		
Equipo de Proyecto:	Gustavo Martínez (WSA/CPN), Jefe de Equipo, María Alejandra Perroni, Jefe de Equipo Alterno (INE-WSA); Efraín Rueda, María Eugenia de la Peña, Lucio Javier García, Mauro Nalesso e Irene Cartin (INE/WSA); Lucas Marini (VPS/ESG); Mónica Lugo (LEG/SGO); Ezequiel Cambiasso y David Ochoa (FMP/CPN); Ilia Nieto (CID/CPN); Aracelis Arosemena y Javier Grau (WSA/CPN)		
Prestatario:	República de Panamá		
Organismo Ejecutor:	Instituto de Acueductos y Alcantarillados Nacionales (IDAA), Ministerio de Ambiente (Mi Ambiente) y el Ministerio de Salud (MINSA) a través de la Dirección del Subsector de Agua Potable y Alcantarillado Sanitario (DISAPAS)		
Plan Financiero:	BID (CO):	Hasta US\$	250.000.000
	Local:	US\$	20.000.000
	Total:	Hasta US\$	270.000.000
Salvaguardias:	Políticas activadas:	OP-703, OP-704; OP-102; OP-765, OP-761	
	Clasificación:	"B"	

II. JUSTIFICACIÓN GENERAL Y OBJETIVOS

- 2.1 **Seguridad Hídrica:** La República de Panamá cuenta con un patrimonio hidrológico extraordinario, sustentado por una precipitación media anual de 2.924 litros de lluvia por metro cuadrado. Sin embargo, en los últimos años, este escenario ha sido puesto en duda debido al aumento de los conflictos por el uso del agua y al incremento de eventos extremos en el país, siendo aquellos de origen hidrometeoro lógico los que han afectado más los diversos ecosistemas, así como a la población más vulnerable en varias cuencas prioritarias a nivel nacional.
- 2.2 Entre el 2015 y el 2016, Panamá enfrentó una fuerte sequía producto del fenómeno de El Niño Oscilación Sur (ENOS) que afectó seriamente las actividades agropecuarias, de generación hidroeléctrica, de esclusas de buques por el Canal de Panamá y el suministro de agua potable a la población.¹

¹ Consejo Nacional del Agua. Plan Nacional de Seguridad Hídrica 2015-2050 Agua Para Todos.

- 2.3 Ante tal situación, el Gobierno de Panamá (GoP), conformó en agosto de 2015, una Comisión de Alto Nivel integrada por las máximas autoridades del sector agua para que además de atender los problemas derivados de la fuerte sequía, desarrolle un Plan Nacional de Seguridad Hídrica a fin de garantizar, a futuro, el acceso sostenible y seguro a agua para los usos requeridos.²
- 2.4 El Plan Nacional de Seguridad Hídrica 2015-2050 Agua para Todos (PNSH) fue aprobado mediante Resolución de Gabinete No. 114 del 23 de agosto de 2016, estableciendo en su segundo artículo la creación del Consejo Nacional del Agua (CONAGUA), el cual está integrado por Mi Ambiente, quien lo preside, el Ministerio de Economía y Finanzas (MEF), el Ministerio de Desarrollo Agropecuario (MIDA), el Ministerio de Salud (MINSA), la Autoridad de Servicios Públicos (ASEP), la Autoridad del Canal de Panamá (ACP) y el IDAAN. El CONAGUA, a través de su Secretaría Técnica, la cual orgánicamente dependerá de Mi Ambiente, asumirá la rectoría del sector agua y le dará seguimiento a la implementación del PNSH.
- 2.5 El PNSH plantea intervenciones en cinco ejes temáticos de acción: (i) acceso universal sostenido a agua de calidad y servicios de saneamiento; (ii) disponibilidad de agua para el crecimiento económico inclusivo; (iii) gestión preventiva de riesgos relacionados con el agua; (iv) cuencas hidrográficas saludables; y (v) sostenibilidad hídrica.
- 2.6 **Sector de Agua Potable y Saneamiento.** El GoP, a través del CONAGUA, ha priorizado la atención al sector de agua potable y saneamiento a través de todos los ejes del PNSH, con especial énfasis en el (i) y (v).
- 2.7 **Indicadores Sectoriales:** En el 2015, la población de Panamá se estimó en 3,97 millones de habitantes localizándose el 67% en el área urbana y el 33% en la rural^{3,4}. La cobertura de agua potable es 98,2% en el área urbana y 75,5% en la rural. En cuanto al saneamiento, la cobertura a nivel nacional es del 93,4%, estando un 30,3% de la población conectada a alcantarillado, 29,7% a tanques sépticos y 33,4% a letrinas.
- 2.8 **Desempeño del IDAAN.** En el 2016, el IDAAN contaba con de 595.664 clientes de agua potable y 352.555 de alcantarillado sanitario. A pesar del apoyo técnico recibido, todavía muestra importantes desafíos en sus indicadores de gestión. En términos operativos el IDAAN presenta: índice de Agua No Contabilizada (ANC) del 48%⁵ el cual es alto comparado con una empresa eficiente⁶; el promedio a nivel nacional de población que recibe agua potable 24 horas al día los 7 días de la semana (24/7) es del 72% en época seca; aproximadamente 5,6 empleados por cada mil conexiones el cual es alto comparado con una empresa eficiente⁷; descapitalización de sus recursos humanos; 68% de micro-medición, leyéndose

² Consejo Nacional del Agua. Plan Nacional de Seguridad Hídrica 2015-2050 Agua Para Todos.

³ Instituto Nacional de Estadística y Censo. Boletín No. 16.

⁴ <http://datos.bancomundial.org/indicador/SP.URB.TOTL.IN.ZS>.

⁵ Índice con alto valor de incertidumbre por escaso nivel de medición.

⁶ De acuerdo al sistema IB-Net del Banco Mundial para 2008 el ANC de Aguas Andinas en Chile fue del 28% y de Empresas Públicas de Medellín para 2009 fue del 38%.

⁷ De acuerdo al Ejercicio de Benchmarking de Aderasa, el promedio de la región de empleados por cada 1000 tomas es de 3.13, siendo el máximo de la muestra e 7.9 y el más bajo de 0.92.

http://www.aderasa.org/v1/wp-content/uploads/2016/06/Informe_anual_de_benchmarking_de_ADERASA_2006.pdf

solamente el 30% de los micro medidores.⁸ El índice de cobertura de costos operativos promedio es del 80%, recibiendo subsidios del Gap para inversiones y operación. Su pobre desempeño financiero se debe a su deficiente gestión operativa/comercial y a que las tarifas que cobra no son suficientes para cubrir los costos de operación, por lo que la empresa tiene EBITDA negativo.⁹

2.9 Situación del IDAAN en el Área Metropolitana de la Ciudad de Panamá (AMP):

En el año 2015, el AMP, conformada por las oficinas regiones del IDAAN en Panamá Metro (PM), Panamá Oeste (PO) y Arraiján (A), contaba con un total de 388.198 clientes de agua potable (AP) y 292.962 de alcantarillado sanitario (AS)^{10,11}. En 2015 el índice de ANC del AMP fue de 51% arriba del promedio nacional; el índice de recaudo fue del 84.3% bajo en comparación con una empresa eficiente; la cobertura de micro medición es del 74% de los cuales solamente el 58% son leídos. Aun cuando se han realizado inversiones en infraestructura, se anticipa la necesidad de focalizar nuevas inversiones principalmente en la reducción de pérdidas físicas, que permitan la recuperación de caudales para cubrir la demanda en zonas que actualmente no tienen servicio continuo.¹²

2.10 Marco Institucional y Legal del Sector. Las responsabilidades de rectoría y planificación del sector de agua como recurso hídrico las tiene el Conagua, la responsabilidad de planificación del sector de agua potable y saneamiento la tiene el MINSA, a través de la Dirección del Subsector de Agua Potable y Alcantarillado Sanitario (DISAPAS), la regulación y fiscalización a la Autoridad Nacional de los Servicios Públicos (ASEP) y la prestación de los servicios a nivel de poblaciones mayores de 1.500 habitantes al IDAAN. Las Juntas Administradoras de Acueductos Rurales (JAAR), con la asistencia técnica del MINSA, brindan el servicio a poblaciones menores de 1.500 habitantes.¹³

2.11 El rector no ha asumido en su totalidad su rol por lo que se presentan vacíos importantes en materia de políticas públicas; coordinación interinstitucional; planificación estratégica; y asignación de recursos (subsidios/inversiones). El regulador no ha alcanzado una función de amplio espectro. El IDAAN no cuenta con los recursos humanos apropiados ni con la autonomía política, administrativa y financiera requerida para operar eficientemente su infraestructura y prestar servicios apropiados. Asimismo, se identifica la necesidad de mejorar y ampliar la infraestructura para que cada actor pueda cumplir con sus responsabilidades. Por un lado, el CONAGUA requiere invertir en estaciones meteorológicas que ofrezcan información oportuna para la correcta planificación del sector. Por su lado la DISAPAS, requiere realizar inversiones para ampliar su red de laboratorios de calidad del agua y así asegurar el cumplimiento de la Política Nacional de Agua y Saneamiento.^{14,15}

⁸ IDAAN. Boletín Estadístico No. 29.

⁹ Nils Janson. Nota de Política para el Sector de Agua y Saneamiento.

¹⁰ PM contaba con 287.646 clientes de AP, Arraiján con 51,841 y Panamá Oeste con 48,711.

¹¹ IDAAN. Boletín Estadístico No. 29.

¹² Nils Janson. Nota de Política para el Sector de Agua y Saneamiento.

¹³ BID. Nota Técnica Sectorial de Agua y Saneamiento – Panamá 2015.

¹⁴ BID. Nota Técnica Sectorial de Agua y Saneamiento – Panamá 2015.

¹⁵ Consejo Nacional del Agua. Plan Nacional de Seguridad Hídrica 2015-2050 Agua Para Todos.

- 2.12 **Estrategia del país.** En su Plan Estratégico Quinquenal 2015-2019, el Gap ha identificado como una de sus áreas prioritarias el sector de agua potable y saneamiento implementando el Plan de Sanidad Básica 100/0 para ampliar la cobertura y mejorar la calidad y la gestión en la prestación de los servicios.¹⁶
- 2.13 **Consistencia del Programa con la Estrategia del Banco.** El programa es consistente con la Estrategia del Banco con el País 2015-2019 (GN-2838), ya que contribuye al objetivo estratégico “Mejorar la prestación de servicios básicos a la población en situación de pobreza”. También es consistente con los objetivos del Marco Sectorial de Agua Potable y Saneamiento dentro de la dimensión de éxito 1 “Los países logran el acceso universal a agua y saneamiento mejorando la calidad de los servicios”. El programa es consistente con la Actualización de la Estrategia Institucional (UIS) 2010-2020 (AB-3008) y se alinea con los desafíos de desarrollo de: (i) inclusión social e igualdad, mediante la mejora en la prestación de los servicios y (ii) productividad e innovación, por medio de medidas que mejorarán la institucionalidad del sector y la promoción de programas estratégicos. El programa también se alinea con las áreas transversales de cambio climático y sustentabilidad ambiental.
- 2.14 **Apoyo del Banco en el sector.** El Banco ejecuta las siguientes operaciones de préstamo: Programa de Saneamiento Ambiental de la Ciudad y la Bahía de Panamá Fase II (3506-OC/PN-3506/CH-PN); Programa Unificado de Desarrollo Sostenible del Sector Agua y Saneamiento en Provincias (2025/OC-PN-1 y 2); Programa Multicas de Inversiones en Agua Potable y Saneamiento del IDAAN Fase II (3002/OC-PN); Programa de Saneamiento de los Distritos de Arraiján y La Chorrera Fase I (3799/OC-PN); y la Cooperación Técnica (CT) Apoyo al Programa de Reformas y Modernización del Sector e IDAAN Fase I (ATN/OC-14558-PN). Asimismo, con recursos del Fondo Español de Cooperación para Agua y Saneamiento en América Latina y el Caribe (FECASALC), se ejecuta el Programa de Agua Potable y Saneamiento Rural e Indígena (GRT/WS-13329-PN). Estas operaciones están contribuyendo a mejorar la prestación del servicio a 428.000 personas en áreas urbanas; proveer agua potable y saneamiento a 43.000 personas en zonas rurales e indígenas; sanear 105 km de quebradas, ríos y litoral costero en el AMP y tratar las aguas residuales de 820.000 personas. Asimismo, se ha identificado los problemas, retos y los planes y acciones necesarios para la transformación del sector e IDAAN.
- 2.15 **Objetivo general del programa:** Mejorar la calidad de los servicios de agua potable de la población servida por el IDAAN mediante la prestación de un servicio eficiente y sostenible financieramente en el largo plazo. Complementariamente, se fortalecerá la institucionalidad del sector y la protección y disponibilidad de los recursos hídricos. Para conseguir este objetivo se buscará: fortalecer institucionalmente al IDAAN; rehabilitar, modificar y expandir la infraestructura para hacer eficiente el servicio; apoyar a la DISAPAS para que implemente la Política Nacional de Agua y Saneamiento; y fortalecer al CONAGUA en la implementación del Plan de Seguridad Hídrica 2015-2050. El programa constará de dos componentes.
- 2.16 **Componente I: Inversiones Prioritarias.** Se financiará: obras de rehabilitación, ampliación y optimización de sistemas de agua potable y saneamiento del AMP;

¹⁶ Gobierno de Panamá. Plan Estratégico de Gobierno 2015-2019 Un Solo País. Diciembre 2014.

obras y equipamiento de la red de laboratorios de control de calidad del MINSA; y obras y el equipamiento para una red hidrometereológica a nivel nacional.

- 2.17 **Componente II: Fortalecimiento Institucional.** Se financiará: apoyo al IDAAN para mejorar su capacidad de planificación estratégica e institucional a nivel central; un contrato de gerenciamiento del IDAAN en el AMP; apoyo al CONAGUA y a la DISAPAS para fortalecer el seguimiento del PNSH y su rol rector respectivamente; e implementación de acciones para garantizar la sostenibilidad del sector en el mediano y largo plazo.
- 2.18 **Costo y modalidad de financiamiento.** El costo total estimado del programa es de US\$270 millones, de los cuales el Banco financiará el equivalente de hasta US\$250 millones con cargo a los recursos de la Facilidad de Financiamiento Flexible de su Capital Ordinario. El programa prevé contar con una contrapartida de US\$20 millones.

III. ASPECTOS TÉCNICOS Y CONOCIMIENTO DEL SECTOR

- 3.1 **Avances en el Programa de Fortalecimiento Institucional del Sector e IDAAN.** A través de la operación 3002/OC-PN y de las CT's ATN/OC-13443-PN, ATN/OC-13444-PN y ATN/OC-14558-PN se promueven las siguientes acciones: creación y funcionamiento de la Unidad de Transformación y Modernización (UTM); implantación de un sistema de información gerencial y técnico/administrativo (ERP); fortalecimiento de la gestión de sus estructuras regionales; monitoreo del Plan de Acción; mejora de eficiencia energética; y equipamiento para operación y mantenimiento (O&M) y control de calidad del agua.
- 3.2 Con las operaciones 3506/OC-PN, 3506/CH-PN y 3799/OC-PN se prevé avanzar en: el fortalecimiento de la Unidad Coordinadora del Programa de Saneamiento de Panamá (UCPSP) del MINSA en la gestión y O&M de los proyectos que se construyan en el AMP; la conformación del Comité de Sostenibilidad del Sector (CSS) que coordine las instituciones y la planificación estratégica del sector de agua potable y saneamiento; el fortalecimiento de DISAPAS; el desarrollo de una estrategia para reducción de consumos de agua y protección de ríos y quebradas del AMP; la reglamentación del convenio IDAAN&UCPSP para la O&M del AMP; la implementación del modelo de gestión más adecuado para la UCPSP; y la actualización de la estructura tarifaria de alcantarillado sanitario y tratamiento de aguas residuales.
- 3.3 El CONAGUA, a través de IDAAN, MiAmbiente y DISAPAS/MINSA, está promoviendo acciones para garantizar el acceso universal, la sostenibilidad y la calidad de la prestación de los servicios y para conocer la disponibilidad y calidad del recurso hídrico y contar con un sistema de alerta temprana ante eventos extremos. Tales acciones son: (i) la contratación de una empresa operadora a nivel mundial para que asuma el gerenciamiento operativo de los servicios que presta el IDAAN en el AMP para lo cual ha contado con el apoyo técnico y financiero del Banco; (ii) el ajuste al marco legal del sector y del IDAAN para que opere como una empresa pública eficiente; (iii) el fortalecimiento del rol rector y regulador de las instituciones del sector incluyendo a la secretaria técnica de CONAGUA; (iv) el equipamiento y/o construcción de una red de laboratorios para asegurar la calidad del agua; y (v) medir la disponibilidad y confiabilidad del

recurso hídrico a través de una red hidrometereológica. Las acciones anteriores se implementarían en el marco de esta operación.

- 3.4 Para determinar la viabilidad técnica, financiera, institucional, socioeconómica, ambiental y social del programa se presentará para evaluación del Banco el contrato de gerenciamiento y el diseño básico de las obras asociadas. Se actualizará el Sistema de Evaluación de Capacidad Institucional (SECI) del IDAAN, y DISAPAS/MINSA y se evaluará a MiAmbiente. Asimismo, se analizarán diferentes modalidades de ejecución para gestionar el programa de forma eficiente en donde el CONAGUA tendrá un rol de coordinación y seguimiento importante.

IV. RIESGOS AMBIENTALES Y ASPECTOS FIDUCIARIOS

- 4.1 Siguiendo las orientaciones de la Política de Medio Ambiente y Cumplimiento de las Salvaguardias (OP-703), el equipo del proyecto sugiere la clasificación “B” para la operación (Anexo II). El programa presentará impactos ambientales y sociales mayormente positivos, ya que contribuirá a mejorar la gestión y la calidad de prestación de servicios de agua potable y saneamiento en el AMP. Fueron identificados impactos negativos localizados y de corta duración durante las obras de reforzamiento y optimización de la infraestructura, los cuales son fácilmente mitigables con buenas prácticas de ingeniería y comunicación social. Posibles impactos asociados al acceso al agua potable de los grupos de bajos ingresos e indígenas pueden ocurrir cuando se instalan micro medidores o nuevas tarifas. Se realizará una Evaluación Ambiental y Social y actividades de consulta con todas las partes interesadas, y se preparará un Informe de Gestión Ambiental y Social con los resultados obtenidos (Anexo III). Siguiendo la Directiva B.6, el objetivo principal de las consultas será informar, recoger comentarios de todos los actores clave del proyecto y hacer los ajustes que correspondan al EAS y el PGAS. Se elaborará un plan de manejo por los socios críticos y un plan de gestión de quejas para asegurar que la información sea compartida y los mecanismos para atención de quejas se ponga en práctica. Además, debido a la ubicación del Proyecto en una zona sujeta a posibles desastres naturales y riesgos asociados al cambio climático, la ESA incluirá también una evaluación de los riesgos de desastres naturales, junto con los procedimientos que se incluirán en el PGAS.
- 4.2 El programa prevé mantener los mecanismos de desembolso, contabilidad, monitoreo y seguimiento utilizados en el préstamo 3002/OC-PN y en la Guía de Gestión Financiera OP-273-6. En materia de adquisiciones, se utilizarán las políticas GN-2349-9 y GN-2350-9 relacionadas a los servicios de consultoría, contratación de obras y adquisición de bienes y equipos.

V. OTROS TEMAS

- 5.1 El CONAGUA, a través del IDAAN, avanza en la contratación de la empresa operadora de servicios de agua potable y saneamiento para que asuma el gerenciamiento del IDAAN en el AMP. Para iniciar con este contrato, lo antes posible, la primera fase será financiada con la operación de préstamo que tiene el BID con el IDAAN y el resto con esta nueva operación.
- 5.2 El Banco podrá financiar retroactivamente con cargo a los recursos del préstamo hasta un máximo del 20% de los recursos del préstamo y reconocer, con cargo al

aporte local, hasta un máximo del 20% de gastos elegibles efectuados por el prestatario antes de la fecha de aprobación del préstamo para la contratación de una firma consultora para apoyar el gerenciamiento operativo y comercial del IDAAN en el AMP, siempre que se haya cumplido con requisitos sustancialmente análogos a los establecidos en el contrato de préstamo. Dichos gastos deberán haberse efectuado a partir de la fecha de aprobación del perfil del proyecto, pero en ningún caso se incluirán gastos efectuados de más de 18 meses antes de la fecha de aprobación del préstamo.

VI. RECURSOS Y CRONOGRAMA DE PREPARACIÓN

- 6.1 La distribución de la Propuesta para el Desarrollo de la Operación (POD) al Comité de Calidad y Riesgo (QRR) está prevista para la última semana de Julio del 2017 y la presentación al Directorio Ejecutivo en septiembre de 2017. El total de los costos de preparación será de US\$97.000 (ver Anexo V).

CONFIDENCIAL

¹ La información contenida en este Anexo es de carácter deliberativo, y por lo tanto confidencial, de conformidad con la excepción relativa a “Información Deliberativa” contemplada en el párrafo 4.1 (g) de la “Política de Acceso al Información” del Banco (Documento GN-1831-28).



Safeguard Policy Filter Report

Operation Information

Operation		
PN-L1148 Water Security Program within the Water and Sanitation Framework in Panama		
Environmental and Social Impact Category	High Risk Rating	
B	{Not Set}	
Country	Executing Agency	
PANAMA	{Not Set}	
Organizational Unit	IDB Sector/Subsector	
Water & Sanitation	WATER SUPPLY RURAL AND PERI-URBAN	
Team Leader	ESG Lead Specialist	
GUSTAVO ADOLFO MARTINEZ	LUCA MARINI	
Type of Operation	Original IDB Amount	% Disbursed
Loan Operation	\$0	0.000 %
Assessment Date	Author	
3 Apr 2017	Imarini ESG Lead Specialist	
Operation Cycle Stage	Completion Date	
ERM (Estimated)	{Not Set}	
QRR (Estimated)	28 Jul 2017	
Board Approval (Estimated)	{Not Set}	
Safeguard Performance Rating		
{Not Set}		
Rationale		
{Not Set}		

Safeguard Policy Items Identified

B.1 Bank Policies (Access to Information Policy– OP-102)

The Bank will make the relevant project documents available to the public.

B.1 Bank Policies (Disaster Risk Management Policy– OP-704)

The operation is in a geographical area exposed to [natural hazards](#) ([Type 1 Disaster Risk Scenario](#)). Climate change may increase the frequency and/or intensity of some hazards.



Safeguard Policy Filter Report

B.2 Country Laws and Regulations

The operation is expected to be in compliance with laws and regulations of the country regarding specific women's rights, the environment, gender and indigenous peoples (including national obligations established under ratified multilateral environmental agreements).

B.3 Screening and Classification

The operation (including [associated facilities](#)) is screened and classified according to its potential environmental impacts.

B.5 Environmental Assessment Requirements

An environmental assessment is required.

B.6 Consultations

Consultations with affected parties will be performed equitably and inclusively with the views of all stakeholders taken into account, including in particular: (a) equal participation by women and men, (b) socio-culturally appropriate participation of indigenous peoples and (c) mechanisms for equitable participation by vulnerable groups.

B.7 Supervision and Compliance

The Bank is expected to monitor the executing agency/borrower's compliance with all safeguard requirements stipulated in the loan agreement and project operating or credit regulations.

B.17. Procurement

Suitable safeguard provisions for the procurement of goods and services in Bank financed operations may be incorporated into project-specific loan agreements, operating regulations and bidding documents, as appropriate, to ensure environmentally responsible procurement.

Potential Safeguard Policy Items

B.1 Bank Policies (Disaster Risk Management Policy– OP-704)

The operation includes activities related to climate change adaptation, but these are not the primary objective of the operation.

B.1 Bank Policies (Gender Equality Policy– OP-761)

The operation has the potential to affect negatively women or gender equality ([Negative gender impacts may include the following](#))

B.1 Bank Policies (Gender Equality Policy– OP-761)

The operation will offer opportunities to promote [gender equality](#) or [women's empowerment](#).

B.1 Bank Policies (Indigenous People Policy– OP-765)

The operation has the potential to negatively affect indigenous people (also see [Indigenous Peoples Policy](#)).

B.1 Bank Policies (Indigenous People Policy– OP-765)

The operation will offer opportunities for indigenous people



Safeguard Policy Filter Report

B.1 Bank Policies (Resettlement Policy– OP-710)

The operation has the potential to disrupt the livelihoods of people living in the project area of influence (not limited to involuntary displacement, see also Resettlement Policy)

B.4 Other Risk Factors

There are [associated facilities](#) (see policy definition) related to the operation.

B.4 Other Risk Factors

The borrower/executing agency exhibits weak institutional capacity for managing environmental and social issues.

B.9 Natural Habitats and Cultural Sites

The operation will result in the degradation or conversion of Natural Habitat or Critical Natural Habitat in the project area of influence.

B.9 Natural Habitats and Cultural Sites

The operation will result in the degradation or conversion of Critical Cultural Sites in the project area of influence.

B.10. Hazardous Materials

The operation has the potential to impact the environment and occupational health and safety due to the production, procurement, use, and/or disposal of hazardous material, including organic and inorganic toxic substances, pesticides and persistent organic pollutants (POPs).

B.11. Pollution Prevention and Abatement

The operation has the potential to pollute the environment (e.g. air, soil, water, greenhouse gases).

Recommended Actions

Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.

Additional Comments

[No additional comments]



Safeguard Policy Filter Report



Safeguard Screening Form

Operation Information

Operation		
PN-L1148 Water Security Program within the Water and Sanitation Framework in Panama		
Environmental and Social Impact Category	High Risk Rating	
B	{Not Set}	
Country	Executing Agency	
PANAMA	{Not Set}	
Organizational Unit	IDB Sector/Subsector	
Water & Sanitation	WATER SUPPLY RURAL AND PERI-URBAN	
Team Leader	ESG Lead Specialist	
GUSTAVO ADOLFO MARTINEZ	LUCA MARINI	
Type of Operation	Original IDB Amount	% Disbursed
Loan Operation	\$0	0.000 %
Assessment Date	Author	
3 Apr 2017	Imarini ESG Lead Specialist	
Operation Cycle Stage	Completion Date	
ERM (Estimated)	{Not Set}	
QRR (Estimated)	28 Jul 2017	
Board Approval (Estimated)	{Not Set}	
Safeguard Performance Rating		
{Not Set}		
Rationale		
{Not Set}		

Operation Classification Summary

Overriden Rating	Overriden Justification
Comments	



Safeguard Screening Form

Conditions / Recommendations

Category "B" operations require an environmental analysis (see Environment Policy Guideline: Directive B.5 for Environmental Analysis requirements)

The Project Team must send to ESR the PP (or equivalent) containing the Environmental and Social Strategy (the requirements for an ESS are described in the Environment Policy Guideline: Directive B.3) as well as the Safeguard Policy Filter and Safeguard Screening Form Reports. These operations will normally require an environmental and/or social impact analysis, according to, and focusing on, the specific issues identified in the screening process, and an environmental and social management plan (ESMP). However, these operations should also establish safeguard, or monitoring requirements to address environmental and other risks (social, disaster, cultural, health and safety etc.) where necessary.

Summary of Impacts / Risks and Potential Solutions

Project construction activities are likely to lead to localized and temporary impacts (such as dust, noise, traffic etc) that will affect local communities and [workers](#) but these are [minor](#) to [moderate](#) in nature.

Construction: The borrower should demonstrate how the construction impacts will be mitigated. Appropriate management plans and procedures should be incorporated into the ESMP. Review of implementation as well as reporting on the plan should be part of the legal documentation (covenants, conditions of disbursement, etc).

The project has or will have [minor](#) negative impacts on [Indigenous Peoples](#).

Mitigation Framework: Include specific mitigation measures as needed in consultation with affected IPs. Consult with Indigenous Peoples specialist. Incorporate measures in legal documentation (covenants, conditions of disbursement, etc.). Include mitigation measures as part of overall environmental and social management plans or provisions.

The project is located in an area prone to [coastal flooding](#) from [storm surge](#), high wave activity, or erosion and the likely severity of the impacts to the project is [moderate](#).

A Disaster Risk Assessment, that includes a Disaster Risk Management Plan (DRMP), may be necessary, depending on the complexity of the project and in cases where the vulnerability of a specific project component may compromise the whole operation. The DRMP should propose measures to manage or mitigate these risks to an acceptable level. The measures should include risk reduction (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as financial protection (risk transfer, retention) for the project. They should also take into account the country's disaster alert and prevention system, general design standards, coastal retreat and other land use regulations and civil defense recommendations in coastal areas.

The project is located in an area prone to [droughts](#) and the likely severity of the impacts to the project is [moderate](#).

A Disaster Risk Assessment, that includes a Disaster Risk Management Plan (DRMP) may be necessary, depending on the complexity of the project and in cases where the vulnerability of a specific project component may compromise the whole operation. The DRMP should propose measures to manage or mitigate these risks to an acceptable level. The measures should consider both the risks to the project, and the potential for the project itself to exacerbate risks to people and the environment during construction and operation. The measures should include risk reduction (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as financial protection (risk transfer, retention) for the project. They should also take into account the country's disaster alert and prevention system, general design standards and other related regulations.

The project is located in an area prone to [hurricanes](#) or other [tropical storms](#) and the likely severity of the impacts to the project is [moderate](#).

A Disaster Risk Assessment, that includes a Disaster Risk Management Plan (DRMP), may be necessary, depending on the complexity of the project and in cases where the vulnerability of a specific project component may compromise the whole operation. The DRMP should propose measures to manage or mitigate these risks to an acceptable level. The measures should consider both the risks to the project, and the potential for the project itself to exacerbate risks to people and the environment during construction and operation. The measures should include risk reduction (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as financial protection (risk transfer, retention) for the project. They should also take into account the country's disaster alert and prevention system, general design standards and other related regulations.

The project is located in an area prone to [inland flooding](#) and the likely severity of the impacts to the project is [moderate](#).



Safeguard Screening Form

A Disaster Risk Assessment, that includes a Disaster Risk Management Plan (DRMP), may be necessary, depending on the complexity of the project and in cases where the vulnerability of a specific project component may compromise the whole operation. The DRMP should propose measures to manage or mitigate these risks to an acceptable level. This must take into consideration changes in the frequency and intensity of intensive rainfall and in the patterns of snowmelt that could occur with climate change. The DRMP includes risk reduction measures (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as the financial protection (risk transfer, retention) of the project. The DRM Plan takes into account existing vulnerability levels and coping capacities, the area's disaster alert and prevention system, general design standards, land use regulations and civil defense recommendations in flood prone areas. However, the options and solutions are sector- and even case-specific and are selected based on a cost analysis of equivalent alternatives.

The project is located in an area prone to [earthquakes](#) and the likely severity of impacts to the project is [moderate](#).

A Disaster Risk Assessment, that includes a Disaster Risk Management Plan (DRMP), may be necessary, depending on the complexity of the project and in cases where the vulnerability of a specific project component may compromise the whole operation. The DRMP should propose measures to manage or mitigate these risks to an acceptable level. The measures should consider both the risks to the project, and the potential for the project itself to exacerbate risks to people and the environment during construction and operation. The measures should include risk reduction (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as financial protection (risk transfer, retention) for the project. They should also take into account the country's disaster alert and prevention system, general seismic design standards and other related regulations.

Disaster Risk Summary

Disaster Risk Level

Moderate

Disaster / Recommendations



Safeguard Screening Form

The reports of the Safeguard Screening Form (i.e., of the Safeguards Policy Filter and the Safeguard Classification) constitute the Disaster Risk Profile to be included in the Environmental and Social Strategy (ESS). The Project Team must send the PP (or equivalent) containing the ESS to the ESR.

The Borrower prepares a Disaster Risk Management Summary, based on pertinent information, focusing on the specific moderate disaster and climate risks associated with the project and the proposed risk management measures. Operations classified to involve moderate disaster risk do not require a full Disaster Risk Assessment (see Directive A-2 of the DRM Policy OP-704).

The Project Team examines and adopts the DRM summary. The team remits the project risk reduction proposals from the DRMP to the engineering review by the sector expert or the independent engineer during project analysis or due diligence, and the financial protection proposals to the insurance review (if this is performed). The potential exacerbation of risks for the environment and population and the proposed risk preparedness or mitigation measures are included in the Environmental and Social Management Report (ESMR), and are reviewed by the ESG expert or environmental consultant. The results of these analyses are reflected in the general risk analysis for the project. Regarding the project implementation, monitoring and evaluation phases, the project team identifies and supervises the DRM approaches being applied by the project executing agency.

Climate change adaptation specialists in INE/CCS may be consulted for information regarding the influence of climate change on existing and new natural hazard risks. If the project requires modification or adjustments to increase its resilience to climate change, consider (i) the possibility of classification as an adaptation project and (ii) additional financing options. Please consult the INE/CCS adaptation group for guidance.

Disaster Summary

Details

The project is classified as moderate disaster risk because of the likely impact of at least one of the natural hazards is average.

Actions

Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK



PANAMA
WATER SECURITY PROGRAM WITHIN THE WATER AND SANITATION FRAMEWORK IN PANAMA
PN-L1148

ENVIRONMENTAL AND SOCIAL STRATEGY
(ESS)
24/03/2017

This document was prepared by:
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Environmental and Social Strategy (ESS)	
Operation Name	Water Security Program within the Water and Sanitation Framework in Panama
Operation Number	PN-L1148
Operation Details	
IDB Sector	Water and Sanitation - Water Supply Rural and Peri/Urban
Type of Operation	LON - Loan Operation
Impact Categorization	B
Disaster Risk Rating	Moderate
Borrower	Republica de Panama
Executing Agency	Instituto de Acueductos y Alcantarillados Nacionales (IDAAN), Ministerio de Ambiente (MiAmbiente) y el Ministerio de Salud (MINSA) a través de la Dirección del Subsector de Agua Potable y Alcantarillado Sanitario (DISAPAS)
IDB Loan US\$ (and total project cost)	US\$ 250 million (US\$ 270 million)
Applicable Policies/Directives	OP-102; OP-704; OP-710; OP-761; OP-765; OP-703 (B.1, B.2, B.3, B.4, B.5, B.6, B.7, B.9, B.10, B.11, B.17)
Operation Description	
<p>The proposed Program aims at improving water and sanitary conditions for the population served by the Instituto de Acueductos y Alcantarillados Nacionales (IDAAN) network, with the goal of providing a financially sustainable long term service. In addition, the Program will strengthen the institutional framework of the sector and the national effort in protection of water resources. The objectives of the proposed Program are:</p> <ul style="list-style-type: none"> (i) strengthening IDAAN institutional capacity; (ii) assessment, improvement, and possible expansion of the existing infrastructure, mainly in the Metropolitan Area of Panama City (AMP), to ensure overall increase in system efficiency; (iii) support the Dirección del Subsector de Agua Potable y Alcantarillado Sanitario (DISAPAS) in the implementation of the National Water and Sanitation Policy; and (iv) strengthening and supporting Comisión Nacional del Agua (CONAGUA) in the implementation of the 2015-2050 Water Security Plan to ensure availability of safe water resources at national level, with focus on potable water. <p>The overall Program will consist of two main components:</p> <ul style="list-style-type: none"> a) Priority Investments. This component will finance all required studies, designs, construction activities (replacement of existing water pipelines, valves, and pumps, installation of new metering stations at all end-users, possible construction of new lines and new storage tanks in areas underserved), implementation, and supervision activities necessary for the following: establishment of the supervision and management contract of IDAAN for the AMP; the reassessment, modification, and expansion of existing potable water facilities in AMP; the installation of fully equipped laboratories 	

for water quality analysis for the Ministry of Health (MINSA); installation of a national hydro-meteorological stations network.

b) Institutional Capacity Building and Strengthening. This component will focus in financing: overall institutional capacity building for IDAAN, to improve management capacity at central level; strengthening of CONAGUA and DISAPAS leader positions in the process; implementation of actions and measures to ensure medium/long financial sustainability of the sector.

Key Potential ESHS Risks and Impacts

The key potential Environmental, Social and Health and Safety (ESHS) risks and potential impacts associated with the Program mainly refer to the improvements works (replacement of existing pipes and pipelines, valves, pumps, water tanks, and metering stations) and operation of the APM potable water network, and could be summarized as follows:

- Some network users do not have a metering station that quantify their water usage and pay a periodic flat fee (reportedly low compared to regional market standards). In addition, the network presents illegal users that have tapped into the main pipelines. It appears that most of these users (the non-metered and the illegal connections) are located in low income neighborhoods. Since part of the strategy to ensure proper water management and an overall reduction of losses will relate to the installation of metering stations at all end-users, and, then, at later stages, a possible review of the tariffs, it could lead to possible social grievances and issues among the affected stakeholders, even leading to possible economic exclusion of access to potable water for the lower income users, as they might not be able to afford the new tariffs.
- Construction activities will be spread all over the AMP, generating temporary moderate to high potential impacts to local communities: traffic disruption; dust and minimal to moderate air emission and affectation of air quality; impacts on water/soil, especially if waste and hazardous materials (especially asbestos) are not adequately managed; temporary noise impacts; occupational and community health and safety impacts (especially in relation to asbestos).
- Construction activities might obstruct the access to businesses, residences and social infrastructure and might causing temporary loss of livelihoods.
- Since part of the main pipelines in AMP appears to still contain asbestos, possible occupational and community health and safety impacts may arise if not properly managed during the dismantling process. In addition, risks and possible impacts could be associated with the treatment and disposal of any component containing asbestos.
- IDAAN, Miambiente y DISAPAS/MINSA might not have the in-house capacity to ensure the proper management of all ESHS aspects associated with the Program, especially regarding information, meaningful consultations and engagement with stakeholders.
- In principle, the Program does not include land acquisition and/or any kind of physical resettlement. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP, leading to possible physical/economic displacement.

Given that the objectives of the Program are to improve water and sanitary conditions for the local population, it is expected that there will be long term positive environmental and social impacts at community level. This program will likely increase continuous access to potable water, reducing overall water losses and increasing resource efficiency.

Information Gaps and Strategy for Analysis and Management

The Operation has been classified as Category B, as it is anticipated that it is likely to cause mostly local negative environmental and social impacts for which effective mitigation measures should be implemented. Consequently, following B.3 and B.5 Directives of Operation Policy 703 (OP-703), it is required that the Borrower undertakes appropriate Environmental and Social Analysis (ESA) and

prepares an Environmental and Social Management Plan (ESMP), with the aim of identifying and managing ESHS impacts and risks of the operation (during both construction and operation), including meaningful consultation with stakeholders.

In the ESA and ESMP, special focus should be given to the assessment of possible temporary/permanent impacts of the new water metering system and new tariffs on the economic capacity of all users to access potable water, especially current non-metered users and users with illegal connections. Since women, and especially women-headed households, are disproportionately represented among low-income households, the project might have a negative impact on gender equality and women's economic empowerment. To tackle potential gender-based adverse impacts, the ESA and ESMP will include a gender and ethnic sensitive analysis and propose adequate mitigation measures.

The ESA and ESMP will assess the impacts of the Program during construction, as temporary moderate to high potential impacts to local communities are expected, especially in relation to traffic disruption, dust and minimal to moderate air emission and affectation of air quality, temporary noise impacts, occupational and community health and safety impacts. The Borrower will develop a specific Traffic Management Plan (TMP).

The ESA and ESMP will include specific provisions for the asbestos contained in the pipeline removed. These will include details on how to handle, dispose and treat all contaminated components to reduce occupational and community health and safety risks. If applicable (high volumes of asbestos), a specific Solid and Hazardous Waste Management Plan (SHWMP) will be developed.

The Bank will assess if the Community Water Conservation Program (CWCP), to be developed by the Borrower, is adequate to the scale of the Project. Aim of the Program is to disseminate among all users the importance of water conservation, and proper resource management. The Program will consist into educational flyers, booklets, etc., together with community meetings and engagement processes with all local institutions (i.e. schools, associations, etc.).

The ESA will assess the potential impacts of the construction works on the livelihoods of businesses, including street vendors. To avoid/minimize loss of livelihoods, the ESMP will propose measures to decrease the duration of the construction works, maintain access to businesses and keep the population informed about the programming and advancement of works. If the ESA identifies potential significant loss of livelihoods due to the works, a Livelihood Restoration Plan will be developed.

The Program does not include land acquisition and/or any type of resettlement, since it will entail only works related to the replacement of existing infrastructures. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP. If resettlement will occur, the Borrower will assess the risk of temporary/ permanent resettlement in the ESA, and a Resettlement Action Plan (RAP) and/or a Livelihood Restoration Plan (LRP) will be developed and included in the ESMP.

The Borrower will carry out inclusive, meaningful, gender-sensitive and sociocultural appropriate consultations with all affected groups, including non-metered, users with illegals connections, and indigenous people/communities, in case these are present. Following B.6 Directive, the main goal of the consultations will be to inform, gather comments, and adjust the ESA and the corresponding ESMP. A comprehensive Stakeholders Engagement Plan (SEP) and Grievance Mechanism (GM) will be prepared, and will be continuously assessed and improved at the different stages of the operation, aiming at ensuring that proper information sharing, stakeholders involvement and GM have been put into practice.

A fit-for-disclosure ESA, ESMP, SEP, CWCP, GM, SHWMP (if applicable), TMP (if applicable), RAP (if applicable), and LRP (if applicable) must be ready for review and public disclosure prior to the analysis mission through the Borrower and IDB's webpage following the Access to Information Policy OP-102. No ESHS documentation has yet been submitted for review by the Borrower.

The Bank will assess if the Borrower has enough organizational capacity to properly assess and manage all ESHS aspects of the Project, especially in relation to meaningful consultation activities with possible affected stakeholders and/or IP (i.e. hiring a dedicated social specialist to support the Borrower).

Opportunities for IDB Additionality (if any)

Through this Program, IDB will help the Borrower disseminating among local population the importance of water conservation, and proper resource management, through the implementation of a Community Water Conservation Program. Aim of the Program is to disseminate among all users the importance of water conservation, and proper resource management. The Program will consist into educational flyers, booklets, etc., together with community meetings and engagement processes with all local institutions (i.e. schools, associations, etc.).

Annex Table: Operation Compliance with IDB Safeguard Policies

Operation Compliance table attached at the end of the document.

Additional Annexes (if any)

Proposed area of intervention in the AMP (source Consorcio PROIDAAN)

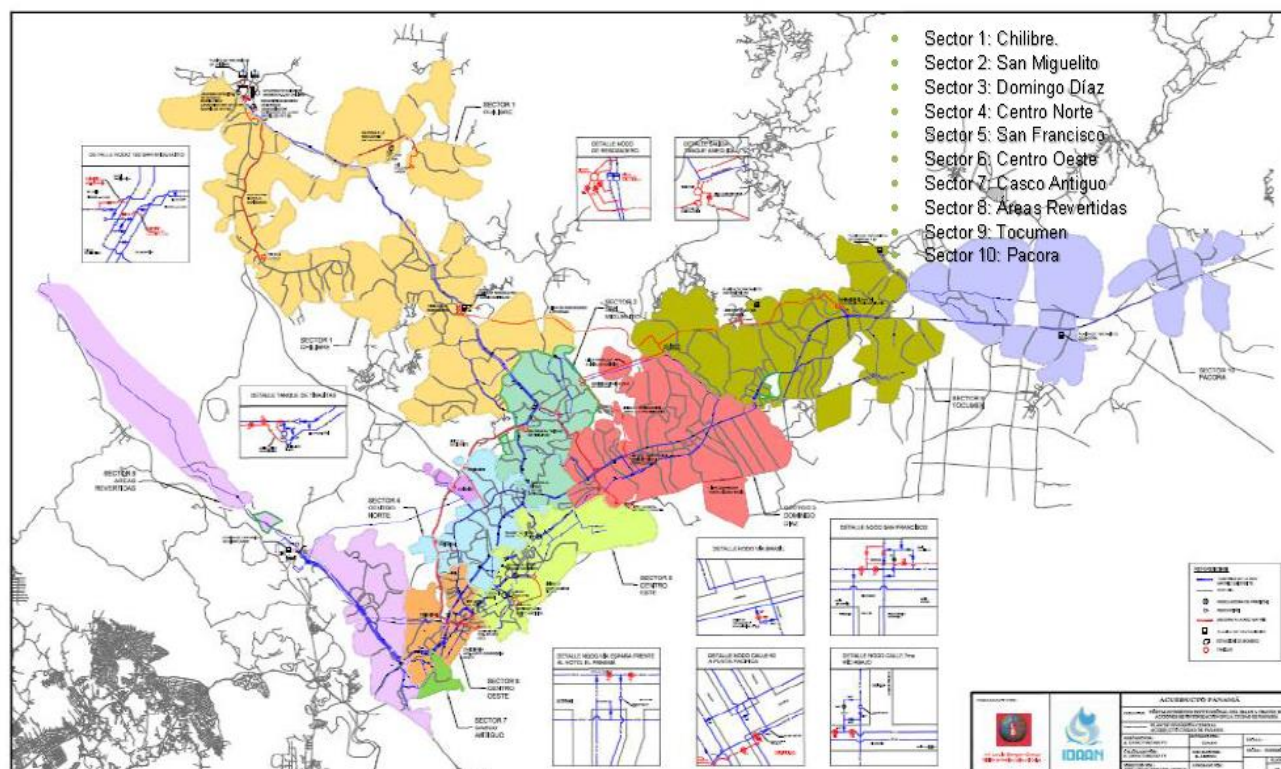


Table: Operation Compliance with IDB Safeguard Policies

Policies / Directives	Relevant Aspect of Policy / Directive	Is This Policy / Directive Applicable?	Rationale for Applying Policy / Directive Rationale	Actions required during Preparation & Analysis
OP-703 Environment and Safeguards Compliance Policy				
B.2 Country Laws and Regulations	Project Design	Yes	The Operation will comply with Panama ESHS laws and regulations.	The Borrower will comply with Panama ESHS regulations (i.e. development of Evaluación de Impacto Ambiental).
B.3 Screening and Classification	Screening and Classification	Yes	The Operation was screened and classified as Cat. B.	No Actions Required.
B.4 Other Risk Factors	Institutional Capacity	More information required	IDAAN, MiAmbiente y DISAPAS/MINSA might not have the capacity to ensure the proper management of all ESHS aspects of the Program, especially consultation with possible affected stakeholders and/or IP.	During the analysis, the Bank will assess IDAAN, MiAmbiente y DISAPAS/MINSA capacity to manage ESHS aspects of the operations, especially consultation with possible affected stakeholders and/or IP.
	Traffic	Yes	Construction activities will generate possible moderate to high impacts on traffic within AMP.	The Borrower will include in the ESA a specific assessment of traffic impacts. The ESMP will include specific provisions for traffic management. If impacts will result to be high, a specific TMP will be developed.
	Resource Efficiency	Yes	Currently, the AMP system is experiencing many losses and wastes, that could be	The IDB will assess adequacy of the CWCP to be developed by the Borrower. Aim of the

			associated also to users' bad practices.	Program is to disseminate among all users the importance of water conservation, and proper resource management.
B.5 Environmental Assessment and Plans Requirements	ESA and ESMP	Yes	ESA and ESMP are required.	The Borrower will develop the ESA and ESMP in line with IDB requirements.
B.5 Social Assessment and Plans Requirements	ESA and ESMP	Yes	The ESA must include a socio-cultural analysis aimed to identify and address potential social impacts.	The ESA and ESMP developed by the Borrower will cover both environmental and social impacts.
B.6 Consultation	Meaningful consultations with key stakeholders and affected population	Yes	Since this projects has been categorized as Category B, gender-sensitive and socio-culturally appropriate consultation activities with all the affected parties (especially non-metered users and with illegal connections) are necessary. A SEP will need to be included as part of the ESMP.	The Borrower will report on public consultation activities. IDB will support the Borrower to guarantee that meaningful consultations are carried out during the preparation of the project. Additionally, IDB will supervise the implementation of the SEP during the execution phase.
B.7 Supervision and Compliance	Monitoring from IDB	Yes	Continuous monitoring is necessary to ensure compliance with ESA, ESMP, Loan Agreement, and IDB Requirements.	Ensure that budget for monitoring activities is allocated.
B.8 Transboundary Impacts	-	No	Impacts are local.	No actions required
B.9 Natural Habitats	Natural Habitats	More information Required	The Operations are carried out in urbanized areas and should not affect natural habitats.	IDB will verify it during the Due Diligence process.

B.9 Invasive Species	-	No	The Operation will not introduce invasive species.	No actions required
B.9 Cultural Sites	Cultural Sites	More information Required	The project entails replacement of existing infrastructures and there will not be excavation of new areas. Therefore, construction works should not affect cultural sites.	IDB will verify it during the Due Diligence process.
B.10 Hazardous Materials	Use of hazardous materials	Yes	Construction work and operations will include the use and disposal of hazardous materials.	The Borrower will include in the ESMP provisions for hazardous material, wastewater, and solid and hazardous waste management. The ESA and ESMP will include specific provisions for asbestos contained in the pipes removed, to protect workers, communities, and environment. If applicable, a specific Solid and Hazardous Waste Management Plan (SHWMP) will be developed.
B.11 Pollution Prevention and Abatement	Pollution prevention	Yes	Construction work will cause possible pollution (air, noise, water, and soil).	The Borrower will include in the ESMP specific mitigation measures to ensure pollution prevention.
B.12 Projects Under Construction	-	No	Project still in the design phase.	No Action Required

B.13 Noninvestment Lending and Flexible Lending Instruments	-	No	Not Applicable	No Action Required
B.14 Multiple Phase and Repeat Loans	-	No	Not Applicable	No Action Required
B.15 Co-financing Operations	-	No	The Program will be co-financed locally by the Plan Nacional de Seguridad Hidrica	No Action Required
B.16 In-Country Systems	-	No	Bank Policies will be applied	No Action Required
B.17 Procurement	Procurement	Yes	ESHS requirements should be included into the contracts of the construction companies.	Contractors contract will include reference to IDB ESHS requirements.
OP-704 Natural Disaster Risk Management Policy				
Disaster Risk Assessment	Exposure to natural disaster risks	Yes	Due to the location, natural disaster risks could be moderate, generating possible affectation to structures, users, and local community.	In the ESA, the Borrower will assess natural disaster risks and impacts that could affect the operation.
Disaster Risk Management Plan	Exposure to natural disaster risks	Yes	Possible exposure to natural disaster risks.	Within the ESMP, the Borrower will include specific procedures and mitigation measures to prevent, and be applied during, any event.
OP-710 Operational Policy on Involuntary Resettlement				
Resettlement Minimization	Resettlement	More information required	The Program does not foresee any resettlement. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP.	If resettlement will occur, the Borrower will assess the risk of temporary/ permanent resettlement in the ESA, providing solutions and mitigation

				measures (i.e. RAP, LRP).
Resettlement Plan Consultations	Resettlement	More information required	The Program does not foresee any resettlement. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP.	If resettlement will occur, the Borrower will perform adequate consultations with all affected parties.
Impoverishment Risk Analysis	Resettlement	More information required	The Program does not foresee any resettlement. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP.	If resettlement is applicable, the Borrower will perform adequate Impoverishment Risk Analysis (and mitigation measures to address those risks).
Resettlement Plan or Resettlement Framework (Prior to Analysis Mission/Board Approval)	Resettlement	More information required	The Program does not foresee any resettlement. However, it presents the remote possibility of construction of additional storage tanks and/or new lines within AMP.	If resettlement is necessary, the Borrower will develop a specific RAP/LRP.
Livelihood Restoration Program (LRP)	Impacts on livelihoods	More information required	Construction activities might obstruct the access to businesses, residences and social infrastructure and provoke temporary loss of livelihoods.	The ESA will assess the potential impacts of the construction works on the livelihoods of formal businesses as well as street vendors. The ESMP will include measures to minimize the duration of the works, secure access to businesses and keep the population informed about the programming and

				advance of works. If serious negative impacts are expected, a Livelihood Restoration Plan must be developed.
Consent (Indigenous Peoples (IP) and other Rural Ethnic Minorities)	IP Resettlement	More information required	In principle, the Program will not affect the territories of indigenous people or rural ethnic minorities and therefore, no consent is required.	If resettlement of IP communities occurs, the Borrower will conduct consultation activities and obtain consent from them.
OP-765 Operational Policy on Indigenous Peoples				
Sociocultural Evaluation	Indigenous People	More information required	IP living in Panama City are not, in principle, considered as IP per the criteria outlined in this Policy. However, the presence of IP communities must be assessed and, if applicable, a sociocultural evaluation must be undertaken.	The ESA will assess the presence of IP communities in the area of influence of the project.
Good-faith Negotiations	Indigenous People	More information required	See Above	See Above
Agreement with Affected Indigenous Peoples	Indigenous People	More information required	See Above	See Above
Indigenous Peoples Protection, Compensation, and Development Plan or Framework prior to Board Approval	Indigenous People	More information required	See Above	See Above
Discrimination Issues Assessed and Addressed	Indigenous People	More information required	See Above	See Above

Transborder Impacts Addressed	Indigenous People	More information required	See Above	See Above
Impacts on Isolated Indigenous Peoples Addressed	Indigenous People	More information required	See Above	See Above
OP-761 Operational Policy on Gender Equality in Development				
Gender-based Exclusion Addressed	Gender-based Exclusion	More information required	No gender-based exclusion is expected	The ESA will assess risks of gender-based exclusion.
Equal Access to Project Benefits/ Compensation Measures	Equal Access	More information required	The project will not introduce unequal requirements for access to the project benefits (including jobs) and compensation measures (i.e. in case of resettlement or livelihood restoration).	In case it is required to design mitigation and compensation measures for a RAP/LRP, provisions will be made to secure equal access of men and women to compensation
Uneven Impact Burden Addressed	Gender-based adverse impacts	More information required	Increases in the cost of potable water might impact the capacity of low-income households to access the service. Since women, and especially women-headed households, are disproportionately represented among vulnerable and poor population, there is a risk of based-gender impoverishment.	The ESA will analyze the gender aspects of the water micro measurement and tariffs
Disaggregation of Impact Data by Gender	-	More information required	The Program's benefits should include both genders.	The social baseline of the ESA will include impact data disaggregated by gender
Consultation of Affected Women	Consultation	Yes	The project will seek the equitable participation of	The inclusion of women at all consultation activities

			women and men in its consultation process. If applicable, specific consultation activities with women will be carried out.	(especially in case of RAP/LRP) will be monitored
OP-102 Access to Information Policy				
Disclosure of relevant Environmental and Social Assessments ¹ Prior to Analysis Mission, QRR and submission of the operation for Board consideration ²	Disclosure of information	Yes	A fit-for-disclosure ESA, ESMP, SEP, CWCP, GM, etc., must be ready for review and public disclosure prior to the analysis mission through the Borrower and IDB's webpage. IDB will disclose the final versions of the documents prior to the QRR.	The Borrower will prepare the relevant assessments (ESA, ESMP, SEP, CWCP, GM, etc.) and the Bank will ensure they are disclosed prior to the analysis mission through the Borrower and IDB's webpage. In addition, IDB will disclose the final versions of the documents prior to the QRR.
Provisions for Disclosure of Environmental and Social Documents during Project Implementation	Disclosure of information	Yes	In case during the Program execution phase new relevant ESHS documents are delivered, these will be made available to the public.	The Borrower will make public all new relevant ESHS documents that will be developed during the Program's implementation. It will be also included as condition in the Loan Contract.

¹ Environmental and Social Assessments include ESIAs, ESMPs, RPs, RFs, and ESMPs.

² Please refer to the Protocols for ESHS Documentation and Information Disclosure for more details on the disclosure timing of the different Environmental and Social Assessments.

Índice del Trabajo Sectorial Propuesto

Estudios	Descripción	Fechas	Archivos Técnicos (referencias y enlaces electrónicos)
Análisis Institucional	Análisis SECI (Sistema de evaluación de la Capacidad Institucional) de los organismos ejecutores, esquema de ejecución del programa, evaluación de riesgos potenciales y propuestas de fortalecimiento institucional de los Organismos ejecutores.	Julio 2017	
Análisis Financiero	Análisis financiero histórico y proyectado del IDAAN.	Julio 2017	
Análisis técnico	Se realizará una consultoría para revisar los costos de los estudios existentes para optimización de la red hidráulica; asimismo, se realizarán estudios para definir los alcances y características de las estaciones meteorológicas y los laboratorios de calidad del agua. Sobre esta base se realizará el análisis técnico.	Junio 2017	
Análisis socio-económico	Se realizará un análisis socio-económico de la infraestructura a financiar.	Junio 2017	
Evaluación ambiental y social y preparación del Plan de Gestión Ambiental y Social	Se preparará un Estudio de Impacto Ambiental y Social (EIAS) y el Marco de Gestión Ambiental y Social (MGAS) que incluirán los antecedentes y el marco legal e institucional, y las medidas para manejar, controlar, y mitigar los riesgos ambientales y sociales asociados con el proyecto, entre otros documentos como el análisis de los impactos a la población afectada relacionado al cambio de tarifas. También se realizarán los ajustes relacionados con los aspectos ambientales y sociales para el MOP del Programa. Además, se desarrollará un plan para la gestión de los grupos de interés y para la gestión de todas las actividades de consulta con los grupos de interés que deberán hacerse para el proyecto. Dichas actividades serán realizadas de acuerdo a las políticas de sostenibilidad y salvaguardias del BID así como la legislación nacional pertinente.	Julio 2017	

CONFIDENCIAL

¹ La información contenida en este Anexo es de carácter deliberativo, y por lo tanto confidencial, de conformidad con la excepción relativa a “Información Deliberativa” contemplada en el párrafo 4.1 (g) de la “Política de Acceso al Información” del Banco (Documento GN-1831-28).