

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK



**BELIZE
CLIMATE VULNERABILITY REDUCTION PROGRAM
BL-L1028**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT REPORT
(ESMR)
19/10/2017**

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ENVIRONMENTAL AND SOCIAL MANAGEMENT REPORT (ESMR)	
Operation Name:	Climate Vulnerability Reduction Program
Operation Number:	BL-L1028
1. Operation Details	
IDB Sector	Climate Change Adaptation Policy
Type of Operation	Loan Operation
Impact Categorization	B
Environmental and Social Risk Rating	Moderate
Disaster Risk Rating	Moderate
Borrower	Government of Belize
Executing Agency	Ministry of Economic Development and Petroleum and Ministry of Works
IDB Loan US\$ (and total project cost)	IDB: US\$ 10 million - Total: US\$ 10 million
Applicable Policies/Directives	OP-102; OP-704; OP-710; OP-761; OP-703 (B.1, B.2, B.3, B.4, B.5, B.6, B.7, B.9, B.10, B.11, B.17)
2. Executive Summary	
<p>The project 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 will be implemented. Consequently, following B.3 and B.5 Directives of Operation Policy 703 (OP-703), an Environmental and Social Assessment and a Livelihood Restoration Plan (addressing physical displacement, economic displacement and economic losses, following OP-710 and OP-703), were prepared by a local consultant for the GoB. The ESA includes a description of the general environmental and social settings of the three locations where the intervention will occur (Belize City, Caye Caulker, and Goff's Caye). Key impacts and risks (such as physical displacement of sewerage systems of houses, temporary economic losses pier owners, economic displacement of fisherfolks, displacement of vendors, management of hazardous waste) have been identified based on the preliminary project details available to enable a good understanding of their nature and scale. The ESA includes a specific dredging and sediments management plan for Belize City that will have to be ready and finalized by the Borrower before construction. Contaminated sediments will have to be treated, neutralized, and disposed in authorized site in line with IDB policies. The LRP assessed the expected physical displacement to the sewerage systems of 22 houses close to the canals, the temporary economic losses of 2 piers owners and economic displacement of 6 fisher folks (Belize City) and economic displacement of 19 artists, 2 vendors and 1 business (Palapa Gardens Area, Key Caulker). In both cases, mitigation and compensation measures were defined for all the eligible Project Affected People (PAP). Meaningful stakeholder consultation activities were carried out at all three project sites during project preparation. The disaster risk defined for this project is moderate, type 1, particularly associated with possible passage of hurricanes and floods.</p>	
3. Operation Description	
<p>The Government of Belize (GoB) and Inter-American Development Bank (IDB) agreed to a strategy to reduce climate-related vulnerabilities at country level and to improve flood control in Belize City within two components:</p> <ul style="list-style-type: none"> • Component 1. Improve Governance for Disaster Risk Reduction. Includes: <ul style="list-style-type: none"> ○ Make risk information more accessible, ○ Increase capacities for climate change adaptation planning, ○ Support the design of climate proof housing and tourism building codes, 	

- Design of a climate risk financing strategy,
- Increase damage assessment capacities.
- Component 2. Climate risk reduction in sectors affected by Hurricane Earl. Includes:
 - Flood Control Works in Belize City. Construction of a new pumping station (at the sea outlet of Collet Canal with three screw pumps), four gates, dredging works (for 2.6 km in Collect and East Canal) and lining of the final part of Collect Canal, and operation manual (OM);
 - Coastal Protection Works on Caye Caulker. Coastal Protection Works on Caye Caulker including the creation of vegetated natural berm along 50m of beach at Palapa Beach gardens and installation of natural permeable growings (mangroves, rocks, and sand), with the aim of improving coastal stabilization and recovering the significant loss of sandy beaches, and cleaning of mangrove stands at tarpon hole;
 - Coastal Protection Works on Goff's Caye. Develop a holistic spatial development plan, relocate existing "welcome" palapa.

Additionally, there are two Technical Cooperation (BL-T1090 and DF-BL-T1098) including additional studies to support the implementation and monitoring tools for the design of BL-L1028.



Figure 1- Proposed Flood Control Works in Belize City



Figure 2- Proposed Coastal Protection Works in Caye Caulker

4. Key Impacts, Risks, and Mitigation Measures

Assessment Requirements

OP-703 (Environment and Safeguards Compliance Policy): B.3 (Screening and Classification), B.4 (Other Risk Factors), B.5 (Environmental Assessment and Plans Requirements), and Assessment requirements of OP-710 (Involuntary Resettlement Policy), OP-765 (Indigenous Peoples Policy), OP-761 (Gender Equality in Development Policy), and OP-704 (Disaster Risk Management Policy) as applicable

The project 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 will be implemented. Consequently, following B.3 and B.5 Directives of Operation Policy 703 (OP-703), an Environmental and Social Assessment (ESA) and a Livelihood Restoration Plan (LRP) addressing physical displacement, economic displacement and economic losses, following OP-710 and OP-703, were prepared by a local consultant for the GoB. The ESA includes a description of the general environmental and social settings of the three locations where the intervention will occur (Belize City, Caye Caulker, and Goff's Caye). Key impacts and risks have been identified based on the preliminary project details available to enable a good understanding of their nature and scale (please see section Environmental and Social Impacts and Risks and Mitigation Measures). The LRP assessed the expected project impacts to the physical displacement of the sewerage systems of 22 houses close to the canals, temporary economic losses to 2 piers owners and economic displacement of 6 fisher folks (Belize City) and economic displacement of 19 artists, 2 vendors and 1 business (Palapa Gardens Area, Key Caulker). For both cases, mitigation and compensation measures were defined for all the eligible Project Affected People (PAP).

An ESMP is set out in the ESA, defining the first draft of necessary plans that will be required (the plans themselves will be finalized by either the Borrower or the contractor before construction) such as dredging management plan and dredged spoils management plan, , stakeholder engagement plan, environmental and social monitoring plan, environmental and social specifications for constructions and operations, etc.). The plans will include all operational details (trainings, responsibilities, resources, auditing, instructions, etc.) prior construction start. As a stand-alone document has been delivered a Livelihoods Restoration Plan (LRP) addressing the expected impacts of this operation on physical displacement, economic displacement and economic losses.

Currently there is no dedicated environmental and social capacity in the Borrower structure. As such the IDB will stipulate in the Loan Agreement that the Borrower or the proposed Executing Agency include an environmental and social specialist who will be responsible for managing the environmental and social aspects of the proposed infrastructure projects.

Consultation

OP-703 (Environment and Safeguards Compliance Policy): B.6 (Consultation); and Consultation requirements of OP-710 (Involuntary Resettlement Policy), OP-765 (Indigenous Peoples Policy), OP-761 (Gender Equality in Development Policy), and OP-704 (Disaster Risk Management Policy) as applicable

The Borrower carried out meaningful stakeholder consultations at Belize City (October 6, 2017 – 33 participants), Goff's Caye (October 6, 2017 – 14 participants) and Caye Caulker (October 14, 2017 – 37 participants).

Local consultants hired by IDB supported the Borrower during the planning, implementation and reporting phases of the consultation process, in order to make sure that IDB's B.6 OP-703 is fulfilled. Main results of consultations were presented in consultation's reports, which have been added at the final version of the ESA.

As a first step for consultations, a stakeholder's map has been carried out, including key affected stakeholders:

- Belize City: Residents close to the main new proposed facilities, pier owners, fisherfolks and representatives from different public authorities,
- Caye Caulker: Tourism companies, key hotels and restaurants, street vendors, local environmental experts and public authorities (including Island Council),
- Goff's Caye: Vendors.

The main conclusions of consultations, and the proposals from the stakeholders were:

- Belize City: Participants mainly agreed with the presented proposal, including the following specific proposals: open draining holes in the northern lining of North Creek Canal; provide drainage for the North Creek Alley; provide public bathrooms at Conch Shell Bay Fish Market, Yarborough Fish, market and the bus stop on East Canal; build a boat ramp, in addition to public pier, in Yarborough area; provide a fish market area, in or near the public pier, in the Yarborough area,
- Caye Caulker: Participants mainly agreed with the presented proposal. Stakeholders requested to allow artists and vendors to be a part of the booth design process and construct bathroom facilities in the Artisan Center area that are eco-friendly and sustainable,
- Goff's Caye: Participants propose not to relocate the current Palapa, but introducing improvements on design for better flow and to prevent rain from coming in the sides. They propose to locate the mooring fields at the north of the island only. They also agree with the bathroom upgrade, re-vegetation and signage improvement.

The ESA of this operation includes a Stakeholder Engagement Plan (which applies during the different project phases) and a Grievance Response Mechanism. Both activities will be implemented by the Borrower through the environmental and social specialist assigned to this operation, with the support of local authorities.

Interviews and meetings with potentially affected stakeholders (of physical displacement, economic displacement or economic losses) were carried out in Belize City and Caye Caulker. For details, see chapter on OP-710.

Regarding OP-761, the Stakeholder Engagement Plan includes actions to elicit the views and opinions of women, making sure of their fair participation at the different stakeholder engagement activities.

Information Disclosure

OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plan Requirements) and Information Disclosure requirements of OP-710 (Involuntary Resettlement Policy), OP-765 (Indigenous Peoples Policy), OP-761 (Gender Equality in Development Policy), and OP-704 (Disaster Risk Management Policy) as applicable;
OP-102 (Access to Information Policy)

The fit for disclosure ESA, ESMP, and LRP were disclosed on the IDB website prior to the Analysis mission.

Environmental and Social Impacts and Risks and Mitigation Measures

OP-703 (Environment and Safeguards Compliance Policy): B5 (Environmental Assessment Requirements), B8 (Transboundary Impacts), B9 (Natural Habitats and Cultural Sites), B10 (Hazardous Materials), B11 (Pollution Prevention and Abatement), and B12 (Projects Under Construction)

OP-710 (Involuntary Resettlement Policy)

OP-765 (Indigenous Peoples Policy)

OP-704 (Disaster Risk Management Policy)

OP-761 (Gender Equality in Development Policy)

The most significant potential Environmental, Social and Health and Safety (ESHS) risks and impacts associated with the Program are:

i) Belize City: Due to construction, there is a risk of permanent displacement of the sewerage systems of 10 households (25 residents) in the Conch Shell Bay area and 12 households (approximately 66 residents) in North Creek Alley. All of them are vulnerable households illegally discharging sewerage effluent into the canal. Two piers used by the fisherfolks and 6 fisherfolks might be also affected. For all of them, the LRP presents different relocation, rehabilitation or compensation alternatives that will be put in place by the borrower to address potential risks on physical displacement, economic displacement and economic losses. In addition, during construction dredging activities will generate relevant quantities (1200 truckloads) of sediments to be disposed of properly since could be partially contaminated. To this regard, the ESA includes a specific dredging and sediments management plan that will have to be ready and finalized by the Borrower before construction. Contaminated sediments will have to be treated, neutralized, and disposed in authorized site in line with IDB policies.



Figure 3- Illegal sewerage systems

ii) Caye Caulker: the construction of the proposed berms might generate impacts to the natural views and access to the beach from first line hotels and restaurants. Artisans have been occupying the project's area (Palapa Gardens) for approximately 15 years now. Currently, there are 14 artists, 2 small vendors and 1 incomplete business. The artisans and vendors are vulnerable people who make a very meager living off their crafts and services. Their income is seasonal. Additionally, the current situation of the area where the berm is planned to be constructed is complex: (i) the current legal status of the land tenure is not clear, and private and public entities have access to different parts of the plot with no formal legal arrangements, (ii) In early 2017, the Village Council presented to the Ministry of Natural Resources an Artisan Center project for this area. The LRP's proposal is to relocate (economic displacement) all the artists and the small vendors close to the project's area, keeping the proposed berm (see figure number 6). From an environmental point of view, specific attention will be dedicated during construction activities (and during sourcing and transportation of material), since movements of sediments and spills might impact temporary the seagrass bed habitat in front of the beach. Mitigation measures (listed also in the ESA) will have to be put in place by the Borrower before construction, and supervised during the activity.



Figure 4- View of the current artisans and vendors at the Palapa Gardens



Figure 5- LRP Analysis of the legal status of the project's area

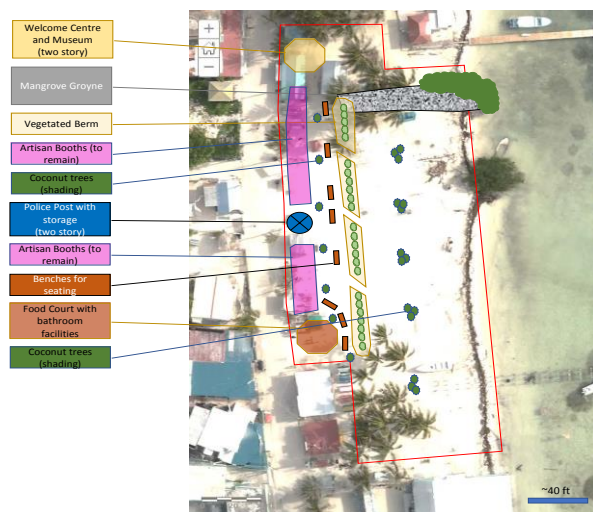


Figure 6- Draft layout of coastal protection works taking into account the village Council proposal for a new Artisan Center at the Palapa Gardens' area

iii) Goff Caye: minimal to none impacts are expected at this location. Due to the proximity to the coral reef, specific attention will be dedicated during construction activities (and during sourcing and transportation of material), since spills might impact temporarily the marine habitat next to the island. Mitigation measures will have to be put in place by the Borrower before construction, and supervised during the activity. There are no residents in the island, but some vendors are expected to be

temporarily displaced from the existing to the new palapa during construction, so they have to be consulted.

In addition, there may be other minimal to moderate, mostly temporary ESHS risks and impacts associated with the construction works at all locations: (i) temporary traffic disruption; (ii) dust and minimal air emissions during construction and excavation activities; (iii) impacts to local water bodies and land, as a result of waste and hazardous materials if not adequately managed; (iv) temporary noise impacts as a result of construction and improvement activities; (v) temporary reduced air quality; (vi) risks of accidents due to traffic detours and road blocking during the construction activities; (vii) occupational health and safety impacts mainly associated with urban construction and the possibility of handling hazardous materials; and (viii) community health and safety impacts.

Overall, the Borrower must ensure that possible impacts at all location and during all phases are properly managed and mitigated through the implementation of management plans and mitigation measures.

Noninvestment Lending and Flexible Lending Instruments

OP-703 (Environment and Safeguards Compliance Policy): B.13 (Noninvestment Lending and Flexible Lending Instruments)

NA

Livelihoods and Resettlement

OP-710 (Involuntary Resettlement Policy)

A stand-alone Livelihood Restoration Plan for Belize City and Key Caulker's areas was carried out to address all the expected impacts of the project on physical displacement, economic displacement and economic losses. The main features of the LRP are:

- In Belize City, Conch Shell Bay and North Creek Alley are squatter housing areas where some of the residents (22 households, 91 people) discharge illegally raw sewerage waters into the canals. All those illegal sewerage systems should be removed as not compatible with the planned works in the canal, so physical displacement is required. On the eastern bank of the Collet Canal (directly opposite to the Conch Shell Bay area) there are two private piers which can potentially obstruct the dredging and cleaning works of the canal, so there is a risk of temporary losses. There are six fishermen using the sandbank (from silt buildup) at the mouth of the Collet Canal, near the Yarborough area. This area is where the project proposes to install the pump house and floodgate, so there is a risk of economic displacement and economic losses.
- In Key Caulker, to accommodate the coastal protection works at the Palapa Gardens area (mainly the new berm), 14 artists, 2 vendors and part of 1 business (picnic tables belonging a local tour operation) should be permanently displaced from their current location.
- Interviews and meetings (meaningful consultations) with potentially affected stakeholders were carried out in Belize City (August 22, 2017, 5 people were reached) and Caye Caulker (August 23, 2017, 13 people were reached). In both cases, stakeholders were informed that the census cut-off date were August 23 2017 (Conch Shell Bay and North Creek Alley – Belize City and in Caye Caulker) and September 16 2017 (Yarborough – Belize City) and August 24 2017 (Caye Caulker). In Belize City, several stakeholders report to be using the toilet facilities of neighboring residents, however the consultants suggest that some of that those residents could possibly also be using night-soil bucket latrines since there are no toilet facilities in their residences. Interviewed consultants expressed their anxiety and fears in having to vacate the Gardens.
- The 99 Project Affected People in Belize City and 24 in Key Caulker are mostly vulnerable people. Affected Indigenous Peoples were not reported.
- In an effort to alleviate the need for resettlement or other forms of displacement there have been several design changes from the initially proposed flood control works. In Belize City

proposed revetment wall at the confluence of the Haulover Creek with the Collet Canal has been disregarded as this would have required the resettlement of a squatter community in the Conch Shell Bay area, as well as fisherfolk who dock their boats along the canal banks. In addition, there would have been long-term displacement of fisherfolk using the Conch Shell Bay Fish Market. In Caye Caulker, design changes supposed (i) changing the initial technical proposal for 600 meters of beach nourishment, which would have required resettling a large number of small vendors; (ii) leaving private shore protection works and incomplete piers intact, as many owners have gotten or are in the process of getting the necessary permits to construct; and (iii) working with the Village Council and the BTB to align an envisioned Artisan Center with the coastal protection works, which includes rehabilitating vulnerable artists within the Palapa Gardens area.

- Proposed mitigation measures for the removal of the illegal sewerage systems in Belize city were consulted with Belize Water and Sewerage Ltd. Even if each specific household situation is different, most residents of the Conch Shell Bay area should connect directly to the sewer main. Household discharges in North Creek Alley should be connected to a header pipe running along the inner side of the canal, with intermittent discharges as determined by the Belize City Council. The estimated total cost for the connections, septic tanks and the construction of new bath/toilet facilities is 25,000USD in Conch Shell Bay area, and 30,000 USD in North Creek Alley area. For the piers, cash-compensation is recommended by the LRP to compensate the access restriction during the construction phase. For the Yarborough Fisherfolks, construction of a public docking facility (inlet) and the rehabilitation of Yarborough Fish Market is recommended (estimated total cost of 37,500 USD).
- Proposed mitigation measures to compensate the permanent economic displacement of the artists and vendors are the construction of 16 new artisan booths (estimated cost of 96,000 USD) and the replaced of some chairs property of a local business (2,500 USD). The construction of new public bathroom facilities will be taken into consideration. The Borrower shall consult the final designs with local stakeholders and make the best effort, if reasonable and technically and economically viable, to include their suggestions in the final design
- The LRP includes a Grievance Redress Mechanism to address complaints or grievances submitted via form or verbally. This Mechanism will be managed by the Livelihood Restoration Steering Committee comprised of different public sector stakeholders to serve as a regulatory and strategic board with oversight and policy development responsibilities. In addition, a Livelihood Restoration Working Group should be established which will work directly with the implementing agencies to execute the Livelihood Restoration Plan. The Working Group will be the interface between the Steering Committee, Implementing Agencies, contractors, and affected people.

Indigenous Peoples

OP-765 (Indigenous Peoples Policy)

The ESA confirms that the Project is not affecting Indigenous Community.

Gender Equality

OP-761 (Gender Equality in Development Policy)

The ESA identifies mitigation measures that have to be put in place during the construction phase to address the minimal existing risks on gender discrimination, basically during the hiring process for the construction works.

Disaster Risk Management

OP-704 (Disaster Risk Management Policy)

The disaster risk defined for this project is moderate, type 1, particularly associated with possible passage of hurricanes and floods. It is important to stress that, as incorporated into the program's strategy, design and implementation; component 2 aims at strengthening resiliency and reducing vulnerabilities to natural disasters, climate change, and environmental management, including internalizing climate resilience best practices for coastal protection and effective public works. In any case, the Borrower must ensure that an Emergency Management and Response Plan for all project phases and for each location is properly implemented prior construction start.

Supervision

OP-703 (Environment and Safeguards Compliance Policy): B.5 (Environmental Assessment and Plans Requirements) and B.7 (Supervision and Compliance)

OP-710 (Involuntary Resettlement Policy)

OP-765 (Indigenous Peoples Policy)

OP-704 (Disaster Risk Management Policy)

OP-761 (Gender Equality in Development Policy)

Supervision missions specifically focused on verifying compliance with the actions to comply with the safeguards included in the ESA and PGAS will be carried out by the ESG Specialists. Likewise, the Borrower shall submit in the semi-annual reports a summary on the environmental and social performance of the project.

5. Environmental and Social Requirements

In order to meet the requirements of the Bank's Environmental and Social Safeguard Policies, the Borrower will comply to the satisfaction of the Bank with the ESHS contractual terms and conditions set forth in Annex B. These terms and conditions can only be modified with the prior written consent of the Bank, including clearance by ESG. These include (i) standard conditions for implementation of the ESHS Plans and measures as well as reporting and supervision requirements; (ii) conditions that address key risks and impacts; (iii) conditions to be included in the Operating Manual; (iv) definitions. These conditions and definitions will be incorporated into the Loan Agreement and as such the Borrower is legally bound to comply with these conditions.

Conditions to be satisfied prior to OPC and/or the presentation of the Loan to the Board of Executive Directors: Prior to distribution to the IDB Board of Executive Directors, the following conditions must be satisfied: (i) The Borrower shall present the consultation report for all three project sites and include them into the final version of the ESA.

6. Summary of Compliance with IDB Safeguard Policies

Please see Annex A

Annex A. Summary of Compliance with IDB Safeguard Policies

Policies / Directives	Applicable Policy / Directive Aspect	Compliance Status and Rationale with Policy / Directive Requirements	Requirements / Actions / Plans
OP-703 Environment and Safeguards Compliance Policy			
B.2 Country Laws and Regulations	Local Regulations	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. Local permits will have to be obtained prior construction.	The Borrower will obtain all local permits (i.e. environmental clearance certificate) prior start of construction.
B.3 Screening and Classification	Screening and Classification	Full compliance achieved, project categorized as B	No action required
B.4 Other Risk Factors	Organizational Capacity	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. Currently there is no dedicated environmental and social capacity in the Executing Agency.	Prior to the bidding of the works,, the Executing Agency will hire an environmental and social consultant who will be responsible for managing the environmental and social aspects of the proposed project. Prior construction, the Borrower must include in the PMU environmental and social specialists who will be responsible for managing the environmental and social aspects of the proposed project.
	Land Acquisition	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. The current legal status of the project's area in Key Caulker is not clear.	Prior to construction, the Borrower shall submit evidence, acceptable to the Bank, of the legal rights of possession, easements or other rights on the land where the works will take place
B.5 Environmental Assessment and Plans Requirements	ESA and ESMP	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. An ESA, including an ESMP, was prepared in August 2017.	Prior Construction, the IDB will monitor whether final operational ESMP and associated Management Plans and mitigation measures are implemented and available.
B.5 Social Assessment and Plans Requirements			
B.6 Consultation (including consultation with affected women, indigenous persons, and/or minority groups)	Consultations with affected parties	Full compliance achieved. Meaningful consultations were carried out by the Borrower at Belize City (October 6, 2017 – 33 participants), Goff's Caye (October 6, 2017 – 14 participants) and Caye Caulker (October 14, 2017 – 37 participants)..	The main results of consultations were presented in the Consultation's Report, which were added in the final version of the ESA.
B.7 Supervision and Compliance	Monitoring and Supervision	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. The	Conditions for the life of the loan: Borrower will be responsible for ensuring that the project comply with the ESA, ESMP, ESMS, and IDB

		Borrower will provide reports every 6 months to the IDB. The IDB will conduct supervision missions.	Requirements. It is the obligation of Borrower together with any Contractors or Subcontractors to develop and comply with all the requirements and stipulations identified therein. The IDB will periodically supervise the implementation of the ESMP and monitoring arrangements.
B.8 Transboundary Impacts	-	Not Applicable	No Actions Required
B.9 Natural Habitats	Natural Habitats	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. Even though in the ESA is stated the Project does not impact any critical habitat, activities are carried out in close proximity to valuable habitats.	Conditions for the life of the loan: Borrower will be responsible for ensuring that all mitigation measures are in place to ensure no affectations of natural habitats.
B.9 Invasive Species	-	Not Applicable	No Actions Required
B.9 Cultural Sites	-	Not Applicable. As reported in the ESA, the Project does not affect any cultural site.	No Actions Required
B.10 Hazardous Materials	Hazardous Materials	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. Production of hazardous wastes (especially from the dredging works in Belize City) and handling of hazardous material is expected.	The Borrower will ensure to have all management plans and mitigation measures to properly manage hazardous materials and waste throughout the project life. A specific Dredging and Sediment Management Plan for Belize City will have to be in place prior construction start. Contaminated sediments will have to be treated, neutralized, and disposed in authorized site.
B.11 Pollution Prevention & Abatement	Pollution Prevention & Abatement	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. Minimal/moderate impacts on surrounding environment are expected.	The Borrower will ensure to have all management plans and mitigation measures defined in the ESA and ESMP to properly manage Pollution Prevention & Abatement throughout the project life.
B.12 Projects under Construction	-	Not Applicable	No Actions Required
B.13 Noninvestment Lending and Flexible Lending Instruments	-	Not Applicable	No Actions Required

B.14 Multiple Phase and Repeat Loans	-	Not Applicable	No Actions Required
B.15 Co-financing Operations	-	Not Applicable	No Actions Required
B.16 In-Country Systems	-	Not Applicable	No Actions Required
B.17 Procurement	Contractors Management	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time. ESHS requirements to be included in all contractor's contracts	Condition for the life of the loan: the Borrower will ensure that each Contractor will comply with IDB Requirements.
OP-704 Natural Disaster Risk Management Policy			
A.2 Analysis and management of Type 2 ¹ risk scenario	Disaster Assessment Risk	Full compliance achieved. Risk has been assessed as moderate, no DRA is required. The ESA included a brief assessment of natural disaster risks. The project aims at strengthening resiliency/reducing vulnerability to natural disasters and climate change.	No Actions Required
A.2 Contingency planning (Emergency response plan, Community health and safety plan, Occupational health and safety plan)	Disaster Management Risk	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. An Emergency Management and Response Plan for all project phases and for each location must be implemented prior construction start.	The Borrower will implement an Emergency Management and Response Plan prior construction start.
OP-710 Operational Policy on Involuntary Resettlement			
Resettlement Minimization	Resettlement Minimization	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. In Belize City proposed revetment wall at the confluence of the Haulover Creek with the Collet Canal has been disregarded as this would have required the resettlement of a squatter community in the Conch Shell Bay area, as well as fisherfolk who dock their boats along the canal banks. In addition, there would have been long-term displacement of fisherfolk using the Conch Shell Bay Fish Market.	For Caye Caulker, the Borrower shall consult the final designs with local stakeholders and make the best effort, if reasonable and technically and economically viable, to include their suggestions in the final design.

¹ Type 2 risk scenario occurs when the operation has a potential to exacerbate hazard risk to human life, property, the environment and the project itself.

		In Caye Caulker, design changes supposed (i) changing the initial technical proposal for 600 meters of beach nourishment, which would have required resettling a large number of small vendors; (ii) leaving private shore protection works and incomplete piers intact, as many owners have gotten or are in the process of getting the necessary permits to construct; and (iii) working with the Village Council and the BTB to align an envisioned Artisan Center with the coastal protection works, which includes rehabilitating vulnerable artists within the Palapa Gardens area.	
Resettlement Plan Consultations	Resettlement Plan Consultations	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. Interviews and meetings with potentially affected stakeholders were carried out in Belize City (August 22, 2017, 5 people were reached) and Caye Caulker (August 23, 2017, 13 people were reached).	During the project's life, the Borrower will monitor (through written evidences), with the IDB support, that consultations are carried out periodically. Additionally, the Borrower will monitor (through written evidences), with the IDB support, that the established Grievance Redress Mechanism has been established and works properly following IDB's policies
Impoverishment Risk Analysis	Impoverishment Risk Analysis	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. The LRP assessed that most of the Project Affected People (PAP) are poor, and the proposed mitigation measures are planned to mitigate the impoverishment risk for the most vulnerable PAPs	During the project's life, the Borrower will monitor (through written evidences), with the IDB support, that the implemented mitigation measures reduce the impoverishment risk of the PAP.
Resettlement Plan and/or Resettlement Framework Requirement	Livelihood Restoration Program	Compliance achievable through specific conditions established in legal documentation for actions over a defined period. A Livelihood Restoration Plan has been written for this operation	Before construction the Borrower will ensure implementation of the LRP, and will monitor it throughout the project's life (with written evidences). Taking into account national laws and IDB's safeguard policies, and the census cut-off dates: August 23 2017 (Conch Shell Bay and North Creek Alley – Belize City and in Caye Caulker) and September 16 2017 (Yarborough – Belize City) and August 24 2017 (Caye Caulker)
Livelihood Restoration Program Requirement			

Consent (Indigenous Peoples and other Rural Ethnic Minorities)	NA	Not Applicable	No Actions Required
OP-765 Operational Policy on Indigenous Peoples			
Sociocultural Evaluation Requirement	-	Not Applicable	No Actions Required
Good-faith Negotiations and proper documentation	-	Not Applicable	No Actions Required
Agreement with Affected Indigenous Peoples	-	Not Applicable	No Actions Required
Indigenous Peoples Compensation, and Development Plan or Framework requirement	-	Not Applicable	No Actions Required
Discrimination Issues	-	Not Applicable	No Actions Required
Transborder Impacts	-	Not Applicable	No Actions Required
Impacts on Isolated Indigenous Peoples	-	Not Applicable	No Actions Required
OP-761 Operational Policy on Gender Equality in Development			
Consultation and effective participation of women and men	Participation of women	Full compliance achieved. Meaningful consultations with participation of women have been carried out.	No Actions Required
Application of safeguard and risk analysis	Application of safeguard and risk analysis	Compliance achievable through specific conditions established in legal documentation for actions over the Life of the Loan. ESA and ESMP include recommendation to pay attention to avoid gender discrimination during hiring process for construction	During the implementation phase, the ESA identifies mitigation measures that have to be put in place during the construction phase to address the minimal existing risks on gender discrimination, basically during the hiring process for the construction works
OP-102 Access to Information Policy			
Disclosure of relevant E&S Assessments Prior to Analysis Mission, QRR, OPC and submission of the operation for Board consideration	ESA disclosure.	Full compliance achieved. Fit for disclosure ESA, ESMP, LRP, and consultation report have been posted on the IDB website.	No Actions Required

Provisions for Disclosure of Environmental and Social Documents during Project Life	Ongoing Disclosure of E&S Docs during Project Life	Compliance achievable through specific conditions established in legal documentation for actions over a defined period of time.	Condition for the life of the Loan: The Borrower will disclose any new relevant ESHS document on their website.
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Annex B. ESHS Legal Requirements

<p>“ESHS Conditions of the Loan Agreement”</p> <p>“The following ESHS conditions are required to be fulfilled to the satisfaction of the Bank and will be included in the Loan Agreement in order to comply with the Bank’s ESHS Safeguard Policies:”</p>
<p>1. Conditions to be Met Prior Bidding of the Works</p> <p>The Borrower shall present evidence that the Borrower has hired an environmental and social consultant responsible for managing the environmental and social aspects of the proposed infrastructure projects.</p>
<p>2. Conditions to be Met Prior to Construction</p> <p>a) The Borrower shall comply with ESA, ESMP and LRP in accordance with their respective schedules, including completing any actions and presenting any deliverables which are due under those ESHS plans.</p> <p>b) The Borrower shall (i) present designs that include suggestion and mitigation measures proposed in the ESA, ESMP and LRP (ii) present the ESMP and LRP, all plans, and mitigation measures including all operational details and have been integrated into the OM; (iii) present the emergency management and response plan for each site; (iv) obtain all local permits; (v) present a final dredging and sediments management plan and mitigation measures, ensuring that contaminated sediments will be treated, neutralized, and disposed in authorized site in line with IDB policies; (vi) present a report on the implementation of the LRP; (vii) ensure implementation of the stakeholder engagement plan and grievance mechanism.</p> <p>c) The Borrower shall present a sign Memorandum of Understanding (MOU) among MOW, Belize City Council (BCC), Caye Caulker Village Council (CCVC), Coastal Zone Management Authority and Institute (CZMAI), that will include and identify the entity that will responsibility for the costs and maintenance of the works.</p> <p>d) For Caye Caulker, the Borrower shall consult the final designs with local stakeholders and make the best effort, if reasonable and technically and economically viable, to include their suggestions in the final design.</p> <p>e) The Borrower shall submit evidence, acceptable to the Bank, of the legal rights of possession, easements or other rights on the land where the works will take place.</p> <p>f) The Borrower shall present evidence that the Borrower has hired in the PMU environmental and social specialists responsible for managing the environmental and social aspects of the proposed infrastructure projects.</p>
<p>3. Conditions of Execution for Compliance During the Life of the Loan.</p> <p>a) The Borrower shall cause the Executing Agency and every other contractor, operator or any other Person performing Project related activities to comply with the terms of the contract, the ROP, PGAS, and MGAS..</p> <p>b) The Borrower shall present evidence that all ESHS Plans, in the terms previously agreed to with the Bank, as described in subsection [4] of the ESMR (<i>Key Impacts, Risks and Mitigation Measures</i>) and the ESA and ESMP are put into effect and implemented.</p> <p>c) Any substantive changes to the ESHS provisions or ESHS Plans referred to herein shall be in writing and approved by the Bank in a manner consistent with the Bank’s environmental and social safeguards policies.</p> <p>d) The Borrower shall not, without the prior written consent of the Bank, engage in any of the following activities with respect to the Project as <i>resettlement activities, affectation of critical habitats, disposing of contaminated sediments with methods and at facilities/location not in line with IDB requirements</i>.</p> <p>e) The Borrower shall implement the Project stakeholder engagement processes to ensure that affected communities are informed and consulted about the progress of the work and the ESHS management of the Project and have access to grievance resolution mechanisms. The Borrower will monitor (through written evidences) the implementation of the LRP and mitigation measures.</p> <p>f) With respect to the Project [and Associated Facilities], the Borrower shall notify the Bank in writing within ten (10) days of any (1) potential or actual material noncompliance with the environmental and social requirements;</p>

(2) accidents, incidents or other significant events; (3) significant actual or imminent social conflicts; (4) ESHS regulatory action; or (5) any newly identified environmental and social risks and impacts, that may affect the environmental and social aspects of the Project [and of its Associated Facilities]; in each case such notice shall include actions taken or proposed with respect to such events.

g) In the event the Bank determines that a Corrective Action Plan (CAP) is required, the Borrower shall submit a CAP, including the corresponding schedule and budget, that is satisfactory to the Bank within thirty days of the Bank's request.

h) Six (6) months prior to the start of Project operations, the Borrower shall present the operation stage ESHS Plans and evidence of their implementation including any required consultation with stakeholders.

i) The utilization of the resources of the Financing shall be subject to compliance with the ESHS provisions of the Loan Agreement in accordance with Clause 3.04 (*Other requirements for the utilization of the Loan proceeds*) thereof.

j) "The Borrower shall \: (i) ensure that each contractor, operator or any other Person performing Project related activities complies with notices, monitoring, reporting and supervision of the ESHS requirements; (ii) submit in the semi-annual reports a summary on the environmental and social performance of the project; (iii) disclose any new relevant ESHS document on their website

4. Monitoring, Reporting and Supervision."

a) "For the purposes of monitoring and supervision of ESHS compliance, the following requirements shall apply:"

i) "The Borrower shall prepare and present to the Bank's satisfaction, an ESHS Compliance Report (ESCR), in the form and content agreed upon with the Bank, as part of the semester progress report.

ii) "The Borrower shall fully cooperate with the Bank, or an ESHS Consultant on its behalf, to carry out Project supervision and prepare supervision reports in order to (i) verify compliance of the implementation of the ESHS requirements for the Project [and the Associated Facilities] and (ii) address any ESHS impact or liability which has not been adequately mitigated or compensated; to this end, the [Borrower/ Executing Agency] shall allow and collaborate with the Bank and any ESHS Consultant.