



# Appraisal Environmental and Social Review Summary

## Appraisal Stage

### **(ESRS Appraisal Stage)**

Date Prepared/Updated: 03/27/2020 | Report No: ESRSA00460



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
South Asia	SOUTH ASIA	P171269	
Project Name	Plastic free Rivers and Seas for South Asia		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	3/25/2020	5/15/2020
Borrower(s)	Implementing Agency(ies)		
The South Asia Cooperative Environment Programme (SACEP)	South Asia Cooperative Environment Programme		

Proposed Development Objective(s)

to strengthen innovation and coordination of circular economy solutions to plastic pollution flowing into South Asian Seas

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>40.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The menace of ocean plastics and discarded single use plastics that pollute the land, flow into rivers and deposited into the sea where it remains is significant with environmental, social and economic costs that threaten South Asian prosperity. While several South Asian nations have taken pioneering steps to address parts of the plastic pollution problem, they have not been sufficient to address the plastic pollution problem. Moreover, the rivers that carry plastic waste and the regional seas polluted by tens of thousands of pieces of plastic per square mile are themselves transboundary in nature, further amplifying the need for greater understanding of the problem, solutions and the



importance of shared responsibility among nations. The project seeks to strengthen innovation and coordination of circular economy solutions to plastic pollution flowing into South Asian seas. This would be accomplished inter alia by supporting competitive regional block grants that support organizations transition to a more circular plastic economy, facilitating/supporting public-private sector partnerships and investments in circular economy (avoid, intercept and redesign) transitions and refining policies and incentive structures, bottom-up action, education and behavior change. With the political will across SAR nations rising, as evidence through participation and agreements made at the G7, G20, ASEAN Summit, UN, among others, the time has never been better to mobilize South Asian nations for collective action to address plastic pollution.

**D. Environmental and Social Overview**

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social] This regional project will strengthen and support regional platforms to reduce plastics pollution across the South Asian Seas. It will support policy formulation and harmonization, regional coordination, research and monitoring for improved management of plastic debris; regional and community-based awareness, behavioral changes and capacity building; collection of plastics in oceans, beaches and rivers; and adoption of innovative technologies and solutions to reduce, reuse, recycle (3R) and re-purpose plastics through leveraging private sector engagement and financing. At this stage, there are no country-specific activities identified, but it is expected that SAR member countries will be eligible to participate in the project. The project will also support the construction of the South Asia Cooperative Environment Programme's (SACEP) new HQ building on a land donated by the Government of Sri Lanka to SACEP. This piece of land is located in the capital, Colombo, in a built up area with mixed residential and commercial uses.

D. 2. Borrower’s Institutional Capacity

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The project will be implemented by a Regional entity created by SAR member states, the South Asia Cooperative Environment Programme (SACEP). SACEP is an inter-governmental organization established by Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka in 1982 to promote and support protection, management and enhancement of the environment of the region.

A detailed E&S capacity assessment for SACEP was conducted as part of the Environmental and Social Assessment during project preparation and the assessment indicated that while SACEP has a Senior Program Officer with environmental background and experience who has been at the forefront during preparation of ESF documents and requirements, SACEP's E&S capacity needs to be strengthened and sustained beyond the life of the project. As part of project support, SACEP will beef up its existing manpower by hiring an Environmental and Social Development Specialist, a Stakeholder Engagement Specialist and, where required, other expertise needed to implement the ESMF, SEP and ESCP. In addition, SACEP will mobilize the Country Focal Point, which is the Ministry of Environment for each member country, to monitor and supervise the implementation of sub-projects at the country level. The implementation of the capacity building program has been documented in the Environmental and Social Commitment Plan (ESCP) prepared by SACEP.

**II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Moderate

Public Disclosure



**Environmental Risk Rating**

Moderate

The proposed project supports TA-type activities such as policy formulation and harmonization, regional coordination, research, awareness raising, knowledge sharing and capacity building. The project will support investments in innovative technologies and implementation of practical solutions to reduce, reuse and recycle plastics (3Rs). It will also support the construction of SACEP's office on a land awarded by the Government of Sri Lanka to SACEP.

The overall impact of the project will be positive and beneficial as there will be reduction in generation, use and dumping of plastic wastes in waterways that end up in coastal areas and oceans in SAR. The project is expected to reduce the generation of plastics through introduction and support to use of alternatives to plastics and ban on single used plastics. It is also expected to reduce the volume of plastics going into dumpsites and landfills through segregation at source especially for plastics that will be purchased by recyclers for reuse and recycling. It will also help improve practices in plastics collection by waste pickers through capacity building training, introduction of safe collection methods and transport of plastic wastes. The project will only support 3R investments that are in the positive list and those that are resource-efficient and environment-friendly. Those that are pollutive (i.e., emit toxic gases and discharge water pollutants), resource intensive and cause health and safety risks to workers and communities are in the negative list and ineligible for project financing. The project has low GBV risk. Resource use patterns will be assessed during proposal evaluation to ensure resources (energy, water and raw materials) are used in an efficient and sustainable manner.

The residual environmental risks still exist, which would relate to residual wastes or those plastics that cannot be reused and recycled, which will have to be disposed properly; potential generation of other waste streams associated with new process or materials; generation of wastewater; and potential release of micro plastics into the environment. There will also be health risks and impacts to those collecting plastics in dumpsites and landfill and those working in the recycling facilities due to potential exposure to harmful materials and chemicals during the plastics collection and recycling process, if proper health and safety measures in work places are not implemented and depending on the technology adopted to recycle and re-purpose plastics. Resource use patterns will also need to be assessed during proposal evaluation in these facilities to ensure resources (energy, water and raw materials) are used in an efficient and sustainable manner. For the construction of SACEP's office, environmental risks and impacts are mainly temporary and are related to civil works, such as, noise and dust generation, health and safety of workers and the people in neighboring residential areas and increased traffic.

However, with the application of positive and negative lists of subprojects and the project's focus on clean and resource-efficient technologies, capacity strengthening and support to policies that promote alternatives to plastic and reduction residual plastic wastes that will need specialized final disposal method, the environmental and social risks of the project are unlikely to be significant and are likely to be low in magnitude, local in nature and can be mitigated through adoption of health and safety measures and best practices in 3Rs. Based on these, the E&S risk classification of the project is assessed to be Moderate. This will be revisited and adjusted during implementation as more 3R proposals are approved and gets implemented.

**Social Risk Rating**

Moderate

The proposed project will stimulate partnerships among civil society organizations, youth groups and other stakeholders in support of regional and community-based behavior change and awareness raising; provide funding for innovative solutions; and support youth-led movements, among other things. The presence of informal workers is common in waste sector and currently there is a lack of clarity regarding how this and other forms of labor will be



managed in the community-level activities to be carried out; the innovative technologies and solutions to be deployed; and the inter-organizational coordination arrangements to be established. One of the activities the project plans to support at the policy level is strengthening E&S standards and certification for sustainable plastics supply chains focused on socially and environmentally responsible waste sourcing and recycling through transparent, accountable, and legitimate supply chains addressing labor issues, working conditions, and livelihoods. It also plans to support strengthening industry standards for recycled plastic products (e.g. plastic roads and furniture products) to grow secondary-reuse markets and attract private sector investment.

The project will include a range of stakeholders across the region: public sector organizations, community groups, and private sector entities. Specific criteria for the management of the challenge grants will need to be prepared and applied to ensure fair access to funding, especially by women's organizations and youth groups. Special attention to gender is required to address specific challenges that women may face in adopting alternatives to single use plastics, as well as promote household behavior change for waste sorting on women. There is a lack of clarity as to whether the project will be implemented in areas with indigenous peoples or ethnic minorities, and this will need to be assessed for each block grant. The project is not expected to involve any land acquisition, physical or economic displacement, or resettlement. Given the project's focus on 3Rs and support to capacity building and knowledge sharing, the health and safety of informal waste pickers are expected to improve over the current baseline, where they are exposed to difficult and challenging labor and working conditions. For all the aforementioned reasons, and considering the potential social benefits of such a project across the region--including through the generation of employment--the social risk rating is proposed to be Moderate.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

The proposed project is expected to have positive and beneficial impacts to SAR as a whole. The combination of supporting the enabling environment, coordination and capacity building, and innovation and support to the 3Rs is expected to have positive long-term effects in reducing the production, generation and dumping of plastic wastes in waterways that end up in coastal areas, beaches and oceans.

An Environmental and Social Assessment (ESA) was conducted by SACEP during preparation to assess the risks and impacts of: (a) supporting enabling policies to reduce the use and dumping of plastic wastes; and (b) innovative technologies and solutions to clean up the oceans and rivers on marine life and the recycling, reuse and re-purposing of these plastic materials on the health and safety of waste pickers and workers. The ESA also assessed the E&S capacity of SACEP, the Implementing Agency, while embedding E&S risk management and capacity building in the project design. A Gender-Based Violence (GBV) risk assessment was also conducted for the project.

Based on the ESA, there are three current approaches of addressing plastics via: prevention, mitigation and clean up. The ESA identified that these current approaches have residual environmental and social risks and impacts that need to be managed, including final disposal of plastics that cannot be reused and recycled; potential generation of other waste streams associated with new process or materials (i.e., more water and chemical usage in production of glass bottles than PET); potential release of micro-plastics and toxic chemicals (i.e. plastic from e-wastes) and fumes into



the environment; generation of wastewater and emission of fumes from plastics processing; occupational health and safety of workers involved in the collection, reuse and recycling of plastic wastes. The project will support civil works related to the construction of SACEP's office. The environmental risks and impacts are mainly temporary and are related to civil works, such as, noise and dust generation, health and safety of workers and the people in neighboring residential areas and increased traffic. Based on the GBV Risk Assessment Tool, GBV risk for the works is low. The health and labor risk to waste pickers is also moderate since the project is expected to reduce the generation of plastics through introduction of and support to alternatives to plastics and ban on single used plastics. It is also expected to reduce the volume of plastics going into dumpsites and landfills through segregation at source especially for plastics that will be purchased by recyclers. It will also help improve practices in plastics collection by waste pickers through capacity building, training, introduction of safe collection methods and transport of plastic wastes.

An Environmental and Social Management Framework (ESMF) was developed to guide the E&S screening of proposals/sub-projects for eligibility under the project following the positive and negative lists of sub-projects, which are also included in the ESMF; preparation of Environmental and Social Assessment and Management Plan of sub-projects and supervision and monitoring of the implementation of Environmental and Social Management Plan (ESMP) by Recipients of block grants. The ESMF has also developed generic ESMPs to manage E&S risks and impacts of the construction of SACEP's office and e-waste management. The World Bank will conduct prior review of the ESIA/ESMP for the first 10 subprojects, including ESMP for SACEP's building, while the remaining subprojects will be subject to ex-post review.

A Stakeholder Engagement Plan was also developed during preparation to promote broad, inclusive stakeholder engagement and participation in all phases of the project. Labor Management Procedures will also be developed proportional to the level of risks and impacts involved prior to effectiveness. Finally, an Environmental and Social Commitment Plan was prepared by SACEP outlining its commitment to implement E&S risks and impact management, including E&S staffing and capacity building of SACEP and responsibilities of recipients of block grants.

### **ESS10 Stakeholder Engagement and Information Disclosure**

The project will promote and support circular economy plastic waste streams which will involve a range of stakeholders across the region, including public sector organizations, community groups, and private sector entities. Project activities will include strengthening stakeholder platforms; collaborating with civil society groups to reduce plastics leakage at the community level; behavior change and awareness raising campaigns; and block grants. A Stakeholder Engagement Plan (SEP) was developed during preparation. The SEP identifies the following stakeholders: government ministries and allied agencies responsible for the Environment, Water (including rivers), Marine, Fisheries, Health and Tourism sectors in the eight South Asian countries; private sector organizations and academia involved in the 3Rs; civil society organizations including informal waste picker organizations; women and vulnerable groups who engage in plastic waste picking and recycling; and the media. The SEP identifies the project's direct and indirect stakeholders and sets out an engagement plan that will be used during project preparation and implementation. Stakeholder engagement will be done both at the regional and country levels and will include consultations, high-level meetings with government ministries and related organizations, workshops, and awareness raising and knowledge dissemination activities, among other activities. All of these activities will be accompanied by the public dissemination of relevant materials in the appropriate languages.



## **B.2. Specific Risks and Impacts**

A brief description of the potential environmental and social risks and impacts relevant to the Project.

### **ESS2 Labor and Working Conditions**

The project will employ direct workers such as project staff and consultants to conduct studies, develop policies, standards, etc. It may also involve community workers (workers who volunteer to cleanup the ocean, beaches and rivers) as well as contracted workers who may work on recycling facilities and plastic collections but also on the construction of SACEP's office. Labor Management Procedures (LMP) proportional to the project's labor and working condition risk and impacts will be developed prior to effectiveness to meet the requirements of this standard. The LMP will include measures to manage OHS risk to workers following the World Bank's EHS Guidelines, , as well as GBV mitigation measures following the GBV Good Practice Note. Grievance redress system for workers will also be developed and implemented.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Based on the ESA, this standard is deemed relevant especially because the recycling facilities will be required to use resources sustainably during recycling/re-purposing work. The project will also support and promote resource efficiency, waste minimization, plastic pollution prevention and plastic reduction. The TORs for developing policies and capacity building and investments will promote resource efficiency, recycling and reuse. As the project promotes reuse and recycling of plastic wastes select priority sub-projects, greenhouse gas emissions from the project are not expected to be significant, thus GHG emissions calculation was not undertaken for the project.

### **ESS4 Community Health and Safety**

The relevance of this standard to the project was assessed in the ESA and it is assessed to be relevant due to the works related to the construction of SACEP's office through a contractor. Risks and impacts include community health and safety. Labor influx, however, is not expected as works are minor and workers can be sourced out easily in the project site. Traffic might increase in the project area during construction and contractor will be required to develop and implement a Traffic Management Plan during construction. A GBV risk assessment was conducted and results indicated that GBV risk of the project is low. That said, contractor will be required to manage GBV risk during construction and SACEP will need to ensure that appropriate GBV mitigation measures, such as Codes of Conduct for workers, are being followed.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

The project is not expected to require any land acquisition having adverse impacts on people's lands and land-based assets. Should land be required for any of the innovative technologies that are ultimately supported, the project will pursue ways of acquiring the needed land through means that do not involve physical or economic displacement or resettlement, such as voluntary land donations.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**



This standard is deemed relevant as project activities will benefit coastal and marine ecosystems as well as oceans. The innovative technologies and solutions suggested to cleanup the oceans and rivers will reduce plastics pollution in rivers, coastal areas and oceans, which will have positive impacts and benefits on biodiversity. However, there may be plastic collection techniques that may have risks & impacts on marine life. The ESMF has included positive and negative list of sub-projects that include those sub-projects that can and cannot be supported based on their level of risks and impacts on marine and coastal biodiversity. Sub-projects will be screened for E&S risks and impacts on biodiversity while recipients of block grants, based on the screening, will be required to include measures to manage risks and impacts on biodiversity in the ESMP.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

It is not yet known whether the project will be implemented in areas with indigenous peoples/ ethnic minorities (IPEM). Consequently, this will need to be assessed at the level of each block grant, based on the procedures for screening for risks to and impacts on IPEM that will be included in the ESMF for the project. If in the course of implementation it is confirmed that project activities will affect or otherwise involve IPEM in some way, an appropriate planning instrument (usually an Indigenous or Tribal Peoples Development Plan) will be prepared, implemented and monitored. Under certain circumstances provided for in ESS7, it may also be necessary to engage the affected IPEM in a process of free, prior and informed consent (FPIC).

**ESS8 Cultural Heritage**

The relevance of this standard to the project has been assessed and is confirmed not relevant to the project. Sub-projects to be supported are mainly in existing facilities, which will not have an impact on cultural heritage.

**ESS9 Financial Intermediaries**

The standard is not relevant as the project will not involve financial intermediary.

**B.3 Other Relevant Project Risks**

Inter-country and inter-organizational coordination will be a real challenge that could pose an implementation risk to the project. All project activities will have a regional lens and should be coordinated with each country by SACEP working with government partners and focal points at the national level and recipients of block grants at the local level.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

No

The policy on international waters is not triggered based on the typology and nature of subprojects that will be financed by the project and the exclusion of any subprojects that could potentially pollute international waterways from project financing by including those subprojects in the negative list under the block grants. The negative list of subprojects is spelled out in the ESMF and in the Project Operations Manual.

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**OP 7.60 Projects in Disputed Areas**

No

The project is not expected to work on the ground in any disputed territories and proposed to include the avoidance of this as a criterion in any sub-project site selection.

**III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)**

DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED	TIMELINE
<b>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts</b>	
Environmental and Social Assessment	03/2020
Environmental and Social Management Framework	03/2020
Environmental and Social Commitment Plan	03/2020
<b>ESS 10 Stakeholder Engagement and Information Disclosure</b>	
Stakeholder Engagement Plan	03/2020
<b>ESS 2 Labor and Working Conditions</b>	
Labor Management Procedures	09/2020
<b>ESS 3 Resource Efficiency and Pollution Prevention and Management</b>	
E-Waste Management Plan	03/2020
<b>ESS 4 Community Health and Safety</b>	
Traffic Management Plan	06/2021
<b>ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement</b>	
<b>ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>	
ESMF	03/2020
<b>ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities</b>	
<b>ESS 8 Cultural Heritage</b>	
<b>ESS 9 Financial Intermediaries</b>	

Public Disclosure

**B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts**

**Is this project being prepared for use of Borrower Framework?**

No



**Areas where “Use of Borrower Framework” is being considered:**

The use of Borrower Frameworks is not be considered for this regional project. ESF requirements will apply.

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: The South Asia Cooperative Environment Programme (SACEP)

**Implementing Agency(ies)**

Implementing Agency: South Asia Cooperative Environment Programme

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s): Karin Shepardson, Pawan G. Patil

Practice Manager (ENR/Social) David Seth Warren Cleared on 28-Feb-2020 at 14:24:22 EST

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