Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 06/04/2020 | Report No: ESRSC01360
BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
</tr>
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<tbody>
<tr>
<td>Tunisia</td>
<td>MIDDLE EAST AND NORTH AFRICA</td>
<td>P167900</td>
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Project Name: Tunisia Economic Development Corridor Project

Practice Area (Lead): Transport

Financing Instrument: Investment Project Financing

Estimated Appraisal Date: 7/3/2020

Estimated Board Date: 9/17/2020

Borrower(s): Ministere de l'Equipement, de l'Habitat, et de l'Amenagement du Territoire

Implementing Agency(ies): Direction Générale des Ponts et Chaussées (DGPC)

Proposed Development Objective(s)
The PDO is to improve transport and logistics efficiency and support the development of economic activities along the Kasserine-Sidi Bouzid-Sfax corridor.

<table>
<thead>
<tr>
<th>Financing (in USD Million)</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Project Cost</td>
<td>240.00</td>
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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 project will support economic development of the corridor through a set of integrated interventions articulated around two main components: component 1, which will seek to improve specific sections of the Sfax – Sidi Bouzid – Kasserine corridor, improve road safety on these sections, and component 2 which will support complementary interventions to foster economic development along the corridor. The project will leverage the contributions of other...
The ongoing projects funded by the WB nationwide and currently approved or under implementation. It will complement them by closing identified systemic gaps in the project area in line with the project PDO. The project components will be sequenced in consideration of the timeframe of road infrastructure works and their expected delivery at end of project. To maximize impact, soft and capacity support activities of non-road interventions are under discussion to ensure time-coordinated delivery of the corridor enabling environment that is necessary to ensure higher attractiveness and development.

The economic corridor covers the governorates of Sfax, Sidi Bouzid and Kasserine. The road section between Kasserine and Bou Chebka (Algeria border) is currently rehabilitated by the AfDB under the Projet de Modernisation des Infrastructures Routières. Works are progressing well, and are likely to be completed before the commencement of the road works to be financed by the this Tunisia Economic Development Corridor (TEC) project. That section is not necessary for the TEC to be completed, and does not depend on the TEC. It would thus not be considered an associated facility. No activities are currently ongoing along the 178.5 km of planned road rehabilitation beyond minor maintenance works.

Component I - Road Corridor Infrastructure Development: The Project will finance the detailed design and improvement of the Sfax - Sidi-Bouzid – Kasserine corridor with a total length of 178.5 km. Civil works will include widening and upgrading of the road sections when necessary, upgrading of bridges and culverts, improvements to road intersections, traffic signs and installation of other road safety measures. The corridor will have a much-improved geometry and will be constructed as a two-lane dual carriageway facility. Since the Project location is prone to potential climate hazards, the design and implementation will incorporate technical parameters to increase adaptation to the climatic risks in the region. The design will be subject to road safety audits to identify opportunities for improving road safety. Activities will include civil works, supervision of civil works, technical engineering studies, social and environmental safeguards studies, and third-party technical audits.

Component II: Support private sector development: This component will maximize the benefits of the corridor by alleviating key constraints to private investment particularly in high potential selected sectors, supporting the development of missing market and logistics infrastructures that could have a catalytic effect on existing value chains, and strengthening local stakeholders’ capacities for the design and implementation of development projects to increase the governorates’ attractiveness. The component will finance investments to improve economic development along the corridor; currently proposed are activities to support agricultural value chain improvements and local tourism. Infrastructures supported could include rural roads, industrial and logistics zones, sector-specific marketplaces relevant for key sectors (agriculture, handicraft), recreation and tourism centers, as well as processing and packing units.

Component III: project management and monitoring: This component will consist of the activities of project monitoring and evaluation as well as the day to day management and supervision.

Component IV: Contingent Emergency Response Component: Following any untoward, adverse natural event that causes a major natural disaster, the GoT may request to re-allocate project funds to this component to support response and reconstruction. This component would allow the GoT to request to re-categorize and reallocate financing from other project components to partially cover emergency response and recovery costs. The component can also be used to channel additional funds should they become available as a result of the emergency.
Project Financing: Total Project Cost is about USD 240 million, of which IBRD USD 200 Million, and counterpart funding of USD 40 Million which includes the cost for land acquisition of approximately USD 10 Million. A guarantee by the European Investment Bank (EIB) is in discussion to cover component I (EIB had financed preparation of draft instruments ESIA and RP for this component under a project TA).

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The economic corridor project will cover urban and rural areas in the governorates of Sfax, Sidi Bouzid and Kasserine. These three governorates are located in the upper arid bioclimatic stage with annual precipitation averages not exceeding 320 mm / year. The region is essentially characterized by tree formations in the highlands at Kasserine (700 m NGT) to transform into steppe formations in the other two governorates. The region include the two Protected areas and national parks of Djebel Mghilla and Djebel Chaambi which are located about 30 km from the National road RN13 road axis. 03 major heritage sites in the project area are identified; Sefetula, Thelepte and Cilium located in the main cities crossed by the RN13. Three wetland areas are localized nearby the National Road N013 (RN13) ; Sebkha Bou Jmel, Garaa Karafita and plain of Oued El Fekka in the Northern part of RN13. The extended area of influence of the project will cover 4 RAMSAR areas in Sfax region (Kneiss, Kerkennah and Thyna at about 10 km of the end of RN13) and in Sidibouzid region (Sebkha Naouel at about 30 km southern part of RN13).

Most extra-urban construction will consist of widening of the existing roads using the existing alignments, while urban centers will be contoured to decrease environmental and social impacts.

The population of the project area is highly urbanized with an overall urbanization rate of 50%. Across the project area, most of the active population work in services, manufacturing and construction. Across the project governorates, dependence on agriculture is relatively low, with on average only 11% of the active population depending on agriculture. No cultural heritage sites have been identified. Negative social impacts identified are mostly related to land acquisition impacts. Additional social risks are linked to labor influx, and the management of potential unequal access to project benefits for all beneficiaries.

D. 2. Borrower’s Institutional Capacity

The road components of the Economic Corridors Project will be implemented by the Ministry of Equipment, Habitat and Land Planning (MEHLP) through the DGPC. The DGPC has established an internal Project Implementation Unit (PIU) for the ongoing Transport Corridors Project (PMCTR), which is responsible for all aspects of the overall preparation and implementation of the proposed project as well as potential future World Bank-financed projects. The PIU is headed by a Director and composed of seven MEHLP staff with specific responsibilities among others those related to environmental and social safeguards issues.

For the former PMCTR project, consultants were recruited by MEHLP to prepare the Environmental and Social Impact Assessments (ESIAs) and Resettlement Action Plans (RAPs) with the support of the Bank. During project preparation, the DGPC’s main staff specialists for environmental and social/resettlement issues have been assigned to the PIU to handle those issues, and a Grievance Redress Mechanism (GRM) under the overall responsibility of DGPC has been established providing citizens affected by the project with multiple channels to raise their concerns.

Aspects of land acquisition under the PMCTR (only physical displacement) project have been managed by the regional offices of the DGPC with a national coordinator. This led to uneven performance and reporting, with delayed though ultimately successful treatment of complaints. Given the high number of PAPs in the TEC project, including likely some
affected by physical displacement, further strengthening of the capacity of DGPC and it's regional agencies to plan and monitor the implementation of RAPs and in particular consultation, participation and complaint management, will be required to successfully manage land acquisition and mitigate negative impacts successfully. Most other E&S aspects have been followed by the supervision consultant offices who have a team including a dedicated E&S consultant. The E&S reporting has improved during project implementation. Significant work has been done to improve road safety with the support of the World Bank. A strong specific training program on E&S aspects (especially on OHS matters, Safety roads) is foreseen to be included in the new corridor projects' Environmental and Social Commitment Plan.

At this stage, it is envisioned that Component II of the project relative to economic development along the corridor would be managed by the MDICI (Ministry of Investment, Development, and International Cooperation). Management of the component would involve other ministries' line agencies responsible for key economic activities along the corridor (tentatively - Agriculture, Industry, Tourism), as well as local Governorates and regional development institutions. Detailed institutional arrangement for the coordination of project between involved ministries and agencies will be developed during project preparation, in particular the overall project responsibility. The WB will conduct due diligence on the capacity of the PIUs (DGPC and MDICI) to implement E&S matters during preparation. A capacity building plan will be part of the ESCP.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)  

High

Environmental Risk Rating  
Substantial

The impacts of component 1, which will seek to improve specific sections of the Sfax – Sidi Bouzid – Kasserine corridor, are in general deemed positive as it will improve road safety on these sections. The design, construction, rehabilitation and supervision of roads and other infrastructures will generate adverse negative impacts during construction/rehabilitation/expansion works and operating phases if they are not mitigated correctly. The key Environmental Impacts identified by the first version of the ESIA prepared by EIB are mainly linked to occupational and community health and safety issues, construction site waste generation, soil erosion and sediment control from materials sourcing areas and site preparation activities, fugitive dust and other emissions (e.g. from vehicle traffic, land clearing and movement, and materials stockpiles), noise from heavy equipment and truck traffic; and potential hazardous materials and oil spills associated with heavy equipment operation and fueling activities. No major impacts have been identified concerning Natural Habitat alteration and fragmentation. During operation phase, the most significant impact identified is linked to the management of storm-water nearby the three wetland areas crossed by the RN13.

The project location is prone to potential climate hazards so Risks/impacts on the durability of the project are foreseen if the design of the road does not incorporate technical parameters to increase adaptation to the climatic risks of flooding events in the region.

It is noted that during actual road project, the implementing agency DGPC and contractors have demonstrated limited experience concerning the implementation of OHS and Road safety mitigation measures.

The detailed activities under component 2 are still under discussion with probably the involvement of another implementing agency. This component will finance investments to improve economic development along the
corridor; currently proposed are activities to support agricultural value chain improvements and local tourism. Infrastructures supported could include rural roads, sector-specific marketplaces relevant for key sectors (agriculture, handicraft), recreation and tourism centers, as well as processing and packing units. The main risk/impacts identified linked to agribusiness activities are related to OHS and Community Health and Safety for construction/rehabilitation of small agri-food units and Environment pollution. Agriculture intensification activities will generate Indirect risks and impacts (management of pesticides and hazardous wastes (packaging of chemical products, packaging of veterinary drugs). For alternative tourism activities, the main Environmental Risks and impacts are linked to OHS and Community Health and safety during construction/rehabilitation of small unities to receive future tourists. Risks/impacts on natural habitats are also foreseen with the creation of new tourist circuits near or nearby protected areas.

The majority of these risks/impacts are temporary, predictable with readily available and reliable migratory measures.

Given the limited experience concerning the implementation of OHS and Road safety mitigation measures by the DGPC and the involvement at least of another implementing agency whose capacity to manage E&S risks and impacts is unknown, the Environmental risk rating of the project is considered Substantial at concept stage.

**Social Risk Rating**

The social risk rating is High. The assessment of social risks is based on the information provided in the PCN. The activities under the project, in particular under Component II, will need to be further clarified and refined to allow for a proper assessment of E&S risk. During project preparation, and with further clarity on the project activities, social risk will be further assessed and appropriate mitigation measures designed.

The Social Risk Rating of High is based on the project risks involving medium- to large-scale construction, and the lack of knowledge on activities under component II. Potential impacts are related to land acquisition, the potential impacts of civil works and other project activities on communities in terms of labor influx, nuisances, and the engagement of local labor. Other risks to be mitigated and identified in the draft ESIA are related to the safety of driving and non-driving road users, and the safety and security of surrounding communities.

Under component I, road widening and upgrading over a distance of around 180km will involve large-scale, though mostly linear land acquisition affecting potentially several thousand PAPs. A small number of PAPs will be affected by physical relocation. Given the high number of PAPs and the mixed track record of the implementing agency and the required institutional improvements and capacity building for the PIU, the social risks based on currently available information are considered to be High.

Potential social impacts related to reduced or increased inequality and elite-capture, in particular depending on activities to be designed and financed under component II, will have to be assessed further during project preparation and appropriate measures included in project design to manage such risks. GBV risks under the project, in particular risks related to labor influx and to mobility of female labor have been evaluated as "moderate" using the infrastructure screening tool. The national systems regarding labor and working conditions are relatively robust, but implementation may be sketchy. Child labor and use of forced labor is not common in Tunisia and socially not accepted, even less so in publicly financed civil works, and forbidden and sanctioned under the national labor code.
The task team will assess potential risks and impacts of activities under Component II when the activities to be financed under the project are clarified, and mitigation measures will be designed to ensure that contractors and participating enterprises in Component II will abide by the project requirements and national regulations.

During project design, measures will be undertaken to reduce social risks and impacts through environmental and social mitigation measures defined in the E&S instruments such as ESA, ESMF and ESMP, RP and RPF, and LMP. Stakeholder engagement will be planned through a project-wide stakeholder engagement plan (SEP).

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:

ESS1 is considered relevant.

Component I will finance civil works including widening and upgrading of 178.5 km of existing road sections including, where necessary, upgrading of bridges and improving culverts, road intersections, traffic signs and installation of other road safety measures. Component II will finance investments to improve economic development along the road corridor to support a more integrated development of lagging regions in the southern and western part of the country.

For Component I (widening and upgrading of 178.5 km of existing road sections part), technical engineering, safety, socio-economic and environmental impacts studies (ESIA) have already been prepared under funding from EIB, by the consortium of consulting firm SCET (Tunisia) and COBA (Portugal). The Bank has reviewed the reports on June 2019 and provided some comments, particularly on the environmental and social impact assessments to be included in the studies revised version. Road safety, Labor influx and GBV risks, as well as other social risks related to the project implementation, will be assessed further and their mitigation included in the ESIA. The borrower will prepare a revised ESIA for Component I, make the necessary consultation, submit the document to Tunisian Environmental Agency (ANPE) for NO before resubmitting again to the WB for final NO. The main positive impacts identified by the ESIA are linked to the adaptation increase to climatic risks in the region, to the improvement to road safety, and to improved access for beneficiaries in lagging regions to employment and other opportunities.

The ESIA also states that the design, construction, rehabilitation and supervision of roads and other infrastructures will generate adverse negative impacts during construction, rehabilitation, and expansion works and operating phases if they are not mitigated correctly. These impacts include, among others, occupational and community health and safety issues, construction site waste generation, soil erosion and sediment control from materials sourcing areas and site preparation activities, fugitive dust and other emissions (e.g. from vehicle traffic, land clearing and movement, and materials stockpiles), noise from heavy equipment and truck traffic; and potential hazardous materials and oil spills associated with heavy equipment operation and fueling activities. Impacts of storm water, waste, noise, air emissions and wastewater during operating phase should also be taken into account.

There are no other on-going activities along the 178.5 KM of road rehabilitation concerning new roads creation or other roads rehabilitation.
For Component II further assessment of social and environmental risks will be undertaken in after activities are identified. An ESMF will be prepared for this component, as the exact type and localization of investments and infrastructures to be financed will not be known by appraisal. The main risk/impacts identified are related to OHS and Community Health and Safety linked to agribusiness activities that will fund construction/rehabilitation of small agrifood units (Olive oil, dairy, vegetable and fruit packaging) and Environment pollution. Indirect Risks/impacts are foreseen for the agriculture intensification activities with the management of pesticides and the hazardous wastes generated (packaging of chemical products, packaging of veterinary drugs). The component will also fund alternative tourism activities. Main Environmental Risks/impacts are linked to OHS and Community Health and safety with activities of rehabilitation of existing constructions. Risks/impacts on natural habitats are also foreseen with the creation of new tourist circuits near or nearby protected areas.

The ESMF will detail the appropriate EA instrument and the proposed site-specific ESIAs/ESMPs to be prepared as well as their scheduling. Due diligence procedures on potential MSMEs will be included in the ESMF, including screening criteria for eligibility and/or a negative list for activities that will not be supported due to potential E&S and/or reputational risk concerns.

The project involves medium- to large-scale construction, and social risks of the project are mainly related to land acquisition, labor influx and labor management risks. Social risks and negative social impacts related to land acquisition impacts are mostly related to component I, but could occur under component II and include physical displacement, economic displacement, and impacts on access to livelihood. Different alignments have been studied to reduce such risks and namely reduce the quantity and quality of land taking under the project, by avoiding urbanized stretches and reducing the corridors where avoidance is not possible. Other social risks are related to community health and safety, and the risk of social exclusion and equal opportunities to vulnerable groups and individual. The project will have to ensure non-discrimination related to access to the job opportunities created by the project. The project will identify and assess such risks, and plan appropriate measure to ensure appropriate inclusion of vulnerable populations and their appropriate protection from harm. Social aspects such as social exclusion, security risks, risks for workers and communities will have to be evaluated and assessed for the whole project, and opportunities developed to engage with communities in such lagging region context. Further assessment of Environmental and Social risks will have to be prepared to identify these risks and opportunities created by the project, and to design appropriate measures to mitigate the identified risks in alignment with the ESF.

Risks linked to labor influx will be managed mostly through contractual arrangements to be integrated into the ESIA/ESMP (Component I) and ESMF requirements (Component II). The management of GBV risks under the project, in particular risks related to labor influx (Component I and infrastructure aspects of Component II) and mobility of female labor will equally be integrated into the appropriate ESIA/ESMP and ESMF requirements. Procedures to exclude child labor and human trafficking as defined by the national legislation and relevant international treaties will equally be included, though the risk is low in the Tunisian context.

The ESMF along with the ESIA will be extensively consulted and discussed with various stakeholders (involving representatives of the main national, regional and local institutions and NGOs).

The ESMF will include the CERC component with a positive list of activities that can be funded under CERC.

Areas where “Use of Borrower Framework” is being considered:
ESS10 Stakeholder Engagement and Information Disclosure

ESS10 is considered relevant.

The primary stakeholders for components I and II include: project affect people affected by land acquisition (component I and possibly II), road users (component I and rural roads under component II), microentreprises and SMEs within the project area (mostly component II), contractors (components I and II), local agencies in the three governorates (components I and II), the Ministry of Equipment, Habitat, and Land Planning (MEHLP) (component I), Ministry of Investment and Cooperation (MDCI) (component II), others key ministries and national related agencies (components I and II). Other stakeholders could include civil society, NGOs, and media.

Tunisia has laws and regulations requiring public consultations during preparation and implementation of public-sector projects, in particular to protect project-affected parties (e.g., decree 2018-328 and law 2016-22). Enterprises are also required to engage in consultations in a good-governance approach to reduce negative impacts of enterprises' activities.

For the preparation of the ESIA for component I, Information and awareness-raising sessions were held with local and regional actors in August and October 2017. This was indicative of a participatory approach by the consulting office during the preparation of the socioeconomic survey and draft census of affected people. Several main comments received and to be followed are concerns about the application of market value for compensation of housing, compensation for informal tenants following the RP requirements, and the need to ensure local employment for workers during construction. Similar consultations will be necessary for the ESMF for component II.

A summary GRM is included in the ESIA for component I. It will be further detailed and developed, and rolled out over the project to cover the activities financed under component II and other components. The planning and further roll-out will be part of the SEP, and the ESMF for component II.

A stakeholders analysis will be conducted during project preparation and a Stakeholder Management Plan (SEP) will be prepared and disclosed prior to appraisal. The SEP will lay out timing and methods of stakeholder engagement covering all components of the project and throughout the project life cycle, such as outreach, surveys, grievance mechanisms and other citizen engagement initiatives. The SEP will include measures to ensure vulnerable and disadvantaged stakeholders (potentially youth, elderly, single-headed households, people living with disabilities, and others) are identified and included in the stakeholder engagement through appropriate means. This will include measures to ensure diversity, gender and culturally appropriate means and avenues of participation in stakeholder engagement are designed and announced.

During the current COVID crisis and its aftermath, measures have to be designed to avoid contagion risks in stakeholder engagement activities, such as through minimizing/down-sizing public gatherings, hearings, workshops etc., taking into account national restrictions or advisories and international best practices such as the WHO guidance on engagement with communities during the pandemic.

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

ESS2 is considered relevant. The project will use a mix of skilled and unskilled labor force (likely national) that, for civil works, may have to be located in small labor camps or otherwise in communities. Project workers will include direct and contracted workers. Direct workers will include staff of the MEHLP and PIU. Contracted workers will consist of employees for civil works and sub-contractors. Depending on activities to be financed under Component II, workers of enterprises receiving project financing, supply chain workers, and community workers may be part of the project. The total number of workers will be defined during further preparation.

Risks related to OHS could be induced by civil works and is anticipated that these risks can be easily mitigated. For component 1 relevant OHS provisions were incorporated in the ESIA/ESMP and will be closely followed during the project implementation.

An LMP will be prepared prior to project appraisal for the agencies managing the project workers. The LMP will address the issues highlighted in ESS2, including but not limited to exclusion of child labor as defined under national law and ESS2, exclusion of forced labor, respect of the rights to associate and collective bargaining, and equal treatment and non-discrimination. The LMP will include a Grievance Redress Mechanism (GRM) for project workers as defined by ESS2. Although most labor, in particular un-skilled labor, for construction activities under component I will probably be hired locally, those activities will possibly create some influx of contracted workers, most of which will likely be national workers, to be managed primarily through contractual arrangements. Other activities under component 2 aim to support existing and future entrepreneurial activities in the region, and will thus require proper management of labor forces, and stakeholder engagement, which will be included in the LMP for the project.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is considered relevant. The project activities will imply during construction and exploitation phases, consumption of energy, water and raw material as well as generation of gas, solid and liquid wastes. Those most likely to be affected are workers and people living within the proximity of construction sites as well as physical environment where those activities will be developed. The consumption of energy and water during construction will be limited to construction phase.

The draft ESIA/ESMP prepared for component 1, which will be further updated following WB comments, has presented mitigation measures for minimizing the consumption of water and energy, pollution prevention to secure collection, storage, transport and disposal of waste (both hazardous and non-hazardous) in accordance with GLIP and EHS guidelines.

Raw material will be taken from existing quarries, The situation of these quarries will be specified in the revised version of the ESIA. In case where a new quarry is required, application of Decree 2005-1996 requires an EA (EIA or Specific requirements) and the environmental acceptability from the Environmental Department before issuing the operating license. Contractors involved in the road construction are responsible of acquiring these licenses if they are operating directly the quarries or ask for these licences if they are going to use subcontractors. The Bidding documents and their ToR (prepared by the Ministry of Equipment) will specify such requirement.
The ESIA has also estimated GHG emission due to the road activity component. The ESIA stated that given the increase of the number of vehicles following road widening, CO2 emissions will increase significantly between 2020 and 2014 because the penetration curve of engine manufacturers’ innovations is too slow in Tunisia to be able to avoid these CO2 emissions but the emissions in PM10, CO, NOx and VOCs will decrease slightly specially in rural sections due to traffic fluidification.

Concerning the component 2, The ESMF to be prepared before appraisal will address Resource Efficiency and Pollution Prevention and Management for the future activities, mitigate them through E&S management plans and apply available GIIP when applicable. Some indirect impact due to agriculture intensification leading to use of more pesticides and generation of hazardous wastes (packaging of chemical and other veterinary drugs) are foreseen. The ESMF will integrate a Pesticide management Plan and a Hazardous waste management plan.

**ESS4 Community Health and Safety**

ESS4 is considered relevant.

The project could entail risks related to community health and safety. The construction sites for roads and the activities under component II will not use armed security personnel, which is strictly regulated under Tunisian law.

Component I includes widening and upgrading of 178,5 km of existing road sections part and these activities are associated with labor influx, including risk of GBV, traffic management and road safety, dust, noise and vibrations. The borrower has prepared a Traffic/Road Safety Plan as part of the technical engineering study. The Bank reviewed and commented this plan and asked for its improvement following the Road Safety Good Practice Note.

Labor influx and GBV risks have been assessed by the WB as 'moderate'. Assessment of GBV risks, risks to exclusion, gender issues, and diversity are furtively included in the existing ESIA. Further assessment and mitigation measures will be included in the revised ESIA for component I. They will be assessed and mitigation measures included for component II under the ESMF to be prepared. Further mitigation measures will be included into the LMP and the SEP to be prepared.

Risks related to Community Health and Safety could be induced by civil works and it is anticipated that these risks can be easily mitigated. For component 1 relevant Community Health and Safety provisions were incorporated in the ESIA/ESMP and will be closely followed during the project implementation. For component 2, the ESMF to be prepared before appraisal will address Community health and safety Risks/impacts, especially related to the use of pesticides and other chemical products and mitigate them through E&S management plans and apply GIIP when applicable.

The project will apply the concept of universal access to infrastructure and services for users with disabilities, including the roads, market places and other supply chain facilities.

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

ESS5 is considered relevant.
Under Component I, the project will finance civil works including widening and upgrading of 178.5 km of existing road sections and, as necessary, upgrading of bridges and other improvements. Component II may include financing for infrastructure investments and rehabilitation of existing infrastructures across the corridor to support value chain development in the agricultural and tourism sectors. Infrastructures could include support to privately or publicly owned logistics centers, sector-specific marketplaces, recreation and tourism centers, as well as processing and packing units. Component II could include improvement of existing unpaved rural roads to ensure all-season connectivity and improve rural areas access. Investments under Component II have not yet been clearly identified and will be defined during preparation, as will exclusion of certain activities.

The activities and civil works financed under the project will lead to land acquisition from a high number of affected people, who will lose minor or substantial parts of their income-generating assets in form of agricultural land, depending on to what extend they depend on income from agricultural activities - overall, dependence in the project area is low at 11%. According to the draft RP, the total number of PAPs is expected to be over 6000 and the total amount of land acquisition around 3000 hectare. A smaller number of PAPs will be affected by the loss of residential structures. Design changes to reduce or avoid physical displacement are currently under way. The land acquisition will have some impact on disadvantaged and vulnerable PAPs, including informal land holders, PAP without or with contested titles, women-headed households, and elderly. The necessity to take into account vulnerable and disadvantaged populations have been highlighted in ESIA consultations and the draft RP.

For activities under Component I, and other sections where preliminary detailed design is available during project preparation, a Resettlement Plan (RP) will be prepared prior to appraisal. A draft RP and draft RPF have been prepared by the borrower, and will be updated when the detailed design - including measures to reduce and avoid physical and economic displacement - is available. The borrower will prepare a final draft RP and an final draft RPF prior to appraisal.

Given that exact location and impact of most activities under Component II will not be known by appraisal, a Resettlement Planning Framework (RPF) will be prepared prior to project appraisal for Component II. The RPF will lay out the procedure to prepare the project-required RPs, which will be prepared during project implementation, including processes, responsibilities, funding, and content of the RPs in accordance with ESS 5.

All ESS5 instrument will be extensively consulted with the affected persons, and publicly consulted with relevant stakeholders (involving representatives of the main national, regional and local institutions and NGOs), made available to all affected persons, and disclosed publicly on the borrower's and the Bank's websites.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS6 is considered relevant.

For component 1, the first version of ESIA/ESMP demonstrated that construction activities would not be carried out directly within protected areas or landscapes, so impacts on critical habitats are not foreseen. No endangered or classified species under IUCN will be impacted by the project.
Three wetlands areas are located nearby the RN13. The ESIA/ESMP prepared by EIB proposed the installation of high security settling ponds in these areas to ensure the decantation the fine suspended particles present in the runoff of the road platform.

The closest four RAMSAR sites are localized in the extended area of influence of the RN13 project (at 10 km in Sfax region and 30 km in Sidi bouzid from RN13). Due to the distance, no direct impacts are expected during construction phase on those sites.

Primary suppliers of Raw material to road construction are mainly using existing quarries but in the case where a new quarry is required, application of Decree 2005-1996 requires an EA (EIA or Specific requirements) and the environmental acceptability from the Environmental Department before issuing the operating license.

All identified potential quarries are situated outside protected areas. The new version of the ESIA to be updated following WB comments will assess all the risks/impacts related to use of quarries and relevant mitigation measures will be proposed in the ESMP.

The ESIA will assess the potential impacts on waterways where rehabilitation of bridges and culverts is going to be undertaken.

Concerning the component 2. The activities to be funded under component 2 are not expected to have any adverse risks/impacts on natural habitats. The only risks are foreseen when the creation of new tourist circuits near or nearby protected areas do not take in account necessary measures to protect these habitats.

The ESMF to be prepared before appraisal will address these Risks/impacts and will provide necessary guidance to prepare site-specific ESIA/ESMP.

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

ESS7 is not considered relevant at this time. No groups satisfying the criteria under ESS 7 are expected to be negatively affected by the project, or to be among the beneficiaries of the project.

**ESS8 Cultural Heritage**

ESS8 is considered relevant. For component 1, the draft ESIA demonstrated that no cultural heritage site have been identified nearby construction activities. Nevertheless, considering Tunisia's rich archaeological history and endowment, the ESIA has included Cultural property and chance find procedures and measures to be followed if these properties will be discovered during project implementation with appropriate mitigation measures for both the identification and protection (from theft, mistreatment of discovered artifacts) of cultural property.

Concerning component 2, the ESMF to be prepared before appraisal will address Risks/impacts on Cultural Heritage and will provide necessary guidance to prepare Cultural property and chance find procedures and measures to be followed if these properties will be impacted or discovered.
ESS9 Financial Intermediaries

ESS9 is not considered relevant at this time. No financial intermediaries are expected to be involved in the project.

B.3 Other Relevant Project Risks

Contextual factors such as socio-economical environment including considerable disparities between regions and groups and security risks in some areas could jeopardize project preparation and implementation.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways

No

OP 7.60 Projects in Disputed Areas

No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered?  

No

Financing Partners

Co financing partner European Investment Bank (EIB) for component 1. WB Environmental and social Standards will be applied to the project.

B. Proposed Measures, Actions and Timing (Borrower’s commitments)

Actions to be completed prior to Bank Board Approval:

RP (Component I) will be reviewed, revised and updated, publicly consulted, and submitted to the WB for review and approval and disclosed prior to Appraisal.

RPF (Component II) will be prepared, publicly consulted, reviewed, and submitted to the WB for review and approval and disclosed prior to Appraisal.

ESIA (Component I) will be updated following WB comments and publicly consulted, reviewed, and submitted to the WB for review and approval and disclosed prior to Appraisal.

ESMF (Component II) will be prepared, publicly consulted, reviewed, and submitted to the WB for review and approval and disclosed prior to Appraisal.

Road Safety plan (RSP) will be updated following the Road Safety Good Practice Note. RSP will be submitted to the WB for review and approval and disclosed prior to Appraisal.

LMP will be prepared and disclosed prior to appraisal.

SEP will be prepared and disclosed prior to appraisal.

An ESCP will be prepared by the borrower in close consultation with the WB prior to appraisal.

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):
The implementing agency (ies) should have an environmental and social unit responsible for managing and overseeing environmental and social aspects of the project. Full-time environmental and social specialists should be recruited with Terms of References (TORs) acceptable to the Bank and maintained throughout project’s preparation and implementation.

RP implementation and management of land acquisition will require a specialist staff member or consultant to ensure risks are properly mitigated. For RP implementation, improvement in capacity of the PIU and other agencies. In particular, establishment of internal procedures for monitoring, reporting, and supervision, as well as for the treatment and follow-up for complaints and grievances will be needed.

GRM needs to be strengthened, and internal procedures for monitoring, reporting, and supervision established. Detailed Training to implement the road safety plan and OHS matters.

Preparation and implementation of site-specific instruments.

Payment of compensation/assistance for physical and economic displacement in accordance with site specific RAPs before start of resettlement/civil work.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 15-Jul-2020

IV. CONTACT POINTS

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Borrower/Client/Recipient
Borrower: Ministere de l’Equipement, de l’Habitat, et de l’Amenagement du Territoire

Implementing Agency(ies)
Implementing Agency: Direction Générale des Ponts et Chaussées (DGPC)

V. FOR MORE INFORMATION CONTACT
VI. APPROVAL

Task Team Leader(s): Kristin Panier, Marc Navelet Noualhier, Hind Kadiri

Practice Manager (ENR/Social) Lia Sieghart Recommended on 04-Jun-2020 at 11:52:53 EDT

Safeguards Advisor ESSA Nina Chee (SASSA) Cleared on 04-Jun-2020 at 15:19:57 EDT