Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 03/31/2020 | Report No: ESRSA00640
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>
</thead>
<tbody>
<tr>
<td>Caribbean</td>
<td>LATIN AMERICA AND CARIBBEAN</td>
<td>P171528</td>
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</tbody>
</table>

Project Name: Caribbean Digital Transformation Project

Practice Area (Lead): Digital Development

Financing Instrument: Investment Project Financing

Estimated Appraisal Date: 3/30/2020

Estimated Board Date: 6/12/2020

Borrower(s):


Implementing Agency(ies):


Proposed Development Objective(s)

To increase access to digital services, technologies and skills by governments, businesses and individuals in the participating Eastern Caribbean countries.

Financing (in USD Million)  

| Amount  
| 71.00  

Total Project Cost
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 comprises three components that address key bottlenecks and harness opportunities to develop the Eastern Caribbean Digital Economy as a driver of growth, job creation and improved service delivery. It follows a comprehensive, ecosystem-based approach, bringing together multiple arms of government and multiple economic and social sectors to build the core digital economy foundations simultaneously. It aims to ensure that individuals and businesses within the region are empowered with the access to broadband, digital financial services, government services, and skills needed to actively participate in an increasingly digital marketplace and society. It leverages public sector modernization and digitization to improve service delivery and to drive creation of a digital culture across the region. It will facilitate technology adoption to improve productivity of flagship industries and create demand for digitally enabled jobs. It aims to foster regional integration and cooperation to capture the economies of scale and scope required to increase impact, and value for money of the project interventions and to create a more competitive, seamless regional digital market to attract investment and provide room for growth of digital firms. The Project will promote climate resilience through support to disaster recovery/business continuity of critical communications systems, databases and services in the event of a natural disaster. Resilience is also fostered by putting in place the enabling environment for mobile money, which has proven key for recovery in the case of a natural disaster. It will also help contribute to reduced emissions by eliminating the need to physically travel to access services and jobs and promote the development of a clean, knowledge-based economy in the region.

The components of the Project are:

1. Component 1: Digital Ecosystem: This component will support the development of a positive enabling environment for the region’s digital economy that drives competition, investment and innovation while promoting trust and security of online transactions.

2. Component 2: Digital Infrastructure, Platforms and Services: This component will support public sector modernization, resilience and delivery of digital public services to individuals and businesses.

3. Component 3: Digital Skills and Technology Adoption: This component aims to better equip individuals and businesses across the region for the jobs and economy of the future and to spur innovation and job creation; and

4. Component 4: Project Management Support: This component will support national and regional level Project Implementation Units (PIUs) with management and implementation of the Project and associated activities.

The Project incorporates themes of inclusion, citizen-centric design and citizen feedback to inform activity selection and implementation models. It will support greater access to digital services and promote opportunities to engage in digital skills development, employment and entrepreneurship programs. These programs will have a specific focus on women, and disadvantaged groups that are underrepresented and often overlooked as both developers and
consumers in the digital economy. Digitized public services and the underlaying transaction processes will be reformed based on feedback from end-users to make them seamless, user friendly and accessible to the widest audience possible. Industry surveys will be utilized to identify skills gaps in the market and the Project will support active industry-academia-government partnerships to provide training and mentorship programs that create a clear pathway from training to job placement, targeting equal access for women and vulnerable groups.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

The Project will be implemented in four countries across the Eastern Caribbean, Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines. It will also entail the implementation of enabling environment-related activities at the regional level by the Eastern Caribbean Central bank (ECCB). National level project activities are financed using national IDA credit, while the regional level project activities will be implemented using regional IDA grant resources. The Project aims to strengthen the digital connectivity and digital public services in these countries. All four countries are highly prone to natural disasters such as hurricanes, floods, landslides, and earthquakes, among others. The digitization of governments and moving away from paper-based records and processing is a significant step towards improving the resilience of these economies, and their ability to recover from natural shocks. Project activities will support the digitization of government operations, support improved identification processes for certain participating economies, and improve their ability to conduct financial transactions digitally. Furthermore, the Project will also support continuity of government operations through the development of standards and protocols to enable backup and recovery of government data and services, emergency response mechanisms to ensure minimal connectivity outages and rapid recovery in case of climate events, as well as improving the resilience of the economy by promoting access to and use of digital financial services.

The Systematic Regional Diagnosis reflects that there is a significant skills-jobs mismatch and closely linked, significant outward migration in search of employment opportunities. This has led to capacity constraints in both the private sector and within public institutions. Fewer employment opportunities for disadvantaged and vulnerable groups (low-skilled, women, and young adults) is also a factor. Unemployment remains high – ranging between 19 – 23% in Grenada, St. Lucia and St. Vincent and the Grenadines, with youth unemployment exceeding 40%. Limited job opportunities have played a major role in preventing progress toward poverty reduction. The lack of diversification of the economy and geographic location leaves the region vulnerable to changing global economic trends and business cycles and at risk of frequent natural disasters. The lack of economic inclusion of disadvantaged and vulnerable groups also expose them to a high risk of social exclusion.

The Kalinago indigenous people are the only Indigenous People present in the project area. The Kalinago, formerly known as the Carib Indians, live on a 3,700-acre Territory on Dominica’s east coast, with a population of approximately 2,145 persons with 56% (1,212) males and 43.5% (933) females. The most recent Country Poverty Assessment Survey (CDB, 2008) reports that one out of every two persons in the Territory is poor. Residents of the Territory find employment throughout the Island as there are limited employment opportunities within the Territory. The main types of employment within the Kalinago Territory are: Craft Production; Agriculture (banana cultivation and subsistence farming); Fishing; Boat Making; Government (schools, medical Centre, road –repair and maintenance) and Tourism (tour guiding, bus driving.) Fishing is considered a priority because the Kalinago people have historically been a fishing people, and preservation of this fishing culture and tradition is extremely important to them.
D. 2. Borrower’s Institutional Capacity

The Project entails the implementation of activities at the national and regional levels, under a coordinated regional framework, financed using national IDA credits and regional IDA grant funds. Activities will be coordinated between the regional and national levels through a regional project steering committee, with membership from the national level project steering committees and from relevant regional institutions with a stake in the region’s digital development.

A regional project implementation unit (PIU), housed at ECCB will be the recipient of a regional IDA grant and be responsible for implementing regional level project activities in coordination with the relevant regional and national level stakeholders. The regional PIU will be responsible for all fiduciary, environmental and social impact management, monitoring and evaluation and communications functions under for regional activities implemented under the Project, and will be composed of specialists to lead these functions, under the direction of a project manager.

At the national level, dedicated PIUs will be established and housed in the primary line ministry responsible for the Project. The PIU will be largely staffed using project funds, while certain positions are staffed using existing capacity within government where available. Project implementation in each country will be overseen by a project steering committee comprising Permanent Secretary level representatives from key ministries involved in project activities. The list below indicates the primary line ministries where the PIUs will be housed in each country:

1. Dominica: A dedicated PIU will be established, housed in the Ministry of Public Works and Digital Economy. The Chief Procurement Officer of the Central Procurement Unit will be assigned to the Project full-time, while other PIU positions will be recruited externally.
2. Grenada: The PIU will be housed in the Ministry of National Security, Public Administration, Home Affairs, and ICT. The Project will use existing capacity within the Government for financial management, procurement, and environmental and social aspects of project implementation.
3. St. Lucia: A dedicated PIU will be established, housed in the Department of Public Service Modernization, Ministry of Finance, Economic Growth, Job Creation, External Affairs and the Public Service. All PIU roles will be staffed using project funds.
4. St. Vincent and the Grenadines: A dedicated PIU will be established, housed in the Ministry of Finance, Economic Planning, Sustainable Development, and Information Technology and the Project will finance staffing of all roles in the PIU.

Each country, as well as the regional level, will hire or appoint one (1) Environmental and Social Specialist with qualifications and experience satisfactory to the Bank, and resources to support the management of E&S risks including environmental, health, safety, labor, cultural heritage, stakeholder engagement among other relevant aspects. The requirement of having full time or part-time staff both at the regional and country levels will be reviewed and adjusted (if necessary) during project implementation based on the environmental and social needs of each national-level project. Other key tasks are associated with supporting, supervision, enforcement, contractor management, monitoring and reporting, training; participation, citizen engagement and feedback; and Information disclosure related to the Environmental and Social Standards of the World Bank. During project implementation, the requirement of having these staff as part of the PIU will be evaluated and adjusted to reflect the needs of the Project, as necessary.
Preliminary findings of the overview of the capacity assessment indicate that the institutional capacity of the Borrowers implementing agencies (i.e. in all participating countries and the ECCB) can be strengthened in order to coordinate and implement the related E&S activities. Some recommendations to address these issues include: training of borrowers on the application of the ESF at the regional and national levels (procurement specialists, engineers, and other government agency officials in the participant countries), provision of continued technical support to governments in the design of national level projects to ensure the application of the ESSs, implementation and monitoring during project implementation; promotion of networks of communication and frequent knowledge exchange within participant countries. The Environmental and Social Management Framework (ESMF) prepared as part of the project includes a Terms of Reference (TOR) for the hiring of an environmental and social specialist within the PIU both at the regional, as well as at the countries’ level. The ESMF further clarifies the designation of roles between the various players involved in the implementation of the project.

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

A. Environmental and Social Risk Classification (ESRC) Moderate

Environmental Risk Rating Moderate
The environmental risk rating for the Project is considered moderate. Project activities to be financed include small civil works related to the potential construction of a new data center in SVG, minor rehabilitation and retrofitting activities in existing buildings (mostly in training centers and public service centers in select participating countries), and the procurement of information systems equipment in participant countries. Key environmental risks and impacts are expected to be site-specific, short-term and reversible. Some of the anticipated potential impacts may include: (i) soil removal and vegetation clearance for the construction of the new data center; (ii) generation of solid waste from residual construction materials; (iii) management and disposal of electronic waste (E-waste) as a result of the decommission of old equipment; (iv) nuisance related to dust generation, vibration and noise during construction activities; and (v) occupational health and safety hazards for the workforce.

Social Risk Rating Moderate
The Bank classifies the Social risk of the Project as “moderate” after considering, in an integrated manner, the following risks and impacts: (i) risk of further exacerbating existing exclusion patterns (ii) the poorest are frequently left out of business opportunities and may not be able to fully participate in the new digital economy; (iii) in the case of Dominica, the Project will be implemented in the context of the Kalinago indigenous community where more than 50% of the indigenous people live below the poverty line, and where social exclusion exists; (iv) the Project will be implemented across four countries and the impacts, as well as strategies, could omit countries’ specific socio-cultural and economic dynamics; (v) some project activities (building of data centers) may require involuntary resettlement and temporary economic displacement;

The Project will include activities that address cybersecurity, data protection and privacy protections, financial sector regulation, and continuity of operations for critical infrastructure and information systems and efforts to ensure that vulnerable people are not locked out of an increasingly digitized economy and society. The project has an explicit focus on digital skills training for job seekers which will also support integration in an increasingly digitized economy and society.
More broadly, the Project will adopt an inclusive, participatory, citizen engagement, gender-inclusive approach to enhance social inclusiveness, and forge partnerships across the public sector, the private sector, and civil society. This approach will be adopted in the implementation of all Project’s major components. The Project has also carried out an overview of the borrower’s capacity assessment, that addresses the organizational structure capacity to support the management of environmental and social (E&S) risks and addresses measures for capacity building – training, technical support, knowledge exchange, etc.

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:*

Based on the available information at the appraisal stage, the Project is expected to have moderate environmental risks and impacts. The Project will not result in any medium or large scale works.

Component 1 “Digital Enabling Environment” focuses on regulatory and institutional reforms in telecommunications, digital financial services, data protection and privacy, and cybersecurity, and is largely implemented at the regional level leveraging existing regional coordination and institutional mechanisms. Component 2 “Digital Government Infrastructure, Platforms and Services” aims to build the enablers for government digitization and develop specific citizen-facing digital government services, and may include small rehabilitation and retrofitting works specifically in Saint Lucia and St. Vincent and the Grenadines (SVG), as well as the procurement of information systems equipment. This component may also include the construction of a new data center in SVG to be confirmed during implementation. Component 3 “Digital Skills and Technology Adoption”, focuses on strengthening the regional digital skills and supporting the use of digital platforms and technologies among existing private sector stakeholders, and will include the procurement of information systems and equipment for participating countries.

For all civil works to be carried out under the Project, including both the construction of new and rehabilitation of existing infrastructure, key Environmental, Health and Safety (EHS) impacts are expected to be site-specific, manageable and temporary. Other EHS impacts to be considered in the Project include the generation and management of non-hazardous and hazardous waste (including E-waste as a result of decommissioning of old equipment in the event of procurement of IT hardware) and EHS requirements related to the operation of the data center. Potential social risks and impacts for all three components may arise if project design and/or implementation results negatively impacting some individuals and groups causing an inequitable distribution of project benefits because of their specific circumstances (indigenous, the most vulnerable – poor, women, young girls, youth at risks, disabled, LGBT and others). This includes the risk of excluding them from participating in conversations about development solutions addressed by the project.

Based on the scope of the Project’s activities, which includes policy development, technical assistance, capacity building, and infrastructure interventions for which exact locations and extent of the work are not yet known, the Borrower (through the ECCB as the Implementing Agency responsible for regional activities) has prepared a draft regional-level ESMF in line with the Bank’s Environmental and Social Standards and the World Bank Group
The World Bank
Caribbean Digital Transformation Project (P171528)

Environment, Health and Safety (EHS) Guidelines. The draft ESMF analyzes the positive and negative, direct and indirect environmental and social impacts of the Project and defines appropriate generic mitigation and management measures in accordance with the mitigation hierarchy (anticipation and avoidance, minimization, mitigation, offset or compensation). The draft ESMF provides guidance on environmental and social screening and classification of national level projects and procedures for the development of national level ESMPs to be prepared by the Implementing Agencies of each participating country when necessary and before any works begin based on the specifics characteristics of the project activities. Given the type of investments to be financed in the Project, the draft ESMF also includes a draft generic E-waste Management Plan (EWMP) and a generic Chance Finds Procedure for construction activities. The draft ESMF was disclosed in all participant countries and on the Bank’s website prior to Appraisal on March 29, 2020. The ESMF will be finalized and redisclosed by the Borrower no later than two weeks after the Project’s effectiveness date and implemented throughout implementation.

The Borrower has also prepared and disclosed prior the appraisal the following draft instruments: (i) a draft Stakeholder Engagement Plan (SEP) that identifies project stakeholders and outline strategies for participation, consultation, and information disclosure; (ii) a draft IPPF which includes a grievance mechanism for the Kalinago Indigenous people of Dominica, and (iii) a draft LMP which includes Occupational Health and Safety (OHS) issues and outlines how the Project manages different kinds of project workers.

Each participant country in agreement with the Bank has prepared an Environmental and Social Commitment Plan (ESCP) which covers all measures and actions needed to ensure compliance with the ESF and the Project’s environmental and social instruments as well as implementation details, monitoring and reporting activities. At the regional level, the ECCB has also prepared one additional ESCP in agreement with the Bank which includes all necessary measures to be taken for the completion of the regional level environmental and social instruments.

ESS10 Stakeholder Engagement and Information Disclosure

The main stakeholders of the Project, are: (i) Regional level stakeholders: Organization of Eastern Caribbean States (OECS), Eastern Caribbean Telecommunications Authority (ECTEL), the Eastern Caribbean Central Bank (ECCB), Caribbean Community Implementation Agency for Crime and Security (CARICOM IMPACS), Caribbean Telecommunications Union (CTU); (ii) Government ministries from Dominica, Grenada, St. Lucia, St. Vincent and the Grenadines, including legislative bodies; (iii) CSOs including: chamber of commerce, universities, technical schools, entrepreneurship service providers, and students from Dominica, Grenada, St. Lucia, St. Vincent and the Grenadines. (iv) Users of government e-services or other groups that would be the beneficiaries of the project investments; (v) Vulnerable population (the poor, women, young girls, youth at risk, disabled, LGBT and others); and (vi) The Kalinago indigenous people of Dominica.

The Borrower has prepared a stakeholder engagement plan (SEP). The specific objectives of the stakeholder engagement plan are as follows: (i) To build and maintain a constructive relationship with stakeholders; (ii) To assess the level of stakeholder interest and support for the Project and to enable stakeholders’ views to be taken into account throughout the project cycle; (iii) To promote and provide means for effective and inclusive engagement with stakeholders throughout the project life cycle on issues that could potentially affect them; and (iv) To ensure
that appropriate project information on environmental and social risks and impacts is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner and format.

The SEP is prepared in a manner that is accessible and culturally appropriate, considering the specific needs of groups that may be differentially or disproportionately affected by the Project. The SEP outlines (i) who the key stakeholders are; (ii) how they are to be engaged; (iii) how often the engagement will occur throughout the Project; (iv) how feedback will be solicited, recorded and monitored over the Project; (v) who will be charged/responsible with this engagement; (vi) timeline for this engagement, budget and so on. The process of stakeholder engagement has begun during preparation and will continue into implementation. Until now, the following measures have been implemented: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders; (iii) describe disclosure of information; and, (iv) consultation with stakeholders. The SEP is expected to be updated from time to time as/if necessary. The Stakeholder Engagement Plan (SEP) also describes the measures that will be used to remove obstacles to participation, and how the views of differently affected groups will be captured. The SEP encloses a grievance mechanism to receive and facilitate the resolution of concerns and grievances that is available both in each national and at the regional level.

The SEP states that a variety of methods will be utilized to disclose information to the Project’s stakeholders. Disclosed information will allow stakeholders to understand the risks and impacts of the Project, and potential opportunities to participate in the project’s activities and benefits. They will also provide stakeholders with access to information. The information will be disclosed in a variety of ways including on relevant government websites, and local offices, in a manner that is accessible and culturally appropriate, taking into account any specific needs of groups that may be differentially or disproportionately affected by the Project or groups of the population with specific information needs such as, disability, literacy, gender, LGBT, mobility, or accessibility.

In adhering to the Carib Reserve Act which gives sole management of the Territory to the Kalinago Council, the Project Steering Committee must consult with the Kalinago Council at every point during implementation. To facilitate the process, a member from the Council should be represented on the Project Steering Committee. Additionally, three (3) days prior notice must be issued to the Kalinago Council in order to participate in meetings and site visits throughout the Project Cycle. The prior notice should be addressed to the Kalinago Chief, preferably in written form (either post or email) during the course of the Project.

If significant changes are made to the SEP after consultations and or during implementation, a revised SEP will be publicly disclosed.

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

This standard is relevant given the potential for hiring specialized personnel and laborers for different aspects of project implementation. Worker categories under this standard that may be relevant in the Project include direct and contracted workers. If government civil servants would work in connection with the Project, whether full-time or part-time, they will remain subject to the terms and conditions of their existing public-sector employment agreement.
or arrangement, unless there has been an effective legal transfer of their employment or engagement to the Project. ESS2 will not apply to such government civil servants, except for the provisions of Protecting the WorkForce (paragraphs 17 to 20,) and Occupational Health and Safety (paragraphs 24 to 30), if these are involved in the project implementation or oversight.

The Borrower has prepared a regional-level draft Labor Management Procedures (LMP) that identifies the approximately of 636 workers that will be required to execute the project, of which 462 are high skilled workers - Business services and administration managers; Data entry staff, or related to digitization of paper-based records; Database and network professionals; Legal professionals; Librarians, archivists, and curators; Software and applications developers, analysts, and other IT staff; and Technical Consultants (financial services, curriculum developers, face-to-face training providers, etc.). Until now an estimate of 90 can be considered as direct workers. The Project will not hire children and will promote transparency in terms and conditions of employment, nondiscrimination and equal opportunity. The LMP will be finalized no later than thirty (30) days after the project’s effectiveness date and implemented throughout Project implementation.

The updated LMP will include OHS measures in line with the World Bank Group EHS Guidelines and a GRM specifically for project workers to ensure they have a mechanism in place for complaints and grievances. Some key OHS risks related to the Project to be included in the LMP are: (i) construction activities which include risks of falls; (ii) handling of heavy loads; (iii) electric shocks; (iv) failure to use proper protective equipment during construction; (iv) procedures for safety measures in relation to physical and chemical hazards in the workplace; (v) emergency preparedness and response procedures; (vi) trainings and incident monitoring; and (vii) references to measures to address any potential risks and impacts that may arise from the interaction between project workers and local communities. Discrimination and sexual and labor harassment aspects in the workplace will be included in the LMP. OHS issues related to the Labor Management Procedures will be considered in the regional-level ESMF, TORs and bidding documents as needed.

ESS3 Resource Efficiency and Pollution Prevention and Management

The standard is relevant given that rehabilitation and retrofitting construction activities including the construction of the new data center may generate non-hazardous waste (tubing, wires, etc) as well as some hazardous waste (including E-waste). The appropriate mitigation measures are developed as part of the ESMF following the mitigation hierarchy. Some possible mitigation measures include the following:

Vegetation and soil loss: Some soil removal and clearance of vegetation could be expected from construction activities for the data center. Construction material needed for the rehabilitation and retrofitting activities (sand, stones, timber, etc.) will be obtained from licensed quarries and certified timber suppliers.

Waste management: Construction waste will include mostly waste from excavated soil and debris and hazardous waste such as hydrocarbon oils from construction machinery and vehicles. Any waste generated by the construction activities will be disposed according to national regulations and international best practices. The ESMPs will include specific measures for the management of dangerous materials for the potential demolition of existing infrastructure (during retrofitting and rehabilitating existing infrastructure) that could potentially contain asbestos or any other dangerous materials. The ESMF includes a draft generic EWMP to serve as a guidance for the appropriate
management and disposal of E-waste. All participant countries procuring electronic equipment will include an EWMP as part of their ESMP.

Air emissions and noise: These may be generated during the construction phase from the use of heavy vehicles, machinery, and construction activities. However, based on the proposed project activities these are expected to be minimal. Nonetheless, the ESMF considers mitigation measures such as dust suppression and vehicle maintenance to minimize the impact of air emissions.

Water and energy efficiency measures such as efficient water fixtures, efficient lighting, cooling and heating systems, and other water and energy-related efficiency equipment are a factor in this Project. The ESMF includes specific measures related to water and energy use efficiency during the construction phase of all civil works as well as, during the operational phase of the data center and the rehabilitated training centers and public service centers.

ESS4 Community Health and Safety

Some rehabilitation activities may expose communities to health and safety risks especially to those communities that are immediately close to the construction sites and activities. Civil works (even minor) may cause some inconvenience to the local communities as access (particularly road and foot traffic) could be interrupted temporarily. Thus, as part of the ESMF and ESMPs, traffic management plans may be developed as necessary to address these inconveniences. In addition, the Borrower will be required to ensure public safety through appropriate signage and barriers. The rehabilitation and retrofitting of existing training centers, under component 3 “Digital Skills and Entrepreneurship”, will take into account the concept of universal access, where feasible. The management of community health and safety issues are described in the Project's ESMF and will be integrated into the country-level ESMPs. The ESMPs will require contractors to install a safety system (fences and safety guards) around the project sites, as well as place the construction equipment in secured storage during the construction period.

Noise may likely be generated from the use of construction machinery and vehicle movement depending on the scale and scope of project activities and this may cause disturbance to nearby businesses and homes. The relatively short-term and small-scale nature of the works suggests that noise levels will not be excessive or cause long-term nuisances. However, mitigation measures will be considered in the country-level ESMPs to minimize and manage the noise levels by applying work hours restrictions.

Possible negative social impacts may include typical aspects of exposure to the internet and social media for communities that historically had limited or no access, such as cyber-bullies and online predators. Mitigation measures to be incorporated in project design include educational programs that engage children, parents, and teachers on cyber safety; campaigns to promote the responsible adoption of digital financial services; having skilled personnel on how to monitor online activity which may be harmful to children and adolescents and equip the central governments with expertise in managing and monitoring the dark web and online threats to the public and small communities.

The use of security workers is not expected.
ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

The standard is relevant because some participant countries may decide at appraisal stage to build data centers (e.g. SVG,) and that may require minor land acquisition and/or economic displacement. The Project will seek to avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement by exploring project alternative sites. For this given context, and because the location of possible new buildings is not yet known and there is a likelihood of land acquisition and resettlement, the Borrower has prepared a Resettlement Planning Framework (RPF), that establishes eligibility criteria for affected persons, set out procedures and standards for compensation, and incorporate arrangements for consultations, monitoring and addressing grievances. The RPF includes a specific grievance redress mechanism for individuals, households or businesses affected by land acquisition. The GRM considers the availability of judicial recourse. As needed, individual national level projects will develop a resettlement plan appropriate to the nature and scale of land acquisition and resettlement impacts. For national level projects requiring land acquisition and resettlement, all resettlement will be completed prior to the commencement of construction.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The specific locations of the data center to be built is still to be determined but it is likely to be located in an already modified area. However, the draft ESMF includes specific measures and screening processes to be considered to ensure that all infrastructure works do not take place near environmentally sensitive areas particularly in natural or critical habitats. These measures will aim to avoid, minimize, or mitigate potential impacts that may have any significant negative impact on biodiversity and on the sustainable management of living natural resources and will be included in national level ESMPs as needed.

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

The Standard is relevant in that the Kalinago indigenous people of Dominica are present in the project area, as defined by ESS7. Therefore, the Project has prepared a draft Indigenous Peoples Planning Framework (IPPF) to guide the identification, planning, and design of project activities that will be identified during implementation, and to outline a culturally appropriate strategy for collaboration and engagement with the Kalinago Territory, as well of to properly and effectively manage the possible social and economic impacts/benefits of the project activities on Dominica’s indigenous community, Kalinago Territory. As appropriate, national level project specific Indigenous Peoples Plan (IPP) setting out the measures or actions proposed to minimize, avoid or manage risks (or enhance benefits) – will be developed as needed.

The Borrower will implement the Project in a manner that provides the Indigenous People of the Kalinago territory with equitable access to project benefits; taking into account their concerns or preferences, addressed through meaningful consultation; and documentation will summarize the consultation results and describe how issues identified by them, have been addressed in project design and implementation.

ESS8 Cultural Heritage

The Project is not expected to have negative impacts on cultural heritage, whether it is tangible or intangible as all civil works are expected to take place on existing infrastructure. However, as good practice simple screening criteria
and generic chance finds procedures are integrated in the draft ESMF and, if relevant, will be developed in national level ESMPs as deemed necessary.

ESS9 Financial Intermediaries
The standard is not relevant. FI's are not part of this project.

B.3 Other Relevant Project Risks
None

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways
Project does not take place on international waterways

OP 7.60 Projects in Disputed Areas
Project is not in a disputed areas

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

<table>
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<tr>
<th>DELIVERABLES against MEASURES AND ACTIONS IDENTIFIED</th>
<th>TIMELINE</th>
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<tbody>
<tr>
<td>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts</td>
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<tr>
<td>ORGANIZATIONAL STRUCTURE: Establish and maintain an organizational structure with qualified and experienced staff and resources to support the management of environmental and social risks.</td>
<td>03/2021</td>
</tr>
<tr>
<td>ENVIRONMENTAL AND SOCIAL FRAMEWORK: Prepare, adopt and implement an Environmental and Social Management Framework (ESMF), which will include an Environmental and Social Assessment (ESA) for the Project, in a manner acceptable to the Bank.</td>
<td>03/2020</td>
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<td>ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANS: Screen any proposed subproject and other Project activities in accordance with the ESMF prepared for the Project, and, thereafter, prepare, adopt, disclose and implement any Environmental and Social Management Plans (ESMP), as required, in a manner acceptable to the Bank.</td>
<td>03/2021</td>
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<td>MANAGEMENT OF CONTRACTORS: Ensure that the contractors prepare project-specific ESMPs (contractor ESMPs) and other plans as required and have the capacity to and comply with the ESHS specifications of their respective contracts.</td>
<td>03/2020</td>
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<tr>
<td>ESS 10 Stakeholder Engagement and Information Disclosure</td>
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<tr>
<td>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION: Stakeholder Engagement Plan (SEP) with its GRM.</td>
<td>03/2020</td>
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### ESS 2 Labor and Working Conditions

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
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<tbody>
<tr>
<td>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION: Update, adopt and implement a Stakeholder Engagement Plan (SEP).</td>
<td>03/2020</td>
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<tr>
<td>PROJECT GRIEVANCE MECHANISM: Establish, maintain and operate a grievance mechanism (GRM), as described in the SEP.</td>
<td>03/2020</td>
</tr>
<tr>
<td>PROJECT GRIEVANCE MECHANISM: Provide quarterly reports to the Bank on the functioning of the GRM.</td>
<td>03/2020</td>
</tr>
</tbody>
</table>

### ESS 3 Resource Efficiency and Pollution Prevention and Management

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>WASTE AND HAZARDOUS MATERIALS: Waste management measures (including E- waste management) will be developed and thereafter implemented, including training, for contractors. These will be a part of the ESMPs to be prepared in accordance with the ESMF.</td>
<td>03/2021</td>
</tr>
<tr>
<td>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT: Resource (including energy and water) efficiency and pollution prevention and management measures will be developed. These measures will be a part of the ESMPs.</td>
<td>03/2020</td>
</tr>
</tbody>
</table>

### ESS 4 Community Health and Safety

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRAFFIC AND ROAD SAFETY: Adopt and implement measures and actions to assess and manage traffic and road safety risks as required in the ESMPs to be developed in accordance with the guidelines contained in the ESMF.</td>
<td>03/2021</td>
</tr>
<tr>
<td>COMMUNITY HEALTH AND SAFETY: Prepare, adopt, and implement measures and actions to assess and manage risks and impacts to the community including in relation to the behavior of Project workers, as well as for construction activities.</td>
<td>03/2021</td>
</tr>
<tr>
<td>COMMUNITY HEALTH AND SAFETY: National ESMPs will require contractors to install safety systems (fences and safety guards) around project sites, as well as place the construction equipment (if any) in secured storage during the construction period.</td>
<td>03/2021</td>
</tr>
</tbody>
</table>

### ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>RESETTLEMENT POLICY FRAMEWORK: Resettlement Policy Framework with its GRM.</td>
<td>03/2020</td>
</tr>
</tbody>
</table>

### ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIODIVERSITY RISKS AND IMPACTS: Measures to avoid or address negative impacts on biodiversity and natural resources as a result of infrastructure activities will be included in national level ESMPs.</td>
<td>03/2021</td>
</tr>
</tbody>
</table>

### ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
INDIGENOUS PEOPLES PLANNING FRAMEWORK: Prepare, adopt, and implement an Indigenous Peoples Planning Framework (IPPF). This for the case of the Kalinagos in Dominica. 03/2020

ESS 8 Cultural Heritage

CHANCE FINDS: As part of the ESMF, develop a generic chance finds procedure. 03/2020

CHANCE FINDS: As part of the ESMPs, and when it is relevant, develop chance finds procedures as necessary. 03/2021

ESS 9 Financial Intermediaries

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:
None

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Ministry of Finance of Dominica

Borrower: Ministry of Finance, Economic Growth, Job Creation, External Affairs and Public Service of St. Lucia

Borrower: Ministry of Finance, Planning, Economic Development & Physical Development of Grenada

Borrower: Ministry of Finance, Economic Planning, Sustainable Development and Information Technology of SVG

Borrower: Eastern Caribbean Central Bank

Implementing Agency(ies)
Implementing Agency: Ministry of Public Service, Information and Broadcasting of St. Lucia

Implementing Agency: Ministry of Public Works and Digital Economy of Dominica

Implementing Agency: Projects and Technical Assistance Unit of the ECCB

Implementing Agency: Ministry of Finance, Economic Planning, Sustainable Development and Information Technology of SVG

Implementing Agency: Ministry of National Security, Public Administration, Home Affairs and ICT of Grenada

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VI. APPROVAL
Task Team Leader(s): Casey Torgusson, Peter McConaghy
Practice Manager (ENR/Social) Valerie Hickey Cleared on 31-Mar-2020 at 16:40:39 EDT