

**INTEGRATED SAFEGUARDS DATA SHEET
RESTRUCTURING STAGE**

Note: This ISDS will be considered effective only upon approval of the project restructuring

Report No.: ISDSR1004

Date ISDS Prepared/Updated: 19-Sep-2014

Date ISDS Approved/Disclosed: 29-Sep-2014

I. BASIC INFORMATION

1. Basic Project Data

Country:	Brazil	Project ID:	P106768
Project Name:	Rio de Janeiro Public Sector Modernization (P106768)		
Task Team Leader:	Lorena Vinuela		
Estimated Appraisal Date:	02-Apr-2010	Estimated Board Date:	26-Aug-2010
Managing Unit:	GGODR	Lending Instrument:	Technical Assistance Loan
Sector:	General public administration sector (36%), Public administration- Education (27%), Public administration- Health (18%), Health (10%), Information technology (9%)		
Theme:	Managing for development results (29%), Health system performance (30%), Education for all (27%), Social safety nets (14%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (in USD Million)			
Total Project Cost:	27.83	Total Bank Financing:	18.67
Financing Gap:	0.00		
Financing Source			Amount
Borrower			9.16
International Bank for Reconstruction and Development			18.67
Total			27.83
Environmental Category:	C - Not Required		
Is this a Repeater project?	No		

2. Current Project Development Objectives

The proposed Technical Assistance Project will support the GORJ's actions to: (i) reduce operational

costs; (ii) promote results-based management in key line departments, including training specialized public managers and developing information systems to improve efficiency and expand evidenced-based policy making; (ii) improve human resources and management in the education sector to drive learning improvements; and (iv) improve quality monitoring and resource utilization in the state's health network.

Proposed New PDO (from Restructuring Paper)

The proposed Technical Assistance Project will support the GORJ's actions to: (i) reduce operational costs; (ii) promote results-based management in key line departments, including training specialized public managers and developing information systems to improve efficiency and expand evidenced-based policy making; (ii) improve human resources and management in the education sector to drive learning improvements; and (iv) improve quality monitoring and resource utilization in the state's health network.

3. Project Description

The restructured project consists of the following components:

Component 1. Core Administrative Systems and Management Tools for Improved Performance and Efficiency [US\$ 6.87 million] supports: (a) the identification of suitable performance indicators and the design of an instrument for result-based management, as well as the acquisition of related information and technology (IT) hardware; (b) data collection for the Government of Rio de Janeiro (GORJ)'s real estate property database; and (c) strengthening of the GORJ's social security management.

Component 2. Strengthening Education Management Capacity, Teacher Instructional Practice and Incentives for School Effectiveness [US\$ 2.39 million] provides support to: (a) evaluate the impacts and cost effectiveness of GORJ's strategic programs; and (b) develop effective in-service training courses for teachers at the GORJ's Escola SEEDUC.

Component 3. Health Management and Information Systems [US\$1.89 million] supports: (a) the implementation of a new information system for medical supply-chain management; and (b) a new monitoring system to improve the incentive effects of the Program to Support Municipal Hospitals.

Component 4 [NEW]. Development of Institutional and Technological Capacity for Preventing and Performing during High-intensity Weather Events [US\$ 7.1 million] supports: (a) the development and implementation of an institutional and operational arrangement for disaster risk management; and (b) the acquisition and installation of two weather radar systems.

Component 5 [NEW]. Project Management that supports the strengthening of [US\$ 0.2 million] supports the strengthening of GORJ's capacity in Project management for the carrying out of activities associated with Project execution, monitoring, supervision and evaluation of the Project.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The environmental problems of the State of Rio de Janeiro are diverse. Key environmental issues are related to a massive urban development in an environmentally sensitive area. The Metropolitan area is characterized by a diverse topography. A significant portion of the Region is formed by mountains

and low lands. Natural vegetation remains in the mountains and steep terrains, with most low land being used for urban settlements.

The Metropolitan areas face numerous environmental problems, such as unplanned occupation of steep slopes and river margins, water quality degradation, air quality problems in specific areas and progressive degradation of the remaining preserved Atlantic Forest spots. The Rio de Janeiro Metropolitan area has Atlantic Forest ecosystems with high rates of biodiversity. Natural vegetation still responds for approximately one fourth of the area, including forest, mangroves, salt marshes and beaches, essential to the environmental equilibrium. The most significant remaining forest and conservation units are located in the foothills of the central mountainous region or close to the shoreline, in swampy areas in the vicinity of the Guanabara Bay, and the Western city of Rio de Janeiro. The forests, marshes and mangroves are located in regions where physical obstacles placed limits on expansion of economic activities or where they have stagnated due to socioeconomic realities and political conditions, allowing native vegetation to regenerate. The environment is unique and fragile, characterized by diverse topography and encroachment of urban settlements into environmentally sensitive areas, causing progressive environmental degradation. The World Bank support the Government of Rio de Janeiro in the strengthening of policies related to urban planning and environmental planning through operations and advisory work.

A social assessment was completed to explore the potential social impacts of the various components during the preparation of the second Technical Assistance Loan, initially designed as an Additional Finance to this project. It relied on secondary sources—mostly social assessments and poverty and social impact analyses carried out for previous DPL operations with the State and Municipality of Rio de Janeiro. These previous assessments relied on demographic and census data, ethnographic studies of the conditions of daily life of poor people, youth, women and vulnerable groups, and social assessment consultations. These previous assessments show that, despite having recently begun to improve after decades of economic stagnation and social deterioration, the State of Rio de Janeiro has not been able to convert economic growth into widespread, improved social well-being.

Although the proportion of poor and extremely poor in the State's population is smaller than in the rest of the country, social and economic inequality remains high in Rio de Janeiro. All regions of the State, metropolitan and non-metropolitan, present challenges to further reduce poverty and improve well-being.

These assessments tend to concur with the proposition that lower incomes, poverty and extreme poverty are closely and meaningfully correlated with race, generation and gender issues, lower levels of education, more limited access to public services, inadequate housing and higher vulnerability to violence and crime. Also, there is strong evidence that poverty and extreme poverty are considerably more widespread in the metropolitan region and disproportionately and overwhelmingly affect female-headed households with children (a trend towards a feminization of poverty) and afro-descendants who reside in precarious settlements and at-risk areas. The metropolitan region has expanded in the last decade toward peripheral zones and vertically within the favelas in a unique and fragile natural environment. The absence of a formal housing market and state policies for low-income housing has led poor families to locate themselves in underserved peripheral areas. Thus, the percentage of people living in substandard housing under precarious conditions and in at-risk areas has increased and, in recent years, at a rate three times faster than the growth rate of the city's population.

5. Environmental and Social Safeguards Specialists

Gunars H. Platais (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>The technical assistance project is expected to have positive indirect environmental impacts, given focus on capacity building of key institutions of the Rio de Janeiro Government, including the State Institute for the Environment. The fourth component "Development of Institutional and Technological Capacity for Preventing and Performing during High-intensity Weather Events," which entails the strengthening of disaster risk management systems, include the only activities that may have indirect environmental implications. This includes the acquisition and installation of two meteorological radar systems which involve construction activities with limited adverse environmental impacts. For this reason, the project has been re-categorized from "C" to "B" and safeguard policies have been triggered for Environmental Assessment (OP/BP 4.01). An Environmental and Social Management Framework (EMF) was prepared and disclosed in December 20, 2011. The document provides an overview of the environmental situation of the state and its legal framework; it discusses the potential impacts, preventive measures and those to mitigate them; and addresses subcomponents screening and eligibility and provides guidelines for the effective and timely implementation of environmental safeguards during Project implementation. It is available at: http://www.progestao.rj.gov.br/salvaguuardas_ambientais.asp</p> <p>The Environmental Assessment Safeguard is mandatory to all projects that may potentially have an environmental impact. The Involuntary Resettlement Safeguard is also triggered. The environmental and social assessments prepared for the Additional Finance, later approved as a separate project (P126735 - Strengthening Public Management and Integrated Territorial Development Technical Assistance Loan), covers the activities corresponding to strengthening of disaster risk management, which have been transferred to Component 4.</p>

Natural Habitats OP/BP 4.04	Yes	The project does not include conversion or degradation of critical natural habitats, and no significant impact on natural habitats is expected. However, due to potential unforeseen activities related to DRM this policy is triggered on a precautionary basis. The Environmental and Social Management Framework provides an analysis of the potential impacts on natural habitats and provides guidance on how to mitigate and minimize these.
Forests OP/BP 4.36	No	None of the project's activities will directly or indirectly influence the management or use of natural or plantation forests.
Pest Management OP 4.09	No	The project will not support the procurement or use of pesticides or other agricultural chemicals, or lead to the increased use of such chemicals.
Physical Cultural Resources OP/BP 4.11	No	The project does not involve excavations, earth movement, flooding or other major environmental changes.
Indigenous Peoples OP/BP 4.10	No	The project does not affect Indigenous Peoples and this policy has not been triggered. A screening exercise—relying on official information available from the National Agency of Indigenous Affairs (Fundacao Nacional do Indio)— did not reveal the presence of Indigenous Peoples with the four characteristics considered by this Policy within the project area. Indigenous Peoples in the State of Rio de Janeiro are found at the southernmost municipalities of Angra dos Reis and Parati, which are not affected by the project.
Involuntary Resettlement OP/BP 4.12	Yes	The sites for the installation of the two Weather Radar Systems have already been identified and are public and unoccupied lands. The Involuntary Resettlement policy is triggered nevertheless because the project supports technical assistance activities for disaster risk management that aims to propose an Action Plan for Implementation of the Proposals for the Disaster Risk Management Improvement Plan. This Disaster Risk Management Plan will include proposals of actions to handle adverse events that may include temporary or permanent preventive evacuation. The Involuntary Resettlement Policy was consequently triggered to ensure that actions for

		<p>handling adverse events through preventive evacuation will:</p> <p>(i) take into consideration the impacts on (a) the preventively relocated population, (b) the population that may continue living at the sites because the areas at high risk that cannot be controlled by any other measure but relocation is not always entirely coterminous with the territory of the community settled at the sites (such as, the breakdown of relationships and socioeconomic networks), and (c) the host population in the neighboring communities of the new settlements (such as, additional demands on public services and existing resources); and,</p> <p>(ii) include proper principles and guidelines to be applied by the State when: (a) any land acquisition might be undertaken by the State for the preventive relocation of people living in risk-prone areas and/or for the post-disaster relocation of affected people in places other than their original residences and places of business; and, (b) the abandoned lands that reverted to the State for relocation were encumbered by pre-existing use claims.</p> <p>A Resettlement Policy Framework was prepared by the State to set the principles and guidelines to be followed by the technical assistance project and will guide the preparation of the Plan for Disaster Risk Management. The RPF has been publicly disseminated on the project's website prior to approval of the second Technical Assistance Loan (http://www.progestao.rj.gov.br/salvuardas_ambientais.asp).</p>
Safety of Dams OP/BP 4.37	No	The project will not finance construction or rehabilitation of dams nor its activities rely on the operation of any existing dams.
Projects on International Waterways OP/BP 7.50	No	The project will not finance activities related to international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project will not finance activities in disputed areas.

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the Restructured project. Identify and describe any potential large scale, significant and/or irreversible impacts:

No direct negative environmental impacts are expected from project activities. However, due to activities related to the acquisition and installation of two weather alert radars, Environmental Safeguard Policy (OP/BP 4.01) is triggered to ensure that proper consideration is given to small civil works and potential future positive impacts that may result from better disaster risk prevention and management.

No direct negative social impacts are expected from project activities. However, due to activities related to the proposal of a Plan for Disaster Risk Management, the Involuntary Resettlement Policy (OP/BP 4.12) is triggered to ensure that proper consideration is given to set in this Plan proper principles to guide handling actions that may require the preventive relocation/evacuation of people living in high-risk areas.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The Project includes activities related to the strengthening of institutional and operational arrangements for Disaster Risk Management and the acquisition, installation and operationalization of two weather radar systems to improve the capacity of the State of Rio de Janeiro to prevent and manage high-intensity weather events. Indirect environmental and social impacts may arise from the improvement in the State's capacity to forecast weather events creating risks of landslides and through the impacts of future programs and changes in the State's disaster risk management and urban development policies involving the preservation of areas and the resettlement of populations living in regions vulnerable to landslides.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

Not applicable.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Government of Rio de Janeiro is making significant progress to improve its environmental management system. The Environmental Management Framework proposes institutional capacity strengthening measures and institutional arrangements to implement the Project. The State Environmental Institute (INEA) is fully capable of overseeing the implementation of the Framework and the resulting plans. It will also be the implementing agency for Component 4 (Development of Institutional and Technological Capacity for Preventing and Performing during High-intensity Weather Events).

Additionally, the State of Rio de Janeiro has notably improved its involuntary resettlement legislation and procedures in recent years and is capable of handling, monitoring, and implementing the social safeguards issues that may indirectly arise from future projects and programs or changes in the disaster risk management policy that involve resettlement of populations living in areas at high risk of landslides. Decree 41,148/2008 introduces as its main guidelines: (i) the participation of the affected people in all states of the resettlement process; (ii) the provision of resettlement options; (iii) strong mechanisms of communication with the population; and (iv) extensive consultation processes with the main stakeholders to address their concerns during implementation. These procedures are in accordance with most of the provisions of the Bank's resettlement policies.

It is important to underscore that as part of the preparation of the Strengthening Public Management and Integrated Territorial Development (P126735) and the restructuring of this project (which was intended originally as an Additional Finance to the first project), the World Bank team advised the State of Rio de Janeiro on how to strengthen resettlement policies and

worked closely with the relevant agencies to prepare, between July and December 2011, a Resettlement Policy Framework . The RPF, prepared, covers gaps between the state regulatory framework and the Bank's Involuntary Resettlement Policy. The Resettlement Policy Framework addresses the remaining gaps between the State's policies and the Involuntary Resettlement Policy (OP/BP 4.12) with regards to compensation of affected people without land tenure rights, compensation of losses related to economic displacement, compensation according to replacement value, and provision of easily accessible and responsive grievance mechanisms. The framework sets the principles and guidelines to be followed by the government in the situations in which activities, projects, programs and policies supported by the project may cause involuntary resettlement.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

For this operation, the key stakeholders are the State agencies whose institutional capacity will be strengthened through the supported activities. The State Secretariats of Planning and Management, Education, and Health, and the State Environmental Institute have been involved in the discussion and preparation of all safeguards documents and their capacity to meet safeguards requirements of the World Bank has been assessed. Safeguards have been triggered on a precautionary basis as most of Technical Assistance activities do not have direct adverse environmental or social impacts, but a few may lead indirectly to impacts when implemented through future programs or projects. By triggering such safeguards policies, agreements have been reached with the client on the need to incorporate environmental or social concerns that meet the World Bank's requirements on the preparation of the Terms of Reference underlying project activities. In addition to this, the State has a well-developed Environmental Management Framework and Resettlement Policy Framework and the necessary institutional capacity to minimize any potential negative impacts associated with the project. The Framework emphasizes the use of consultative processes in case specific plans need to be developed for any underlying activity.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	13-Dec-2011
Date of submission to InfoShop	19-Dec-2011
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Brazil	20-Dec-2011
<i>Comments:</i> The Environmental Management Framework was prepared in 2011 to cover the components of the restructured Rio de Janeiro Public Sector Modernization (P106768) and the Strengthening Public Management and Integrated Territorial Development (P126735) Technical Assistance Loans. The latter was initially designed as an Additional Financing to the first project and as such originally included all the components of the first Technical Assistance Loan. The document is available at: http://www.progestao.rj.gov.br/salvuardas_ambientais.asp .	
Resettlement Action Plan/Framework/Policy Process	
Was the document disclosed prior to appraisal?	

Date of receipt by the Bank	13-Dec-2011
Date of submission to InfoShop	19-Dec-2011
"In country" Disclosure	
Brazil	20-Dec-2011
<i>Comments:</i> The Resettlement Policy Framework was prepared in 2011 to cover the components of the restructured Rio de Janeiro Public Sector Modernization (P106768) and the Strengthening Public Management and Integrated Territorial Development (P126735) Technical Assistance Loans. The latter was initially designed as an Additional Financing to the first project and as such originally included all the components of the first Technical Assistance Loan. The document is available at: http://www.progestao.rj.gov.br/salvaguardas_ambientais.asp .	
Technical Assistance Project	
For a TA project which will finance the preparation of a specific safeguards instrument, please indicate type of document disclosed, if any.	
Not applicable.	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	
Not applicable.	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Lorena Vinuela	
<i>Approved By</i>		
Regional Safeguards Coordinator:	Name: Glenn S. Morgan (RSA)	Date: 26-Sep-2014
Practice Manager/ Manager:	Name:	Date: