Republic of the Union of Myanmar

Myanmar Flood and Landslides Emergency Recovery Project

Environmental and Social Management Framework (ESMF)

February 12, 2016
# Table of Contents

Abbreviations                                                                                     1
I.  Background                                                                                     2
II. Project Development Objective                                                              4
III. Project Description                                                                      4
IV.  Project Locations and Some Salient Social and Environmental Characteristics        6
V.   Possible Social and Environmental Impacts/Risks                                          8
VI.  Legal Framework                                                                          9
VII. National Legal Framework                                                                  10
VIII. World Bank Safeguard Policies                                                            14
X.   Institutional Arrangement                                                                 20
XI.  Project Monitoring and Grievance Mechanism (GRM)                                            24
XII. Capacity Development Plan                                                                27
XIII. Estimated Cost                                                                           27
XIV. Consultation and Disclosure                                                               28
XV.  Implementation Schedule                                                                  28
     Annex 1. Map of Myanmar with Project Investments                                          30
     Annex 2. Safeguard Screening Procedures and Safeguard Instruments                         31
     Annex 3: Resettlement Policy Framework                                                   38
     Annex 4: Indigenous People’s Policy Framework (EMPF)                                      53
     Annex 5: Environmental Code of Practice                                                   69
Abbreviations

ADB  Asian Development Bank
CDD  Community Driven Development
CIU  Component Implementation Unit
DRD  Department for Rural Development
EA   Environmental Assessment
ESMF Environmental and Social Management Framework
ESIA Environmental and Social Impact Assessment
FLERP Flood and Landslides Emergency Recovery Project
GoM  Government of Myanmar
GRM  Grievance Redress Mechanism
IBRD International Bank for Reconstruction and Development
IDA  International Development Association
IPF  Investment Project Financing
EMP  Ethnic Minority Plan
EMPF Ethnic Minority Planning Framework
MLFRD Ministry for Livestock and Rural Development
MOC  Ministry of Construction
NNDMC Post-Disaster Needs Assessment
PDNA National Natural Disaster Management Committee
RAP  Resettlement Action Plan
RCC  Recovery Coordination Committee
RPF  Resettlement Policy Framework
I. Background

1. **Heavy rains from July to September 2015 caused floods and landslides in Myanmar, significantly impacting its people and economy.** The 2015 floods were a rare event, one with an estimated return period of 20–50 years, depending on the location.\(^1\) Torrential rains started on July 16, 2015, saturating the ground. On 30 July, 2015 Cyclone Komen made landfall in Bangladesh bringing strong winds and additional torrential rains to Chin and Rakhine States, Sagaing, Magway and Bago regions.\(^2\) In Chin State, the monthly rainfall of July measured at the weather station in Hakha would be equal to a 1-in-1,000-year rainfall. The combination of heavy rainfall, high soil saturation, and unstable soils in hilly areas caused widespread and devastating landslides particularly in the Chin State. Up to 5.2 million people were exposed to heavy floods, strong winds and landslides in the 40 most heavily affected townships. Over 1.6 million people were temporarily displaced, 525,000 houses were impacted, and 132 lives were lost. On July 31, 2015, Myanmar’s President declared a state of emergency in Sagaing Region, Magway Region, Chin State, and Rakhine State, designating them as disaster-affected zones, in accordance with Article 11 of the Natural Disaster Management Law.

2. **A Post-Disaster Needs Assessment (PDNA) was conducted by the Government of Myanmar (GoM) between September 24 and October 12, 2015 to assess the impact on key sectors, understand the scale of economic impact, and support the process of recovery and reconstruction.** The PDNA estimates that the total economic value of the effects of the floods and landslides was approximately US$1.5 billion, equivalent to 3.1 percent of the GDP in 2014/2015.\(^3\) Of this, US$615.6 million was attributed to damages and US$892.9 million to losses. GDP growth could drop by 0.8 percentage points in 2015/2016 if recovery efforts are not undertaken. In addition, the current account deficit is expected to increase to above 8 percent of GDP and the fiscal deficit is projected at just under 5 percent of GDP.\(^4\) It is expected that at least 9.4 million workdays will be lost, along with US$16.9 million in personal wage income, due to the disaster.\(^5\) The disaster is also likely to cause noticeable production losses for businesses trying to recover activities to pre-disaster levels.

3. **The disaster dealt a serious and pervasive blow to the livelihoods of millions in 12 states and regions.** The floods and landslides caused destruction of public and private infrastructure, including houses, railways, roads, bridges, schools, health facilities, and other public buildings. Geographically, disaster effects were felt throughout the entire country, with an uneven distribution among states and regions. In terms of damage and production losses, the most-affected states and regions were Ayeyarwady, Sagaing and Bago. In terms of per capita effects, Chin residents sustained the highest value of damages and losses, closely followed by Rakhine, and then Ayeyarwady, Sagaing and Bago. The floods and landslides affected a population that even before the disaster was poorer than the rest of Myanmar’s population. Half of the most-affected 40 townships are in the two poorest states in Myanmar: Rakhine and Chin, which have

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\(^1\) Government of Myanmar. 2015. PDNA. Based on analysis conducted by Deltares. 12 October 2015.
\(^3\) Government of Myanmar. 2015. PDNA
\(^4\) Based on Myanmar's fiscal year 2015-2016 (April to March).
\(^5\) Government of Myanmar. 2015. PDNA.
poverty rates of 71 and 78 percent, respectively. In terms of per capita effects, Chin State sustained the highest value of damages and losses, followed by Rakhine State and the Ayeyarwady Region. The Ayeyarwady Region has the largest absolute number of poor in the country.

4. **Myanmar’s transport infrastructure was extensively damaged by the flooding and landslides, particularly in Chin, Sagaing and Rakhine.** Landslides had a major impact on road connectivity and the transport sector alone contributes about 50 percent to the total damages in the public domain. Damages are mainly concentrated in Chin State and the Sagaing Region, representing nearly 60 percent of the total damage and loss in the transport sector. Access to essential services in large towns and state capitals was cut off as a result of the flooding and landslides, with destroyed bridges blocking access to even the most basic mode of transport—foot traffic. Road infrastructure remains vulnerable to further damage and total failure until permanent repair works can be completed. The disaster has worsened the existing poor accessibility in rural areas and has resulted in even longer travel times for vulnerable rural populations. The lack of access on the rural road network also restricts the delivery of emergency supplies, and will continue to hamper recovery efforts for the most-affected communities. The PDNA estimates total damages and losses in the transport sector at US$65 million, the recovery needs for rural roads (temporary and permanent repairs improving resilience) at approximately US$55 million, which includes design, supervision, as well as price and physical contingencies.

5. **The effects of the floods and landslides on livelihoods and household income are significant and likely to be regressive, with poorer households struggling more than wealthier ones.** The PDNA demonstrates an uneven distribution of disaster effects, with most of them sustained in the private domain, including households and communities who suffered a decline in the quality of life and well-being, especially more vulnerable population groups, including women, children, and the elderly. Loss of income and livelihoods has been compounded by loss of assets and reduced access to social services. The effects on livelihoods are cumulative over time and are highly likely to result in significant problems for villagers throughout 2016 and beyond. Potential risks due to cumulative pressure on livelihood include high levels of food insecurity, high debt levels, and a range of negative coping strategies in response to these pressures. Food insecurity risks have longer-term consequences for young children and babies in utero. As the negative effects on livelihoods accumulate, it is those households least able to withstand economic shocks who will be hurt the most.

6. **On August 10, 2015, the Recovery Coordination Committee (RCC) was formed by the Government to lead the recovery.** The RCC is tasked to effectively manage the recovery planning and implementation. This includes developing a recovery strategy and establishing a Recovery Coordination Center to provide operational and information management support to the National Natural Disaster Management Committee (NNDMC) and the RCC. Chaired by the minister of the Ministry of Construction (MOC), the RCC consists of 28 members from respective line ministries. On 14 August, the Vice-President outlined a broad national recovery coordination structure, coordination mechanisms, and guiding principles for building back better. Based on the damages, loses and needs identified in the PDNA, the GoM has requested the World Bank support through a Flood and Landslide Emergency Recovery Project (FLERP).
II. Project Development Objective

7. The project development objective is to support recovery in priority disaster-affected areas and, in the event of another eligible crisis or emergency, to provide immediate and effective response to said eligible crisis or emergency.

III. Project Description

8. The project will support the resilient rehabilitation and reconstruction of infrastructure in the disaster-affected areas using principles of building back better to avoid recreation of vulnerabilities that contributed to the floods and landslides. Critical infrastructure will be rebuilt to a higher standard to reduce the risk of their destruction from future events. The project will rebuild public and community infrastructure, including roads and bridges that have been damaged or destroyed by the floods and landslides, using labor-intensive approaches to create employment and income generation opportunities for the affected communities.

9. The project will benefit communities affected by the 2015 floods and landslides across the most-affected states and regions, as well as social groups. Under Component 1, direct beneficiaries will include inhabitants in Chin State and Rakhine State through restored road access and safer road network. Under Component 2 direct assistance to the affected communities will be provided through labor-intensive rehabilitation and sustainable maintenance of damaged local infrastructure, particularly roads and bridges in Ayeyarwady, Bago, Magway, Sagaing, Yangon and potentially Rakhine. Vulnerable groups will be targeted in the labor-intensive works, as the project will include criteria for selection of participating communities, such as number of poor people and high level of flood-impact (top 40 townships).

10. The project consists of four components: (i) Climate-Resilient National Infrastructure Rehabilitation, (ii) Rehabilitation of Rural Roads and Livelihoods Support, (iii) Emergency Response, and (iv) Project Management.

Component 1: Climate-Resilient National Infrastructure Rehabilitation (US$105 million)

11. The objective of this component is to support the disaster and climate-resilient rehabilitation of damaged national road infrastructure and improve the connectivity in the affected areas. The affected areas will benefit from the restored access to markets thereby increasing the economic growth and access to social services. The restored roads and bridges will also serve as supply and rescue lines in the event of a disaster. Provision of sustainable connectivity through the improvements of the feeder roads systems for populations located in the vicinity of these corridors will be explored under the Component. The component activities will finance: (i) rehabilitation/reconstruction of damaged national (highway) roads and bridges; (ii) land slide protection and slope stabilization; (ii) associated drainage system; (iii) road pavement/ bridge improvement, including possible road realignment; (iv) traffic safety facilities (reflecting mirrors,
evacuation road sections, guardrails, retaining walls); and other structures to increase resilience. This component will be implemented by the Ministry of Construction (MOC) in Chin and Rakhine.

**Component 2: Rehabilitation of Rural Roads and Livelihoods Support (US$70 million)**

12. This component will support the rehabilitation/reconstruction and maintenance of selected rural roads and bridges that have been destroyed during the floods. The roads identification and prioritization process will target communities most-affected by the disaster. These interventions will create jobs while simultaneously repairing rural infrastructure and indirectly regenerating farmer’s agricultural production. While rehabilitating the rural road network, a build-back-better approach will be taken, whereby sound engineering designs will be applied to enhance the resilience to natural hazards. Design standards of roads and drainage structures will be reviewed and capacity-building to Government staff and local contractors will be provided. The rehabilitation of roads will be complemented by routine maintenance and to ensure sustainability of project investments. Maintenance would be performed by communities living alongside the rehabilitated roads, organized in "maintenance groups", paying special attention to employment opportunities to women living in the communities beside the roads. The component will be implemented by the Department of Rural Development (DRD) under the Ministry of Livestock, Fisheries and Rural Development (MLFRD) in Ayeyarwady, Bago, Magway, Sagaing and Yangon.

**Component 3: Emergency Response (US$15 million)**

13. The objective of this component is to improve Myanmar’s capacity by providing emergency recovery and reconstruction support following an eligible crisis or emergency. The component includes two sub-components. Subcomponent 3.1 Contribution to IDA IRM (US$15 million) will support the activation of IDA IRM in response to the 2015 July-September floods and landslides. The sub-component will finance expenditures from an approved list of goods to be financed in line with the Contingent Emergency Response Implementation Plan (CERIP) developed for the IDA IRM activation, as well as the IDA IRM Operations Manual developed by the GoM and approved by the World Bank. In line with the PDNA results, the IDA IRM will primarily support the recovery of the agriculture, fisheries and livestock sectors financing essential goods for the use across disaster-affected States and Regions, such as storage and construction materials, small industrial machinery, seeds, animal feed, as well as distribution and fuel products. Subcomponent 3.2 Contingent Emergency Response (US$0) allows for a rapid reallocation of credit proceeds from other components to provide emergency recovery and reconstruction support following future eligible crisis or emergency, or can be used to channel additional funds in response to an emergency. The sub-component 3.2 would finance public and private sector expenditures on a positive list of goods and/or specific works, goods, services and emergency operation costs required for the specific emergency recovery. A Contingent Emergency Response Implementation Plan will apply to this component, detailing financial management, procurement, safeguard and any other necessary implementation arrangements. The implementation of this component is overseen by the Ministry of Finance (MOF).

**Component 4: Project Management (US$10 million)**
14. The objective of this component is to provide efficient and effective management and implementation support to the project and components, including expertise and staff costs, operating costs, office equipment and the cost of audits. It will also provide efficient coordination and reporting of the different components of the Project. It will provide institutional support and capacity development for project management, coordination, technical and safeguards, implementation (including preparation of safeguards instruments), as well as monitoring and evaluation.

IV. Project Locations and Some Salient Social and Environmental Characteristics

15. Based on the results of the PDNA, the project will be implemented in priority areas in the most severely affected sectors and geographical areas. Component 1 will be implemented in Chin and Rakhine. Component 2 will be implemented in Ayeyarwady, Bago, Magway, Sagaing and Yangon. A map of the project investments in included in Annex 1.

16. In Chin State, the project will focus on the affected Kale-Hakha corridor. Landslides are frequent in the Kale-Hakha corridor but the 2015 rainy season, a one in a thousand year event, has exacerbated this trend. The Chin Hills and mountains are generally fragile and vulnerable to landslides and erosion. The population along the Kale-Hakha corridor is mostly rural, with a number of relatively small settlements along the road including Falam and Lumbang. The Kale-Hakha corridor runs through a hilly forested area, mostly consisting of Pine and Oak forests, in overall good condition – most of the clearings observed are located around the human settlements or caused by the landslides. There are no Natural Protected Areas in the Kale-Hakha corridor.

Figure 1 Kale-Hakha Corridor
17. The project will support the Gwa-Ngathaingchaung Corridor, approximately 78km, connecting the south of Rakhine to the Irrawaddy Region. Overall, the Gwa-Ngathaingchaung corridor runs through hilly areas covered in semi-evergreen and evergreen areas. Some of the tree species include teak, pikandoo and other hard wood trees, as well as Kayhin bamboo and the locally called Mountain Mango. The road runs through Protected Public forest, which is concessioned out to private holders in 30-year leases. The Yoma Wildlife Sanctuary, located north of the Gwa-Ngathaingchaung Corridor, homes a wide range of wildlife such as elephants, Asian black bear, deer, gibbons, and the Arakan Forest turtle, which was believed to be extinct but was just recently found again in this area.

18. The project will support rural roads rehabilitation and temporary/maintenance employment opportunities in Rakhine, Sagaing, Ayeyarwady and Magway, Bago and Yangon. These states and regions are located in the Central Valley, along the Irrawaddy River, and the Arakan Mountains in the west (Rakhine). The specific areas and townships supported by the project in each state and region are yet to be determined as well as the particular salient environmental features surrounding the proposed project sites.

19. Diverse ethnic minority groups live in project areas. The Chin ethnic group constitute the majority in Chin state, including along the Kale-Hakha corridor and its rural feeder roads. Some
smaller ethnic groups who broadly belong to Chin group such as Hakha, Falam, Senthaung, Zo, Tawr and Baulkhaw people are also known to be present along the Kale-Hakha corridor. Component 1 will also be implemented in Rakhine state where some two-thirds of the population are Rakhine, approximately one-third are Muslim, along Chin and other small ethnic groups. Component 2 will be implemented in: (i) Sagaing State where the majority are ethnic Burmese people, although other ethnic groups such as Chin and Shan people also live there, (ii) Ayeyarwady region where the majority are ethnic Burmese but also Kayin people and other small ethnic groups live there; (iii) Bago region where ethnic Burmese, Kayin, Mon and Shan people live; and (iv) Yangon.

V. Possible Social and Environmental Impacts/Risks

20. The Component 1 and 2 will support the rehabilitation and reconstruction works on national and rural roads which will be mostly implemented within the existing road’s right of ways. In certain areas, the rehabilitation and reconstruction works could entail minor realignments and strategic widening of the road to two lanes. The project will support analytical work (e.g. landslide risk assessments, feasibility studies, environmental and social instruments) to support the design and location of the investments. Significant, irreversible and unprecedented environmental impact is not anticipated and mitigation measures are expected to be readily available.

21. The project will support build-back-better approaches for the affected infrastructure. Some of these build-back-better approaches could include physical works for landslide protection such as improved drainage and slope stabilization; as well as technical assistance such as design reviews or feasibility studies for long-term landslide protection measures. Build back better approaches are expected to contribute positively by promoting the integration of resilient and innovative ideas/technologies for road infrastructure, on case by case basis, e.g. rainwater harvesting methods, irrigation and drainage, safe location, flood resistant structures, re-use of salvaged material, etc.

22. Materials for road construction are generally sourced locally – the Kale-Hakha and the Gwa-Ngathaingchaung corridors have quarries along the road. Local extraction of construction material (e.g. sand, gravel, clay, wood) could increase vulnerability to landslides and soil erosion. In addition, better connectivity could increase the pressure to local resources, including forestry. Small-scale construction works have risks related to health and safety and can cause temporary air and water pollution due to the handling of construction material. Occupational health and safety of construction workers is a widespread issue in Myanmar. Cultural sites could be located in the vicinity of FLERP supported subprojects (e.g. burial sites, shrines) and could be temporarily affected by them. Some of the possible environmental and social impacts and risks of the project are summarized below.

23. Environmental Impacts:
   (a) The construction of road infrastructure could put pressure on the existing forest resources and local resources, due to increased access to markets and for extraction of construction materials (rick, gravel, sand, wood, etc). Better connectivity could increase the likelihood of land use change, soil erosion and landslides;
   (b) Occupational and community health and safety risks related to rural road construction, workers camps and road safety;
(c) Impact on environmental health and sanitation due to removal and disposal of debris/demolition materials which will potentially lead to water/air pollution;
(d) Impact on cultural resources, including burial sites located along the roads;
(e) Positive impact on the local forest and environment can be anticipated through the promotion of environmental good practices like afforestation programs, slope stabilization through re-vegetation, and bio-engineering activities;
(f) ‘Build back better’ and disaster risk reduction will be supported through the adoption of new and resilient engineering technologies for constructing of roads, contributing to long-term sustainability of project results.

24. **Social Impacts and Risks:**
   (a) Positive benefits to disaster-affected people including poor, women, indigenous peoples (IPs), in the form of improved access to critical infrastructure and services, as well as direct income support;
   (b) Minor loss of land or assets as a result of realignment without widening of roads;
   (c) Potential loss of livelihood and damages to crops and trees;
   (d) Inadequate consultations with vulnerable groups including IPs, women and other marginalized groups; and
   (e) Ineffective mechanisms for benefit targeting and information dissemination leading to exclusion of marginalized groups from project benefits.

25. The Component 3 will be implemented through the Immediate Response Mechanism (IRM) which is currently under development. It will finance essential products and equipment such as vehicles, animal feed, supplies and gear, emergency kits content (e.g., blankets, clothes), medicine and basic medical equipment. It will not finance any civil works. Potential environmental impact of this component will be addressed through the Environmental Code of Practice (ECOP) to be developed for the IRM. No activity will commence under this Component before the ECOP is prepared and cleared by the Bank. This requirement will be provided as a disbursement condition under the Project legal agreements. No negative impact is expected to occur to ethnic minorities under this Component. However, where this component will be implemented, an ethnic screening will be conducted and if an ethnic minority community is found to be present in project affected areas, free, prior and informed consultations will be conducted in a manner of rapid participatory SA, their broad community support be ascertained, and a simple EMP will be developed.

26. **Consideration of Alternatives:** the project will support rehabilitation and reconstruction activities of damaged roads. During implementation, alternatives for specific road infrastructure will be considered, also as part of “build back better” principles. Some of these alternatives could entail minor-realignments in challenging landslide prone areas; small scale community infrastructure location and design; demolition and clearing of land/disposal of debris where existing housing or community infrastructure is not salvageable; relevant environmental good practices such as reforestation as slope stabilization, forest compensation, rainwater harvesting; as well as construction materials such as locally sourced timber, sand, clay, concrete blocks, etc.

**VI. Legal Framework**
VII. National Legal Framework

27. **National Environmental laws and Regulations**: The GoM is currently in the process of updating and developing its environmental legal and institutional framework. The 2012 Conservation Law provides a general mandate for the Ministry of Forestry and Environmental Conservation (MOECAF) to implement environmental conservation policies, prescribe environmental quality standards, hazardous waste and waste management and pollution control produce an Environmental Assessment System. The EIA rules and procedures were recently approved in December 29th, 2015. Specific sectoral laws like the Road Construction Law, allows the MOC to widen any existing road up to 75 feet each side and inform MOECAF. Table 1 summarizes the main aspects of the draft EIA rules vis-a-vis the World Bank Operational Policy (OP) 4.01 procedures.

**Table 1 National Draft EIA rules versus OP/BP 4.01 EIA requirements**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Draft EIA Rules</th>
<th>OP 4.01</th>
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<tbody>
<tr>
<td>Screening</td>
<td>Lists projects that require environmental examination including land use change, exploitation of resources for introduction of new species. MOECAF shall determine the format and timing of the reports. MOECAF will determine the type of environmental assessment required based on the environmental examination.</td>
<td>The Bank screens all projects and classifies them into one of four categories (Category A, B, C, and FI), depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts.</td>
</tr>
<tr>
<td>Triggers</td>
<td>Projects with significant environmental impact</td>
<td>All projects financed by the World Bank. EA process depth will depend on the risk and impacts associated with the Project.</td>
</tr>
<tr>
<td>Responsibilities</td>
<td>Project proponent leads the EA process</td>
<td>Borrower leads the EA process</td>
</tr>
<tr>
<td>Issue</td>
<td>Draft EIA Rules</td>
<td>OP 4.01</td>
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<td>Public participation</td>
<td>MOECAF shall arrange as it deems necessary for Public Participation. In the process of approving the EIA report, MOECAF shall take into account suggestions from project affected people and civil society. However, the rules do not specify the process of receiving feedback or incorporating it into the proposed project.</td>
<td>For all Category A and B projects, during the EA process, the borrower consults project-affected groups and local nongovernmental organizations (NGOs) about the project's environmental and social aspects and takes their views into account. The borrower initiates such consultations as early as possible. For Category A projects, the borrower consults these groups at least twice: (a) shortly after environmental screening and before the terms of reference for the EA are finalized; and (b) once a draft EA report is prepared. In addition, the borrower consults with such groups throughout project implementation as necessary to address EA-related issues that affect them.</td>
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<td>Discourse</td>
<td>The Project proponent shall disclose all relevant project information to MOECAF. No further requirement of disclosure to project affected people or civil society is made in the EIA rules.</td>
<td>The borrower provides relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted. Any separate Category B report is made available to project-affected groups and local NGOs. Public availability in the borrowing country and official receipt by the Bank of Category A reports, and of any Category B report, are prerequisites to Bank appraisal of these projects.</td>
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<td>Once the borrower officially transmits the Category A EA report to the Bank, the Bank distributes the summary (in English) to the executive directors (EDs) and makes the report available through its InfoShop. Once the borrower officially transmits any separate Category B EA report to the Bank, the Bank makes it available through its InfoShop.</td>
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<td>If the borrower objects to the Bank's releasing an EA report through the World Bank InfoShop, Bank staff (a) do not continue processing an IDA project, or (b) for an IBRD project, submit the issue of further processing to the EDs.</td>
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</table>
28.  **Physical Cultural Resources and Natural Habitats:** The Environmental Conservation Law provides MOECAF with the mandate to “cooperat[e] with the relevant Government departments and Government organizations in the matters of environmental conservation for perpetual existence of cultural heritage sites and natural heritage sites, cultural monuments and natural areas stipulated under any existing law.” Specific regulations and implementation responsibilities are being developed.

29.  **Land Laws:** Farmland Law was adopted in March 2012. It affirms that the state is the ultimate owner of all land. It also provides a private use right over farmland that includes the right to sell, exchange, inherit, donate, lease and ‘pawn’ the land. The Farmland Law also covers conditions under which farmers can retain use-rights, the state’s power to rescind such rights, the
process for settling land-related disputes, and basic requirements for compensation in the case the state acquires the land for public purposes.

30. The Vacant, Fallow and Virgin Lands Management Law was also enacted in 2012. It governs the allocation and use of virgin land and vacant or fallow land. This law provides establishment of the Central Committee for the Management of Vacant, Fallow and Virgin Lands (CCVVFV), which is responsible for granting use rights for such lands.

31. The 1894 Land Acquisition Act remains the primary law governing compulsory land acquisition. The Act permits the government to acquire land for public purposes and requires it to compensate land users. Its provisions include the procedures for required notice for acquisition of land and objections or appeals, as well as land valuation methods.

32. **Legal framework with regard to ethnic minorities:** According to Chapter 1, clause 22 of the 2008 Constitution of Myanmar, the Union Government of Myanmar is committed to assisting in developing and improving the education, health, language, literature, arts, and culture of Myanmar’s “national races.” It is stated, that the “Union shall assist:

(a) To develop language, literature, fine arts and culture of the National races;
(b) To promote solidarity, mutual amity and respect and mutual assistance among the National races; and
(c) To promote socio-economic development including education, health, economy, transport and communication, [and] so forth, of less-developed National races.”

33. The Myanmar constitution provides equal rights to various ethnic groups included in the national races and a number of laws and regulations aim to preserve their cultures and traditions. This includes the establishment of the University for the Development of the National Races of the Union which was promulgated in 1991 to, among other things, preserve and understand the culture, customs and traditions of the national races of the Union, and strengthen the Union spirit in the national races of the Union while residing in a friendly atmosphere and pursuing education at the University.

34. There is no central government agency with the responsibility for addressing particular issues pertaining to ethnic minorities. The vast majority of Myanmar’s ethnic minorities live in the seven States and these are in most cases led by the main ethnic minority in the respective States. In relation to previous ceasefire agreements, ethnic minority groups were granted authority over political and economic affairs in their areas, covering large areas of the States. Social and other public services were developed by ethnic authorities, often with support from NGOs, and are still operating in many areas.

35. Free media is developing and ethnic parties and associations are politically active in the country. Ethnic minority organizations may also play a stronger role going forward through the current Government’s decentralization efforts which would afford States and Regions to play a more prominent role in decision-making and implementation of various policies and programs.
Following the general elections held in November 2015, the Government is currently in transition. The National League for Democracy (NLD), led by Daw Aung San Suu Kyi, has won 79.4 percent of the contested seats. With an absolute majority of seats in Parliament, it will be able to elect the President, form the Cabinet, and pass bills. The new parliament is expected to be seated on February 1, 2016, with the President expected to be elected by the full house in February. The President will then form a Cabinet, which is expected to take office on April 1, 2016. Since 2011, major political changes have been taking place with a dramatic increase in political and civil liberties and a reduction in armed conflict, although conflict continues in Kachin State and northern Shan State. At the same time, new tensions and challenges have emerged, including conflict in Rakhine State in 2012, which led to widespread displacement. Addressing the emergency effectively will be important for both the outgoing and incoming government in helping ensure continuous support to communities affected by the disaster.

VIII. World Bank Safeguard Policies

1. The overall objective of the World Bank’s safeguard policies is to help ensure the environmental and social soundness of investment projects, including enhancing project outcomes for local communities, including the poor, ethnic minorities, women and other marginalized communities. Since minor environmental impacts, temporary impacts to cultural resources, and minor loss of private land or assets may occur as a result of road reconstruction and rehabilitation and given the presence of ethnic minorities in project affected areas, the FLERP triggers the Bank’s OP 4.01, OP 4.04, OP 4.36, OP 4.11, OP 4.09, OP 4.12 and OP 4.10. A brief description of each policy is provided below.

2. Environmental Assessment (OP 4.01): The Bank requires environmental assessment (EA) of projects proposed for Bank financing to help ensure that they are environmentally sound and sustainable, and thus to improve decision making.

3. EA is a process whose breadth, depth, and type of analysis depend on the nature, scale, and potential environmental impact of the proposed project. EA evaluates a project's potential environmental risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts; and includes the process of mitigating and managing adverse environmental impacts throughout project implementation. The Bank favors preventive measures over mitigatory or compensatory measures, whenever feasible.

4. The borrower is responsible for carrying out the EA. The Bank advises the borrower on the Bank's EA requirements. The Bank reviews the findings and recommendations of the EA to determine whether they provide an adequate basis for processing the project for Bank financing. When the borrower has completed or partially completed EA work prior to the Bank's involvement in a project, the Bank reviews the EA to ensure its consistency with this policy. The Bank may, if appropriate, require additional EA work, including public consultation and disclosure.

5. Natural Habitats (OP4.04): The conservation of natural habitats, like other measures that protect and enhance the environment, is essential for long-term sustainable development. The Bank therefore supports the protection, maintenance, and rehabilitation of natural habitats and their
functions in its economic and sector work, project financing, and policy dialogue. The Bank supports, and expects borrowers to apply, a precautionary approach to natural resource management to ensure opportunities for environmentally sustainable development.

6. **Forests (OP 4.36):** The management, conservation, and sustainable development of forest ecosystems and their associated resources are essential for lasting poverty reduction and sustainable development, whether located in countries with abundant forests or in those with depleted or naturally limited forest resources. The objective of this policy is to assist borrowers to harness the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests.

7. Where forest restoration and plantation development are necessary to meet these objectives, the Bank assists borrowers with forest restoration activities that maintain or enhance biodiversity and ecosystem functionality. The Bank also assists borrowers with the establishment and sustainable management of environmentally appropriate, socially beneficial, and economically viable forest plantations to help meet growing demands for forest goods and services.

8. **Physical Cultural Resources (OP 4.11):** This policy addresses physical cultural resources, which are defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community.

9. Physical cultural resources are important as sources of valuable scientific and historical information, as assets for economic and social development, and as integral parts of a people’s cultural identity and practices.

10. The Bank assists countries to avoid or mitigate adverse impacts on physical cultural resources from development projects that it finances. The impacts on physical cultural resources resulting from project activities, including mitigating measures, may not contravene either the borrower’s national legislation, or its obligations under relevant international environmental treaties and agreements.

11. **Involuntary Resettlement (OP 4.12):** This policy aims to achieve the following objectives:

   (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.
   (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project
benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

12. The policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by (a) involuntary taking of land resulting in (i) relocation or loss of shelter; (ii) lost of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

13. The policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing, and to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.

14. If the policy is triggered, the borrower prepares a resettlement plan or a resettlement policy framework that covers the following: (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are (i) informed about their options and rights pertaining to resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and (iii) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the project.

15. **World Bank Indigenous Peoples Policy (OP 4.10):** For all projects that are proposed for Bank financing and affect Indigenous Peoples, the Bank requires the borrower to engage in a process of free, prior, and informed consultation. The Bank provides project financing only where free, prior, and informed consultation results in broad community support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples’ communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

16. If, based on the ethnic screening, the Bank concludes that Indigenous Peoples are present in, or have collective attachment to, the project area, the borrower undertakes a social assessment to evaluate the project’s potential positive and adverse effects on the Indigenous Peoples, and to examine project alternatives where adverse effects may be significant. On the basis of the Social Assessment and in consultation with the affected Indigenous Peoples’ communities, the borrower prepares an Ethnic Minority Plan (EMP) that sets out the measures through which the borrower will ensure that (a) Indigenous Peoples affected by the project receive culturally appropriate social
and economic benefits; and (b) when potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for.

17. Some projects involve the preparation and implementation of annual investment programs or multiple subprojects. In such cases, and when the Bank’s screening indicates that Indigenous Peoples are likely to be present in, or have collective attachment to, the project area, but their presence or collective attachment cannot be determined until the programs or subprojects are identified, the borrower prepares an Ethnic Minority Planning Framework (EMPF). The EMPF provides for the screening and review of these programs or subprojects in a manner consistent with this policy.

IX. Project approach to Addressing Environmental and Social Safeguard issues

18. This ESMF provides general policies, guidelines and procedures to ensure that the proposed project is implemented in an environmentally and socially sustainable manner and in line with the applicable World Bank safeguard policies. It applies to all project components. Specifically it aims to achieve the following:

   (a) Minimize potential negative environmental and social impacts;
   (b) Enhance positive environmental and social impacts wherever possible;
   (c) Ensure that ethnic minorities are meaningfully consulted and that they receive project benefits in a culturally appropriate manner;
   (d) Prevent and, where unavoidable, fully compensate loss in livelihood associated with or caused by the project; and
   (e) Develop the capacity of the implementation agencies to manage environmental and social impacts in partnership with the affected communities.

19. The ESMF provides guidance to environment and social safeguard planning and compliance during implementation of investments to be financed under the project (“subprojects”). As sub-projects will be identified and proposed for financing in a continuous manner during the project implementation period, screening for potential environmental and social impacts will be conducted and mitigation and management measures will be developed in line with this ESMF.

20. Environmental and social impact screening, mitigation and management measures development and implementation will follow these steps:

   (a) Step 1 - Identification of sub-projects according to the selection criteria;
   (b) Step 2 - Screening for potential environmental and social safeguard impacts and determination of safeguards instruments for each Sub-project;
   (c) Step 3 - Review of the safeguards screening by World Bank;
   (d) Step 4 – Development of safeguard instruments, consultation and disclosure;
   (e) Step 5 - Review and clearance of the safeguard instruments within the government and by the Bank;
   (f) Step 6 - Implementation of agreed actions; and supervision, monitoring, and evaluation
21. **Step 1 – Identification of Sub-projects According to the Selection Criteria:** In accordance with the Project’s legal agreements and Operations Manual, all sub-projects will be identified using a set of standard selection criteria provided below:

(a) Contained in the respective national, provincial and local Government’s recovery plans;
(b) Within either infrastructure or social sectors;
(c) Consistent with national and local development plans;
(d) Given first priority if they address restoration of destroyed or damaged services or facilities, especially those for vulnerable groups, for which no other sources of reconstruction financing are available;
(e) Consistent with World Bank Environmental and Social Safeguard policies;
(f) In accordance with national, provincial, and local standards, procedures and codes;
(g) Designed to ensure sustainable service delivery, including the financing of equipment and capacity building;
(h) Designed based on a rational and efficient option analysis including technical, financial, social, environmental and safety considerations;
(i) Scaled and phased in accordance with current and appropriately projected demand;
(j) Able to be completed prior to the Loan Closing Date set forth in the Loan Agreement.

22. During Step 1, the environmental and social specialists from the implementation agencies will participate in the identification and selection of sub-projects. They will evaluate and provide input, as appropriate, on ways to optimize the sub-project concepts to reduce environmental and social impacts.

23. **Step 2 - Screening for Potential Environmental and Social Safeguard Impacts and Determination of Safeguard Instruments for Each Sub-project.** Once sub-projects have been identified, environmental and social specialists from the implementation agencies will screen each sub-project for potential environmental and social safeguard impacts to determine the nature and extent of the environmental and social due diligence needed before government and Bank approval of each sub-project. In particular, any preparatory works that the GoM may have conducted to the Sub-project proposed for the Bank’s financing will be subject to the environmental and social due diligence, so any outstanding gaps from the Bank’s safeguard policies will be identified and measures will be taken to fill them, before the project activities commence. The choice of instruments (ESIA, ESMP, RAP, ECoP etc.) for each sub-project depends on the nature and magnitude of its potential impacts.

24. The implementation agencies and their environmental and social safeguard specialists will concurrently screen each sub-project, and determine the categorization and the type of safeguards instruments that will be required for each sub-project the safeguard instruments (which need to be prepared and implemented. Annex 1 provides guidance for an initial screening and the types of safeguard instruments to be developed, but they will include the following:

(a) ESMP
(b) ECOP
(c) RAP: if over 200 people will need to be involuntarily resettled. If fewer people need to be resettled, then an abbreviated RAP will be required.
(d) Social assessment (SA) if ethnic minorities are present in or have collective attachment to respective sub-project areas.
(e) Ethnic Minority Plan (EMP) if an ethnic minority community would be affected by the sub-project.
(f) Corrective Action Plan (CPP), if the environmental and social due diligence finds any outstanding gaps from the Bank’s safeguard policies.

25. It is expected that the Project will support only Category B Projects. Category A projects will be excluded from Project financing – an specific section will be included in the screening form. FLERC objective is to support recovery in priority disaster-affected areas. FLERC will finance only rehabilitation works and spot improvements on existing rural and mountainous roads and therefore the environmental impacts are expected to be site-specific, reversible; and in most cases with mitigation measures readily available. The project will not finance new infrastructure or major realignments (of several kilometers) or any other measure beyond recovery works.

26. **Step 3 – Review of the Safeguards Screening by the World Bank:** The implementation agencies will prepare a safeguards screening summary for each sub-project in a format specified in the Operations Manual. This will summarize: (a) the environmental categorization; and, (b) environment and social safeguard instruments to be developed for respective sub-projects. The safeguards screening summary will be part of the sub-project identification package that will be submitted to the Bank by the implementation agency. The Bank will review and confirm the safeguards screening of all sub-projects based on the information provided by the implementation agency in the screening summary. It is expected that FLERP will support only Category B Projects. Reviews of the screening of other Category B and C projects will be conducted by the Bank on a selective basis to verify that the screening tools and choice of documents are being applied appropriately and consistently.

27. **Step 4 - Development of Safeguards Instruments, Consultation and Disclosure:** Once the result of the screening and types of safeguard instruments to be developed are agreed by the Bank and confirmed by the government, the project implementation agencies will develop respective safeguard instruments. The detailed processes and procedures to develop the RAP and EMP, including their templates, are provided in the Resettlement Policy Framework (RPF) and the Ethnic Minority Planning Framework (EMPF) attached to this ESMF.

28. Safeguard documents will be subject to consultation and disclosure in an accessible place, in a timely manner, in a form and language understandable to key stakeholders, prior to the finalization of the said documents. Particular attention will be given to ensure projected affected persons gets adequate time and ready access to draft documents before consultation takes place.

29. The Table 2 provides a summary of the expected environmental categorization, safeguard instruments to be developed, where respective activities may be implemented and which agencies are responsible for implementation. It is important to note here that this ESMF applies to the entire project; screening will therefore be carried out across all project components for potential environmental and social impacts, policies triggered, sub project category, and identification of social / environmental instruments to be prepared.
### Table 2 Potential Safeguards Categorization, Sub Project Environmental and Social Instruments, Location and Implementation Arrangements by Project Component

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Potential Category</th>
<th>Potential Subproject EI</th>
<th>Sub-project SI</th>
<th>Location</th>
<th>Tentative Project Implementation Arrangements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1. Climate-Resilient National Infrastructure Rehabilitation</td>
<td>B</td>
<td>ESIA, ESMP, ECoP and/or Occupational and Community Health and Safety Guidelines</td>
<td>RAP or abbreviated RAP; SA; EMP</td>
<td>Kalay Hakha corridor (Chin State), Gwa-Ngathaingchaung (Rakhine State)</td>
<td>MoC</td>
</tr>
<tr>
<td>Component 2. Rehabilitation of rural roads and temporary employment generation</td>
<td>B</td>
<td>ESMP, ECoP, Occupation and Community Health and Safety Guidelines</td>
<td>RAP or abbreviated RAP; SA; EMP</td>
<td>Irrawaddy, Sagaing Magway, Yangon and Bago</td>
<td>MLFRD (DRD)</td>
</tr>
</tbody>
</table>

30. **Step 5 – Review and clearance of the safeguard instruments within the government and by the Bank:** the implementation agencies will submit the draft safeguard instruments prepared under the Step 6 to the Bank for review and comments. Project activities will not commence before clearance is obtained from the Bank to respective safeguard instruments.

31. **Step 6 – Implementation of Safeguard Instruments, Supervision, Monitoring and Evaluation:** For Component 1, MOC will be responsible for the implementation, including safeguards aspects. For Component 2, a DRD under MLFRD is responsible for implementation, including safeguards. Specifically, the CIUs are responsible for the preparation and implementation of safeguards instruments including the ECoP (and EMP if required), voluntary donation forms, abbreviated RAP or full RAP, as applicable, according to the policies and procedures laid out in this ESMF. The respective implementation agency will ensure that no physical land acquisition or resettlement of affected people commences before an abbreviated RAP or RAP has been implemented, or before the voluntary donation form is signed by the affected household(s) and reviewed and approved by the respective implementation agencies.

### X. Institutional Arrangement

32. The organizational chart for the project presented in Figure 2 is based on discussions with the heads of three Ministries of involved (MOC, MOF, MLFRD) and shows the proposed institutional set up, described below.

**Figure 2 Overall Institutional and Implementation Structure**
33. **A Project Steering Committee** (A central element of the proposed institutional arrangements is that the existing national Recovery Coordination Committee (RCC) will serve as an anchor for the Project Steering Committee (SC). The RCC was formed in August 2015 and consists of 28 members from respective line ministries. It is tasked to lead the recovery and govern the Recovery Coordination Center, which provides operational and information management support to the Natural Disaster Management Committee (NDMC). The RCC is chaired by the Minister of Construction. For the proposed project, a subcommittee of the RCC (limited to 6-8 members) will be tasked to provide strategic oversight and guidance towards achieving the PDO, to coordinate with other relevant programs as well as monitor the project implementation towards key indicators. The subcommittee will be chaired by MOC.
34. **Project Coordination and Management** The proposed overall coordination and management agency is the Ministry of Construction (MOC). MOC will form a Project Secretariat to perform coordination tasks among project agencies. The Project Secretariat will report to the Permanent Secretary of MOC. It will be headed by a Project Coordinator, and will be supported by a Project Implementation Support Unit (PISU). The Project Secretariat will liaise with other implementation units at the MLFRD and MOF. It will also serve as the secretariat of the Steering Committee and management unit of the overall project. Bi-annual reports on the overall project implementation status will be prepared by the Project Secretariat with support of the PISU. Information and data to prepare this report will be provided by Component Implementation Units under the project components.

35. **Project Implementation Support Team (PISU)** The project will work through existing implementation mechanisms/units of the line ministries with the support of a limited number of international consultants/advisers. A project implementation support team will be established to support MOC and DRD in the implementation of the project activities. In cases where additional human resources are needed to respond to the additional workload caused by the reconstruction/recovery, it will be ensured that short-term national consultants are paid in accordance with national salary scales. Consultants will support the MOC with overall project coordination and management by the Project Secretariat and project implementation and will provide technical, fiduciary (procurement, contract management, financial management) safeguards, M&E and project management support for the implementation of all components, including procurement procedures undertaken by the CIUs for all components as well as support day-to-day implementation and financial reporting. The CIUs will conduct frequent implementation support missions at the State and townships level as needed.

36. The PISU will include: (i) an international Implementation Specialist (PISU Manager) to support the Project Coordinator and the implementing agencies; (ii) an experienced international procurement advisor; (iii) a Project Accountant; (iv) monitoring and evaluation expertise; and (v) an international safeguards specialist. All these international specialists recruited competitively under project financing will work with national counterparts and carry out training programs and on job training to ensure know how transfer specially on World Bank procedures and guidelines. At Mid Term review, an assessment of this practical capacity building approach will be assessed.

37. **Implementation of Component 1** will be implemented by MOC which will provide the final approval for project documents and activities, including: (i) the annual budget plan; (ii) the implementation and procurement plan; (iii) bidding documents; and (iv) bid evaluation reports. MOC will establish a Component Implementation Unit (CIU) to implement the component on its behalf. A summary of organizational responsibilities is provided in Table 3.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Reporting Relationship</th>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery Coordination Committee (RCC)</td>
<td>President Office</td>
<td>Develop and monitor the recovery strategy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Run the Recovery Coordination Center</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Provide strategic guidance to project stakeholders</td>
</tr>
</tbody>
</table>
### Overall Project Coordination and Management

- **Ministry of Construction (MOC):** RCC
- **Project Secretariat:** RCC/MOC
- **Component Implementation Unit (CIU):** MOC
- **CIU State Office:** CIU

#### RCC
- Implement Component 1
- Approve Annual Budget Plan
- Approve Procurement Plan
- Approve Bidding Documents and Bids Evaluation Report (BER)
- Approve contract changes amount in-aggregate exceeding 15% contract price

#### RCC/MOC
- Project Coordination and Management
- Perform coordination tasks among project agencies
- Prepare bi-annual reports on overall project implementation status for GoM and WBG
- Prepare Mid-Term Review report

#### MOC
- Component Implementing Agency
- Prepare required documents to MOC for approval
- Prepare Bidding Document/Bid Evaluation Report
- Carry out procurement process
- Sign contracts with Contractors/Consultants
- Make payment to Contractors/Consultants
- Approve contract changes amount in-aggregate less than 15% contract price
- Prepare periodic Component Implementation Status Reports and send to MOC and Bank
- Support CIU SO as requested

#### CIU
- Liaise with local State authority to identify issues arisen on sites
- Propose solutions to CIU/MOC
- Carry out day to day contract management for both works and consultancy services
- Certify competed works quantity for payment to send to CIU
- Prepare Request for Contract Changes
- Prepare Monthly Progress Reports and send to CIU

38. **Implementation of Component 2** will be by the Department of Rural Development (DRD) of the Ministry of Fisheries, Livestock and Rural Development (MLFRD). MLFRD will establish its CIU within DRD to implement the sub-component on its behalf. The DRD CIU will be led by the Director of the Roads and Bridges Department who will be responsible for sub-component management and technical coordination, as well as procurement and financial management, monitoring and evaluation, and compliance with environmental and social safeguards for all sub-component activities. CIU staff would support (i) technical coordination, (ii) financial management, (iii) procurement, (iv) social and environmental safeguards compliance, (v) monitoring and evaluation, (vi) training, communications and outreach, (vii) translation, and (viii) administrative/secretarial support. The CIU office will be located in Nay Pyi Taw. CIU will monitor progress against the agreed performance indicators and produce periodic progress reports.

A CIU State Office (CIU SO), headed by a Director, will be formed at project sites in each State, overseeing day to day contract management, reporting, liaising with local state, the CIU and/or higher level of management.

39. **Component 3** will be implemented by MOF. Subcomponent 3.1. Contribution to IDA will follow the implementation arrangements outlined by the IDA IRM Operations Manual developed by the GoM and approved by the World Bank, and the Contingent Emergency Response Implementation Plan (CERIP) developed for the IDA IRM activation in response to the 2015 floods and landslides. For sub-component 3.2, following an adverse natural or man-made event
that causes a major disaster, and after a Government declaration of a national disaster, the GoM - through the MOF - may request the Bank to re-allocate project funds to this component to partially cover emergency response and recovery costs, either to use under the IDA IRM, or stand-alone project contingent emergency response.

40. **Safeguards preparation and implementation** will be carried out by each CIU, under the MoC for Component 1 and DRD for Component 2. Each CIU will have a designated safeguard team with adequate staff and capacity to carry out the duties described under this ESMF. Because the evaluation of the expected environmental and social impacts requires specialized technical skills, these implementation agencies will employ qualified environmental and social specialists as well as consultants to assist them in this task. Additionally, it is envisaged that local government staff will be supported by an international safeguards advisor on a semiannually basis, which will guide the Component safeguard teams in the screening, scoping, contracting, supervising, and monitoring safeguard implementation.

**XI. Project Monitoring and Grievance Mechanism (GRM)**

41. A grievance redress mechanism (GRM) will be developed before effectiveness by the PMUs including adequate resources, clear roles and responsibilities, procedures and guidelines. The objective of the GRM is to receive and address communities request and/or complaints relating to project implementation. Where possible, the GRM will build on existing local institutions at the Village Committees/Township levels – special emphasis will be given to the existing GRM created under the National Community Driven Development Project in Myanmar. An independent grievance redress committee will be created where there is no suitable local institution to carry out the GRM functions. A communication plan will be developed to facilitate community’s understanding of the GRM functions and enable access to it. Channels will be developed to allow for community monitoring and evaluation of the construction process through means such as public hearings or ICT enabled citizen feedback platforms. The will be based on the key principles of GRMs as shown in **Figure 3**.

**Figure 3 Principles of GRMs**
Sub-project specific safeguard instruments (e.g. ESMP, RAP, EMP) will describe the GRM in detail. Proposed below is a basic procedure that may be followed at the project level to address grievances:

(a) **Village / Township Level (Stage 1):** An initial stage, within the local village or township level, in which any person/s aggrieved by any aspect of the Project can lodge an oral or written complaint/grievance to the local Village Committee. If the complaint cannot be resolved within 15 days of receipt between the aggrieved person/s and the Village Committee, it should be escalated to the second step of the process.

(b) **District Level (Stage 2):** If the aggrieved person is not satisfied with the outcome of the initial stage, she/he/they can lodge the complaint to the District level DRD or MOC. If the complaint cannot be resolved within 15 days of receipt between the aggrieved person/s and the District DRD or MOC it should be escalated to the third step of the process.

(c) **CIU / Union Level (Stage 3):** If the aggrieved person is still dissatisfied following review by the District DRD or MOC, the case should be referred to the respective CIUs. If the complaint cannot be resolved within 20 days of receipt between the aggrieved person/s and the CIUs, the aggrieved person/s may proceed to the fourth step of the process.

(d) **PISU / Steering Committee Level (Stage 3):** If the aggrieved person is still dissatisfied following review by the relevant CIU, the case should be referred to the PISU, the Steering Committee, and World Bank of the complaints. If the complaint cannot be resolved within 20 days of receipt between the aggrieved person/s and these parties, the aggrieved person/s may proceed to legal proceedings in accordance with the GoM’s laws and procedures.
43. It is intended that information about the GRM be disseminated widely in meetings and through pamphlets and brochures in Myanmar language and other ethnic languages as needed/relevant. Specifically, information will be provided about how and where to lodge complaints/grievances. Villagers will be encouraged to seek clarification or remediation through the mechanism if they have any questions or complaints/ grievances.

44. At all levels, the relevant grievance focal committee or organization should keep a written record of complaints/grievances raised by villagers and their resolution; they should inform the next level in the grievance structure of such complaints and resolutions.

45. Regular monitoring of the effectiveness of the GRM will be included in the monitoring and evaluation (M&E) approach for the Project. In undertaking the regular M&E activities, the following questions will be raised:

(a) Does the project have clear, formal, and transparent internal mechanisms and rules for addressing grievances?
(b) Do project officials responsible for grievance redress have the authority to take or demand remedial action?
(c) Are officials responsible for grievance redress obliged to take action on all grievances?
(d) Do project-affected people feel that they can lodge grievances without fear of retaliation?
(e) Are project beneficiaries aware of their right to file a grievance and of the grievance redress procedure in general?
(f) Are there internal processes in place to record, track, and monitor the grievances and the action taken on them?
(g) Does the GRM provide timely feedback (written or otherwise) to the petitioner on actions taken?
(h) Is there an appeals process in place that GRM users can access if they are not satisfied with how their grievance has been resolved?

46. Grievance redress monitoring indicators may include the following:

(a) Number of complaints/ grievances registered.
(b) Percentage of grievances resolved.
(c) Percentage of grievances resolved within stipulated time period.
(d) Time required to resolve complaints (disaggregated by different types of grievances).
(e) Percentage of complainants satisfied with response and grievance redress process.
(f) Percentage of project beneficiaries that have access to the GRM.

47. Apart from the aforementioned project-level grievance redress mechanisms, communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’s Grievance Redress Service (GRS) and Inspection Panel. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the
World Bank’s corporate Grievance Redress Service (GRS), please visit www.worldbank.org/grs. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

XII. Capacity Development Plan

48. FLERP Safeguards implementation arrangements and capacity building will be further design during implementation and will build upon existing mechanisms and capacity.

49. For the MoC this FLERP will be the first World Bank supported project. MoC has experience and built capacity to implement Asian Development Bank funded projects and well as other development partners such as JICA and UNDP. MoC has previously created Project Management Units for ADB supported project and has built capacity for safeguards implementation.

50. The Department for Rural Development (DRD), under the Ministry of Livestock, Fisheries and Rural Development (MLFRD), is the GoM department with the longest experience managing World Bank projects, since 2012. DRD is also currently implementing the biggest project in the World Bank Myanmar portfolio, the National Community Driven Development Project (USD480 million), as well as the National Electrification Project’s off grid electrification component (US$90 million). DRD has experience creating, implementing and monitoring safeguard instruments for rural infrastructure rehabilitation.

51. As mentioned in the Institutional Arrangement Section before, an International Safeguards Specialist will be recruited competitively under each CIU to support the implementation of this ESMF on a semiannual basis. It is expected that the International Safeguards Specialist will work with national counterparts both government and consultants to carry out the activities included in this ESMF. The International Safeguard Specialist will also carry out a capacity assessment and design a Capacity Building Plan for the CIUs. The Capacity Building Plan will likely include formal training programs mentoring, specific technical support, learning-by-doing training, and other activities to ensure know how transfer specially on World Bank procedures and guidelines included in this ESMF.

XIII. Estimated Cost

52. Table 4 provides some indicative costs to implement the ESMF.

Table 4 Estimated Costs for ESMF Implementation (in US$)

<table>
<thead>
<tr>
<th>A. Environmental and Social Instruments based on investment Planning Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1, 1% of estimated investment USD 105 million</td>
</tr>
<tr>
<td>Component 2, 1% of estimated Investment USD 70 million</td>
</tr>
<tr>
<td>Subtotal</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Specialized Safeguard Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1 International Advisor (6months for 5 years)</td>
</tr>
<tr>
<td>Component 2 International Advisor (6months for 5 years)</td>
</tr>
<tr>
<td>Subtotal</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safeguard Capacity Building (3 workshops first year)</td>
</tr>
<tr>
<td>Safeguard Refresher (1 workshop remaining 4 years)</td>
</tr>
<tr>
<td>Specific training for local staff/contractors (4 workshop per year)</td>
</tr>
<tr>
<td>Subtotal</td>
</tr>
</tbody>
</table>
XIV. Consultation and Disclosure

53. The Project will follow World Bank Group Safeguard Policies for participation, consultation, and disclosure concerning safeguard aspects of the Project as described in this ESMF. The Project aims at achieving meaningful consultation that is a two way process in which beneficiaries provide advice and input on the design or the proposed subproject that affect their lives and environment. Meaningful consultation shall promote dialogue between government, communities, NGOs and implementing agencies to discuss relevant aspects of the Project and its subprojects. Consultation is an ongoing process and will be carried out both during subproject preparation and implementation. Consultations with project affected people have been undertaken as part of preparation of this Project and will continue throughout project implementation.

54. The Project supports decision making by allowing the public access to information on environmental and social aspects of the project, as included in World Bank Safeguard Policies, including for Environmental Assessment, Involuntary Resettlement and Indigenous Peoples. This ESMF and the site specific ESIA/ESMPs/RAPs/EMP prepared for the subprojects will be disclosed to the public.

55. Safeguard instruments should be made available to communities and interested parties at accessible locations, including through local government authorities (e.g. village and district level DRD and MOC offices) before work starts. They should be made publicly available in a manner understandable to affected people, which may include local languages if needed. The EMP, if and when prepared, should also be made available to the affected ethnic minority communities in places, manner and language that are accessible to them.

56. The CIUs will also inform the affected communities and other relevant stakeholders on any modification to environmental and social management plans. The CIUs will use a variety of communication tools that will be included in the communication strategy and could include infographics, leaflets and frequent questions and answers to be distributed among different stakeholders.

57. Any revised safeguards documents taking into account feedback received during consultations will be (a) re-disclosed at the country level and at public places accessible to project-affected groups and local institutions; (b) officially submitted to the World Bank for clearance; and (c) submitted for disclosure on the public World Bank’s Infoshop.

XV. Implementation Schedule

58. A summary of the proposed implementation schedule for safeguards is provided in Table 5.

Table 5 Safeguard Implementation Schedule

<table>
<thead>
<tr>
<th>Activities</th>
<th>Responsibility</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>Responsible Stakeholders</td>
<td>Timeframes</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>--------------------------</td>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>ISDS disclosed in InfoShop</td>
<td>WB</td>
<td>Prior to Appraisal (Tentative appraisal date end of February)</td>
</tr>
<tr>
<td>Designation of environmental and social focal point at implementing agency(ies)</td>
<td>MoC, DRD</td>
<td>February, 2016</td>
</tr>
<tr>
<td>Draft ESMF/ EMPF/ RPF translated into local languages and disclosed in-country</td>
<td>MoC, DRD</td>
<td>March, 2016</td>
</tr>
<tr>
<td>Consultations</td>
<td>MoC, DRD</td>
<td>March, 2016</td>
</tr>
<tr>
<td>Clearance of revised ESMF/ EMPF/ RPF by WB; and disclosure by GoM and in WB’s InfoShop</td>
<td>WB, MoC, DRD</td>
<td>April, 2016</td>
</tr>
<tr>
<td>ESMF/ EMPF/ RPF orientation/ training to implementation support agencies</td>
<td>MoC, DRD, WB</td>
<td>Together with project launch</td>
</tr>
</tbody>
</table>
Annex 1. Map of Myanmar with Project Investments
Annex 2. Safeguard Screening Procedures and Safeguard Instruments

1. **Screening for Social Impact and Development of Resettlement Instruments:** people who are negatively affected by the project are entitled to compensation for loss of assets at replacement costs. The screening aims to identify if direct economic and social impacts may occur due to the involuntary taking of land which results in:

   (a) relocation or loss of shelter;
   (b) lost of assets or access to assets; or
   (c) loss of income sources or means of livelihood, whether or not the affected persons must move to another location.

2. Screening will be conducted to all project activities regardless of the source of financing and including Technical Assistance activities. It will also be conducted to other activities that may resulting in involuntary resettlement, including any preparatory works that the GoM may have conducted to the Sub-project proposed for the Bank’s financing, that in the judgment of the Bank, are

   (a) directly and significantly related to the Bank-assisted project,
   (b) necessary to achieve its objectives as set forth in the project documents; and
   (c) carried out, or planned to be carried out, contemporaneously with the project.

3. If the screening finds impacts described above may occur, or may have occurred during the implementation of the preparatory works, the respective implementation agencies will carry out a census to develop the detailed list of affected people, and assess the scale and scope of impact that may occur or may have occurred to each affected household in a participatory manner. Efforts will be made to adjust designs of investments to minimize loss of assets and future income streams based on the result of the impact assessment.

4. Based on the result of census and social impact assessment, the implementation agency will develop a Resettlement Action Plan (RAP) which will provide measures to help affected people at least restore the pre-project level of livelihood. If fewer than 200 people will be affected, an abbreviated RAP will be developed. The following groups of people will be covered by the RAP or the abbreviated RAP:

   (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
   (b) those who do not have formal legal rights to land at the time of census but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan
   (c) those who have no recognizable legal right or claim to the land they are occupying.

5. If the screening finds that any loss of private land or assets, or any other impacts described above have occurred during the preparatory works conducted by the MoM, a Corrective Action Plan (CPP) will be developed. In such an event, the implementation agency will swiftly inform the Bank for guidance.
6. Detailed processes and procedures for the preparation of an abbreviated RAP and a full RAP, including consultation and disclosure requirements and table of contents, will be included in the project operations manual, but the a RAP will include the following, at minimum:

   (a) The description of the project objective and activities
   (b) Potential impacts, and mechanisms to minimize negative impact
   (c) Characteristics of affected people including vulnerable people among them and issues related to land tenure
   (d) Legal and institutional framework
   (e) Eligibility criteria
   (f) Valuation and compensation for losses at replacement cost
   (g) Programs for improvement or restoration of livelihoods and standards of living
   (h) Institutional arrangement
   (i) Consultation and participation arrangements
   (j) Implementation schedule
   (k) Grievance procedures, and monitoring and evaluation
   (l) Cost and budget

7. An abbreviated RAP may include the following, at minimum:

   (a) a census survey of displaced persons and valuation of assets;
   (b) description of compensation and other resettlement assistance to be provided;
   (c) consultations with displaced people about acceptable alternatives;
   (d) institutional responsibility for implementation and procedures for grievance redress;
   (e) arrangements for monitoring and implementation; and
   (f) a timetable and budget.

8. The project allows local people who benefit from the project to donate land and other private assets without compensation at replacement cost if following protocol are followed:

   (a) Voluntary donation are an act of informed consent and affected people are not forced to donate land or other assets with coercion or under duress, or misled to believe that they are obliged to do so.
   (b) Voluntary donation is allowed only if a sub-project can technically be implemented in another location than where it is planned – if a sub-project is location-specific by nature, land acquisition associated with such a sub-project cannot be considered as voluntary; rather, it is an act of eminent domain. In such cases, an abbreviated RAP or a full RAP, as applicable, is developed.
   (c) Voluntary donation is allowed only for very minor impact that meets the following criteria:
      i. The households contributing land or other assets are direct beneficiaries of the sub-project;
      ii. The total size of productive land owned by the affected household is more than 300m2;
      iii. The impact is less than 5 percent of the total productive assets owned by said household; and
      iv. No one has to be physically relocated
(d) The affected people are fully informed that they have the right to refuse to donate land and instead receive compensation at replacement cost, and that a grievance mechanism is available to them through which they can express their unwillingness to donate.
(e) The project staff will confirm through a face-to-face meeting that the affected people are indeed aware that they are entitled for compensation and knowingly agree to donate land or other assets without compensation. The minutes of this meeting, which include confirmation that all conditions for voluntary donations provided in this ESMF are met, are attached to the signed voluntary donation form.
(f) Once the informed consent of the affected people has been confirmed in writing, the respective implementation agencies will develop a voluntary donation form. Both the husband and the wife of the affected household sign the form in the presence of the community facilitator and the village implementation committee.
(g) The respective implementation agencies will review and approve the signed voluntary donation form, and keep one original, signed voluntary donation form for review by the respective implementation agencies and the World Bank. The affected household keeps another original, signed form.
(h) Implementation of sub-projects involving voluntary donation starts only once the signed voluntary donation forms are approved by the Project Secretariat.

9. **Ethnic Screening, Social Assessment and Ethnic Minority Plan**: at an early stage of sub-project design, the implementation agency with the help of safeguard specialists will identify if any ethnic minority community is present in or have collective attachment to areas where respective sub-projects would be implemented. All social and cultural groups who may possess the following characteristics in varying degrees will be identified:

(a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
(b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories
(c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
(d) an indigenous language, often different from the official language of the country or region.

10. If an ethnic minority community is found to be present in or have collective attachment to the area of influence of respective sub-project, a simple Social Assessment (SA) will be conducted which will include free, prior and informed consultations with affected ethnic minorities. The breadth, depth, and type of analysis are proportional to the nature and scale of potential impacts on ethnic minorities, but overall, the SA will includes the following elements, as needed:

(a) A review, on a scale appropriate to the project, of the legal and institutional framework applicable to Indigenous Peoples;
(b) Baseline information on the demographic, social, cultural, and political characteristics of the affected ethnic minorities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend;
(c) Key project stakeholders and the elaboration of a culturally appropriate process for consulting with ethnic minorities;
(d) An assessment, based on free, prior, and informed consultation with the affected ethnic minorities, of the potential adverse and positive effects of the project.

(e) Measures to avoid or minimize, mitigate, or compensate for adverse effects on affected ethnic minorities, and to ensure that they receive culturally appropriate benefits, developed based on free, prior, and informed consultation with the affected ethnic minorities.

11. On the basis of the SA and free, prior and informed consultation, an Ethnic Minority Plan (EMP) will be prepared by the respective implementation agencies. The SA may be done and the EMP be developed at the subproject level or for the annual investment plan.

12. An EMP should include the following elements, as needed:

(a) The description of the (sub)project objective and activities;
(b) A summary of the SA including the results of the free, prior, and informed consultation with affected ethnic minority communities and their broad community support;
(c) Description of potential negative impacts and measures to address them;
(d) A framework to ensure that free, prior and informed consultations are conducted with affected ethnic minority communities during implementation and that they can meaningfully participate in project implementation with view to minimizing and mitigating negative impacts and enhancing positive benefits;
(e) Mechanisms through which affected ethnic minority communities are able to voice concerns and grievances and have them addressed;
(f) Mechanisms and benchmarks for monitoring, evaluating, and reporting on the implementation of EMP; and
(g) The financing plan for EMP implementation.
Screening Form for Potential Environmental & Social Safeguards Issues

This form is to be used by the Implementing Agency for to screen potential environmental and social safeguards issues of a sub project, determine Bank policies triggered and the instrument to be prepared for the sub project.

<table>
<thead>
<tr>
<th>Subproject Name</th>
<th>Subproject Location</th>
<th>Subproject Proponent</th>
<th>Subproject Type/Sector</th>
<th>Estimated Investment</th>
<th>Start/Completion Date</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Questions</th>
<th>Answer</th>
<th>If Yes WB Policy triggered</th>
<th>Action/ Documents requirement if Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are the subproject impacts likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented? Please provide brief description:</td>
<td>yes</td>
<td>OP 4.01 Environmental Assessment Category A</td>
<td>Subproject not eligible</td>
</tr>
<tr>
<td>Do the impacts affect an area broader than the site or facilities subject to physical works and are the significant adverse environmental impacts irreversible? Please provide brief description:</td>
<td>no</td>
<td>OP 4.01 Environmental Assessment Category A</td>
<td>Subproject not eligible</td>
</tr>
<tr>
<td>Is the proposed project likely to have minimal or no adverse environmental impacts? Please provide brief justification:</td>
<td></td>
<td>OP 4.01 Environmental Assessment Category C</td>
<td>No action needed beyond screening</td>
</tr>
</tbody>
</table>

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6 Sensitive (i.e., a potential impact is considered sensitive if it may be irreversible - e.g., lead to loss of a major natural habitat, or raise issues covered by OP 4.04, Natural Habitats; OP 4.36, Forests; OP 4.10, Indigenous Peoples; OP 4.11, Physical Cultural Resources; or OP 4.12, Involuntary Resettlement; or in the case of OP 4.09, when a project includes the manufacture, use, or disposal of environmentally significant quantities of pest control products);

7 Examples of projects where the impacts are likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented are large scale infrastructure such as construction of new roads, railways, power plants, major urban development, water treatment, waste water treatment plants and solid waste collection and disposal etc.

8 FLERP objective is to support recovery in priority disaster-affected areas. FLERC will finance only rehabilitation works and spot improvements on existing rural and mountainous roads and therefore the environmental impacts are expected to be site-specific, reversible; and in most cases with mitigation measures readily available. The project will not finance new infrastructure or major realignments (of several kilometers) or any other measure beyond recovery works that involves significant adverse environmental impacts that are sensitive, diverse or unprecedented

9 Examples of projects likely to have minimal or no adverse environmental impacts are supply of goods and services, technical assistance, simple repair of damaged structures etc.,
<table>
<thead>
<tr>
<th>Question</th>
<th>Category B</th>
<th>Category A</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the project neither a Category A nor Category C as defined above?10</td>
<td><strong>OP 4.01 Environmental Assessment Category B</strong></td>
<td><strong>OP 4.01 Environmental Assessment Category A</strong></td>
<td>Projects that do not fall either within OP 4.01 as a Category A or Category C can be considered as Category B. Examples of category B sub-projects include small scale in-situ reconstruction of infrastructure projects such as road rehabilitation and rural water supply and sanitation, small schools, rural health clinics etc.</td>
</tr>
<tr>
<td>Are the project impacts likely to have significant adverse social impacts that are sensitive, diverse or unprecedented11? Please provide brief description:</td>
<td><strong>OP 4.01 Environmental Assessment Category A</strong></td>
<td>Subproject will be excluded from FLERP</td>
<td>Generally, sub projects with significant resettlement-related impacts should be categorized as A. Application of judgment is necessary in assessing the potential significance of resettlement-related impacts, which vary in scope and scale from sub project to sub project. Subprojects that would require physical relocation of residents or businesses, as well as sub projects that would cause any individuals to lose more than 10 percent of their productive land area, often are categorized as A. Scale may also be a factor, even when the significance of impacts is relatively minor. Sub projects affecting whole communities or relatively large numbers of persons (for example, more than 1,000 in total) may warrant categorization as A, especially for projects in which implementation capacity is likely to be weak. Sub projects that would require relocation of Indigenous Peoples, that would restrict their access to traditional lands or resources, or that would seek to impose changes to Indigenous Peoples’ traditional institutions, are always likely to be categorized as A.</td>
</tr>
<tr>
<td>Will the project adversely impact physical cultural resources?12 Please provide brief justification:</td>
<td><strong>OP 4.11 Physical Cultural Resources</strong></td>
<td>Addressed in ESIA (ESIA with PCR Management Plan and/or Chance Find Procedures)</td>
<td>Examples of physical cultural resources are archaeological or historical sites, including historic urban areas, religious monuments, structures and/or cemeteries particularly sites recognized by the government.</td>
</tr>
<tr>
<td>Will the project involve the conversion or degradation of non-critical natural habitats? Please provide brief justification:</td>
<td><strong>OP 4.04 Natural Habitats</strong></td>
<td>Addressed in ESIA</td>
<td>Subprojects that significantly convert or degrade critical natural habitats such as legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, or recognized as protected by traditional local communities, are ineligible for Bank financing.</td>
</tr>
<tr>
<td>Will the project involve the significant conversion or degradation of critical natural habitats13</td>
<td><strong>OP 4.04 Natural Habitats</strong></td>
<td>Not eligible</td>
<td></td>
</tr>
<tr>
<td>Does the sub-project involve involuntary land acquisition, loss of assets or access to assets, or loss of income sources or means of livelihood? Please provide brief justification:</td>
<td><strong>OP 4.12 Involuntary Resettlement</strong></td>
<td>Resettlement Action Plan</td>
<td></td>
</tr>
<tr>
<td>Are there any ethnic minority communities present in the sub project area and are likely to be affected by the proposed sub-project negatively or positively? Please provide brief justification:</td>
<td><strong>OP 4.10 Indigenous People</strong></td>
<td>Ethnic Minority Development Plan/Ethnic Minority Plan</td>
<td>Subprojects that would require relocation of Indigenous Peoples, that would restrict their access to traditional lands or resources, or that would seek to impose changes to Indigenous Peoples’ traditional institutions, are always likely to be categorized as A.</td>
</tr>
</tbody>
</table>

10 Projects that do not fall either within OP 4.01 as a Category A or Category C can be considered as Category B. Examples of category B sub-projects include small scale in-situ reconstruction of infrastructure projects such as road rehabilitation and rural water supply and sanitation, small schools, rural health clinics etc.

11 Generally, sub projects with significant resettlement-related impacts should be categorized as A. Application of judgment is necessary in assessing the potential significance of resettlement-related impacts, which vary in scope and scale from sub project to sub project. Subprojects that would require physical relocation of residents or businesses, as well as sub projects that would cause any individuals to lose more than 10 percent of their productive land area, often are categorized as A. Scale may also be a factor, even when the significance of impacts is relatively minor. Sub projects affecting whole communities or relatively large numbers of persons (for example, more than 1,000 in total) may warrant categorization as A, especially for projects in which implementation capacity is likely to be weak. Sub projects that would require relocation of Indigenous Peoples, that would restrict their access to traditional lands or resources, or that would seek to impose changes to Indigenous Peoples’ traditional institutions, are always likely to be categorized as A.

12 Examples of physical cultural resources are archaeological or historical sites, including historic urban areas, religious monuments, structures and/or cemeteries particularly sites recognized by the government.

13 Subprojects that significantly convert or degrade critical natural habitats such as legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, or recognized as protected by traditional local communities, are ineligible for Bank financing.
<table>
<thead>
<tr>
<th>Will the project have the potential to have impacts on the health and quality of forests or the rights and welfare of people and their level of dependence upon or interaction with forests; or aims to bring about changes in the management, protection or utilization of natural forests or plantations? Please provide brief justification:</th>
<th>OP4.36 Forestry</th>
<th>Addressed in ESIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will the project have the potential to have significant impacts or significant conversion or degradation of critical natural forests or other natural habitats?</td>
<td>OP4.36 Forestry</td>
<td>No eligible</td>
</tr>
<tr>
<td>Is there any territorial dispute between two or more countries in the sub project and its ancillary aspects and related activities?</td>
<td>OP7.60 Projects in Disputed Areas</td>
<td>Governments concerned agree</td>
</tr>
</tbody>
</table>

**Conclusion and Safeguards Instruments Required:**

The sub project is classified as a Category ______ project as per World Bank OP4.01, and the following safeguards instruments will be prepared:

1. __________________________________________________________________________
2. __________________________________________________________________________
3. __________________________________________________________________________
4. __________________________________________________________________________
Annex 3: Resettlement Policy Framework

1. Background

This Resettlement Policy Framework (RPF) has been prepared for the Myanmar Flood and Landslides Emergency Recovery Project (FLERP). Since subprojects are only identified during project implementation specific project impacts cannot be identified until then. The Resettlement Policy Framework (RPF) is prepared to ensure that any acquisition of land and the loss of income or private assets due to the implementation of subprojects funded by the Project would be addressed in line with the World Bank’s policy on involuntary resettlement, OP 4.12. The RPF describes principles, processes and procedures for assessing potential impacts and preparing required safeguard plans, such as a Resettlement Action Plan (RAP) in line with OP 4.12.

2. Project Description

The project development objective is to support recovery in priority disaster-affected areas and, in the event of another eligible crisis or emergency, to provide immediate and effective response to said eligible crisis or emergency. The project consists of four components: (i) Climate-Resilient National Infrastructure Rehabilitation, (ii) Rehabilitation of rural roads and temporary employment generation, (iii) Emergency Response, and (iv) Project Management

Component 1: Climate-Resilient National Infrastructure Rehabilitation (US$105 million)

The objective of this component is to support the disaster and climate-resilient rehabilitation of damaged national road infrastructure and improve the connectivity in the affected areas. The affected areas will benefit from the restored access to markets thereby increasing the economic growth and access to social services. The restored roads and bridges will also serve as supply and rescue lines in the event of a disaster. Provision of sustainable connectivity through the improvements of the feeder roads systems for populations located in the vicinity of these corridors will be explored under the Component. The component activities will finance: (i) rehabilitation/reconstruction of damaged roads and bridges; (ii) land slide protection and slope stabilization; (ii) associated drainage system; (iii) road pavement/bridge improvement, including possible road realignment; (iv) traffic safety facilities (reflecting mirrors, evacuation road sections, guardrails, retaining walls); and other structures to increase resilience. This component will be implemented by the Ministry of Construction (MOC) in Chin and Rakhine.

Component 2: Rehabilitation of Rural Roads and Livelihoods Support (US$70 million)

This component will support the rehabilitation/reconstruction and maintenance of selected rural roads and bridges that have been destroyed during the floods. The roads identification and prioritization process will target communities most-affected by the disaster. These interventions will create jobs while simultaneously repairing rural infrastructure and indirectly regenerating farmer’s agricultural production. While rehabilitating the rural road network, a build-back-better approach will be taken, whereby sound engineering designs will be applied to enhance the resilience to natural hazards. Design standards of roads and drainage structures will be reviewed and capacity-building to Government staff and local contractors will be provided. The
rehabilitation of roads will be complemented by routine maintenance and to ensure sustainability of project investments. Maintenance would be performed by communities living alongside the rehabilitated roads, organized in "maintenance groups", paying special attention to employment opportunities to women living in the communities beside the roads. The component will be implemented by DRD in Ayeyarwady, Bago, Magway, Sagaing and Yangon.

Component 3: Emergency Response (US$15 million)
The objective of this component is to improve Myanmar’s capacity by providing emergency recovery and reconstruction support following an eligible crisis or emergency. The component includes two sub-components. Subcomponent 3.1 Contribution to IDA IRM (US$15 million) will support the activation of IDA IRM in response to the 2015 July-September floods and landslides. The sub-component will finance expenditures from an approved list of goods to be financed in line with the Contingent Emergency Response Implementation Plan (CERIP) developed for the IDA IRM activation, as well as the IDA IRM Operations Manual developed by the GoM and approved by the World Bank. In line with the PDNA results, the IDA IRM will primarily support the recovery of the agriculture, fisheries and livestock sectors financing essential goods for the use across disaster-affected States and Regions, such as storage and construction materials, small industrial machinery, seeds, animal feed, as well as distribution and fuel products. Subcomponent 3.2 Contingent Emergency Response (US$0) allows for a rapid reallocation of credit proceeds from other components to provide emergency recovery and reconstruction support following future eligible crisis or emergency, or can be used to channel additional funds in response to an emergency. The sub-component 3.2 would finance public and private sector expenditures on a positive list of goods and/or specific works, goods, services and emergency operation costs required for the specific emergency recovery. A Contingent Emergency Response Implementation Plan will apply to this component, detailing financial management, procurement, safeguard and any other necessary implementation arrangements. The implementation of this component is overseen by the Ministry of Finance (MOF).

Component 4: Project Management (US$10 million)
The objective of this component is to provide efficient and effective management and implementation support to the project and components, including expertise and staff costs, operating costs, office equipment and the cost of audits. It will also provide efficient coordination and reporting of the different components of the Project. It will provide institutional support and capacity development for project management, coordination, technical and safeguards, implementation (including preparation of safeguards instruments), as well as monitoring and evaluation.

3. Scope of Potential Project Impact
The Project is expected to have generally positive social benefits. It is expected that most subprojects will not involve land acquisition or other impacts covered by OP 4.12 given their small scale and limited footprint. However, some subprojects may require land acquisition or impacts assets such as standing crops and trees. It is not possible to estimate the potential number of people affected or the extent of impacts at this point. This RPF has been prepared as part of the ESMF...
for the Project to provide guidance regarding situations where land use and/or land acquisition is required for the implementation of subprojects.

4. Objective of the Resettlement Policy Framework

This RPF aims to achieve the following objectives:

(a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.

(b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

The policy covers direct economic and social impacts that both result from Bank-assisted investment projects and are caused by the involuntary taking of land resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location. It applies to all subproject activities that result in involuntary resettlement, regardless of the source of financing.

5. Legal and Regulatory Framework

The legal framework concerning land acquisition in Myanmar is evolving. Myanmar does not have a unitary land law but has several laws for different categories of land. All land belongs to the state under the current legal system, and land users receive certificates from the Settlement Land Records Department. Several key pieces of legislation have been introduced over the last several years, in particular the Farmland Act (2012) and the Vacant, Fallow and Virgin Lands Management Law (2012). However neither of these accommodate practices such as shifting cultivation or collective and traditional forms of ownership and usage.

2008 Constitution

Per the Constitution of the Republic of the Union of Myanmar, 2008, in principle, all land in Myanmar is owned by the nation as articulated below:

“The Union is the ultimate owner of all lands and all natural resources above and below the ground, above and beneath the water and in the atmosphere in the Union” (Section 37, Sub-section (a), Chapter 1 Basic Principle of the Union, State Constitution 2008)

In this context Myanmar individuals and organizations do not have proprietary rights to land but only land use/occupancy rights, which in some situations allow for inheritance and transfer of such rights.
**Farmland Act, 2012**

This law determines land use rights for farmland and granting of land use rights to eligible farmers. It allows the right to sell, mortgage, lease, exchange and gift whole or a part of the right to use the farmland. The law determines the formation as well as roles/responsibilities of farmland administrative bodies at various levels. The Farmland rules determine procedures such as the application for farmland registration and obtaining land use certificates; application of transfer of farmlands for other purposes; and indemnities and compensation.

**Vacant, Fallow and Virgin Lands Management Law, 2012**

This law determines the conditions and frameworks for usage of vacant, fallow and virgin lands. According to the law, vacant, fallow and virgin lands can be claimed and utilised by willing individuals/organisations including foreigners mainly for production activities such as agriculture, livestock, aquaculture, mining and others permitted by the government. The law determines the formation as well as the roles/responsibilities of the central committee for the management of vacant, fallow and virgin lands.


This policy aims to achieve the following objectives:

(d) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.

(e) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(f) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

The policy covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by (i) involuntary taking of land resulting in (i) relocation or loss of shelter; (ii) lost of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.

The policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing, and to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.
If the policy is triggered, the borrower prepares a resettlement plan or a resettlement policy framework that covers the following: (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are (i) informed about their options and rights pertaining to resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and (iii) provided prompt and effective compensation at full replacement cost11 for losses of assets attributable directly to the project.

7. Institutional Arrangement

Responsibility for implementation of this RPF and for preparation and implementation of RAPs/abbreviated RAPs for specific activities and sub-projects (including responsibility for meeting all associated costs) rests with the MOC and MLFRD (DRD). As necessary, MOC and MLFRD will exercise their authority to coordinate actions with any other agencies involved to ensure timely and effective implementation.

Safeguards preparation and implementation will be carried out by each CIU, under the MoC for Component 1 and DRD for Component 2. Each CIU will have a designated safeguard team with adequate staff and capacity to carry out the duties described under this ESMF. Because the evaluation of the expected environmental and social impacts requires specialized technical skills, these implementation agencies will employ qualified environmental and social specialists as well as consultants to assist them in this task. Additionally, it is envisaged that local government staff will be supported by an international safeguards advisor on a semiannually basis, which will guide the Component safeguard teams in the screening, scoping, contracting, supervising, and monitoring safeguard implementation.

More detailed description of the implementation arrangement is provided in the Section XIV of the ESMF.

8. Project Principles for Involuntary Resettlement

(a) All efforts will be made to avoid, or minimize if unavoidable, acquisition of land and other private assets. Detailed designs will be adjusted to the degree feasible to avoid such impacts. If land acquisition is unavoidable, a Resettlement Action Plan (RAP) will be developed following measures provided in this RPF. (If the project activity or sub-project affects less than 200 persons, an Abbreviated RAP is to be prepared).

(b) Physical relocation of households is not allowed as subprojects funded by the Project have relatively small footprints and in many cases alternative sites or designs can be found.

(c) All persons displaced economically and/or physically are entitled to compensation at replacement value for land and lost assets, or to alternative but equivalent forms of assistance in lieu of compensation. Valuations must be undertaken in accordance with international valuation standards.

(d) A lack of legal title to land of customary users acquired by the project will not bar displaced persons from entitlement to such compensation or alternative forms of assistance needed to resettle and sustainably restore incomes.
(e) Squatters or those living on or using land without title or recognized customary arrangements at the time of the RAP census survey are entitled to compensation for any structures or improvements made and may be provided with assistance to shift elsewhere.

(f) Compensation rates as established in a specific RAP refer to amounts to be paid in full to the eligible owner or user of the lost asset, without depreciation or deductions for any purpose.

(g) When cultivated land is acquired, the borrower should seek to arrange land-for-land replacement if that is the preference of the displaced person.

(h) Compensation for land, standing crops and lost assets must be paid prior to the time of impact.

(i) Land to be used temporarily must be acquired in consultation with landowners or land users. Full market compensation will be paid for any standing crops. Tree crops or perennial plantations should be avoided to the extent possible. An allowance should be paid to land users for inconvenience and a negotiated rental fee should be paid to titled landowners. Leasing of land from landowners or the use of unused, unoccupied government land is the preferred method. All land used temporarily will be restored to its previous condition.

(j) Displaced persons should be consulted during the process of RAP preparation, so that their preferences regarding land acquisition and compensation arrangements are solicited and considered.

(k) The draft and final RAPs are publicly disclosed in a manner accessible and understandable to displaced persons.

(l) The previous level of community services and access to resources will be maintained or improved after land acquisition.

(m) The borrower is responsible for meeting costs associated with land acquisition and compensation. The RAP includes a budget for all costs associated with land acquisition, including contingency arrangements.

(n) Methods by which displaced persons can pursue grievances will be established and information regarding these grievance procedures will be provided to displaced persons. Grievances are cost-free and easily accessible to project-affected people.

9. Voluntary Donation Protocol

(a) Voluntary donations are an act of informed consent and affected people are not forced to donate land or other assets with coercion or under duress, or misled to believe that they are obliged to do so.

(b) Voluntary donations are allowed only if a sub-project can technically be implemented in another location than where it is planned – if a sub-project is location-specific by nature, land acquisition associated with such a sub-project cannot be considered as voluntary; rather, it is an act of eminent domain. In such cases, an abbreviated RAP or a full RAP, as applicable, is developed.

(c) Voluntary donations by villagers are allowed under the project provided that affected people: (i) are the direct beneficiaries; (ii) know that they have the right to refuse to donate land or assets; (iii) agree to donate land or assets without coercion or under duress; (iv) the total size of productive land owned by the affected household is more than 200m²; (v) the
impact is less than five per cent of the total productive assets owned by said household. No physical relocation is allowed on a voluntary basis.

(d) The affected people are fully informed that they have the right to refuse to donate land and instead receive compensation at replacement cost, and that a grievance redress mechanism is available to them through which they can express their unwillingness to donate. People are encouraged to use the grievance redress mechanism if they have questions or inquiries, either in writing or verbally. Adequate measures will be in place to protect complainants.

(e) Once the informed consent of the affected people has been confirmed in writing, the donation will be documented.

(f) Implementation of subprojects involving voluntary donation starts only once the respective CIU has approved the signed voluntary donation forms.

10. Implementation arrangement, eligibility criteria and development of the resettlement instrument

At the beginning of the implementation of respective project activities, social impact screening will be conducted to identify if direct economic and social impacts may occur as a result of implementing respective activities. Screening will be conducted to all project activities regardless of the source of financing and including Technical Assistance activities. It will also be conducted to other activities that may resulting in involuntary resettlement, that in the judgment of the Bank, are

(a) directly and significantly related to the Bank-assisted project,
(b) necessary to achieve its objectives as set forth in the project documents; and
(c) carried out, or planned to be carried out, contemporaneously with the project.

If the screening finds impacts described above may occur, the respective implementation agencies will carry out a census to develop the detailed list of affected people, and assess the scale and scope of impact that may occur to each affected household in a participatory manner. Efforts will be made to adjust designs of investments to minimize loss of assets and future income streams based on the result of the impact assessment.

Based on the result of census and social impact assessment, the implementation agency will develop a Resettlement Action Plan (RAP) which will provide measures to help affected people at least restore the pre-project level of livelihood. If fewer than 200 people will be affected, an abbreviated RAP will be developed. The following groups of people will be covered by the RAP or the abbreviated RAP:

(a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
(b) those who do not have formal legal rights to land at the time of census but have a claim to such land or assets--provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan
(c) those who have no recognizable legal right or claim to the land they are occupying.
Detailed processes and procedures for the preparation of an abbreviated RAP and a full RAP, including consultation and disclosure requirements and table of contents, will be included in the project operations manual, but the a RAP will include the following, at minimum:

(m) The description of the project objective and activities
(n) Potential impacts, and mechanisms to minimize negative impact
(o) Characteristics of affected people including vulnerable people among them and issues related to land tenure
(p) Legal and institutional framework
(q) Eligibility criteria
(r) Valuation and compensation for losses at replacement cost
(s) Programs for improvement or restoration of livelihoods and standards of living
(t) Institutional arrangement
(u) Consultation and participation arrangements
(v) Implementation schedule
(w) Grievance procedures, and monitoring and evaluation
(x) Cost and budget

An abbreviated RAP may include the following, at minimum:

(g) a census survey of displaced persons and valuation of assets;
(h) description of compensation and other resettlement assistance to be provided;
(i) consultations with displaced people about acceptable alternatives;
(j) institutional responsibility for implementation and procedures for grievance redress;
(k) arrangements for monitoring and implementation; and
(l) a timetable and budget.

11. Entitlement Matrix

The following generic Entitlement Matrix provides the principles that will be used during implementation. The Entitlement Matrix may be developed in more detail during project implementation in agreement between the World Bank and GoM.

<table>
<thead>
<tr>
<th>Type of Losses</th>
<th>Entitled Persons</th>
<th>Entitlements</th>
<th>Implementation Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of land</td>
<td>Legal owners or occupants identified during census</td>
<td>Cash compensation at replacement cost which is equivalent to the current market value of land within the village, of similar type, category and productive capacity, free from transaction costs (taxes, administration fees)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Affected persons who have no recognizable legal right or claim to the land they are occupying</td>
<td>Rehabilitation assistance to achieve the policy objective to improve or restore their livelihoods and standards of living in real terms, to pre-displacement levels or to levels prevailing prior</td>
<td></td>
</tr>
</tbody>
</table>
to the beginning of project implementation, whichever is higher. Assistance may involve access to electricity, training, opportunities for employment during construction, and technical support to improve livelihoods.

| Loss of productive trees, structures and other private trees | Owners of affected structures, regardless of tenure status | Cash compensation at replacement cost. Salvage materials will be handed over to affected people. | If remaining parts of the structures are not sufficient for use, compensation will be paid for the entire affected buildings. Transportation of salvage materials will be assisted by the project. |
| Temporary land use occupation | Legal owners or occupants identified during census | Cash compensation for loss of income or assets on a net basis. Reinstall land to the original state after the completion of civil works. | Responsible CIUs will monitor implementation. |

12. Valuation Methods

Under this RPF, valuation of land and assets will be done prior to preparing subproject RAPs. Valuation methods may vary depending on the local context and the scope and impact of the subproject, but would normally include an independent land price survey in the project area based on current land use and market value of land to help the affected households be able to afford a replacement land equivalent in terms of quantity and quality. The market value of an asset is the estimated cost at which the asset is purchased and sold on the market between a willing buyer and a willing seller in an independent activity and in a normal exchange condition. The survey will use comparison and construction cost methods:

1. **Comparison method**: Land prices will be based on the prices of land plots, similar to the affected land, have been successfully purchased/sold in the market in the recent transactions. This method will estimate the actual value of the land to be acquired by the subproject.

2. **Construction cost method**: This method is based on the estimated average cost per square meter to build different kinds of houses in recent months in consultation with the Township General Administration Department (GAD).

3. The experts who conduct the replacement cost survey may use the following tasks:
   i. Present the methodology for replacement cost survey;
   ii. Conduct survey of construction materials and interviews with contractors and builders in the affected districts and communes to determine the current costs of materials and labor;
   iii. Interview local officials and residents to find the current market price of land in the project area based on the recent transaction documents; or if there is no market, based on actual observations, such as productivity and location attributes, and the availability of replacement land.
iv. Conduct in-depth interviews and discussions with the parties involved in setting the unit prices as stipulated by law, compensation for affected land, houses and other structures, all kinds of crops and annual plants to have a better understanding of the methods used in determining the unit prices to be issued.

13. Definitions

“Displaced persons” refers to all the people who, on account of project activities, would have their (i) standard of living adversely affected; or (ii) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed temporarily or permanently; (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected. The term incorporates all potential categories of persons affected by land acquisition and associated impacts; all of those adversely affected are considered “displaced” under this definition regardless of whether any relocation is necessary.

"Replacement cost” is defined as follows:

(a) For agricultural land, it is the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.

(b) For land in urban areas, it is the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.

(c) For houses and other structures, it is the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labour and contractors’ fees, plus the cost of any registration and transfer taxes.

(d) In determining the replacement cost, depreciation of the asset and the value of salvage materials are not taken into account, nor is the value of benefits to be derived from the project deducted from the valuation of an affected asset. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures so as to meet the replacement cost standard. Such additional assistance is distinct from resettlement measures to be provided under other clauses in OP 4.12, para. 6.

14. Monitoring and Grievance Procedures

The Project will incorporate a strong system of monitoring and evaluation (M&E) to:

(a) ensure effective and timely implementation according to plan and apply mid-course corrections where needed;

(b) measure the achievement of results envisaged in its objectives and learn lessons for future operations; and
(c) ensure implementation of the ESMF, with EMPF, to meet the requirements of the Bank’s safeguard policies.

The CIUs will be responsible to monitoring the implementation of EMPs for subprojects. Efforts will be made to build capacity at local CIU level to undertake such monitoring. The TA/consultant teams will assist the CIUs in subproject monitoring and local NGOs and CSOs will also be used to support the preparation, implementation and monitoring of subprojects. Qualitative monitoring and beneficiary assessments will be included in the M&E, focusing primarily upon societal dynamics and ethnic groups, women, and the most vulnerable, using focus group discussions, key informant interviews and other participatory methods.

More detailed description of monitoring and evaluation mechanisms are provided in the Section XV of the main body of the ESMF.

A Grievance Redress Mechanism (GRM) will be developed before effectiveness by the PMUs including adequate resources, clear roles and responsibilities, procedures and guidelines. The objective of the GRM is to receive and address communities request and/or complaints relating to project implementation. Where possible, the GRM will build on existing local institutions at the Village Committees/Township levels – special emphasis will be given to the existing GRM created under the National Community Driven Development Project in Myanmar. A communication plan will be developed to facilitate community’s understanding of the GRM functions and enable access to it. Channels will be developed to allow for community monitoring and evaluation of the construction process through means such as public hearings or ICT enabled citizen feedback platforms.

Regular monitoring of the effectiveness of the GRM will be included in the monitoring and evaluation (M&E) approach for the Project. In undertaking the regular M&E activities, the following questions will be raised:

(i) Does the project have clear, formal, and transparent internal mechanisms and rules for addressing grievances?
(j) Do project officials responsible for grievance redress have the authority to take or demand remedial action?
(k) Are officials responsible for grievance redress obliged to take action on all grievances?
(l) Do project-affected people feel that they can lodge grievances without fear of retaliation?
(m) Are project beneficiaries aware of their right to file a grievance and of the grievance redress procedure in general?
(n) Are there internal processes in place to record, track, and monitor the grievances and the action taken on them?
(o) Does the GRM provide timely feedback (written or otherwise) to the petitioner on actions taken?
(p) Is there an appeals process in place that GRM users can access if they are not satisfied with how their grievance has been resolved?
More detailed description of the GRM and monitoring mechanisms is provided in the section XV of the main body of the ESMF.

15. Capacity Building of Key Stakeholders

FLERP Safeguards implementation arrangements and capacity building will be further design during implementation and will build upon existing mechanisms and capacity.

For the MoC this FLERP will be the first World Bank supported project. MoC has experience and built capacity to implement Asian Development Bank funded projects and well as other development partners such as JICA and UNDP. MoC has previously created Project Management Units for ADB supported project and has built capacity for safeguards implementation.

The Department for Rural Development (DRD), under the Ministry of Livestock, Fisheries and Rural Development (MLFRD), is the GoM department with the longest experience managing World Bank projects, since 2012. DRD is also currently implementing the biggest project in the World Bank Myanmar portfolio, the National Community Driven Development Project (USD480 million), as well as the National Electrification Project’s off grid electrification component (US$90million). DRD has experience creating, implementing and monitoring safeguard instruments for rural infrastructure rehabilitation.

During implementation, a more specific capacity building needs assessment and action plan will be developed. The Capacity Building action plan will likely include specific technical support, mentoring, workshops, and learning-by-doing activities.

An International Safeguards Specialist will be recruited competitively under each PISU to support the implementation of this RPF on a semiannual basis. It is expected that the International Safeguards Specialist will work with national counterparts both government and consultants to carry out the activities included in this RPF. The International Safeguard Specialist will also carry out a capacity assessment and design a Capacity Building Plan for the PISUs. The Capacity Building Plan will likely include formal training programs mentoring, specific technical support, learning-by-doing training, and other activities to ensure know how transfer specially on World Bank procedures and guidelines included in this RPF.

16. Budget

The implementation of this RPF is integrated into the overall FLERP budget. The costs of supporting the implementation of the RPF - such as capacity building and preparation of RAPs- are included in the ESMF budget.

17. Consultations and Disclosure Arrangements

This draft RPF will be consulted to broad stakeholders before appraisal, and the inputs received will be used to finalize the RPF.
Affected people should be consulted about the contents of the draft RAP/abbreviated RAP and their inputs should be incorporated in the final RAP. The final RAP should be prepared in the relevant local language/s if affected people are ethnic minorities.

The RAP must describe measures taken to consult with displaced persons regarding proposed land acquisition and other arrangements, and summarize the results of those consultations. The MOC and MLFRD (DRD), in relation to their respective Project component, also ensures public disclosure of the RAP, in draft and final stages, to the displaced persons and the general public in the project area, in a language and location accessible and understandable to them. Disclosure of the draft RAP should occur at least one month prior to Bank review and approval. Disclosure of the final RAP occurs following Bank approval.

All consultations to be conducted under the project should be conducted in a local language and sufficient lead time (minimum 2 weeks) should be given to ensure that all affected people and stakeholders are able to participate in consultations and be fully informed of the project as well as the project safeguard approach.
## Generic Land Acquisition Checklist

<table>
<thead>
<tr>
<th>Screen/Check for</th>
<th>Yes/No</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will the implementation of project-financed activities require temporary or permanent land acquisition or result in loss of private assets (e.g. trees, fences, standing crops, etc) that are owned or used by private individuals?</td>
<td>Yes/No</td>
<td>If yes, apply OP 4.12 as described in this RPF. Assess type and scope of impacts to determine appropriate preparation process and mitigation measures.</td>
</tr>
<tr>
<td>Has there been a history of land confiscation by Government (or others) in the area?</td>
<td>Yes/No</td>
<td>If yes, a due diligence assessment should be undertaken to assess, in consultations held with affected communities and households, previous impacts and unresolved claims. The due diligence should recommend measures to address such impacts and unresolved claims and seek the support of affected communities and households for the proposed subproject. The due diligence report is submitted for World Bank review before subproject approval.</td>
</tr>
<tr>
<td>Has it been clearly explained to affected people that they are entitled to compensation at replacement cost?</td>
<td>Yes/No</td>
<td>If no, ensure efforts are made to inform and consult with affected communities; disclose RPF in a manner and language understandable to local communities.</td>
</tr>
<tr>
<td>Have alternative technical solutions or design adjustments been explored to avoid or minimise impacts?</td>
<td>Yes/No</td>
<td>If no, assess if alternatives are available to avoid or minimise impacts.</td>
</tr>
<tr>
<td>Has land been acquired before Bank intervention?</td>
<td>Yes/No</td>
<td>If yes, undertake a due diligence assessment and report to assess if land acquisition has followed national requirements and is consistent with the objectives of OP 4.12. Prepare an action plan to address gaps identified in the due diligence process.</td>
</tr>
<tr>
<td>Are there any conflicts over land and/or titling of land?</td>
<td>Yes/No</td>
<td>If yes, undertake process to resolve issues before financing.</td>
</tr>
</tbody>
</table>
Form for Voluntary Land Donation

<table>
<thead>
<tr>
<th>Region/State:</th>
<th>District:</th>
<th>Township:</th>
<th>Village tract:</th>
<th>Village:</th>
<th>Sub-project ID:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Name of land owner: | NRC Number: | Beneficiary of the sub-project: Y/N
Sex: | Age: | Occupation: |

Address:

Description of land that will be taken by the sub-project:

<table>
<thead>
<tr>
<th>Area affected:</th>
<th>Total landholding area:</th>
<th>Ratio of land affected to total land held:</th>
<th>Map code, if available:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Description of annual crops currently growing on the land to be donated.

*This information is required in order to understand the project impact on trees and standing crops that is required to be compensated. No physical relocation is allowed on a voluntary basis.*

<table>
<thead>
<tr>
<th>Details</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trees that will be destroyed</td>
<td></td>
</tr>
<tr>
<td>Fruit trees</td>
<td></td>
</tr>
<tr>
<td>Trees used for other economic or household purposes</td>
<td></td>
</tr>
<tr>
<td>Mature forest trees</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

Describe any other assets that will be lost or must be moved to implement the project:

Value of donated assets:

By signing or providing a thumb-print on this form, the land user or owner agrees to contribute assets to the project. The contribution is voluntary. If the land user or owner does not want to contribute his/her assets to the project, he or she should refuse to sign or provide thumb print, and ask for compensation instead.

Date: ...............................

District CIU Representative’s signature

Date: ...............................

Affected persons’ signature

(both husband and wife)
Annex 4: Indigenous People’s Policy Framework (EMPF)

1. Introduction

This Resettlement Policy Framework (RPF) has been prepared for the Myanmar Flood and Landslides Emergency Recovery Project (FLERP). Since subprojects are only identified during project implementation specific project impacts cannot be identified until then. The Ethnic Minority Planning Framework (EMPF) is prepared to ensure that (i) ethnic screening would be conducted; (ii) that, if ethnic minorities are found to be present in or have collective attachment to project areas, free, prior and informed consultations will be conducted leading to the broad community support to the project, and (iii) that Social Assessment (SA) would be conducted and Ethnic Minority Plan (EMP) will be developed to identify, assess, minimize and mitigate negative impact that may fall on local ethnic groups. The EMPF describes principles, processes and procedures for assessing potential impacts and preparing EMP, if necessary, in line with the OP 4.10.

This EMPF aims to provide the implementing agencies—the Ministry of Construction (MoC) and Ministry of Livestock, Fisheries and Rural Development (MLFRD), through the Department of Rural Development (DRD)—with the operational planning framework to avoid adverse social impacts and provide equitable and culturally appropriate project benefits to local ethnic minority communities and other vulnerable population groups. The EMPF has been developed to address the social safeguards aspects of the World Bank’s operational policy on indigenous peoples (or ethnic minorities in the context of Myanmar).

2. Project Objectives and Components

The project development objective is to support recovery in priority disaster-affected areas and, in the event of another eligible crisis or emergency, to provide immediate and effective response to said eligible crisis or emergency. The project consists of four components: (i) Climate-Resilient National Infrastructure Rehabilitation, (ii) Rehabilitation of rural roads and temporary employment generation, (iii) Emergency Response, and (iv) Project Management

Component 1: Climate-Resilient National Infrastructure Rehabilitation (US$105million)

The objective of this component is to support the disaster and climate-resilient rehabilitation of damaged national road infrastructure and improve the connectivity in the affected areas. The affected areas will benefit from the restored access to markets thereby increasing the economic growth and access to social services. The restored roads and bridges will also serve as supply and rescue lines in the event of a disaster. Provision of sustainable connectivity through the improvements of the feeder roads systems for populations located in the vicinity of these corridors will be explored under the Component. The component activities will finance: (i) rehabilitation/reconstruction of damaged roads and bridges; (ii) land slide protection and slope stabilization; (iii) associated drainage system; (iv) road pavement/ bridge improvement, including possible road realignment; (iv) traffic safety facilities (reflecting mirrors, evacuation road sections, guardrails, retaining walls); and other structures to increase resilience. This component will be implemented by the Ministry of Construction (MOC) in Chin and Rakhine.
Component 2: Rehabilitation of Rural Roads and Livelihoods Support (US$70 million)

This component will support the rehabilitation/reconstruction and maintenance of selected rural roads and bridges that have been destroyed during the floods. The roads identification and prioritization process will target communities most-affected by the disaster. These interventions will create jobs while simultaneously repairing rural infrastructure and indirectly regenerating farmer’s agricultural production. While rehabilitating the rural road network, a build-back-better approach will be taken, whereby sound engineering designs will be applied to enhance the resilience to natural hazards. Design standards of roads and drainage structures will be reviewed and capacity-building to Government staff and local contractors will be provided. The rehabilitation of roads will be complemented by routine maintenance and to ensure sustainability of project investments. Maintenance would be performed by communities living alongside the rehabilitated roads, organized in "maintenance groups”, paying special attention to employment opportunities to women living in the communities beside the roads. The component will be implemented by DRD in Ayeyarwady, Bago, Magway, Sagaing and Yangon.

Component 3: Emergency Response (US$15 million)

The objective of this component is to improve Myanmar’s capacity by providing emergency recovery and reconstruction support following an eligible crisis or emergency. The component includes two sub-components. Subcomponent 3.1 Contribution to IDA IRM (US$15 million) will support the activation of IDA IRM in response to the 2015 July-September floods and landslides. The sub-component will finance expenditures from an approved list of goods to be financed in line with the Contingent Emergency Response Implementation Plan (CERIP) developed for the IDA IRM activation, as well as the IDA IRM Operations Manual developed by the GoM and approved by the World Bank. In line with the PDNA results, the IDA IRM will primarily support the recovery of the agriculture, fisheries and livestock sectors financing essential goods for the use across disaster-affected States and Regions, such as storage and construction materials, small industrial machinery, seeds, animal feed, as well as distribution and fuel products. Subcomponent 3.2 Contingent Emergency Response (US$0) allows for a rapid reallocation of credit proceeds from other components to provide emergency recovery and reconstruction support following future eligible crisis or emergency, or can be used to channel additional funds in response to an emergency. The sub-component 3.2 would finance public and private sector expenditures on a positive list of goods and/or specific works, goods, services and emergency operation costs required for the specific emergency recovery. A Contingent Emergency Response Implementation Plan will apply to this component, detailing financial management, procurement, safeguard and any other necessary implementation arrangements. The implementation of this component is overseen by the Ministry of Finance (MOF).

Component 4: Project Management (US$10 million)

The objective of this component is to provide efficient and effective management and implementation support to the project and components, including expertise and staff costs, operating costs, office equipment and the cost of audits. It will also provide efficient coordination and reporting of the different components of the Project. It will provide institutional support and capacity development for project management, coordination, technical and safeguards,
implementation (including preparation of safeguards instruments), as well as monitoring and evaluation.

3. Legal and Regulatory Framework

Constitution of Myanmar

According to Chapter 1, clause 22 of the 2008 Constitution of Myanmar, the Union Government of Myanmar is committed to assisting in developing and improving the education, health, language, literature, arts, and culture of Myanmar’s “national races.” It is stated that the “Union shall assist:

(a) to develop language, literature, fine arts and culture of the National races;
(b) to promote solidarity, mutual amity and respect and mutual assistance among the National races;
(c) to promote socio-economic development including education, health, economy, transport and communication, [and] so forth, of less developed National races.”

The constitution provides equal rights to the various ethnic groups included in the national races and a number of laws and regulations aim to preserve their cultures and traditions. This includes the establishment of the University for the Development of the National Races of the Union which was promulgated in 1991 to, amongst other things, preserve and understand the culture, customs and traditions of the national races of the Union, and strengthen the Union spirit in the national races of the Union while residing in a friendly atmosphere and pursuing education at the University.14

Key principles within the Constitution that relate to National Races Affairs include:

(a) Section 15: For National races with suitable population, National races representatives are entitled to participate in legislature of Regions or States and Self-Administered Areas concerned.
(b) Section 17 (c): For National races of which representatives are so permitted to participate in legislature of Regions, States or Self-Administered Areas in accordance with Section 15, such representatives are to be permitted to participate, mainly, to undertake their National races affairs.
(c) Section 167 (a): The Region Hluttaw or the State Hluttaw may, if necessary, form Committees and Bodies with the Region or State Hluttaw representatives concerned to study and submit legislation in relation to national races affairs vested by the Constitution.
(d) Section 262 (e): The Chief Minister of the Region or State shall submit the list of persons who are approved by the Region or State Hluttaw or Chairpersons of the Self-Administered Division or Self-Administered Zone and the list of persons who are representatives elected to undertake the affairs of National races to appoint as the Ministers of the Region or State to the President.

(e) Section 262 (i): The President may, in co-ordination with the Chief Minister, appoint Ministers for the Self-Administered Division or the Self-Administered Zone or Ministers for National races affairs as Ministers concurrently in charge of other Ministries.

The Constitution makes no reference to ethnic minorities or indigenous peoples. It instead uses the term “national races”. This term is not defined by the Constitution however is generally interpreted by applying the 1982 Myanmar Citizenship Law\(^{15}\), which, in its 1983 Procedures, defines 135 national races.\(^{16}\)

Under the Citizenship Law, nationals of Myanmar include the “Kachin, Kayah, Karen, Chin, Bamar, Mon, Rakhine or Shan and ethnic groups as have settled in any of the territories included within the State as their permanent home from a period anterior to 1185 B.E., 1823 A.D.”\(^{17}\)

**Endorsement and Ratification of Relevant International Instruments**

In September 2007, Myanmar endorsed the United Nations Declaration on the Rights of Indigenous Peoples. Article 32 discusses indigenous peoples’ right to free and prior informed consent (FPIC). It says: “States shall consult and co-operate in good faith with the Indigenous Peoples concerned through their own representative institutions in order to obtain Free and Prior Informed Consent prior to approval of any project affecting their land or territories”. Article 10 discusses forcible relocation of indigenous people, and the need for FPIC. Article 26 about land rights is also relevant in relation to indigenous peoples.

Myanmar has not ratified International Labour Organisation (ILO) Convention 169 concerning Indigenous and Tribal Peoples in Independent Countries.

**National Races Protection Law – February 2015**

A proposal to form a Union-level ethnic affairs ministry responsible for ethnic affairs was previously submitted in the Amyotha Hluttaw, but the proposal was rejected on the grounds that there were already many Union ministries and the ethnic affairs ministers could protect minority rights. In August 2013, the Pyithu Hluttaw instead proposed drafting a law for ethnic affairs. On 24 February 2015, the new law was passed by the *Pyidaungsu Hluttaw*.\(^{18}\) Its purpose is defined as:

(a) In order for ethnic minority people to have equal citizen rights.
(b) In order to live together forever with friendship based on the genuine union spirit.
(c) In order to preserve and develop ethnic minorities’ language, literature, art, culture, tradition, ethnic identity and historical heritage.
(d) In order to develop unity, mutual respect and mutual help among national races.
(e) In order to develop education, health, economy and transportation of ethnic minorities in less developed areas.
(f) In order for national races to fully access constitutional rights.

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15 Myanmar Centre for Responsible Business, 2014, Myanmar Oil and Gas Sector Wide Impact Assessment (SWIA)
17 Article 3, Myanmar Citizenship Law.
18 Union Legislative Assembly: a joint session of upper and lower houses of parliament
It states that if national races do not break the prescribed laws concerning national security, rule of law, peace and development and code of conduct for the citizens,

(a) They have the right to freely adopt their language, literature, art, culture, tradition and religion.
(b) They have the right to teach and learn their own language and literature without affecting the National Education Policy.

The World Bank Indigenous Peoples (OP 4.10): The Policy aims to ensure that ethnic minorities (i) do not suffer adverse effects, and (ii) receive culturally compatible social and economic benefits from Bank-financed activities. For all projects that are proposed for Bank financing and affect Indigenous Peoples, the Bank requires the borrower to engage in a process of free, prior, and informed consultation. The Bank provides project financing only where free, prior, and informed consultation results in broad community support to the project by the affected Indigenous Peoples. Such Bank-financed projects include measures to (a) avoid potentially adverse effects on the Indigenous Peoples’ communities; or (b) when avoidance is not feasible, minimize, mitigate, or compensate for such effects. Bank-financed projects are also designed to ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and intergenerationally inclusive.

Early in project preparation, the Bank undertakes a screening to determine whether Indigenous Peoples are present in, or have collective attachment to, the project area. If, based on the screening, the Bank concludes that Indigenous Peoples are present in, or have collective attachment to, the project area, the borrower undertakes a social assessment to evaluate the project’s potential positive and adverse effects on the Indigenous Peoples, and to examine project alternatives where adverse effects may be significant. To carry out the social assessment, the borrower engages social scientists whose qualifications, experience, and terms of reference are acceptable to the Bank.

On the basis of the social assessment and in consultation with the affected Indigenous Peoples’ communities, the borrower prepares an Ethnic Minority Plan (EMP) that sets out the measures through which the borrower will ensure that (a) Indigenous Peoples affected by the project receive culturally appropriate social and economic benefits; and (b) when potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for.

Some projects involve the preparation and implementation of annual investment programs or multiple subprojects. In such cases, and when the Bank’s screening indicates that Indigenous Peoples are likely to be present in, or have collective attachment to, the project area, but their presence or collective attachment cannot be determined until the programs or subprojects are identified, the borrower prepares an Ethnic Minority Planning Framework (EMPF). The EMPF provides for the screening and review of these programs or subprojects in a manner consistent with this policy.

4. Institutional Arrangement
Responsibility for implementation of this IPPF and for preparation and implementation of IPPs for specific activities and sub-projects (including responsibility for meeting all associated costs) rests with the MOC and MLFRD (DRD). As necessary, MOC and MLFRD will exercise their authority to coordinate actions with any other agencies involved to ensure timely and effective implementation.

Safeguards preparation and implementation will be carried out by each CIU, under the MoC for Component 1 and DRD for Component 2. Each CIU will have a designated safeguard team with adequate staff and capacity to carry out the duties described under this ESMF. Because the evaluation of the expected environmental and social impacts requires specialized technical skills, these implementation agencies will employ qualified environmental and social specialists as well as consultants to assist them in this task. Additionally, it is envisaged that local government staff will be supported by an international safeguards advisor on a semiannually basis, which will guide the Component safeguard teams in the screening, scoping, contracting, supervising, and monitoring safeguard implementation.

More detailed description of the implementation arrangement is provided in the Section XIV of the ESMF.

5. Eligibility Criteria

For purposes of this EMPF, ethnic minorities refer to the distinct, vulnerable, social and cultural groups that possess the following characteristics in varying degrees:

a) Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;

b) Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;

c) Customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and

d) An indigenous language, often different from the official language of the country.


6.1. Ethnic Minorities

The Government recognizes 135 separate ethnic groups referred to within the Constitution as "national races". Major groups include Burman/Bamar, Shan, Karen/Kayin, Kachin, Chin, Rakhine, Mon and Kayah. The largest ethnic group is the Bamar (Burmese) people comprising about two-thirds of the population and who reside predominantly in the central and delta (seven) regions. Other ethnic minorities account for about one third of the population and live mainly within the seven states (although not exclusively). The official population estimates of the main ethnic minority groups are roughly: Shan (9 per cent), Kayin/Karen (7 per cent), Rakhine (4.5 per cent), Chin (2 per cent), Mon (2 per cent), Kachin (1.4 per cent), and Kayah (1 per cent).19

Myanmar’s ethnic minorities make up an estimated 30 – 40 per cent of the population, and ethnic states occupy around 57 per cent of the total land area along most of the country’s international borders.²⁰

Political boundaries in Myanmar are to some extent organised according to ethnic demographics. Seven States are named after seven large ethnic minority groups – namely, Kachin, Kayah, Kayin, Chin, Mon, Rakhine, and Shan States. The Bamar are the dominant ethnic group, especially in the seven Regions (Sagaing, Magwe, Tanintharyi, Mandalay, Yangon, Ayeyarwady, and Bago).

Aside from the 14 States and Regions, there are five self-administered zones: Naga (Sagaing Region); Danu ( Shan State); Pa-O ( Shan State); Pa Laung ( Shan State); and Kokang ( Shan State). There is also one self-administered division: Wa ( Shan State). These six self-administered sub-national units are recognised in the 2008 Constitution (section 56) and are the result of earlier ceasefire agreements. Each self-administered unit is run by a Leading Body, which has at least 10 members and includes State or Region Hluttaw members and other members nominated by the Commander-in-Chief.²¹

Myanmar’s ethnic diversity creates variations in traditional norms and power structures, ranging from a system of small principalities in Shan and Kayah States to the tribal systems of the Kachin. However, in addition to this, Bamar dominance over other ethnic minorities has been the source of considerable ethnic tension and has fuelled intermittent protests and separatist rebellions including armed conflict, which has affected traditional structures. Armed ethnic groups have established systems of administration separate either to the Government system or to traditional systems. All the main ethnic minority group areas have experienced various levels of conflict since 1962. There has been progress in peace talks between the Government and ethnic armed groups through leadership meetings, starting in late 2013, but a National Ceasefire Accord (NCA) has not yet been realised.²² Nonetheless, the country is undergoing a process of profound transformation, including but not limited to the peace process, which has significant implications for local governance structures at township and village level.

Although a large majority of the population practices Buddhism, other religions are also present; mainly Christianity, Islam, Hinduism. Some estimates list the proportion of Buddhists at 90 per cent; other sources estimate 80 per cent. Other major religions, as estimated by the Pew Research Center, are: 7.8 per cent Christians, 5.8 per cent folk religions, 4 per cent Muslims, and 1.8 per cent Hindus.²³

### 6.2. Internally Displaced and Post Disaster Groups

²¹Adam Smith International in partnership with Myanmar Development Resources Institute (MDRI), 2015, Institutional and Regulatory Assessment of the Extractive Industries in Myanmar p. 60
There are a number of internally displaced populations (IDPs) within Myanmar due to civil and military conflicts. These are found particularly in Kachin, Rakhine and Shan states. There are also many post-disaster groups in the Delta region. Given their displacement it is possible that they may not be identified in population statistics and they often lack access to basic infrastructure, including electricity.

A 2014 survey by The Border Consortium (TBC)\textsuperscript{24} estimated that there were at least 110,000 IDPs spread across 23 townships (222 village tracts) in southeast Myanmar.\textsuperscript{25} In December 2014, TBC verified 110,094 refugees living in refugee camps.\textsuperscript{26} In Rakhine State, an estimated 140,000 people, predominantly Muslims, were displaced during the conflicts in 2012. At January 2014, it was estimated that the number of displaced persons in Rakhine State had reached 140,000.\textsuperscript{27}

Post-disaster communities are prevalent in the Delta region and along the western coastline of Myanmar, which is particularly vulnerable to natural disasters. For example, Cyclone Nargis in 2008 which affected 2.4 million people and caused over 138,000 deaths.

\textbf{Table 1: The Population of Myanmar by Sex and State/Region}

\footnotesize{\begin{tabular}{|c|c|}
\hline
\textbf{State/Region} & \textbf{Population} \\
\hline
Kachin & 110,000 \\
Rakhine & 140,000 \\
Shan & 110,094 \\
\hline
\end{tabular}}

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\textsuperscript{24} TBC is a non-profit, non-governmental organisation, is an alliance of partners working together with displaced and conflict-affected people of Burma/Myanmar to address humanitarian needs and to support community-driven solutions in pursuit of peace and development.


\textsuperscript{26} ibid.

6.3. Women

Table 1 below shows the population of Myanmar by Sex and State/Region, as included in the Provisional Results of the Myanmar Census. The full results of the Myanmar Census are expected to be available in May 2015.

7. Potential Issues and Impacts Relating to Ethnic Minorities and Other Vulnerable Groups

Overall, the FLERP is expected to provide positive benefit to ethnic minorities and vulnerable people by reconstructing road connectivity and basic access, and creating job opportunities for them. Construction and operations activities associated with the FLERP may present possible risks in areas with ethnic minorities. The temporary employment generation program under the Component 2 may be implemented in ways that will not provide equal benefit to ethnic minorities and other vulnerable groups. Contracts should include good practices for working with local communities.

8. Implementation Arrangements for the EMPF
The project’s positive impacts will depend upon the degree to which it is successful in ensuring the inclusion of vulnerable groups including ethnic minorities and women. This requires a participatory approach process and ways to address barriers of economic and geographical character as well as language and cultural barriers. A key principle of the EMPF is to build on, and improve existing mechanisms, including processes for local planning and engagement with communities and Village Committees.

**Ethnic Screening**

Screening is undertaken by the CIUs, with support from the TA/consultant teams as needed, to determine the presence of ethnic minorities in the subproject’s area of influence (see ESMF for more details, including the screening form provided in Annex 1 of the ESMF). If their presence is confirmed, OP 4.10 is triggered to the subproject and the following steps will be undertaken (see also OP 4.10). Based on OP 4.10’s definition of indigenous peoples / ethnic minorities, the policy is triggered to the officially recognized ethnic minorities, or *ethnic races* (except the Bamar). The Bank will provide guidance to the CIUs during the screening process and will review the screening outcomes during its implementation support.

If a subproject’s area of influence is in an area with ethnic minorities OP 4.10 is triggered and the procedures described in this EMPF will be followed. This includes the Social Assessment of potential social issues, impacts and risks; free, prior and informed consultations; and the preparation of an EMP in consultation with the ethnic minorities affected.

**Social Assessment (SA)**

Social Assessment (SA) is a process which provides an integrated and participatory framework for prioritizing, gathering, analyzing, and using operationally relevant social information. The scope and elements of the SA should be proportional to the type and level of benefits, impacts and risks of the particular subproject.28

Because the concerns and preferences of ethnic minorities are context-specific, no uniform or standardized approach can be recommended. The elements, methodology, substance and depth of the SA should be proportional to the nature and scale of the proposed subproject’s design, the circumstances of the ethnic minorities and the existing data and knowledge relevant to the country and sector context. Issues commonly included in SA are:

- (a) Identification of key stakeholders and institutional arrangements relevant to the subproject and the communities benefiting or affected.
- (b) Gathering of baseline information on the demographic, social, cultural and political characteristics of the affected ethnic minority communities, and when relevant the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.

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(c) Forms of social infrastructure and services available to ethnic minorities, and analysis of the main factors affecting such access, or lack thereof.

(d) Assessment, based on free, prior, and informed consultation with the affected ethnic minorities, of the potential adverse and positive effects of the subproject.

(e) Assessment, based on free, prior, and informed consultation with the affected ethnic minorities, of the potential subproject design features and, if necessary, mitigation measures to ensure that the subproject provides culturally appropriate benefits and avoids or provides appropriate mitigation measures for subproject impacts.

(f) Identification and assessment of a culturally appropriate process for consultation and participation during preparation and implementation of the subproject financed activity/subproject, including methodologies, technologies, principles, capacity building, empowerment, technical assistance and other support features necessary for a successful consultation and participation process.

**Free, Prior and Informed Consultations**

The OP 4.10 requires a process of free, prior and informed consultation leading to broad community support from ethnic minorities benefiting from, or affected by, the Bank-financed subprojects. The objective is to facilitate the design of development interventions that are: culturally appropriate from the perspective of ethnic minority communities; developed through a transparent and participatory approach; and obtain broad support from affected communities.

The scope of the consultations required depends on the level of subproject impacts and the methodology depends on the type of communities affected by the subproject (e.g. their vulnerability, language and ongoing interactions with the dominant society or neighboring communities).

The consultation process should:

(a) be free from coercion, intimidation and pressure from the implementing agency or other stakeholders;
(b) integrate customary norms of decision making in the community;
(c) provide reasonable and understandable information about the subproject, its potential benefits, adverse impacts and risks, to all community members;
(d) participatory and facilitate the participation of ethnic minorities in assessing subproject benefits, opportunities, impacts and risks;
(e) use methods that are inclusive of vulnerable groups in the community, culturally appropriate, and that are adapted to communities’ language and needs;
(f) allow sufficient time for information to be interpreted and discussed internally within the affected communities and for comments and recommendations to be formulated by the communities;
(g) provide sufficient time for consultations and thereby allow the implementing agency to understand the views, concerns, interests and priorities of the ethnic minority communities;
(h) facilitate the communities’ influence on the subproject design and measures based on fair and open discussions and good faith negotiations; and
(i) document and disclose the consultation process (who, when, where, what); including the process and methodology, issues raised, how they have been addressed and the agreements
reached. Documentation of the process is an important factor in demonstrating that broad community support has been obtained.

Arrangements for consultations should be carefully considered and tailored to the subproject context, the anticipated impacts and the context of the local communities. Consultations may include:

(a) community meetings, both with the community as a whole and with sub-groups;
(b) focus group discussions and participatory planning exercises;
(c) distribution of project information in both full format (project documents, assessment reports etc.), simplified formats such as posters and brochures, and audio-visual material using local languages;
(d) identification of contact persons within the communities (some training may be appropriate to enhance their ability to engage meaningfully in the consultation process);
(e) involvement of ethnic minority organizations where they exist and have the trust of the local communities; and
(f) involvement of local NGOs, research institutes, university students (where these are accepted by, and have the trust of, the local communities).

Consultations should be conducted in the relevant ethnic language(s) when needed and sufficient lead time (minimum two weeks) should be given to ensure that all affected ethnic minority communities are able to participate in consultations fully informed of the subproject and preparation of an EMP.

**Preparation of an Ethnic Minority Plan**

Based on the findings of the SA and free, prior and informed consultations, the responsible CIU or designated implementing partner will prepare an Ethnic Minority Plan (EMP) for the specific subproject affecting ethnic minorities. The EMP should be prepared in a flexible and pragmatic manner, and its level of detail will vary depending on the specific subproject and the nature of impacts to be addressed.

Where required, an EMP should include the following elements, as needed (proportional to the scope, benefits, impacts and risks of the subproject):

a) Project description and summary description of issues relating to ethnic minorities.
b) A summary of the legal and institutional framework applicable to ethnic minorities.
c) A summary of the SA including baseline information on the demographic, social, cultural, and political characteristics of the affected ethnic minorities, the land and territories that they have traditionally owned or customarily used or occupied, and the natural resources on which they depend.
d) A summary of the results of the free, prior, and informed consultation with the affected ethnic minorities that led to broad community support for the subproject.
e) A framework to ensure free, prior, and informed consultation with the affected ethnic minorities during the implementation of subproject activities.
f) Measures to ensure that the affected ethnic minorities receive social and economic benefits that are culturally appropriate;
g) Measures to avoid, minimize, mitigate, or compensate for adverse effects.

h) The cost estimates and financing plan for the EMP.

i) Grievance redress mechanisms accessible to the affected ethnic minorities.

j) Monitoring, evaluating and reporting on the implementation of the EMP.

The draft EMP prepared in consultation with the affected ethnic minorities will be publicly disclosed and shared with local communities in a manner and language appropriate and understandable to the community members. The EMP should be prepared in English or Myanmar language, and translated into relevant ethnic minority languages if deemed necessary and constructive in providing subproject and EMP information to the ethnic minorities. If the EMP is prepared in Myanmar language, it should be translated into English for Bank review, unless otherwise agreed with the Bank.

9. Institutional Arrangements

The two implementing agencies through their respective CIUs will be responsible for the environmental and social performance of the FLERP and its subprojects. The CIUs will be adequately staffed for this purpose with environmental and social safeguards officers. Once each subproject has been identified, the responsible CIU will clarify tasks and responsibilities regarding implementation of the specific subproject. The CIUs will be responsible for creating a screening report and draft TOR for ESMP or ESIA and to prepare an Ethnic Minority Plan (EMP) as needed. The CIUs will be responsible for disclosing subproject safeguard instruments and for consulting with local communities and other relevant stakeholders. Safeguard consultants will be hired as needed to assist the two CIUs to implement the ESMF (refer ESMF for further details).

10. Capacity Building of Key Stakeholders

FLERP Safeguards implementation arrangements and capacity building will be further design during implementation and will build upon existing mechanisms and capacity.

For the MoC this FLERP will be the first World Bank supported project. MoC has experience and built capacity to implement Asian Development Bank funded projects and well as other development partners such as JICA and UNDP. MoC has previously created Project Management Units for ADB supported project and has built capacity for safeguards implementation.

The Department for Rural Development (DRD), under the Ministry of Livestock, Fisheries and Rural Development (MLFRD), is the GoM department with the longest experience managing World Bank projects, since 2012. DRD is also currently implementing the biggest project in the World Bank Myanmar portfolio, the National Community Driven Development Project (USD480 million), as well as the National Electrification Project’s off grid electrification component (US$90million). DRD has experience creating, implementing and monitoring safeguard instruments for rural infrastructure rehabilitation.

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29 It is expected that relevant documents, or summaries, will be translated into the main ethnic minority languages with a written language and a population group able to read in the local language; for instance Shan, Palaung, Hakha, and Chin languages.
During implementation, a more specific capacity building needs assessment and action plan will be developed. The Capacity Building action plan will likely include specific technical support, mentoring, workshops, and learning-by-doing activities.

An International Safeguards Specialist will be recruited competitively under each PISU to support the implementation of this EMPF on a semiannual basis. It is expected that the International Safeguards Specialist will work with national counterparts both government and consultants to carry out the activities included in this EMPF. The International Safeguard Specialist will also carry out a capacity assessment and design a Capacity Building Plan for the PISUs. The Capacity Building Plan will likely include formal training programs mentoring, specific technical support, learning-by-doing training, and other activities to ensure know how transfer specially on World Bank procedures and guidelines included in this EMPF.

11. Monitoring and Grievance Procedure

The Project will incorporate a strong system of monitoring and evaluation (M&E) to:

(d) ensure effective and timely implementation according to plan and apply mid-course corrections where needed;
(e) measure the achievement of results envisaged in its objectives and learn lessons for future operations; and
(f) ensure implementation of the ESMF, with EMPF, to meet the requirements of the Bank’s safeguard policies.

The CIUs will be responsible to monitoring the implementation of EMPs for subprojects. Efforts will be made to build capacity at local CIU level to undertake such monitoring. The TA/consultant teams will assist the CIUs in subproject monitoring and local NGOs and CSOs will also be used to support the preparation, implementation and monitoring of subprojects. Qualitative monitoring and beneficiary assessments will be included in the M&E, focusing primarily upon societal dynamics and ethnic groups, women, and the most vulnerable, using focus group discussions, key informant interviews and other participatory methods.

More detailed description of monitoring and evaluation mechanisms are provided in the Section XV of the main body of the ESMF.

A Grievance Redress Mechanism (GRM) will be developed before effectiveness by the PMUs including adequate resources, clear roles and responsibilities, procedures and guidelines. The objective of the GRM is to receive and address communities request and/or complaints relating to project implementation. Where possible, the GRM will build on existing local institutions at the Village Committees/Township levels – special emphasis will be given to the existing GRM created under the National Community Driven Development Project in Myanmar. A communication plan will be developed to facilitate community’s understanding of the GRM functions and enable access to it. Channels will be developed to allow for community monitoring and evaluation of the construction process through means such as public hearings or ICT enabled citizen feedback platforms.
Regular monitoring of the effectiveness of the GRM will be included in the monitoring and evaluation (M&E) approach for the Project. In undertaking the regular M&E activities, the following questions will be raised:

(q) Does the project have clear, formal, and transparent internal mechanisms and rules for addressing grievances?
(r) Do project officials responsible for grievance redress have the authority to take or demand remedial action?
(s) Are officials responsible for grievance redress obliged to take action on all grievances?
(t) Do project-affected people feel that they can lodge grievances without fear of retaliation?
(u) Are project beneficiaries aware of their right to file a grievance and of the grievance redress procedure in general?
(v) Are there internal processes in place to record, track, and monitor the grievances and the action taken on them?
(w) Does the GRM provide timely feedback (written or otherwise) to the petitioner on actions taken?
(x) Is there an appeals process in place that GRM users can access if they are not satisfied with how their grievance has been resolved?

More detailed description of the GRM and monitoring mechanisms is provided in the section XV of the main body of the ESMF.

12. Budget

The implementation of this EMPF is integrated into the overall FLERP budget. The costs of supporting the implementation of the EMPF - such as capacity building and preparation of EMPs - are included in the ESMF budget.

13. Consultations and Disclosure Arrangements

The Project will follow World Bank Group Safeguard Policies for participation, consultation, and disclosure concerning safeguard aspects of the Project as described in this ESMF. The Project aims at achieving meaningful consultation that is a two way process in which beneficiaries provide advice and input on the design or the proposed subproject that affect their lives and environment. Meaningful consultation shall promote dialogue between government, communities, NGOs and implementing agencies to discuss relevant aspects of the Project and its subprojects. Consultation is an ongoing process and will be carried out both during subproject preparation and implementation.

The final documents will reflect any comments and/or suggestions provided during the public consultations. The EMPF has been revised to reflect the outcome of the consultations, which for instance suggested more emphasis on the cooperation with NGOs and CSOs and the participatory planning methods of the Project. The final IPF will be publicly disclosed in Myanmar and English language versions on the MLFRD and MOC websites, and in English language in the Bank’s InfoShop in compliance with the World Bank’s Public Consultation and Disclosure Policy.
project implementation, the CIUs will prepare project information and briefing material that explains the objectives and requirements of the ESMF and EMPF in a manner understandable to local communities. It will be translated into key ethnic minority languages with a proportional population group that can read in those languages.
Annex 5: Environmental Code of Practice

Roads connecting villages, between villages and township

General Considerations:
(a) Control placement of all construction waste (including earth cuts) to approved disposal sites (at >300 m from rivers, streams, lakes, or wetlands). Dispose in authorized areas all of garbage, metals, and excess materials (fuels, oil, grease) generated during construction. Never dispose spent oils on the ground and in water courses as it can contaminate soil and groundwater.

Sub-project Type Environmental Prevention/Mitigation Measures
(b) Erosion control measures should be applied before the rainy season begins, preferably immediately following construction. Maintain, and reapply the measures until vegetation is successfully established.
(c) Sediment control structures should be applied where needed to slow or redirect runoff and trap sediment until vegetation is established.
(d) Spray water on dirt roads, cuts, fill materials and stockpiled soil to reduce wind-induced erosion, as needed.
(e) Avoid road construction through primary forests as it gives access to illegal logging.
(f) Avoid road construction in unstable soils, steep slopes and nearby river banks. Additional measures (see the section below) need to be applied should there be no alternatives for road alignments.

Protect slopes from erosion and landslides by the following measures:
(a) Plant locally available, fast-growing grass on slopes prone to erosion. These grasses help stabilize the slope and protect soil from erosion by rain and runoff. Locally available species possessing the properties of good growth, dense ground cover and deep root shall be used for stabilization.
(b) Provide interceptor ditch, particularly effective in the areas of high intensity rainfall and where slopes are exposed. This type of ditch intercepts and carries surface run-off away from erodible areas and slopes before reaching the steeper slopes, thus reducing the potential surface erosion.
(c) For steep slopes, a stepped embankment (terracing) is needed for greater stability.
(d) Place a retaining wall at the lower part of the unstable slope. The wall needs to have weeping holes for drainage of the road sub-base, thus reducing pressure on the wall.
(e) Rocks (riprap) can be used in addition to protect the slope.
(f) Prevent uncontrolled water discharge from the road surface by sufficiently large drainage ditches and to drain water away from the down slope.

Culverts
(a) Remove all formwork from inside the culvert (after concrete has reached full strength). Formwork that is not removed will rot eventually, drop down and obstruct the free flow of water.
(b) Place large stones at the outlet of the culvert to prevent erosion.
(c) Keep the culvert inlets free from sand and gravel – the water must flow through the culvert.
(d) Build a sand trap upstream of the culvert to prevent accumulation at culvert inlets (sand traps will have to be cleaned periodically).
(e) Ensure that the water of the adjacent road sections can flow freely into the roadside ditch.