

**INTEGRATED SAFEGUARDS DATA SHEET**  
**APPRAISAL STAGE**

Report No.:

Date ISDS  
Prepared/Updated: September 3, 2013

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Brazil	<b>Project ID:</b>	P127463
<b>Project Name:</b>	Operation to strengthen service delivery in skills development, early childhood development and water quality programs (P127463) – IPF Component		
<b>Task Team Leader:</b>	Thomas Kenyon		
<b>Estimated Appraisal Date:</b>	16-Sep-2013	<b>Estimated Board Date:</b>	22-Nov-2013
<b>Managing Unit:</b>	LCSPF	<b>Lending Instrument:</b>	IPF (hybrid with PforR)
<b>Sector:</b>	Pre-primary Education (12.5%); Other Social Services (12.5%); Vocational Training (12.5%); General Industry & Trade (12.5%); Public Administration, Water, Sanitation (12.5%); General Water (12.5%); Sub-national Government Administration (25%)		
<b>Theme:</b>	Themes: Water Resource Management (25%); Managing for Development Results (25%); Education for All (12.5%); Social Inclusion (12.5%); Export Development and Competitiveness (12.5%); Education for Knowledge Economy (12.5%)		
<b>Financing (in USD Million)</b>			
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
International Bank for Reconstruction and Development			35.00
Total			35.00
<b>Environmental Category</b>	B		
<b>Is this a Repeater project?</b>	No		

**2. Operation Objectives**

This ISDS relates to the technical assistance (IPF) component (the ‘project’) of a PforR Operation. The Program Development Objective (PDO) is to support the Government to improve public service delivery particularly in the areas of skills development, early childhood development and water quality. The project consists exclusively of high-quality firm and individual consulting services. Its objective is to strengthen: i) cross-cutting public sector management functions; ii) sector-specific public sector management functions; and iii)

fiduciary systems.

### **3. Project Description**

The IPF component will consist exclusively of consulting services (both individual and firm) and will comprise support for: i) cross-cutting public sector management functions; ii) sector-specific public sector management functions; and iii) for strengthening fiduciary systems:

(i): Cross-cutting public sector management (US\$ 12.1 million): support for strengthening results based management, including mechanisms for inter-sector coordination; design and implementation of investment planning and costing methodology; payroll audit and stock-taking of human resource management; reform of budget preparation and execution procedures; support for strengthening citizen participation and monitoring; technical audit of DLI compliance; support for project implementation unit.

(ii): Sector-specific public sector management (US\$ 19.2 million):

Skills development and innovation (US\$ 3.2 million): support for monitoring and impact assessment of professional education programs; support for impact assessment of innovation programs; assessment of and recommendations for improvements to policy process for supporting private sector development; validation and monitoring of implementation of private sector development strategy; methodology for training professional education instructors and support for entrepreneurship training and student testing;

Early childhood development (ECD) and poverty reduction (US 7.0 million): training for ECD coordinators and school principals; development, implementation, monitoring and evaluation of a pilot home-based parenting program; monitoring and capacity building for social assistance centers (CRAS); strengthening of monitoring and results-based management of programs financed by the state anti-poverty fund (FECOP);

Water quality (US\$ 9.0 million): recommendations for improving the institutional framework for water management; strategic environmental assessment of state policies and programs; classification of reservoirs by use; methodology for modeling water quality; support for strengthening monitoring of water quality; capacity building for municipal technical staff; assessment of economic impact of environmental degradation and climate change; draft legislation to support market for environmental services; support for strengthening enforcement of environmental legislation; recovery plans for degraded open air dumps; implementation of recycling program in the three strategic watersheds; recommendations for structure of solid waste management regulation and design of regulatory instruments.

(iii): Fiduciary systems (US\$ 3.7 million):

Financial management (US\$ 0.5 million): support for the adoption of international public sector accounting standards; strengthening risk and performance-based external auditing;

Procurement (US\$ 3.2 million): design and implementation of management information systems to support execution of bidding processes; adoption of system of preventive internal controls, management information and social outreach;

refurbishment of 'licitar' information system.

**In terms of social safeguards, the proposed technical assistance project triggers OP.4.10** on Indigenous Peoples given its focus on supporting State level activities in Early Childhood Education (ECD)/Social Assistance and vocational training, respectively (i) training for ECD coordinators and school principals; development, implementation, monitoring and evaluation of a pilot home-based parenting program; monitoring and capacity building for social assistance centers (CRAS); and (ii) methodology for training professional education instructors. In addition, the consultancies planned under the Water Quality Component, will support improved monitoring of environmental legislation in three Strategic Watersheds, one of which (Bacia Metropolitana) will also cover a municipality with IP Presence (Caucaia Municipality).

There are about 23,000 indigenous people in the State of Ceará. They comprise 12 ethnic groups (Anacé, Anambé, Canindé, Gavião, Jenipapo-Kanindé, Kalabaça, Kariri, Pitaguari, Potiguara, Tabajara, Tapeba and Tremembé). Data from 2006 PNAD/IBGE show that 59.2% of the indigenous population lived below the poverty line. Currently the State's indigenous population is scattered across 75 communities located within 16 municipalities. **The impacts of the proposed activities on Indigenous Groups are expected to be positive**, the triggering of OP 4.10 is intended to ensure that Indigenous Peoples are able to benefit from ECD interventions and that the key barriers identified during project preparation to their participation in State Level Vocational training programs are adequately addressed. Similarly, the implementation of an improved monitoring system for environmental legislation is not expected to have negative social impacts on Indigenous Groups. The policy is triggered (as in the case of TA elements relating to social services) to ensure that adequate consultations with Indigenous Groups take place as part of the participatory monitoring system put in place with local Watershed Committees in targeted areas.

**In addition, OP 4.12 on Involuntary Resettlement is not triggered.** No civil works will be supported under the TA project. TA activities planned under the Water Quality Component that relate to land use planning will comply with the Brazilian Forest Code and Brazilian legislation on protected areas (SNUC - Law 9985 of 2000, Decree 4340 of 2002 and Decree 5758 of 2006) and addendum 2166-67 to the Brazilian Federal Law 4771/65, which ensure access to water resources in these protected areas for livelihood activities. All TA advice will be fully compliant with World Bank Policy 4.12. Specific activities to address downstream impact have been duly assessed and included in the ESSA Plan of Action. Finally, downstream impacts from changes in current waste management (construction of new sanitary landfills or closure of existing open dumps) require adequate environmental and social assessment and management. In particular, waste pickers that currently are organized and depend on existing open dumps for livelihoods could be adversely affected if alternative livelihood programs are not implemented. These impacts are downstream and beyond the scope of the TA project, advice provided through the Project's Technical Assistance will be fully in line with the Bank's Environmental and Social Safeguards policies. In addition, the ESSA has identified that existing policies and programs in place at State Level require the

development of alternative livelihood activities for waste pickers and that these programs be designed and implemented in close partnership with Waste Picker Cooperatives.

**The specific activities that will be undertaken to address the safeguards issues raised above** as they relate directly to the TA component are detailed in Table 6 below. Given that the TA and Program for Results will both contribute to the implementation of the same programs in the areas relevant for Social Safeguards, **these actions will be implemented under the ESSA Program of Action**. They are as follows:

- (i) **Relating to the ECD Component:** Given the barriers noted and discussed with IP and Quilombola groups during project preparation, a specific outreach strategy, including an “active search” feature will be developed for outreach to these groups. The strategy will be developed in consultation with IP groups and associations at State level, with the participation of the Governor’s Office *Coordenadoria* for Racial Equality and Human Rights and following FUNAI’s advice. The consultative process will be in line with the free, prior and informed consultation process required by OP 4.10. Broad support for the design of the strategy will be sought and documented. This activity has been included in the ESSA PAP to ensure that the team can adequately monitor its implementation through World Bank team supervision mission and revision of ToRs for the consultancies involved.
- (ii) **Relating to Vocational Training:** The primary objective of this component is to fill critical gaps observed during project preparation and technical discussion with the Client between skills in demand on the part of the private sector and the profile of graduates for TVET. This key feature has, therefore, driven the focus areas and topics for professional training. The PforR and, therefore, the TA project that supports it have not included a focus on topics such as rural education where a specific outreach strategy for IP areas would make sense. Given the above, the project will ensure that critical barriers identified by IP and Quilombola Groups to participating in TVET overall are addressed by: (i) providing information on available courses, locations; grants; and (ii) ensuring adequate training of staff in terms of cultural sensitivity to avoid discriminatory practices.

The consultative process for the design of communication activities and teacher training will be in line with the free, prior and informed consultation process required by OP 4.10. Broad support for the design of these two outputs will be sought and documented. This activity has been included in the ESSA PAP to ensure that the team can adequately monitor its implementation through World Bank team supervision mission and revision of ToRs for the consultancies involved.

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

The geographical scope of project activities varies. The early childhood development and skills development will have an influence on activities conducted throughout the state. For instance, as of 2010, there are 505 indigenous or Quilombola children aged 0 to 4 years old in the 13 municipalities where the home based parenting program will be piloted. In terms of impact on Indigenous Groups (as it relates to the triggering of OP 4.10) it is important to note

that the services will be provided on-demand to indigenous and Quilombola groups. Even though PADIN program will not especially target indigenous or Quilombola communities, specific outreach strategies will be developed in consultation with Indigenous People (IP) with a focus on enabling them to take advantage of the benefits of the early education/social assistance and vocational education programs.<sup>1</sup> An overview of IP presence in Ceara State is presented in map 1 in the Annex to the ISDS. The water quality program will have an influence on activities concentrated in three strategic watersheds (Metropolitan Region Fortaleza, Acaraú, Salgado). These are represented on map 2 in the Annex. The municipality of Caucaia (with presence of IP Tapebe groups) will be covered under this intervention.

### 5. Team Environmental and Social Safeguards Specialists

Gunars Platais, Senior Environmental Economist

Patricia Fernandes, Social Development Specialist

Alberto Coelho Costa, Senior Social Development Specialist

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	<b>Yes</b>	The project will have no direct impact on the ground. Some activities will build municipal capacity to execute environmental management functions. The TORs for these and for the Strategic Environmental Assessment will reflect considerations related to natural habitat, forest, pest and physical cultural resources management.
Natural Habitats OP/BP 4.04	<b>No</b>	There is no potential for conversion or degradation of critical or other natural habitats.
Forests OP/BP 4.36	<b>No</b>	The project will not affect the rights and welfare of people and their level of dependence on or interaction with forests. Nor will it aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned.
Pest Management OP 4.09	<b>No</b>	The project will not support the purchase or increased use of pesticides and other agricultural chemicals as defined under the policy. Nor will it include any support for forest plantations or other agriculture that would promote pest management.

<sup>1</sup> The current network of indigenous schools in Ceara comprises 37 units located across the 15 municipalities where the home based pilot will be implemented. In 2013, these schools enrolled 5,974 students in the preschool through high school (including youth and Adults Education.) There are also 31 quilombola communities with certifications issued by the Palmares Foundation with one state school focusing specifically on this group.

Physical Cultural Resources OP/BP 4.11	<b>No</b>	The project will not have any negative impact on archeological or physical cultural resources.
Indigenous Peoples OP/BP 4.10	<b>Yes</b>	<p><b>The project includes support for early childhood and skills development activities</b> that will be provided at State level (and therefore cover indigenous groups on an on-demand-basis).</p> <p>The early childhood development program will include an outreach strategy to ensure that project benefits are extended to indigenous peoples and Quilombola Communities. The skills development program will include training for course instructors on the needs of indigenous peoples and Quilombolas. A focus on monitoring the success of these programs in including indigenous groups has been included in the PforR Environmental and Social Strategic Assessment (ESSA) Action Plan.</p> <p>In addition, the TA project will support the strengthening the monitoring environmental legislation to regulate the use of water resources in strategic water-sheds. This activity will follow the current Forest Code that affords adequate protection (in terms of access to water resources) to households without legal titles/relying on these resources for livelihoods. In order to ensure that legislation is followed in practice, the ESSA Action Plan will ensure that a detailed screening of potential social impacts of improved monitoring of legislation and a framework put in place for the adequate compensation of any affected households. The process will be undertaken in a highly participatory manner with water-shed management committees and will be based on extensive, free prior and informed consultations with communities. Particular attention will be paid to documenting the process followed in the Caucaia municipality with Tapebe Indigenous Groups.</p> <p>The social analysis carried out for the preparation of the ESSA focused on understanding existing barriers by indigenous groups (and other vulnerable and</p>

		<p>marginalized groups) in accessing the range of services supported under the current TA and PforR programs. It included a series of preliminary consultations with IP and Quilombola Associations and with the key Federal and State Institutions to understand the key bottle necks and design the ESSA Action Plan. The proposed activities including: (i) development and implementation of a cultural sensitivity training module for TVET instructors and broad dissemination of information about TVET program to IP groups, (ii) the design of an outreach strategy (including active search of vulnerable and marginalized groups) for the ECD and Social Assistance component, and (iii) the establishment of a consultative process to identify any social impacts on the improvements in monitoring environmental legislation and development a compensation framework in line with the Federal Forest Code where based on consultations with IP groups and resulted in broad support for the proposed interventions as documented in the ESSA consultation report.</p>
<p>Involuntary Resettlement OP/BP 4.12</p>	<p><b>No</b></p>	<p>The project will not support civil works. It will cause neither involuntary physical resettlement nor negative impacts on livelihoods. The monitoring system and early alert system have no bearing on land property or use rights, including indigenous rights. Classification of reservoirs by use will be undertaken in line with the Brazilian Forest Code. The land use restrictions of Permanent Preservation Areas (APP) and Legal Reserves (RL) have been applied to private landholdings since 1965 and impose no access restrictions to natural resources. Activities supported by the project will comply with the Brazilian Forest Code and Brazilian legislation on protected areas (SNUC - Law 9985 of 2000, Decree 4340 of 2002 and Decree 5758 of 2006). They will be carried out in accordance with addendum 2166-67 to the Brazilian Federal Law 4771/65, which allows for sustainable agroforestry activities in small rural properties as long as they do not change the overall character of the forest</p>

		cover and do not alter ecosystem functions in the area.
Safety of Dams OP/BP 4.37	<b>No</b>	The project will neither support the construction or rehabilitation of dams nor will it support other investments related to existing dams.
Projects on International Waterways OP/BP 7.50	<b>No</b>	The project will not affect international waterways.
Projects in Disputed Areas OP/BP 7.60	<b>No</b>	The project will not be implemented in disputed areas.

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p> <p>The project does not entail any potential large scale, significant and/or irreversible negative impacts. The potential impacts of the PforR component of the Operation are addressed through the ESSA instrument. The key features of the TA component which trigger OP 4.10 are highlighted in Section 6 above.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p> <p>The project is not expected to cause any long-term negative impacts on the ground. On the contrary, it will strengthen the capacity of municipal government to manage social and environmental risks.</p>
<p><b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b></p> <p>Not applicable.</p>
<p><b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b></p> <p>The laws and guidelines for environmental assessment and management in Ceará are comprehensive and generally well-structured. The state has updated its policies on forestry management, adopted measures for climate change adaptation and to combat desertification and developed a policy on environmental education. Some gaps still exist, for example in the division of licensing responsibilities between the state and municipalities and in the legal frameworks for sanitation and solid waste management, but these are being addressed.</p> <p>The law and procedures regulating expropriation and resettlement are also generally adequate to avoid and/or mitigate adverse social impacts. They differ from Bank policy, however, in not allowing for compensation to be made to people without legal title to property; nor do they provide for the restoration of livelihoods. Arrangements to address these two issues have been put in place as part of the ESSA Action Plan: (i) an initial/thorough screening of potential resettlement impacts to be undertaken and (ii) a detailed assessment of the social impacts of the proposed re-classification of areas surrounding reservoirs.</p> <p>The main challenge is that the agencies responsible for enforcing these laws and regulations lack the</p>

resources to do so properly. In the case of environmental protection, state agencies are understaffed and the existence of multiple institutions with overlapping mandates and jurisdictions is confusing and inefficient. A similar situation exists with respect to expropriation and resettlement. The agency responsible for indigenous peoples' affairs, for example, lacks the staff to carry out its responsibilities adequately.

The inclusion of IP and ethnic minority groups in social services has been a focus area for Ceará State with particular attention paid to: (i) health, education and social assistance; (ii) poverty reduction. An overview of State Policies and programs in the areas supported by the TA and PforR programs and a profile of Indigenous Groups in Ceará can be found here [http://www2.ipece.ce.gov.br/SWAP/swapii/salvuardas/marco\\_logico\\_indigenas.pdf](http://www2.ipece.ce.gov.br/SWAP/swapii/salvuardas/marco_logico_indigenas.pdf). As with Environmental Legislation the key bottle-neck is the implementation/roll-out of programs to these groups (rather than their design). Based on consultations with IP and Quilombola groups, the ESSA Action Plan has therefore focused on support the extension of ECD services to these vulnerable groups and strengthening the training of TVET instructors.

As the project is a relatively minor element of the broader PforR Operation, comprising 10 percent of total loan value, the safeguards implications associated with project activities will be dealt with through the Operation's ESSA instrument rather than separately.

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

Project stakeholders are the staff of state and municipal agencies responsible for planning, implementing, monitoring and evaluating interventions in early childhood and skills development, water and solid waste management.

Ceara State has recently established a Unit attached to the Governor's Office on Racial Equality and Human Rights (similar Offices exist for Gender Mainstreaming Purposes), whose role it is to work with Indigenous and Quilombola Groups and State Agencies (such as SEDUC, SDTS responsible for the implementation of Education and Social Assistance programs respectively) to ensure adequate attention is given to IP and Quilombola groups in the implementation of State Programs. The Coordenadoria complements the State Level Ombudsman Network and hears complaints from IP and Quilombola groups, as well as broader complaints pertaining to human rights violations. The TA and PforR programs will use this same structure for the additional consultation process that will result in the development of the three key outputs outlined in Section 6. The Bank team will review the Terms of Reference for these consultancies to monitor compliance with OP 4.10 and that the principles of free, prior and informed consultations are followed and board community support for the approaches put in place documented.

**B. Disclosure Requirements**

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	N/A
Date of "in-country" disclosure	N/A
Date of submission to InfoShop	N/A
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

<b>Indigenous Peoples Development Plan/Framework</b>	
Date of receipt by the Bank	N/A
Date of "in-country" disclosure	N/A The ESSA which includes the key actions to ensure project benefits are extended to Indigenous Groups was disclosed in Country on 27 <sup>th</sup> of August (Translated into Portuguese)
Date of submission to InfoShop	N/A The revised version of the ESSA including the outcomes of the in-country consultation process will be submitted to the Info-Shop on 4 <sup>th</sup> of September 2013.
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

***C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)***

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes [ ] No [ ] NA [ ]
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes [ ] No [ ] NA [ ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ ] No [ ] NA [ ]
<b>OP/BP 4.04 - Natural Habitats</b>	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ ] No [ ] NA [ ]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [ ] No [ ] NA [ ]
<b>OP/BP 4.10 - Indigenous Peoples</b>	
Has a separate Indigenous Peoples Plan/Planning Framework (as	Yes [ ] No [ ] NA [ x ]

appropriate) been prepared in consultation with affected Indigenous Peoples?	
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes [ ] No [ ] NA [ ]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Sector Manager?	Yes [ ] No [ ] NA [ ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ ] No [ ] NA [ ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ ] No [ ] NA [ ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ ] No [ ] NA [ ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ ] No [ ] NA [ ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ ] No [ ] NA [ ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ ] No [ ] NA [ ]

### III. APPROVALS

Task Team Leader:	Name: Thomas Kenyon	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Glenn Morgan	Date: Sept 12, 2013
Sector Manager:	Name: Subrahmanya Pulle Srinivas	Date: Sept 12, 2013

## Annex 1 – Map 1 Presence of Indigenous Groups in Ceará (FUNAI)



