



FINAL

KEMENTERIAN PEKERJAAN UMUM DAN PERUMAHAN RAKYAT  
DIREKTORAT JENDERAL CIPTA KARYA

# ENVIRONMENT AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)

## VOLUME 1: FRAMEWORK

*CENTRAL SULAWESI REHABILITATION AND RECONSTRUCTION  
PROJECT (CSRRP)*



2019



KEMENTERIAN PEKERJAAN UMUM DAN PERUMAHAN RAKYAT  
DIREKTORAT JENDERAL CIPTA KARYA

**ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK**  
**(ESMF)**

**VOLUME 1: FRAMEWORK**

*FOR THE*

**CENTRAL SULAWESI REHABILITATION AND RECONSTRUCTION  
PROJECT (CSRRP)**

*PREPARED BY*

**MINISTRY OF PUBLIC WORKS AND HOUSING  
REPUBLIC OF INDONESIA**

## ACRONYMS

|           |  |
|-----------|--|
| ACM       | Asbestos Containing Materials  |
| AIDS      | Acquired Immunodeficiency Syndrome   |
| AMDAL     | <i>Analisis Mengenai Dampak Lingkungan</i> – Environmental Impact Analysis   |
| ANDAL     | <i>Analisis Dampak Lingkungan</i> - Environmental Impact Analysis Report   |
| ANDALALIN | <i>Analisis Dampak Lalu Lintas</i> - Traffic Impact Analysis   |
| APBD      | <i>Anggaran Pendapatan dan Belanja Daerah</i> – Local Government Budget  |
| APBN      | <i>Anggaran Pendapatan dan Belanja Negara</i> – National Government Budget   |
| ATR/BPN   | <i>Kementerian Agraria dan Tata Ruang/Badan Pertanahan Nasional</i> - The Ministry of Agrarian Affairs & Spatial Planning/National Land Agency |
| AWP       | Annual Work Plans  |
| BABINSA   | <i>Bintara Pembina Desa</i> – Military Village Supervisory Non-Commissioned Officers   |
| BAPPENAS  | <i>Badan Perencanaan Pembangunan Nasional</i> - The Ministry of National Development Planning  |
| BAPPEDA   | <i>Badan Perencanaan Pembangunan Daerah</i> – Subnational Development Planning Agency  |
| BAST      | <i>Berita Acara Serah Terima</i> – Handover Minutes  |
| BKM       | <i>Badan Keswadayaan Masyarakat</i> – Board of Community Trustees  |
| BNPB      | <i>Badan Nasional Penanggulangan Bencana</i> – National Disaster Management Authority  |
| BoQ       | Bill of Quantity   |
| BP        | Bank Policy  |
| BPBD      | <i>Badan Penanggulangan Bencana Daerah</i> – Local Disaster Management Agencies  |
| BTC       | Buddha Tzu Chi   |
| C-PMU     | Central Project Management Unit  |
| CBO       | Community Based Organization   |
| CERC      | Contingency Emergency Response Component   |
| CESMP     | Contractor's Environmental and Social Management Plan  |
| CoC       | Code of Conduct  |
| CSO       | Civil Society Organization   |
| CSRRP     | Central Sulawesi Reconstruction and Rehabilitation Project   |
| DAK       | <i>Dana Alokasi Khusus</i> – Special Allocation Grant  |
| DAP       | Disaster Affected People   |
| DED       | Detailed Engineering Design  |
| DG HP     | Directorate General of Housing Provision   |
| DG HS     | Directorate General of Human Settlements   |
| DLH       | Dinas Lingkungan Hidup – Local Environment Office  |
| E&S       | Environmental and Social   |
| EA        | Executing Agency   |

|             |  |
|-------------|--|
| EOI         | Expression of Interest   |
| EROM        | Emergency Response Operation Manual  |
| ESCP        | Environmental and Social Commitment Plan   |
| ESDM        | The Ministry of Energy and Mineral Resources                                       |
| ESF         | Environment and Social Framework   |
| ESHS        | Environmental Social Health and Safety   |
| ESIA        | Environmental and Social Impact Assessment   |
| ESMF        | Environmental and Social Management Framework                                      |
| ESMP        | Environmental and Social Management Plan   |
| ESS         | Environmental and Social Standards   |
| FGRM        | Feedback and Grievance Redress Mechanism   |
| FPIC        | Free Prior and Informed Consent  |
| GBV         | Gender Based Violence  |
| GCT         | GBV and VAC Complaints Team  |
| GIIP        | Good International Industry Practices  |
| GRM         | Grievance Redress Mechanism  |
| GRS         | Grievance Redress Service  |
| HGB         | <i>Hak Guna Bangunan</i> – Right of Building                                       |
| HGU         | <i>Hak Guna Usaha</i> – Right of Exploitation                                      |
| HH          | Household  |
| HIV         | Human Immunodeficiency Viruses   |
| HUNTAP      | <i>Hunian Tetap</i> – Permanent Housing  |
| HUNTARA     | <i>Hunian Sementara</i> – Temporary Housing  |
| IA          | Implementing Agency  |
| ICAP        | Incident Corrective Action Plan  |
| ILO C.      | International Labor Organization Convention  |
| IP          | Indigenous Peoples   |
| IPPF        | Indigenous Peoples Planning Framework  |
| ISR         | Implementation Status Report   |
| IUDP        | Integrated Urban Infrastructure Development Projects                               |
| Jamsostek   | <i>Jaminan Sosial Tenaga Kerja</i> – National Social Security System               |
| KAT         | <i>Komunitas Adat Terpencil</i> – Isolated Customary Communities                   |
| KOTAKU/NSUP | <i>Kota Tanpa Kumuh</i> – Cities Without Slums/The National Slum Upgrading Project |
| KPI         | Key Performance Indicators   |
| LARAP       | Land Acquisition and Relocation Action Plan  |
| LMP         | Labor Management Procedure   |
| M&E         | Monitoring and Evaluation  |

|                                   |   |
|-----------------------------------|---|
| MAPPI                             | <i>Masyarakat Profesi Penilai Indonesia</i> – Indonesian Society of Appraisers  |
| MENLH                             | Kementerian Lingkungan Hidup dan Kehutanan – Ministry of the Environment and Forestry   |
| MIS                               | Management Information System   |
| MOMT                              | Ministry of Manpower and Transmigration   |
| MoSA                              | Ministry of Social Affairs  |
| NGO                               | Non-Governmental Organization   |
| NMC                               | National Management Consultant  |
| NSUP/KOTAKU                       | National Slum Upgrading Project   |
| OHS                               | Occupational Health and Safety  |
| OP                                | Operational Policy  |
| OPD                               | <i>Organisasi Perangkat Daerah</i> – Sub-national Government Agencies   |
| OSP                               | Oversight Service Providers   |
| P2TP2A                            | <i>Pusat Pelayanan Terpadu Pemberdayaan Perempuan dan Anak</i> - Integrated Center for Women's and Children's Empowerment                         |
| PAMSIMAS                          | <i>Penyediaan Air Minum dan Sanitasi Berbasis Masyarakat</i> - National Rural Water Supply and Sanitation Project                                 |
| PAP                               | Project-Affected Persons  |
| Particular Conditions of Contract | PCC   |
| PCR                               | Physical Cultural Resources   |
| Perpres                           | <i>Peraturan Presiden</i> – Presidential Regulation   |
| PIC                               | Person in Charge  |
| PIU                               | Provincial Implementation Unit  |
| PMU                               | Project Management Unit   |
| PNPM                              | National Community Empowerment Program  |
| POM                               | Project Operations Manual   |
| PPAT                              | <i>Pejabat Pembuat Akta Tanah</i> – Land Deed Official  |
| PPE                               | Personal Protective Equipment   |
| PSEA                              | Protection Against Sexual Exploitation and Abuse  |
| PUPR                              | <i>Kementerian Pekerjaan Umum dan Perumahan Rakyat</i> - Ministry of Public Works and Housing   |
| PUSDATINA                         | <i>Pusat Data dan Informasi Bencana</i> - Disaster Data and Information Center  |
| RCA                               | Root Cause Analysis   |
| RDTR                              | <i>Rencana Detail Tata Ruang</i> - Detailed Spatial Development Plan  |
| REKOMPAK                          | <i>Rekonstruksi Masyarakat dan Permukiman Berbasis Komunitas</i> - Community-Based Settlement Rehabilitation and Reconstruction                   |
| RKL-RPL                           | <i>Rencana Pengelolaan Lingkungan Hidup - Rencana Pemantauan Lingkungan Hidup</i> – Environmental Management Plan - Environmental Monitoring Plan |
| RT                                | <i>Rukun Tetangga</i> – Neighborhood Association  |
| RW                                | <i>Rukun Warga</i> – Citizens' Association  |

|         |   |
|---------|---|
| SEA     | Sexual Exploitation and Abuse   |
| SEKDA   | <i>Sekretariat Daerah</i> – Regional Secretary  |
| SEP     | Stakeholder Engagement Plan   |
| SH      | Sexual Harassment   |
| SIRT    | Safeguards Incident Reporting Toolkit   |
| SNVT    | <i>Satuan Kerja Non Vertikal Tertentu</i> – Non-vertical Working Unit   |
| SOP     | Standard Operating Protocols  |
| SPPL    | <i>Surat Pengelolaan dan Pemanfaatan Lingkungan Hidup</i> - Statement of Environmental Management and Monitoring  |
| TFL     | Tim Fasilitator Lapangan - Facilitator Field Team   |
| TMC     | Technical Management Consultant   |
| TOR     | Terms of Reference  |
| TPA     | <i>Tempat Pembuangan Akhir</i> – Landfill   |
| UKL-UPL | <i>Upaya Pengelolaan Lingkungan Hidup dan Upaya Pemantauan Lingkungan Hidup</i> – Environmental Management Program and Environmental Monitoring Program |
| UN CRC  | The United Nations Convention on the Rights of the Child  |
| VAC     | Violence Against Children   |
| WFS     | Woman Friendly Space  |
| ZRB     | <i>Zona Rawan Bencana</i> – Hazard Risk Zone  |

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# 1 INTRODUCTION

In September 2018, a magnitude 7.4 earthquake with an epicenter located 81 kilometers north of Palu, the capital of Central Sulawesi, occurred, causing strong ground shaking, liquefaction, and near-field tsunamis. This series of events led to more than 4,000 fatalities, 170,000 displaced people, 100,000 damaged houses, and IDR 23 trillion in total economic losses and damage<sup>1</sup>.

The Central Sulawesi Rehabilitation and Reconstruction Project (CSRRP) is financed by the World Bank and implemented by the Ministry of Public Works and Housing (PUPR) and supports targeted communities with reconstructed and strengthened housing and public facilities. Furthermore, the Contingency Emergency Response Component (CERC) of the National Slum Upgrading Project (NSUP/KOTAKU), also financed by the World Bank, was activated, and is supporting preparatory activities for CSRRP including technical studies, land preparation, and planning instruments as well as financing the construction of some urgently needed facilities.

This Environmental and Social Management Framework (ESMF) has been prepared by the Ministry of Public Works and Housing to guide the environmental and social screening, and subsequent assessments of project and subproject activities. The requirements and processes set forth in this ESMF address the World Bank Environmental and Social Framework (ESF) and its applicable Environmental and Social Standards (ESSs).

## 1.1 ESMF Scope, Rationale and Objectives

Specific details and locations of project investments will be confirmed during project implementation. As such, a framework approach is established for the project design.

Environmental and social due diligence conducted during project preparation has determined that the environmental risks associated with proposed project activities are *substantial* and the social risks are *high*, necessitating additional environmental and social assessments and management measures.

This ESMF applies to all components and activities financed by CSRRP<sup>2</sup> and Associated Facilities as defined under the ESF (refer to Section 3.3.1) regardless of funding sources.

The objectives of this ESMF are to:

1. Identify and define project typologies that are eligible to be supported under the CSRRP through a screening process.
2. Identify and assess the potential environmental and social impacts of proposed project and sub-project activities.
3. Establish clear standards, procedures and methodologies to guide environmental and social screening and subsequent risk assessment and classification.
4. Establish standards and procedures for the management of identified risks and impacts of project and sub-project activities according to the mitigation hierarchy.
5. Specify appropriate roles and responsibilities of identified stakeholders and outline the necessary reporting procedures for environmental and social management and monitoring.
6. Determine the training, capacity building and technical assistance needed to implement the provisions of the ESMF and associated instruments successfully.
7. Establish a budget for the implementation of the ESMF and associated instruments.

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<sup>1</sup> Central Sulawesi Post Disaster Data and Information System (disclosed in the Governor's presentation on the situation update), ver. March 2019.

<sup>2</sup> Activities financed under NSUP's CERC are being implemented in accordance with the ESMF under NSUP.

## ESMF - CSRRP

This project is linked with the implementation of the Contingency Emergency Response Component (CERC)<sup>3</sup> under the Indonesia National Slum Upgrading Project (NSUP) financed by the World Bank. CERC financing was made available to address urgent rehabilitation and reconstruction efforts, in this case Central Sulawesi. Civil works such as land clearing and development, construction of permanent housing and related settlement infrastructure, and public facilities have been included under CERC.

This ESMF builds on the existing environmental and social management measures introduced under NSUP and CERC, with additional measures to address relevant provisions of the applicable Environmental and Social Standards (ESSs) in line with the ESF. In the interim, such additional measures, particularly addressing disaster prevention, labor management, community, health and safety risks—including Gender Based Violence (GBV) and Sexual Exploitation and Abuse (SEA)—will also be introduced for activities under CERC-NSUP.

### 1.2 Structure of the ESMF

The ESMF serves as the overarching guideline for the management of environmental and social aspects of the project. The ESMF has been divided into two volumes.

Volume 1 (Framework) has been structured as follows:

- Chapter 1 provides the project context and a description of the project and its components.
- Chapter 2 outlines the policies, legislation and regulatory framework relevant to this project.
- Chapter 3 details the environmental and social assessments relevant to the project including the expected risks and impacts.
- Chapter 4 provides a step-by-step guideline on the environmental and social management process, including guidance on the screening of sub-projects and their activities, and a directory of toolkits provided in Volume 2 of the ESMF.
- Chapter 5 establishes the institutional arrangements for overall environmental and social management, capacity building measures, and budgetary considerations.
- Chapter 6 summarizes the stakeholder engagement and information disclosure proposed for the project.
- Chapter 7 details the Feedback and Grievance Redress Mechanism (FGRM).

Volume 2 (Toolkit) complements Volume 1 by providing a toolkit for the preparation of relevant environmental and social instruments. The toolkit includes several tools, procedures, guidelines, forms, and templates that are intended to help implement this framework.

An Environmental and Social Commitment Plan (ESCP) and Stakeholder Engagement Plan (SEP), which were agreed during the project preparation phase, provide overall guidance for the agreed environmental and social management commitments, as well as agreed consultation and engagement approaches with relevant stakeholder groups, particularly target communities. The ESCP and SEP are presented as standalone documents.

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<sup>3</sup> CERC-NSUP was prepared under the World Bank's safeguards policies. Relevant safeguards instruments, including the NSUP's ESMF and Emergency Response Operations Manual (EROM) have been approved and cleared by the World Bank to accommodate CERC activation.

## 1.3 Post-Disaster Context

### 1.3.1 Disaster Impacts

Disaster-affected areas include areas affected by the earthquake in the city of Palu and regencies of Sigi, Donggala and Parigi Moutong; eight (8) liquefaction affected wards and villages in Palu and Sigi; and tsunami affected areas in 13 wards and villages in Palu and Donggala (refer to **Figure 1-1**).

The disaster events caused extensive damage to infrastructure, buildings, public assets, and agricultural land uses; and destroyed three residential neighborhoods (Balaroa and Petobo in Palu, and Jono Oge in Sigi). Up to 1,129 educational facilities and 172 health facilities were affected by the disaster events. Approximately 173,000 people (55,172 households) have been displaced across 400 locations. Most of these displaced people are found in Sigi District, followed by Palu City.

### 1.3.2 Recovery Efforts

An inter-agency working group led by the Ministry of National Development Planning (Bappenas) has developed the Central Sulawesi Earthquake and Tsunami Post-Disaster Recovery and Reconstruction Master Plan ("Master Plan") as a guiding document for the agreed policies and strategies for the recovery of disaster-affected areas. The Master Plan highlights guidelines for spatial planning, infrastructure, housing, socioeconomic, and institutional recovery to be implemented as a gubernatorial regulation, guiding regional rehabilitation and reconstruction action plans.

#### ***Response and Early Recovery***

##### *Hunian Sementara (Huntara – Temporary Housing)*

MPWH, NGOs, and private entities have provided temporary housing facilities to shelter DAPs until permanent housing is reconstructed. MPWH received a mandate to build 699 units of temporary housing (*Huntara*), each with the capacity to accommodate 12 households. This *Huntara* is supported with public infrastructure and services such as schools, health centers, places of worship, recreational areas, and administration offices.

##### *Early Recovery Social Services and Livelihoods Support*

Livelihoods support assistance is provided by respective Local Social Affairs offices under coordination of the Provincial Social Affairs Office and supervision of the Ministry of Social Affairs (MoSA - under the Directorate General of Social Protection and Insurance). This includes financial assistance provided to those living in temporary housing as a form of incentivization. Additional financial assistance packages for an extended period are currently being prepared by district and municipal governments.

#### ***Longer-term Recovery***

##### *Disaster Hazard Risk Zone Mapping*

Relevant inter-ministerial agencies have developed a hazard risk zone (ZRB) map<sup>4</sup> as a spatial reference for recovery. Red-zones or no build areas have been identified and include areas affected by the recent disaster including liquefaction-affected areas (100 meter-buffer); tsunami affected areas (100 – 200 meter-buffer); fault lines (10 meter-buffer on both sides); and landslide areas.

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<sup>4</sup> This map categorizes areas as i) prohibited use zones/ZRB 4 (marked as red-zones where no rebuilding and new settlements are permitted, and residential units are recommended for relocation); b) limited use zones/ZRB 3 (marked as orange zones where strict building codes with limited use (e.g., settlements) will be enforced); c) conditional use zones (marked as yellow-zones where seismic building codes, flood and tsunami risk mitigation measures will be required) and d) development use zones (marked as green zones where seismic building codes will be required). A digital version of the map is available to the public at <https://goo.gl/maps/Wb3snM2C76R2>.

## ESMF - CSRRP

The revision of local regulations on spatial planning referring to this hazard map are being prepared as a guideline for future development, including no-build areas, or “red zones”.

### In-Situ Housing Reconstruction

Damaged houses located in safe areas may be rebuilt or rehabilitated in the same location/in situ. Respective Local Disaster Management Agencies (BPBDs), with support from the National Disaster Management Authority (BNPB), manage the in-situ housing recovery. Stimulus funds of up to IDR 50 million are delivered to beneficiaries based on the house level of damage through community groups in two stages (based on construction progress). Facilitators assist with identifying beneficiaries, facilitating community meetings, and supporting construction monitoring.

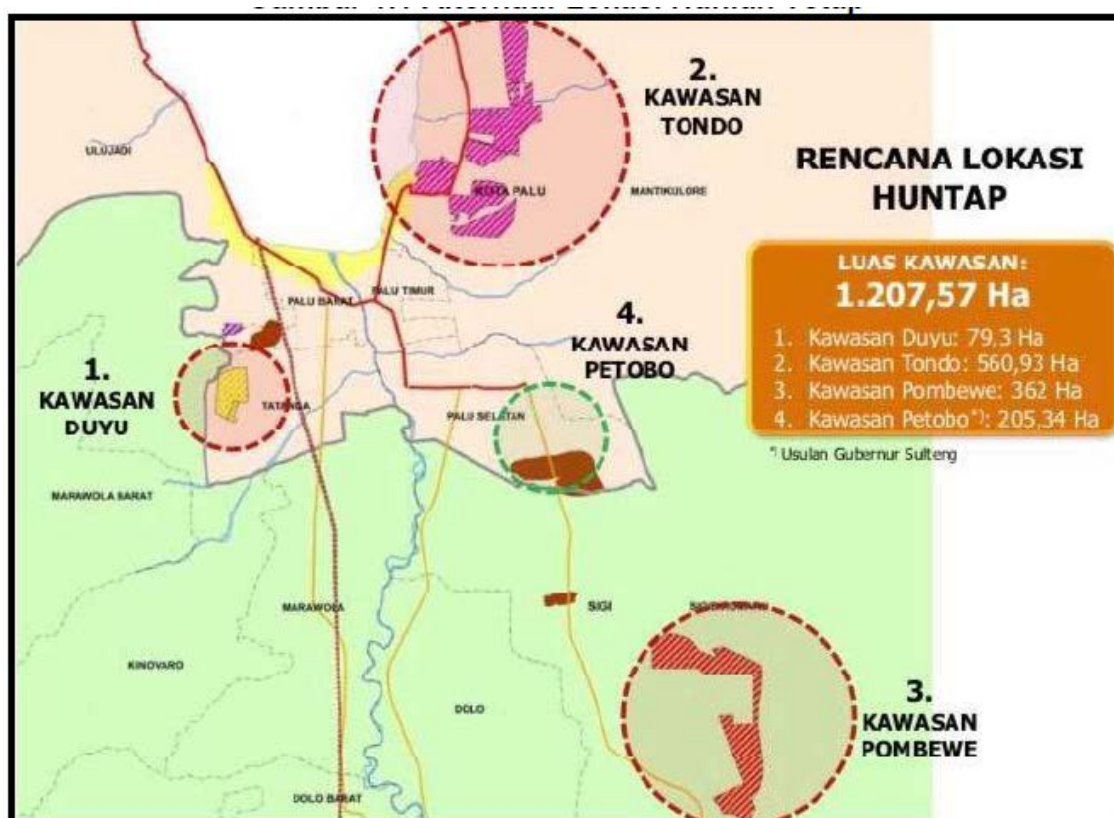
Beneficiaries of the in-situ housing reconstruction are not expected to overlap with CSRRP and hence are not considered as a linked activity.

### Relocation Sites

Three locations that are government-owned land have been selected at an early stage mainly based on their availability and geological safety. Other smaller locations (“satellite”) are under consideration to reduce the distance from previous locations to ease the burden on livelihood and social recovery. These proposed sites will be subject to further assessments and due diligence as guided by the ESMF (refer to **Appendices 4, 5 and 8**)

### Livelihood Considerations

The Government recognizes the need to consider and plan for livelihood restoration. Each impacted community has different livelihood needs. Livelihoods in urban areas involve trade and construction whereas in rural areas, livelihoods are predominately agriculturally based. In tsunami-affected areas, livelihoods activities relate to fishing, trade and agriculture. Proposals for livelihoods restoration could include reducing the distance from pre-disaster livelihoods bases through relocation schemes and the development of agricultural land in rural resettlement sites and red-zone areas.



**Figure 1-1: Disaster Affected Areas and Proposed Relocation Sites**



## 1.4 Project Description, Components and Subproject Typology

CSRRP will support the Government's recovery program in Central Sulawesi and help rehabilitate, reconstruct, and increase resilience by strengthening the building quality and sustainability of critical public facilities and housing settlements. In principle, rehabilitation and reconstruction efforts under CSRRP will be aligned with the Government's Recovery Master Plan (refer Section 1.3).

The project will complement recovery efforts of permanent housing, public facilities, and infrastructure, settlement infrastructure construction and infrastructure recovery activities supported by Government financing sources, other existing World Bank financed projects, as well as other development partners and organizations.

### 1.4.1 Project Components

CSRRP includes three components:

- **Component 1:** Resilient construction of permanent housing units and settlement infrastructure
  - Sub-component 1.1 – Civil Works: This sub-component will finance civil works for construction of approximately 7,000 permanent housing units to the project's resilience standards in safe resettlement sites and related settlement infrastructure and community facilities to relocate disaster-displaced households. Affected communities will be engaged from the beginning of the relocation process with special emphasis on participation of women and vulnerable community members.
  - Sub-component 1.2 – Grants for Community-Based Reconstruction (\$0): This sub-component will support communities in reconstruction of housing units that meet seismic risk mitigation standards in safer locations. This sub-component will be triggered as per the request of the Government should its implementation be required.
- **Component 2:** Resilient reconstruction and strengthening of public facilities

This component will finance civil works for rehabilitation, reconstruction and structural strengthening of public facilities to improve seismic performance and safety, reduce disaster vulnerability, increase climate resilience, and improve functionality and service standards. Public facilities such as schools, health facilities, and markets are eligible for financing under this component. The project will support the following principal types of investments: (a) the in-situ repair and reconstruction of damaged assets; (b) construction of new assets in new locations when the damaged assets cannot be rebuilt in situ; and (c) construction and/or expansion of assets in new locations to serve people who, as a result of the earthquake, must relocate from hazard-prone areas. Seismic strengthening of existing public facilities undamaged by the recent catastrophic event may also be included.
- **Component 3:** Project implementation support

This component will support managerial and technical assistance of the project through financing the costs of expert consultants and community facilitators throughout the project cycle to strengthen the Government's capacity at both the central and subnational level—on post-disaster recovery.

Project typologies are described in **Table 1-1** below. A detailed explanation of the project description is contained in the Project Operations Manual (POM).

**Table 1-1 Overview of Project Typologies (Infrastructure)**

| Component   | Sub-project   | Sub-project description   |
|---|---|---|
| Component 1:<br>Resilient construction of permanent housing units and settlement infrastructure | Permanent Housing Units: Relocation to Main Settlement Sites  | <ul style="list-style-type: none"> <li>• Minimum number of units &gt; 100 households in one designated site</li> <li>• Construction by contractors with community contributions (i.e. labor, construction materials, etc.)</li> <li>• Land transfer/acquisition responsibility of sub-national governments</li> </ul>                     |
|   | Permanent Housing Units: Relocation to Satellite Settlement Sites   | <ul style="list-style-type: none"> <li>• Target households to form a group of between 11 – 100 households</li> <li>• Construction by contractors with community contributions (i.e. labor, construction materials, etc.)</li> <li>• Land acquisition responsibility of sub-national governments and/or groups of beneficiaries</li> </ul> |
|   | Permanent Housing Units: Small group relocation to small settlement sites   | <ul style="list-style-type: none"> <li>• Target households to form a group of between 4 – 10 households</li> <li>• Construction by contractors with community contributions (e.g., labor, construction materials, etc.)</li> <li>• Land acquisition responsibility of sub-national governments and/or beneficiaries</li> </ul>            |
|   | Settlement infrastructure and community facilities  | <ul style="list-style-type: none"> <li>• Roads, water supply, sanitation, solid waste facilities</li> <li>• Public facilities, e.g., schools, health facilities, open green spaces, and livelihood-related infrastructure in resettlements area</li> </ul>  |
| Component 2:<br>Resilient reconstruction and strengthening of public facilities                 | Critical public facilities: in situ repair and reconstruction of damaged assets   | <ul style="list-style-type: none"> <li>• Reconstruction/rehabilitation of schools, hospitals and community health centers</li> </ul>  |
|   | Critical public facilities: construction of new assets in new locations when the damaged assets cannot be rebuilt in situ |   |
|   | Critical public facilities: construction and/or expansion of assets in designated relocation areas                        |   |
|   | Critical public facilities: seismic strengthening (retrofitting) of existing undamaged buildings                          | <ul style="list-style-type: none"> <li>• Undamaged buildings within project-supported facilities may be upgraded to strengthened resilience standards</li> </ul>  |



## **2 LEGAL, POLICY AND REGULATORY FRAMEWORK**

Investments funded by CSRRP must be implemented in accordance with the principles of sustainable development, including environmental, social, cultural, and economic considerations, per the Government of Indonesia's laws and regulations. Project implementation shall also comply with the following applicable World Bank's Environmental and Social Standards (ESSs).

- ESS 1 Assessment and management of environmental and social risk and impacts
- ESS 2 Labor and working conditions
- ESS 3 Resource efficiency and pollution prevention and management
- ESS 4 Community health and safety
- ESS 5 Land acquisition, restrictions on land use and involuntary resettlement
- ESS 6 Biodiversity conservation and sustainable management of living natural resources
- ESS 7 Indigenous Peoples/Sub-Saharan African historically underserved traditional local communities
- ESS 8 Cultural heritage
- ESS 10 Stakeholder engagement and information disclosure

Specific provisions have been included in this ESMF to address any provisions in the World Bank ESSs that are not fully addressed under the Government's laws and regulations.

### **2.1 Summary of Applicable Country Legislation and Regulations**

#### **2.1.1 Environmental Assessment and Permitting**

The main laws and regulations governing environmental assessment and permitting in Indonesia include Law No. 32/2009 regarding Environmental Management and Protection and Government Regulation No. 27/2012 regarding Environmental Permit. The regulation describes the types of environmental management documents that are required to be prepared for different project sectors (Environmental Impact Analysis or "AMDAL"; Environmental Management Program and Environmental Monitoring Program or "UKL-UPL"; and Statement of Undertaking for Environmental Management and Monitoring or "SPPL").

Other relevant regulations include:

- Minister of Environment Regulation No. 5/2012 regarding Businesses and/or Activities that require an AMDAL.
- Minister of the Environment Regulation No. 16/2012 regarding Environmental Document Preparation Guideline.
- Minister of the Environment Regulation No. 17/2012 regarding Guideline for Community Involvement in the AMDAL and Environmental Permitting Process.

#### **2.1.2 Labor and Working Conditions**

The Labor Law in Indonesia is Law No. 12/2003 on Manpower, which provides the primary rules for establishing an employment relationship, employment terms and conditions including working hours and over time arrangements, and employment termination. The Law sheds protection against various forms of discrimination based on sex, ethnicity, race, religion, skin color, or political orientation.

Indonesia has ratified all fundamental international labor conventions including: C029 Forced Labor Convention; C087 Freedom of Association and Protection of the Right to Organize Convention; C100 Equal Remuneration Convention; C105 Abolition of Forced Labor Convention; C111 Discrimination (Employment and Occupation) Convention; C138 Minimum Age Convention; and C182 Worst Forms of Child Labor Convention.

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The Government has ratified international conventions concerning child labor, which include ILO C. 138, Minimum Age, ILO C. 182, Worst Forms of Child Labor, UN CRC, UN CRC Optional Protocol on Armed Conflict, UN CRC Optional Protocol on the Sale of Children, Child Prostitution and Child Pornography and Palermo Protocol on Trafficking in Persons.

Law No. 1/1970 on Occupational Health and Safety (OHS) Management and Ministry of Manpower Regulation No. 5/2018 on OHS Standards for Workers and Work Environments and Regulation No. 1/1980 pertaining to OHS Management in Construction outline requirements for workplace safety.

### 2.1.3 Resource Efficiency and Pollution Prevention and Management

The main laws and regulations on pollution prevention in Indonesia include Law No. 32/2009 regarding Environmental Management and Protection and Law No. 18/2008 regarding Solid Waste Management.

Other relevant regulations include:

- Government Regulation No. 101/2014 regarding Management of Hazardous Waste - Annex I of the regulation acknowledges waste containing asbestos materials as hazardous waste.
- Government Regulation No. 81/2012 regarding Management of Household Waste and Waste
- Government Regulation No. 82/2001 regarding Water Quality Management and Water Pollution Management - Water quality standards by activity and utilization are described.
- Government Regulation No. 41/1999 regarding Control of Air Pollution - specifies ambient air quality standards and emissions standards, as well as noise level standards.
- Minister of the Environment Regulation No. 5/2014 regarding Wastewater Standards - stipulates the limit or level of pollutants and/or amount of pollutants in wastewater that is discharged by businesses and/or development activities.

### 2.1.4 Community Health and Safety

Law No. 32/2009 Concerning Environmental Protection and Management requires that potential risks and impacts of the project on community health, and relevant mitigation measures, are covered in environmental impact assessments.

Other relevant laws and regulations include:

- Law No. 24/2007 and Regulation No. 21/2008 on Disaster Management aims to provide protection for communities against disaster threats, and guarantees well-planned, integrated, coordinated and comprehensive disaster management. Any development activity running a high risk of disaster is required to conduct a disaster risk analysis.
- Law No. 22/2009 Concerning Road Traffic and Government regulation No. 32/2011 Concerning Management and Engineering, Impacts Analysis, and Traffic Needs Management requires that projects with potential disturbance to security, safety, order, and flow of road traffic conduct a traffic impact assessment in the form of ANDALALIN (*Analisis Dampak Lalu Lintas—Traffic Impact Analysis*)—separate and complementary to the AMDAL or UKL-UPL document).
- Law No. 28/2002 and Regulation No. 36/2005 Concerning Buildings regulates the requirements for fully functional buildings applicable to both public and private facilities—requiring consideration of technical aspects of buildings such as functionality, reliability, safety, health, comfort, ease of use, balance, and harmonization with surroundings.

### 2.1.5 Land Acquisition and Involuntary Resettlement

Law No. 2/2012 on Land Acquisition for the Development for Public Interest represents a governing regulation pertaining to land acquisition for the public interest. The objective of this Law is to accelerate land acquisition processes for infrastructure development, in consideration of the public interest.

Other relevant law and regulations include:

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- Presidential Regulation (Perpres 62/2018) on 'Handling for Social Impacts in Land Acquisition for the Public Interest'. The Ministry of Agrarian Affairs and Spatial Planning/National Land Agency (ATR/BPN) is preparing Technical Guidelines for Preparing a Land Acquisition Plan, which covers (among other aspects) approaches to compensate informal settlers, sharecroppers, or those who do not formally own land.
- Law No. 2/2012 and Implementation Regulations (Perpres 71/2012) provide for resettlement support for affected landowners and/or users. The law does not include transitional support and development assistance, such as land development, credit facilities, training, or employment opportunities.
- Law No. 24/2007 and Regulation No. 21/2008 Concerning Disaster Management serve as the governing legal framework for disaster prevention, disaster impact management and post-disaster recovery. These regulations set out key principles, the rights of disaster victims, as well as the responsibilities of the government. One of the key provisions is the duty of care of the state to protect its citizens from disaster impacts as well as future disaster events.

### 2.1.6 Biodiversity Conservation and Sustainable Management of Natural Resources

The main laws and regulations governing biodiversity conservation are outlined as follows:

- Law No. 41/1999 concerning Forestry includes some conservation-oriented policies. It divides forests into three categories: Conservation Forests, Protection Forests, and Production Forests. It also empowers the Ministry of Forestry to determine and manage Indonesia's *Kawasan Hutan* (National Forest Estate);
- Law No. 18/2013 on the Prevention and Eradication of Forest Degradation strengthens law enforcement by providing additional legal certainty and defining the penalties for those engaged in forest degradation. It clearly defines which activities are banned, with respect to individuals and organized groups that conduct logging activities, as well as organizations involved in the illegal timber trade and officials engaged in the falsification of permits.
- Minister of Environment Regulation No. 29/2009 regarding Guidelines for Biodiversity Conservation at the Regional Level sets out the requirements for the sustainable planning, implementation, monitoring and supervision of biodiversity conservation, and controlling damage to biodiversity.

### 2.1.7 Indigenous Peoples

The Indonesian legal framework generally refers to Indigenous Peoples as *Masyarakat Hukum Adat* (customary law communities) or *Masyarakat Adat*. The former refers to communities who have been legally recognized by the GoI, whereas the latter is more commonly used by civil society organizations to refer to groups with customary land claims. In some specific circumstances, *Komunitas Adat Terpencil* (KAT – Isolated Customary Communities) represents a sub-set of *Masyarakat Adat* who, due to geographical locations or preferences, may remain isolated or choose to isolate themselves from mainstream society.

The GoI acknowledges the presence of Indigenous Peoples and their rights to land and resources attached to their land claims, provided that these groups meet eligibility requirements and have obtained legal recognition from their provincial or district governments (further elaborated in the Minister of Home Affairs' Regulation No. 52/2014). Such legal recognition serves as a precondition for further recognition of land rights and natural resources within customary territories.

Laws that regulate the *Masyarakat Hukum Adat* are as follows:

- Law No. 41/1999 on Forestry recognizes the existence of customary forests and identifies indigenous peoples as the collective owners of such forests.
- Law No. 32/2009 on Environmental Protection and Management defines *Masyarakat Adat* as community groups that have traditionally settled in certain geographical areas due to ties to ancestral origins, strong relationships with the environment, and the existence of a value

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system that determines economic, political, social, and legal institutions. This law also stipulates a procedure for the determination of a *Masyarakat Adat*.

- Law No. 39/2014 on Plantations states that *Masyarakat Hukum Adat* are customary rights holders, including rights to land.
- Law No. 6/2014 on Village Governments states that establishment of village governments should consider local *adat* systems and provides the possibilities for villages to register as adat villages.
- Law No. 23/2014 on Local Government defines *Masyarakat Adat* as a group of people who have long settled in certain geographical areas of Indonesia and have collective ties to ancestral origins, strong relationships with land, territory, natural resources, customary government institutions, and customary law in its customary territory in accordance with the provisions of the legislation.
- Law No. 1/2014 amending Law No. 27/2007 on the Management of Coastal Areas and Isles regulates the authority of *Masyarakat Adat* in utilizing the space and resources of coastal waters and small island waters in the area of customary law communities by customary law communities.

### 2.1.8 Cultural Heritage

The following laws pertaining to the protection and preservation of cultural heritage in Indonesia:

- Law No. 5/1992 on Cultural Property governs the overall management of physical cultural resources, including criteria, protection measures in the event of discovery or ownership, use of cultural heritage, as well as legal penalties for infringement.
- Law No. 11/2010 on Cultural Conservation stipulates the establishment of a national registry of cultural heritage objects and their protection, and prohibits their illicit trafficking and export unless for research, promotional, or exhibition purposes. Article 59 requires that physical cultural resources at risk of being destroyed, eliminated or damaged should be relocated to a safer location under the supervision of conservation experts.
- Law No. 5/2017 on the Advancement of Culture mandates that the Government (at the national and subnational levels) to protect cultural heritage. Article 23 of the law stipulates that anyone who finds an object, building or site suspected to be of cultural value must report such a finding to an authorized cultural institution or related institution within 30 days.
- Indonesia has ratified the UNESCO Convention for Safeguarding of the Intangible Cultural Heritage (2003) under the Presidential Decree No. 78/2007.

### 2.1.9 Stakeholder Engagement and Information Disclosure

The Law No. 32/2009 on Environmental Protection and Management states that “environmental protection and management shall be executed on the basis of ... participation.”

Other relevant laws and regulations include:

- Law No. 14/2018 on Public Information Transparency, which guarantees the rights of citizens on public policy decisions and fosters public participation in such decision making.
- Minister of Environment Regulation No. 17/2012 on Guidelines for Public Participation in Environmental Impact Assessment and the Environmental Permit Process.
- Law No. 7/1984 on the Enactment of the Convention on the Elimination of All Forms of Discrimination Against Women.
- Presidential Instruction No. 9/2000 on Gender Mainstreaming in National Development emphasizes women's participation in development processes.

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Law No. 32/2009 on Environmental Protection and Management also covers communities' right to raise objections to proposed projects and the government's obligation to develop and implement policies on the management of public complaints related to protecting and managing the environment. Permen-LH No. 9/2010, provides guidelines for handling community grievances caused by environmental pollution and degradation. As a final recourse, Articles 84 and 85 of Law No. 32/2009 provide for citizen lawsuits with respect to environmental disputes resulting in court-ordered or out-of-court settlements, including provisions for environmental restoration and compensation.

## **2.2 Analysis of Indonesia's Systems and Applicable World Bank ESSs**

**Table 2-1** presents the identified gaps between relevant laws and regulations in Indonesia and the requirements of the World Bank's ESSs.

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**Table 2-1: Assessment of the relevant laws and regulations in Indonesia against the requirements of the World Bank's Environmental and Social Standards (ESSs)**

| ESS Topics   | Analysis   | Mitigation Measures  |
|--|--|--|
| <b>ESS 1 Assessment and Management of Environmental and Social Risks and Impacts.</b><br>Generally, the relevant laws and regulations in Indonesia on the environmental and social risks and impacts assessment are aligned with the World Bank's ESSs. Identified minor gaps can be addressed directly in the project-level planning and implementation |  |  |
| Environmental and Social Assessment  | Under the GoI regulation, the AMDAL, UKL-UPL and/or SPPL is based on threshold values while the Bank requirements are based on magnitude of impacts. The AMDAL/UKL-UPL do not usually or do not assess in detail: cumulative impacts, associated facilities, critical habitats and project alternatives. | Environmental and social impact assessment follows the Bank requirements. Outline of Environmental Assessment documents acceptable to the Bank is provided in the ESMF (AMDAL, UKL-UPL, ECOPs and SPPL). |
| Reference to legal and administrative framework such as international environmental treaties, agreements, standard policies etc.   | The AMDAL, UKL-UPL and/or SPPL usually provides limited references to legal and administrative framework such as international environmental treaties, agreement, international standard policies etc. (e.g., the current regulation only refers to "other data and information").                       | Covered by outline of Environmental Assessment documents acceptable to the Bank (AMDAL, UKL-UPL, ECOPs and SPPL).  |
| Project Area of Influence.   | Under the GoI regulation, the AMDAL, UKL-UPL and/or SPPL is not required or limited to assessing associated facilities, ancillary facilities, induced impacts and site selection analysis.   | Covered by outline of Environmental Assessment documents acceptable to the Bank (AMDAL, UKL-UPL, ECOPs and SPPL).  |
| Environmental and Social Management and Monitoring Plan (ESMP) implementation  | The RKL-RPL or UKL-UPL usually has limited arrangement for handling of grievances, costs estimate for implementation of the ESMP   | Covered by outline of RKL-RPL/UKL-UPL acceptable to the Bank.  |
| Capacity Development and Training provisions under the ESMP document   | The RKL-RPL or UKL-UPL usually has limited arrangement for capacity development and training for implementing the ESMP, for which the contractors may have limited understanding on the requirements for implementing the ESMP.  | Covered by outline of RKL-RPL/UKL-UPL acceptable to the Bank.  |

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| ESS Topics   | Analysis   | Mitigation Measures   |
|--|--|---|
| <b>ESS 2 Labor and Working Conditions.</b><br>Indonesia has ratified all core conventions of ILO labor and working conditions. No major gaps are identified between Indonesian laws and regulations with the requirements of the ESS 2.  |  |   |
| Grievance mechanism  | The national regulations provide avenues to resolve work-related issues. However, workers may not feel comfortable resolving such issues through deliberation and agreement and taking cases further to legal mechanism may even discourage them to submit their concerns. | The Project will develop a workers' grievance redress mechanism that is accessible to all workers. Workers will be sensitized during induction and every six months. All grievances will be investigated and resolved in a fair and transparent manner. |
| Community workers  | Not covered in Indonesia legislation system.   | The labor management procedures will cover the community workers arrangements in accordance with the requirements of the ESS.   |
| <b>ESS 3 Resource Efficiency and Pollution Prevention and Management.</b><br>The Government's environmental laws and regulations on pollution prevention and management are comprehensive, covering airshed management and emissions standards, management of hazardous and non-hazardous wastes, and water quality effluent discharge standards. These regulations consider ambient conditions, and through the engineering designs and ESIA, pollution prevention measures will be sought and built into the project. Enhancements in the sourcing and usage of raw materials can be done for the project. |  |   |
| Efficient use of raw materials   | Not specifically covered in Indonesian legislation system.   | The project will reuse and recycle post-disaster debris waste and demolition materials, wherever possible.  |
| Management of asbestos containing materials (ACM)  | Note: Annex I of Government Regulation No. 101/2014 regarding Management of Hazardous Wastes acknowledges wastes containing asbestos materials as hazardous wastes. The Regulation does not specifically address how asbestos is to be handled/disposed.                   | The ESMF negative list prohibits use of asbestos containing material in construction and the ESCOP provides guidelines on handling should asbestos containing waste materials be found.   |
| <b>ESS 4 Community and Health Safety</b><br>Potential risks and impacts, as well as the mitigation measures to the community health and safety, are assessed in the ESIA process and covered in the ESIA documents (AMDAL/UKL-UPL/SPPL). No major gaps are identified in the relevant laws and regulations.  |  |   |

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| ESS Topics  | Analysis  | Mitigation Measures   |
|---|---|---|
| Infrastructure and equipment design and safety  | There is no clear requirement under national regulations to involve independent expert(s) to review high-risks structural designs, construction, operation, and decommissioning.                  | The project will engage independent expert(s) as appropriate to review the proposed technical designs as early as possible, monitor the project during and upon completion prior to and after hand over to the owners.  |
| Security personnel  | Involvement of security personnel is arranged only for national vital objects.  | In a case that security personnel will be involved in the project, the requirements stipulated in this ESS will be applied.   |
| Universal design  | No major gaps. The concept of universal design has been embodied in various ministerial regulations and technical guidelines of MPWH.   | The project will mobilize technical experts to review proposed detailed engineering designs (DED). Community views will also be sought on matters pertaining to universal access and inclusive design.  |
| Community exposure to health issues   | No major gaps are identified if sub-projects require environmental permitting.  | To comply with the requirements of ESS1, the Project will review relevant AMDAL/UKL-UPL. If gaps are identified, additional mitigation measures will be proposed and implemented to meet the requirements of this ESS. The implementation of the measures will be regularly monitored and reported. |
| <b>ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Settlement.</b><br>Applicable laws and regulations in Indonesia have covered the main topics of the ESS 5. However, some gaps are identified in terms of compensations for squatters, livelihoods restoration and indirect impacts related to land acquisition. |   |   |
| Sustainable development program   | Different modes of compensation other than cash, particularly relocation and land-for-land, are not sufficiently elaborated, particularly on aspects related to livelihoods restoration measures. | The LARAP will be required to provide sufficient resources for development of resettlement sites, where necessary; together with provision of relocation assistance and for planning and implementation of income rehabilitation measures for those affected by loss of incomes and livelihood.     |
| Direct and indirect impacts   | Adverse social and economic impacts due to restrictions of access and land use are not explicitly covered under the Law 2/2012.   | The ESMF will cover provisions for addressing impacts due to restrictions on land use and access to natural resources. Indirect impacts due to land acquisition will be covered by the Environment and Social Management Plan for the program.  |



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| ESS Topics  | Analysis  | Mitigation Measures  |
|---|---|--|
| Associated facilities and legacy issues   | Not covered.  | Legacy issues and associated facilities need to be assessed and due diligence carried out as necessary.  |
| Replacement costs   | No gaps. Independent appraisal team determines compensation for loss of physical and non-physical assets and premium/solatum.   | The ESMF for the program and LARAP for respective project/subproject will provide entitlement matrix for the PAPs.   |
| Livelihoods restoration   | Law No. 2/2012 and its implementing regulations do not elaborate on the options and implementation of assistance and livelihood restoration.  | Livelihood restoration incorporated into project design. Project authorities will be required to provide sufficient resources for planning and implementation of livelihood restoration measures.  |
| Assistance to physically displaced households   | Assistance to displaced households due to land acquisition are not covered by Law No. 2/2012 and its implementation regulations (Perpres No. 71/2012).  | The ESMF for the program will include details on the types of resettlement assistance to displaced households.   |
| Compensation for loss of income sources or means of livelihood  | Legal provisions are deficient to recognize entitlements for loss of incomes and means of livelihood due to land acquisition.   | ESMF to provide entitlements for loss of incomes and livelihood.   |
| Support for affected persons who have no recognizable legal right or claim to the land they are occupying | Perpres No. 62/2018 requires provision of compensation and assistance for those who do not own the land but have occupied or utilized the land with a set of criteria.  | The ESMF will specify the eligibility criteria and entitlement for each category of project-affected persons (PAPs), including people occupying land informally.   |
| Land for land   | Law No. 2/2012 and its Implementation Regulations (Perpres 71/2012) do not provide details on the procedures for replacement land. Furthermore, the provision in Para 5, Article 77 and Para 4 of Article 78 (Perpres 71/2012) are in contradiction of the World Bank's Policy 4.12 that requires the completion of relocation arrangements before affected households are displaced. | The project is not expected to cause livelihoods impacts and economic displacement resulting from land acquisition activities under both components. The ESMF for the program and the guidelines for land acquisition and resettlement elaborate on the requirements for resettlement/land-for-land option including the completion of relocation arrangements prior to PAPs displacement. |
| Compensation options  | The provision of replacement land is not sufficiently elaborated.   | Provisions in the ESMF for the project will provide requirements for compensation options, eligibility criteria, and entitlements for different PAP categories.  |

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| ESS Topics                         | Analysis   | Mitigation Measures  |
|------------------------------------|--|--|
| Eligibility for Indigenous Peoples | Law No. 2/2012 does not specify any groups including Indigenous Peoples (IPs). The Implementation Regulations (Perpres No. 71/2012) do not specify any requirements for conducting social assessments and consultation with IP communities and free, prior and informed consent (FPIC).  | The ESMF for the program will include provisions for recognition of affected IPs communities, conducting social assessments, consultation and FPIC requirements, and appropriate compensation and assistance consistent with the requirements of ESS 7.                                  |
| Forced eviction                    | Not explicitly covered. Ownership rights to land and associated properties will be relinquished upon compensation payments or court decisions.   | The ESMF outlines protocols for involuntary resettlement. The project will adopt community consultative and participatory driven approaches in relocation activities due to post disaster displacement, and preventative resettlement.   |
| Host community                     | Host communities are not explicitly covered in the Law No. 2/2012 and its Implementation Regulations (Perpres 71/2012).  | The ESMF for the program will specify the need for consultation with host communities and identification and mitigation of any adverse impacts due to relocation of PAPs.  |
| Resettlement Planning Instruments  | <p>The scope of the Land Acquisition Plan does not clearly include identification of vulnerable groups, public consultation and participation, and monitoring and evaluation requirements. Further, the Plan does not include relocation assistance and livelihood restoration, where necessary.</p> <p>The Land Acquisition Plan does not fully cover elements and details of those in the LARAP. Timing of the preparation of the Land Acquisition Plan with results of inventory of affected land plots should be advanced to the planning stage.</p> | The format and contents of the Land Acquisition Plan needs to be upgraded to make it equivalent to the LARAP at the planning/preparation stage. Details on the scope, format and contents of LARAP for project/ sub-project will be specified in the ESMF (refer to <b>Appendix 8</b> ). |
| Costing                            | Although the Law No. 2/2012 requires land acquisition plans to include estimated costs for land acquisition and/or resettlement, it does not include the costs for providing assistance and livelihood restorations.   | The LARAP for the project is required to ensure inclusion of all costs of land acquisition and relocation of disaster displaced people, including livelihood restoration measures.   |
| Disclosure and engagement          | Law No. 2/2012 and implementation regulations require dissemination of information on affected land and other assets, and applicable compensation amounts to affected households. Public announcement of inventory results is required at the  | All documents will need to be disclosed to the public in a suitable form to meet the Bank's disclosure requirements.   |

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| ESS Topics   | Analysis   | Mitigation Measures  |
|--|--|--|
|  | ward/village government offices, sub-district offices and at the place where land acquisition is conducted. However, such disclosures are often available at specific venues that may not be accessible to a wider audience.   |  |
| Grievance Mechanism  | Provisions of the Law No. 2/2012 and implementation regulations (Perpres 71/2012) have elaborate and time-bound procedures for filing complaints by affected households and processes to address complaints and grievances. However, it does not explicitly require due documentation of grievances. | The Project's FGRM requires robust documentation and communication of grievances related to project activities.  |
| Monitoring and Evaluation  | Law No. 2/2012 does not provide for external monitoring of resettlement implementation and post-implementation evaluation to assess whether the objectives of the resettlement plan have been achieved. Furthermore, it is deficient in providing details on objectives of evaluation.               | As per-the ESCP, an independent monitor will be mobilized to provide third-party assessments of the implementation of the LARAP.   |
| <b>ESS 6 Biodiversity Conservation and Sustainable Management of Living Resources.</b><br>Government regulations on forestry and biodiversity conservation, in general, support ESS 6 for protecting biodiversity. The main gap is that existing regulations do not recognize the requirements for assessing project impacts on natural and critical habitats. |  |  |
| Classification, criteria for significant conversion (loss) and degradation of Critical and Natural Habitats  | The regulations do not mention specifically about protection of natural and critical habitats as per ESS 6.  | The ESMF will provide screening processes to identify high biodiversity and environmentally sensitive areas and government protected areas. The outline of AMDAL/ESIAs acceptable to the Bank will assess potential impacts on modified and critical habitats. |
| <b>ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.</b><br>One key gap between ESS 7 and relevant Indonesian laws and regulations is the requirement for the formal recognition of IP communities as an eligibility criterion to be treated as IPs.  |  |  |
| Assessment and consultation; avoidance of adverse impacts; mitigation and development benefits; meaningful consultation  | <i>Masyarakat Adat</i> may potentially face difficulties in obtaining legal recognition through the sub-national and central government processes.   | The project will treat communities possessing characteristics as per ESS 7 as Indigenous Peoples regardless of their legal recognition.  |

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| ESS Topics  | Analysis   | Mitigation Measures   |
|---|--|---|
| tailored to indigenous peoples/<br>Sub-Saharan African historically<br>underserved traditional local<br>communities.  | In addition, there are vulnerable communities that may not qualify under the Government's framework as <i>Masyarakat Hukum Adat</i> but do meet the policy criteria under ESS 7. | Identification of these groups will continue as part of the screening processes during the project implementation.  |
| <b>ESS 8 Cultural Heritage.</b><br>No major gaps are identified. The Project will develop a chance find procedure and provide relevant trainings for the workers. |  |   |
| <b>ESS 10 Stakeholder Engagement and Information Disclosure.</b><br>Relevant laws and regulations of Indonesia have covered the requirements of the ESS 10.       |  |   |
| Engagement with stakeholders;<br>information disclosure; Grievance<br>Redress Mechanism   | SEP is not a mandatory document as per GoI regulation.   | The Project has developed and will implement a stakeholder engagement plan throughout the project cycle. A grievance redress mechanism has been developed as part of this ESMF and will be implemented. |

## 3 ENVIRONMENTAL AND SOCIAL ASSESSMENT

### 3.1 General Assessment

The project is expected to have a positive impact on disaster-affected people through the provision of inclusive and resilient permanent housing, settlement infrastructure, and public facilities. Due to the substantial environmental risks and high social risks, and potential impacts associated with project implementation, additional mitigation measures are needed to enhance project outcomes.

#### ***Post-disaster Environmental and Social Baseline Conditions***

Central Sulawesi Province is in a seismically-active zone and lies on the Palu-Koro fault line. The series of catastrophic events that occurred on September 28, 2018 were cascading in nature, starting with the M7.4 main shock and followed by three near-field tsunamis. The strong ground shaking led to extensive ground deformation, liquefaction, and mudflows; as well as a submarine landslide, which subsequently caused three near-field tsunami waves up to six meters height (amplified by the shallow bathymetry and narrowing gulf morphology). The first wave reached Palu City within six minutes of the earthquake.

Disaster-affected areas included: (i) areas affected by the ground shaking in the city of Palu and regencies of Sigi, Donggala and Parigi Moutong; (ii) wards and villages in Palu and Sigi affected by liquefaction processes; and villages in Palu and Donggala affected by tsunami waves (refer to **Figure 1-1**). The catastrophic events caused extensive damage to infrastructure, buildings, housing settlements, public facilities, and agricultural land uses; and destroyed three residential neighborhoods (Balara and Petobo in Palu, and Jono Oge in Sigi). Approximately 173,000 people (55,172 households) were displaced across 400 locations (mostly in Sigi and Palu), and approximately 1,129 educational facilities and 172 health facilities were affected by the disaster events.

According to UN Women (2018), 67% of displaced people are women or children. Women, men and children were affected differently by the disaster. Data from rapid preliminary gender assessments<sup>5</sup> indicated that women and girls have greater caring responsibilities during post-disaster situations since they are often responsible for looking after other family members in temporary shelters and other duties such as cooking; yet they have limited access to information on currently available or future support. They may also be at greater risk of gender-based violence (domestic violence, sexual harassment and exploitation) than before the disaster as they live in temporary shelters with limited security, privacy, and coping mechanisms.

#### ***Issues and Findings***

##### ***Component 1: Resilient construction of permanent housing units and settlement infrastructure***

Environmental and social risks under Component 1 are considered *substantial to high*. The resettlement of displaced people and preventative resettlement (due to land-use rezoning restrictions) carry high social risks that require management including land acquisition, land expropriation and/or land use restrictions, loss of land ownership/rights and assets, livelihoods impacts; inequitable/disproportionate impacts on vulnerable groups; conflict between resettled and host communities; as well as risks associated with the large and diverse workforce, including poor working conditions, occupational health and safety, child labor, labor influx and GBV issues associated with the diverse workforce.

Housing units constructed in new settlement sites will be located in peri-urban areas and are not located in the protected areas with high environmental service or conservation values. The key environmental impacts from construction of permanent housing and resettlement infrastructure include disposal of non-hazardous and hazardous wastes; temporary increased noise, fugitive dust and mobile emissions; soil erosion and runoff from excavations and disposal of spoils; loss of vegetation; social disturbance of traffic safety and mobility disruptions. During the operation phase, potential impacts include discharge

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<sup>5</sup> Data source: Emerging Gender Issues in Central Sulawesi Earthquake Response (UN-Women). 29 October 2018

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of wastewater effluents and disposal of domestic waste. These impacts can be mitigated onsite in a predictable manner through detailed engineering designs, environmental and social management plans (ESMPs), as well as applying standard operating procedures (SOPs) and environmental codes of practice (ECOPs).

In-situ housing reconstruction through a community grants scheme is currently not included as part of the project's scope as such an approach is being administered by BNPB. The ESMF has included necessary provisions to manage risks related to community workers as specified in the Labor Management Procedure (LMP) for the project (refer to **Appendix 9**).

### Component 2. Resilient reconstruction and strengthening of public facilities

Environmental and social risks under Component 2 are considered *moderate* to *substantial*. While retrofitting activities will be conducted in situ, reconstruction activities may include re-siting of facilities and the potential for land acquisition and resettlement impacts. Adverse impacts are potentially associated with construction activities affecting building occupants and general citizens (including dust, noise, disturbance on existing traffic flows, safety, access to local communities, issues related to labor influx), potentially unsafe conditions or poor occupational health and safety practices, and potential exposure of works and building occupants to hazardous materials (e.g., waste oil, paint, asbestos containing materials – ACM); and debris waste management – associated impacts related to dismantling and demolition of severely damaged buildings, and removal of debris (including hazardous materials such as ACM).

There are very specific post-disaster conditions of the project area that need to be considered such as safety and hygiene aspects of debris waste handling, unstable geological conditions, labor influx, increased demand on local timber for construction works, etc. Many project activities will take place on existing building footprints especially related to reconstruction and retrofitting of public facilities; the nature of the impacts is not irreversible, unprecedented or complex and the existing construction standard operating procedures (SOPs) and building codes administered by MPWH can be implemented as mitigation measures.

### Capacity to Manage Environmental and Social (E&S) Impacts in a Post-Disaster Context

While MPWH has long-standing engagement and experience in managing World Bank-financed projects, its capacity, and the capacity of subnational implementing units, to manage risks and impacts in a manner consistent with the Environmental and Social Standards (ESSs) under the World Bank ESF is likely to be impacted by the scale of the project and broader reconstruction effort. Project related E&S risks are further amplified by the tiered decentralized institutional arrangements for rehabilitation and reconstruction, and the lack of/stretched capacity of the district/municipal government agencies, asset owners, contractors and regulators to effectively manage robust E&S assessments and the implementation of E&S management and monitoring plans.

A further capacity assessment amongst key agencies, including sub-national agencies is presented in **Appendix 2** of the ESMF.

### **Management and Mitigation Measures**

Substantial allocation under Component 3 for the project will be used to finance community facilitators, and technical support to the local governments in implementing participatory and community-driven relocation. In addition, the project will strengthen the overall management of environmental and social aspects through the provision of experts, supervision support and technical capacity building to relevant agencies and implementation units.

## 3.2 Specific Risks and Impacts

### 3.2.1 Labor and Working Conditions

#### *Issues and Findings*

The project workforce is expected to be large and diverse including government officers, contractors, community workers and primary supply workers. There is a shortage of skilled labor for the recovery effort and many workers (e.g., contractors) are likely to be sourced from other parts of the country.

#### Labor Influx

Labor influx for the project presents a number of environmental and social risks and potential impacts to local communities including i) social conflict; illicit behavior and crime; influx of additional population ('followers'), increased burden on already stretched housing and public services (i.e. law enforcement, health, waste); increased demand on local resources (food, freshwater); spread of communicable disease and burden on health services; gender based violence and violence against children (refer to **Appendix 11**); and local inflation of prices.

Labor influxes in Palu are likely to be concentrated in specific locations including resettlement areas near existing residential areas or temporary settlement sites, and existing sites of schools, health facilities, and markets. This presents increased risks for these nearby communities.

#### *Working Conditions and Workforce Protection*

The large and diverse workforce presents several challenges regarding the management of working conditions including:

- Low levels of awareness of workers' rights amongst employers and workers, coordination and capacity constraints of project stakeholders, and difficulties in managing compliance with groups such as primary suppliers.
- Child labor/risk of underage labor (under 15) is considered low with exception of the community workforce. Participation of youth labor (15-17 years) presents risks of their involvement in hazardous work or interruption to education.
- OHS risks are considered high due to physical/health hazards associated with demolition, reconstruction and construction and low awareness/experience/capacity amongst employers/workers to identify and manage risk. Such risks also apply to formal and informal workers at designated landfills (i.e. exposure to asbestos or other hazardous materials).

#### **Management and Mitigation Measures**

Management and mitigation measures to manage potential labor and working conditions and associated impacts will include:

- Implementation of the project's labor management procedures, including management of adverse impacts on communities from project-induced labor influx (refer to **Appendix 9**);
- Minimization of OHS and community health safety risks due to exposure to pollution, asbestos-containing materials, and hazardous materials through implementation of ESCOPs (refer to **Appendices 5 and 6**);
- Assessment and management of OHS and labor-induced community health and safety risks in EAs/ESMPs and CESMPs (including requirement for OHS management sub-plan; community health and safety sub-plan; and workers training sub-plan) for sub-projects as per the World Bank Group's Environmental, Health and Safety Guidelines.
- Technical assistance for the PMU and the Ministry of Manpower and Transmigration's (MOMT) directorates of labor inspection and provincial/district labor units.

### **3.2.2 Resource Efficiency and Pollution Prevention and Management**

#### ***Issues and Findings***

The project will generate large volumes of demolition debris and construction waste, particularly as a result of implementation of activities under Component 2. Although the project will seek to reuse and recycle this waste, relatively large volumes of the remaining waste need to be disposed accordingly to an adequate landfill at the project area. Demolition waste may include hazardous waste such as asbestos-containing materials (ACM), which will need specific requirements for the collection, handling and disposal. Although there is limited local understanding and capacity in Palu area and its vicinities on handling ACM, and there is no designated hazardous waste disposal facility in Palu, preliminary assessments indicate that there is limited use of ACM in Central Sulawesi province (refer to Central Statistics Bureau, 2017). The government-operated Kawatuna landfill was damaged following the tsunami and liquefaction events. Through the ESMF, the project needs to manage the appropriate disposal of all waste to prevent pollution.

Large volumes of stone, sand and aggregate material will be required for constructing the resettlement buildings, roads, and rehabilitating and reconstructing damaged buildings and facilities. Timber will also be required in the construction and rehabilitation works. The sourcing of such construction material may bring potential environmental damage offsite at quarries and/or forests.

#### **Resource Efficiency**

The construction of new housing units has not been identified to be located in or near water scarce areas, and the water consumption in the project area will be provided through adequate primary water supply facilities that may be part of the project activities. The project will seek to reuse or recycle timber, concrete, crushed aggregate and bricks for use in concrete, building blocks, drainage, roads, fill materials, retaining walls and foundation base.

#### **Waste Management**

The Kawatuna Landfill is now the only operating final disposal area (TPA) in Palu City. Kawatuna also sustained damage to its leachate treatment plant and operating building during the earthquake and it is overburdened with the volume of debris and waste being transported. The environmental license of the final disposal area is under the local environmental agency for Kota Palu. The local government has allocated an area for debris management as part of the recovery effort however waste is currently being mixed with other domestic waste.

#### **Asbestos**

Referring to the Central Statistics Bureau (BPS) data in 2017, the use of asbestos in cities and rural areas in Central Sulawesi province is very low, accounting for 1.22% of all asbestos roofing in Indonesia, which puts Central Sulawesi as the second lowest province in using asbestos roofing. Based on this report, there is a low probability of encountering asbestos containing materials (ACM) in the project.

Chrysotile asbestos ('white' asbestos) is used as composites in building materials such as roofing, ceilings, flat sheet board and corn block. Asbestos fibers bonded in these forms pose little risk however if these materials are broken, damaged or mishandled, fibers can become loose and airborne, creating a hazard with high risk. Inhaling asbestos fibers can cause asbestosis, lung cancer and mesothelioma. The risk of contracting these diseases increases with the number of fibers inhaled and symptoms often do not appear until 20-30 years after exposure.

There would be limited capacity in Central Sulawesi to identify, safely remove, and safely dispose of ACM. Construction workers, waste workers, and the general community working, living or using facilities in close proximity to damaged buildings and waste sites containing ACM are at high risk of exposure. The use of ACM in building and construction activities is prohibited under current Indonesian hazardous material regulation. Although there is low probability of encountering ACM in the project, this risk is managed in the ESMF, through the ESCOP, which specifically provides an Asbestos Protocol on identifying and handling ACM should there be indication of encountering ACM.



Erosion and Sediment Transportation

The land preparation and earthworks especially at the resettlement areas are located on undulating slopes and modified terrain require considerable volumes of excavation and fill embankments. Locations of potentially high intensity rainfall require special attention to prevent erosion and localized flooding, provide interim drainage to protect adjacent areas and prevention of sediment capture in nearby drainage channels.

Soil erosion depends on several parameters such as type of soil, slope, vegetation, the nature of topography and rainfall intensity. The loss of soil stability and soil erosion can take place due to the removal of vegetation cover, and numerous construction activities. It can cause the loss of soil fertility and induce slope instability. Land preparation for the project could result in blockage or alteration of natural flow paths causing changes in the drainage patterns in the area. Effective and efficient mitigation measures can not only reduce but could improve the conditions over the existing conditions.

**Management and Mitigation Measures**

Management and mitigation measures to manage potential resource use and pollution impacts include:

- Enforce bidding requirements for the contractor or primary suppliers to source raw materials from legally designated quarries and production forests that operate an acceptable EMP and owns an environmental permit.
- Implement waste classification/segregation and waste handling and disposal procedures (refer to **Appendices 6 and 7**)
- Implement the project's asbestos protocol including hiring of an asbestos management adviser and development and implementation of asbestos identification, handling and disposal procedures (refer to **Appendix 6**).
- In the project area, rainfall occurs mostly in the wet season which runs from November to April. Rainfall can have a significant impact on the ability to manage environmental impacts, particularly in terms of managing drainage, erosion and sedimentation. Hence, activities which involve significant disturbance of soil or operating with drainage lines and waterways should be planned to be undertaken during the driest months. It is also important to ensure that all required erosion and sediment control mechanisms are in place before the onset of the wet season.

**3.2.3 Community Health and Safety**

***Issues and Findings***

The project will restore health infrastructure and services and is expected to have a positive impact on long-term health and safety for disaster affected communities. A number of community health and safety risks associated with demolition, construction and operation of these new facilities require management.

Community Exposure to Health and Safety Issues

Community health and safety risks during demolition and/or construction of housing and public infrastructure include exposure to:

- Structural hazards and failures associated with demolition, reconstruction and/or construction works;
- Life and Fire Safety (L&FS) hazards;
- Physical hazards on sites where the community has access or is located in close proximity or where community labor is used;
- Traffic and road safety hazards associated with the operation of project vehicles (i.e. government, contractors, suppliers) on public roads and at construction sites, particularly related to operational schools and health facilities;

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- Health issues including water-borne, and vector-borne diseases which may result from poor site management (e.g., stagnant water); and communicable diseases such as HIV/AIDs associated with labor influx;
- Hazardous materials such as asbestos containing materials (ACM), hazardous chemicals used/stored by contractors (refer **Appendices 6 and 7**); and
- Impacts on living conditions associated with air (i.e. dust), noise and vibration pollution

### Gender-based Violence and Violence Against Children

Gender Based Violence (GBV) and Violence Against Children (VAC) risks associated with project activities are considered *substantial* given existing gender dimensions (refer to Section 3.3.3) and the prevalence of GBV/VAC incidents in Central Sulawesi before the disaster, and the increased risks during the post disaster/recovery context (refer **Appendix 11**)

Key issues include:

- Labor influx: In a post disaster situation, infrastructure projects can cause larger GBV risks because it operates in an already vulnerable social condition due to disaster, and multiple inequal relations that exist in the community. The capacity for contractors and to effectively mitigate GBV and VAC risks is likely to be limited
- Temporary and permanent settlements – GBV/VAC risks are increased in temporary and permanent settlement areas where women and children can be exposed to new hazards (i.e. lack of privacy, reduced security, changes to household duties, lack of/changes to livelihood activities, child marriage) and lack access to support networks and services.
- GBV service providers: while service providers exist in Palu and have been supported by various NGOs during response and early recovery it is understood that resources will remain stretched due to damaged facilities and increased GBV risks inherent in post disaster situations.

Labor influx during construction may increase GBV risks for both female workers and women and girls living in proximity with construction sites. Post-disaster vulnerability and impoverishment may further escalate such risks.

Construction workers will interact with local communities on a day-to-day basis, such as purchase of food, services and daily necessities. Workers from outside the area may be seen as resourceful individuals and this may result in new expectations and some level of financial dependence, particularly due to new business opportunities being created. Jealousy may also be anticipated if the share of incoming workforce is far larger than the local workforce.

In various infrastructure projects around the world, a large influx of male workers may increase the demand for sex work and even the risk of trafficking of women for the purpose of sex work, forced or early/child marriage.

The capacity for contractors and to effectively mitigate GBV and VAC risks is likely to be limited. GBV service providers exist in Palu and have been supported by various NGOs during response and early recovery, however it is understood that resources will remain stretched due to damaged facilities and increased GBV risks inherent in post disaster situations.

### Emergency Situations

Emergency events may arise from natural or man-made hazards during construction and the operational phase of public buildings financed by the project. During construction, these risks are heightened on sites in close proximity to sensitive areas such as schools and health facilities in which teachers/students and staff/patients are still present, as well as and on sites in close proximity to residential areas. Women, children, elderly and people with disability (including those with new disabilities following disaster events) and the infirmed are particularly vulnerable. Public facilities financed by the project shall adhere to emergency preparedness and response planning measures—including the integrated design of emergency evacuation routes within and away from project sites and buildings, emergency evacuation signage, designated evacuation sites/zones, and display and communication of evacuation procedures to building occupants and users.

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### Ecosystem Services

The project is not expected to adversely impact ecosystems services. Water supplies for the main relocation sites, will be sourced from the existing water sources (i.e. the Lewara and Paneki, and Poboya River Intakes, with an additional capacity from new borehole wells. The supply of timber, sand, stone and aggregate material will be sourced from legal sources and/or operations which hold a valid environmental permit and implement sustainable environmental management practices in accordance with Gol legislation.

### Security Arrangements

Security arrangements for the protection of personnel and property during construction of project activities/sub-projects is currently not confirmed.

### Infrastructure Design and Safety

Community health and safety risks relating to the operation of project-financed infrastructure, includes exposure to natural hazards (e.g., earthquakes, tsunami, flooding) and physical hazards (e.g., unsafe facilities, unsafe operation) and accidents (e.g., fire, electrocution) and access for potentially vulnerable groups (e.g., people with physical disabilities, children, women). Technical engineering and architectural design support will be provided to the project to address such design considerations. Standard bidding documents and DEDs will incorporate these aspects in line with the government's engineering standards and building codes, including those outlining seismic risk mitigation measures and universal access design for building design and engineering, as well as site planning and design.

### **Management and Mitigation Measures**

Management and mitigation measures to manage community health and safety impacts include:

- Incorporation of structural and L&FS safety codes and practices into the design, in accordance with relevant national and international standards.
- Preparation and implementation of emergency preparedness and response plan during construction and operational phases (i.e., maintenance and calibration of equipment).
- Community health and safety risks assessed in relevant sub-project ESIA's. The sub-project ESMPs/CESMPs will outline specific management and mitigation measures for community health and safety (including construction management plans, waste management plans, traffic management plans, and community awareness activities) during construction and operation.
- Implementation of the Project's risk hazard management framework for emergency events (refer **Appendix 4**) including the requirement for sub-project ESMPs/CESMPs to include emergency response sub-plans.
- Implement the project's strategy for GBV/SEA prevention and response (refer **Appendix 11**) including service provider mapping, training and awareness, and response protocol, as well as safe designs of the relocation sites and public facilities.
- Establish minimum project requirements for resilience and inclusion standards in line with Government regulations and technical guidelines.
- Strengthen project supervision during implementation through mobilization of relevant specialists, experts and facilitators.
- Conduct targeted consultations with vulnerable population groups to inform detailed planning and design of resettlement sites and public facilities.
- Independent experts to assess operational phase risks during design and mitigate risks through resilient planning, detailed design (including gender sensitive design and universal access) and operation and maintenance planning activities.

### **3.2.4 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Component 1 of the project will support the development of new settlement areas for the relocation of:  
i) people physically displaced by the disaster and are currently occupying temporary shelters (as a

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priority); and ii) people still living in disaster areas (which have been designated as red-zone areas) who are willing to be relocated. All relocation to new settlement areas will be voluntary and target beneficiaries will be informed about their choices and given the right to refuse to relocate. Component 2 will finance the repair, rehabilitation and/or reconstruction of public education, health and market infrastructure in situ or in new locations.

Direct land acquisition requirements and potential physical and economic displacement impacts associated with the project activities are outlined in impacts are outlined in Table 3-1. Indirect impacts associated with hazard risk zoning are also highlighted.

**Table 3-1 Land acquisition requirements and potential involuntary resettlement**

| Target Groups   | Project related risks and potential impacts  |   | Applicable ESS   |
|---|--|---|--|
|   | Land acquisition and physical displacement   | Economic displacement   |  |
| Component 1   |  |   |  |
| People physically displaced by the disaster             | Direct - No physical displacement (already displaced by the disaster).<br><br>Indirect - Land use restrictions resulting from hazard/risk zoning | Direct – No economic displacement (already displaced by disaster).<br><br>Indirect – Land use restrictions resulting from hazard/risk zoning – with livelihoods implications.           | ESS 5 – Not applicable for disaster displaced people or voluntary resettlement.<br><br>ESS 1 – Mitigate potential resettlement impacts – i.e. that resettlement areas do not provide adequate livelihood opportunities exacerbating impacts resulting from the disaster and re-zoning. Considerations should be given to the design of the relocation assistance packages to avoid creating or exacerbating socio-economic disparity among affected communities while suffering from various degrees of hardship post-disasters.   |
| People living in disaster areas classified as red-zones | Direct - Physical relocation to resettlement areas<br><br>Indirect - Land use restrictions resulting from hazard/risk zoning                     | Direct – loss of livelihoods/income generating assets (i.e. land, businesses)<br><br>Indirect – Land use restrictions resulting from hazard/risk zoning - with livelihoods implications | ESS 5 – Not applicable for disaster displaced people.<br><br>ESS 1 – Mitigate potential resettlement impacts – i.e. that resettlement areas do not provide adequate livelihood opportunities exacerbating impacts resulting from the disaster and re-zoning. Considerations should be given to the design of the relocation assistance packages to avoid creating or exacerbating socio-economic disparity among affected communities while suffering from various degrees of hardship post-disasters.<br><br>Communities living in designated red-zones will be sensitized on understanding disaster risk in the hazard zones, various options, |

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| Target Groups                                   | Project related risks and potential impacts   |   | Applicable ESS   |
|---|---|---|--|
|   | Land acquisition and physical displacement  | Economic displacement   |  |
|   |   |   | costs and benefits through community facilitation processes to enable them to make informed decisions.       |
| Landowners/users in proposed resettlement areas | Direct – Involuntary land acquisition, permanent physical relocation and/or access restrictions to land use resulting from acquisition/development of resettlement sites OR Temporary displacement of land users during construction.   | Direct – Permanent economic displacement including loss of livelihoods/income generating assets (i.e. land, businesses) resulting from acquisition/development of resettlement sites OR Temporary displacement of land users during construction.                   | ESS5 – Manage potential physical and economic displacement impacts resulting from involuntary resettlement.  |
| <b>Component 2</b>                              |   |   |  |
| Landowners/users on existing sites              | Direct – Current site – no land acquisition or impacts on landowners. Permanent physical relocation and/or access restrictions (informal users) to land use resulting from acquisition/development of resettlement sites OR Temporary displacement of land users during construction. | Direct – Permanent economic displacement (informal users) including loss of livelihoods/income generating assets (i.e. land, businesses) resulting from acquisition/development of resettlement sites. OR Temporary displacement of land users during construction. | ESS 5 – manage potential physical and economic displacement impacts resulting from involuntary resettlement. |
| Landowners/users in proposed new sites          | Direct – Involuntary land acquisition, permanent physical relocation and/or access restrictions to land use resulting from acquisition/development of resettlement sites OR Temporary displacement of land users during construction.   | Direct – Permanent economic displacement including loss of livelihoods/income generating assets (i.e. land, businesses) resulting from acquisition/development of resettlement sites. OR Temporary displacement of land users during construction.                  | ESS 5 – manage potential physical and economic displacement impacts resulting from involuntary resettlement. |

### Issues and findings

#### Establishment of Resettlement Sites

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In conjunction with the Central Sulawesi Governor Decree,<sup>6</sup> three large resettlement sites have been proposed in Palu City and Sigi Regency. These include i) Tondo-Talise, ii) Duyu; iii) Pombewe-Olobuju. These sites have been selected based on their potential availability (as abandoned HGB and/or HGU concessions). Land transfer processes from the current concession owners to the government (as state land or *tanah negara*) are currently on-going and being administered by ATR/BPN.

The agency's approach for all sites is to identify land within the concession areas with low risk of dispute from concession holders or informal users or claims and is suitable for resettlement. However, informal use of the proposed sites such as quarries and plantations in the case of Duyu or overlapping certificates in the case of Pombewe-Olobuju were reported. As a result, following ATR/BPN's verification and further negotiation with the concession owners, the expected areas to be developed have been reduced, with the exception of Pombewe-Olobuju where the concession has expired.

Additional sites for the 'satellite relocation scheme' are yet to be confirmed (refer **Figure 3-1**). These sites will be subject to technical verification and legal due diligence to ensure safety, feasibility as well as 'clean and clear' status to prevent future claims and/or disputes.

Responsibilities for land acquisition for additional satellite relocation sites lie with district and/or municipal governments. Land acquisition resettlement risks associated with these sites are considered moderate to high due to the number of sites, the range of different ownership and use arrangements that are likely to exist, and the knowledge, budget and capacity constraints of local governments to assess and manage resettlement impacts in accordance with the World Bank's ESS5.

The establishment of resettlement sites may also lead to impacts on land and assets and/or access restrictions to land uses outside settlement areas to facilitate public infrastructure (i.e. water supply and electricity), which require careful management and consultations with host communities.

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<sup>6</sup> (Surat Keputusan Gubernur Sulawesi Tengah) No.369/516/Dis.BMPR-G-ST/2018 on *Penetapan Lokasi* (Location Determination or hereafter *Penlok*)

## SEBARAN PENGUNGSIS PER KECAMATAN DAN CALON LOKASI HUNIAN TETAP

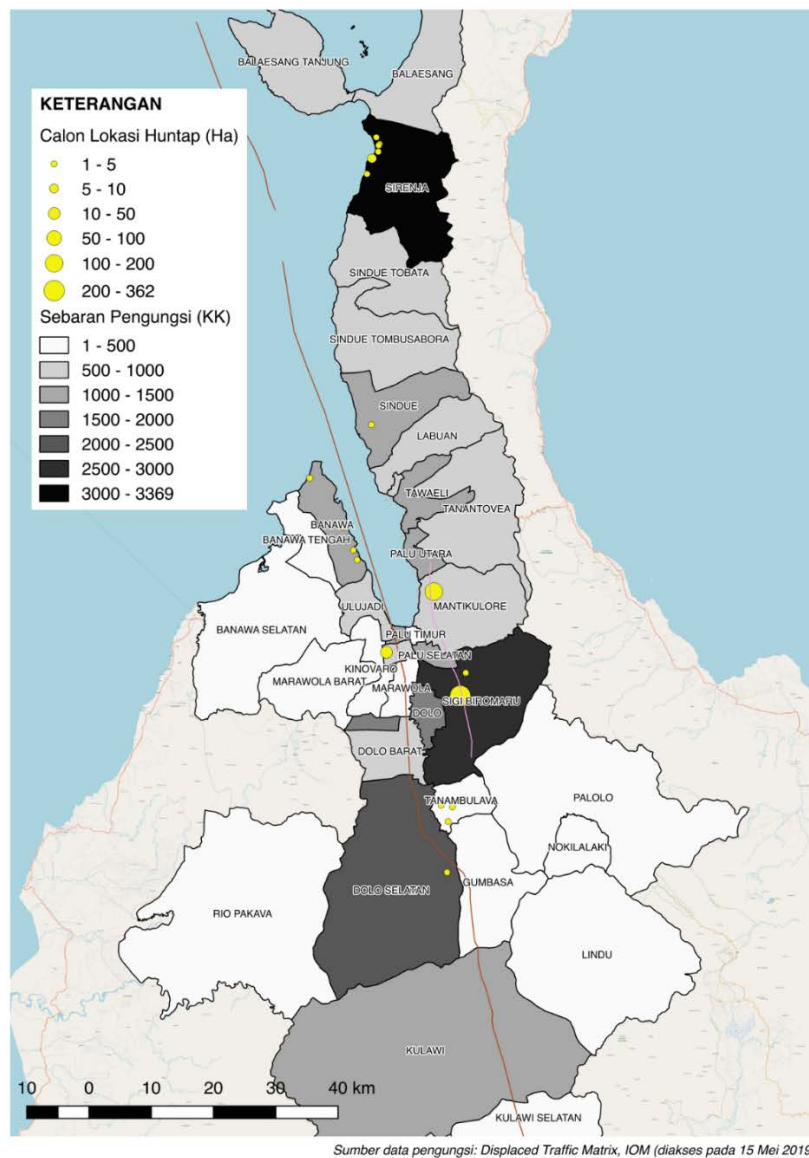


Figure 3-1: Indicative Potential Satellite Relocation Sites

Red Zone Establishment and Preventative Resettlement

Preventative resettlement (voluntary) that may occur due to households living in designated “red zones” has a number of potential resettlement impacts that will need to be managed by the project. Both disaster displaced people (who are currently occupying temporary shelters) and people still living in disaster areas (who are expected to move) are likely to be impacted by land use restrictions; loss of assets; and associated impacts on livelihoods. Disaster hazard risk zoning and specifically the establishment of red-zones is a government activity and not financed by the project.

The management of these impacts is likely to be further complicated by the lack of detailed information on zoning information (until the detailed spatial plan is finalized) and while public notices have been erected at some key locations, the lack of clear and agreed on-ground boundary demarcation and legal basis for enforcement has resulted in some displaced people re-establishing their residences and livelihood activities in these areas.



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### *Public Educational, Health and Market Infrastructure*

No involuntary land and resettlement impacts are anticipated for in-situ infrastructure repair activities.

In the event that re-siting of facilities is required, a preference will be placed on existing public land to minimize the need for land acquisition. Other (non-public) sites may be required for the development of new public facilities and buildings. This may require involuntary land acquisition and hence, may have impacts on current land owners/users. For the latter scenarios, due diligence on site/asset ownership will be required (refer **Appendix 8.5**).

### **Management and Mitigation Measures**

Management and mitigation measures to manage potential involuntary land and resettlement impacts include development and implementation of LARAP (Land Acquisition and Relocation Action Plan), which will be prepared by respective district and municipal governments through project support and facilitation. The document will consist of the following topics:

- Land due diligence and land acquisition plan (Components 1 and 2): inform the status of the proposed land for the relocation areas both for housing and public infrastructures. The due diligence activities will confirm the legal status of the land, physical activities/actual occupation on the land, as well as technical feasibility (i.e., suitability for housing or public infrastructure). Land acquisition plans will be developed to inform required actions to mitigate risks and impacts resulting from any land acquisition activities (e.g., compensation scheme for the landowners/users).
- Relocation Action Plan (Component 1): on the basis of consultations, provide a detailed inventory of target households, and their socio-economic and demographic information of including their preferences and specific needs and constraints. These plans should also address transitional and livelihoods restoration support which needs to be reflected in the overall relocation planning.

Further guidance for the LARAP can be found in **Appendix 8**.

### **3.2.5 Biodiversity Conservation and Sustainable Management of Living Resources**

The rehabilitation and reconstruction work under the project is not located inside legally designated protected areas or areas of high biodiversity values. Major parts of project activities are likely to be contained within existing footprints for public facilities while the housing development at the new settlement sites mostly consists of already modified habitats. Further impacts on the modified habitats will be assessed during the preparation of the environmental impact assessment documents during project implementation. The project might consume raw materials such as timber, sand, stone and aggregate material but it would be sourced through measures specified in Good International Industry Practices (GIIPs) such as purchasing material from quarries and production forests that apply acceptable EMPs and own environmental permits.

### **Management and Mitigation Measures**

Following the precautionary approach, the ESMF will include in the negative list (refer to **sub- appendix 3.1**) the requirements to not finance project activities located inside legally designated forest areas and/or areas of high biodiversity values, and not finance the purchase of construction material sourced from illegal sources.

### **3.2.6 Indigenous Peoples**

The Kaili people are understood to be original population groups of the Palu valley and remain as the dominant group in the project area and are expected to be the overwhelming majority of direct project beneficiaries/affected people. Non-indigenous groups from across Indonesia are present in the project area, as a result of government transmigration programs, and will also benefit from the project.

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Several remote tribes, who may have Indigenous Peoples' characteristics as per-ESS 5 are present in the mountainous areas around Palu, Sigi and Donggala, including the Da'a tribe in Donggala and Sigi. They are not expected to be directly impacted by project activities but further assessments on the presence of Indigenous Peoples per the requirements of ESS 5, as well as potential impacts on these groups, may be warranted as part of the project implementation.

### ***Management and Mitigation Measures***

Management and mitigation measures to manage potential impacts on indigenous people include the implementation of the IPPF, which lays out processes for consultations and engagement, impact avoidance and reduction as well as requirements for Free, Prior and Informed Consent (FPIC) per the requirements of ESS 7 (see **Appendix 12**).

### **3.2.7 Cultural Heritage**

The presence and chance finding of cultural resources is considered unlikely in project areas given the rehabilitation and reconstruction works will be for existing building and facilities that do not have any known cultural heritage value. However, considering that the resettlement sites are greenfield at three new locations, a chance find procedure will be included in the ESMF and training for workers will be conducted. Screening for cultural resources (tangible and intangible) will be carried out at the earliest stage of project preparation during the site planning and engineering preparations. Should any cultural resources be identified by chance at any stage of the project preparation or implementation, its handling will be safeguarded per the requirements of ESS 8.

## **3.3 Other Risks and Impacts**

### **3.3.1 Associated Facilities**

Overall reconstruction and rehabilitation efforts in Central Sulawesi are currently being financed by multiple financiers, which include government agencies, bilateral and multilateral agencies as well as non-government organizations (NGOs). Investments under the CERC of NSUP/KOTAKU and CSRRP will likely take place in areas where there are on-going investments by other financiers and this applies for both Components 1 and 2. For instance, the planning and design for the permanent housing (Huntap) site at Tondo is advanced with some housing units financed by NGO Buddha Tzu Chi (BTC) and others nearing completion. Furthermore, another 1,500 housing units will be constructed by BTC in Pombewe.

According to ESS 1, where these activities are "i) direct and significantly related to the project; ii) carried out, or planned to be carried out contemporaneously with the project; and iii) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist", they are defined as 'Associated Facilities' and relevant ESSs apply, "to the extent that the Borrower has control or influence over such Associated Facilities"

### ***Management and Mitigation Measures***

Measures and mitigation measures relating to associated facilities include:

- Conduct screening of other projects/activities to determine whether they are defined as 'Associated Facilities', which require the application of ESSs.
- Engage proponents/financiers to ensure conformity with relevant ESSs under the CSRRP.

### **3.3.2 Livelihoods in new settlement areas**

Each disaster impacted community has different livelihood needs. Data from the Bureau of Statistics on village potentials (Podes 2018) and supported by field observations indicate that key livelihoods in Balaroa involve trade and construction. In Petobo and Jono Oge livelihoods are predominately agricultural based. In tsunami affected areas, livelihoods include fishing, trade and agriculture.

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While there is recognition from all levels of Government of the need to consider and plan for livelihood restoration, some key barriers include lack of availability of suitable land which correspond to specific livelihoods needs and preferences of the affected communities, long-term budget commitments for livelihoods restoration programs and unclear institutional mandates amongst sub-national government agencies pertaining livelihoods restoration responsibilities. Some relocation options and alternatives have been considered, including locating communities close to their pre-disaster livelihood base (i.e. fishermen near the coast, urban traders in urban areas) such as through 'satellite relocation schemes', provision/development of agriculture land (i.e. Pombewe) and the potential for restricted use of red-zone areas for livelihood purposes.

### ***Management and Mitigation Measures***

Sub-project LARAPs prepared by district and municipal governments for proposed settlement sites will include a comprehensive relocation plan including livelihoods restoration aspects for disaster displaced people. Alternative relocation approaches, particularly the 'satellite relocation scheme,' are also currently being considered, in order to minimize livelihoods disruption risks.

### **3.3.3 Gender and Disability Inclusion**

Disasters impact women, girls, men, boys, and persons of diverse gender identities differently and exacerbate pre-existing vulnerabilities, risks and inequalities, such as those related to people with disabilities, the elderly, and children.

Gender roles in Sulawesi are affected by the patriarchal culture in the society and have implications on women and children during the post disaster period. The disasters have displaced families, damaged assets and land, and left people jobless. Those who lost family members or spouses now need to perform caring roles, which may be a newly acquired skill or routine. Women's domestic roles may have doubled since the disasters, which in addition to family care responsibilities, some may now become breadwinners.

Newly found life coping strategies may emerge in a post-disaster context. Central Sulawesi is not an exception. Child marriage has seen a rise following disaster recovery; such practices usually involve young girls being married to older men under 'the hand' or Siri, which consequently offers the girls little protection in the event of divorce or domestic violence.

The need for rapid reconstruction and recovery may also sometimes overlook the basic needs of women. Sanitation facilities in temporary shelters may offer women little privacy and thus expose them to various risks. Similarly, lack of consideration of cooking facilities, running water, distance from the markets or schools may also put them at a greater disadvantage compared to men.

The resettlement site planning and design, and the design of public facilities, will address the specific needs of women and children such as safe lighting, gender-sensitive bathroom design, and accessible footpaths for pedestrians. Such considerations will enhance universal access including for people with disabilities and the elderly.

### ***Management and Mitigation Measures***

Community facilitation under the project will seek to ensure that women and women's interest organizations are equally represented in decision making and have access to grievance redress mechanisms. GBV/SEA referral services will be made known to women in the target communities with support from the project's facilitators to ensure that appropriate actions and/or support are available in case such incidents happen or are reported. Site plans and detailed engineering designs will be required to address agreed project standards related to inclusion.

## **3.4 Project Component/Activity E&S Risk and Impact Matrix**

Further analysis of the Project's Environmental and Social Risks at each phase of implementation along with proposed mitigation and/or risk avoidance measures is presented in **Appendix 1**.

## 4 ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANNING, APPROVALS AND IMPLEMENTATION

This section describes the procedures to guide:

- a. Environmental and social screening of the proposed project and sub-project activities;
- b. Preparation of relevant environmental and social instruments;
- c. Review and approval processes;
- d. Monitoring of environmental and social aspects; and
- e. Grievance resolution.

### 4.1 Principles

Principles for the management of environmental and social risks and potential impacts associated with CSRRP sub-projects are as follows:

- The Project will finance Components 1 and 2 only for the sites where there is evidence that the land is legally and physically “clean and clear”, and technically feasible for development;
- Subprojects should avoid, or minimize if unavoidable, negative environmental and social impacts, including land acquisition and affected IPs, and subnational governments should explore viable alternative designs to avoid/minimize negative impacts and/or enhance positive impacts;
- Subprojects should conform with the District/Municipal Spatial Development Plan and avoid protected areas designated by the Ministry of the Environment and Forestry;
- Any subproject with potential negative environmental and social impacts should be accompanied by appropriate instruments to mitigate and address such impacts;
- Monitoring and reporting of the implementation of environmental and social measures will be part of the overall project monitoring and reporting arrangements; and
- Subprojects eligible for financing should not include activities with significant, complex, irreversible and unprecedented potential adverse environmental and social impacts or significant resettlement impacts requiring complex mitigation measures. Should there be a subproject identified otherwise, the project will not finance it.

In reference to the “clean and clear” requirements, the proposed sites must be free from legal encumbrances/disputes and technically feasible (refer **Sub-appendix 8.5**). All formal and informal land claims and use must be settled in accordance with ESS 5 prior to any construction.

### 4.2 Overall Environmental and Social (E&S) Management Process

Acknowledging that CSRRP will be implemented in a post-disaster context, the overall E&S management seeks to guide targeted assessments and preparation of E&S instruments proportional to the level of potential risks, impacts, and post-disaster baseline sensitivity.

Sub-projects financed under the project are required to be screened to: a) determine eligibility for financing; and b) to identify key environmental and social risks and potential impacts and determine the appropriate E&S instrument for assessing and managing these risks. Based on these screening processes, decisions will be made by the E&S specialists in the PIU/NMC with regards to the types and scope of the assessment and instrument required for each sub-project investment/activity.

**Figure 4-1** outlines the key steps and decision points for all sub-projects. **Table 4-3** provides a directory of the required E&S instruments and their respective timeframe based on the sub-project typologies.

### CSRRP Environmental and Social Management Decision Tree

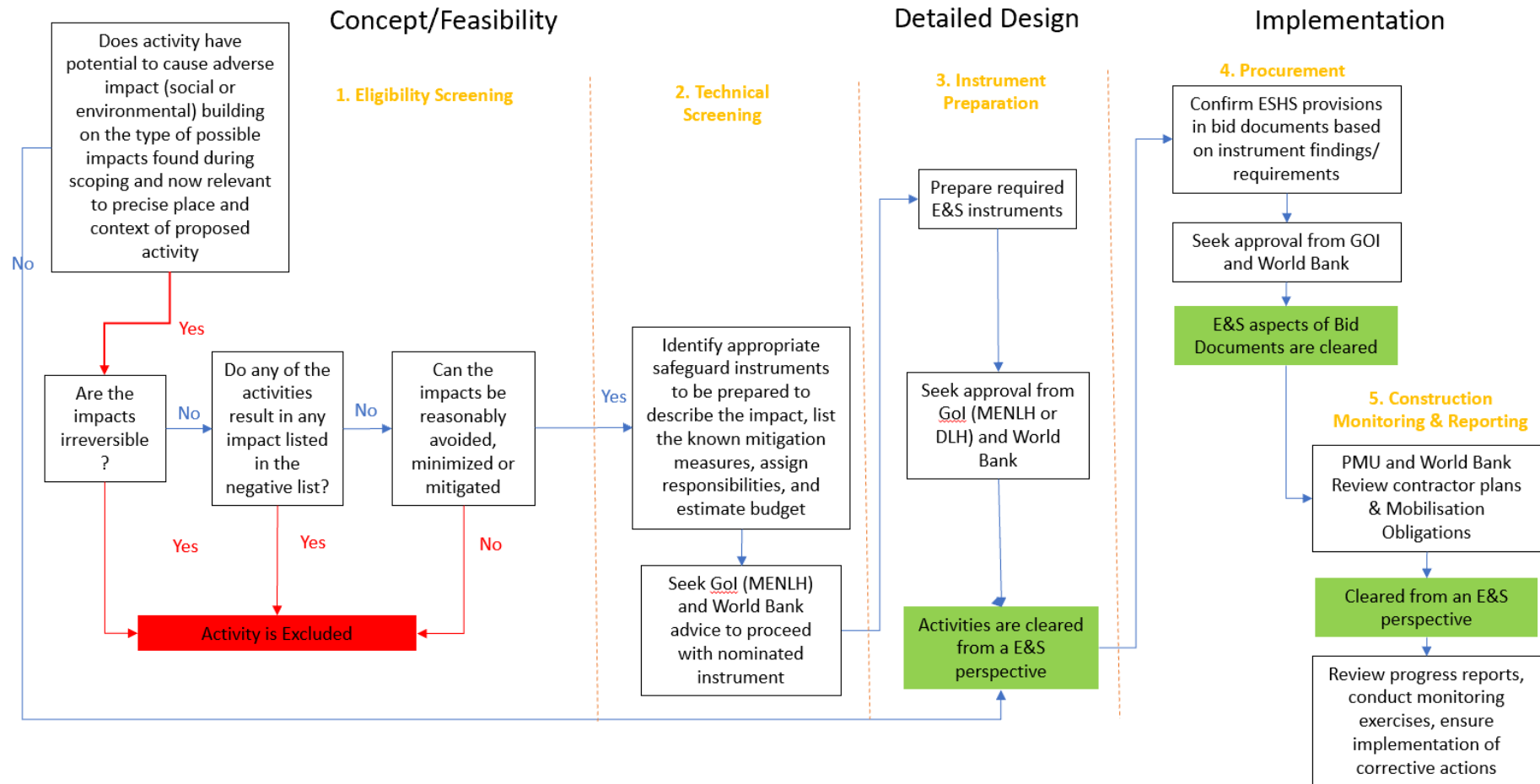


Figure 4-1: E&S Decision Tree

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Overall stakeholder engagement, public consultations and community facilitation is guided by the project's Stakeholder Engagement Plan (the latest version). The SEP outlines agreed strategies and actions to implement the project in a manner that promotes inclusive community participation and broader stakeholder engagement throughout the project life cycle.

### 4.2.1 Step 1: Sub-Project Information and Eligibility Screening

CSRRP sub-projects will be identified by PUPR-CPMU and PMUs with support from the Provincial PIU. Key information on the sub-project will be provided in a sub-project concept report (refer to **sub-appendix 3.2**). This information will inform the E&S eligibility and technical screening process.

The CSRRP Negative List (refer **Appendix 3**) will be used and disseminated by PUPR-PMU to ensure ineligible subprojects are not progressed and exclude activities with significant, complex, irreversible and/or unprecedented adverse environmental or social impacts.

### 4.2.2 Step 2: Technical Screening and Instrument Determination

A team of E&S Specialists within the Provincial PIUs and/or NMC/TMC will conduct E&S technical screening using the sub-project screening tools (refer to **Appendix 3**), to assess environmental and social risks and potential impacts and determine E&S instrument requirements.

#### *Environmental and Social Risk Screening*

E&S risk screening will be conducted to determine the level of assessment and planning required for the sub-project proportionate to the significance of associated risks and potential impacts. This will take into account i) the type, location, sensitivity and scale of the Project; ii) the nature and magnitude of the potential ES risks and impacts; iii) the capacity of the responsible agency to manage such risks and impacts in a manner consistent with the ESSs; and iv) other areas of risk that may be relevant to the delivery of ES mitigation measures and outcomes, depending on the specific sub-project and the context in which it is being developed (refer Table 4-1).

An Environmental and Social Assessment (ESA) will be prepared for all sub-projects. This will include either:

- Preparation of an Environmental and Social Impact Assessment (i.e. AMDAL) and/or Environmental and Social Management Plan (ESMP) (i.e. RKL-RPL or UKL-UPL) – for subprojects with moderate to high E&S risks; OR
- Adoption of a Code of Environmental and Social Practice (ESCOP or SPPL instrument) – for projects with low E&S risks.

**Table 4-1 Sub-Project Risk Classification**

| Risk Classification | Description   | Instrument(s)  |
|---------------------|---|--|
| High*               | <p>Wide range of significant adverse risks and impacts on human populations or the environment including i) long term, permanent and/or irreversible and impossible to avoid entirely due to the nature of the project; ii) high in magnitude and/or in spatial extent; iii) significant adverse cumulative impacts or transboundary impacts; and iv) a high probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.)</p> <p>Some of the significant adverse ES risk and impacts of the Project cannot be mitigated or specific mitigation measures require complex and/or unproven mitigation, compensatory measures or technology, or sophisticated social analysis and implementation.</p> | <p>Not applicable</p> <p>Note: High risk sub-projects will not be permitted under CSRRP.</p> |

| Risk Classification | Description  | Instrument(s)   |
|---------------------|--|---|
| Substantial         | <p>The Project may not be as complex as High-Risk Projects, its ES scale and impact may be smaller (large to medium) and the location may not be in such a highly sensitive area, and some risks and impacts may be significant. This would take into account whether the potential risks and impacts have the majority or all of the following characteristics: i) mostly temporary, predictable and/or reversible and the nature of the project does not preclude the possibility of avoiding or reversing them; ii) adverse social impacts may give rise to a limited degree of social conflict, harm or risk to human security; iii) medium in magnitude and/or spatial extent; iv) there is medium to low probability of serious adverse effects to human health and/or the environment (e.g., due to accidents, toxic waste disposal, etc.), and there are known and reliable mechanisms available to prevent or minimize such incidents.</p> <p>Mitigatory and/or compensatory measures may be designed more readily and be more reliable than those of High-Risk Projects.</p> | Environmental and Social Assessment (ESA) and Environmental and Social Management Plan (ESMP) |
| Moderate            | <p>Potential adverse risks and impacts on human populations and/or the environment are not likely to be significant. This is because the Project is not complex and/or large, does not involve activities that have a high potential for harming people or the environment, and is located away from environmentally or socially sensitive areas. As such, the potential risks and impacts and issues are likely to have the following characteristics: i) predictable and expected to be temporary and/or reversible; ii) low in magnitude; iii) site-specific, without likelihood of impacts beyond the actual footprint of the Project; and iv) low probability of serious adverse effects to human health and/or the environment (e.g., do not involve use or disposal of toxic materials, routine safety precautions are expected to be sufficient to prevent accidents, etc.).</p> <p>The Project's risks and impacts can be easily mitigated in a predictable manner.</p>   | Environmental and Social Assessment (ESA) and Environmental and Social Management Plan (ESMP) |
| Low                 | <p>Potential adverse risks to and impacts on human populations and/or the environment are likely to be minimal or negligible. These Projects, with few or no adverse risks and impacts and issues, do not require further ES assessment following the initial screening.</p>   | Code of Environmental and Social Practice   |

\* High risk projects are expected to be screened out during eligibility screening process.

### ***Land Acquisition and Resettlement Screening***

The screening process will assess if a sub-project requires land acquisition and/or is likely to result in physical and/or economic displacement for people currently using the proposed site. If this is the case, one of the following instruments will be prepared (refer to **Appendix 8** for further guidance):

- Land Due Diligence Report – for projects where land is being or already acquired; OR
- Land Acquisition and Relocation Action Plan or Abbreviated LARAP (depending on the scope and risks associated with the land acquisition or resettlement process) – for projects involving involuntary land acquisition and/or resettlement impacts (temporary or permanent) on current land users (formal and informal).

### ***Relocation Screening (Component 1 only)***

Technical screening for component 1 subprojects will also include preliminary information the type (main, satellite or individual) relocation activities to inform the ESA/ESMP and the development of a Relocation Action Plan (RAP).

### ***Indigenous Peoples Screening***

Subprojects will identify the presence of *Adat* communities and/or Indigenous Peoples (i.e. Indigenous Peoples groups other than the majority Kaili people) in the subproject areas and other relevant footprints (i.e. watershed) based on the criteria specified in the Indigenous Peoples Planning Framework (IPPF) (refer to **Appendix 12**). If present, technical screening will also include a preliminary assessment of the nature and degree of the expected direct and indirect economic, social, cultural and environmental impacts on these community groups.

If additional *Adat* Communities or other groups who meet the criteria of Indigenous Peoples as per-ESS 7 are identified and may be impacted (both positively and negatively) by the subproject, impacts will be further assessed in sub-project environmental and social screening and/or assessments, and an Indigenous Peoples Plan (IPP) will be prepared.

## **4.2.3 Step 3: Preparation of Instruments**

Sub-project E&S instruments (refer **Table 4-3**) will be prepared by qualified and independent specialists in accordance with the Gol's environmental and social permitting laws supplemented with any ESS requirements that the World Bank deems relevant. The relevant Environmental Agency and the Bank will review and clear the E&S instruments prepared by the subproject.

### ***Environmental and Social Assessment Instruments***

The Provincial PIUs with support from the NMC/TMC and oversight from the Central PMU will prepare the required environmental and social assessment instrument based on the result of the screening process and in parallel to the preparation of the Detailed Engineering Design (DED) of the subproject. The term 'environmental and social assessment' is a generic term that describes the process of analysis and planning used by the Borrower to ensure the environmental and social impacts and risks of a project are identified, avoided, minimized, reduced or mitigated.

#### ***ESIA (AMDAL) and/or ESMP (RKL-RPL or UKL-UPL)***

The Provincial PIU and NMC/TMC will coordinate with the District and/or Municipal Environmental Agency to conduct the ESA which will take the form of an ESIA (AMDAL<sup>7</sup>) and/or ESMP (RKL-RPL or UKL-UPL<sup>8</sup>).

The environmental and social assessment will be closely integrated with the Project's economic, financial, institutional, social, and technical analyses so that environmental and social considerations are taken into consideration in project selection, siting, and design decisions.

Potential environmental and social impacts of Component 1 and 2 subprojects (refer Section 3) will be assessed based on Project design (including operational parameters), baseline conditions and receptor sensitivity. Potential impacts will be characterized according to: i) type (direct or indirect; positive or negative); ii) duration/temporal scope (permanent or temporary (short-term or long-term);

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<sup>7</sup> An AMDAL package comprises of the ANDAL (ESIA) and RKL-RPL (ESMP) documents. AMDAL is required when significant impacts are predicted.

<sup>8</sup> A UKL-UPL package contains a summary of activities and potential impacts, and an ESMP. UKL-UPL is required when non-significant impacts are predicted.



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iii) geographical extent (local, regional or national); and iv) significance (low, moderate, substantial or high). Proposed measures to avoid, reduce or mitigate potential adverse impacts/risks or to enhance benefits will be specified for design, construction and operation phases.

The breadth, depth and type of assessment will be commensurate with the nature, scale and complexity of the proposed sub-project identified during technical screening. Public consultation and disclosure activities will be integrated throughout the ESA/ESMP preparation process.

An ESIA will be prepared for each of the resettlement site. Its type (i.e. AMDAL or UKL-UPL) will be determined based on the scale of construction works and significance of impacts through a technical screening process (refer **Appendix 3**).<sup>9</sup>

**Appendix 5** refers to proposed outlines for ANDAL (ESIA), UKL-UPL & RKL-RPL (ESMP) and SPPL that are acceptable to the Bank, which incorporate requirements of the GoI's AMDAL, RKL-RPL and UKL-UPL, and the World Bank's ESS1.

### Environmental and Social Code of Practice (ESCAP or SPPL)

The Provincial PIU with support from the E&S specialists will coordinate with the relevant contractors to use/prepare the ESCOP (refer **Appendices 5 and 6**). NMC/TMC will mobilize relevant specialists to provide technical assistance and supervision of its application.

Further, the Provincial PIU should prepare a Commitment Letter to carry out an Environmental Management and Monitoring (SPPL) for the subproject activity. The format is available in **Appendix 5**.

### Other Procedures

A number of other standard operating procedures will be included in the ESA/ESMP or ESCOP as required including:

- Disaster risk management assessment (**Appendix 4**)
- Labor management procedures (**Appendix 9**)
- GBV/VAC response protocol (**Appendix 11**)
- Incident reporting protocol (**Appendix 10**)
- Chance find procedures (**Appendix 13**)

## **Land Acquisition and Relocation Planning Instruments**

Land acquisition is expected to be required for the establishment of settlement sites (Component 1) and new sites for public facilities (Component 2).

Respective Municipal and District governments will develop Land Acquisition and Relocation Action Plans (LARAPs) in consultation and coordination of target beneficiaries and other stakeholder groups.

The LARAPs will consist of two main components:

1. **Land Acquisition Plans (LAPs)** which cover Land Due Diligence Reports if land is being or has already been acquired for the proposed activities and Land Acquisition and Relocation Action Plans, in the event of new land acquisition and resettlement of landowners and/or users. Such resettlement will be avoided to the extent possible. Where it has been identified that the sub-project may cause some degree of physical or economic displacement, or loss of assets or access to assets, the Resettlement Policy Framework (RPF) under the framework for LARAP processes (refer to **Appendix 8**) will guide the preparation and implementation of a Land Acquisition Plan (LAPs). The Land Acquisition Due Diligence Report template (refer to **sub-appendix 8.5**) will be used to document legal transfers of land for subproject activities (and

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<sup>9</sup> For the two permanent resettlement sites, including Duyu and Pombewe-Oloboju, the results of the screening process indicate that the preparation of UKL-UPL for each site are required.

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associated facilities if necessary) as well as “ground-truthing” to identify actual land uses and any claims.

2. **Relocation Action Plans (RAPs)** for the DAPs and those who are living in the red zones which covers overall relocation planning processes, including beneficiary identification/verification, consultations, preference assessments, management of grievances and livelihoods restoration planning. The scope of requirements and level of detail of these plans will vary depending on the magnitude and complexity of relocation processes. The RAP will be prepared by the type of relocation options for each resettlement site following completion a community census and agreements.

Community views will be sought with regards to their specific needs and preferences as part of the community facilitation process. These include livelihoods options and necessary infrastructure support. To the extent possible, the project will accommodate such needs and preferences into the housing design and planning documents.

LARAPs will be based on up-to-date and reliable information about i) the proposed project and its potential impacts on the displaced persons and other adversely affected groups; ii) target beneficiaries' preferences pertaining to relocation based on consultations and engagement; iii) appropriate and feasible mitigation measures; and iii) the legal and institutional arrangements required for effective implementation of resettlement measures.

Municipal Government of Palu and District Governments of Sigi and Donggala will be responsible to lead the overall LARAP preparation and development, including consultations with target communities. The Provincial PIUs will provide necessary technical and facilitation support through mobilization of relevant specialists and facilitators.

### **IPP Instruments**

If *Adat* communities and/or other communities that meet the criteria of Indigenous Peoples identified per the criteria of ESS 7 will be affected by project activities, an Indigenous Peoples Plan (IPP) will be prepared to require meaningful consultation and participation in decision making; and culturally appropriate and gender-sensitive measures to enhance project benefits and manage potential adverse impacts have been considered and included in the overall project design. An Indigenous Peoples Planning Framework (IPPF) has been prepared to guide the overall process to implement the provisions of ESS 7.

### **4.2.4 Step 4: Procurement**

The management measures outlined in the E&S instruments will inform ESHS requirements of bidding documents in accordance with the World Bank's Procurement Regulations and harmonized bidding documents including:

- Submission of ESHS Management Strategies and Implementation Plans (MSIPs) required to manage the key ESHS risks of the project as part of the bid/proposal;
- Provisional sums for ESHS outcomes included in the Bill of Quantities (BoQs);
- Key ESHS personal required to implement ESHS requirements; and
- ESHS reporting requirements.

The ESMF includes standard ESHS provisions which will form part of the bidding documents. Draft bidding documents, including TOR for expected works (ESHS requirements and provisions) will be reviewed by relevant E&S specialists at the Provincial PIUs and submitted to the World Bank for review and no objection prior to announcement of Request for Expression of Interest (EOI).

The following table provides key requirements that must be performed by E&S specialists who will be responsible for integrating key ESMF provisions and recommendations resulting from AMDAL and/or UKL/UPL processes (i.e. RKL/RPL) adequately in the overall procurement processes and contract implementation.

**Table 4-2: Actions for Integrating Environmental and Social Measures in Contracts**

| Stage of Contractual Process            | Actions by C-PMU/PIU (Environmental and Social Specialists and Procurement Specialists)   |
|---|---|
| <b>Before bidding</b>                   | <ul style="list-style-type: none"> <li>• Ensure that the terms of reference clearly define the supervision engineer's responsibilities regarding oversight of, and reporting on, E&amp;S aspects as required in the sub-project AMDAL, UKL/UPL and general ESMF provisions.</li> <li>• Ensure the team skills in the terms of reference clearly include key staff qualified and experienced in managing similar projects, and demonstrated capacity to manage social and environmental issues, including issues pertaining to community health and safety and labor.</li> </ul>   |
| <b>Preparation of bidding documents</b> | <ul style="list-style-type: none"> <li>• Review contract conditions included in bidding documents to: <ul style="list-style-type: none"> <li>- Ensure that the relevant mitigation measures in the AMDAL, UKL/UPL recommendations and general provisions in the ESMF are reflected and budgeted in the contract.</li> <li>- Ensure the RKL/RPL of the AMDAL, UKL/UPL and relevant provisions in the ESMF form part of and is explicitly referred to in the bidding documents.</li> <li>- Identify relevant provisions (workers, camps, child and forced labor, safety, grievance redress, etc.) regulating the contractor's responsibility and identify any gaps, inconsistencies or areas of concern that could be addressed through additional provisions in the "particular conditions of contract" and/or technical specifications.</li> <li>- Include a requirement that all workers sign 'Codes of Conduct' governing behavior and identifying sanctions.</li> <li>- Clearly identify that training programs on HIV/AIDS, implementing the Codes of Conduct, etc. will be undertaken by external providers</li> </ul> </li> <li>• Ensure the contract conditions clearly specify what type of penalty the contractor will face if the provisions of the RKL/RPL, ESMF provisions for contractors and C-ESMP are not adhered to—including by sub-contractors. This may include direct incentives to contractors in the form of penalties for poor performance on social and environmental matters or specific Performance Securities for C-ESMP compliance.</li> <li>• Ensure bidding documents clarify the responsibilities of the contractor to prepare and adhere to a C-ESMP based on the RKL/RPL and ESMF and that no civil works will commence until the C-ESMP has been approved by the supervision engineer. The C-ESMP will include, among others, the following mitigation plans: a) land clearing and land preparation plan, b) traffic and pedestrian safety management plan, c) noise and vibration management practices, d) ambient air quality management practices, e) erosion and sediment control practices, f) environmental and safety incident and reporting mechanism, g) emergency preparedness and response plan, h) environmental, health and safety training plan, i) community and worker grievance mechanism, j) community engagement plan, workers' accommodation plan, k) occupational health safety management practices or procedures, l) labor management plan, m) security management practices, n) waste management plan (general and hazardous wastes), o) water resources management practices, p) biodiversity management practices, q) physical cultural resources management practices, r) periodic site inspections and audits, s) management of change.</li> <li>• Ensure the bidding documents detail how the contractor and supervision engineer will be required to monitor and report on the impacts on the local community, issues related to labor influx and workers' camps.</li> <li>• Propose Key Performance Indicators (KPIs) for Contract Management, reflecting issues and risks specific to the contract and the monitoring plan.</li> </ul> |

| Stage of Contractual Process  | Actions by C-PMU/PIU (Environmental and Social Specialists and Procurement Specialists)   |
|-------------------------------|---|
| <b>Bidding evaluation</b>     | <ul style="list-style-type: none"> <li>Review and verify the recommended bidder that documents related to the RKL/RPL, ESMF, safeguard implementation capacity, and other obligations of the contractor required to be submitted with the bid are sufficiently detailed and cover the contractual requirements.</li> <li>Require the contractor's representative or dedicated community liaison staff to have the ability to communicate in Bahasa Indonesia.</li> <li>Verify that the contract management framework identifies clearly lines of communication and that these are formalized, and a consistent record is provided.</li> <li>Ensure that the contractor meets the project's OHS requirements for capability and experience.</li> </ul>   |
| <b>After contract signing</b> | <ul style="list-style-type: none"> <li>Prior to commencing works, the contractor submits site-specific C-ESMP(s) and potential labor influx data based on the RKL/RPL, C-ESMP, which includes specific management plans for: (i) work activities; (ii) traffic management; (iii) occupational health and safety; (iv) environmental management; (v) social management; and (vi) labor influx.</li> <li>Supervision engineer reviews and approves the C-ESMP—with inputs from appropriate Government agencies—before any works start.</li> <li>Set up a process for contract management that plans for regular meetings of the parties to monitor the contractor's performance in all areas.</li> <li>Ensure the CESMP and mitigation plans are updated promptly and re-disclosed as appropriate to address new issues</li> <li>Ensure that the following measures are fully documented for the World Bank's review: <ul style="list-style-type: none"> <li>Training activities for workers on OHS, activities related to the Code of Conduct, etc.</li> <li>Performance of recommended specific management plans.</li> <li>FGRM reports.</li> <li>KPIs (including the local community/stakeholder engagement plan, if applicable).</li> </ul> </li> </ul> |

#### 4.2.5 Step 5: Review and Approval

All relevant Environmental and Social Management instruments and bidding documents required under the project will be subject to internal review by the Environmental and Social Specialists at the Provincial PIUs. Necessary improvements to ensure consistency with the provisions in the ESMF, including proposals and plans for capacity strengthening at the project implementation level.

Internal clearances for E&S instruments will be as follows:

- By the CPMU Director for high-risk sub-projects;
- By the PIU Manager for substantial to low-risk sub-projects.

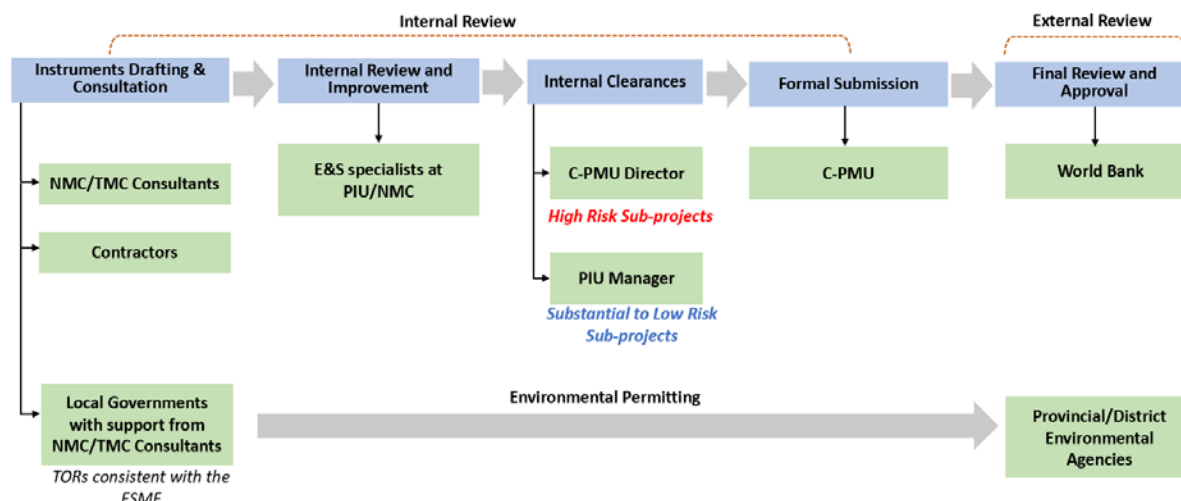
Further explanation of the risk rating is provided in **Table 4-1** and types of E&S instruments based on the project typology in **Table 4-3**.

The Central PMU will be responsible to ensure final review and submission of E&S instruments and bidding documents (subject to procurement requirements) to the relevant authorities at the Provincial and/or District level for environmental permits and the World Bank for no objection.

Specific for environmental permits (AMDAL), each project proponent (sub-national governments) will be responsible to prepare necessary assessments and documentation (AMDAL or UKL/UPL) with support from the technical specialists (TMC/NMC consultants). Review and approval will be provided by respective Provincial and/or District Environmental Agencies (DLH).

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The following figures illustrates the review and approval process under the ESMF.



**Figure 4-2: Review and Approval Process**

### 4.2.6 Step 6: Implementation, Monitoring and Reporting

Construction related works: mitigation and management measures outlined in the E&S instruments (i.e. *RKL/RPL of the AMDAL, UKL/UPL*) will be implemented by contractors and supervised by relevant supervision consultants and environmental agencies. Environmental and social monitoring is required to gather information to determine the effectiveness of implemented mitigation and management measures and to ensure compliance of the contractor with the approved E&S Instrument. Environmental indicators will be defined when mitigation measures are confirmed and respective provincial PIUs for each component (with support from technical consultants at the NMC and TMC and relevant agencies) will be tasked with monitoring compliance by contractors throughout implementation. Monitoring methods must provide assurance that safeguard measures are undertaken effectively. Some activities may require monitoring beyond the construction phase or project life to address maintenance, closure or rehabilitation issues and this will be determined in the design stage.

Bidding documents will confirm expected reporting intervals with contractors, who will be required to submit regular reports on environmental indicators and any incidents that may have adversely impacted on the environment arising from the subproject. This will feed into periodic reports of the Provincial PIUs and C-PMU and substantiate semi-annual safeguard monitoring reports to the World Bank. The C-PMU reports to the Bank on: (i) findings and results of the ESIA (AMDAL or UKL/UPL and other relevant assessments) and implementation of ESMP (RKL/RPL) and C-ESMP and agreed compliance measures; (ii) status of the implementation of mitigation measures; (iii) findings of monitoring programs, and (iv) records of grievances.

Land Acquisition and Relocation Planning: The Provincial PIU under Component 1, assisted by environmental and social specialists/consultants in the NMC, will assist respective Municipal and District Government Agencies in monitoring the Land Acquisition and Relocation Action Plan (LARAP) preparation and implementation. These includes land due diligence processes, management of adverse impacts on host communities/land users as a result of land acquisition, particularly for satellite locations, and relocation and livelihood restoration planning (refer to **Appendix 8**). Implementation of the LARAP will be monitored based on indicators as specified in the each of the relevant instrument. The Provincial PIU, assisted by consultants, will monitor and input the status and progress of LARAP implementation in the MIS system (currently being upgraded to accommodate post-disaster reconstruction needs). The Central PMU will inform any emerging issues related to LARAP implementation with the World Bank and highlight issues that require high-level resolution. Lessons learnt obtained from the initial stage of

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LARAP implementation will be used to improve the project's implementation of the land acquisition and relocation planning, including required training and community facilitation support.

### **4.3 Directory of Sub-project Level Environmental and Social Management**

The following section provides a directory (or matrix) for the overall E&S requirements based on the project typologies as elaborated in **Table 1-1**. The directory outlines the scope of environmental and social management requirements and outputs (or documents), as well as responsibility and reporting procedures, depending on the sub-project typology and assessed risk. It also references relevant tools, procedures and guidelines for the implementation of sub-project E&S management contained in Volume 2 of this ESMF.

**Table 4-3: Directory of Sub-project Level E&S Management Processes**

| Sub-project typology  | Assessed E&S risk    | Scope of E&S requirements  | Required E&S outputs  | Responsibility   | Reporting timeframe       | References in the ESMF (Volume 2)                                   |
|---|----------------------|--|---|--|---------------------------|---|
| <b>PREPARATION PHASE</b>  |                      |  |   |  |                           |   |
| <b>Component 1: Resilient construction of permanent housing units and settlement infrastructure</b>                         |                      |  |   |  |                           |   |
| Permanent Housing Units: Relocation to Main Settlement Sites (including settlement infrastructure and community facilities) | High/Substantial     | <ul style="list-style-type: none"> <li>Full E&amp;S screening, including hazard risk assessments</li> <li>E&amp;S assessments (i.e. ANDAL or UKL/UPL) at an area level (Kawasan)</li> <li>Land due diligence</li> <li>FGRM</li> </ul>  | <ul style="list-style-type: none"> <li>Screening report</li> <li>ESIA (ANDAL and/or UKL/UPL) together with the ESMP (RKL/RPL)</li> <li>Land due diligence report</li> <li>Resettlement Plan for host communities (if applicable)</li> <li>IPPs (if applicable)</li> </ul> | MPWH through PIU/NMC and facilitators with oversight from CPMU                         | Prior to any construction | Appendix 3<br>Appendix 4<br>Appendix 5<br>Appendix 8<br>Appendix 12 |
|   |                      | <ul style="list-style-type: none"> <li>Socio-economic survey and household-level consultations (as part of the overall LARAP process)</li> <li>FGRM</li> </ul>   | <ul style="list-style-type: none"> <li>Relocation Action Plan (embedded in the LARAP)</li> </ul>  | District and/or Municipal Governments with facilitation/technical support from PIU/NMC | Prior to any relocation   |   |
| Permanent Housing Units: Relocation to Satellite Settlement Sites (including settlement infrastructure and community)       | Substantial/Moderate | <ul style="list-style-type: none"> <li>E&amp;S screening, including hazard risk assessments</li> <li>Site-specific E&amp;S assessments (i.e. UKL/UPL) as per-Gol's environmental permitting regulations</li> <li>Land due diligence or land acquisition (as applicable)</li> <li>FGRM</li> </ul> | <ul style="list-style-type: none"> <li>Screening report</li> <li>Site-specific ESIA (UKL/UPL) together with the ESMP (RKL/RPL)</li> <li>Land due diligence checklist</li> <li>Abbreviated Land Acquisition and Resettlement Plan for</li> </ul>                           | MPWH through PIU/NMC and facilitators with oversight from CPMU                         | Prior to any construction | Appendix 3<br>Appendix 4<br>Appendix 5<br>Appendix 8<br>Appendix 12 |

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| Sub-project typology  | Assessed E&S risk  | Scope of E&S requirements   | Required E&S outputs   | Responsibility   | Reporting timeframe       | References in the ESMF (Volume 2)                                       |
|---|--|---|--|--|---------------------------|---|
| facilities as applicable)   |  |   | host communities (if applicable)<br>• IPPs (if applicable)   |  |                           |   |
|   |  | <ul style="list-style-type: none"> <li>Socio-economic survey and household-level consultations (as part of the overall LARAP process)</li> <li>FGRM</li> </ul>  | <ul style="list-style-type: none"> <li>Relocation Action Plan (embedded in the LARAP)</li> </ul>   | District and/or Municipal Governments with facilitation/technical support from PIU/NMC | Prior to any relocation   |   |
| Permanent Housing Units: Small group relocation to small settlement sites           | Moderate/Low   | <ul style="list-style-type: none"> <li>Application of ECOPs/SPPL as relevant</li> <li>Land due diligence or land acquisition (as applicable)</li> <li>FGRM</li> </ul>   | <ul style="list-style-type: none"> <li>Land due diligence checklist</li> <li>Abbreviated Land Acquisition and Resettlement Plan for host communities (if applicable)</li> </ul>                                | MPWH through PIU/NMC and facilitators with oversight from CPMU                         | Prior to any construction | Appendix 3<br>Appendix 5<br>Appendix 8                                  |
|   |  | <ul style="list-style-type: none"> <li>Socio-economic survey and household-level consultations (as part of the overall LARAP process)</li> <li>FGRM</li> </ul>  | <ul style="list-style-type: none"> <li>Relocation Action Plan (embedded in the LARAP)</li> </ul>   | District and/or Municipal Governments with facilitation/technical support from PIU/NMC | Prior to any relocation   |   |
| <b>Component 2. Resilient reconstruction and strengthening of public facilities</b> |  |   |  |  |                           |   |
| Critical public facilities: in situ repair and reconstruction of damaged assets     | Depending on the sector and scale of investments (see <b>Table 4-1</b> ) | <ul style="list-style-type: none"> <li>E&amp;S screening, including hazard risk assessments</li> <li>Supplemental ANDAL and/or UKL/UPL (if any)</li> <li>ANDAL, UKL/UPL or SPPL as applicable per-Gol's regulations (if no</li> </ul> | <ul style="list-style-type: none"> <li>Screening report</li> <li>Supplemental ANDAL and/or UKL/UPL together with the ESMP (RKL/RPL) as applicable</li> <li>ANDAL, UKL/UPL or SPPL together with the</li> </ul> | MPWH through PIU/NMC with oversight from CPMU  | Prior to any construction | Appendix 3<br>Appendix 4<br>Appendix 5<br>Appendix 8 (sub-appendix 8.5) |



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| Sub-project typology   | Assessed E&S risk  | Scope of E&S requirements  | Required E&S outputs   | Responsibility                                | Reporting timeframe                        | References in the ESMF (Volume 2)                                   |
|--|--|--|--|---|--|---|
|  |  | environmental permits available) <ul style="list-style-type: none"> <li>Hazard risk assessment (as part of the E&amp;S screening above)</li> <li>Land due diligence</li> </ul>                       | ESMP (RKL/RPL) if environmental permits are not available <ul style="list-style-type: none"> <li>Land due diligence checklist</li> </ul>   |   |  |   |
| Critical public facilities: construction of new assets in new locations when the damaged assets cannot be rebuilt in situ; | Depending on the sector and scale of investments (see <b>Table 4-1</b> ) | <ul style="list-style-type: none"> <li>E&amp;S screening</li> <li>ANDAL, UKL/UPL or SPPL as applicable per-Gol's regulations</li> <li>Land acquisition and/or due diligence as applicable</li> </ul> | <ul style="list-style-type: none"> <li>Screening report</li> <li>AMDAL, UKL/UPL or SPPL together with the ESMP (RKL/RPL)</li> <li>Land due diligence checklist</li> <li>Abbreviated Land Acquisition and Resettlement Plan for host communities (if applicable)</li> <li>IPPs (if applicable)</li> </ul> | MPWH through PIU/NMC with oversight from CPMU | Prior to any construction                  | Appendix 3<br>Appendix 4<br>Appendix 5<br>Appendix 8<br>Appendix 12 |
| Critical public facilities: seismic strengthening (retrofitting) of existing undamaged buildings                           | Depending on the sector and scale of investments (see <b>Table 4-1</b> ) | <ul style="list-style-type: none"> <li>Application of ECOPs/SPPL as relevant</li> </ul>  | <ul style="list-style-type: none"> <li>SPPL (E&amp;S commitment plan)</li> </ul>   | MPWH through PIU/NMC with oversight from CPMU | Prior to any construction                  | Appendix 3<br>Appendix 5  |
| <b>CONSTRUCTION PHASE</b>  |  |  |  |   |  |   |
| <b>Component 1: Resilient construction of permanent housing units and settlement infrastructure</b>                        |  |  |  |   |  |   |
| Applicable to all sub-project typologies   | To be assessed during implementation                                     | On-going E&S monitoring  | E&S monitoring report, covering: <ul style="list-style-type: none"> <li>LARAP implementation</li> </ul>  | MPWH through PIU/NMC with oversight from CPMU | Periodic (quarterly) during implementation | Appendix 6<br>Appendix 7<br>Appendix 9<br>Appendix 10               |

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| Sub-project typology   | Assessed E&S risk                    | Scope of E&S requirements | Required E&S outputs   | Responsibility                                | Reporting timeframe                        | References in the ESMF (Volume 2)   |
|--|--------------------------------------|---------------------------|--|---|--|---|
|  |                                      |                           | <ul style="list-style-type: none"><li>E&amp;S risks (i.e. GBV, labor, community and health monitoring, cultural heritage as applicable)</li><li>Stakeholder engagement implementation, including consultations</li><li>FGRM</li></ul>                                  |   |  | Appendix 11<br>Appendix 13  |
|  |                                      | On-going E&S monitoring   | C-ESMP and/or ECOPs implementation report  | Contractors and Supervision Consultants       | Periodic (quarterly) during implementation |   |
| Component 2. Resilient reconstruction and strengthening of public facilities |                                      |                           |  |   |  |   |
| Applicable to all sub-project typologies                                     | To be assessed during implementation | On-going E&S monitoring   | E&S monitoring report, covering: <ul style="list-style-type: none"><li>E&amp;S risks (i.e. GBV, labor, community and health monitoring, cultural heritage as applicable)</li><li>Stakeholder engagement implementation, including consultations</li><li>FGRM</li></ul> | MPWH through PIU/NMC with oversight from CPMU | Periodic (quarterly) during implementation | Appendix 6<br>Appendix 7<br>Appendix 9<br>Appendix 10<br>Appendix 11<br>Appendix 13 |
|  |                                      | On-going E&S monitoring   | C-ESMP and/or ECOPs implementation report  | Contractors and Supervision Consultants       | Periodic (quarterly) during implementation |   |

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| Sub-project typology  | Assessed E&S risk | Scope of E&S requirements  | Required E&S outputs  | Responsibility  | Reporting timeframe                                   | References in the ESMF (Volume 2)  |
|---|-------------------|--|---|---|---|--|
| <b>OPERATIONS AND MAINTENANCE</b>   |                   |  |   |   |   |  |
| <b>Component 1: Resilient construction of permanent housing units and settlement infrastructure</b> |                   |  |   |   |   |  |
| Applicable to all sub-project typologies  | Moderate to low   | <ul style="list-style-type: none"> <li>Defect assessment and facility handover, including land parcel certification</li> <li>On-going consultations (beneficiary satisfaction survey)</li> <li>Implementation of post relocation activities</li> </ul> | Post-relocation monitoring report, covering: <ul style="list-style-type: none"> <li>Defect assessment</li> <li>Livelihoods recovery aspects</li> <li>Handover completion (including land parcel certification)</li> <li>FGRM</li> </ul> | MPWH through PIU/NMC with oversight from CPMU         | Periodic (quarterly) during implementation            | Appendix 8 (relocation monitoring)<br><br>Project Operation Manual (POM) |
|   |                   | On-going E&S monitoring  | ESMP and/or ECOPs implementation report   | Subnational government with oversight through PIU/NMC | Periodic during implementation as required by the ESA |  |
| <b>Component 2: Resilient reconstruction and strengthening of public facilities</b>                 |                   |  |   |   |   |  |
| Applicable to all sub-project typologies  | Moderate to Low   | <ul style="list-style-type: none"> <li>Defect assessment and facility handover</li> </ul>  | Defect assessment and facility handover completion reports  | MPWH through PIU/NMC with oversight from CPMU         | Periodic (quarterly) during implementation            | Project Operation Manual (POM)   |
|   |                   | On-going E&S monitoring  | ESMP and/or ECOPs implementation report   | Subnational government with oversight through PIU/NMC | Periodic during implementation as required by the ESA |  |

## 5 E&S INSTITUTIONAL ARRANGEMENT AND IMPLEMENTATION

### 5.1 Institutional Arrangements

The Governor of Central Sulawesi Province is responsible for the coordination of activities of all partners in the reconstruction effort, including but not limited to the various government line ministries and agencies, multilateral and bilateral partners, NGOs, private investors, and local communities.

The Directorate-General (DG) of Human Settlements (DG Cipta Karya) within PUPR will act as the Executing Agency (EA) for this Project, with day-to-day project management and project coordination under a Central Project Management Unit (CPMU). Project Implementation Units (PIUs) will be at the DG of Housing Provision and DG of Human Settlements in PUPR. At the provincial level the institutional arrangements are similar with daily project implementation management through a Provincial Management Unit (PMU) and local level working units (Saters). The following table outlines roles and responsibilities of the implementing agencies (refer **Table 5-1**).

**Table 5-1: Roles and Responsibilities**

| Implementing Agencies                  | Roles and Responsibilities  |
|--|---|
| Internal Steering Committee            | <ul style="list-style-type: none"> <li>• Coordination and oversight to the CPMU, PMU and PIU</li> <li>• Overall monitoring and evaluation</li> </ul>  |
| Central Project Management Unit (CPMU) | <ul style="list-style-type: none"> <li>• Project-level monitoring and evaluation</li> <li>• Coordination, supervision and technical guidance/support to the PMU and PIU</li> <li>• Coordination and consolidation of project implementation progress reports</li> <li>• Overall oversight of E&amp;S management</li> <li>• Review and approval of E&amp;S instruments prepared (for high risk sub-projects)</li> <li>• Review and approval of project guidelines and manuals</li> </ul>   |
| Project Management Unit (PMU)          | <ul style="list-style-type: none"> <li>• Sub-project level monitoring and evaluation (for respective components), including reporting of activity implementation to the CPMU</li> <li>• Coordination and technical guidance/support to PIU</li> <li>• Facilitation of audit implementation</li> <li>• Monitoring, evaluation and reporting of environmental and social management</li> <li>• Review and approval of E&amp;S instruments</li> </ul>  |
| Project Implementation Unit (PIU)      | <ul style="list-style-type: none"> <li>• Sub-national coordination with Provincial and District/Municipal Government Agencies and other relevant institutions</li> <li>• Preparation of Annual Work Plans (AWPs) for the PMU</li> <li>• Asset management</li> <li>• Coordination with the Construction Procurement Unit (BP2JK);</li> <li>• Financial and activity implementation reporting;</li> <li>• Preparation of E&amp;S instruments (with technical support from the NMC/TMC);</li> <li>• Monitoring, evaluation and reporting of E&amp;S management;</li> </ul> |

CERC provides bridging assistance for project management support (NMC), detailed design and construction supervision for housing and settlement infrastructure (TMCs) and community facilitation (OSP). Under CERC bridging assistance displaced communities will be engaged in the participatory planning process starting with socialization, beneficiary selection and the establishment of beneficiary groups based on their preferences on location and construction approach. At a later stage, once the loan is effective, newly recruited consultancy teams will take over support tasks from the CERC bridging

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team, ensuring smooth transition and continuous support to both the government institutions and the communities concerned.

The current CERC PMU National Management Consultant (NMC) will be strengthened by engaging additional E&S experts (resettlement, communication and livelihoods), and the team's capacity will continuously be strengthened. E&S management, including the introduction of the ESF and ESSs will be part of the regular training program for consultants and facilitators who would continue to work for the KOTAKU/NSUP project after the CERC ceases operation.

Onsite, the NMC will be assisted by the Technical Management Consultant (TMC) for ensuring the ESMF and applicable E&S instruments are implemented consistently by the PMU, PIU, NMC, TMC, community facilitators contractors and local governments. The ESMF will be mainstreamed as part of the overall project implementation and relevant capacity building through technical assistance support and training programs will be included as part of the overall project management.

Reconstruction of housing settlement infrastructure (Component 1) and public facilities (Component 2) will be implemented by DG Human Settlements, which would plan, design, procure, and supervise the reconstruction/construction works in close collaboration with local government agencies. Once designs are approved by the local governments and occupancy certificates are issued, the completed buildings will be handed over to the relevant subnational government to operate. Formal ownership of each asset will also be transferred to the relevant subnational government, through the Government's standard *Berita Acara Serah Terima* (BAST) process. Construction of new housing units (Component 1) will be implemented by the DG of Housing Provision, which would plan, design, procure, and supervise the construction works. Facilitators will accompany affected communities and beneficiaries throughout the process of implementation. Once completed, formal ownership of each asset will be transferred to individual households through the Government's standard land administration procedures.

## 5.2 Environmental and Social Resources

Focal points for overall E&S coordination and management will be appointed at the CPMU and PMU.

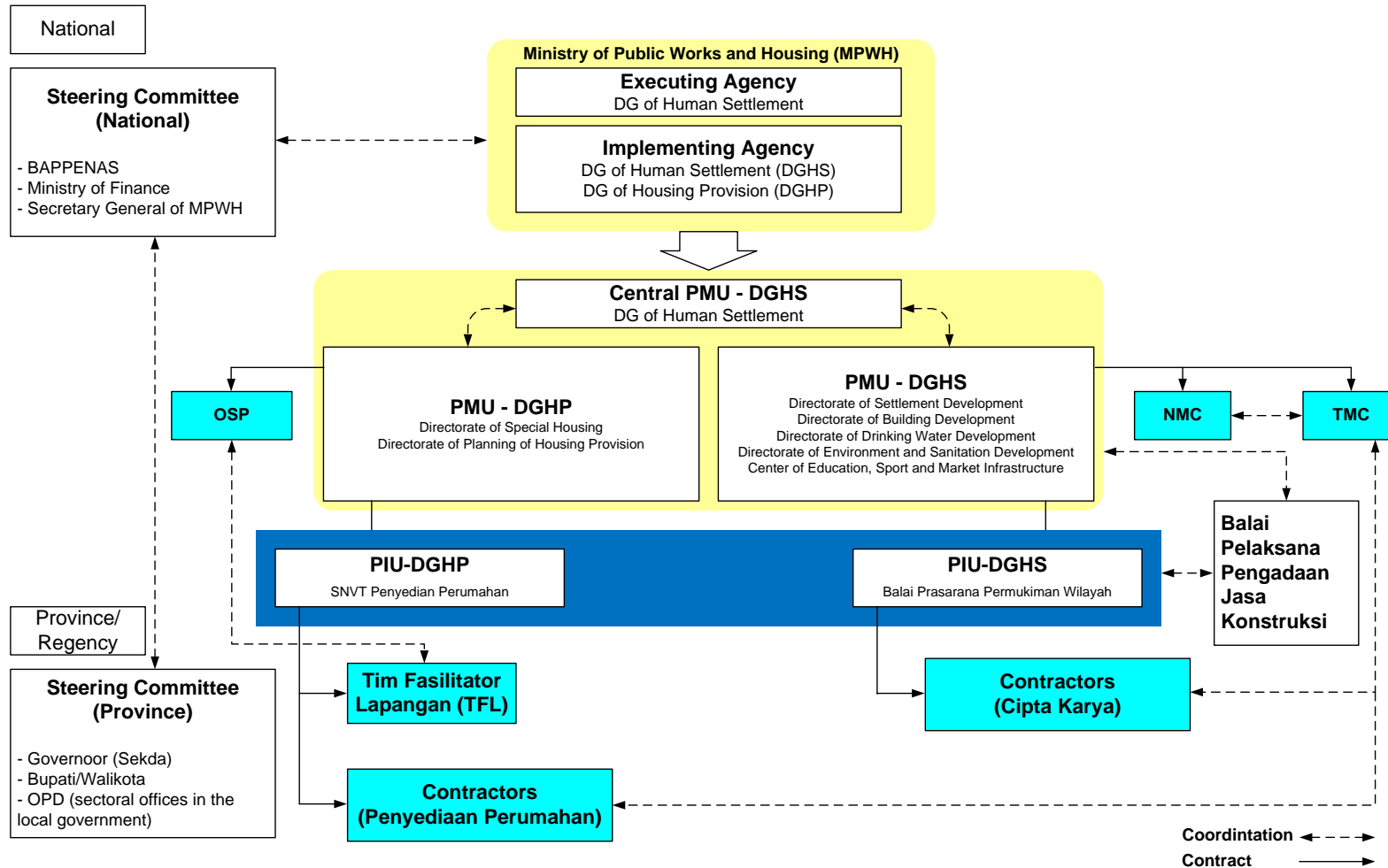
At the PIUs, a team of Environmental and Social Consultants will be recruited under the NMC and TMC. This includes a dedicated team for environmental and social management oversight, which also includes an Occupational, Health and Safety (OHS) coordinator, a technical assistance team for LARAP development (NMC) and a technical assistance team for AMDAL and UKL/UPL development. This E&S team will be assisted by community facilitators who will be mobilized on the ground to facilitate community engagement, consultations, beneficiary data verification, community planning and mobilization.

The composition of the proposed environmental and social team as well as skills requirements will be reviewed based on needs of the project implementation as well as emerging risks. An independent monitor will be mobilized to provide additional oversight to the implementation of Component 1 as agreed in the Environmental and Social Commitment Plan (ESCP).

**Table 5-2: Proposed E&S Resourcing**

| Land Acquisition (incl. Land Due Diligence) and Relocation and Action Planning  |  | E&S Assessment and Management                           |
|---|--|---|
| 1. Environment/ social specialist<br>2. Social/stakeholder engagement specialist<br>3. Legal specialist<br>4. Technical assistant | 1. Core E&S team<br>2. Livelihoods specialist<br>3. Facilitators and enumerators | 1. Environment/ social specialist<br>2. OHS coordinator |

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**Figure 5-1: Project Institutional Arrangement**

### 5.3 Institutional Strengthening for Environmental and Social Management

The DG Human Settlements has extensive experience in managing safeguards under KOTAKU/NSUP, PNPM-Urban project, REKOMPAK, PAMSIMAS, Integrated Urban Infrastructure Development Projects (IUIDPs), DAK projects, etc.

Adequate resources are required to manage the Project's environmental and social risks and impacts for the ongoing activities (under CERC) and the planned activities (under CSRRP); and ensure a smooth transition between the two operations.

The project will provide ESF training specifically targeted at local government officials, community facilitators, and contractors as part of the overall training program, to ensure all project activities adequately address the potential environmental and social aspects. The training will improve and strengthen the awareness, understanding, knowledge, and skills of the key stakeholders (national/central down to community level) who are involved in the project implementation. The trainings are categorized into two levels:

- a. **Basic Training.** Basic training for the project is mandatory for CPMU staff, Provincial PIUs, NMC, TMC, local government officials, facilitators, and community representatives. The training materials consist of knowledge on project concept, design, and description, project cycle activities, roles of stakeholders, M&E, project management and skills related to respective participants. Relevant provisions for E&S management as guided by the ESMF will also be provided based on needs, roles and responsibilities.
- b. **Technical Training.** Technical trainings or coaching clinics consist of various thematic materials. Curriculum and training materials for each of the thematic trainings will depend on participants' needs. ESF training materials will be included in the series of training activities under the Project. Some themes may cover stakeholder engagement, construction planning, land acquisition and relocation planning, GBV/SEA prevention, FGRM operationalization, etc. Participants will be trained on awareness and technical skills for the overall E&S management as specified in the ESMF, e.g., how to and who does the screening, assesses impacts, identifies proper instruments and develops mitigation measures, uses various templates or forms related to ESMP, LARAP, etc., and how to and who monitors E&S management plans, etc.

In addition to the training programs, consultations will be carried out to disseminate and inform project activities, foster collaboration across relevant agencies and update implementation progress. The workshop will be divided into two types:

- a. **General Workshop/Consultations:** General workshop/consultations will be carried out to broader stakeholders at the national, provincial and district/city levels, such as university, media, researcher, city forum, etc. Basic information on ESF will be part of the workshop's materials.
- b. **Thematic Workshop/Consultations.** Thematic workshops/consultations will be implemented based on needs during project implementation. Such workshops will feed into project implementation, such as land acquisition, relocation and livelihoods restoration planning, handling of hazardous wastes (asbestos), Occupational Health and Safety (OHS) management, selection of public facilities and/or more generally about project implementation. These workshops/consultations are expected to foster inter-agency collaboration, heighten awareness of E&S management and strengthen the awareness of related stakeholders and ensure that project implementation will be in compliance with the ESF and ESMF.

At the community level, target communities will be consulted and trained as part of the overall relocation processes, such training may cover livelihoods restoration, water and waste management, community organizing, etc. Similarly, ward/village governments will also receive necessary technical support for

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community planning and administration of the relocation areas.

The table below summarizes the types of training and workshops for various stakeholders involved in the project.

**Table 5-3: Training and Consultation Activities**

| No. | Target Participants                   | Capacity Building Activities |                     |                      |
|-----|---------------------------------------|------------------------------|---------------------|----------------------|
|     |                                       | Workshop/<br>Consultations   | General<br>Training | Thematic<br>Training |
| A.  | <b>NATIONAL LEVEL</b>                 |                              |                     |                      |
|     | CPMU (DG HS and DG HP)                | √                            | √                   | √                    |
|     | NMC                                   | √                            | √                   | √                    |
|     | TMC                                   | √                            | √                   | √                    |
| B   | <b>PROVINCIAL/DISTRICT/CITY LEVEL</b> |                              |                     |                      |
|     | Provincial PIUs (Balai/SNVT)          | √                            | √                   | √                    |
|     | Sub-national government agencies      | √                            | √                   | √                    |
|     | Facilitators                          | √                            | √                   | √                    |
|     | Contractors                           | √                            | √                   | √                    |
|     | Partner NGOs/CBOs                     | √                            |                     |                      |
| C   | <b>COMMUNITY LEVEL</b>                |                              |                     |                      |
|     | Community representatives             | √                            |                     |                      |
|     | Village/ward governments              | √                            |                     | √                    |

## 5.4 Implementation Schedule

The Project is part of the overall reconstruction and rehabilitation efforts in Central Sulawesi Province, and implementation of this Project is expected to enhance the overall recovery processes by “building back better” and community participation. For the purpose of ensuring overall positive environmental and social outcomes, implementation of the ESMF will be fully embedded as part of the overall project implementation. Main deliverables are presented as follows:

**Table 5-4: Implementation Schedule for the ESMF**

| Deliverables   | Timeline  | PICs   |
|--|---|--|
| TOR development for Land Acquisition and Relocation Action Plan (LARAP)  | Start August 2019 – tbc   | CERC CPMU/NMC  |
| Recruitment of additional NMC and TMC consultants for the development of LARAP, and ESIA (UKL/UPL and AMDAL as relevant) | August/Sept. 2019 (CERC), early 2020 (CSRRP)                          | CSRRP CPMU   |
| Establishment of technical working groups at the district and municipal level for LARAP development                      | Start August 2019 – tbc   | District and Municipal LGs with support from CERC CPMU/NMC |
| Technical working group meetings for LARAP processes   | Start August 2019 – tbc   | District and Municipal LGs with support from CERC CPMU/NMC |
| Land due diligence assessments (priority for stage 1: Duyu and Pombewe)  | Sept 2019 (to be continued once additional sites have been confirmed) | CERC CPMU/NMC  |
| Land Acquisition (for additional sites) and Relocation Planning Processes  | Start August 2019 – tbc   | District and Municipal LGs with support from CERC          |



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| Deliverables   | Timeline  | PICs   |
|--|---|--|
|  |   | CPMU/NMC and facilitators                                  |
| Recruitment and training of facilitators for each disaster-affected sub-district/village supported by CSRRP to support the Provincial Government and Local Governments (Palu, Sigi, Daggala) | Start October 2019 – tbc  | CERC CPMU/PMU  |
| Community consultations and data verification/validation   | Start October 2019 – tbc  | CERC CPMU/PMU  |
| Finalization of ESIA (i.e. UKL-UPL) for Pombewe and Duyu   | End of 2019   | District and Municipal LGs with support from CERC CPMU/NMC |
| ESIA for other relocation sites (i.e. satellite locations) and public facilities   | On-going  | District and Municipal LGs with support from CERC CPMU/NMC |
| Socialization and/or training of Feedback and Grievance Mechanisms (FGRMs) for the project's beneficiaries and affected communities  | On-going under CERC to be strengthened under CSRRP                                      | CSRRP CPMU   |
| Socialization of workers' FGRMs  | Following recruitment of contracted workers   | Selected contractors with oversight from CSRRP CPMU        |
| Training of project workers, particularly construction workers, to heighten awareness of OHS risks as well as community and health safety risks to mitigate impacts on local communities.    | Prior to and during construction works  | Selected contractors with oversight from CSRRP CPMU        |
| Development of emergency preparedness and response plans under C-ESMP for the construction period and operation stage  | Prior to initiating construction works and maintained throughout project implementation | Selected contractors with oversight from CSRRP CPMU        |
| Development of road safety management, noise and vibration management, as well as GBV/SEA management plans as part of the C-ESMP   | Prior to initiating construction works and maintained throughout project implementation | Selected contractors with oversight from CSRRP CPMU        |
| Screening of Indigenous Peoples and/or <i>Masyarakat Adat</i> as per-the IPPF  | On-going  | CERC CPMU to be continued by CSRRP CPMU                    |
| Implementation of the project's Stakeholder Engagement Plan  | On-going  | CERC CPMU to be continued by CSRRP CPMU                    |

## 5.5 Financing Arrangements

The financing sources for the overall ESMF implementation are located within the Component 3 of the project (Project Management Support), Sub-national Government Budget (District and Municipal APBD) and contractors' Environmental and Social Management Budget. A preliminary estimate is provided below:

| Expenditure                                | Approximate Costs    | Budget Source |
|--|----------------------|---------------|
| <b>Personnel</b>                           |                      |               |
| Recruitment of additional NMC consultants: | To be assessed (TBA) | CERC/CSRRP    |
| a. Social and Environmental Specialists    |                      |               |
| b. Legal Specialist (land due diligence)   |                      |               |
| c. Stakeholder Engagement/FGRM Specialist  |                      |               |

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|   |  |                               |
|---|--|-------------------------------|
| d. Occupational, Health and Safety Specialists/Coordinator                            |  |                               |
| Recruitment of additional TMC consultants for ESIA (UKL-UPL and/or AMDAL as relevant) | To be assessed (TBA)                         | CERC/CSRRP                    |
| Recruitment of facilitators (number TBD)  | To be assessed (TBA)                         | CSRRP                         |
| <b>Training and Capacity Building</b>   |  |                               |
| LARAP development   | Provide unit cost per-training               | CERC/CSRRP                    |
| Training for facilitators   | As above                                     | CSRRP                         |
| FGRM for target beneficiaries and affected communities                                | As above                                     | CERC/CSRRP                    |
| Construction workers' OHS training and FGRM   | To be provided in the Bill of Quantity (BoQ) | Contractors                   |
| <b>Consultations</b>  |  |                               |
| Community consultations   | Provide unit cost per-training               | Local Governments, CERC/CSRRP |
| Stakeholder engagement meetings/coordination meetings                                 | Provide unit cost per-training               | Local Governments, CERC/CSRRP |
| <b>E&amp;S general management</b>   |  |                               |
| FGRM operationalization (i.e. personnel, awareness raising, coordination, etc.)       | To be assessed (recurring costs)             | CERC/CSRRP and contractors    |
| Environmental permitting processes (UKL-UPL and/or AMDAL as relevant)                 | Provide unit cost for a UKL-UPL and AMDAL    | Local Governments, CERC/CSRRP |
| Monitoring and supervision  | To be assessed (recurring costs)             | CERC/CSRRP                    |

## 6 STAKEHOLDER ENGAGEMENT, PUBLIC CONSULTATION AND DISCLOSURE

Stakeholder engagement represents an inclusive process conducted throughout the project life cycle to build strong, constructive, and responsive relationships for identifying opportunities and risks from, and to, a project. It is a core aspect of the Government's environmental and social legislation and a requirement under ESS 10.

A Stakeholder Engagement Plan (SEP) has been developed (presented as a standalone document) and will be used as the main reference for the planning and implementation of the overall engagement approach and activities with relevant stakeholders, including target communities under Components 1 and 2. Due to the dynamic contexts of post-disaster recovery in Central Sulawesi, this SEP will remain as a living document and be revised if new stakeholders are identified and the understanding of environmental and social risks and impacts are modified.

### 6.1 Public Consultation

A multi-stakeholder consultation was held in Palu, Central Sulawesi during July 24 to 26, 2019, to discuss further preparation and implementation of both the NSUP CERC and CSRRP. The minutes and key agreed actions are available in **Appendix 14**. Key discussion points are summarized as follows.

- Different tiers of government and partners have carried out various data collection and analysis. However, information continues to change and the numbers of victims, affected people in "red zones" and people to be resettled remain unconfirmed;
- It was agreed to strengthen stakeholder coordination and enhance the province's data management and information system through the Center for Data and Information (PUSDATINA). This would include the development of a collaborative electronic portal through which all data and information related to recovery activities would be published, updated regularly, monitored, and made available to the public;
- The CERC activated under NSUP will be utilized to be finance some urgent activities, as well as a "bridging fund" for some CSRRP preparation activities; and financed activities must be completed by April 2020;
- The Provincial Government and the Local Governments (Palu, Sigi and Doggala) requested support from PUPR to strengthen their capacity in carrying out assigned responsibilities. Trained facilitators will help to strengthen the capacity of the subnational governments in accompanying and engaging the affected community, particularly those opting for resettlement. Furthermore, a community-based approach to housing reconstruction should be considered to promote ownership of housing and acceptance of agreed siting, designs, and building materials;
- Land due diligence for the Project needs to address legal and technical aspects, as well as "ground-truthing" to identify actual land uses and any claims. PUPR is expected to confirm the "clean and clear" status for each proposed Huntap site, supported by evidence of the land status with an acceptable legal basis and risk identification, before any construction activities commence and;
- Whilst the CERC will provide bridging support for CSRRP preparation activities, the CSRRP CPMU needs to expedite the recruitment process to mobilize the NMC and TMC by December 2019.

Further consultations are envisaged on specific topics such as for Standard Operating Protocols (SOPs) and building codes to promote compliance for resilience reconstruction of public buildings such as schools, hospitals and government buildings are meeting the requirements of the ESSs, wastewater treatment (using bio-septic tanks), etc.

Due to the sensitivity of post-disaster contexts under which the project will be implemented, community engagement will be undertaken once relocation options, including entitlements, have been confirmed

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to minimize public confusion and other social implications. Such consultations will be undertaken by a team of facilitators under the LARAP process.

Consultations with relevant stakeholders, including NGOs/CSOs and other government agencies and development partners will continue to be revisited during project implementation to foster collaboration and complementarity.

Public consultations for the project will follow inclusive, participatory, and transparent principles, and is outlined in Table 6-1.

**Table 6-1 Public Consultation Plan**

| <b>Project Stage</b>        | <b>Consultation Topics</b>  | <b>Method</b>                                | <b>Target Groups</b>   | <b>Timeframe</b>  | <b>Person in Charge</b>   |
|-----------------------------|---|--|--|---|---|
| Prior to Loan Effectiveness | Project design and site and facility selection  | Workshops and Focus Group Discussions (FGDs) | NSUP PMU, sub-national government agencies, NGOs   | Tentative (by September 2019)   | MPWH (DGHS and DGHP and the Taskforce for Central Sulawesi Reconstruction)      |
|                             | Environmental and Social Management Framework, including FGRMs  | Workshops and Focus Group Discussions (FGDs) | NSUP PMU, sub-national government agencies, NGOs/CSOs  | July 2019   | MPWH (DGHS and DGHP and the Taskforce for Central Sulawesi Reconstruction)      |
|                             | Manuals/technical guidelines i.e. reconstruction/rehabilitation of public facilities, relocation, financial management and procurement etc. | Workshops                                    | NSUP PMU, implementing agencies, Ministry of Finance, Bappenas, sub-national government agencies                       | Tentative (by September 2019)   | MPWH (DGHS and DGHP and the Taskforce for Central Sulawesi Reconstruction)      |
|                             | Updates on the project's Stakeholder Engagement Plan (SEP)  | Workshops, FGDs, community meetings          | NSUP PMU, Sub-national government agencies, NGOs/CSOs, and community representatives (if the situations are conducive) | Tentative (by September 2019)   | MPWH (DGHS and DGHP) with assistance from community facilitators (under NSUP)   |
| Project implementation      | Environmental permits for public facilities under Component 2 (i.e. AMDAL and/or UKL/UPL)   | Workshops, FGDs                              | Sub-national government agencies, NGOs/CSOs  | Prior to construction (following loan effectiveness)                                | PMU (DGHS and DGHP) with support from sub-national environmental agencies (DLH) |
|                             | Sub-project facility selection, including re-siting (Comp 1)  | Workshops, FGDs                              | Sub-national government agencies, facility administrators  | Prior to construction or following location identification for relocated facilities | PMU (DGHS and DGHP)   |
|                             | Community relocation planning (Comp 2) as part of LARAP process   | Workshops, FGDs, community meetings          | Sub-national government agencies, NGOs/CSOs, target communities  | Prior to construction (following location identification)                           | PMU (DGHS and DGHP) with assistance from community facilitators                 |

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|                                |                                 |                                       |   |   |   |
|--------------------------------|---------------------------------|---------------------------------------|---|---|---|
|                                |                                 |                                       |   |   | (under the project)   |
|                                | Land due diligence              | Workshops and field investigation     | Land Agency, sub-national government agencies, NGOs/CSOs, community representatives                 | Prior to construction (following proposal on locations) | PMU (DGHS and DGHP) with assistance from community facilitators (under the project) |
|                                | Updates on project status       | Workshops and FGDs                    | Central government partners, sub-national government agencies, community representatives, NGOs/CSOs | Periodic (during project implementation)                | PMU (DGHS and DGHP)   |
| Project/sub-project completion | Project handover and evaluation | Workshops and FGDs                    | Central government partners, sub-national government agencies, community representatives, NGOs/CSOs | Following construction completion and final inspection  | PMU (DGHS and DGHP)   |
|                                | Post relocation evaluation      | Workshops and FGDs, field assessments | Central government partners, sub-national government agencies, community representatives, NGOs/CSOs | Periodic monitoring following relocation                | PMU (DGHS and DGHP) with support from a third-party monitoring team                 |

## 6.2 Information Disclosure

The ESMF shall be disclosed in both Bahasa Indonesia and English prior to Loan Effectiveness. E&S management instruments such as AMDAL/UKL-UPL, LARAP, ESMP, and C-ESMP will be publicly disclosed in Bahasa Indonesia at least 10 working days prior to any consultations. Such instruments must be updated and re-disclosed to reflect stakeholders' views and concerns; and detailed consultation minutes and documentation must be provided as attachments of the documents. Relevant E&S instruments will be disclosed by MPWH through the following platforms:

- Ministry of Public Works and Housing Website <https://www.pu.go.id>. The specific webpage will be made at the beginning of the project.
- Project Office, Directorate-General of Human Settlements, Jl. Pattimura No. 20 Kebayoran Baru, South Jakarta 12110. T: (021) 7228497; [informasi@pu.go.id](mailto:informasi@pu.go.id).

The World Bank will disclose the ESMF and relevant E&S instruments through the Image Bank following authorization from PUPR.

## 7 FEEDBACK AND GRIEVANCE REDRESS MECHANISM

The purpose of a Feedback Grievance Redress Mechanism (FGRM) is to provide a centralized mechanism for the Project that meets E&S requirements.

The FGRM outlines a process for documenting and addressing project grievances that may be raised by affected persons or community members regarding specific project activities, environmental and social performance, the engagement process, and/or unanticipated social impacts resulting from project activities. It describes the scope and procedural steps and specifies roles and responsibilities of the parties involved. The FGRM is subject to revision based on experience and feedback from stakeholders.

The FGRM used in this project will build on the existing mechanism established under the National Slum Upgrading Project (NSUP). Existing technical manuals/Standard Operating Procedures (SOPs), training and socialization materials, and grievance documentation protocol in the Project's website will be adopted and utilized for CSRRP, including NSUP's web-based data management.

The FGRM is publicly disclosed and widely circulated to ensure all stakeholders are aware of the process for documenting and resolving grievances arising from project works.

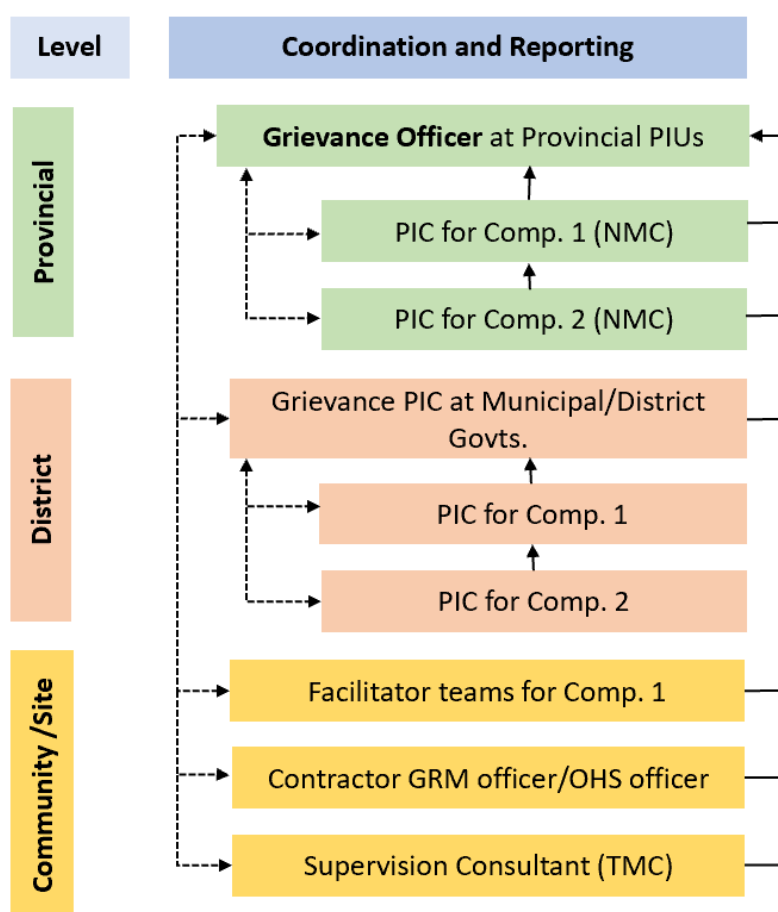


Figure 7-1: FGRM Organizational Structure

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Various platforms for grievance filing will be provided under the Project, acknowledging potential constraints amongst disaster affected victims, particularly vulnerable groups, in accessing formal channels. Main channels include: i) complaint book or complaint box in BKM office, project office, local government office or national office; ii) telephone, text messaging, and facsimile to project staff, local government or to national line (+62817148048); iii) letter (national address is PO BOX 2222 JKPM); iv) email ([ppm@p2kp.org](mailto:ppm@p2kp.org)) and online complaint room on the Project's website (<http://www.p2kp.org/pengaduan.asp?catid=1>); v) audit report from various auditors, etc. Information on these channels will be provided to the public, including all disaster-affected people.

Under Component 1, the role of facilitator teams will be pivotal to facilitate engagement with target communities, including handling feedback and potential grievances and/or referring grievances to appropriate service providers, e.g., in the case of Gender Based Violence/Sexual Exploitation and Abuse (GBV/SEA – refer to **Appendix 11**). Under both components, supervision consultants (TMC) under supervision from the NMC will proactively seek the views of target beneficiaries and potentially-affected people, particularly host communities where construction works will be located, and document potential grievances that may arise but may not be reported. Labor-related grievance procedures are further elaborated in **Appendix 9**.

In terms of the FGRM's organizational structure, a grievance redress officer will be recruited under the NMC to support grievance management at the provincial PIUs. This FGRM officer will be supported by FGRM PIC for each component and be responsible for day-to-day oversight and coordination. S/he will be responsible for systematic documentation of reported/identified grievances; and communicating progress and status of grievance resolution to the CPMU and the World Bank.

Acknowledging that the district and municipal governments will play a key role in the development of the Land Acquisition and Relocation Planning in terms of beneficiary consultation, selection, compensation to land owners/land users (in the case of land acquisition for satellite relocation), transitional and relocation support, and livelihood restoration support; a PIC/working teams to coordinate grievance handling processes will be established. This team will be supported by the grievance handling officer/consultants from the NMC.

At the site/community level, facilitator teams will play a critical role in connecting/liaising with relevant agencies at the district and municipal level as well as the Provincial PIU. These facilitators will have direct contact with the FGRM officer at the Provincial PIU. Under Component 2, each contractor will appoint a PIC for FGRM, including handling grievances for the workforce, and will have direct communication with the FGRM officer at the Provincial PIU. Supervision consultants, as well as the FGRM officer at the Provincial PIU, will document and report any grievances to relevant contractors and agencies. The project-level FGRM handling processes are illustrated in **Figure 7-2**.

Communities and individuals who believe that they are adversely affected by a project or sub-project supported by the World Bank may also submit complaints to the World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project-affected communities and individuals may submit complaints to the World Bank's independent Inspection Panel, which determines whether harm occurred, or could occur, as a result of World Bank non-compliance with its policies and procedures. 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 GRS, please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

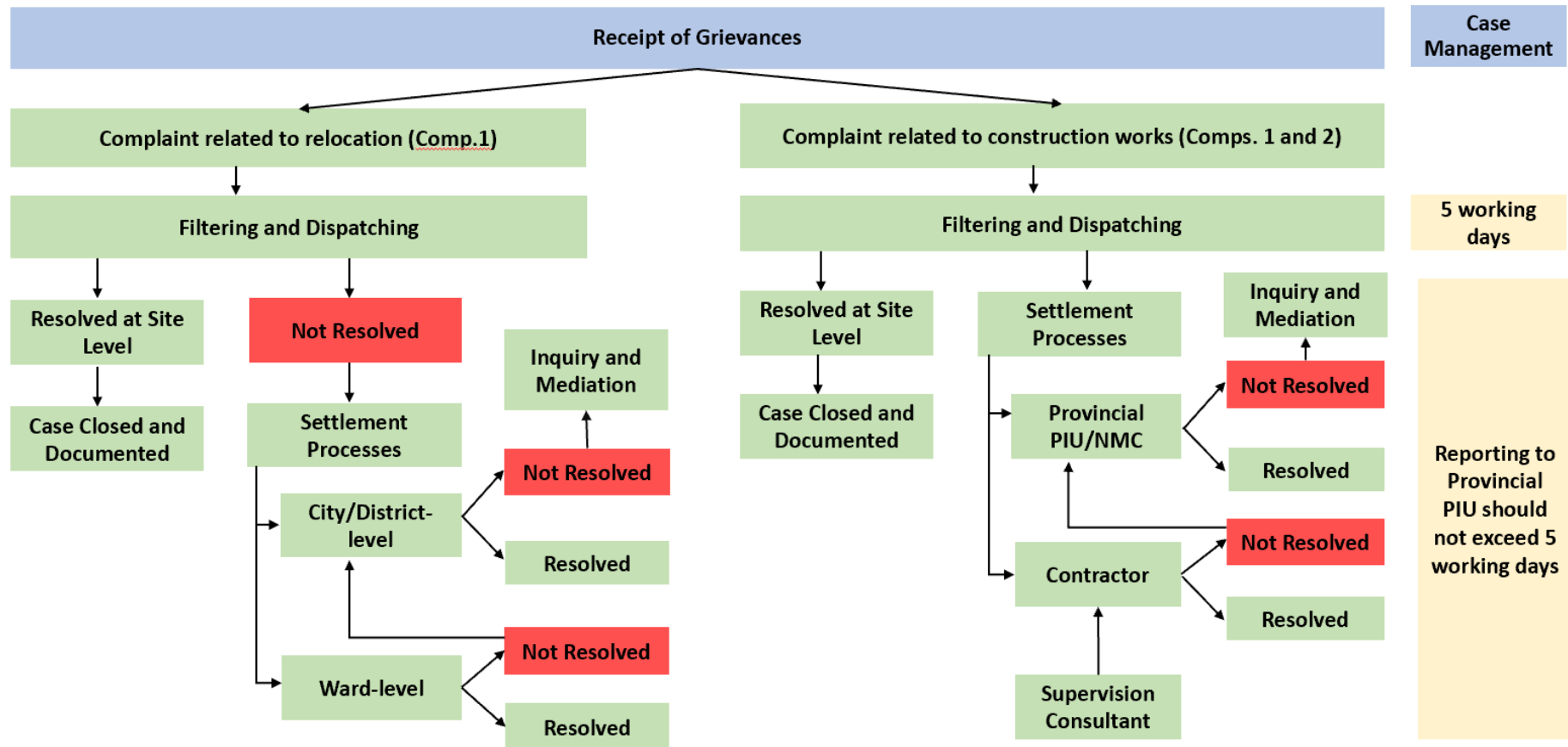


Figure 7-2: Project-level FGRM