

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

HAITI

TRANSPORT AND DEPARTMENTAL CONNECTIVITY

(HA-L1104)

PROJECT PROFILE

This document was prepared by the project team consisting of: Pablo Guerrero, Team Leader (INE/TSP); Raphael Dewez, Alternate Team Leader (INE/TSP); Manuel Pastor, Daniel Cabrera, Gilles Mori and Paola Malato (INE/TSP); Hector Rabade, Romina Kirkagacli and Takady Konate (VPC/FMP); Sebastien Gachot and Bruno Jacquet (CSD/RND); Juliana de Moraes and Esteban Suarez (INE/INE); Benoit Lefevre (CSD/CCS); Renaud Tahon (VPS/ESG); and Louis-Francois Chretien (LEG/SGO)

Under the Access to Information Policy, this document is subject to Public Disclosure.

PROJECT PROFILE

HAITI

I. BASIC DATA

Project Name:	Transport and Departmental Connectivity	
Project Number:	HA-L1104	
Project Team:	Pablo Guerrero, Team Leader (INE/TSP); Raphael Dewez, Alternate Team Leader (INE/TSP); Manuel Pastor, Daniel Cabrera, Gilles Mori and Paola Malato (INE/TSP); Hector Rabade, Romina Kirkagacli and Takady Konate (VPC/FMP); Sebastien Gachot and Bruno Jacquet (CSD/RND); Juliana de Moraes and Esteban Suarez (INE/INE); Benoit Lefevre (CSD/CCS); Renaud Tahon (VPS/ESG); and Louis-Francois Chretien (LEG/SGO)	
Beneficiary:	Republic of Haiti	
Executing Agency:	Ministry of Public Works, Transport and Communications (MTPTC)	
Financial Plan:	IDB (IDB Grant Facility):	US\$200,000,000
	Total:	US\$200,000,000
Safeguards:	Policies triggered:	OP-710 (B1, B2, B4, B5, B7, B9, B10, B11, B17); OP-703; OP-704; and OP-761
	Classification:	A

II. GENERAL JUSTIFICATION AND OBJECTIVES

- 2.1 **Economic and social context.** Haiti has undergone a process of deep economic and social evolution in the aftermath of the 2010 earthquake. This transformation has been supported by a significant donor-funded reconstruction and investment program, which has helped overcome social exclusion levels and achieve institutional upgrades. Building on the reconstruction effort, the Government of Haiti (GOH) issued a Strategic Development Plan¹ in May of 2012, aiming at building a new modern, diversified, resilient, competitive and inclusive economy. The Plan highlights areas of important economic opportunity for Haiti, including agribusiness, light manufacturing, and tourism². President Jovenel Moïse's Government Road Map³ references tourism and agricultural development with the expansion of the country's road connectivity. One of the country's priorities for economic development is to foster growth outside of the capital, Port-au-Prince, to

¹ [Plan stratégique de développement d'Haïti \(PSDH\)](#).

² In urban areas, unemployment affects 40% of the workforce. In rural areas, only 10% of the workforce is employed as wageworkers; the remaining 90% does not have a steady source of income. [WB 2014](#).

³ [President Jovenel Moïse's Government Road Map](#).

bring much-needed jobs to the country's less-developed regions. In particular, it mentions the rehabilitation of the National Road 5 (RN5) and the linkage of the port city of Gonaïves with Port-de-Paix in the north of the country⁴.

- 2.2 Despite the country's comparative advantages, proximity and preferred access to major international markets and a dynamic diaspora, the country's shortcomings in road transport have acted as constraints for economic growth, people's access to basic services, and general social development⁵. Haiti's performance in the road sector is weak, with large parts of its territory poorly connected. Recent evidence indicates that only 38% of people living in rural areas have access to all-weather roads. According to the road index⁶ developed by the Bank⁷, the small percentage of paved roads and low-road density are the two factors most strongly influencing its low position in the ranking. The limited coverage and low accessibility to paved roads not only affect Haiti's international competitiveness (¶2.3) but also its socio-economic development: departments with more paved roads account for a significant share of the country's agricultural production (see Table 1). Poverty is particularly problematic in rural areas, where 37.8% of individuals live below the extreme poverty line and 74.9% live below the moderate poverty line.

Table 1. Road density and selected socio-economic indicators in Haiti

Departments	National	Depart.	Tertiary	Total		Share of national production		% of individuals below extreme poverty line
				Km	%	Livestock	Agricultural produce	
Artibonite	170	225	388	782	18%	27%	17%	39%
Ouest	130	172	297	599	14%	12%	10%	26%
Sud	112	148	256	516	12%	13%	7%	31%
Sud Est	105	138	238	481	11%	7%	3%	29%
Nord Ouest	98	129	223	450	10%	6%	7%	47%
Centre	97	128	221	446	10%	9%	9%	43%
Nord	85	112	193	389	9%	7%	14%	49%
Nord Est	57	75	130	262	6%	7%	10%	61%
Grand'Anse	48	64	110	223	5%	8%	13%	33%
Nippes	48	64	110	223	5%	5%	10%	22%
Total (Km)	950	1,255	2,166	4,370				
%	22%	29%	50%					

Source. Own calculations using data from the MTPTC, the Ministry of Agriculture, Natural Resources and Rural Development, and Enquête sur les Conditions de Vie des Ménages Après Seisme (Institut Haïtien de Statistique et d'Informatique) 2012.

- 2.3 Low-income island economies are extremely dependent on the quality, frequency, and cost of the means of transport that integrate them to markets which represent both outlets for their products and supply sources for the needed imported goods. The efficiency and effectiveness of transport, whether by road, by sea, or by air, strongly affects their competitiveness. Agriculture in Haiti consists of mainly

⁴ [North of the country.](#)

⁵ Haiti ranks 163/187 (0.483) in the Human Development Indicator. See: [United Nations Development Programme.](#)

⁶ [Freight Logistics Statistics Yearbook for Latin America and the Caribbean](#), 2013 Edition.

⁷ The country has low road coverage levels for both the size of the population (0.4 km/1,000 inhabitants) and the surface area of the country (0.12 km/km²). Other countries have higher coverage both relative to surface area and population. For example, the Dominican Republic: 1.98 km/1,000 hab., 0.41 km/km²; El Salvador: 1.75 km/1,000 hab., 0.48 km/km²; Honduras: 3.34 km/1,000 hab., 2.31 km/km²; and Nicaragua: 3.92 km/1,000 hab., 1.64 km/km² (LAC).

small-scale farming and is adversely affected by the country's poor connectivity, high transport costs, and weather-related natural disasters⁸. Better road connectivity that is, better road quality and reduced travel time and transportation costs, could improve agricultural production in Haiti by increasing the area under cultivation (Aggarwal, 2015 and Ali, 2011 and Khandler, 2009).

2.4 Better road connectivity and serviceability may also improve revenues for agricultural products in general and for mango production in particular, thanks to better access to markets⁹. Mango is Haiti's largest export crop and the main fruit grown in the country. Haiti was among the top-ten mango producer countries in the world until the late 1980's, and was also one of the top-ten mango-exporting countries until the early 1990's¹⁰. However, Haiti's mango exports have not increased in the last two decades, mainly because 70-80% of the fruit produced is damaged from tree to export center, attributable to production and transformation practices (farming and harvest practices) and poor logistics (bad handling and scarce availability of local transportation). The Francisque mango production, the only mango variety produced in Haiti that is exported, is concentrated in the Artibonite department (¶3.3), where transport availability is particularly critical during harvest, which coincides with the rainy season when roads are in poor condition; as a result, a total of 70% of the Francisque production does not meet quality standards and is left for the local market or wasted¹¹.

2.5 **Status of execution.** As of the first semester of 2017, progress in execution has been made with respect to road construction. About 154 km of the primary road network are currently under construction¹². Addendums for Gonaïves – Ennery, Plaisance – Camp Coq and for the runway of the Toussaint Louverture International Airport have been signed and works will start in September 2017. However, the increasing number of projects in execution in the past years has added pressure to the Central Executing Unit putting in evidence that further capacity is required to adequately manage the increasingly complex portfolio and monitoring social and environmental policies, before and during construction.

⁸ Lack of access to all-weather roads causes up to 30% of agricultural production losses in remote areas. High transport tariffs (US\$0.21 TKm) are the result of more than 50% of the country's territory being poorly connected by roads. Road transport tariffs are higher in Jamaica (US\$0.29 TKm), similar in Barbados (US\$0.21 TKm) and Suriname (US\$0.21 TKm), and lower in the Dominican Republic (US\$0.14 TKm), Belize (US\$0.07 TKm) and Honduras [Freight Logistics Index](#).

⁹ The literature highlights that better road infrastructure encourages modern agricultural production techniques and leads to technology adoption. Decreased transport costs have a positive effect on the quantity of local staples produced using modern techniques (and no effect on crops using traditional techniques) (Ali *et al.* (2015)). Aggarwal (2015) found that increasing connectedness to roads increases the area under cultivation using fertilizer or hybrid seeds. Ali (2011) showed that rural road improvement has a positive impact on the size of area under cultivation using high-yielding rice variety. Similarly, Dorosh et al (2012) also found that longer travel time discourages the adoption of high yield crop-production technology.

¹⁰ Assessment of Haitian Mango Value Chain (2010).

¹¹ Francisque mango has a limited shelf life (14 days) and should be cooled within 3 days of harvesting. [Technoserve. Haitian Mango Sector: An Industry at Crossroads \(2014\)](#).

¹² Gonaïves – Ennery (26.3 km), Ennery – Plaisance (23 km) and Plaisance-Camp – Coq (10.6 km) along RN1; Croix des Bouquets – Fonds Parisien (25.0 km) along RN8 and Camp Perrin – Jérémie (68.97 km) along RN7.

- 2.6 **Bank's sector involvement and lessons learned.** The Bank has supported the Haitian road sector through active participation in the administration, design, and financing of numerous transportation projects, resulting in the accumulation of very precise sector knowledge and experience. In the past seven years, IDB's transport investment grant approvals totaled US\$378.5 million¹³, directed mainly to national road-rehabilitation, including roads RN1, RN2, RN7 and RN8 as well as the construction of some of the RN5 bridges.
- 2.7 **The resettlement process has been identified by the Donor Community as the main execution bottleneck in road construction in Haiti.** The Bank is currently working on four corrective measures. First, a data collection analysis was carried out to map the resettlement process in the country. Second, institutional support will be concentrated on supporting the Permanent Committee for Amicable Acquisition (CPA)¹⁴ the main inter-governmental body in the expropriation process. To that end, an expropriation management firm has been identified and will be soon hired to provide logistics support and implement improved procedures, including a two-step process of land tenure verification that will be matched with a new early resolution process to the different cases encountered, facilitating subsequent payments to the beneficiaries. Third, expropriation costs will no longer be financed by the GOH but by the Bank. The fourth measure includes institutional oversight and follow-up. The Bank will monitor the process with scheduled bi-weekly meetings with the CPA. Additionally, with IDB financing, one of the MTPTC's Cabinet members is dedicated to monitoring the IDB-founded expropriation processes.
- 2.8 The key lessons learned from IDB's transport execution portfolio include the following: (i) the importance of having executive designs prior to contracting the civil works to mitigate cost variations among the project's budget, bidding price, and final cost of the works; (ii) supervision firm should be hired prior to the construction firm, with enough time for satisfactory reviewing proposals and engineering designs; (iii) the need to prepare and implement IDB's Resettlement Action Plan prior to the start of the civil works; (iv) the importance of ensuring that funds are available for expropriations and resource mobilization before the start of civil works; (v) prioritize asset management techniques and investments; and (vi) the relevance of defining tailored execution workflows based on proven integrated project management practices across the lifecycle of all projects, from initiation to closeout. These lessons have been fully integrated into the design of this operation.

¹³ Approved operations, amounts and % disbursed: 2348/GR-HA for US\$29 million (100%), 2663/GR-HA for US\$55 million (96.1%), 2794/GR-HA for US\$53 million (80.7%), 2898/GR-HA for US\$17.5 million (100%), 3085/GR-HA for US\$50 million (43.4%), 3175/GR-HA for US\$12 million (100%), 3190/GR-HA for US\$50 million (27.3%), 3474/GR-HA for US\$27 million (100%), 3570/GR-HA for US\$65 million (0%), and 3382/GR-HA for US\$20 million (0%).

¹⁴ The Expropriations for Public Utility Law approved in September 1979 gave birth to the CPA under the supervision of the MTPTC. Its role is to conciliate the general interest with the specific interests of the individuals affected by construction projects. The CPA role is to evaluate the financial amount required for properties expropriations, to find agreements with the s affected parties by the projects, and to ensure that they receive the adequate compensation. The CPA works closely with local notaries to verify land titles and with the Ministry of Economy and Finance (MEF) who finance expropriation costs.

- 2.9 **Identification of the problem.** Despite the recent increase in investment in Haiti's road sector, a number of problems still persist: (i) low density and lack of availability of road infrastructure in good condition¹⁵, as well as limited land connections with port-cities along the coast, which affects access to/from the various production centers and raise transport costs; (ii) limited institutional capacity to coordinate the growing project portfolio; and (iii) challenges intrinsic to comprehensive road asset management, including the development of multiyear service-level maintenance contracts¹⁶.
- 2.10 **Objectives and components.** The program's objective is to continue improving the quality, accessibility, and safety conditions of Haiti's National Road Network (NRN) through an increase in paved road coverage and the rehabilitation and upgrading of departmental roads connecting production centers to local markets. The program will also promote efficiency improvements in the sector by incorporating the works into road maintenance management systems and by building capacity at the MTPTC.
- 2.11 **Component 1. Civil works on the NRN (US\$151.4 million).** This component will finance the execution of projects eligible through the multiple works program. Specific components include: (i) rehabilitation and improvement of road segments, including environmental remediation and road safety measures; (ii) sector studies, engineering designs, and environmental and social impact assessments; (iii) a maintenance program that will be initiated with a pilot program in one of the MTPTC's Departmental Directions; (iv) construction of bridges with co-financing support from other donors¹⁷; and (v) supervision of civil works by specialized firms.
- 2.12 **Component 2. Civil works on the secondary and rural road networks (US\$37.9 million).** This component will finance: (i) rehabilitation and improvement of departmental and rural roads; (ii) mitigation of social and environmental impacts; and (iii) supervision of all civil works.
- 2.13 **Component 3. Monitoring and evaluation and administration (US\$10.8 million).** This component will finance: (i) administration costs; (ii) monitoring and evaluation; and (iii) technical and socio-environmental audits.
- 2.14 Table 2 presents the preliminary budget structure.

¹⁵ 71% of the paved NRN can be classified as being in good condition (IRI<3), while 26% is in average condition (3<IRI<6), and 3% in poor condition (IRI>6).

¹⁶ In 2009 the Government estimated in its National Road Maintenance Strategy that the Road Maintenance Fund (FER) received US\$3 million per year (2009 exchange rate US\$1= 40 Gourdes) from the motor-fuel tax while the budget needed for maintenance was estimated at US\$21.7 million for the entire road network. (See [electronic annex](#)).

¹⁷ Notably the European Investment Bank and the Dutch Government. A Preliminary list of 41 priority bridges to be constructed across the country has already been transmitted to the Bank and will serve as a starting point to prioritize interventions based on socioeconomic benefits and territorial integration. (See [electronic annex](#)).

Table 2. Program Components and Budget Structure

Components	US\$ million	%
Component 1. Civil works on NRN	151.4	75.69
Rehabilitation works	93.7	46.86
Maintenance works	26.2	13.10
Bridge reconstruction program	12.0	6.00
Socio-environmental mitigation and compensations	8.0	4.00
Engineering designs and socio-environmental studies	4.3	2.13
Civil works supervision	7.2	3.60
Component 2. Civil works on secondary and rural road network	37.9	18.93
Rehabilitation and maintenance works	32.0	16.00
Socio-environmental mitigation and compensations	4.0	2.00
Civil works supervision	1.9	0.93
Component 3. Monitoring and evaluation and administration	10.8	5.38
Administration	7.2	3.60
Monitoring and evaluation	0.8	0.38
Technical and socio-environmental auditing	2.8	1.40
Total	200.0	100

- 2.15 **Strategic alignment.** The program is consistent with the Update to the Institutional Strategy 2010-2020 and will contribute to the Country’s Development Results through the indicator of roads built or upgraded. The program is strategically aligned with the development challenges of: (i) productivity and innovation, as the rehabilitation of road infrastructure will improve connectivity at the national level, reduce transport costs and travel times, and improve access to markets and services in the program’s influence areas; and (ii) economic integration through road connection to seaports. In addition, the project is strategically aligned with the cross-cutting theme of climate change and environmental sustainability, as the rehabilitation will increase road network resilience. The project is also aligned with Haiti’s Country Strategy (GN-2646), as transport is one of the priority sectors for interventions improving the quality of national road infrastructure.

III. TECHNICAL ISSUES AND SECTOR KNOWLEDGE

- 3.1 **Technical studies.** In 2010 the MTPTC contracted with IDB funding the studies for the 68 km RN5 rehabilitation/reconstruction project. The scope included engineering designs, cost estimates, economic feasibility and preliminary social-environmental assessments. An updated version of the studies was contracted in January 2016 and the final deliverables including environmental and social assessments and resettlement plans were received in February 2017. It is frequent practice in Haiti to launch the bidding process without detailed execution designs. Given the cost overruns experienced in previous road rehabilitation

projects, a new bidding process is underway for a detailed execution designs that will be used for contracting the rehabilitation works.

- 3.2 **Multiple Works Program (MWP).** The MWP will provide financing for the rehabilitation, improvement and/or maintenance works of road segments in the primary/secondary networks with a geographic concentration of road interventions in the north of the country, for which the first eligible sample project is clearly defined and represents approximately 44% of the program's budget. The RN5 segment between Carrefour Joffre and Port-de-Paix will be presented as the program's sample¹⁸. This sample meets technical, economic, environmental, and social criteria¹⁹. An additional set of departmental and rural roads connecting productive centers and markets will be identified during program execution that will have a geographical concentration in the north-east of the country and will be required to meet the eligibility criteria.
- 3.3 The RN5 is a strategic corridor with a key role connecting one of the main export-oriented agricultural regions (Nord-Ouest and Artibonite departments) to the primary road network and therefore to the main seaports of the country: Port-au-Prince, Gonaïves, and Cap Haitien. Considering the importance of agriculture in the RN5 influence area, the road has the potential to become an important corridor for international-bound products such as mangos and avocados, by connecting rural production centers with national and international markets. The rehabilitation of the RN5 will also contribute to expanding opportunities for small and medium enterprises to be inserted into (and/or participate in) global value chains, through the reduction of travel times and transport costs.
- 3.4 Currently, RN5 presents with low service levels and a high surface of degradation²⁰. Most of the road is not paved and has inadequate road alignment, poor signalization, aging and inadequate structures operating under hazardous conditions, and drainage problems. The geometry of the road presents factors that increase the risk of accidents and collisions between vehicles, both on and off the road, including narrow shoulders along the road and limited visibility at certain curves.
- 3.5 **Multi-sectorial impact and freight logistics.** The program complements efforts of previous operations approved by the Bank in the agriculture sector (HA-L1009, HA-L1094, HA-L1097) and in the Artibonite and Nord-Ouest Departments. The program will contribute to the improvement of the agricultural productivity of the area by reducing transportation costs and facilitating access to markets. In addition, flood mitigation measures adopted in operations

¹⁸ In 2007 the Bank financed the rehabilitation of 22.5 km stretch between Carrefour Joffre and Gros Morne but most of the works were destroyed after the passage of four consecutive cyclones in 2008. In 2010 the Bank provided US\$7.3 million in financing for the construction of two bridges along RN5 spanning over the two largest rivers Mancelle and the Acul.

¹⁹ This sample project follows the MWP eligibility criteria defined by: (i) geographical concentration of projects that take advantage of development synergies with other IDB investments; (ii) having finalized engineering designs; (iii) being in compliance with the Bank's requirements regarding the completion of environmental and social impact assessment and mitigation and resettlement action plans; and (iv) having an economic evaluation with favorable results and a minimal EIRR of 12%. The schedule of works should be set to start within a period of up to one year from the grant proposal approval date and the implementation is expected to be extended within five years from the effective date of the grant contract.

²⁰ International Roughness Index (IRI) for the segment Carrefour Joffre Gros Morne IRI: 20 (Optimal IRI=1).

HA-L1009 and HA-L1097 will help to prevent major damage to the RN-5 through flash flooding control. The project will contribute, through sector studies in Component 3, to better understanding the value chain of key agricultural products and the logistic arrangements of transport services. The project could also generate synergies with social programs supported by the Bank in the Artibonite Department, mainly because through the rehabilitation of the RN5, populations will gain reliable and quality access to schools, health care, and services in general.

- 3.6 **Safeguards.** Based on the available information, the sample project will have a positive impact on the country and the region, and would improve communications and ease of travel in the departments of Artibonite and Nord-Ouest and its connection to the main NRN. It is expected that other roads, if selected under the program, will also have a positive impact. The potential negative impacts of the project, associated with standard impacts of road construction, are expected to be moderate. However, involuntary resettlement is expected to occur; therefore, the project has been classified as Category "A". The Environmental Impact Assessment (EIA), including the resettlement plan, have been completed and published. The Environmental and Social Management Plan will be ready prior to Board approval.
- 3.7 Potential environmental impacts and risks associated during the construction phase are linked to the clearing of the right of way, the extraction and disposal of materials and associated facilities such as equipment storage areas, asphalt production plants, and quarries. Main construction impacts are likely to be: (i) habitat disturbance and modification, including loss of vegetation and barrier to movement of endangered species; (ii) soil erosion; (iii) dust generation; (iv) increased heavy traffic; (v) loss of vegetation; (vi) noise; (vii) resettlement and/or economic displacement; and (viii) occupational health and safety hazards for the workforce.
- 3.8 **Exception to Bank policies.** A pilot arrangement for project execution is being prepared and it might require the exception to the Policies for the Procurement of Works and Goods (GN-2349-9) and the Policies for the Selection and Contracting of Consultants (GN-2350-9).
- 3.9 **Other applicable procurement policies and regulations.** The procurement of some services for the proposed pilot arrangement will be carried out in accordance with the regulations for Complementary Workforce (AM-650) for the hiring of individual consultants.

IV. RESOURCES AND TIMETABLE

- 4.1 Annex V details the timeline and resources required for project preparation. The distribution of the Proposal for Operation Development (POD) will be in coordination with the presentation to the Programming Committee of Management about the proposed execution arrangement. Resources estimated for project preparation, provided by the administrative budget, amount up to US\$62,200.

CONFIDENTIAL

¹ The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.

HA-L1104: Transport and Departmental Connectivity

SAFEGUARD SCREENING FORM

PROJECT DETAILS	
IDB Sector	[Not Set]
Type of Operation	Other Lending or Financing Instrument
Additional Operation Details	
Country	HAITI
Project Status	
Investment Checklist	Infrastructure Road and Rail
Team Leader	Mojica, Carlos Hernan (CMOJICA@iadb.org)
Project Title	Transport and Regional Connectivity
Project Number	HA-L1104
Safeguard Screening Assessor(s)	Drumm, Andrew Francis (adrumm@IADB.ORG)
Assessment Date	2015-10-02

PROJECT CLASSIFICATION SUMMARY		
Project Category: A	Override Rating: A	Override Justification: Elevate: additional impacts likely Comments:
Conditions/ Recommendations	<ul style="list-style-type: none"> • Category "A" operations require an Environmental Impact Assessment or a Strategic Environmental Assessment (see Environment Policy Guideline: Directive B.5 for EIA and SEA requirements) and at least two consultations with affected parties. • These operations will require an environmental assessment (EA), normally an Environmental Impact Assessment (EIA) for investment operations, or other environmental assessments such as a Strategic Environmental Assessment (SEA) for programs and other financial operations that involve plans and policies. Category "A" operations are considered high safeguard risk. For some high safeguard risk operations that, in the Bank's opinion raise complex and sensitive environmental, social, or health and safety concerns, the borrower should normally establish an advisory panel of experts to provide guidance for the design and/or execution of the operation on issues relevant to the EA process, including health and safety. However, these operations will also establish safeguard, or monitoring requirements to address environmental and other risks (social, disaster, cultural, health and safety etc.). • The Project Team must send to the ESR the PP (or equivalent) containing the Environmental and Social Strategy (the requirements for an ESS are described in the Environment Policy 	

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Guideline: Directive B.3) as well as the Safeguard Policy Filter and Safeguard Screening Form Reports.

SUMMARY OF IMPACTS/RISKS AND POTENTIAL SOLUTIONS

Identified Impacts/Risks	Potential Solutions
<p>The project will require significant involuntary resettlement and/or economic displacement (i.e. it is a direct impact of the project)</p>	<p>Develop Resettlement Plan (RP): The borrower should be required to develop a RP (as part of the ESMP) that demonstrates the following attributes: (a) detailed socio-economic survey and baseline of the affected households and groups; (b) successful engagement with affected parties via a process of Community Participation; (c) mechanisms for delivery of compensation in a timely and efficient fashion; (d) a livelihoods restoration program; (e) budgeting and internal capacity (within borrower's organization) to monitor and manage resettlement activities as necessary over the course of the project; and (f) a grievance mechanism for resettled people. Depending on the financial product, the RP should be referenced in legal documentation (covenants, conditions of disbursement, credit and operating regulations, project completion tests, etc.), require regular (quarterly, bi-annual or annual) reporting and independent review of implementation, including participatory monitoring.</p>
<p>The project will or may require involuntary resettlement and/or economic displacement of a minor to moderate nature (i.e. it is a direct impact of the project) and does not affect indigenous peoples or other vulnerable land based groups.</p>	<p>Develop Resettlement Plan (RP):The borrower should be required to develop a simple RP that could be part of the ESMP and demonstrates the following attributes: (a) successful engagement with affected parties via a process of Community Participation; (b) mechanisms for delivery of compensation in a timely and efficient fashion; (c) budgeting and internal capacity (within borrower's organization) to monitor and manage resettlement activities as necessary over the course of the project; and (d) if needed, a grievance mechanism for resettled people. Depending on the financial product, the RP should be referenced in legal documentation (covenants, conditions of disbursement, project completion tests etc.), require regular (bi-annual or annual) reporting and independent review of implementation.</p>
<p>Significant conversion and degradation of natural habitats (such as forests, wetlands or grasslands) without full consideration of alternatives, without an analysis showing that the overall benefits outweigh the environmental costs or without adequate mitigation and compensation measures.</p>	<p>Potential Biodiversity Issues Indicate Significant Risk of Non-Compliance: The Bank will not support operations involving the significant conversion or degradation of natural habitats where no feasible alternatives have been considered or where there is no demonstration that overall benefits from the operation substantially outweigh the environmental costs or where no mitigation and compensation measures are acceptable by the Bank. Develop and evaluate alternative projects options and discuss with ESG specialist(s), relevant team members and others before proceeding.</p>
<p>Minor or moderate conversion or degradation impacts to natural habitats (such as forests, wetlands or grasslands).</p>	<p>Ensure Proper Management and Monitoring of the Impacts of Natural Habitat Loss: A Biodiversity Management Plan (BMP) should be prepared that defines how impacts will be mitigated (roles and responsibilities, monitoring, budget, etc.) and could be incorporated in the ESMP. Depending on the financial product, the BMP should be referenced in appropriate legal documentation (covenants, conditions of disbursement, etc.). Confirmation should be obtained from competent experts that they are confident that the plan can mitigate impacts and also that the relevant authorities have approved the BMP.</p>

SAFEGUARD SCREENING

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<p>Conversion or degradation of critical natural habitat is minor to moderate in nature, as confirmed by a specific ecological assessment.</p>	<p>Ensure Adequacy of Biodiversity Management Plan (BMP): The borrower should be required to develop a BMP that demonstrates how impacts have been mitigated and what consultation activities are planned. The borrower should confirm that: (a) there are no feasible alternatives acceptable to the Bank; (b) benefits substantially outweigh environmental costs; and (c) mitigation and compensation measures are acceptable by the Bank. In addition this plan should be part of the ESMP. In all situations, impacts to biodiversity should be avoided in first instance (i.e. relocate or reconfigure proposed activities). If avoidance is not possible impacts should be mitigated by restoration, offsetting impacts or other means. Professional support from suitably qualified experts should be sought and confirmation should be obtained that they are confident that the BMP can mitigate impacts and also that relevant authorities have approved the BMP. Require regular (bi-annual or annual) reporting. Require independent audits of BMP implementation and depending on the financial product, the BMP should be referenced in appropriate legal documentation (covenants, conditions of disbursement, project completion tests, etc.).</p>
<p>Significant conversion or degradation of critical natural habitat.</p>	<p>Potential Biodiversity Issues Indicate Significant Risk of Non-Compliance with IDB policy OP-703: The Bank will not support operations that, in its opinion, significantly convert or degrade critical natural habitats or that damage critical cultural sites. Develop and evaluate alternative projects options and discuss with ESG specialist(s), relevant team members and others before proceeding.</p>
<p>The negative impacts from production, procurement and disposal of hazardous materials (excluding POPs unacceptable under the Stockholm Convention or toxic pesticides) are minor and will comply with relevant national legislation, IDB requirements on hazardous material and all applicable International Standards.</p>	<p>Monitor hazardous materials use: The borrower should document risks relating to use of hazardous materials and prepare a hazardous material management plan that indicates how hazardous materials will be managed (and community risks mitigated). This plan could be part of the ESMP.</p>
<p>Generation of solid waste is moderate in volume, does not include hazardous materials and follows standards recognized by multilateral development banks.</p>	<p>Solid Waste Management: The borrower should monitor and report on waste reduction, management and disposal and may also need to develop a Waste Management Plan (which could be included in the ESMP). Effort should be placed on reducing and re-cycling solid wastes. Specifically (if applicable) in the case that national legislations have no provisions for the disposal and destruction of hazardous materials, the applicable procedures established within the Rotterdam Convention, the Stockholm Convention, the Basel Convention, the WHO List on Banned Pesticides, and the Pollution Prevention and Abatement Handbook (PPAH), should be taken into consideration.</p>
<p>Likely to have minor to moderate emission or discharges that would negatively affect ambient environmental conditions.</p>	<p>Management of Ambient Environmental Conditions: The borrower should be required to prepare an action plan (and include it in the ESMP) that indicates how risks and impacts to ambient environmental conditions can be managed and mitigated consistent with relevant national and/or international standards. The borrower should (a) consider a number of factors, including the finite assimilative capacity of the environment, existing and future land use, existing ambient conditions, the project's proximity to ecologically sensitive or protected areas, and the potential for cumulative impacts with uncertain and irreversible consequences; and (b) promote strategies that avoid or, where avoidance is</p>

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	not feasible, minimize or reduce the release of pollutants, including strategies that contribute to the improvement of ambient conditions when the project has the potential to constitute a significant source of emissions in an already degraded area. The plan should be subject to review by qualified independent experts. Depending on the financial product, this information should be referenced in appropriate legal documentation (covenants, conditions of disbursement, etc.).
Moderate Greenhouse Gas Emissions are predicted.	Greenhouse Gas (GHG) Assessment: The borrower should promote the reduction of project-related greenhouse gas emissions in a manner appropriate to the nature and scale of project operations and impacts. The borrower should quantify direct emissions from the facilities owned or controlled within the physical project boundary and indirect emissions associated with the off-site production of power used by the project. Quantification and monitoring of GHG emissions should be conducted annually in accordance with internationally recognized methodologies (i.e. IPCC - http://www.ipcc.ch/). In addition, the borrower should evaluate technically and financially feasible and cost-effective options for the reduction/offset of emissions that may be achieved during the design and operation of the project. The Sustainable Energy and Climate Change Initiative (SECCI) can help with this task (http://www.iadb.org/secci/).
Safety issues associated with structural elements of the project (e.g. dams, public buildings etc), or road transport activities (e.g. increase in heavy vehicle movements, transport of hazardous materials, etc.) exist which could result in moderate health and safety risks to local communities.	Address Community Health Risks: The borrower should be required to provide a plan for managing risks which could be part of the ESMP; (including details of grievances and any independent audits undertaken during the year). Compliance with the plan should be monitored and reported. Requirements for independent audits should be considered if there are questions over borrower commitment or potential outstanding community concerns.
The project will result in a minor to moderate increase in community risks from disease (e.g. from water borne diseases) or natural resources risks (e.g. landslides, erosion etc).	Manage Increased Risk of Disease: Where a project will generate environmental health risks (such as increased risk from disease and environmental hazards), the borrower should be required to develop a environmental health risk plan (this will require input from professionally competent advisers/ consultants). There should be engagement with affected communities and compliance with the plan should be monitored and reported. Where specific diseases are endemic in communities in the investment area of influence, the borrower is encouraged to explore opportunities to reduce their incidence.
Project construction activities are likely to lead to localized and temporary impacts (such as dust, noise, traffic etc) that will affect local communities and workers but these are minor to moderate in nature.	Construction: The borrower should demonstrate how the construction impacts will be mitigated. Appropriate management plans and procedures should be incorporated into the ESMP. Review of implementation as well as reporting on the plan should be part of the legal documentation (covenants, conditions of disbursement, etc).

DISASTER RISK SUMMARY

Disaster Risk Category: High

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**Disaster/
Recommendations**

- The reports of the Safeguard Screening Form (i.e. of the Safeguards Policy and the Safeguard Classification Filters) constitute the Disaster Risk Profile to be summarized in and annexed to the Environmental and Social Strategy (ESS). The Project Team must send the PP (or equivalent) containing the ESS to the ESR.
- The Borrower should consider including disaster risk expertise in the organization of project oversight, e.g. in the project's panel of experts. For the Bank's requirements, the Borrower addresses the screened disaster risks in a Disaster Risk Management Summary reviewing disaster and climate change risks associated with the project on the basis of a Disaster Risk Assessment (DRA). Based on the specified hazards and the exposure of the project area, it demonstrates the potential impact of the rapid onset events and/or slow inset changes for the project and its area including exacerbated risks for people and environment, given local vulnerability levels and coping capacities. Furthermore the DRM Summary presents proposed measures to manage or mitigate these risks in a Disaster Risk Management Plan (DRMP). The DRA /DRMP to which the DRM Summary refers may be a stand-alone DRA document (see Directive A-2 of the DRM Policy OP-704) or included in other project documents, such as feasibility studies, engineering studies, environmental impact assessments, or specific natural disaster and climate change risk assessments, prepared for the project. These documents should be accessible for the Project Team.
- The Project Team examines and adopts the DRM summary. The team remits the project risk reduction proposals from the DRMP to the engineering review by the sector expert or the independent engineer during project analysis or due diligence, and the financial protection proposals to the insurance review (if this is performed). The potential exacerbation of risks for the environment and population and the proposed risk preparedness or mitigation measures are included in the Environmental and Social Management Report (ESMR), and are reviewed by the ESG expert or environmental consultant. The results of these analyses are reflected in the general risk analysis for the project. Regarding the project implementation, monitoring and evaluation phases, the project team identifies and supervises the DRM approaches being applied by the project executing agency.
- Climate change adaptation specialists in INE/CCS may be consulted for information regarding the influence of climate change on existing and new natural hazard risks. If the project requires modification or adjustments to increase its resilience to climate change, consider (i) the possibility of classification as an adaptation project and (ii) additional financing options for climate change, and consult the INE/CCS adaptation group for guidance.

SUMMARY OF DISASTER IMPACTS/RISKS AND POTENTIAL SOLUTIONS

Identified Impacts/Risks	Potential Solutions
<p>Significant Earthquake may occur in the project area and the likely severity of impacts is major or extreme.</p>	<p>The Disaster Risk Management Plan should secure a design for the project at an acceptable level of the various seismic risks for the project and address potential exacerbated risks for people and the environment during construction and operation. The DRMP includes risk reduction measures (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as the financial protection (risk transfer, retention) of the project. The DRM Plan takes into account the</p>

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	country's disaster alert and prevention system, general seismic design standards and other related regulations. However, the options and solutions are sector- and even case-specific and are selected based on a cost analysis of equivalent alternatives. Some sectors have developed comprehensive best practice.
Significant hurricane and other winds may occur in the project area and the likely severity of impacts is major or extreme.	The Disaster Risk Management Plan should secure a design for the project at an acceptable level of the storm and flood risks for the project and address potential exacerbated risks for people and the environment during construction and operation, as specified in the Disaster Risk Assessment, which must take into consideration changes in the frequency and intensity of tropical storms that could occur with climate change. The DRMP includes risk reduction measures (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as the financial protection (risk transfer, retention) of the project. The DRM Plan takes into account existing vulnerability levels and coping capacities, the country's disaster alert and prevention system, general design standards, coastal retreat and other land use regulations and civil defense recommendations in coastal areas. However, the options and solutions are sector- and even case-specific and are selected based on a cost analysis of equivalent alternatives. The amplified uncertainties due to climate change may be considered in hazard scenarios and an efficient combination of measures in the DRMP.
Tropical Storms are prevalent in the project area and the likely severity of impacts is moderate.	The Disaster Risk Management Plan should secure a design for the project at an acceptable level of storm risks for the project and address potential exacerbated risks for people and the environment during construction and operation, which must take into consideration changes in the frequency and intensity of tropical storms that could occur with climate change. Appropriate measures to reduce risks (predominantly engineering), prepare for impact (predominantly environmental and social safeguards) and to include financial protection will need to be included.
Significant riverine flooding from sustained rainfall and/or melting water and/or failing dam may occur in the project area and the likely severity of impacts is major or extreme.	The Disaster Risk Management Plan should secure a design for the project at an acceptable level of the flood risks for the project and address potential exacerbated risks for people and the environment during construction and operation, as specified in the Disaster Risk Assessment, which must take into consideration changes in the frequency and intensity of intensive rainfall and in the patterns of snowmelt that could occur with climate change. The DRMP includes risk reduction measures (siting and engineering options), disaster risk preparedness and response (contingency planning, etc.), as well as the financial protection (risk transfer, retention) of the project. The DRM Plan takes into account existing vulnerability levels and coping capacities, the area's disaster alert and prevention system, general design standards, land use regulations and civil defense recommendations in flood prone areas. However, the options and solutions are sector- and even case-specific and are selected based on a cost analysis of equivalent alternatives. The amplified uncertainties due to climate change may be considered in hazard scenarios and an efficient combination of measures in the DRMP.
Area flooding from sustained rainfall is prevalent in the project area and the likely severity of impacts is moderate.	The Disaster Risk Management Plan should secure a design for the project at an acceptable level of areal flooding risks for the project which must take into consideration changes in the frequency and intensity of precipitations that could occur with climate change. Areal floods may be exacerbated by the project outside the project boundary by modifying draining patterns for heavy precipitations and increase risks for people and the environment during construction and operation. Appropriate measures to reduce risks (predominantly engineering), prepare for impact (predominantly environmental and social safeguards) and to include financial protection will need to be included.

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<p>Significant drought because of extended period of precipitation deficiency may occur in the project area and the likely severity of impacts is major or extreme.</p>	<p>The Disaster Risk Management Plan should secure a design for the project at an acceptable level of the drought risks for the project and address potential exacerbated risks for people and the environment during construction and operation, as specified in the Disaster Risk Assessment, which must take into consideration changes in the frequency and intensity of droughts that could occur with climate change. The DRMP includes risk reduction measures (siting and engineering options for water supply and heat protection), disaster risk preparedness and response (contingency planning, etc.), as well as the financial protection (risk transfer, retention) of the project. The DRM Plan takes into account existing vulnerability levels and coping capacities, the area's prevention system, general design standards, land use regulations and civil defense recommendations in drought prone areas. However, the options and solutions are sector- and even case-specific and are selected based on a cost analysis of equivalent alternatives. The amplified uncertainties due to climate change may be considered in hazard scenarios and an efficient combination of measures in the DRMP.</p>
<p>Heat waves as extended periods of extremely high temperatures and moisture are prevalent in the project area and the likely severity of impacts is moderate.</p>	<p>The Disaster Risk Management Plan should secure a design for the project at an acceptable level of heat wave risks for the project and address potential exacerbated risks for people and the environment during construction and operation, which must take into consideration changes in the frequency and intensity of heat waves that could occur with climate change. Appropriate measures to reduce risks (predominantly engineering), prepare for impact (predominantly environmental and social safeguards) and to include financial protection will need to be included.</p>
<p>Reduction or prolongation of rainy season in the project area and the likely severity of impacts is moderate.</p>	<p>Possible future modified seasonal water availability for residential consumption and use, hydropower, irrigation, etc., should be adequately addressed in the hydrological assessment, with risks for the project's viability taken into account. Appropriate adaptation measures (predominantly alternative project design and engineering) will need to be examined, evaluated and selected.</p>

ASSESSOR DETAILS

Name of person who completed screening:	Drumm, Andrew Francis (adrumm@IADB.ORG)
Title:	
Date:	2015-10-02

SAFEGUARD POLICY

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SAFEGUARD POLICY FILTER REPORT

PROJECT DETAILS	
IDB Sector	[Not Set]
Type of Operation	Other Lending or Financing Instrument
Additional Operation Details	
Investment Checklist	Infrastructure Road and Rail
Team Leader	Mojica, Carlos Hernan (CMOJICA@iadb.org)
Project Title	Transport and Regional Connectivity
Project Number	HA-L1104
Safeguard Screening Assessor(s)	Drumm, Andrew Francis (adrumm@IADB.ORG)
Assessment Date	2015-10-02

SAFEGUARD POLICY FILTER RESULTS		
Type of Operation	Loan Operation	
Safeguard Policy Items Identified (Yes)	Potential disruption to people's livelihoods living in the project's area of influence (not limited to involuntary displacement, also see Resettlement Policy.)	(B.01) Resettlement Policy– OP-710
	Activities to be financed by the project are in a geographical area and sector exposed to natural hazards* (Type 1 Disaster Risk Scenario).	(B.01) Disaster Risk Management Policy– OP-704
	Does this project offer opportunities to promote gender equality or women's empowerment through its project components?	(B.01) Gender Equality Policy– OP-761
	The operation is in compliance with environmental, specific women's rights, gender, and indigenous laws and regulations of the country where the operation is being implemented (including national obligations established under ratified Multilateral Environmental Agreements).	(B.02)
	The Borrower/Executing Agency exhibits weak institutional capacity for managing environmental and social issues.	(B.04)
	An Environmental Assessment is required.	(B.05)
	The Bank will monitor the executing agency/borrower's compliance with all safeguard requirements stipulated in the loan agreement	(B.07)

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	and project operating or credit regulations.	
	Environmental or culturally sensitive areas, defined in the Policy as critical natural habitats or critical cultural sites in project area of influence.	(B.09)
	Conversion of Natural Habitats in project area of influence.	(B.09)
	The operation has the potential to impact the environment and human health and safety from the production, procurement, use, and disposal of hazardous material, including organic and inorganic toxic substances, pesticides and Persistent Organic Pollutants (POPs).	(B.10)
	The operation has the potential to pollute the environment (e.g. air, soil, water, greenhouse gases...).	(B.11)
	Suitable safeguard provisions for procurement of goods and services in Bank financed projects may be incorporated into project-specific loan agreements, operating regulations and bidding documents, as appropriate, to ensure environmentally responsible procurement.	(B.17)
Potential Safeguard Policy Items(?)	No potential issues identified	
Recommended Action:	<p>Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.</p> <p>The project triggered the Disaster Risk Management policy (OP-704). A Disaster Risk Assessment (DRA) may be required (see Directive A-2 of the DRM Policy OP-704) in case of high risk, a limited DRA in case of moderate risk. Next, please complete a Disaster Risk Classification along with Impact Classification.</p>	
Additional Comments:		

ASSESSOR DETAILS

Name of person who completed screening:	Drumm, Andrew Francis (adrumm@IADB.ORG)
Title:	
Date:	2015-10-02

TRANSPORT AND REGIONAL CONNECTIVITY CARREFOUR JOFFRE - GROS MORNE SEGMENT ENVIRONMENT AND SOCIAL STRATEGY (ESS)

I. SUMMARY

Date:	September 30 th , 2015
Project Number:	HA-L1104
Country:	Haiti
Beneficiary:	Government of Haiti
Funding:	IDB Grant Total Project Cost: US\$50,000,000
Safeguards Policies Identified:	OP-102, OP-710, OP-703 (B.1, B.2, B.3, B.4, B.5, B.6, B.7, B.9, B.10, B.11)
Environmental Category:	"A"

II. PROJECT DESCRIPTION

- 2.1 **The *Route Nationale (RN) 5* and the North-Western region.** In partial isolation to the rest of the country, the *Nord-Ouest* department and the northern region of the *Artibonite* department are connected to the country's main road network roughly through three main roads: (i) the RN5 connecting Port-de-Paix through the center of the department to Plaisance and Gonaïves (both along RN1); (ii) the alignment provided by *Routes Départementales 152/117/14* connecting Port-de-Paix with Limbé/Cap Haitian along the north seaboard; and (iii) a rural route in precarious conditions along the southern coastline connecting Gonaïves with the town of Mont Saint Nicholas. As a whole, the physical conditions of these roads are so critically low that over 50% of the existing traffic is represented by motorcycles as these are the most suitable vehicles capable to navigate in a 25 km stretch from Carrefour Joffre to Gros Morne which consists of boulders, potholes and riverbeds sections that currently constitute the available right of way.
- 2.2 Agriculture is the main economic activity of the region with a mix between food crops (i.e. corn, millet, sorghum, sweet potato, peas, plantain) and cash crops (i.e. coffee, sugar cane, mango, banana). The development of a more robust agricultural-based economy has traditionally been hindered by weather/nature related obstacles such as droughts and subsequent soil salinization, severe flooding due to hurricanes and cyclonic events, sustained deforestation and infrastructural shortcomings as previously explained with ineffective, abandoned and roads and port facilities.
- 2.3 **Justification.** This operation will support the improvement of the transport network by rehabilitating/reconstructing road infrastructure in Haiti's *Nord-Ouest* department with impact on a large area of influence including the neighboring departments of *Artibonite* and *Nord*. It will provide the necessary means to connect the country's main transport corridor RN-1 with Gros Morne. The existing right of way (Carrefour Joffre – Gros Morne), classified under Haitian Road Inventory as National Route 5, is currently in conditions far below the regular standards seen of a tertiary level road.

- 2.4 **Objectives and components.** The objective is to improve the competitiveness of Haiti's northwestern region and to promote its inclusion in the national economy by enhancing the connectivity and accessibility to the main road network and ports. The specific objectives of the project include: (i) to improve the infrastructure quality and road safety of RN5; (ii) to improve the quality of the departmental and rural roads; and (iii) strengthen the capacity of the departmental directions to manage and maintain the road network. The project will support the Country's national and international integration and will contribute to strengthen transport institutions in Haiti.
- 2.5 **Component 1. Civil works on the primary road network.** This component will finance: (i) rehabilitation and improvement of a 25 km segment in the RN5 between Carrefour Joffre and Gros Morne; (ii) mitigation of social and environmental impacts; and (iii) supervision of all civil works.
- 2.6 **Component 2. Civil works on the secondary road network.** This component will finance: (i) rehabilitation and improvement of the departmental roads that feed RN5; (ii) mitigation of social and environmental impacts; and (iii) supervision of all civil works.
- 2.7 **Component 3. Institutional strengthening.** This component will finance: (i) sector studies, engineering designs, and environmental and social impact assessments for future operations; and (ii) training and equipment for the Artibonite Departmental Direction.
- 2.8 **Component 4. Project administration.** This component will finance: (i) administration of the works and services by the UCE; (ii) monitoring; (iii) baseline data for an impact evaluation; and (iii) social, environmental and financial audits.

III. INSTITUTIONAL AND REGULATORY CONTEXT

- 3.1 The Haitian Ministry of the Environment (MDE) is responsible for national environmental and social laws and regulations. An Environmental Impact Assessment (EIA) law has been drafted and approved by the Parliament, and the decree for its application approved¹; however the Ministry has limited capacity to enforce it. Similarly, the department within the MDE responsible for EIA is under creation but is not yet fully operational. As such, the MDE does not review or approve EIAs, nor deliver environmental permits.
- 3.2 The legal and institutional framework in Haiti regulating compensation and resettlement is outlined by a number of laws that directly or indirectly impact the right of ownership, expropriation, and compensation. In Article 36-1, the Haitian Constitution provides the Government with the right to expropriate land for public purposes as long as it follows certain procedural safeguards and provides appropriate compensation to entitled individuals. Expropriation is generally managed through the expropriation law (August 22nd, 1951) as amended on September 18th, 1979. It tasks the Comité Permanent d'Acquisition Amiable (CPA) in MTPTC to manage the expropriation process and clarifies that the expropriation process should contain three steps: (i) identification of affected properties and asset inventory; (ii) verification of land deeds; and (iii) valuation

¹ Décret du 12 octobre 2005 sur la Gestion de l'Environnement.

of assets. The CPA includes two MTPTC engineers who are part of the Expropriation Commission (*Commission d'Expropriation*, CE).

- 3.3 The MTPTC is the Government executing agency which has established a Central Execution Unit (UCE) to manage project design, execution and monitoring, including social and environmental matters as required.

IV. IDB POLICY AND REQUIREMENTS

- 4.1 The Project is expected to prepare an Environmental and Social Impact Assessment (EIA) focusing on the 25km stretch of road between Carrefour-Joffre and Gros Morne. This EIA will be commissioned by UCE and should be submitted for IDB's approval and disclosed on IDB website prior to the Analysis Mission. The EIA will be assessed against Bank standards to ensure it is fit for disclosure.
- 4.2 The Project triggers the following directives of IDB's OP-703 Environmental and Safeguards Policy: B.1, Resettlement Policy, Disaster Risk Management Policy, Gender Equality, B.2, Country Laws and Regulations; B.4 Institutional capacity of borrower B.5, Environmental Assessment Requirements; B.7, Supervision and Compliance; B.9 Natural Habitats and Cultural Sites; B.10, Hazardous Materials; B.11 Pollution Prevention; and, B.17 Safeguard provisions for procurement. The OP-102, Disclosure of Information Policy also applies for this Project. It is expected that the Bank's OP-710 on Involuntary Resettlement will be triggered according to a previous EIA prepared for RN5. Based on available information, the Project had been classified by the Bank as a Category "A" operation to be confirmed during analysis.

V. ENVIRONMENTAL AND SOCIAL SETTING AND CONTEXT

- 5.1 The project is located in a region of mostly dry forest habitat, although some areas are seasonally flooded. The proposed road passes through the Dubedou – Morne Balance Key Biodiversity Area (KBA) which includes vulnerable, endangered and critically endangered species of reptiles, amphibians, crustaceans and trees. The road also traverses rivers multiple times, including several times without bridges, and also seasonally flooded wetlands.
- 5.2 An EIA was prepared in 2011 for the entire Carrefour Joffre - Port de Paix section of RN5. However, the social component is now outdated as it was based on 2003 data and the environmental component was incomplete, and therefore it needs to be re-done to reflect environmental characteristics and recent socioeconomic trends in the region while limiting the focus to the Carrefour Joffre-Gros Morne Section. It will also need to address the deviation or by-pass that is proposed. The road traverses small villages mostly rural. According to initial studies involuntary resettlement is expected. However the specific impact on the selected section is yet to be determined.

VI. KEY POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS, RISKS AND CONTROL MEASURES

- 6.1 Potential environmental impacts and risks associated with the Project during the construction phase are mainly linked to the clearing of the right of way, the mining and disposal of materials and associated facilities such as equipment storage areas, asphalt production plant and quarries. Main construction impacts are likely to be: (i) habitat disturbance and modification including loss of vegetation and barrier to movement of endangered species; (ii) soil erosion; (iii) dust generation; (iv) increased heavy traffic; (v) loss of vegetation; (vi) noise; (vii) resettlement and/or economic displacement; and (viii) occupational health and safety hazards for the workforce. The EIA should pay particular attention to the impacts of the project on natural habitats, particularly on rivers and the key biodiversity areas identified along the proposed road segment. The resettlement plan should be developed in consultation with the affected persons. It should cover physical and economic displacement caused by right-of-way acquisition and construction activities. Right-of-way acquisition will be required for the proposed by-pass and may be required to accommodate changes in the road alignment. Construction activities could displace structures and economic activities within the existing right of way.
- 6.2 Once in operation, main impacts and risk associated with the Project are: (i) air emissions (CO₂, PM₁₀, dust) on the road; (ii) storm-water discharges and contamination to nearby water bodies; (iii) separation of habitat of endangered species; (iv) access and indirect impacts to surrounding areas; (v) community health and safety hazards on the road; and (vi) noise from road traffic.
- 6.3 The Project has also the potential to cause indirect and cumulative impacts, including changes to land use, natural habitats, tenure and value, as well as increased migration to the Project area of influence due to improved accessibility. The EIA will need to analyze such impacts and define mitigation measures, if necessary.
- 6.4 Regarding control measures, site selection for mines, quarries, waste and materials storage areas and asphalt plants must be justified on environmental grounds; Threatened and endangered species habitats should be avoided, and tunnels to facilitate transit of species should be built if the road crosses critical habitat for these species. Native species nurseries should be established at the commencement of operations and a plan for planting and monitoring the well-being of plants for a period of three years after the end of operations.
- 6.5 In general, the Project is expected to produce a number of positive impacts to the region as the local communities such as: (i) improved traffic flow and connectivity; (ii) reduced travel time; and (iii) improved safety conditions. A well-implemented revegetation process using the required native species will improve biodiversity health.
- 6.6 It will be necessary to incorporate specialized social and environment support to supplement the UCE's capacity. The Project should incorporate a consulting firm/ and or consultants to prepare the EIA, and the resettlement plan.

- 6.7 During analysis the actual impacts of the project should be fully assessed in order to agree with the UCE mitigation measures and tools to address impacts in order to comply with Bank policies.

VII. ENVIRONMENTAL AND SOCIAL STRATEGY FOR ANALYSIS

- 7.1 The Bank will conduct an Analysis Mission to verify that all of the Project's relevant environmental and social impacts and risks have been, or will be, properly and adequately evaluated, and mitigated, in terms of their completeness, sufficiency of detail, feasibility, cost, definition of responsibility, schedule, and quality control.
- 7.2 Analysis will specifically focus on the following aspects:
- a. assess if all environmental and social studies have been conducted before board presentation including an Alternatives Analysis, which should be included in the EIA, describing the process of Project redesign to avoid sensitive areas and reduce impacts;
 - b. assess potential adverse socio-economic impacts of construction activities along the road such as involuntary resettlement or economic displacement, as well as indirect and cumulative impacts, if any;
 - c. ensure that adequate and timely consultation process is in place comprising key stakeholders namely: local authorities and population potentially affected by involuntary resettlement and/or economic displacement;
 - d. corroborate that an adequate Archaeological Study has been conducted within the Project area and ensure that a Chance Find Procedure will be in place during construction;
 - e. assess the adequacy of the Traffic Plan to warrant road safety during construction and once the road becomes is in operation;
 - f. evaluate the adequacy of the Environmental and Social Management System including health and safety procedures to be implemented during construction and operation; adequate level of training to be performed, and sufficient resources to be made available to ensure adequate implementation;
 - g. promote the establishment and effectiveness of the Project's Grievance Mechanism to be in place by construction;
 - h. determine if the Project has been developed and will be implemented in compliance with the environmental laws and regulations of Haiti;
 - i. ensure the Project's compliance with IDB's Environmental and Safeguards Compliance Policy (OP-703) and that an Environmental Action Plan will be in place order to address identified risks;
 - j. review the Preliminary Resettlement Plan to ensure compliance with Bank's Involuntary Resettlement Policy (OP 710) comprising adequate consultation;

- k. a determination of key indicators and requirements for the project execution, complete with timelines and milestones;
 - l. an evaluation to confirm adequate contingency plans (i.e. emergency and spill plans), including confirmation that all relevant project-specific environmental risks have been identified, proper procedures have been developed, and sufficient resources will be made available to ensure adequate implementation;
 - m. an evaluation of project-related information disclosure and public consultation activities that have been performed and the proposed future actions to provide adequate ongoing information disclosure and public consultation with the local population;
 - n. an evaluation, and further development as necessary, of project (loan agreement) monitoring/supervision procedures to ensure proper implementation of environmental, social, and health and safety actions and requirements;
 - o. an evaluation of environmental, social and health and safety terms and conditions in relevant project legal documents (e.g. concession contract, construction contract, operations and maintenance contract, etc.), in terms of sufficiency e.g. of penalties for non-compliance, potential risks or liabilities, or issues.
- 7.3 An Environmental and Social Management Report (ESMR) will be prepared by the Project Team to analyze and propose the management of the environmental and social aspects of the Project.

**INDEX OF COMPLETED AND PROPOSED SECTOR WORK
(HA-L1104)**

Issues	Description	Dates	Link to the Document
RN-5. Engineering designs	RN5 - Lot 1 - Carrefour Joffre – Gros Morne	2017	Engineering Designs RN5 – lot 1. Carrefour Joffre – Gros Morne
	RN5 - Lot 2 - Gros Morne – Basin Bleu	2017	Engineering Designs RN5 – lot 2. Gros Morne – Basin Bleu
	RN5 - Lot 3 - Basin Bleu – Port-de-Paix	2017	Engineering Designs RN5 – lot 3. Basin Bleu – Port-de-Paix
RN-5. Economic study	Economic Evaluation of the rehabilitation of RN5	2017	Economic Evaluation Sample Project Component 1 – RN5 Carrefour-Joffre – Port-de-Paix
Departmental Roads – Feasibility Studies	Feasibility Study RD100K	2016	Feasibility Study RD100K
	Feasibility Study RD106	2016	Feasibility Study RD106
	Field Visit Report RD501	2017	Field Visit Report RD501
Road maintenance	Road Maintenance Workshop organized by the MTPTC	2016	MTPTC Road Maintenance Workshop April 2016
	Diagnostic on Road Maintenance and investment scenarios	2015	MTPTC Road Maintenance Diagnostic 2015
	Study on the impact of Road Maintenance on Haiti's economy	2016	Maintenance impact on economic growth
Data analysis for reporting on results	Freight Logistics Statistics Yearbook for latin America and the Caribbean	2014	Freight Logistics Statistics Yearbook for Latin America and the Caribbean (2014)
	MTPTC Road Inventory of National and Departmental Road conditions in the Nord Region	2015	MTPTC Road Inventory on Nord Region

	MTPTC Road Inventory of National and Departmental Road conditions in the Center Region	2015	MTPTC Road Inventory on Center Region
	MTPTC Road Inventory of National and Departmental Road conditions in the South Region	2015	MTPTC Road inventory on South Region
	IDB Execution Unit	2017	Aid Memoire of IDB Execution Unit (Mission July 21-22, 2017)
Social and environmental Safeguards	RN-5. Environmental Assessment	2017	Environmental Assessment (EA)
	RN-5 – Lot 1. Resettlements Action Plan	2017	RN5 lot 1 Resettlement Action Plan (RAP)
	RN-5 – Lot 2. Resettlements Action Plan	2017	RN5 lot 2 Resettlement Action Plan (RAP)
	RN-5 – Lot 3. Resettlements Action Plan	2017	RN5 lot 3 Resettlement Action Plan (RAP)
	Safeguard and Screening Form	2015	Safeguard Screening Form (SCF) and Safeguard Policy Filter Report (SPF)
Other key issues, such as donors, gender, sustainability, country/sector issues	Study on the importance of the road sector in Haiti's Economy	2016	Importance of the road sector in Haiti
	National Strategy on Road Safety	2015	National Strategy on Road Safety
	Summary of IDB's gender intervention in the transport sector	2017	Summary of IDB's Gender Interventions
	Preparation of a Gender Action Plan. Summary of interviews with key actor working in Haiti	2017	Gender Action Plan – Summary of interviews with key actors working in Haiti

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¹ The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.