

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

SECOND AND FINAL PROGRESS REPORT
ON THE IMPLEMENTATION OF MANAGEMENT'S ACTION PLAN IN RESPONSE TO
THE INSPECTION PANEL INVESTIGATION REPORT (REPORT 148927-BR) ON THE

BRAZIL
TERESINA ENHANCING MUNICIPAL GOVERNANCE AND QUALITY OF LIFE PROJECT
ADDITIONAL FINANCING
(LOAN NO. 8586-BR)

DECEMBER 14, 2022

Brazil

**Teresina Enhancing Municipal Governance and Quality of Life Project Additional
Financing**

Progress Report No. 2

Implementation of Management Action Plan

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**Second and Final Progress Report on the Implementation of Management’s Action Plan
in Response to the Inspection Panel Investigation Report on the
Teresina Enhancing Municipal Governance and Quality of Life Project
Additional Financing (Loan No. 8586-BR)**

I. INTRODUCTION

Background

1. This is the second and final Progress Report to the Board of Executive Directors (the Board) on the implementation of the Management Action Plan (MAP) in response to the Inspection Panel Investigation Report No.148927-BR on the Brazil – Teresina Enhancing Municipal Governance and Quality of Life Project Additional Financing, covering activities and information available for the period December 16, 2021 to October 20, 2022. The [first progress report](#) was submitted in December 2021. This second and final Progress Report documents the conclusion of all the actions contained in the MAP.

2. *Project.* The Teresina Enhancing Municipal Governance and Quality of Life Project – locally referred to as the *Programa Lagoas do Norte* was approved on March 27, 2008. Its Project Development Objective (PDO) was to modernize and improve the management capacity of the Municipality of Teresina (the Borrower) in the financial, urban, environmental, service-delivery, and economic development fields and to improve the quality of life of the low-income population in the *Lagoas do Norte* region. The Project had a total cost of USD160 million, of which USD119 million were financed with two consecutive IBRD loans. A USD31 million loan (Loan No. 7523-BR) was fully disbursed upon its closure in June 2016 and a USD88 million loan (Loan No. 8586-BR), part of an additional financing approved in February 2016.

3. *Project Status.* The Project closed on April 15, 2022. The final Implementation Supervision Report’s PDO rating was moderately unsatisfactory and the Implementation Completion Report is currently under preparation. The Project has achieved its targets regarding improving the Municipality management capacity, but only a few of those related to improving the quality of life of the low-income population in the *Lagoas do Norte* region. While the original Project’s scope has been largely completed, the progress on activities under the additional financing was very limited. At closing, only 24 per cent of the additional financing was disbursed, leading to an overall disbursement rate of 44 per cent and the cancellation of USD67 million.

Summary of Panel Process

4. *Request for Inspection.* On August 13, 2019, the Inspection Panel (IPN or “the Panel”) registered a [Request for Inspection](#), IPN RQ 19/10 (hereafter referred to as “the Request”), of the Project. The Request, submitted by 202 families of Teresina’s Mafrense and São Joaquim neighborhoods who opposed their resettlement under the Project, claimed alternative Project designs would allow them to keep their homes and alleged the Project had been causing cultural, social, and economic harm, was leading to impoverishment, and lacked adequate disclosure of information, consultation, and participation. Management provided its [Response to the Request](#) on October 22,

2019. In its [Eligibility Report](#) to the Board on November 25, 2019, the Panel found the Request eligible for inspection and recommended that the Executive Directors authorize an investigation.

5. *Investigation.* The Board approved an investigation into the allegations of harm arising from instances of non-compliance by the Bank with its operational policies and procedures. On July 22, 2020, the Panel issued an [Investigation Report](#), to which Management responded with its [Management Report and Recommendation](#) on September 30, 2020, which contained the proposed Management Action Plan (MAP). On December 1, 2020, the Bank's Board considered both reports and approved the MAP.

II. PROGRESS OF MANAGEMENT ACTION PLAN IMPLEMENTATION

6. *Overview of MAP implementation progress.* As shown in Table 1 below, all MAP actions have either been completed or are no longer applicable following cancellation of part of the financing.

MAP Actions that are no longer relevant due to cancellation of activities

7. In the fall of 2021, considering continued delays, the Bank and the Borrower agreed that the Project closing date would be extended by three months to complete outstanding environmental and social safeguards actions. All pending social, and most environmental safeguard actions, were ultimately completed after the Closing Date, and supervised through a post-closing safeguard action plan. The Borrower also decided to terminate works that had not started and cancelled the Project balance. Consequently, those MAP actions associated with the cancelled works are no longer relevant as they will not be implemented by the Borrower or supervised by the Bank. This was indicated by the Borrower to the Bank and confirmed by the Bank in the letter sent to the Borrower on June 14, 2022, which indicates that the Bank “*also acknowledge[s] the Municipality’s confirmation that, at the time of the Closing Date, works for the macro drainage No. 1 and 2 that had been initiated were suspended, and that no works for dikes had been initiated. It is the Bank’s understanding that the Municipality currently has no plans to resume or start these works after the Closing Date.*”

8. The cancellation of these works reduced adverse impacts related to land acquisition and involuntary resettlement on the banks of the Oleiros Lagoon – where the communities of São Joaquim and Mafrense are located - and on the crest of the dike along the Boa Esperança Avenue,. Four Resettlement Action Plans (RAP1, RAP 2, RAP3 and RAP 4) were prepared, consulted and non-objected by the Bank to address and compensate the resettlements requirements on the banks of the Oleiros Lagoon. They were not fully implemented as some actions were no longer required. As such, below is a summary of the RAP-related actions that were completed and those that were cancelled:

- RAP 2. RAP 2 covered the southeast bank of the Oleiros Lagoon, between Raimundo Pereira Sampaio and Roland Jacob streets. It was divided into 2 sections. Section 1 of RAP 2 is fully implemented. In Section 2, only the emergency and preventive resettlement of families at risk of flooding and the families that already expected to relocate before the works were canceled was implemented. The envisaged works under RAP 2 requiring land acquisition did not start and were cancelled.
- RAP 3. RAP 3 covered the northwest bank of the Oleiros Lagoon, between Jim Borrvalho street and the pumping stations. It was divided into 2 sections. Section 1 of RAP 3 has been fully implemented; but, in Section 2, only emergency and preventive resettlements of families at

risk of flooding and the families that already expected to relocate before the works were canceled were implemented. The envisaged works under RAP 3 requiring land acquisition did not start and were cancelled.

- RAP 4. RAP 4 covered the southwest bank of the Oleiros Lagoon, between 11th Street (Vila Apolônia) and the mouth of the Poty river. It was not implemented. The municipality only carried out emergency and preventive resettlement of families whose homes were at risk of flooding due to the rains in late 2021/early 2022. The Bank ascertained that this resettlement was done in accordance with the requirements of OP 4.12. The envisaged works requiring land acquisition did not start and were cancelled.

III. CONSULTATIONS WITH REQUESTERS ON MAP IMPLEMENTATION PROGRESS

9. *Consultations*. Invitations to participate in consultations on MAP implementation were sent to the communities of Mafrense and São Joaquim on August 25 and reminders were sent on August 30 and September 9, 2022. The consultations were held virtually on September 15, 2022, with the community of Mafrense and on September 22, 2022, with the community of São Joaquim, with participants located in Washington, DC, Brasilia, and Teresina. A total of 7 representatives of the Requesters participated, 3 from the community of Mafrense and 4 from the community of São Joaquim. There was no limit on the number of participants set by the Bank. The Bank team facilitated the meetings with a moderator. During the consultations, the status of implementation progress and completion of the MAP actions was presented. Then community members were invited to provide feedback or ask questions. The opportunity to participate was open to every participant without limitation as to time or number of questions. The consultations did not include representatives from the Government, Borrower, or the implementing agency.

10. *Feedback*. Participants from both communities had little to say about MAP implementation: one participant asked how to access the data and results of the post-resettlement satisfaction survey, and another participant asked for clarifications about the GRM mechanism, and the platform now used by the Municipality to register requests for information and grievances related to Project activities (KoboToolbox). Community members confirmed that the Municipality had informed them the Project had closed. They generally expressed regret that the Project did not continue, as some activities originally planned will not be implemented and the Project's objectives will not be entirely met. Some participants stated that the cancellation of drainage works left them vulnerable to floods during the rainy season, although they had previously challenged that in their Request for Inspection.¹ Other participants indicated that the living conditions for those who stayed in the area had become unsafe, with a high level of vandalism and drug trafficking, and that some who were relocated had difficulties finding a job near their new home.

11. This Progress Report will be provided to the Requesters, and publicly disclosed on the Bank's website.

12. This is the final Progress Report given that all MAP items have been completed.

¹ The Borrower decided to terminate works that had not started and to cancel the Project balance.

TABLE 1 – STATUS OF BORROWER & BANK ACTIONS AS OF AUGUST 31, 2022

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
1.	<p>Lagoas do Norte: Inner Urban Area Flood Mitigation</p> <p><i>Analysis of alternatives for establishing the permanent water level is inadequate and in non-compliance with Bank Policy on Environmental Assessment, OP 4.01, paragraphs 2 and 8 (a), and Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 2 (a).</i></p>	<p>(i) The Borrower agreed to implement an information campaign in a language understandable to the residents around the Oleiros Lagoon to inform and increase awareness about: (i) the importance of the Lagoas do Norte’s Drainage System to reduce flooding in the entire region; (ii) the need for the Oleiros Lagoon’s water level to maintain the 55-m ASL level as per the results of the Hydraulic Modeling Study of the Drainage System to avoid flooding in the riparian areas; and (iii) the operational pumping regime operated by the <i>Superintendência de Desenvolvimento Urbano Centro Norte</i>.</p> <p><i>Timeline: Processing of the Communication firm’s contract amendment by December 15, 2020.</i></p>	<p>(i) Completed.</p> <p>A review of the Communication firm’s contract revealed that no amendment was needed to include the implementation of the information campaign.</p>	<p>The Bank will review and advise on the information campaign through knowledge and good practice sharing.</p> <p><i>Timeline: By January 2021</i></p>	<p>Completed.</p> <p>The Bank reviewed the draft information campaign concept, provided written comments on January 22, 2021, and presented its comments through a virtual meeting on April 13, 2021.</p> <p>The Bank provided additional comments to a much-improved version on May 24, 2021.</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
		<p>(ii) The Borrower will start the informational campaign.</p> <p><i>Timeline: By January 2021 and continuing until the end of the Project with bi-annual frequency.</i></p>	<p>(ii) Completed.</p> <p>The information campaign was launched on June 30, 2021, with various videos and complementary posts explaining how the drainage system works. These were made available on WhatsApp, Instagram, and Facebook. Regular meetings with community leaders, community groups, and schools were also organized. Details on the campaign's implementation were submitted to the Bank as part of the semi-annual progress report submitted by the Borrower on June 6, 2022.</p> <p>https://www.instagram.com/tv/CQwV6IPjQpK/?utm_medium=copy_link</p> <p>https://fb.watch/7Dor2zgf2J/</p>	N/A	N/A
2.	<p>Adequacy of Compensation</p> <p><i>Due to recent housing price inflation, the R\$77,000 cap established for the monitored resettlement, while it may have been adequate initially, has not reflected full replacement cost since</i></p>	N/A	N/A	<p>The Bank will undertake a housing market study to establish the availability of houses in the area under the R\$77,000 cap, i.e., the average value of social housing in the region. The findings of the study will inform the Bank's evaluation of the viability of the resettlement options offered to Project-affected people in compliance with OP 4.12, and</p>	<p>Completed. The market study was completed on February 25, 2021.</p> <p>The Bank presented the study results to the PIU on March 29, 2021.</p> <p>The study indicates limited housing supply within the price ceiling for monitored</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
	<i>2018. This is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 6 (a) (iii).</i>			of the need to update the monitored resettlement cap. <i>Timeline: By January 31, 2021</i>	resettlement in areas within 10km of the Project area. The Bank's evaluation was that this resettlement option did not need to be eliminated, as it could be interesting for families willing to look for monitored resettlement housing beyond 10 km from the Project area. In addition, and despite the results of the study, there was evidence that families that recently opted for monitored resettlement were able to find new houses within the Project's area below the R\$77,000 cap.
3.	<i>The Project was in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, for displacing people and dismantling houses prior to payment of compensation or readiness of the resettlement site. However, with Management's assurances in its Response that displacement will occur after compensation, and that eligible owners of dismantled structures will be compensated in line with Bank policy,</i>	The Borrower has agreed to provide evidence to the Bank of payment of compensation to the eligible identified owners of the dismantled structures, in line with Bank policy. <i>Timeline: By June 30, 2021</i>	Completed. The Borrower shared with the Bank the evaluation reports of the dismantled assets on August 27, 2021 of the 7 potential owners that had been identified at the time of MAP preparation. These 7 potential owners have submitted evidence of their ownership of the structures and following the review the Borrower's review of the evidence presented by those 7 potential owners, 5 were confirmed as eligible identified owners of the structures affected and, hence, entitled to receiving	The Bank will review the evidence of payment of compensation to the eligible identified owners of the dismantled structures, in line with Bank policy. <i>Timeline: By July 31, 2021</i>	Completed. This action was completed after the PIU compensated the five eligible identified owners. The Bank reviewed the process of identification and confirmation of eligibility of owners of dismantled structures and also the asset evaluation methodology to ensure the compensation to be provided was in line with OP 4.12 and deemed both acceptable. The Bank also reviewed the evidence submitted by the PIU on March 15, 2022 documenting the payments made to the five eligible

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
	<i>the Panel finds that the Project is now in compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 10.</i>		<p>payment of compensation, in line with Bank policy. The PIU has guided the 5 identified eligible owners through the administrative process of lost assets evaluation and compensation. The compensation payments due to these 5 identified owners were made in December 2021.</p> <p>As agreed with the Borrower, the Project GRM remains open until the conclusion of the implementation of the MAP to allow other potential owners of the remaining dismantled structures who have not yet been identified and compensated to come forward and present evidence of ownership so that they can be compensated. The Project's social media and other communication channels were used to disseminate this information widely in the Project area. No additional people have come forward to claim rights over the dismantled structures.</p>		identified owners and found it to be acceptable.
4.	Identification of Project-affected People (PAPs), Census, and Socioeconomic Data	(i) The Borrower has agreed to implement any follow up measures to:	<p>(1) Completed.</p> <p>The Post-resettlement Satisfaction Survey was completed ahead of time in</p>	(i) The Bank will review the findings of the Post-resettlement Satisfaction Survey for families that were resettled prior to June 30, 2020	<p>(i) Completed.</p> <p>The Bank reviewed the Survey Report, Survey database and the resettlement process records</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
	<p><i>The lack of comprehensive socioeconomic data regarding production systems, labor, and household organization, and data on livelihoods, is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, Annex A, paragraph 6 (a).</i></p>	<p>(1) the Post-resettlement Satisfaction Survey</p> <p><i>Timeline: Completion of Survey by February 1, 2021; submission of Survey report by March 15, 2021</i></p>	<p>December 2020. The Survey Report was submitted to the Bank on May 30, 2021 (2-month delay) and the Survey database in July 2021. The Borrower submitted a revised version of the Survey Report on September 4, 2021 that addressed the Bank's comments.</p> <p>Per the Bank's recommendation, the Borrower carried out a more in-depth assessment of 3 families who believed and alleged they had suffered income losses as a result of resettlement, to confirm whether or not they were compensated in line with RAP requirements. Further to such assessment, the Borrower and the Bank agreed on additional compensation measures for one of the three families, which consisted of fencing for a plot of land acquired with the compensation paid and the drilling of a water well. The Borrower completed the implementation of these additional measures in January 2022.</p>	<p>and recommend to the Borrower additional assistance measures that may be necessary to meet the objectives of OP 4.12 and assist Project-affected people in their efforts to improve their livelihoods and standards of living or at least to restore them to pre-displacement levels (as provided in the RAPs and in the Parque Brasil revised social work plan).</p> <p><i>Timeline: Following completion of the Post-Resettlement Survey, by no later than March 31, 2021</i></p>	<p>and provided comments on August 17, 2021.</p> <p>Completed.</p> <p>The Bank provided recommendations to improve the Survey report and a request to carry out a more in-depth assessment of the three families. Following the Bank's review of the Borrower's in-depth assessment, the Bank considered that the compensation and assistance package to one of the three families did not fully meet OP 4.12. As a result, the PIU and the Bank agreed on additional measures for assistance and compensation for that family and the Bank supervised the implementation of the measures, to ensure compliance with OP 4.12 requirements.</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
		<p>(2) the RAP Completion Reports, which are recommended by the Bank, in line with the requirements of the RAPs and OP 4.12.</p> <p><i>Timeline: Two weeks after the Bank's advice is issued on RAP Completion Reports, the Borrower will agree with the Bank on a timeline for implementation of the Bank's recommendations to comply with OP 4.12.</i></p>	<p>(2) Completed.</p> <p><u>Mocambinho RAP:</u> The Bank and the Borrower agreed on a timeline for implementation of the additional assistance measures recommended by the Bank to comply with OP 4.12 on October 6, 2021. Additional compensation measures (namely, the fencing of the land area acquired with the compensation and the drilling of a water well) were agreed with the PAP and were completed in January 2022. The affected person expressed his high satisfaction with the resettlement process during an interview and survey conducted on February 15, 2022. The PIU submitted a new version of the Mocambinho RAP Completion report in May 2022.</p> <p><u>Matadouro RAP:</u> The Borrower submitted the Completion Report of Matadouro RAP on April 7, 2022, which after further review was approved by the Bank on June 1, 2022.</p>	<p>(ii) Following completion of each RAP and its Completion Report to be carried out by the Borrower, the Bank will review the report's findings, including data on production levels and income derived from both formal and informal economic activities, and information on the standards of living of the displaced population and advise the Borrower if additional assistance measures to meet OP 4.12 are required.</p> <p><i>Timeline: Four weeks after the report's submission to the Bank, the Bank will provide advice to the Borrower on potential additional assistance measures before giving its no-objection to the completion of such report.</i></p>	<p>(ii) Completed.</p> <p><u>Mocambinho RAP:</u> The Bank received the Mocambinho RAP Completion Report on February 18, 2020 and recommended additional assistance measures on March 16, 2020. After those measures were implemented, the Bank received a Report on the completion of the payment of the additional compensation measures (including a satisfaction form filled with the affected person) on June 21, 2022.</p> <p><u>Other RAPs.</u> The Bank received the Completion Report for the Matadouro RAP on April 7, 2022, and, further to its review, approved it on June 1, 2022.</p> <p>The Bank received a consolidated Completion Report for RAP 1, RAP 2 Section 2, RAP 3 Section 2 and parts of RAP 4 on June 29, 2022 and, following its review, approved it on August 15, 2022.</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
			<p><u>Other RAPs:</u> Works in the areas covered by RAP 2 (Section 2), RAP 3 (Section 2) and RAP 4 did not start and were cancelled; consequently, only the emergency and preventive resettlement of families at risk of flooding in 2021/2022 and the families that already expected to relocate before the works were canceled, was implemented in those sections. The Borrower carried out a door-to-door communication campaign informing the local population that these works were cancelled and there would no longer be adverse impacts related to involuntary resettlement. The Borrower submitted a Consolidated Report on RAP 1, RAP 2 Section 1 and RAP 3 Section 1, as well as on the preventive resettlement of families at risk of flooding and the families that expected to relocate before the works were canceled in the areas of RAP 2 Section 2, RAP 3 Section 2 and RAP 4. This report was approved by the</p>		

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
			Bank, after further review, on June 29, 2022.		
5.	<p>Vulnerabilities and Disruption of Social Networks</p> <p><i>There is a risk of harm to some of the PAPs because the Project failed to pay particular attention to providing resettlement assistance to the vulnerable. This is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 8.</i></p>	<p>(i) The Borrower has agreed, for resettlement carried out on or after October 1, 2020, to create a register with information on the assistance provided to the vulnerable Project-affected households and will start including such data in the semi-annual Project reports (Progress Reports) submitted to the Bank.</p> <p><i>Timeline: Starting with the Report submitted to the Bank covering the second semester of 2020 and due on March 1, 2021 and continuing until Project closing.</i></p>	<p>(i) Completed.</p> <p>The register was created using the KoboToolbox² and includes information on the assistance provided to the vulnerable affected households.</p> <p>This information was included in the semi-annual Progress Reports, starting with the second semester of 2020, sent to the Bank on May 30, 2021 (and revised on June 6, 2022).</p> <p>Eleven vulnerable families requiring special attention were identified and have been provided assistance by the Borrower, including through priority referral to social protection programs.</p> <p>The RAP Implementation Completion Reports included a full section on the additional assistance provided to all vulnerable families.</p>	N/A	N/A

² The KoBoToolbox is an open-source suite of tools for data collection and analysis that was developed by the Harvard Humanitarian Initiative, for use in humanitarian emergencies and other challenging environments.

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
		<p>(ii) The Borrower has agreed to revise the social work plan (SWP) prepared for Parque Brasil to cover all vulnerable Project-affected households that opt for the monitored resettlement or cash compensation option after October 1, 2020. The revised social work plan will include promoting community organization, income generation activities through job requalification and vocational training, and environmental education targeting vulnerable people resettled under the Project.</p> <p><i>Timeline: By December 15, 2020</i></p>	<p>(ii) Completed.</p> <p>The social work plan prepared for Parque Brasil was revised on time (December 15) and now covers both PAPs resettled in Parque Brasil and affected vulnerable families that opted for the monitored resettlement or cash compensation option after October 1, 2020, and includes the details listed in the previous column.</p>	<p>(i) The Bank will review the Borrower's revised social work plan and provide comments.</p> <p><i>Timeline: By January 31, 2021</i></p>	<p>(i) Completed.</p> <p>The Bank reviewed the revised social work plan and provided comments on December 15, 2020. It included:</p> <p>a) Income generation activities through job requalification and vocational training (courses were offered on hygiene and food handling practices, administrative services, quality customer service, beauty parlor services, eyebrow design, concierge agent, marketing and social media, gastronomy and elderly caregiver. They were and attended by 166 affected people).</p> <p>b) Family financial training, women's insertion in the labor market and community leadership support (244 people enrolled)</p> <p>c) Referral of vulnerable families to health, education, and social protection programs benefiting more than 300 people, including women and children that were victims of domestic violence; and</p> <p>d) Environmental education (183 people enrolled).</p>
		<p>(iii) This action is the same as that presented in Item 4 (i) above.</p>	<p>(iii) This action is the same as that presented in Item 4 (i) above.</p>	<p>(ii) This action is the same as those presented in Items 4 (i) and (ii).</p>	<p>(ii) This action is the same as those presented in Items 4 (i) and (ii).</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
6.	Reestablishing Livelihoods to Avoid Impoverishment <i>Management did not ensure the establishment of programs to assist PAPs in their efforts to improve – or at least restore – their livelihoods and standards of living, and therefore is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 2 (b).</i>	(i) The Borrower has agreed to create a register with information on all the livelihood restoration assistance provided to Project-affected households after October 1, 2020 and will start including such data in the semi-annual Progress Reports submitted to the Bank. <i>Timeline: Starting with the Report submitted to the Bank covering the second semester of 2020 and due on March 1, 2021 and continuing until Project closing</i>	(i) Completed. The register created using the KoboToolbox identifies all people who had their livelihood affected by the Project-related resettlement and includes detailed information on livelihood restoration support provided under the Project to such Project-affected people. This information has now been systematically included in the semi-annual Progress Reports, starting with the one for the second semester of 2020.	(i) This action is the same as those presented in Items 4 (i) and (ii).	(i) This action is the same as those presented in Items 4 (i) and (ii).
		(ii) This action is the same as that presented in Item 4 (i) above.	(ii) This action is the same as that presented in Item 4 (i) above.	N/A	N/A
7.	<i>The displaced people were not offered assistance for a transition period after displacement, based on the time needed to restore their livelihoods or standards of living. This is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 6 (c) (i).</i>	(i) The Borrower has agreed to create a register of all the transitional assistance that will be provided to Project-affected households after October 1, 2020 and start including such data in the semi-annual Project reports (Progress Reports) submitted to the Bank. <i>Timeline: Starting with the Report submitted to the Bank covering the second semester</i>	(i) Completed. The information on this action is the same as that presented in Item 5 (i) above.	(i) The Bank will review the register of all the transitional assistance that will be provided to Project-affected households, as reported in the Borrower’s bi-annual Project Progress Reports. <i>Timeline: Starting with the Report submitted to the Bank covering the second semester of 2020 – comments due by March 22, 2021 – and three weeks</i>	(i) Completed. The Bank has been reviewing the register of all transitional assistance provided to Project-affected households, by carefully analyzing the data provided in the semi-annual Progress Reports starting with the one for the second semester of 2020. Transitional assistance was provided in the form of cash compensation to economically displaced people

No.	Finding	Borrower Actions		Bank Actions	
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		<i>of 2020 and due on March 1, 2021 and continuing until Project closure.</i>		<i>after submission of subsequent reports until Project closure.</i>	with temporary income loss. It also included job requalification and vocational training. The Post-resettlement Satisfaction Survey showed that all affected people were able to restore their incomes. After reviewing the evidence provided by the Borrower, the Bank requested that three people with affected incomes be better compensated, which was done, allowing these people to restore or even improve their incomes.
		(ii) This action is the same as that presented in Item 4 (i) above.	(ii) This action is the same as that presented in Item 4 (i) above.		
8.	Grievance Redress Mechanism <i>The lack of information about GRM processes and timelines, the unclear roles and responsibilities of its various actors, the inadequate training and capacity of the Mobilization Committee, and the lack of access to COLAB by a large part of the affected community is in non-compliance with Bank Policy on Involuntary</i>	(i) The Borrower will adopt the recommendation of the assessment to be carried out by the Bank (see Bank action). <i>Timeline: By March 31, 2021</i>	(i) Completed. The Borrower adopted the recommendations of the GRM assessment by presenting a timeline showing priorities and action implementation, including additional training and dissemination. As a result, the Project had a new GRM, developed specifically for it, and taking into account the GRM assessment recommendations. The following channels were available for registering	The Bank will carry out an assessment of the GRM to identify potential gaps in its application, including in-person communications on grievances, to meet the requirements of OP 4.12. <i>Timeline: By January 31, 2021</i>	Completed. The GRM assessment report was completed on February 5, 2021. This report was shared with the Borrower on March 31, 2021, at which time the Bank presented the findings of the GRM assessment report, including recommendations on how to improve it, via a virtual meeting.

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
	<i>Resettlement, OP 4.12, paragraph 13 (a).</i>		<p>complaints: in person in the Project Social Team Unit office, the Project Implementation Unit office and the Parque Brasil Social Office; by telephone to the UPS (social unit) and PIU numbers; by e-mail; by mail; via social media, including WhatsApp, Facebook, and Instagram.</p> <p>The Municipal Ombudsman Office works as a second tier for appeals.</p> <p>The Project-specific GRM remains fully operational for two purposes: (i) to address any complaints related to the implementation of ongoing activities to address environmental safeguard issues that need to be completed as part of the agreed post-closing safeguard action plan and (ii) as agreed with the Borrower (and previously mentioned in Action 3) to allow potential owners of the dismantled structures that have not been identified yet to come forward. Since October 2020, when the GRM was upgraded following the assessment made by the Bank, the new mechanism has registered</p>		

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
			148 requests for information and/or complaints. One third of these were requests for information about the closure of the Project after the communication campaign on Project closing carried out in January 2022. There were also a few complaints about delays in compensation payments (5% of the requests), solved since then, as all compensations were paid, Other requests related to attendance by the Project's social assistance team (22%), for garbage collection (7%), and for referral to other housing and/or social programs held by the municipality (2%). Finally, the GRM also registers requests of information on subjects related to the management of the Parque Brasil housing complex (30%).		
		(ii) The Borrower has agreed to provide additional training on complaints handling to the UPS team, the Supervising firm, and the works firms. <i>Timeline: By April 30, 2021</i>	(ii) Completed. Six additional training sessions were organized and delivered between April and August 2021 on complaints handling targeting both the UPS staff (social unit within		

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
			the PIU) and the Supervising firm.		
		<p>(iii) The Borrower has agreed to continue disseminating information on the GRM on the Project's website, and Facebook and Instagram accounts subject to local restrictions by electoral laws. The Borrower also agreed, after pandemic restrictions are lifted, to distribute leaflets to Project-affected families after receiving the Bank's no-objection to the leaflet.</p> <p><i>Timeline: Starting in January 2021 and continuing bi-annually until Project closing</i></p>	<p>(iii) Completed.</p> <p>Dissemination of information on the GRM resumed on April 1, 2021, as soon as the PIU was re-established, through publication of information about it on the Project's website, and its Facebook and Instagram accounts.</p> <p>Evidence of the information dissemination activities has been provided as part of the semi-annual Progress Report submitted on September 4, 2021.</p>	N/A	N/A
9.	<p>Supervision</p> <p><i>Management supervision prior to submission of the Request was insufficient to identify key issues and challenges related to the resettlement, and therefore did not provide adequate Project implementation support. The Panel finds this is in non-compliance with Bank Policy on Investment</i></p>	N/A	N/A	<p>The Bank will continue to apply appropriate supervision arrangements.</p> <p><i>Timeline: until Project closing</i></p>	Completed.

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
	<i>Project Financing, OP 10.00, paragraph 19.</i> <i>Management supervision after submission of the Request is in compliance with Bank Directive on Investment Project Financing, paragraph 43.</i>				
10.	<i>Management is in non-compliance with Bank Policy on Involuntary Resettlement, OP 4.12, paragraph 24 for failing to ensure adequate monitoring and evaluation of resettlement implementation.</i>	N/A	N/A	(i) The Bank will monitor the review by the PIU of the external support firms' contracts, to strengthen their delivery of resettlement monitoring, evaluation, and reporting. The Bank will discuss with the Borrower any required adjustments to the contracts to address these issues. This will include support from an anthropology consultant to provide expert advice where RAP implementation involves the relocation of Afro-Brazilian cultural services. The Bank will work with the PIU to amend the external support firms' contracts, if deemed necessary. <i>Timeline: Amendment to contract signed by November 30, 2020</i>	(i) Completed. No contract amendment was necessary. The Bank provided the non-objection to the Terms of Reference for the anthropologist on November 10, 2020 and gave its no-objection to the anthropologist's CV on June 1, 2021. The anthropologist was hired and remained available to provide advice on RAPs implementation wherever Afro-Brazilian culture was concerned. This happened in RAP 1: one family using its property for Afro-Brazilian religious rituals opted to resettle in an area of its choice, allowing the continuation of the religious services.

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
				<p>(ii) The Bank will monitor the development and deployment by the PIU of a monitoring tool that produces up-to-date reports on the implementation of the RAPs and the ability of the PIU to register and incorporate beneficiary feedback on the resettlement process.</p> <p><i>Timeline: By December 15, 2020</i></p>	<p>(ii) Completed.</p> <p>The Bank provided over 10 training sessions on the use of the KoboToolbox and provided hands-on support and capacity building for the development of the registers.</p> <p>As a result, the PIU set up a monitoring tool using the KoboToolbox that can produce on-demand, up-to-date reports on the implementation of the RAPs, incorporating beneficiaries' feedback.</p>
				<p>(iii) The Bank will work with the PIU so that the enhanced resettlement monitoring, evaluation and reporting system continues to work satisfactorily.</p> <p><i>Timeline: Every six months until Project closing</i></p>	<p>(iii) Completed.</p> <p>The enhanced resettlement monitoring, evaluation and reporting system was operational until completion of resettlement under the Project, which took place before Project closure on April 15, 2022. The system generated on-demand and up-to-date reports on resettlement that provides inputs to, among others, the quarterly resettlement reports that were reviewed by the Bank and the semi-annual Progress Reports.</p> <p>The Bank provided over 10 training sessions on the use of KoboToolbox to the PIU and Supervising firm.</p>

No.	Finding	Borrower Actions		Bank Actions	
		Description	Status	Description	Status
				<p>(iv) The Bank will monitor the posting by the PIU of quarterly resettlement reports in an agreed format on the Project's website.</p> <p><i>Timeline: Quarterly until Project closing starting December 2020</i></p>	<p>(iv) Completed.</p> <p>The Bank monitored the posting by the PIU of the quarterly resettlement reports on the Project website until resettlement completion, which took place before Project closure.</p> <p>The last two updates for March 31, 2021 and June 20, 2021 are available at:</p> <p>https://semplan.pmt.pi.gov.br/wp-content/uploads/sites/39/2021/04/Tabela-Mestra-Reassentamento-31-03-2021-1.pdf</p> <p>And:</p> <p>https://semplan.pmt.pi.gov.br/wp-content/uploads/sites/39/2021/07/Tabela-Mestra-30-06-2021.pdf</p> <p>And:</p> <p>https://semplan.pmt.pi.gov.br/wp-content/uploads/sites/39/2022/02/Tabela-Mestra-31-12-2021.pdf</p>