

**PROJECT INFORMATION DOCUMENT (PID)
CONCEPT STAGE**

Report No.: AB2702

Project Name	Coastal Zone Integrated Management
Region	SOUTH ASIA
Sector	General agriculture, fishing and forestry sector (25%);Ports, waterways and shipping (10%);General water, sanitation and flood protection sector (30%);Solid waste management (25%);General public administration sector (10%)
Project ID	P097985
Borrower(s)	GOVERNMENT OF INDIA
Implementing Agency	MINISTRY OF ENVIRONMENT AND FORESTS
Environment Category	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C <input type="checkbox"/> FI <input type="checkbox"/> TBD (to be determined)
Date PID Prepared	February, 2007
Estimated Date of Appraisal Authorization	Januray, 2009
Estimated Date of Board Approval	May, 2009

Background

India has a coastline of about 7,500 km (5,400 km on the mainland), with nearly 250 million people living within 50 km of the coast. The coastal area accounts for 130 cities, including Mumbai, Chennai, Kolkata, Goa, Surat, and Thiruvananthapuram. A very significant share of India's economic infrastructure, including maritime facilities, petroleum industries, and import-based industries is located in the coastal zone, in addition to a large number of poor villages that depend on coastal fishing for livelihood. The coastal areas are also subject to recurrent natural disasters, such as cyclones and coastal floods, and the 2005 tsunami devastated large areas especially along the eastern coastal states. India's coastal zone is endowed with a wide range of mangroves, coral reefs, sea grasses, salt marshes, sand dunes, estuaries, lagoons, and unique marine and terrestrial wildlife.

Due to the increasing human population, urbanization and accelerated developmental activities, including industrial and maritime development, the coastal areas have been assuming greater importance in recent years. The anthropogenic activities have put tremendous pressure on the fragile coastal environment with negative impacts on current and future economic development opportunities. The tsunami and the global climate change debate have again brought the issue of coastal zone management into national public focus.

Up to now, the approach to managing India's coastal zone has been a purely regulatory one, as per the Coastal Regulation Zone Notification of 1991, promulgated under the Environment (Protection) Act of 1986. This approach does not provide room to balance coastal zone conservation and necessary economic growth in the area or seek convergence with other development activities. The 1991 notification restricts and controls development activities within a landward distance of up to 500 meters from the high tide line along the coasts. In the last decade, as the pressure of development has been growing, on one side there were

reported violations of the provisions of the notification, and on the other demands from the various economic sectors to rationalize it. Two attempts to amend the notification were struck down by the Supreme Court of India, primarily owing to the normative and non-systematic processes by which the amendments were prepared.

In July 2004, following the Prime Minister's Office's (PMO) recommendations, the Ministry of Environment and Forests (MoEF) constituted an Expert Committee, henceforth called the Swaminathan Committee after its Chairman Prof. M.S. Swaminathan, to carry out a comprehensive review of the Coastal Regulation Zone Notification, taking into account the findings and recommendations of previous committees, judicial pronouncements, and representations of various stakeholders, and to suggest suitable amendments. The Committee also had the mandate to make the regulatory framework consistent with well-established scientific principles of coastal zone management and more flexible, depending on the local characteristics of the coastal zone stretches to be protected. The Swaminathan Committee submitted its report in February 2005, recommending a number of reforms to facilitate conservation of ecosystems in the coastal zone, and at the same time promoting economic development and poverty reduction in the coastal areas – to be operationalized through a more strategic, decentralized but scientific preparation and implementation of a National Coastal Zone Management Program. The MoEF is now mandated by the PMO to revise the Coastal Regulation Zone Notification in light of the findings and recommendations of the Swaminathan Committee and to implement the recommendations of the Report (see Annex 1 for a summary of the recommendations). A new draft Notification titled *Coastal Zone Management* is expected to be posted on the MoEF website for public discussion by February 2007.

Rationale for Bank involvement

The MoEF and the Government of India have requested the Bank for support in the implementation of the Swaminathan Report and to be involved in the various initiatives undertaken to institute pro-active management of the Coastal Zone. A number of reasons support the case for Bank involvement. First, the recommendations in the Swaminathan Report are of major strategic importance for India's further development which will continue to be significantly located along the coast. The report aims to bring a more comprehensive and sustainable approach to the development of the coastal zone, which is home to almost a quarter of India's population. Bank support to this effort by GoI is in line with the Bank's engagement in India, expressed in the CAS, which focuses on environmental and social sustainability, poverty reduction and, increasingly in recent years, on reduction of vulnerability to climate change and disasters. Investing in a strategic approach to coastal zone management would support all these goals. Second, as shown above, there is strong Borrower commitment to this activity. Third, many of the Bank's investments, ranging from municipal infrastructure to rural water supply and irrigation, and also large infrastructure projects are in the coastal zone. Thus, this project would also support the sustainability and long-term effectiveness of other GoI investments, including Bank-financed ones, in various sectors.

Proposed project development objectives

The project would address the national, state, and local levels. The **development objectives** of the proposed project would be to

- ③ support the GoI and selected states to develop and implement an improved strategic and integrated management approach for India's coastal zones to preserve the long-term productivity of this highly-populated region for continued sustainable development and economic growth.

Preliminary project description

The project will have four components: (i) vulnerability and ecological mapping; (ii) institution building and strengthening at national level; (iii) development and implementation of state-level approaches to Integrated Coastal Zone Management; and (iv) project management. The costs for each component shown below are indicative at this early stage of preparation.

Component I: Vulnerability and Ecological Mapping (US\$25 million)

- ③ This component would include flood and erosional vulnerability and ESAs mapping and delimitation on the ground of different categories of coastal zones to be regulated for conservation and for protection against natural hazards. This would comprise of delimitation and mapping of coastal ecosystems and ecologically sensitive areas; demarcation of hazard zones susceptible to natural disasters and flooding; and verification and pilot assessments before revised national delimitation is undertaken. It would also take into account forecast impacts of climate change as applicable.

Component II: National Institution Building & Capacity Strengthening (US\$7 million)

- ③ This component would support national capacity building on coastal zone management: including the operationalization of a National Coastal Zone Management Authority of experts; establishment of a separate coastal zone management division within MoEF; development of relevant regulations and institutional set-ups guiding the linkages between the Center and the states in order to develop the nationwide approach to coastal zone management; and establishment of a National Institute for Sustainable Coastal Zone Management focusing on knowledge build-up and information sharing. In addition, the possibility of supporting two Regional Institutes for Sustainable Coastal Zone Management in different parts of India is going to be assessed during project preparation.
- ③ The component will be designed to actively link to the state-level institutional strengthening and capacity building in ICZM under Component III.

Component III – Development and implementation of state-level approaches to Integrated Coastal Zone Management (US\$70 million)

- ③ In this component, state-level approaches to ICZM would be developed and pilot projects would be implemented in specific geographical areas in the 3 selected states of Gujarat, Orissa and West Bengal. The component would focus on:
 - a. strengthening and capacity building of state-level Coastal Zone Management Authorities (current state authorities function on a committee basis, mainly

dealing with ad hoc concerns and without continuous institutional or physical presence) and the relevant State administrative units in charge of integrated coastal zone management (for instance State Environment Departments), and their linkage with the national coastal zone management system (see Components I and II), and

- b. demonstration investments in critical areas related to conservation of the coastal environment, which would test the practical application of the coastal zone management approach in those states, as advocated in the Swaminathan Report. This would include development of integrated CZM plans, for instance with regard to tourism and eco-tourism. The focus would be to develop and implement operational models for integrated coastal zone management that could provide lessons for scaling-up.
- c. The pilot activities could include conservation and restoration of mangroves, including a few particularly relevant ones as a natural protection to valuable economic infrastructure; support to developing medium and small-scale coastal tourism facilities and networks, with linkage to improve the economic earning opportunities of the poor, and complementary reform and institution building (e.g. preparation of integrated coastal zone management plans for a few areas, such as areas to be managed by *panchayats*). The pilots are being selected in order to provide varying coastal zone management issues to be addressed so that active learning can take place and enable the relevant coastal zone management institutions to design replications and/or enhanced programs in the future.

Component IV – Project Management (US\$5 million)

- ③ Activities under this component would help ensure effective project management at national, state and district levels, information support, communications, and monitoring and evaluation. The project would be implemented by the MoEF and the State Level Coastal Zone Management Authorities. Harmonization with ADB and other agencies/organizations involved in the management of the coastal zone is being sought.

Safeguard policies that might apply

The project will be an environmental Category A project. The project has an environmental objective and accordingly its impacts are expected to be overall positive. An Environmental and Social Assessment will be conducted in order to ensure that any specific project investments will be evaluated and addressed properly. Social Analysis, an integral part of the Social Assessment, will be carried out both at the local pilot levels and for the project in general in order to identify and mitigate any adverse social impacts, and to identify the opportunities to enhance the positive impacts of project interventions.

Applicability of safeguard policies on physical cultural resources, forests, natural habitats, involuntary resettlement, and indigenous people will be determined during project preparation.

Tentative financing

Source:	(\$m.)
BORROWER/RECIPIENT	17.0
INTERNATIONAL DEVELOPMENT ASSOCIATION	60.0
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	30.0
Total	107.0

Contact point

Contact: Karin Erika Kemper
Title: Lead Water Resource Management Specialist
Tel: (202) 473-1995
Fax: (202) 614-1074
Email: Kkemper@worldbank.org