

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC6351

Date ISDS Prepared/Updated: 16-Dec-2013

Date ISDS Approved/Disclosed: 22-Dec-2013

I. BASIC INFORMATION

A. Basic Project Data

Country:	Egypt, Arab Republic of	Project ID:	P146007
Project Name:	EG: Household Natural Gas Connection Project (P146007)		
Task Team Leader:	Husam Mohamed Beides		
Estimated Appraisal Date:	03-Feb-2014	Estimated Board Date:	27-May-2014
Managing Unit:	MNSEE	Lending Instrument:	Investment Project Financing
Sector(s):	Oil and gas (100%)		
Theme(s):	City-wide Infrastructure and Service Delivery (40%), Urban services and housing for the poor (30%), Other economic management (30%)		
Financing (In USD Million)			
Total Project Cost:	860.00	Total Bank Financing:	500.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			360.00
International Bank for Reconstruction and Development			500.00
Total			860.00
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The proposed project development objective is to support the Government of Egypt goal of reducing LPG subsidies through scaling up natural gas connections to households.

C. Project Description

The proposed project will support the Government of Egypt on-going program to expand the household access to piped natural gas which aims to connect 800,000 households annually. EGAS

proposed that the World Bank financing focuses on investment targeted to connecting about 1.1 million households in 11 governorates over the three year implementation period of the proposed project. The proposed investments are part of the household gas connection investments in services areas in these governorates under the concessions of two LDCs; Town Gas in the Giza, Ismaillia Marsa Matrouh and Alexandria governorates and Egypt Gas in Qalubia, Menofia, Gharbia, Daqahlia, Qena. Sohaj and Aswan governorates.

The proposed project's design draws from the successful implementation experience of the Egypt Natural Gas Connections project that supported the expansion of access to natural gas connections to residents in Greater Cairo area and will have the following similar type of project components:

- Component 1: Gas Distribution Network and Connection. This includes expansion of the intermediate and low pressure gas distribution networks, installation of control units and conversions of customer's appliances to allow connection of and supply of gas to the proposed new 1.1 million households.
- Component 2: Pressure Reduction Stations (PRSs). The construction of PRSs to connect the distribution networks in the project areas to the high pressure gas transmission networks. Currently 25 new PRSs area being considered for financing by the proposed project
- Component 3: Gas Transmission Connection. This component includes extending the gas high pressure transmission network to supply gas to the new PRSs in the project areas. Twenty two high pressure pipeline connections are currently being considered ranging from 50m – 38km of 185 km total length.

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

The project will be financing gas connection to about 1.1 million households in 11 governorates; Giza, Alexandria, Marsa Matrouh, Ismaillia, Qalubia, Menofia, Gharbia, Daqahlia, Qena, Sohaj and Aswan. The project will extend gas networks and services to areas in these governorates which are currently covered and new areas as well.

The project is also a follow-up to an ongoing gas connection project supported by Bank covering the greater Cairo area..

E. Borrowers Institutional Capacity for Safeguard Policies

The implementing agency of the proposed project will be the same as the on-going project gas connection project. They know the Bank safeguards policy well. During implementation of on-going gas connection project, the environment department of EGAS has established strict criteria for construction of gas distribution infrastructure with an aim to ensure safety and to avoid any disturbance to cultural and archeological properties. They also formulated an Environmental and Social Management and Monitoring Framework which works well in mitigating the social and environmental impacts. Through implementation of the on-going project, EGAS has strengthened its existing Health, Safety, and Environment (HSE) Department. The on-going project implementation demonstrates that environmental aspects have been adequately addressed by following sound environmental procedures.

F. Environmental and Social Safeguards Specialists on the Team

Chaogang Wang (MNSSU)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	Planned interventions trigger this policy due to due to the potential multi-dimensional environmental and social concerns that could be sensitive, diverse or unprecedented. Given that routing of the high pressure pipelines and exact locations of the PRS'es would not be known with certainty at appraisal time, an Environmental and Social Impacts Assessment Framework (ESIAF) will be the appropriate environmental assessment instrument. The ESIAF will be disclosed in-country and at the Infoshop prior to appraisal. in consideration of the fact that the project will finance construction of 25 Pressure Reduction Stations (PRS) and about 180 km of high pressure transmission pipelines. Site specific Environmental and Social Management Plans (ESMPs) will need to be prepared and disclosed by project appraisal for any PRS or high pressure pipeline of know site before appraisal.
Natural Habitats OP/BP 4.04	No	This policy is not triggered.
Forests OP/BP 4.36	No	This policy is not triggered.
Pest Management OP 4.09	No	The use of pesticides is not envisaged in this project.
Physical Cultural Resources OP/ BP 4.11	Yes	This policy is triggered because of the project's potential to affect archeological or cultural or religious sites. A chance find procedures will be prepared an attached as annex to the ESIAF.
Indigenous Peoples OP/BP 4.10	No	There are no indigenous people in the project project areas.
Involuntary Resettlement OP/BP 4.12	Yes	This policy is triggered as the land acquisition will not be avoidable for the construction of pressure reducing stations (PRS) and high pressure gas pipelines. The client will make efforts to minimize or avoid the impacts of involuntary resettlement, for instance using the vacant government land for the construction of PRSs and obtaining the land through a willing buyer and willing seller process. However, involuntary taking of land will not be avoidable, particularly for the high pressure gas pipelines.

		In consideration that exact the location of PRSs and alignment of high pressure gas pipeline would not have been determined by project appraisal, a Resettlement Policy Framework (RPF) will be prepared by appraisal. Resettlement Action Plans (RAP) or Abbreviated RAP will be prepared during project implementation by following the principles and procedures as set forth in the RFP. In case the location of any PRS and alignment of high pressure pipeline are known before project appraisal, A RAP or ARAP will be prepared by project appraisal.
Safety of Dams OP/BP 4.37	No	This policy is not triggered as project activities does not involve new or existing dams.
Projects on International Waterways OP/BP 7.50	TBD	TBD based on confirmation by EGAS on high pressure pipeline crossing of any rivers considered international waterways..
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 15-Jan-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The ESIAF and RPF are the safeguards instruments that will be prepared by appraisal. The preparation of these instruments have started in November 2013 ; and they will be reviewed, approved, and disclosed in-country and at the infoshop prior to appraisal planned to begin by February 3, 2014.

IV. APPROVALS

Task Team Leader:	Name: Husam Mohamed Beides	
Approved By:		
Regional Safeguards Coordinator:	Name: Nina Chee (RSA)	Date: 16-Dec-2013
Sector Manager:	Name: Charles Joseph Cormier (SM)	Date: 22-Dec-2013

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.