



**The World Bank**

Advancing Sustainability in Performance, Infrastructure, and Reliability of the Energy Sector in the West Bank and Gaza (P174708)

---

# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 10/13/2021 | Report No: ESRSC02354



# The World Bank

Advancing Sustainability in Performance, Infrastructure, and Reliability of the Energy Sector in the West Bank and Gaza (P174708)

## BASIC INFORMATION

### A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
West Bank and Gaza	MIDDLE EAST AND NORTH AFRICA	P174708	
Project Name	Advancing Sustainability in Performance, Infrastructure, and Reliability of the Energy Sector in the West Bank and Gaza		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Energy & Extractives	Investment Project Financing	11/15/2021	11/30/2021
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance	Palestinian Energy and Natural Resources Authority (PENRA)		

#### Proposed Development Objective

To improve operational and financial performance of electricity sector institutions and diversification of energy sources in the West Bank and Gaza.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>20.00</b>

### B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

### C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

This Project is Second Phase of the ASPIRE West Bank & Gaza MPA. The objective of the MPA is to support implementation of Palestinian Electricity Authority's (PENRA) strategic long-term vision to achieve greater autonomy through advanced transmission and distribution infrastructure, domestic generation through independent power producers, and financial and operational sustainability of its institutions. This MPA transforms PENRA's vision into a



phased program that is crucial to mobilizing the necessary technical and financial resources and engaging public and private sector stakeholders towards a common goal. This second phase focuses on key interventions to rehabilitate and strengthen the distribution networks, increase share of renewable energy; and improve quality of service delivery and financial management in the sector. The proposed project is strategically aligned with the current World Bank Group Country Assistance Strategy for West Bank and Gaza (FY22-25), which highlights the need for financial sustainability of service providers, improving infrastructure, and supporting private sector. This project also supports implementation of priority immediate and short-term needs identified through the Gaza Rapid Damages and Needs Assessment (June 2021). PENRA will be responsible for implementing the entire program, including Phase 2 and will coordinate with the respective sector institution, as appropriate and as noted below. The Phase 2 contains the following components:

### Component 1: Improving Electricity Infrastructure in the West Bank and Gaza

#### Subcomponent 1.1: Building Back Better the conflict affected MV Network in Gaza

This sub-component focuses on priority activities identified in the Gaza Rapid Damages and Needs Assessment (RDNA) and subsequent detailed studies prepared following the May 2021 conflict. The activities under this subcomponent will be led by PENRA, in coordination with Gaza Electricity Distribution Company (GEDCO). The bombardment during May 2021 caused damages to the electricity infrastructure including the MV and LV networks. Breakdowns of several feeders emanating from Israeli side resulted in supply deficit in Gaza. All activities are planned using the principles of build back better to ensure not only reconstruction, but enhanced operational performance and resilience. The objectives of this sub-component is to improve Gaza’s electricity supply network damaged during the recent conflict and rehabilitating, improving, re-constructing, and expanding the MV electricity network through a smarter design, facilitating the load management and distribution control, reducing faults on the old /dilapidated networks using SCADA and Auto recloser facilities, reducing the technical losses and thus improving network’s delivery capacity, improving the electrical services to consumers by minimizing interruptions to the network, increasing the network reliability and efficiency and improving the energy security in Gaza strip. The scope of this sub-component comprises of (i) reconstruction of severely damaged MV feeders with SCADA control; (ii) rehabilitation of partially damaged MV network.

#### Subcomponent 1.2. Enhancing the distribution network in the West Bank & Gaza (USD 4.0 M)

The objective of this sub-component is to build adequate electricity network and facilities to help evacuate and distribute up to 300MW of additional local capacity that is being developed from solar photo voltaic (PV) power plants in WB&G to be completed by 2030. The concept of this sub-component is supported by the EIB funded distribution master plan which was recently completed and cover all the DISCOs in the West Bank. This sub-component will be led by PENRA, in coordination with PETL, and relevant DISCOs and will focus on strengthening infrastructure for MV interconnection and evacuation of solar PV systems. The sub-component will include, a) replacement of power lines (overhead and underground cables) to higher capacities to accept the generated power, improve quality and quantity of service. b) upgrading and strengthening interconnection between local grids of municipalities and councils and load management so that load profiles are better matched with the produced capacity while satisfying load growth.

### Component 2: Improving Sustainability of Service Delivery of DISCOs



This component continues scaling-up of the Revenue Protection Program (RPP) for improved metering and billing in WB&G. The objective is to enhance financial performance and to sustain improvement of operational performance of the DISCOs and to improve billing and collection of consumers. This component will be led by PENRA in coordination with DISCOs in WB&G. This activity is in continuation of the ASPIRE phase 1 under which almost 33,000 smart meters (covering 20-30 percent of consumption) are to be deployed for the five DISCOs in West Bank. The RPP was launched in WB&G under the ongoing project (ESPIP), which covered 23 percent of the total consumption across the five DISCOs by targeting the top 16,000 customers. As the Palestinian economy does not have many large industrial or institutional consumers, a vast proportion of the consumption is by small-scale industrial and commercial (MSMEs) sector and the residential sector. ASPIRE Phase 2 is expected to target the next 20-30 percent of consumption. In total, approximately 23,000 smart meters will be installed in the five DISCOs in the West Bank, which will ensure improved billing and metering covering a significant percentage of sales. In case of GEDCO, around 15,000 customers will be provided with smart meters.

### Component 3: Enabling Private and Public Sector Engagement in Renewable Energy

This component will support the installation of solar solutions and energy efficiency measures (e.g., heating, cooling, and lighting) in public sector with focus on health facilities. The overall objective is to increase the adoption of renewable energy alternatives and reducing energy bills (and net-lending contribution) from public sector, thus contributing to green economy, and sustainable development in the West Bank & Gaza. As the health sector is a major consumer of energy in Palestinian Authority. The reduction in energy consumption will reduce the monthly electricity bills of the Ministry of Health. Healthcare facilities are considered major energy consumers due to their need for reliable electricity and thermal energy supplies for heating, ventilation, lighting, air conditioning and the use of medical and non-medical equipment. The COVID-19 pandemic has further highlighted the critical need for stable energy services in health facilities as electricity is needed to store vaccines and perform life-saving operations. Under ASPIRE phase 1, feasibility studies were prepared for 10 major government hospitals, five will be covered under Phase 1 and five will be covered under Phase 2. The total capacity is expected to be around 150KWp (average 30KWp per hospital). The ongoing feasibility studies will assess the demand load profile of the public building and health sector facilities, the available space on the rooftop or other space and an energy audit of the efficiency of the used equipment including lighting, health, sanitary machineries consuming either electricity or heat.

### Component 4: Technical Assistance (TA) for electricity sector institutions, and operational expenses for PMU

The energy sector in Palestine is at a critical stage due to several factors; shifting the coordination of the electricity sector to PENRA/PETL, the ongoing efforts to build and operate interregional connections; building and energizing new substations, building a national electricity backbone, enabling more RE projects, enabling new conventional energy projects; strengthening the financial performance of the sector and others. The TA and the consultancy support will help PENRA and sector stockholders to continue to develop robust projects pipeline together with investment plans.



#### **D. Environmental and Social Overview**

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The project interventions cover the entire area of West Bank and Gaza, crossing all three areas A, B and C. Area A is mostly urban and densely populated; Area B is both urban and rural where economy is highly dependent on agriculture; and Area C is mainly rural where some parts are not populated or have a highly vulnerable and scattered population. Some subproject locations have already been identified such as for example, the restoration and rehabilitation of the following facilities, which were destroyed during the May 2021 conflict in Gaza, including: (i), three Israeli main feeders with 22 KV with Supervisory Control and Data Acquisition (SCADA) control in Northern Gaza , (ii) approximately 1.3 Km Medium-Voltage (MV) underground cables with main substation rooms, including distribution transformers, switchgear and Low voltage panels, (iii) 20 distribution transformers, and (iv) approximately 12 Km underground MV cables including switchgear, rooms and other accessories.

Specific locations for other sub-project interventions will be determined in the course of project preparation and implementation. These sub-projects will include: (i) the replacement of power lines (overhead and underground cables), (ii) scale up of solar PV systems for private sector in West Bank and Gaza, and (iii) supply of smart meters to DISCOs and GEDCO. The replacement of power lines will increase their capacity to evacuate the generated power from solar PV systems, improve the quality and quantity of service, upgrade and strengthen the interconnection between small local grids of municipalities and councils, and improve load management so that load profiles can be better matched with load growth. Most project interventions for distribution networks and transmission lines will be conducted on existing networks and ROW respectively. Some sub-projects such as extensions of networks in Gaza will be implemented in densely population urban areas but other sub-projects will be in rural areas as the case in the West Bank.

#### **D. 2. Borrower’s Institutional Capacity**

PENRA is the implementing agency for ASPIRE Phase 2. PENRA has been engaged with World Bank operations in West Bank and Gaza since the establishment of the Palestinian Authority in 1994. The Authority has been successfully implementing operations of a similar nature and scale as ASPIRE Phase 2 project, in both Gaza and West Bank. For example, the ASPIRE Phase 1 project, effective on 2020 and still under implementation by PENRA, includes extensions and upgrading of networks, high voltage substations, and installation of equipment and meters through the DISCOs in West Bank and Gaza. PENRA has a Project Management Unit (PMU) that is well staffed with competent engineers and environmental and social risk management personnel, including an Environmental and Social Officer (ESO) and an Environmental and Social Engineer (ESE). The PMU will also be maintained and strengthened as required for implementing ASPIRE Phase 2. In addition, PENRA has engaged independent environmental and social consultants to support the implementation of projects. As a result of the ASPIRE Phase 1 project, which is being implemented under the Bank’s Environmental and Social Framework (ESF), PENRA also has experience of using the ESF. The environmental and social team has worked well in supporting project implementation (e.g. conducting E&S screening and preparing screening reports, preparing site-specific E&S documents including ESMP, LMP and SEP for the MV lines for NEDCO to supply additional electricity from IEC) and coordination with the DISCOs and with the World Bank. PENRA also organizes and conducts ESF capacity building events. In August 2021, an awareness raising workshop on ESF requirements was conducted for international and national contractors. An E&S awareness raising workshop was also conducted for the Ministry of Social Development (MoSD) team to ensure that selection of beneficiaries for solar



PV systems is done according to ESF requirements and to meet the project requirements for transparency, inclusion and equity. Based on all this experience and commitment, it is concluded that the Authority has developed good capacity for effective E&S management under ESF and has a satisfactory track record in this regard. Certain lessons learned from the implementation of ASPIRE Phase 1 Project, in terms of environmental and social risk assessment and preparation of site-specific ESMPs, highlight the need to further augment the current capacity by recruiting external expertise to ensure that good quality site specific assessments and management plans can be prepared in an efficient and timely manner. In addition to PENRA, the DISCOs will also continue to perform the role of environmental and social focal points for sub-project implementation and monitoring of environmental and social requirements. The E&S capacity of DISCOs will also continue to be enhanced through ASPIRE Phase 1 and 2

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Substantial

**Environmental Risk Rating**

Substantial

The environmental risk is rated as substantial at concept stage. Project Components 1, 2 and 3 are associated with considerable risks and impacts, including risks and impacts related to occupational health and safety during construction, rehabilitation and operation of transmission and distribution lines and solar PV systems, including risks related to COVID-19 and risks associated with handling hazardous wastes, such as waste oil from solar PV system (Component 3). Other environmental risks include, noise, dust and waste handling during construction and rehabilitation (Components 1 and 3) exposure to electromagnetic fields (EMF) (Component 1), possible risks to birds due to collisions and electrocution (Component 1), handling and disposal of old electricity meters (Component 2), handling and disposal of old batteries and solar panels (Component 3), heat emission and sunlight reflection from solar panels (Component 3). Delays in implementation could pose additional contextual risks to the operation, particularly in Gaza due to the constraints on entry of materials and equipment. Some of the subprojects are located in Israeli Security Controlled areas of "Area C" in the West Bank and close to the security fence in Gaza. Works in these locations pose a security risk to staff, workers, and personnel, in addition to the risk of obtaining Israeli authority approvals for the permits required to allow workers and the project team to access and work in the security zone near the security fence in Gaza. As mentioned above, the capacity of PENRA to manage environmental and social risks and impacts has been satisfactory in terms of human and technical resources.

**Social Risk Rating**

Substantial

The social risk is rated as substantial at concept stage. While the project will not involve large scale private land acquisition or resettlement, there may potentially be risks associated with some small-scale land taking for certain interventions. Further determination of land needs will be done during project preparation. There is also a potential risk of temporary restriction to land use and consequent negative impacts during construction on businesses and other small enterprises, particularly in densely populated areas such as in Gaza, and on farmers in agricultural areas. The proposed design to build and rehabilitate MV lines in the West Bank and Gaza might affect areas that host or are in proximity of Bedouin communities who are among the most marginalized in the West Bank and Gaza. No physical resettlement of Bedouin communities is anticipated. However, measures will be required to ensure that these communities do not face adverse impacts to their livelihood or any major disturbance due construction related activities, including presence of construction workers. If required, the design of interventions will be

Public Disclosure



adjusted to avoid adverse impacts on Bedouins. No large-scale labor influx or construction of large labor camps is anticipated under the project. The project will be divided into small sections to be implemented by local contractors, primarily employing local labor, and joint ventures. The project includes a range of construction activities (small, medium, and large scale) that will be spread across locations in both West Bank and Gaza and, at concept stage, it is anticipated that there will be a low/moderate level of labor influx and labor management risks that will need to be mitigated. Further assessment in this regard will be made during preparation. The project also entails community health and safety risks, particularly associated with COVID-19, exposure to electromagnetic fields (EMF), risks related to road safety, and security risks during works for both communities and workers due to unexploded remnants of war in Gaza. Given the rise of COVID-19 cases in both West Bank and Gaza, particularly the newer and more infectious variants, there is a potential risk of exposure of workers and communities to the disease. Additional risks include potential exclusion from project benefits and/or lack of meaningful engagement with women and marginalized groups (e.g. people living in access restricted areas (ARAs), women headed households, the poor etc.). The exclusion risk is higher in Gaza as some households and small businesses may not be able to access the Gaza solar revolving fund due to restrictions on banking transactions with financial institutions not recognized by the Palestinian Monetary Authority. The project also entails some contextual risks as some of the proposed infrastructure will be in Area C in West Bank which is a complex context to work in due to security related challenges.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

Given the environmental and social risks associated with different Project components as indicated above, there is a need to assess the environmental and social risks according to the requirements of ESS1.

The environmental issues are rated to occupational health and safety during construction, rehabilitation and operation of transmission and distribution lines and solar PV systems, including risks related to COVID-19 and risks, handling hazardous wastes, such as waste oil from solar PV system. Other environmental risks include, noise, dust and waste handling during construction and rehabilitation, exposure to electromagnetic fields (EMF), possible risks to birds due to collisions and electrocution, handling and disposal of old electricity meters, handling and disposal of old batteries and solar panels, heat emission and sunlight reflection from solar panels. Delays in implementation particularly in Gaza due to the constraints on entry of materials and equipment, security risk to staff due to work near the security fence in Gaza in addition to the risk of obtaining Israeli authority approvals for the permits to access and work in the security zone near the security fence in Gaza are also possible.

Social issues are related to potential exclusion of marginalized groups from project benefits, particularly those living in Gaza, and lack of meaningful engagement and consultation with communities, particularly the vulnerable such as women, women headed households, the poor, Bedouin communities, people living in ARAs etc. These social and environmental risks and impacts will be assessed, and mitigation measures will be proposed in the Environmental and Social Management Framework (ESMF) and site-specific Environmental and Social Management





Plans/Environmental and Social Impact Assessments (ESMPs/ESIAs) which includes risk categorization and environmental and social assessment of project interventions, establish a baseline and identify typical environmental and social risks and impacts, and measures to manage those per the mitigation hierarchy to support the design, construction, and operational phase of the works. The ESMF/ESMPs/ESIAs will also include an assessment of potential GBV/SEA/SH risks, and preventive measures, proportionate to the level of risks, will be developed and implemented.

As most of the sub-projects for ASPIRE Phase 2 are similar to sub-projects for ASPIRE Phase 1, PENRA will update the ESMF of ASPIRE Phase 1, that identifies the main environmental and social risks and impacts of the said project, to include any additional activities of ASPIRE Phase 2 and use this as the ESMF for ASPIRE Phase 2. The updating will include the updating of the institutional setup for managing the environmental and social risks and impacts, taking in account the new activities and proposed subproject sites and capacity building needs for the environmental and social management of the project and the responsibilities of different stakeholders in implementing mitigation and monitoring of environmental and social measures. Site-specific ESMPs/ESIAs will be prepared for subprojects once their location/alignment are known. The ASPIRE Phase 2 ESMF and site-specific ESMPs/ESIAs for any subprojects with known alignment/location by appraisal will be prepared, consulted on, cleared by the Bank and disclosed to the public by project appraisal. Finally, PENRA will prepare an Environment and Social Commitment Plan (ESCP) for ASPIRE Phase 2 which will be made part of the legal agreement between the Bank and The Palestine Liberation Organization (for the benefit of the Palestinian Authority). The ESCP will also be prepared, finalized, cleared by the Bank and disclosed by project appraisal. At the time of writing, PENRA coordinated with EQA to assign a representative from EQA to follow up on the ES aspects for all subprojects to implemented und ASPIRE Phase 1 and 2.

**Areas where “Use of Borrower Framework” is being considered:**

Use of the Borrower Framework is not considered for this project. The program will rely on the Bank’s Environmental and Social Framework for environmental and social aspects implemented via the project implementation unit in cooperation with the distribution companies. The ASPIRE Phase 2 will be an opportunity to enhance the cooperation between PENRA and the Environmental Quality Authority in the area of environmental monitoring and enforcement.

Despite the presence of an Environmental Law and Environmental Impact Assessment Policy for the Palestinian Environment Quality Authority, it lacks specific industrial standards such as WBG EHS Guidelines, Good international industry practices (GIIP) and mechanisms for monitoring and enforcement of environmental regulations. PENRA through coordination with EQA will explore the opportunities to develop national industry standards for energy sector in line with international best practices.

**ESS10 Stakeholder Engagement and Information Disclosure**

The project involves a range of stakeholders. Project-affected Parties include (but are not limited to) people living in the project areas of influence such as project direct beneficiaries, community members and other parties that may be subject to direct impacts from project activities (e.g., landowners, land users, encroachers), private sector entities including small and medium enterprises etc. Stakeholders also include institutional actors such as energy sector





institutions such as PENRA, Palestinian Electricity Transmission Limited (PETL) and DISCOS, local government authorities, and health facilities. Vulnerable groups may include (but are not restricted to) women, the poor, women headed households, people living in ARAs, Bedouin communities residing both in Gaza and West Bank, etc. Other interested parties may include the Palestinian Electricity Regulatory Council (PERC), Ministry of Finance, Ministry of Health, Ministry of Social Development, Ministry of Education, Environmental Quality Authority, Local Commercial Banks, Universities and think tanks, and local media and NGOs.

The Stakeholder Engagement Plan (SEP) prepared for ASPIRE Phase 1 will be updated in line with ASPIRE Phase 2 requirements to develop the SEP for Phase 2. The SEP will include a comprehensive identification of various categories of stakeholders and a methodology for information sharing and disclosure and for ongoing consultation with all stakeholders, including marginalized groups and those living in remote and access restricted areas, to ensure that all stakeholders are engaged throughout the project. SEP will also include the status of implementation of stakeholder engagement activities under the ASPIRE Phase 1. Based on the experience from Phase 1, PENRA will use several mechanisms during Phase 2 to ensure that the marginalized groups are reached for purposes of information dissemination and consultation and that their needs are taken into consideration. For example, all information about the project will be available in Arabic on PENRA’s webpage and through social media platforms; in case internet is not available in rural areas and for Bedouin communities, PENRA will assign a mobile number and contact person who can be reached by these groups; to ensure the participation of women, workshops and meetings will be held at suitable and easily accessible locations so that women can attend easily; if required, separate consultation sessions for women and men will be organized; and requisite facilities for persons with disabilities will be provided during public meetings. PENRA will also use printed material, notifications, and billboards at the sites including any offices maintained by PENRA, local authorities’ offices and offices/locations managed by the contractors. Information about the different mechanisms for reaching out and the modes of information dissemination and communication will be shared with communities and groups during consultations. Stakeholder consultation meetings shall be conducted in line with the national restrictions regarding public gatherings during COVID-19 pandemic and the World Bank’s guidance note on “Public Consultations and Stakeholder Engagement in World Bank-supported operations when there are constraints on conducting public meetings”.

Finally, PENRA has established a grievance mechanism (GM) under Phase 1 for project related risks and the same mechanism will be used for Phase 2. PENRA has assigned a staff to be responsible for receiving grievances and transferring them to the ESO. PENRA prepared several tools such as flyers and roll ups to disseminate information regarding the GM system. PENRA also disseminated information about the GM to the project’s affected parties during consultations, through social media and on the PENRA website. As the project’s activities have not started yet, no complaints have been received thus far. For ASPIRE Phase 2, the GM will be further strengthened to include special features to help accept and address any GBV/SEA/SH related complaints, including referral mechanisms. The Phase 2 SEP will be prepared, consulted, reviewed and cleared by the Bank and disclosed by project appraisal. The SEP will be a ‘living’ document and hence, may be updated periodically during project implementation and as subproject locations become known. The ESCP will include the condition for updating the SEP, as required, during project implementation.

## **B.2. Specific Risks and Impacts**



**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

**ESS2 Labor and Working Conditions**

The project activities will involve direct workers (agency employees transferred to PMUs and technical specialists engaged from the market) from PENRA, PETL and DISCOs; contracted workers engaged in construction work (hired by contractors and subcontractors) and consultancy services for the project (e.g. for preparation of E&S documents); and primary supply workers (e.g. for equipment required for the project). An assessment of project workers will be made during project preparation. The assessment will also address primary supplier requirements (including the issue of forced labor in the manufacturing of photovoltaic panel).

Large labor camps are not anticipated for the project. The project will be divided into small packages to be implemented by local contractors and joint ventures; hence, a small number of foreign experts and highly skilled labor might also be involved. The project involves a range of construction activities (small, medium, and large scale) to be implemented across West Bank and Gaza locations; therefore, there will be some labor influx and labor management issues. A determination of the scale and relevant mitigation measures in this regard will be made during project preparation.

Since the construction and operation of power transmission and distribution infrastructure includes a high level of exposure to electrical hazards and requires executing substantial works during construction and operation, labor risks, including Occupational Health and Safety (OHS) have been identified as one of the principal risk areas. Labor Management Procedures (LMP) that were prepared, disclosed, and is being used for ASPIRE Phase 1 will be updated in line with ASPIRE 2 requirements by appraisal and will be used as the LMP for ASPIRE Phase 2. The workers' GM for ASPIRE 1 will also be used for ASPIRE Phase 2. The LMP will cover the status of implementation of the LMP for ASPIRE Phase 1, an assessment of potential labor related risks; an overview of labor regulations, policies and procedures; an assessment of and a plan to prevent GBV/SEA and SH proportionate to the level of risk; contract terms and conditions; working age regulations; details of the workers' GM; and other requirements of ESS2. Site-specific labor management requirements will be prepared, as part of site-specific ESMPs/ESIAs, and will be available before commencement of work on any of the sites. The contracts will include particular provisions on occupational health and safety measures, child labor prevention of GBV/SEA, availability of the workers' GM, and work conditions, following the general World Bank Guidelines on Environmental Health and Safety (EHS Guidelines) and the more specific Occupational Health and Safety guidelines, especially on physical hazards.

Finally, in addition to the project workers identified above, some civil servants may also work in connection (full-time or part-time) with the project without being formally transferred to the project. ESS2 will not apply to such workers and they will remain subject to the terms and conditions of their employment with the concerned agency. However, the provisions of ESS2 related to protection in the work force (i.e. regarding child labor, minimum age and forced labor) and OHS will apply to such agency employees.

**ESS3 Resource Efficiency and Pollution Prevention and Management**

The project activities under component 1 involve civil works, and electro-mechanical installation of equipment. Therefore, management of pollution including solid waste associated with construction activities is critical, particularly, management of battery waste associated with solar PV and transformer replacement and installations.



The waste management plan template prepared for ASPIRE Phase 1 will be updated in light of new activities to be introduced under ASPIRE Phase 2 which will be further developed under each site specific ESMP/ESIA. The WBG EHS Guidelines” and Good International Industry Practices (GIIP) will be ensured for all project activities including the industrial standards for distribution and transmission.

#### **ESS4 Community Health and Safety**

This standard is relevant. The safety of communities where electromechanical works and installations will be performed will be examined. In particular, the potential for exposure to electromagnetic fields (EMF) will be assessed for communities living in areas where power lines will be constructed. Similarly, the safety of communities living and working in areas where civil works will be conducted, e.g. digging of trenches for underground cables, construction of electrical towers etc., will be also investigated and measures to mitigate any identified risks during construction will be included in the site-specific ESMPs/ESIAs. Wherever the construction of power transmission lines require route detours, safety measures for nearby communities and road users, from traffic and construction activities will be put in place in accordance with acceptable norms and as per the WBG EHS Guidelines and enforced. Additional community health and safety risks identified under ASPIRE Phase 2 are related to transmission of COVID-19 virus and potential exposure to communicable diseases from workers associated with the project activities; and risks associated with potential SEA/SH. PENRA will prepare, adopt and implement a Community Health and Safety Management Plan (CHSMP), based on the community health and safety assessment for Phase 2, to minimize the potential for community exposure to communicable diseases; provisions to prevent and respond to SEA/SH or GBV proportionate to the level of risk. The project GM will include special tools for handling and addressing GBV/SEA/SH cases, including strengthening referral pathways within the GM. The Phase 2 CHSMP will be prepared, consulted on, cleared by the Bank, and disclosed within 1 month of effectiveness. As ASPIRE 2 activities will include restoring most of the electricity network destroyed due to the May 2021 conflict in Gaza, and some of the sites may have been directly shelled, potential risks of UXO may exit during rubble removal. UNMASS shall assess the construction sites. Sites shall not be open for project activities until cleared by UNMASS. PENRA shall develop an Emergency Response Plan (ERP) to ensure measures/actions are in place to respond to any unforeseeable incidents related to laying of electric cables/activation, missed out UXOs etc.

#### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

This standard is relevant. No large-scale private land acquisition or resettlement is proposed for the project. However, there may potentially be some small-scale private land acquisition needs, for example to expand the right of way (ROW), and these will be assessed during project preparation. While construction of medium voltage lines or replacement of overhead lines and underground cables will be implemented in the ROW, in some cases the ROW may be encroached by users who have either extended or built structures, farms etc. on the ROW. In such cases there may be some small-scale livelihood and/or resettlement impacts. There is also a potential risk of temporary negative livelihood impacts during construction (e.g. due to restrictions on access and land use) on businesses and other enterprises (e.g. shops, kiosks etc.) in densely populated areas such as in Gaza, and on farmers in agricultural areas. As the nature of these impacts is the same in ASPIRE Phase 1, the Resettlement Framework (RF) for ASPIRE Phase 1 will be updated in line with the details of ASPIRE Phase 2 and used as the RF for the Phase 2 project. Site



specific Resettlement Plans (RPs) will be prepared once the design and alignment of subprojects is finalized. The prepared, consulted on, cleared by the Bank and disclosed by appraisal.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

The overhead power transmission lines might impact trees and interrupt natural habitats for birds and other wildlife. The site-specific ESMP/ESIA will assess the impacts on habitats of importance, if any identified within the impact area and will propose alternative routes for the overhead transmission lines and/or other mitigation measures in line with the ESS6. Additional information will be obtained and assessed on impacts to natural habitats once the exact project location and final project design are known.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

This standard is not relevant to the proposed project. There are no Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities in Palestine.

**ESS8 Cultural Heritage**

Not relevant. No tangible or intangible cultural heritage is expected to be impacted by project activities. However, given the historic nature of the country there is always a chance to find tangible CH. As a result, at the least, chance fund approach will be applied, and chance find procedures prepared for ASPIRE Phase 1 will be incorporated in all works' contracts.

**ESS9 Financial Intermediaries**

This standard is not relevant as there are no financial intermediaries involved in this project.

**B.3 Other Relevant Project Risks**

Security risks associated with construction in high-risk areas such as "Area C" in West Bank close to Israeli settlements, and around the security fence in Gaza. Delays of permission to work in the security zone in Gaza and delays of material entry can increase risks during construction by extending the work durations, where construction sites and trenches are open, stocking of construction material, route detours and other community safety aspects may be increased if not addressed properly during the "pause" periods. The volatile political and security situation in the region is an external factor to be considered.

**C. Legal Operational Policies that Apply**

<b>OP 7.50 Projects on International Waterways</b>	No
<b>OP 7.60 Projects in Disputed Areas</b>	No

Public Disclosure



### III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

#### A. Is a common approach being considered?

No

##### Financing Partners

The proposed project will likely involve parallel financing from other development and financial partners such as the EC, AFD, EIB, KfW and Arab partners such as IsDB, Kuwait Fund, etc. During project preparation (and before appraisal), and once the partners, financing arrangements and modalities have been agreed, a common approach will be discussed and agreed with the client and the potential partners. Determination of “Associated Facilities” financed by other funders will be done during project preparation and the requisite arrangement to apply the ESF to such facilities will be set in place. This will be agreed upon with the borrower and relevant funding partners.

#### B. Proposed Measures, Actions and Timing (Borrower’s commitments)

##### Actions to be completed prior to Bank Board Approval:

- 1- Updating the ASPIRE Phase 1 Environmental and Social Management Framework (ESMF) in line with ASPIRE Phase 2 interventions whose technical details and designs are not known at appraisal. Phase 2 ESMF to be consulted on, reviewed and cleared by the Bank and disclosed
  - 2- Preparing site-specific Environmental and Social Management Plans (ESMPs) for activities whose technical details and locations are known at appraisal. ESMPs will be consulted on, reviewed and cleared by the Bank, and disclosed.
  - 3 - Updating the ASPIRE Phase 1 Resettlement Framework (RF) to include ASPIRE Phase 2 interventions whose design and locations/alignment are not known. The RF will be consulted on, reviewed and cleared by the Bank, and disclosed.
  - 4 – Preparing Resettlement Plans (RPs) for activities with technical design and location/alignment available at project appraisal. The RPs will be consulted on, reviewed and cleared by the Bank, and disclosed.
  - 5 - Updating the ASPIRE Phase 1 Labor Management Procedure (LMP) to include ASPIRE Phase 2 labor management requirements. The LMP will be consulted on, reviewed and cleared by the Bank and disclosed.
  - 6- Updating the Stakeholder Engagement Plan (SEP) of ASPIRE Phase 1 to include any updates necessary under ASPIRE Phase 2 on stakeholder engagement. The SEP will be consulted on, reviewed and cleared by the Bank and disclosed.
  - 7 – Prepare the Environmental and Social Commitment Plan (ESCP) for ASPIRE Phase 2. The ESCP will be reviewed and cleared by the Bank and disclosed.
- The above instruments will be available and disclosed by project appraisal.

##### Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

- Preparation of site-specific ESMPs for different interventions, to be cleared and disclosed before commencement of civil works.
- 2 - Preparation of site-specific RPs once locations of interventions are identified. RPs to be consulted on, reviewed and cleared by the Bank and disclosed. RPs to be implemented before commencement of construction.
- 3 – Preparation of Phase 2 Community Health and Safety Management Plan (CHSMP). The CHSMP will be cleared by the Bank and disclosed within 1 month of effectiveness and prior to commencement of relevant project activities.



4 – PENRA will obtain UXOs clearance certificates by UNMASS prior to commencement of civil work at relevant construction sites

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

10-Nov-2021

**IV. CONTACT POINTS**

**World Bank**

Contact:	Monali Ranade	Title:	Senior Energy Specialist
Telephone No:	972-2-2366533	Email:	mranade@worldbank.org

**Borrower/Client/Recipient**

Borrower: Ministry of Finance

**Implementing Agency(ies)**

Implementing Agency: Palestinian Energy and Natural Resources Authority (PENRA)

**V. FOR MORE INFORMATION CONTACT**

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

**VI. APPROVAL**

Task Team Leader(s):	Monali Ranade
Practice Manager (ENR/Social)	Lia Carol Sieghart Recommended on 12-Oct-2021 at 10:52:36 GMT-04:00
Safeguards Advisor ESSA	Gael Gregoire (SAESSA) Cleared on 13-Oct-2021 at 18:10:49 GMT-04:00

Public Disclosure