

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA8096

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Uganda	Project ID:	P133312
Project Name:	Uganda Energy for Rural Transformation III (P133312)		
Task Team Leader(s):	Mitsunori Motohashi, Mbuso Gwafila		
Estimated Appraisal Date:	25-Mar-2015	Estimated Board Date:	05-Jun-2015
Managing Unit:	GEEDR	Lending Instrument:	Adaptable Program Loan
GEF Focal Area:	Multi-focal area		
Sector(s):	Other Renewable Energy (100%)		
Theme(s):	Rural services and infrastructure (100%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	143.90	Total Bank Financing:	125.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			10.00
International Development Association (IDA)			125.00
Global Environment Facility (GEF)			8.90
Total			143.90
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s) / Global Environmental Objective(s)

A. Project Development Objective(s)

The Project Development is to increase access to electricity in rural areas of Uganda.

B. Global Environmental Objective(s)

The Global Environmental Objective is to increase access to electricity in rural areas of Uganda.

3. Project Description**A. Project Components**

The proposed project is designed in line with the 2001 description of the ERT program as approved by the World Bank and the GEF Council with some adjustments needed to better reflect the current country and sector context and requirements and building on achievements and taking into account lessons learned under the previous operations in the series. The brief description of the proposed project components is presented below with preliminary cost estimates and an indicative financing plan.

Component 1: Rural Energy Infrastructure and Connection (US\$111.6 million: US\$101.6 million IDA, US\$10.0 million GoU)

This component covers on-grid investments and off-grid activities to be implemented by REA. On-grid investments will finance all on-grid activities including grid system expansion/intensification and on-grid household connections. Off-grid activities will support market development for modern lighting solutions such as solar home systems (SHS) and mobile solar systems (MSS) to dispersed households that are uneconomic to connect to the grid. Technical assistance will be provided to support capacity building activities. This component will be mostly implemented by REA, with the sub-component 1-5 implemented by REA in close collaboration with the Uganda National Bureau of Standards (UNBS).

1-1. Grid Extension (US\$70 million: US\$65.1 million IDA, US\$4.9 million GoU). This sub-component includes the construction of 21 distribution grid extension projects that span over 1,800 km (Annex 2). These lines have been identified as priority investment for expanding rural access by the Government and are selected based on the Indicative Rural Electrification Master Plan (IREMP) prepared in 2009, which employed surveys and consultations to identify lines that would serve areas with high economic development and access potential. The list of distribution lines is indicative and it may change during project implementation. The feasibility studies of all 21 lines as well as the Environmental and Social Impact Assessments (ESIAs) and the Resettlement Action Plans (RAPs) are funded by the GoU as well as the on-going ERT-2 project and are being prepared.

1-2. System Intensification (US\$30.1 million: US\$25 million IDA, US\$5.1 million GoU). This sub-component includes short extensions to the existing grid infrastructure to reach potential customers who are relatively close to the existing grid. IDA will support connections for rural households while SPs will connect commercial and industrial customers.

1-3. Household Connection to the National Grid (US\$10 million IDA). This sub-component will finance connection drops and internal wiring. Connection drop will be implemented as part of the extension and intensification of distribution network. House wiring will be the asset that belongs to the households and will be financed through a short-term loan to be repaid over two years as needed. Financing for on-grid connection will be provided under this sub-component.

1-4. Technical Assistance for REA and Service Providers (US\$1.5 million IDA). This sub-component will support capacity development for REA to strengthen its coordination and oversight roles as well as for technical assistance through REA to SPs with inadequate capacity during the initial stages of project implementation. Capacity assessment of SPs will be completed before commencing the proposed activities in their STs.

Component 2: Off-grid Energy Access (US\$15.3 million: US\$6.4 million IDA, US\$8.9 million GEF)

This component covers off-grid energy access, including the installation of solar PV systems for public institutions in rural areas; and provision of credit facilities to enhance electricity access. Technical assistance provided under this component will finance necessary consultancy services, capacity building activities, and operations costs. This component will be implemented by several implementing agencies—Ministry of Health (MoH), Ministry of Water and Environment (MoWE), Ministry of Education and Sports (MoES) and UECCC—under the coordination of the Project Coordination Unit (PCU).

2-1. Institutional Solar PV Systems (US\$10 million: US\$1.1 million IDA, US\$8.9 million GEF). This sub-component will support provision of solar PV systems to public institutions offering health services, and water for rural growth centers. This sub-component will be implemented by MoH, MoWE, and MoES.

2-2. Off-grid Energy Access Financing (US\$3.3 million IDA). This sub-component will provide demand-side and supply-side financing necessary to facilitate consumers' connection to off-grid supply of electricity. It also includes technical assistance to strengthen UECCC, the implement agency of this sub-component. UECCC is expected to provide solar refinance facility to Participating Financial Institutions (PFIs) for on-lending to both end users and solar companies and partial guarantee to PFIs for covering their credit risk related to their lending to solar companies. In order to ensure compliance with the eligibility criteria, a due diligence assessment of the UECCC has been conducted during the project preparation for ERT-3.

2-3. Market Development for Solar Home Systems (US\$2 million IDA). This sub-component aims to accelerate access to high-quality, modern energy services in rural areas through market development. Support will be provided to complement market activities such as: (i) public awareness campaigns to inform consumers of the benefits of solar lighting products and to educate consumers on the characteristics of good quality products; and (ii) quality assurance to strengthen the Ugandan National Bureau of Standards (UNBS) and the National Quality Assurance framework for PV systems in order to curtail the inflow of cheap, low quality systems. The component is aligned with the approach of the World Bank Group's Lighting Africa program.

Component 3: Technical Assistance and Capacity Development for Energy Access (US\$4.5 million IDA)

This component will finance technical assistance and capacity development required to accelerate electricity access. It will also support the Government to carry out an Impact Monitoring and Evaluation of the ERT-2. Technical assistance provided under this component will finance the necessary consultancy services, capacity building activities, and operations costs. This component will be implemented by MEMD and the Ministry of Finance, Planning and Economic Development (MoFPED).

3-1. Technical Assistance and Associated Equipment (US\$3.3 million IDA). This activity will support technical assistance and studies in relation to rural access. Indicative areas include consumer sensitization and mobilization, review of construction and technical standards for distribution network infrastructure and connection, assessment of consumer's affordability for energy including connection fees, independent verification of connections, master plans in STs, and feasibility studies for priority projects. A systematic review of the project implementation will be undertaken that includes examination of various aspects of the implementation arrangements including, among others, on-the-ground process of consumer applications, connection works, functioning of the proposed financing mechanisms, implementation capacity of SPs, the planning and coordination role of REA, and contractual management by REA and SPs. This sub-component will also support preparatory studies to review existing geothermal-related information, as well as legal, regulatory, and institutional framework.

3-2. Capacity Development of MEMD and ERA (US\$0.5 million IDA). This activity will support capacity development of the public sector entities required to coordinate and facilitate achievement of the RESP-2 targets for connection to electricity supply. The target institutions under the sub-component are MEMD and ERA.

3-3. Impacts Monitoring (US\$0.7 million IDA). MoFPED will undertake project impact evaluation of ERT-2.

B. Project Financing

The project will include two main financing instruments: (i) an IDA credit of US\$125 million equivalent; and (ii) GEF grant of US\$8.9 million.

Proposed IDA credit: Financing support from IDA is expected to be US\$125 million (eq.). The amount will be used for financing project components described above. Part of the ERT-2 financing is being utilized for carrying out the preparatory studies for the proposed project, however there is no duplication of funding between ERT-2 and ERT-3 activities during implementation. In addition, the Energy Sector Management Assistance Program (ESMAP) and the Carbon Initiative for Development (CiDeV) are providing additional support.

Proposed GEF grant: Based on a decision of the GEF Council (endorsement of December 2001), an amount of US\$8.9 million will be made available by GEF in support of project activities related to increasing electricity access and energy efficiency measures. GEF jointly co-finances IDA-funded ERT-2. The GEF triggers (as revised during processing of ERT-2 AF) pertaining to CO₂ emission reduction have been met. Under the proposed project, GEF financing will be utilized to support Component 2-1 (Institutional Solar PV Systems) as outlined above.

C. Project Cost and Financing

The proposed project is an Investment Project Financing (IPF) that builds on the earlier ERT Program aimed at increasing access to electricity in rural areas of Uganda. A programmatic approach was adopted in view of the need to engage with electricity sector stakeholders over the long term to create environment for private sector participation. The long-term engagement was aimed at building institutional capacity, creating and testing viable service delivery models, and subsequently expanding access to energy for poor rural communities in a sustainable manner. The first phase of

the program (ERT-1) covered the period 2001 through 2009 and was followed by a second phase of the program (ERT-2) that initially covered the period from 2009 through 2013, but has been extended until 2016. While the implementation period of ERT-2 and ERT-3 will overlap, funding will remain dedicated to the respective components and activities as described in each project document. The ERT-2 funds are already committed and largely disbursed. To support further expansion of electricity access, a new project is needed.

The total program amount initially approved was US\$165.15 million, of which the first phase (ERT-1) was US\$49.15 million, and the second phase (ERT-2) was US\$75 million. The remaining US\$41 million was earmarked for ERT-3. In order to meet the connection targets of the ERT-2, an additional financing for ERT-2 (ERT-2 AF) was approved in the amount of US\$12 million on May 22, 2013. To support the Government to achieve targets stipulated in the RESP-2, the IDA allocation for the proposed project is US\$125 million, thereby raising the total IDA support for the Program to US\$261.15 million. Along with co-financing (joint) from GEF in the amount of US\$30.02 million (US\$12.12 for Phase I, US\$9.0 million for Phase II, and US\$8.9 million for Phase III), total World Bank Group support for the ERT Program currently stands at US\$291.17 million.

Parallel financing in the amount of US\$22.9 million (eq.) has also been provided from several other agencies, including the GPOBA (US\$5.5 million), KfW (Euro 5 million), the European Union (EU) (Euro 3.95 million) and the GoU (US\$4 million). More recently, the Agence Française de Développement (AFD) approved financing of about US\$55.1 million (eq.) towards cost of service connections materials and technical assistance.

The development of the rural electrification program has several key milestones and activities that were accomplished over the last 14 years. Figure 5 shows the sequence of various related activities including the RESP-1 (2001-2012), the ERT-1 (2001-2009), the ERT-2 (2009-2016), the OBA (2013-2017), the RESP-2 (2013-2022), the ERT-2 AF (2013-2016), and the proposed ERT-3 (2015-2020). Building on the institutional framework developed under the RESP-1 and ERT-1, ERT-2 continues to increase access to electricity primarily by supporting the expansion of necessary infrastructure into rural areas. The additional financing (ERT-2 AF) and the GPOBA supplement to ERT-2 provided connection materials and results-based connection subsidies for the poor to enhance access to electricity. The RESP-2, which was informed by the UAREP study supported by the Bank, proposes new implementation models for rural electrification. The proposed ERT-3 will support the GoU to implement the new arrangements for electricity access and mobilize the additional resources required to achieve the connection targets.

D. Less ons Learned and Reflected in the Project Design

The RESP-2 incorporates lessons learned from the earlier implementation of the RESP-1 (described in para 21). Moreover, the Bank has been engaging in policy discussion with the GoU, building on lessons extracted from global practices. The Bank co-hosted a policy workshop on electrification with GoU in February 2015, which examined planning, technical, financing, regulatory, and institutional aspects of electricity access in order to accelerate the achievement of universal access in Uganda. The experiences of countries with successful rural electrification, including Ghana, Peru, and Vietnam, were presented to inform the discussion. The proposed design incorporates the key outcomes of the workshop. The project also builds on the implementation experience of ERT-1, for which an impact evaluation was completed in June 2011, and ERT-2 currently under implementation. Some of the key lessons are discussed below.

Affordability barriers will be alleviated through a public financial mechanism. Accelerating connections encountered difficulties due in large part to affordability constraints, which is also a key barrier identified in the ERT-1 impact evaluation. Similar to many other countries in Sub-Saharan Africa, connection charges and internal wiring costs are key impediments for rural households to access electricity. Many of the successful cases of rural electrification have relied on governments funding upfront connection costs, with part of the connection costs being recouped through retail tariff and/or public finance, and with new customers paying discounted or in some cases no connection fees. Based on the lessons learned elsewhere, a proposal to establish a public financial mechanism is under discussion that would fund part of the connection costs in conjunction with the project.

The incentives of private concessions to expand electricity access require separate policy measures. In the past, private SPs who operated concessioned distribution lines had limited incentives to connect households. The proposed project takes into consideration their incentives by (i) REA absorbing the cost pressure of serving the areas with relatively low electricity consumption by providing capital for expanding distribution lines; (ii) establishing customer connection targets for households under the project for the SPs (project will not finance connections for commercial and industrial customers, which will be financed by Umeme's regular arrangements); (iii) to allow a separate capital expenditures and O&M expenses for project-related activities from the existing revenue requirement for tariff calculation for the SPs; (iv) allowing flexibility in planning the network expansion by SPs within their STs through master plans, which would give them the opportunity to connect new customers; (v) increases in areas of operation which would allow enlarged customer base; (vi) additional bonuses in case they exceed connection targets under the Lease Agreements with REA. In addition, ERA will ensure that adequate tariff will be approved for the SPs to cover operating costs.

Mechanisms for increasing access to off-grid electricity should be aligned to and implemented in partnership with the existing market platforms. For off-grid electrification, implementation of the SHS under the ERT-2 through the PVTMA model had a less than satisfactory outcome. So far, during 2009-2014, under the ERT-2, about 14,000 SHS have been installed against a target of 20,000, on a generously subsidized basis. The pace of implementation was constrained by major problems related to inadequacies with the subsidy mechanism and in the verification process of the PVTMA (inadequate targeting of lower income households and fraudulent practices in verification and slow pace of verification), coupled with general constraints within the sub-sector. Based on the Solar PV Options Study that examined key constraints in the solar PV market as well as various alternative delivery models, the project would focus on enforcement of product standards and working capital support for solar companies. These areas are identified as key barriers for solar companies to penetrate the market and sustain their operations.

Reduced number of implementing agencies and simpler project design would reduce implementation delays. Under the overall coordination by the Project Coordination Unit (PCU), implementation of ERT-2 is being carried out by 11 implementing agencies: seven line ministries and four agencies. While the implementation arrangements for on-grid electrification managed by REA and the TAs managed by MEMD/MoFPED are relatively straightforward, some complexities arose with the off-grid electrification activities. The GoU has addressed the issue by reducing the number of off-grid component by three, and limiting the total number of implementing agencies to eight: five line ministries and three agencies. The selection is based on the past project implementation performance and the expected contribution towards achievement of the access goals. While the number of implementing agencies is still large, the remaining agencies have strengthened their implementation

capacity over the course of the program, and have demonstrated solid results. One exception is the solar PV systems installed in post-primary schools that were affected by vandalism. However, MoES has strengthened project oversight and taken remedial measures to make headmasters accountable for the systems installed. Moreover, the PCU for the project as a whole has been strengthened over the course of implementation, and will be the Bank's key counterpart for the activities managed by the line ministries and agencies. Therefore, on a day-to-day basis, the Bank will be interacting mostly with the PCU and REA. The simplification is expected to lead to improved coordination and monitoring of project activities as well as smoother project implementation.

To further mitigate risks of implementation delays, preparatory studies are front loaded. Delays in selection of consultants and procurement of goods and services have adversely affected project implementation of the on-going activities supported under ERT-2. To minimize potential delays under the scaled-up activities to be supported under the proposed project, necessary preparatory studies, including feasibility studies, ESIA's, and RAPs are being prepared upfront. The bidding documents for the first three lines are expected to be ready before project effectiveness.

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

The project is expected to be implemented in selected areas across the country. The salient physical characteristics are prominent in the power-line construction sub-components which shall involve excavations and earthworks, vegetation clearance of both grass and trees, formation of murrum bunds for pole structures in wetland areas, creation of wetland access paths, establishment of equipment storage areas, land take/ displacement of land-uses and thus associated compensation.

5. Environmental and Social Safeguards Specialists

Constance Nekessa-Ouma (GSURR)

Herbert Oule (GENDR)

Mary C.K. Bitekerezozo (GSURR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Triggered because the program will support investments with potential negative environmental and social impacts arising mostly from the construction of the 33/11 kv power distribution lines. The specific locations of all the physical components have not yet been determined and therefore ESMF has been prepared, consulted upon and disclosed before appraisal. Once specific project sites have been identified, site specific ESIA's and ESMPs shall be prepared. However, ESIA's for the first two lines of Kiganda Mile 16 and Ruhumba – Kashwa whose feasibility has been completed have been prepared and disclosed prior to appraisal.
Natural Habitats OP/BP 4.04	Yes	Triggered because some power lines may pass through and affect natural habitats such as forests, and wetlands. Any likely impacts shall be assessed and addressed through the guidance provided in the ESMF, specific ESIA's and ESMPs.

Forests OP/BP 4.36	Yes	Triggered because some power lines may pass through forest areas with a potential of causing negative impacts. Any likely impacts shall be assessed and addressed through guidance provided in the ESMF, specific ESIA's and ESMPs.
Pest Management OP 4.09	No	Not triggered because the project will not involve use of pesticides.
Physical Cultural Resources OP/BP 4.11	Yes	Triggered because of the civil and earthworks during construction of the power lines which may affect the known or un-known PCRs. A chance finds procedure has been developed as part of the ESMF.
Indigenous Peoples OP/BP 4.10	No	The project does not fall under any Indigenous People's areas.
Involuntary Resettlement OP/BP 4.12	Yes	Triggered because the project will involve land take and displacement of land-uses, limiting access and livelihoods. An RPF has been prepared and disclosed on July 29, 2014 in-country and on September 8, 2014, 2014 at InfoShop. This will guide preparation of the RAPs for distribution lines when specific locations are known. Two RAPs for Kiganda Mile 16 and Ruhumba – Kashwa have been prepared in a consultative process and will be disclosed prior to appraisal. RAPs for all other lines will be prepared during implementation but will need to be disclosed prior to start of line construction works.
Safety of Dams OP/BP 4.37	No	This Policy is not triggered because the project will not involve construction of a dam or involve interaction with a dam under construction. It will only support studies (TA) for development of mini-and small hydropower sub-projects that may involve use of small dams of less than 15meters height. However, Component 2 includes inter alia: the development of three pico hydros (5 kW each) and three micros (16 kW, 20 kW and 45 kW) hydropower plants and will require construction of weirs. The Environmental, Health and Safety impacts of Pico and Micro HPPs are minimal and insignificant to warrant trigger of this policy. The Pico & Micro HPPs shall be screened and if necessary, ESMP developed to guide their implementation.
Projects on International Waterways OP/BP 7.50	No	This Policy is not triggered because the project will not support projects on international waterways.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered because the project will not be implemented in disputed areas.

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify
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and describe any potential large scale, significant and/or irreversible impacts:
<p>The proposed project will support interventions designed to increase access to electricity and expected to have positive overall environmental impact through promoting renewable energy development and energy efficiency measures. Based on the generic environmental aspects, impacts of the proposed subprojects will be of small scale, localized and hence be short-term in nature. These impacts can be readily mitigated through implementation of applicable mitigation measures that will be proposed. The project is expected to be implemented in selected areas across the Country. All project components have environmental aspects that will be addressed through proper environmental assessment. The salient physical characteristics are prominent in the power-distribution lines construction sub-component, which shall involve excavations and earthworks, vegetation clearance of both grass and trees, formation of murrum bunds for pole structures in wetland areas, creation of wetland access paths, establishment of equipment storage areas, land take/ displacement of land-uses and thus associated compensation. Other aspects relate to the management of residual waste from the solar PV systems, once they reach their end-of-life time. Component 2 includes inter alia: the development of three pico hydros (5 kW each) and three micros (16 kW, 20 kW and 45 kW) hydropower plants which are community based initiatives and will require construction of weirs; these will be implemented by the PSFU through financing to be shared with private developers – in this case, the user communities. Component 3 includes preparatory studies for the development of geothermal energy and feasibility studies for seven small hydropower projects (SHPP) – all less than 15m in dam height. These studies will facilitate the development of SHPP at a later date by the private sector. The proposed Project will not finance construction of any SHPP. The feasibility studies will include environmental scoping to establish key environmental aspects that may be of concern.</p> <p>By nature of the project activities, there are no large scale or irreversible impacts associated with the project.</p>
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
N/A
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
N/A
4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
<p>To manage any likely environmental and social impacts of the proposed project, Environmental and Social Management Framework (ESMF) was prepared and disclosed both in-Country on July 29, 2014 and at the Infoshop on September 8, 2014. The ESMF took into consideration the implementation lessons of the predecessor projects, in building mechanisms to continuously improve the processes of identifying environmental and social impacts of planned activities, planning and implementing mitigation measures, monitoring and reporting. Consultations with the various stakeholders were adequately conducted and this facilitated the project design. The ESMF provides a step-by-step guidance on how to identify potential adverse environmental and social impacts from project activities, and how to plan, implement and monitor measures to mitigate them. Site specific Environmental and Social Impact Assessments (ESIAs) shall be undertaken and Environmental and Social Management Plans (ESMPs) developed during project implementation. The ESMF provides generic TORs for ESIA and guidance for development of ESMPs. In addition, ESIAs for the first two lines of Kiganda Mile 16 and Ruhumba – Kashwa</p>

whose feasibility has been completed have been prepared and disclosed prior to appraisal.

The proposed Project will result in limited land acquisition for construction of distribution lines, which potentially will affect the livelihoods and access to common assets and resources along the distribution corridors. This triggers OP 4.12 on Involuntary Resettlements. The potential impacts are being addressed through a Resettlement Policy Framework (RPF), which has been prepared in a consultative manner and disclosed. The RPF includes detailed guidelines for developing and implementing subsequent RAPs for each of the sub-projects/lines. The RPF includes: (i) an assessment of the regulatory and institutional framework for land acquisition and compensation in Uganda; (ii) likely categories of affected assets and parties, as well as the scope of impacts; (iii) a gap analysis and a compensation framework consistent with OP 4.12 and the national legislation; (iv) measures to assist vulnerable groups; (v) a consultation framework to enable the participation of affected populations in the preparation of specific resettlement plans; (vi) an institutional framework to implement the resettlement policy framework; (vii) a grievance redress mechanism; and (viii) monitoring and evaluation framework and budget. In terms of grievance redress mechanisms, it prioritizes utilizing the existing systems and structures. Grievance management will aim at providing a two-way channel for the project to receive and respond to grievances from PAPs, stakeholders or other interested parties. Two RAPs for Kiganda Mile 16 and Ruhumba – Kashwa have been prepared in a consultative process and will be disclosed prior to appraisal.

In order to minimize most of the impacts associated with the major sub-component of the distribution line construction, it is recommended that these be restricted to road reserves to the extent possible. Any trees and crops that may be cut down shall be compensated for or replaced. Continuous public awareness and engagement is also recommended to manage social impacts. Furthermore, grid extension and intensification works will involve erection of distribution lines across wetlands and protected areas. Such ecosystems are habitats of birds and associated biodiversity. Instances of bird collision with power lines are reportedly common across such ecosystems. Therefore, horizontal alignment of conductors in wetland areas to reduce bird electrocution is recommended, especially the crested crane, which is an important national symbol of Uganda. Health and safety of the workers shall be emphasized during erection and operation of the power distribution lines, including public safety.

A concern regarding Solar PV accessories (batteries, lamps) relates to their disposal since they are hazardous. Under the project, two options are provided: (i) the suppliers of these accessories shall be required to take them back after their useful life as a contractual obligation. Alternatively, (ii) the project (through the implementing agencies) will contract NEMA licensed waste handlers to collect, transport and hand them over to recycling facilities for batteries or to approved disposal facilities for hazardous wastes, at the cost of the respective line Ministries. Therefore, MoES, MoH and MoWE shall undertake to budget for operational and maintenance costs of all the solar PV installations.

The World Bank Environmental, Health and Safety (EHS) Guidelines, and Electric Power Transmission Distribution guidelines and applicable Ugandan laws such as the Occupational Health and Safety Act, shall be used to guide implementation of all related Environmental Health & Safety aspects of ERT-3 project.

The pico and micro hydropower projects to be supported shall be subjected to environmental screening following the guidance provided in the ESMF and ESMPs developed where necessary. The pico and micro HPPs shall be run-of-river system requiring no dam structures. Therefore, the

ecological and social impact including health and safety concerns are minimal.

Currently, there is adequate environmental safeguards capacity at the implementing agencies to oversee implementation of the ESMF, most notable the MEMD, REA, ERA, NEMA, and MoWE. Overall, coordination of implementation of environmental and social aspects of the Project shall be undertaken by Environmental Safeguards Officer of Electricity Support Development Project (ESDP) which is also financed by IDA.

REA has two Environmental Safeguards Officers to lead the implementation of the ESMF/ESIA and associated environmental requirements of their project component. NEMA and ERA will play their respective regulatory roles and their capacity is deemed adequate in terms of personnel availability and institutional set up. In addition, the respective project beneficiary/host District Local Governments shall be involved in monitoring implementation of the environmental and social aspects of the project through their District Environment Officers and the Community Development Officers. The participation of the DEOs and CDOs shall be facilitated by the project.

REA expects to recruit a Social Development Specialist in the next financial year (2014/15) to fully address all social issues including compensation and resettlement including vulnerability issues projects including ERT III. The Social Development Specialist will train and guide the CDOs at the district level on all social issues including issues of vulnerable groups.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Consistent with best practice in developing ESMFs, consultations were held with relevant stakeholders. The stakeholders and beneficiaries of the project were identified after undertaking literature review and preliminary consultations at project inception. The stakeholders consulted during preparation of the ESMF included District Local Government Officials (District Environment Officers, District Production Officers, District Engineers, Chief Administrative Officers, District Planners and District Engineers) and local communities among others. At the national level, the following were consulted: officials from MEMD, MWE, NEMA, MoES, MoH, UNRA, UCC, NFA and UWA. The stakeholders raised some concerns which are reflected in the ESMF and mechanisms to address them suggested therein. In general, they were in agreement with the project and looked forward to its implementation.

The Consultations were carried out using group discussions, community meetings, and individual appointments with government officials. Disclosure in-country was and has been done through the daily English newspaper, websites of the participating institutions, and display of copies of the safeguard documents in regional districts.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	07-Jul-2014
Date of submission to InfoShop	08-Sep-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	////
"In country" Disclosure	
Uganda	29-Jul-2014
<i>Comments:</i> This was disclosed in the Monitor and and New Vision newspapers.	

Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	07-Jul-2014
Date of submission to InfoShop	30-Jul-2014
"In country" Disclosure	
Uganda	29-Jul-2014
<i>Comments:</i> This was disclosed in the Monitor and and New Vision newspapers.	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [] No [<input checked="" type="checkbox"/>] NA []
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [] No [<input checked="" type="checkbox"/>] NA []
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input checked="" type="checkbox"/>] No [] NA []
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>] No [] NA []
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>] No [] NA []
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [] NA []
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [] NA []
OP/BP 4.36 - Forests	
Has the sector-wide analysis of policy and institutional issues and constraints been carried out?	Yes [] No [] NA [<input checked="" type="checkbox"/>]
Does the project design include satisfactory measures to overcome these constraints?	Yes [] No [] NA [<input checked="" type="checkbox"/>]
Does the project finance commercial harvesting, and if so, does it include provisions for certification system?	Yes [] No [] NA [<input checked="" type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [] NA []

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader(s):	Name: Mitsunori Motohashi, Mbuso Gwafila	
Approved By		
Safeguards Advisor:	Name:	Date:
Practice Manager/ Manager:	Name:	Date: