

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC17879

Date ISDS Prepared/Updated: 09-May-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Senegal	Project ID:	P160022
Project Name:	Senegal Support to Extractive Industries Transparency Initiative Compliance Process		
Team Leader(s):	Ilhem Salamon		
Estimated Date of Approval:	01-Jun-2016		
Managing Unit:	GEEX1	Lending Instrument:	IPF
Sector(s):	Oil and gas (50%), Other Mining and Extractive Industries (50%)		
Theme(s):	Other accountability/anti-corruption (50%), Participation and civic engagement (30%), Other environment and natural resources management (20%)		
Financing (in USD Million)			
Total Project Cost:	0.3	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Extractives Global Programmatic Support			0.3
Environment Category:	C - Not Required		

B. Project Development Objective(s)

18. The project development objective (PDO) is to assist Senegal in implementing its EITI agenda.

C. Project Description

20. The GoSN has taken a strong ownership of the EITI process and other stakeholders (civil society, industry, parliamentarians) are showing interest in advancing governance and accountability in the extractives sector. EITI-NC in Senegal has started to play a regional leadership role and facilitator for the adoption of extractive transparency measures both at the national and the regional levels. For instance, the EITI-NC hosted a meeting of African EITI National Coordinators to discuss the evolution of the Standard and the needs of their respective countries. Further, civil society and private sector stakeholders have successfully established independent constituency groups led by the "Coalition for transparency in extractive industries", a coalition of some 40 CSOs, and the Senegalese Chamber of Mines. These constituency groupings are facilitators of the EITI dialogue but

do not represent exclusive organizations monopolizing the EITI mandate, as the members of EITI-NC are drawn from a nationwide pool of stakeholders.

21. Senegal's membership to EITI has allowed a dialogue on the sector's role in the economy. For example, the government has undertaken a review of its mining code which awaits approval by the National Assembly and has expressed its intention to revise the hydrocarbon legislation as well. Recognizing the efforts that remain to be undertaken, EITI-NC has developed an exercise in self-assessment of progress and works closely with an inter-ministerial committee on the achievement of progress expected by October 17, 2016. The efforts made so far are important and recognized as such. H.E. Professor Ismaila Fall, EITI-NC Chair, was elected alternating member of the International Board of EITI, which clearly demonstrates the appreciation of the efforts of EITI-NC to make Senegal meet the international standard of transparency and accountability.

22. The World Bank has supported GoSN since its EITI candidature approval in October 2013 through an initial grant of \$500,000 over two years and an additional funding of \$ 145,000 in July 2015. The quality of the implementation of the previous EITI grant that closed on December 31, 2015 was satisfactory: (i) EITI-NC is fully operationalized; it has developed its internal regulations and established several working subcommittees; (ii) the structure has ensured its sustainability through the development of an interactive website; and (iii) EITI-NC was able to involve several stakeholders, such as the "Parliamentary Network for the Government of Mineral Resources in Senegal", a media network and several networks of civil society. The support increased contributions to the parliamentary debate on the extractives sector policies such as the review of the mining code through a better understanding of industry issues and collaboration with other members of EITI-NC.

23. The Bank has been the main donor for EITI implementation in Senegal. The next largest direct supporter has been the UK Embassy that funded a visit of EITI-NC to the gold mining region of Kedougou. The Government of Canada, Department for Foreign Aid, Trade and Development (DFATD) has indirectly supported EITI by making the production of the first report a condition for budget support; DFATD has also funded some complementary activities such as: (1) a local development project (through SME support) in a major mining region, (2) a West African Economic and Monitoring Union region policy dialogue on the mining sector, (3) a study on mining production data, (4) a study on mining companies' Corporate Social Responsibility programs, and (5) a strategic planning exercise to finalize the multiyear work plan. An ongoing USAID support to civil society engagement in EITI will end in 2016 and there is no plan for a new project.

24. The proposed grant would be a follow-on grant to an EITI Multi-Donor Trust Fund (MDTF) grant (Senegal EITI Implementation Support Project, P131626) which financed the establishment of Senegal's EITI Permanent Secretariat and the first EITI report's preparation and dissemination. The proposed grant is meant to push EITI implementation in Senegal forward and support critical efforts needed to help the country reach EITI compliance. A follow-up grant is needed to ensure the sustainability and mainstreaming of EITI in Senegal.

Project Components

25. The proposed grant comprises four components as follows:

26. Component A: EITI Implementation Support. This component will support the activities essential to EITI implementation and meeting Senegal's obligations as an EITI candidate country to reach compliance. These activities include:

- Annual EITI report for Senegal. Recruitment of an Independent Administrator (IA) in charge of the preparation of one EITI report covering all extractive industries for the calendar year 2014. Building on lessons learnt from the preparation of the first report, it will be important to help operators and state agencies better understand the EITI requirements. The project will thus support advisory services for state agencies and companies operating in the extractives industries to comply with EITI reporting requirements.

- Assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector in collaboration with DH. Recruitment of a consultant to: (i) review the legal and institutional framework in Senegal as it relates to license allocations (EITI requirement 2.2), registration of licenses (EITI requirement 2.3), and disclosure of contracts (EITI requirement 2.4), (ii) assess how the legal and regulatory environment compare to international best practice, and (iii) make recommendations on policy reforms the government can adopt in order to address the gaps and strengthen the sector in this aspect. While this assessment cannot influence reforms in the short-term, the recommendations should be shared with the IA for the 2014 report prior to publication so the findings can be incorporated.

27. Component B: Communication and Outreach. This component will support the communications and outreach plan of the EITI Permanent Secretariat for the first year of project implementation and will include the following activities:

- Dissemination of the first EITI Report Support for the EITI Permanent Secretariat to: (i) publish and disseminate crucial information on EITI implementation through the production of a short video and brochures in order to inform the public on the overall extractives industry, EITI implementation and related events, and (ii) print and disseminate the first EITI report including in the mining regions and through a dissemination workshop in the capital. The workshop will include dissemination of information on the new EITI Standard (2016) and the EITI validation process.

- Internet and social media activities. Support for the management of a Senegal EITI website and social media accounts that contains information specifically related to the EITI implementation in Senegal as well as wider information on activities related to transparency of extractive industries in Senegal, as well as global news and trends on EITI implementation experiences from other countries.

28. Component C: Project Management. This component will support the costs of three EITI Permanent Secretariat staff (Permanent Secretary, Administrative and Financial Officer, and Database Specialist) and provide support for travel the operating costs related to the work and training of the Permanent Secretariat staff and EITI-NC members of day to day activities carried out by the EITI Permanent Secretariat as well as an audit. GoSN covers the costs of office space and associated utility costs, operation costs associated including office supply, travel costs related to the work of the Secretariat and of EITI-NC members, office maintenance, internet, phone, banking charges, and vehicles and fuel, and will contribute to travel costs related to the work of the Secretariat and of EITI-NC members as needed.

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

35. The project is a technical assistance for Senegal. It is meant at enhancing transparency and

accountability in extractive industries' revenue management. It involves no physical investment or recommendation that would be relevant for safeguard analysis.

E. Borrower's Institutional Capacity for Safeguard Policies

36. While MEF has a good record in implementing Bank-financed projects, the EITI Permanent Secretariat is relatively new. However, the EITI Permanent Secretariat was responsible for implementing the previous EITI grant and has demonstrated its capacity to manage the implementation of the proposed grant. The proposed grant will further strengthen the capacity of the current staff in the Secretariat and Environmental and social management will be integrated part of the capacity building.

F. Environmental and Social Safeguards Specialists on the Team

Ruma Tavorath (GEN07)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	No	This is a technical assistance project focused on improving the institutional management of licensing and awarding of contracts, capacity building and training and sensitization. There are no physical investments being supported under the project. The grant will not finance studies or assessments linked to potential mineral extraction. Since none of the project activities have any impact on the ground nor any derived down-stream impacts, the category is proposed to be C.
Natural Habitats OP/BP 4.04	No	This policy is not triggered as project activities are not expected to have any impacts on natural habitats.
Forests OP/BP 4.36	No	This policy is not triggered as project activities are not expected to have any impacts on or infringe into designated forests.
Pest Management OP 4.09	No	This policy is not triggered as the project will not finance the procurement or use of pesticides.
Physical Cultural Resources OP/ BP 4.11	No	This policy is not triggered as project activities are not expected to have any impact on physical cultural resources.
Indigenous Peoples OP/BP 4.10	No	This policy is not triggered given that project activities are not expected to cause any impacts on Indigenous Peoples.
Involuntary Resettlement OP/BP 4.12	No	This policy is not triggered given that project activities are not expected to cause any physical or economic displacement, nor any restriction in access to natural resources.
Safety of Dams OP/BP 4.37	No	This policy is not triggered given the project is

		not financing any dam construction or rehabilitation nor any activities that rely on the operations of existing dams
Projects on International Waterways OP/BP 7.50	No	This policy is not triggered given the project is not financing any activities in international waterways as defined by the policy.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered given the project is not financing any activities in disputed areas as defined by the policy.

III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

IV. APPROVALS

Team Leader(s):	Name: Ilhem Salamon	
Approved By:		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 28-Apr-2016
Practice Manager/ Manager:	Name: Paulo De Sa (PMGR)	Date: 28-Apr-2016

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.