



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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**I. BASIC INFORMATION****A. Basic Operation Data**

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P180722	Program-for-Results Financing (PforR)	Tanzania PFMPSSD	2024
Operation Name	Public Financial Management and Procurement Systems for Service Delivery		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Tanzania	Tanzania	EASTERN AND SOUTHERN AFRICA	Governance
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
The United Republic of Tanzania, Ministry of Finance	The United Republic of Tanzania: Ministry of Finance, The Revolutionary Government of Zanzibar: President's Office- Finance and Planning	20-Nov-2023	27-Feb-2024
Estimated Concept Review Date	Total Project Cost		
25-Sep-2023	50,000,000.00		

Proposed Development Objective

To strengthen institutional capacity, efficiency, transparency and accountability in public resource management.

B. Is the operation 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 Activities

The “Public Financial Management (PFM) Reform Programme (PFMRP) Phase VI Strategic Plan (2022-27)” has recently been developed to consolidate, deepen, and sustain PFM reforms in the United Republic of Tanzania (URT) with a view to enable improved delivery of public services. The proposed IDA operation (US\$50 million), will assist the URT in implementing PFMRP VI through a Program for Results (PforR) instrument to support both the Mainland and Zanzibar. The program addresses significant PFM issues in both the Mainland and Zanzibar and would have a profound multi-sectoral impact through improved efficiency of public expenditures and value for money. The government has shown a



keen interest and strong commitment to the Program and to take required actions to achieve impactful results which prioritize enhanced domestic revenue mobilization and expenditure management.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

Exact project locations are not yet defined. Relevant ES features will be elaborated by appraisal once locations will be identified.

The Indian Ocean archipelago of Zanzibar is a semi-autonomous province of Tanzania. It consists of the island of Zanzibar or Unguja, Pemba as well as smaller neighboring islands. The Program will have mostly positive benefits as its proposed interventions will set up vigorous systems that will strengthen financial management and procurement systems in Tanzania. It also targets to fully integrate and harmonize financial management system, e-Procurement, and Asset Management, which will enhance transparency and improve efficiencies for the entire cycle of PFM. To attain the specified objectives, the program will require upgrading of ICT infrastructure for data storage and processing; setup of data servers and equipment, and establish required technology to allow monitoring and analyzing incoming data from participating institutions. In addition, the program will build technical and technological capacity of staff in participating institutions, along with capacity to manage E&S risks, to allow effective PFM practices in a sustainable and inclusive way. Technical and technological capacity of staff in participating institutions to allow effective PFM practices.

D.2 Overview of Borrower's Institutional Capacity for Managing Environmental and Social Risks and Impacts

Based on the currently available information, capacity in terms of qualified staff and resources to support management of ESHS risks and impacts of the project in accordance with the ESF its not adequate and will need to be strengthened. This recognizes the need for additional implementation support, and for the inclusion of E&S risk management strengthening in Zanzibar's IPF component.

PIUs are yet to defined and these will be selected by Appraisal. The analysis of the capacity of the institutional will be finalized during preparation. A Capacity building program on ESF matters will be established during implementation.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Moderate

A.1 Environmental Risk Rating

Moderate

The environmental risks of this Program are those related to electronic waste generation (e-waste). For effective PFM, participating institutions will procure some amounts of (actual quantities will be defined during preparation) electronic equipment like computers, printers, batteries, servers, or other IT related equipment for data processing, storage, and management. Procurement with subsequent installation of new electronic equipment might cause disposal of old or used electronic equipment leading to increase exacerbation of e-waste problems. Inadequacies in recycling and disposal of electrical and electronic waste can cause health and environmental pollution problems. E-waste affects human health, which can be considered in the category of environment. But the main aspects of environment like air, water and soil are negatively affected by the improper management of e-waste. The consequences of improper management leads to landfills, releasing of toxic chemicals, impacting earth's surface and



most importantly human health. Other environmental risks may involve energy efficiency, OHS and community health and safety risks including transportation of hazardous material and road safety, which will further be assessed during project preparation. The Moderate risk rating is considered appropriate at the current stage as risks and impacts are likely to be predictable and expected to be temporary and/or reversible. Exclusion criteria will be included in the ESCP to avoid significant impacts. The risk rating will be reconfirmed during preparation once more information become available.

A.2 Social Risk Rating

Moderate

The Social Risk rating for the Program will be moderate: This rating was determined by identifying preliminary risks such as possible misuse of shared data and cyber-security issues that may arise from data integrations. Social risks may also arise due to the integration and harmonization of financial management systems and e-procurement, which could compromise the security of personal and institutional information from invention and infringement. Additionally, there may be risks related to gender-based violence (GBV) and sexual exploitation and abuse (SEA) resulting from interactions between staff members and experts, and also among staff, during different phases of project implementation. The social risk rating process was done by reviewing proposed Program activities (Main and sub) and expected results framework, location, and scope. The Risk rating process further took into consideration the Program implementation modalities, borrowers' capacity in terms of human resources and experience to implement similar programmes as well as the presence of country-enabling environments such as policies and regulations. E&S risk management strengthening measures are expected to be included both as part of the IPF component and in the project's Environmental and Social Commitment Plan (ESCP). Further, an environmental and social systems assessment (ESSA) will be prepared and disclosed prior to appraisal, which is expected to provide more information of the E&S aspects of the PforR activities, especially on the borrowers' capacity to implement the proposed Program, along with recommendations to strengthen the management of E&S in the mainland activities, to be reflected in the ESSA's Program Action Plan (PAP).

B. Relevance of Standards and Policies at Concept Stage

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts

Relevant

E-waste-related toxic elements can enter living organisms through air, soil, water, inhalation, and dermal absorption. Installation of new equipment might need more energy to operate in this case, the demand for electricity might increase and trigger pressure on the resources. OHS and Fire Safety risks as a result of the use of electronic devices .The areas to be prioritized as part of the Bank's due diligence during project preparation will be the assessment of the Borrower's capacity to manage the E&S risks of the project, and the identification of measures to strengthen such capacity, which will be reflected in the project's ESCP. Any TA activities will follow the requirements of the OESRC Advisory Note on TA and the ESF including development of ToRs consistent with this ESS. ESF instruments will include an e-waste management plan, OHS protocol and other relevant mitigation measures as well as exclusion criteria which will be included in the POM and ESCP.

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

Detailed stakeholder identification and analysis is yet to be done, however tentative project stakeholders include National level government line ministries and institutions. The borrower will prepare a Stakeholder Engagement Plan



(SEP), which will present stakeholder identification, stakeholder analysis and the engagement strategies, to guide the sub-projects. The SEP will also include a grievance mechanism, which will include procedures for the handling and referral of potential SEA/SH cases. In accordance with paragraph 18 of ESS10, some aspects of the SEP are expected to take the approach of a framework. The SEP is a living document and will be updated and redisclosed as needed during the life of the project. The SEP, to be disclosed prior to Appraisal, will include a report of the stakeholder engagement activities carried out until then.

ESS2 - Labor and Working Conditions

Relevant

This standard is relevant. The key risks associated to the workplace are related to the interactions between staff members and other project workers,. In addition to verifying compliance with the applicable norms of the national legislation, the PIU is expected to ensure adherence to a code of conduct for all project workers that includes measures to prevent SEA/SH cases. Furthermore, risks such as OHS, fire and electricity may occur as a result of installation and the use of the ICT equipments, as well as handling of e-waste. The minimum norms of conduct as well as OHS measures are expected to be included in the Project Operation Manual (POM). A simple OHS protocol will also be prepared. The Bank's due diligence will determine if measures other than those included in the national legislation will be needed, which will be reflected in the ESCP.

ESS3 - Resource Efficiency and Pollution Prevention and Management

Relevant

The project present Risks/Impacts linked to generation of electronic wastes. All these risks/impacts and proposed measures to mitigate them through an e-waste management plan. The E-waste management will indicate ways to segregate the generated e-waste from other forms of waste and requirements to take it to licensed refurbishers, collection centers or recyclers. As a result of installation and use of ICT equipments, energy use might increase, the borrower will need to apply the resource efficiency requirements of this ESS, and adopt measures specified in the WB EHSGs to optimize energy usage, to the extent technically and financially feasible. Relevant mitigation measures will be included in the POM and ESCP.

ESS4 - Community Health and Safety

Relevant

Potential risks related to electronic wastes, the E-waste Management Plan will define the measures to avoid, prevent and mitigate adverse impact on the health and safety of communities and ecosystems. The project will include measures and actions to reduce risks during storage, transportation and final disposal of e-waste to avoid detrimental effects to the community. Issues such as road safety and emergency preparedness and response will also be included in the POM, ESCP and where relevant in the E-Waste Management Plan in line with WB EHSGs requirements. SEA/SH risks will be addressed with the actions described in the ESS10 and ESS2 sections.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Not Currently Relevant

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

Exclusion criteria will be established in the ESCP to avoid any activities in protected areas and critical habitats



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

Not Currently Relevant

ESS8 - Cultural Heritage

Relevant

Exclusion criteria will be established in the ESCP to avoid impacts on cultural heritage.

ESS9 - Financial Intermediaries

Not Currently Relevant

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

No

Use of Common Approach

No

To be confirmed during preparation

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by Appraisal?

Prior Appraisal

- Draft Environmental and Social Commitment Plan (ESCP), and final version following negotiations
- Stakeholder Engagement Plan (SEP)
- Environmental and Social Systems Assessment (ESSA) for the PforR

During implementation:

- E-waste management plan
- OHS protocol
- EHS mitigation measures to be included in the POM
- Capacity building program on ESF matters

III. CONTACT POINT

World Bank



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IV. FOR MORE INFORMATION CONTACT

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V. APPROVAL

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