

# INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

**Report No.:** ISDSC1043

**Date ISDS Prepared/Updated:** 09-Dec-2014

**Date ISDS Approved/Disclosed:** 11-Dec-2014

## I. BASIC INFORMATION

### A. Basic Project Data

<b>Country:</b>	Rwanda	<b>Project ID:</b>	P150634
<b>Project Name:</b>	Rwanda Electricity Sector Strengthening Project (P150634)		
<b>Task Team Leader:</b>	Paul Baringanire		
<b>Estimated Appraisal Date:</b>	18-May-2015	<b>Estimated Board Date:</b>	22-Sep-2015
<b>Managing Unit:</b>	GEEDR	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Public administration- Energy and mining (25%), Transmission and Distribution of Electricity (65%), General energy sector (10%)		
<b>Theme(s):</b>	Other public sector governance (25%), Other urban development (10%), Infrastructure services for private sector development (55%), Rural services and infrastructure (10%)		
<b>Financing (In USD Million)</b>			
Total Project Cost:	80.00	Total Bank Financing:	80.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			80.00
Total			80.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

### B. Project Objectives

The Project Development Objective is to enhance access, efficiency, and accountability of electricity service delivery in Rwanda.

### C. Project Description

The project is proposed to have two main components: (i) Increased Access to Electricity services through providing additional connectivity and up-grading the existing networks; and (ii) Technical Assistance to improve sector capacity in the short-medium term through the setting up of several, but integrated, business improvement plans and capacity building of the relevant institutional bodies.

#### Component 1- Increased Access to Electricity Services (US\$ 55.0 million)

Support to the EARP: This sub-component will fund the continued expansion of EARP and will finance activities to connect new consumers through the purchase of equipment for grid extensions, reinforcements and consumer connections, installation services including for upstream system reinforcements, where required, to ensure that network expansion doesn't result in the deterioration of the quality of supply.

Upgrading of substations and the associated transmission and distribution network - The sub-component will finance proposed works related to 110/70/30/15/6KV substation extensions and upgrading. The upgrading and expansion of the distribution system substations is aimed at increased network capacity to meet demand from new access connections and consumption arising out of increased economic activities in the proposed project areas. The network strengthening activities will also focus on reducing technical losses, increased reliability by rearranging and upgrading distribution network in selected areas as well as other reinforcement measures.

#### Component 2: Sector Performance Management Improvement and Project Implementation Support (US\$25 million)

Electricity Sector Performance Management Improvement: This sub-component will establish comprehensive management information systems (MIS) to ensure efficient, transparent and accountable processes covering the network operations and maintenance (O&M); commercial functions; and management of corporate resources. The primary activities will include the design, supply, installation and operationalization (including staff training) of key management systems covering commercial, network operation and corporate functions.

a) Commercial processes improvement: This subcomponent will finance the design, procurement and implementation of a new Customer Management System (CMS) in order to provide support to the utility business functions related to revenue and customer management with the objective of improving customer service at the same time strengthening the business performance, especially reduction in commercial losses. The CMS will include aspects related to: (i) customer data base; (ii) Commercial Procedures; (iii) a revenue protection program including Advanced Metering Infrastructure (AMI) for the large electricity consumers.

b) Integrated Distribution Management System (IDMS): This subcomponent will support implementation of several system modules to develop and implement business plans to improve the distribution network system reliability, operating efficiency and outage management to assure increased customer satisfaction. Reduced outage time duration to customers, shall improve overall utility reliability indices (such as fault localization & restoration time, System Average Interruption Frequency Index (SAIFI), System Average Interruption Duration Index (SAIDI), Customer Average Interruption Duration Index (CAIDI) and customer satisfaction index). The IDMS will provide a comprehensive network management system for effective operation of distribution system by enhancing routine network monitoring, fault location and restoration; planning the network

requirements and further, will lay down the foundation for future SMARTGRID initiatives. The IDMS will include: (i) Geographical Information Systems (GIS); (ii) Outage Management System (OMS) including an Incident Recording System (IRS); (iii) Distribution Systems Operations and Maintenance and (iv) Distribution System Control And Data Acquisition (SCADA) system.

c) Enterprise Resource Planning (ERP) System: The subcomponent shall finance the design, supply and implementation of a corporate ERP system covering the core corporate functions such as human resources, finance, procurement and asset management to support the utility to better plan and manage all of its resources.

Sector Working Group Document Depository and Management Information System (MIS): This sub-component will finance an electronic document filing system and an MIS system for the Sector Working Group secretariat at the MININFRA which will help to coordinate the budget, aggregate sector relevant data and track stakeholder activities, etc. The sector data will include indicators from the sector value-chain and will build from a comprehensive data collection exercise from sector agencies. This is particularly relevant given the ongoing corporatization process, where the boards will also use data to support internal target setting, monitoring, and assessment, and this exercise contributes directly to the ability of the sector to respond to external stakeholder demands - whether from the ministry, donors, civil society, the media, or the regulator. This kind of performance management system, in the form of key performance indicators, will set methodical and predictable ways of achieving business results aligned with the strategic goals of the utilities and more broadly, the sector. The Bank has carried out such exercises in many countries in the world, including Bangladesh and Nepal, and will draw from them to inform the design and implementation of such a system in Rwanda.

Feasibility and Diagnostic Studies: This component will support studies to address sector performance improvements in the medium to long term, especially those related to grid supply and reliability as well as options for sector development. For the former, assessments will include (but not be limited to) identification of investments required to (i) increase system reliability especially for the central business districts, such as Kigali City and the special economic zones, (ii) reduce network down time and operations costs through automation of network operations by considering options related to the integration of the distribution system operations and data acquisition to the national SCADA center in addition to SCADA extension to some of the secondary 110/70/30/15/11/6KV substations. In addition, the assessments will include distribution network protection studies (fault calculations and protection grading) that will be required to enable the proposed network automation. For the latter, studies will support required feasibility studies and just-in-time policy advisory notes that are required to inform decision making regarding emerging sector issues.

Project Implementation: This sub-component will finance execution, design, and supervision consultants to assist the entities in project implementation, sector management and coordination.

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

The proposed project will fund a series of investments related to the construction of medium and low voltage distribution lines; and medium Voltage substation construction and rehabilitations in various places across the Rwandan territory. The project may result into limited potential environment and social impacts that will be mitigated through measures indicated in the safeguards instruments (ESMF and RPF).

### E. Borrowers Institutional Capacity for Safeguard Policies

Preparation, implementation and monitoring of the safeguards instruments for the proposed Project will be the responsibility of the Project Coordination Unit (PCU). Currently, the PCU has four staff; Environmental and Social Officers (two each). The safeguards staff have been trained in World Bank Safeguard Policies and Procedures and have adequate experience gained through the implementation of the ongoing Electricity Access Roll-out Program (EARP). Under this proposed project, the staff will receive further training and skills upgrading. For any subproject that triggers the Involuntary Resettlement Policy, the Unit will be supported by Consultants to prepare and execute specific resettlement action plans (RAPs), in collaboration with all relevant stakeholders, including potential project affected persons.

### F. Environmental and Social Safeguards Specialists on the Team

Mary C.K. Bitekerezo (GSURR)

Edward Felix Dwumfour (GENDR)

## II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The proposed Project is a Category B (Partial Assessment). Limited potential adverse environmental and social impacts are possible due to construction and rehabilitation and extension of the distribution network (T-lines and substations). As the sites and works are not finalized, the project will prepare an Environmental and Social Management Framework (ESMF) that will be consulted upon and disclosed prior to project Appraisal.
Natural Habitats OP/BP 4.04	No	Project target areas will be outside ecologically sensitive areas. Caution will be taken in siting substations and transmission poles in areas that are not part of natural habitats. Thus, the Project is not expected to affect natural habitats. Using the checklist annexed to the ESMF, implementers will screen proposed project activities to ensure that natural habitats are avoided altogether. Diversion routes and alternative sites will be proposed, where possible.
Forests OP/BP 4.36	No	Project target areas will avoid forest areas. Caution will be taken in siting substations and transmission poles in areas that are not part of forests. Using the checklist annexed to the ESMF, project implementers will screen proposed project activities to ensure that forests are avoided altogether. Diversion routes and alternative sites will be proposed, where possible.
Pest Management OP 4.09	No	Project will not include the manufacture, purchase,

		transport, use and disposal of agrochemicals or drugs and hazardous substances.
Physical Cultural Resources OP/BP 4.11	TBD	Although the proposed Project will have limited earth works associated with rehabilitation and construction of distribution network, it may include chance finds of physical cultural artifacts. Chance finds procedures will be mandated by the ESMF and included in the earth works (civil works) contracts.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	Yes	The project may involve some limited land take, limited and temporary displacement of people, loss of assets and livelihoods due to construction activities, right of way and way leave acquisition, etc. A Resettlement Policy Framework (RPF) will be prepared to guide the resettlement and compensation of PAPs, if any. The RPF will also be consulted upon and disclosed prior to Project Appraisal.
Safety of Dams OP/BP 4.37	No	The Project will not support activities associated with construction or use of dams.
Projects on International Waterways OP/BP 7.50	No	The Project will not result in changes to quality or quantity of surface (or ground) water categorized as international waters.
Projects in Disputed Areas OP/BP 7.60	No	The project will not take place in disputed areas.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 27-Feb-2015

**B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

An Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) will be prepared and disclosed both in-country and at the World Bank Infoshop before Project Appraisal scheduled for May 2015.

### IV. APPROVALS

Task Team Leader:	Name: Paul Baringanire	
<b><i>Approved By:</i></b>		
Regional Safeguards Coordinator:	Name: Alexandra C. Bezeredi (RSA)	Date: 09-Dec-2014
Practice Manager/Manager:	Name: Lucio Monari (PMGR)	Date: 11-Dec-2014

<sup>1</sup> 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.