

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.:** ISDSC328

**Date ISDS Prepared/Updated:** 03-Feb-2014

**Date ISDS Approved/Disclosed:** 05-Feb-2014

### I. BASIC INFORMATION

#### A. Basic Project Data

<b>Country:</b>	Lebanon	<b>Project ID:</b>	P122540
<b>Project Name:</b>	LB: PCB Management in the Power Sector Project (P122540)		
<b>Task Team Leader:</b>	Alaa Ahmed Sarhan		
<b>Estimated Appraisal Date:</b>	11-Jun-2014	<b>Estimated Board Date:</b>	20-Nov-2014
<b>Managing Unit:</b>	MNSEE	<b>Lending Instrument:</b>	Specific Investment Loan
<b>GEF Focal Area:</b>	Persistent Organic Pollutants		
<b>Sector(s):</b>	General industry and trade sector (100%)		
<b>Theme(s):</b>	Pollution management and environmental health (100%)		
<b>Financing (In USD Million)</b>			
<b>Total Project Cost:</b>	7.54	<b>Total Bank Financing:</b>	0.00
<b>Financing Gap:</b>	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			5.00
Global Environment Facility (GEF)			2.54
Total			7.54
<b>Environmental Category:</b>	A - Full Assessment		
<b>Is this a Repeater project?</b>	No		

#### B. Project Objectives

The global environmental objective (GEO) is to strengthen Lebanon's technical and managerial capacity for minimizing human and environmental exposure to polychlorinated biphenyls (PCBs).

#### C. Project Description

PCBs in Lebanon are mainly encountered in the electric power sector. Prior to the mid-1990s, they were widely used in power transformers and capacitors at various levels – power stations, sub-

stations and distribution transformers. Most of this equipment is owned by Electricité du Liban (EDL), the state-owned power utility, but some are owned by some smaller private distribution utilities and by major power consumers, such as industries or hospitals.

Subsequent to ratifying the Stockholm Convention for the management of Persistent Organic Pollutants (POPs), the Government of Lebanon requested the Bank to execute a GEF-financed project that would deal with its three top priorities in POPs management. These included awareness raising, institutional and regulatory strengthening and PCB management. Risks of environmental contamination from PCBs come from three major sources: a) equipment manufactured with PCBs as dielectrics; b) equipment containing oil that is contaminated with PCBs; and c) sites contaminated from leaking oil containing PCBs. The Proposed PCB Management Project addresses these priorities and comprises the following three components:

#### Component 1: Institutional and Regulatory Strengthening and Project Management

This component is likely to include: draft a POPs Management Decree, with implementing guidelines for PCB management; strengthen the capacity of MOE for managing the disposal of PCBs; and training for MOE and EDL staff.

#### Component 2: Management and Disposal of PCBs and PCB-Contaminated Equipment

This component is likely to include: the identification, safeguarding and disposal of high-content PCB out-of-service equipment. [High-content PCB transformers have been identified at three sites and high-content PCB capacitors at nine sites. Under the project, this equipment would be transported to the Bauchrieh site for repacking in UN-approved containers, storage and export to a certified disposal facility]. The expected volume is 49 tons of equipment, containing about 12 tons of PCB and is classified as High Risk.

#### Component 3: Management of PCB-Contaminated Sites

It is suggested to also explore the feasibility of remediating one site (either the Bauchrieh workshop or the well); but this task will need to be further analyzed during the project appraisal.

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

The proposed project has a localized reach as it targets 3 specific sites which contain stockpile of out-of-service transformers/ capacitors and 9 sites which have high-content PCB capacitors.

### **E. Borrowers Institutional Capacity for Safeguard Policies**

Lebanon's EIA system has been analyzed with respect to its equivalence with Bank policies and procedures, following OP 4.00 Use of Country Systems. This analysis showed that the Lebanese system and the Bank's policies are comparable in many respects. The acceptability assessment – which reflects the application of the EIA system in Lebanese projects – indicated that Lebanon has a modest institutional and legal EIA infrastructure at the national level as well as a weak track record of implementing, monitoring and enforcing environment management plans. There is a lack of requirement for public disclosure. Despite the delays in the approval of the application decree, MOE does have experience in overseeing the EIA procedures for a number of locally- and externally-funded projects. The Lebanon Country Environmental Analysis (CEA) characterizes MOE's EIA work to date as quite thorough and the quality of EIA reports as adequate but states that MOE has a weak record on the oversight of environmental management plans.

The gaps related to public consultation and public disclosure as well strengthening the capacity of

MOE staff on ESIA and implementation of EMPs will be addressed in this project. This will enhance the capacity strengthening support already being received under complementary projects funded by the Bank and other donors. The MOE will maintain the staff (with the required technical and social skills) whose skills will be further enhanced by technical support and training. Additional technical support will be provided by the Bank Safeguards specialists.

The need to trigger OP 4.12 on Involuntary Resettlement will be assessed during project preparation, once the project scope (Component 3) is clearly defined.

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

Chaogang Wang (MNSSU)

Ruma Tavorath (SASDI)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/ BP 4.01	Yes	The nature of the project is to safely manage polluting PCB-containing equipment and thus project investments will yield significant environmental improvements and long term public health benefits. However there are risks associated with the handling of PCBs, both to humans and the environment, if appropriate and stringent safeguards measures are not implemented. Risks to the environment include long-term and far-reaching contamination of soil, surface and ground water with PCBs (oils, leaking equipment etc). The persistent and toxic nature of PCBs has high risks to human health, including being a potential carcinogen and having possible developmental impacts. Poor management of PCB clean-up can involve a high risk to the neighborhood community and to the project site employees. Instituting sound occupational health and safety measures for the workers is critical who will be handling toxic PCB wastes. Due to the diverse nature of the risks associated with the project activities, the project is classified as Category A, for the purposes of OP 4.01, requiring a full environmental and social impact assessment, and extended disclosure, including multiple rounds of consultations.
Natural Habitats OP/BP 4.04	No	There are no registered or known natural habitats in the project area and no adverse impacts are anticipated.

Forests OP/BP 4.36	No	There are no registered or known forests near the project sites and no adverse impacts are anticipated.
Pest Management OP 4.09	No	It is not envisaged to procure or use any pesticides under the project.
Physical Cultural Resources OP/BP 4.11	No	The project is not expected to impact on physical cultural resources, as there is no excavation planned in the existing project sites.
Indigenous Peoples OP/BP 4.10	No	No indigenous people will be impacted by project activities
Involuntary Resettlement OP/BP 4.12	TBD	Most of the stockpiles are inside or within the vicinity of power plants (non-residential areas). The need to trigger this OP will be determined once there is more clarification on component 3
Safety of Dams OP/BP 4.37	No	The project will not finance construction or rehabilitation of any dams as defined under this policy.
Projects on International Waterways OP/BP 7.50	No	None of the project sites are near or impact international waterways.
Projects in Disputed Areas OP/BP 7.60	No	None of the project sites are near or impact disputed areas.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS: 05-Mar-2014**

**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:**

A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared: March 4, 2014

B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS: N/A

C. Time frame for launching and completing the safeguard-related studies that may be needed.

A comprehensive project preparation study was completed in September 2011 by international consultants (COWI, Denmark), which sets out in detail the quantities of contaminated equipment to be safeguarded or destroyed and site specific information. It details methodologies to be employed under the project for safeguarding and/or disposing of each type of waste and an institutional analysis, a monitoring plan and cost estimates. Subsequently an Environment and Social Impact Assessment was undertaken in January 2013, which details status of baseline environment and safeguard measures to be incorporated with respect to project activities in the project identified sites. The draft ESIA was reviewed by the Bank team and a revised draft was consulted with key stakeholders in May 2013.

Due to the time lag in project preparation, the project scope and activities are being reassessed, and in all likelihood the project scope is going to be reduced. While the content of the ESIA will remain the same, it is to be revised by MOE, with updated implementation schedule and costing and

<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.

will be re-disclosed. The translated executive summary will also be revised accordingly. The MOE will prepare site-specific plans, based on the detailed guidelines in the ESIA, for the management of PCBs in the power stations. If the project scope includes site remediation, detailed site-specific ESMPs will need to be developed and disclosed, after consultation. As part of project appraisal, the Bank team would ensure that MOE and EDL have capacity to implement and monitor the ESMPs.

#### IV. APPROVALS

Task Team Leader:	Name: Alaa Ahmed Sarhan	
<b><i>Approved By:</i></b>		
Regional Safeguards Coordinator:	Name: Maged Mahmoud Hamed (RSA)	Date: 03-Feb-2014
Sector Manager:	Name: Charles Joseph Cormier (SM)	Date: 05-Feb-2014