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INTEGRATED SAFEGUARDS DATA SHEET
GRANT FOR PREPARATION OF THE TAJIKISTAN COMMUNAL SERVICES
DEVELOPMENT FUND PROJECT
 Appraisal Stage

Report No.:

Date ISDS
Prepared/Updated
 : 1-July-2013

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

Country:	Tajikistan	Project ID:	P133449
Project Name:	Grant for Preparation of the Communal Services Development Fund Project		
Task Team Leader:	Toshiaki Keicho, Sr. Urban Development Specialist/TTL, Yarissa Lyngdoh Sommer, Urban Specialist/Co-TTL		
Estimated Appraisal Date:	3/17/2014	Estimated Board Date:	9/24/2014
Managing Unit:	ECSUW	Lending Instrument:	Grant
Sector:	Water supply (80%); Solid waste management (10%); Sub-national government administration (5%); Sanitation (5%)		
Theme:	Municipal finance (70%); Municipal governance and institution building (10%); Other urban development (10%); Urban services and housing for poor (10%)		
Financing (in USD Million)			
Financing Source			Amount
ECAPDEV			0.45
Total			0.45
Environmental Category	FI – Financial Intermediary Assessment		
Is this a Repeater project?	No		

This ISDS is for the ECPDEV grant which will support project preparation activities for the proposed Communal Services Development Fund Project in Tajikistan (P133449). Therefore, this grant carries the same EA Category and triggers the same Safeguard policies as the proposed investment project.

B. Project Objectives

The development objectives of the proposed ECAPDEV grant is to conduct preparation activities

for the Communal Services Development Fund Project in Tajikistan (P133449) which is currently scheduled to be delivered to the Board in September 2014. The objectives also include capacity development of government counterpart agencies to enhance their readiness for project implementation.

The Proposed CSDFP project aims to support the financing and development of municipal services by increasing coverage and improving service delivery capacity of municipalities and communal service enterprises such as water supply, sanitation, and solid waste management in Tajikistan. The proposed investment lending would target the un-served or under-served areas (both urban and rural) through the establishment of a Fund-based mechanism (tentatively called Communal Services Development Fund). Potential benefits of such a Fund-based mechanism could include: (i) facilitation of resource mobilization; (ii) rationalization and prioritization of investment decisions; (iii) clarification of roles and responsibilities of various sector agencies; (iv) more harmonious donor coordination under the coherent sector policies; (v) capacity building of municipalities/service providers; and (vi) improved services at the municipal level.

C. Project Description

The proposed Communal Services Development Fund Project will help the Government of the Republic of Tajikistan (GoRT) to tackle the huge financing needs for the communal services infrastructure. The highest priority among various communal services in the country is water supply. According to the State Unitary Enterprise KMK (central government agency responsible for communal services), investment needs for water supply alone are estimated to be about US\$ 2 billion. This includes new development of water supply systems in un-served areas as well as rehabilitation of deteriorated existing systems in both urban and rural areas. Therefore, the proposed project will likely target water supply as a priority but could include other communal services such as sanitation and solid waste management, depending on each locality's needs.

There is a broad consensus among key ministries of GoRT, development partners, and other stakeholders that a new and different financing mechanism is needed if the huge backlog of developing communal services infrastructure in the country is to be tackled. The proposed project will help establish this new Fund-based mechanism, which will pool capital funds from different development partners and stakeholders and channel the funds to municipalities/service providers based on certain criteria and priorities. In terms of the geographical focus of the proposed project, there should be no particular initial geographical focus, and local governments or service providers in all districts should be eligible for receiving funds if they meet eligibility criteria to be developed later in project preparation.

The ECAPDEV grant will support preparation activities for the new Communal Services Development Fund Project (P133449). The ECAPDEV grant will focus on the following components among other project preparation activities:

Component 1: Detailed Design of Communal Services Development Fund. This component will focus on the development of a detailed design for the CSDF, and its expenditure category is Consultancy Services.

Component 2: Development of Operational Manual and identification of sub-projects. This

component will focus on the development of the Operational Manual for the proposed CSDF and identification of an initial pipeline of sub-projects including feasibility studies. The expenditure category of the component is Consultancy Services.

Component 3: Capacity building and stakeholder consultations. While most of the capacity building and training directly related to the establishment and management of the Communal Services Fund will be financed under the proposed Bank Project, this grant will mainly cover the areas of environmental and social safeguards, procurement, financial management, and other operational aspects in order to enhance the readiness of government counterpart agencies as well as participating municipalities and utilities to prepare sub-projects. In addition, this component would assess the political-cultural environment of the communal services sector and identify a strategy for stakeholder engagement; and disseminate the results of the beneficiary consultations and of the diagnostic assessment of the sector, in order to inform and mobilize momentum for reforms.

Component 4: Grant Audit. This component will help conduct the required Grant Audit and the expenditure category is Other (audit).

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

Grant activities would take place through the entire Tajikistan territory, since the intended beneficiaries of the new project cover all the country.

E. Borrowers Institutional Capacity for Safeguard Policies

The Grant will be managed by the PMU for the ongoing IDA-financed Municipal Infrastructure Development Project (Additional Financing) with the support from the Ministry of Economic Development and Trade. The PMU has been working on IDA operations and has sufficient knowledge and experiences in terms of the safeguard policies of the World Bank. However, additional staff, that requires training, will be needed to absorb the additional work load for project preparation.

F. Environmental and Social Safeguards Specialists on the Team

Environmental Safeguard – Mr. Arcadie Capcelea, Sr. Environmental Specialist (ECSSD)
 Social Safeguard – Ms. Roxanne Hakim, Sr. Anthropologist (ECSSO)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

The Grant for the Preparation of the CSDF Project triggers the same Safeguard Policies that the proposed project is expected to trigger, in order to ensure that the Safeguard documents prepared under the Grant address all relevant issues.

Safeguard Policies Triggered by the Project	Triggered ?	Description
Environmental Assessment OP/BP 4.01	Yes	The proposed grant will support preparation of an investment project that would support mostly water supply, sanitation, solid waste management, as well as other demand driven economically and socially justifiable local investments in municipal services delivery, which might generate environmental and social impacts. While the environmental issues associated with their implementation in

		<p>most cases will be minor, short-lived, and primarily limited to the project sites (except for movement of equipment and materials to/from the site), it is possible they might be also significant and would affect the environment and health of population. These issues are primarily: dust, noise, water pollution, disposal of waste material and/or older equipment, some traffic disruption (depending upon specific location), worker safety (e.g. welding operations) etc. All these impacts can be addressed with good engineering and construction practices as well as with preparing and implementing adequate mitigation measures. The project will also bring positive social impacts as the proposed activities would improve social conditions for the population and would contribute to improving local population livelihoods.</p> <p>To address potential environmental and social issues the borrower will prepare an Environmental and Social Management Framework (ESMF) acceptable to the World Bank, which would guide the EA process, providing: (a) the national and WB EA rules and procedures; (b) potential environmental and social impacts associated with the proposed investments; (c) guidelines on conducting sub projects EIA including mitigation measures and monitoring activities for different types of activities; roles and responsibilities in EA process and in supervision and reporting; (d) EMP and EMP Checklist to be applied within the EA process; and (e) capacity building activities to ensure an efficient ESMF implementation. Based on the ESMF for each proposed sub project it will be prepared an EMP and/or an EMP Checklist that will be disclosed in consulted in the selected municipalities as well as submitted to the State Ecological Expertise for its approval. Before appraisal the ESMF will be disclosed and consulted in the country and in selected participating municipalities. The present grant will fund TA for preparation of the ESMF.</p>
Natural Habitats OP/BP 4.04	No	The proposed future investment project is expected to cover mainly urban areas therefore no impacts on Natural Habitats are anticipated. However, the ESMF will include screening criteria regarding Natural Habitats that will allow identifying potential impacts.
Forests OP/BP 4.36	No	No, as the proposed investment project will be implemented within the municipalities' boundaries
Pest Management OP 4.09	No	NA
Physical Cultural Resources OP/BP 4.11	Yes	It is possible that the investment project would finance activities triggering this OP, depending on the sub-project location. Therefore, the ESMF will provide the necessary guidance for ensuring compliance.
Indigenous Peoples OP/BP 4.10	No	NA
Involuntary Resettlement OP/BP 4.12	Yes	The proposed sub-projects may have some resettlement impacts but it is expected that these will be kept at a minimum by appropriate siting of infrastructure. The present grant will support preparation of a Resettlement Policy Framework which will establish the Borrower's understanding of and commitment to apply OP 4.12 principles. As sub-projects are screened and approved, Resettlement Action Plans will be developed based on the RPF and approved. The preparation grant will also finance a gender and vulnerability study to identify poor and vulnerable sub-groups that the sub-projects should benefit. This study will also inform the screening and selection criteria for sub-projects to ensure that they benefit the targeted sub-groups.
Safety of Dams OP/BP 4.37	Yes	It is possible that some water supply sub-projects will draw water from and/or immediately downstream of existing dams. The ESMF will provide the

		necessary guidance for triggering and complying with this policy at sub-project level when needed.
Projects on International Waterways OP/BP 7.50	Yes	OP 7.50 is triggered because some water supply and wastewater sub-projects are likely to be on international rivers. While most of the water supply investments are expected to involve rehabilitation, and/or minor expansion of existing networks within the original boundaries and design parameters of the schemes, the team indicated that new small scale water supply schemes should not be excluded. Therefore, riparians will be notified in a general way about the overall program at this time (as part of implementation of the Grant), and the Operational Manual will set out requirements for specific notification for particular sub-projects to be carried out as needed during project implementation.
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

Tentative target date for preparing the PAD Stage ISDS:

- A. April 2014 (For the proposed Project)

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

- B. The specific studies and their timing should be specified in the PAD-stage ISDS.

As part of the preparation of Operational Manual for the CSDF, an Environmental and Social Management Framework and a Resettlement Policy Framework will be developed to deal with potential environmental and social issues related to sub-projects to be financed by the CSDF. Timeframe for developing this framework is expected to be between January and April 2014.

IV. APPROVALS

Task Team Leader:	Name: Toshiaki Keicho	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Agi Kiss (ECA Regional Safeguards Coordinator)	Date: 7/1/2013
Sector Manager:	Name: Sumila Gulyani	Date: 5/20/2013

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.