Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Benin	AFRICA WEST	P173749	
Project Name	Benin Electricity Access Scale-up (BEAS) Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Energy & Extractives	Investment Project Financing	4/5/2021	7/29/2021
Borrower(s)	Implementing Agency(ies)		
Republic of Benin	SBEE, ABERME		

Proposed Development Objective

The PDO is to increase access to electricity services for households, enterprises, and selected public facilities in Benin.

Financing (in USD Million)	Amount
Total Project Cost	200.00

B. Is the project 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 [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

Bordered by Togo, Nigeria, Burkina Faso, and Niger, Benin has a 121-kilometer-long coastline on the Gulf of Guinea and a population of close to 11.5 million (2018) spread over 114,760 km2 of land. Despite being the 4th fastest growing economy in Sub-Saharan Africa (SSA) with growth averaging 6.7% in 2017-2019, poverty remains high at 46% in 2018. A high population growth rate (3.5% per year over the previous decade) is an added challenge in increasing GDP and reducing the poverty rate, but in 2020 Benin reached low middle-income status in the first time in its history. However, the economic shock of the COVID-19 pandemic is likely to result in a regression to low income status.

The Government of Benin (GoB) has oriented its development strategy toward the acceleration of structural transformation for sustained and inclusive high growth. Benin's structural transformation process is constrained by an unproductive agriculture sector, a small manufacturing sector and an informal services sector. Aiming to reverse

these trends and achieve the Sustainable Development Goals (SDGs) by 2030, government policies have put renewed emphasis on enabling private sector investment. Initial reforms focused on improving the business climate, strengthening governance and fiscal management, and enhancing social service delivery. More recently, GoB has turned its attention to supporting investments in the development of productivity-enhancing infrastructure.

Prior to the COVID-19 outbreak, economic growth in Benin was buoyant. In 2019, real GDP growth reached 6.4% despite Nigeria's unilateral border closure that weighed down on growth. This acceleration was mainly driven by a booming cotton production, and strong construction and port activity following a series of reforms that improved port management and facilitated trade. As the two economies are closely linked, Nigeria's decision to unilaterally close the shared border in August 2019 reduced the annual real GDP growth by 0.3% in Benin, but this was cushioned by the better- than-expected performance in the first half of the year. In 2019, the fiscal deficit declined due to continued effort on domestic revenue mobilization and debt-to-GDP stabilized for the first time in five years.

Since early 2020, the COVID-19 pandemic has significantly changed Benin's economic outlook. The pandemic is creating unprecedented threats to the social and economic progress recently achieved in SSA. The region is expected to face its deepest recession on record. Financial markets have been extremely volatile, reflecting exceptionally high uncertainty and the worsening outlook. Flight-to-safety led to a sharp tightening of global and Emerging Markets and Developing Economies (EMDEs) financial conditions. External economic effects have already started to transmit to West Africa and Benin. Growth is slowing while fiscal and external deficits are increasing. Further, the global pandemic is threatening to overwhelm weak healthcare systems. The first COVID-19 case was discovered in Benin on March 16, 2020. The number of cases has been growing rapidly in June after a slow take up, reaching 1,199 as of July 5th, 2020. Close to 300,000 cases have been confirmed across 48 countries in SSA. Countries in the region have responded with strict confinement and mitigation measures to protect lives, despite important risks to livelihoods. Benin's capacity to respond is restricted due to limited fiscal buffers and underdeveloped social safety nets and health care capacity. The large informal sector employing almost 90% of workers and traditional porous borders create a great challenge for the policy response.

As the COVID-19 crisis unfolds, recent economic and social gains are at risk. Although Benin's growth potential remains high, economic activity is projected to decelerate strongly as a result of the COVID-19 pandemic and the border closure with Nigeria. Real GDP growth will more than halve from pre-COVID-19 projections to 2.2% in 2020 as the country is hit by lower external demand and commodity prices as well as tighter financing conditions. Containment and mitigation measures are impacting commerce, transport, and hospitality-related activities, adding to the external pressure and reducing domestic demand. Poverty reduction is expected to stall as real GDP per capita shrinks (-0.5%). The crisis exposes and aggravates some vulnerabilities of Benin's growth model. Despite the recent progress, structural transformation remains limited. The economic plans to diversify are hampered by the economic reliance on Nigeria and the concentration of exports in traditional products like cotton and cashew nuts. Ninety percent of the labor force is estimated to work in the informal economy with limited social safety nets, exposed to the whims of economic fluctuations.

Benin is vulnerable to additional exogenous shocks that present development challenges. Adverse weather conditions and the decline in international commodity prices could negatively affect exports and adversely affect the income of the poor. Rising socio-political uncertainty across the region could also threaten market confidence and tighten regional financing conditions.

The Government Acton Plan (GAP), 'Revealing Benin', for 2016-2021 establishes GoB priorities for economic and social development. The GAP guides government action and is used to define ministries' activities and allocate the national budget through its three pillars, which are themselves split into seven key priorities. The second pillar, structural economic change, has a key priority of improving economic growth. The energy sector is considered a strategy sector for achieving this priority. Accordingly, the GAP establishes an objective of developing a largely independent and competitive energy system and providing reliable and high-quality electricity to homes, small and medium enterprises and agricultural across Benin. The electricity sector action plan is based around four flagship projects that have been estimated to require approximately US$1.3bn in financing with an estimated benefit of creating 9,100 new jobs.

As the COVID-19 global and domestic crisis dissipate, growth is currently projected to rebound over the medium term, averaging 6.5 percent. A pickup of the investment program of the GAP should further support the rebound and expanding energy access will be a critical component of this. Electrification is a key driver of long-term economic transformation and human development. Short-run impacts include social benefits, such as lighting for reading and enhanced security. With electrification business opportunities become available for micro, small, and medium-sized enterprises. Impacts rise in the medium term as complementary factors are introduced and households and businesses adjust to electricity's potential. Education and health outcomes may improve through the electrification of schools and clinics. Economic impacts grow as electricity becomes increasingly available as a strategic input for industries and services. Delaying electrification has a high opportunity cost because the lack of electricity impedes modern technology adoption and lowers the quality of delivery of services such as health care, education, and other public services. Electrification is central to ensuring Benin's economic recovery is inclusive and supports the objective of economic structural transformation.

The relationship between the electricity sector and the country's economic competitiveness can be seen in two key World Bank indexes. The Regulatory Indicators for Sustainable Energy (RISE) report measures countries' policy and regulatory framework for reaching SDG 7 of universal access to affordable and clean energy. On the RISE access to electricity pillar Benin scores 63%, placing it in the moderate range for access-deficit countries. The energy access sub-indicators that Benin scores low on include the scope of the officially approved electrification plan, framework for grid electrification, consumer affordability of electricity, and utility transparency and monitoring. The high cost of getting electricity in Benin is further reflected in the Doing Business report (2019), which identifies the cost of getting electricity as one of the main barriers to an efficient investment climate in Benin. Benin ranked very low (178 out of 190) with respect to the cost of getting electricity, significantly hindering the competitiveness of the private sector. The cost of getting electricity in Benin is high compared to its regional peers. Currently, households are required to make an upfront payment of CFAF 85,000 (US$ 142 equivalent) to get connected to the grid. The proposed Benin Electricity Access Scale-up Project (BEAS, P173749) project will allow the GoB to subsidize partly or entirely the connection fees (for rural households and urban and peri-urban poor households) or to pre-finance them (for urban households) and ask newly connected consumers to pay in installments, all based on the households' willingness to pay. In addition, electricity retail tariffs in Benin are above global averages, even though they are set below cost-recovery levels, mainly due to high technical and commercial losses.

Access to electricity is critical to achieving the GAP's objectives. One of the four flagship projects for the electricity sector under the GAP is restructuring and modernizing the national operator (Société Béninoise d'Energie Electrique, SBEE) and its grid, with an objective of providing all Benin citizens with permanent access to quality electricity. In 2018, 42% of Benin's population has access to electricity, which is a lower rate than the SSA average of 47%. The national electrification rate masks a stark disparity between urban and rural areas. Seventy-three percent of the

urban population has access to electricity, with the highest access rate in the coastal cities, such as Cotonou, and lower rates in medium urban centers where considerable proportions remain unconnected. Less than 17% of the rural population has access to electricity.

Efforts to expand electricity access in Benin have struggled to match population growth due to underinvestment in the sector. Benin has expanded electricity access by 1.7m people between 2010 and 2018, increasing the electrified population from 3.1m to 4.8m Beninoise. However, in the same time period the total unelectrified population has also risen; in 2010 6.1m Beninoise lacked access to electricity, but in 2018 this figure had grown to 6.7m due to population growth. SBEE has been unable to provide electricity connection to a long list of potential customers who have been waiting for an electricity connection due to a lack of an operating budget. At the same time, demand for electricity continues to increase due to increasing household consumption and population growth. Illegal and unsafe electricity connections are common but decreasing in high-density peri-urban areas of major urban centers—such as Cotonou, Porto-Novo, Abomey-Calavi, Parakou, and Natitingou. The ongoing Bank-funded ESIP is addressing part of the illegal connections and the BEAS will build on this work. Benin's electricity access deficit is especially acute in the northern region, which has the country's high levels of poverty. Poverty incidence in Benin tends to increase from south to north, and the three northern departments all have a poverty incidence of over 60%. This tracks with the provision of basic services, such as electricity. Supporting grid connections is the most efficient way to contribute to achieving the forthcoming National Electrification Strategy (NES); previous GIS work suggests that the upper range for grid electrification is approximately 80% of the population.

In order to better support the GAP's objective of electrification, the GoB has prepared the Benin-PROSPERE report (Programme Spécial d'Extension et de Renforcement des Réseaux Electriques du Bénin). Benin-PROSPERE notes that with the key institutions in the energy sector facing budget deficits, the required investments for maintenance and growth of the distribution network have not materialized. The GoB therefore considers concessional finance to be necessary to reach their GAP objectives and the Benin-PROSPERE report provides an overview of current energy access activities among DPs and provides planning for future investments.

Reducing energy poverty and inequality in the provision of energy services will reduce vulnerability to natural disasters and climate change and has important links to the climate change actions and policies in Benin's Nationally Determined Commitment (NDC). Benin is highly vulnerable to the effects of climate change and ranks 156 out of 181 countries on measures of vulnerability and readiness (making it the 17th most vulnerable country and the 42nd least ready country). Energy poverty and inequality in access make it more difficult for countries to achieve socio-economic targets in health and education, and to realize the full potential of human capital, and it increases their vulnerability to climate change , natural disasters and pandemics, as energy is an important input for water, sanitation, broadband, as well as economic activity. In addition, women and girls, especially in rural areas, bear a significant burden as a result of the lack of energy access. Time spent on household chores, such as collecting firewood and water for drinking and burning high-polluting charcoal and kerosene for cooking and lighting, prevents their full and active participation in educational and economic activities. In addition, Benin's NDC recognizes the role of increasing energy access, as part of specific measures to reduce emissions by 21.4 % by 2030. This includes energy sub-sector targets on: i) developing electric power generation using renewable energy, including adding 95MWc of solar PV; and ii) increasing household's access to electric lighting in place of kerosene lighting, including electrification of an additional 300 localities by 2030 and procurement of 212,000 electrical connection kits for households. This activity will help advance the latter activity through technical support for the expansion of grid electricity connections.

The proposed Program directly contributes to the Objective 2 of the World Bank Group (WBG) Country Partnership Framework for Benin (CPF) for the period FY19-23 . This Objective aims to "improve the quality of infrastructure" by addressing the many challenges identified as barriers to rapid economic growth faced by Benin, including electricity infrastructure and access. About 42% of Benin's households have access to electricity. This low rate, which is below Sub-Saharan Africa's average electrification rate of 47%, is compounded by deficiencies in quality of service. The proposed operation will support the Government's aspirations to scale-up electricity access by 2030. By meeting energy needs for agriculture and household user purposes, this project could improve socio-economic outcomes of rural areas in a profound manner.

The project would support the WBG COVID-19 policy response. Increased access to electricity service would facilitate the delivering of digital/online education, and the mainstreaming of digital technologies during the recovery phase. It would also facilitate effective response to COVID-19 pandemic and future shocks. In addition, the project would help the Government to increase public expenditures toward electricity service.

This program will also help meet the WBG twin goals of poverty reduction and shared prosperity, and it is aligned with the proposed LEAP program, which proposes that the Bank lead a global effort to ensure that Sub-Saharan African countries are on track to meet SDG7 and Sustainable Energy for All (SE4ALL) objective of universal access to reliable affordable and modern energy services. Providing electricity connections will increase access to energy services for poor households in rural and urban areas enabling opportunities to study and work, contributing to raising the quality of life and improving agricultural activity and economic interaction. Increased access to reliable electricity supply will not only lower costs and improve the profitability of business enterprises but is also key to enabling the set-up of new private sector-led enterprises, which stimulates GDP growth.

The project will support the National Electrification Strategy by financing grid densification and extension activities, building implementation capacity, and advancing the countries' preparedness to scale up electrification to reach the SE4All goal of universal access to clean and affordable energy by 2030 in Benin. The project will support the grid connections for residential households, micro, small and medium enterprises, and selected public institutions in urban, peri-urban areas and in rural area within less than 7 kilometers radius from the existing networks. The activities will include reinforcement of existing medium- and low-voltage networks (including service drops) and the construction of additional medium- and low-voltage lines, and installation of ready-boards for household.

The Project will support three components that aims at electrifying households, micro, small and medium enterprises, and selected public facilities located within 7km radius from the existing networks based on a sustainable electrification schemes that incorporates best practices, technical assistance and capacity reinforcement.

Component 1: On-grid electrification. It will finance the design, procurement of materials and construction works required to electrify all participating households and businesses in the project target areas with high population density, located close to existing electricity networks (in urban, peri-urban and rural areas). The final selection of the sites will be confirmed by the geospatial electrification tool (currently under development) based on a least cost approach. Between 175,000 and 200,000 households and businesses are estimated to be connected to be confirmed during project preparation phase. Two (2) approaches will be used:

i. Grid densification investments: these are connections to households, enterprises, or public institutions that are near the existing network infrastructure of the SBEE. These connections mostly require short low voltage (LV)

expansion, service drops, and meters and/or ready boards for households. The densification of the existing grid under this component will contribute to the monetization of the existing capital assets of SBEE.

ii. Grid extension investments: connections for new customers who are located within about 7 km radius from the existing grids. These connections will require both medium voltage (MV) and LV extensions. Detailed network design for grid expansion will be informed by completion of the comprehensive geospatial least-cost rollout plan (under development). Least-cost technologies allowing to reach applicable levels on quality of service and safety in each type of area (urban, peri-urban, medium and low density rural) will be adopted to the largest possible extent to minimize life cycle cost of electrification projects.

Component 2: Policy, regulatory and operational strengthening actions to implement the national electrification strategy and related investment programs. It will support the implementation of key reforms necessary for the sustainability of electrification strategy and related investment programs. In addition, it will facilitate the development of the gender aspect in the energy sector.

The Bank will discuss with the Government and other stakeholders during project preparation to determine appropriate Disbursement linked Indicators (DLIs) that will be used to incentivize the implementation of policy, regulatory and operational actions in the scope of this component.

Component 3: Technical Assistance and Implementation Support. It will finance technical assistance (TA) and capacity building activities and implementation support to ME, SBEE, ABERME, and ARE to ensure project sustainability and to facilitate the monitoring of the achievement of targeted results.

The ABERME team does not include environmental and social specialists to date, to ensure proper, timely E&S risk management provisions. The project's implementation unit (PIU) capacities' under ESF will be reinforced and each implementing agency will include both environment and social specialists to ensure that the project implementation is consistent with ESF requirements according to all the relevant Environmental and Social Standards (ESS) applicable in the proposed project, as outlined in this ESRS.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The proposed project will be implemented nationwide in urban, peri-urban and rural areas. It aims to provide electrical connections to households as well as small and medium enterprises and selected public facilities located within about 7km radius from existing networks, based on sustainable electrification schemes. In general, the existing grids are installed in the rights-of-way of the main roads that are also used by members of the neighboring communities for other purposes. The existing transmission lines cross agricultural and livestock areas (cultures, fallows and pastures) as well as some ecological significant sites such as small shallows and degraded forests, savanna timbered, raised and shrubby with vestiges of clear and dense forests by places and along the rivers. Therefore, working in these areas would likely generate some environmental and social risks and negative effects that must be screened, documented and adequate mitigation measures properly carried out in accordance with provisions in the project's required environmental and social instruments.

D. 2. Borrower's Institutional Capacity

Benin has a Ministry in charge of environment and in general has an acceptable national legal and regulatory framework to mitigate any potentially adverse impacts associated with this kind of project. In addition, the Ministry of Environment and Sustainable Development hosts the Agence Beninoise de l'Environnement (ABE) which is responsible for ensuring the compliance of any investment with the national legal and regulatory framework. This agency is well staffed in terms of numbers but has weaknesses regarding technical skills. However, even though the ABE is well staffed and has already participated in some World Bank workshops on the ESF, capacity building activities are still required to enable it to fully play its role in operationalizing the environmental and social standards applicable to the project. This means capacity building activities may be part of project implementation with the aim of strengthening the technical skills of those staff involved so they can provide timely support for safeguards support. The Ministry of Energy has significant experience in implementing IDA-financed projects, including the Energy Service Improvement Project (P161015) that includes social and environmental specialists. Despite this experience through SBEE and ABERME, staff capacity to assess and manage social risks under the new Environmental and Social Framework (ESF) is weak. SBEE has an environmental and social unit but it performs poorly regarding E&S risk management measures. The ABERME team does not include environmental and social specialists. The project's capacity to meet ESF requirements must be reinforced and each implementing agency must include both environment and social specialists to ensure that the project implementation is consistent with the requirements of the relevant applicable Environmental and Social Standards (ESS) of the proposed project, as outlined in this ESRS.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) — Moderate

Environmental Risk Rating — Moderate

Preliminary screening of the program shows that it does not include activities associated with potentially significant and irreversible negative environmental risks and impacts. In fact, this program is designed to finance the extension and densification of the electricity network and the distribution networks around solar projects, by improving access to electricity for households in urban, peri-urban and rural areas with on and off-grid solutions, and by strengthening the operational efficiency of targeted execution structures. The environmental impacts associated with program activities are considered to be low to medium at this stage of project preparation. Therefore, and as the final selection of the sites is not yet confirmed, an Environmental and Social Management Framework (ESMF) will be prepared and mitigation measures introduced to properly manage and monitor environmental risks; those assessed will be included in the ESMF and subsequent Environmental and Social Impact Assessments (ESIA), including their Environmental and Social Management Plans (ESMP). These impacts should be insignificant, easily controllable and manageable, and easy to prevent and minimize through a series of proposals for good environmental and social practices and effective mitigation measures. The ESMF will be reviewed, consulted, approved and disclosed both within the country and on the World Bank's website prior to project appraisal.

Social Risk Rating — Moderate

The project social risk classification is rated moderate at this stage of project preparation. The anticipated social impact of the project will be positive overall. Despite this, project implementation could lead to negative and sensitive social risks and impacts for individuals or groups of people or local communities around this intervention area. The expected works include: (i) short low voltage (LV) lines expansion and installation of meters at new consumers premises; and (ii) medium voltage (MV) lines expansion to extend the grids to areas in the vicinity (within about 7km

radius). Electrification of participating households and businesses located close to existing electricity networks in the project target areas will involve land use issues which could lead to physical and/or economic involuntary displacement, the loss (or disruption) of income or of livelihood activities, and restrictions on land use. The locations of existing electricity networks in Benin are known but the exact locations of the areas that will be covered under the project and the related planned civil works are yet to be determined. Therefore, a Resettlement Policy Framework (RPF) will be developed to guide the preparation of subsequent Resettlement Action Plans (RAP) if necessary. Any subsequent RAPs will be developed sequentially, in line with the works schedule, to allow for more agile implementation. The RPF will be reviewed, consulted upon, approved and disclosed both within the country and on the World Bank's website prior to appraisal. The project planned to better engaging women (entrepreneurs, women-headed households, customers) and ensuring equal access to electrification and its associated benefits. Indeed, the benefits of electricity in project areas may serve to promote women, driving income-generating activity, small and medium-size businesses, and small jobs, as well as to help save time and the burden of labor, and contribute to income-generating opportunities. Despite this, there remains a risk of exclusion of other vulnerable groups from project benefits. The possibility of Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) and Violence Against Children (VAC) and the risk of child labor cannot be ruled out. Environmental and social due diligence will include a comprehensive social risk assessment as part of the ESMF. Mitigation measures to manage and monitor the assessed social risks will be included in the ESMF and subsequent ESIA/ESMPs. The Borrower has experience with Bank-funded projects and managing social risks under safeguards policies. However, it does not have experience in terms of the ESF as this project is among the first one being prepared under ESF. Therefore, significant effort will be required to help strengthen the capacity of the PIU and the implementing agencies (SBEE and ABERME) in terms of the ESF requirements. To provide adequate support, ABERME will hire environmental and social specialists or set up an environmental and social unit well staffed by suitably qualified specialists to ensure the effective implementation of the project's environmental and social mitigation measures.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

Based on previous experiences for similar projects in the country, the anticipated risks and impacts of the proposed project could include: (i) Vegetation and soil loss due to the clearance and loss of areas of vegetation and faunal habitat, temporary degradation of the soil linking with excavations for the establishment of posts; (ii) Air emissions like exhaust from heavy vehicles and machinery, and dust generated during the construction/rehabilitation phase; (iii) Noise generated from the use of construction machinery and vehicle movements during the construction/rehabilitation phase; (iv) Waste management mainly solid waste from excavated soil and hazardous waste such as hydrocarbon oils from construction machinery and vehicles during construction and rehabilitation activities ; (v) Incident/accident resulting from the activities of digging of the pits of the electric posts and the assembly of accessories during the phase of construction; (vi) SEA/H that may arise from power relationships (hierarchy, positioning, economic benefits, etc.) in the context of the proximity of female and male workers as well as workers and neighboring communities.

Given that the specific sites of expected investments are not yet known, an ESMF will be prepared, consulted upon, and disclosed prior to appraisal. It will include measures to address all the environmental and social risks and impacts (negative and positive). When the detailed technical designs are ready, Environmental and Social Impact Assessments

(ESIAs), including their Environmental and Social Management Plans (ESMPs) and Resettlement Action Plans (RAPs), (where needed) will be developed during project implementation. The ESMF will set out the principles, rules, guidelines and procedures to assess the environmental and social risks and impacts, including guidance to manage climate change, and measures for emergency response, security issues, biodiversity, gender, disabilities and other vulnerable persons/groups, and the adoption of a code of conduct for the protection both of workers in the context of the project and the communities/users bordering the construction sites, etc. The ESMF will provide guidance on screening for potential risks and on managing unavoidable environmental and social impacts. It will give guidance on the level of environmental and social assessment and types of instruments needed. It will incorporate both the general and sector-specific Environmental Health and Safety Guidelines (EHSGs) for activities identified in relation to occupational and community health and safety. The ESIA/ESMPs will include clearly defined mitigation measures for construction and operational phases, roles and responsibilities, time plans, and costs and implementation arrangements for each recommended mitigation measure. Contractors will be required, as a condition of their contract with the Project, to prepare and implement their Contractor-ESMP, based on environmental and social clauses that will be included in the bidding documents (LMPs). All activities will be carried out in respect with national measures against the spread of the outbreak of COVID19 and World Bank guidance note relating the public consultation and stakeholder engagement supported operation on constraint situation (March, 2020). The Environment and Social Commitment Plan (ESCP) will outline the timelines and responsibilities for preparing, updating and implementing the safeguard measures throughout the life cycle of the project.

Areas where "Use of Borrower Framework" is being considered:

The Borrower has regulations that provide guidance for environmental and social assessments. The project will not rely on the Borrower's Framework but will comply with all national environmental and social laws, policies and regulations. However, the environmental and social risk management provisions applicable under this project will come from a comparative analysis between national environmental and social regulations and the World Bank's environmental and social framework requirements during the development of the ESMF.

ESS10 Stakeholder Engagement and Information Disclosure

Key stakeholders include national and local government representatives, local authorities, local organizations and Non Governmental Organizations (NGOs), beneficiary communities, and people potentially affected by the project in rural, urban and peri-urban areas. A Stakeholder Engagement Plan (SEP) consistent with ESS10 will be developed by the Borrower, reviewed, consulted, approved and disclosed both in the country and on the World Bank's website prior to appraisal. It will provide an overview of project stakeholders; establish a systematic approach for consultation and their engagement in the project's preparation and implementation; and provides guidelines regarding how to maintain a constructive relationship with them through a participatory approach that takes into account their concerns and views. It also promotes and provides the means for the effective and inclusive engagement of the project-affected parties throughout the project life-cycle and to ensure that appropriate program information is disclosed to stakeholders in a timely, understandable, accessible and appropriate manner. The SEP will provide details regarding the project grievance redress mechanism, developed on the basis of an inclusive and participatory approach that will be used to deal with general complaints related to the implementation of project activities. The SEP will address specific risks identified by stakeholders and be updated as and when necessary with no objection from the Bank. Regarding COVID-19, the SEP will outline what precautions will be taken for public consultations and these will include the measures that are outlined in the the World Bank's technical note on how to

hold public consultations under such constraints (May, 2020). Finally, the SEP will include security measures so that both consultation and stakeholder participation activities take place in safety, both during the preparation phase and during the implementation of the project, mainly in northern regions of Benin .

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The proposed project's institutional implementation arrangements are not yet clearly defined but it is expected that the project be implemented by two specialized agencies (SBEE, ABERME) of the Ministry of Energy that have experience implementing World Bank-financed projects such as the Energy Service Improvement Project–ESIP (P161015). Based on the lessons learned from the previous and current projects implemented by the same agencies, the project preparation team will need to set up strong, fluid mechanisms to facilitate project implementation. Project workers include direct workers (civil servants or consultants), indirect workers (contractors and subcontractors) and, possibly, workers from communities neighboring the investment sites and/or primary suppliers. The terms and conditions of the contracts of all the workers involved in the project must be consistent with national labor laws and regulations, as well as with the requirements of the labor and working conditions described in the ESS2. These include working conditions such as terms and conditions of employment, nondiscrimination and equality of opportunity, workers' organizations. In addition, the use of children or forced labor is prohibited and adequate OHS measures and a labor Grievance Mechanism (GM) must be established and functional by the start of civil works or construction. To provide guidance and based on a careful assessment of the labor requirements and types of employees engaged in the project, an LMP will be developed and disclosed by the Borrower prior to the project appraisal.

ESS3 Resource Efficiency and Pollution Prevention and Management

The proposed construction activities will involve Resource Efficiency and Pollution Prevention and Management. Civil works will involve excavation, dust, noise, waste (wood, iron, plastic, packaging and organic waste from the minor destruction of vegetation) and water consumption. Although moderate, due to the nature and level of the civil works, the ESIA/ESMPs to be prepared will include mitigation measures to minimize and manage any of the impacts listed above. Noise levels will be managed by applying standard restrictions to the hours site work can be carried out. The solid waste generated by construction will primarily include excavated soil and building debris. The waste generated will largely be disposed of at approved sites in accordance with national laws and regulations. Waste deriving from energy efficiency measures must be properly managed in keeping with the standards applicable to its disposal.

ESS4 Community Health and Safety

The project will finance civil works including low voltage (LV) lines expansion (densification), and medium voltage (MV) lines expansion in rural, peri-urban and urban areas. Some of the activities may have a negative effect on the health, safety and security of the communities located near the work sites. Likely negative impacts include accidents/electrocution, SEA/H allegations/incidents, frustrations due to restrictions of access to homes or offices/economic activities' places during construction. The ESIAs to be developed for each sub-project will determine

whether a specific labor influx management plan is required (in the case of significant impacts) or whether (in a low risk scenario) the C-ESMP can include community-related clauses. For all civil works, the sub-project ESIA/ESMPs will include a community health and safety (CHS) plan for the project sites, particularly for those in the northern regions, and a Code of Conduct that will be signed by all workers and enforced by the contractors. The CHS plan will include specific measures such as fences and security guards intended to ensure that equipment and vehicles/engines will be brought to the construction base camp and secured when work stops to protect both community and worker safety or what procedures will be used if there are any incidents. It will include the guidance for the preparation of an incident report consistent with the Bank's Environmental and Social Incident Report Tool (ESIRT). The CHS will be part of the ESMF.

The influx of construction workers into a project area can lead to adverse social impacts (gender-based violence, sexual exploitation and abuse, communicable diseases, etc.) especially for project sites that are located close to bordering communities and in rural areas. A SEA-SH and VAC risk assessment will be undertaken to assess the GBV risk that may be associated with the project's activities and country context, using the World Bank's GBV risk assessment tool during the project preparation process. Based on the assessed risk level, a GBV Action Plan will be developed and implemented throughout the project cycle life. A Code of Conduct that incorporates mitigation measures to address SEA-SH and VAC will be prepared and included in the contractors bidding documents and the principles included in the C-ESMP. The project's GRM will be designed to receive and register general, project-related complaints. It will include guidance regarding how to address and properly document SEA/H-related complaints during project implementation.
The ESMF will also incorporate the general and sector-specific EHSGs for the identified sub-projects in relation to community health and safety. Appropriate and proportional mitigation measures will be set up and closely monitored during the project cycle life.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

The project will finance the construction of small scale infrastructure required to provide electrical connections for potential beneficiary households and businesses in the project target areas. It is expected that grid densification and grid extension investments will be provided by short low voltage (LV) and both medium voltage (MV) and LV extension connections. Some of these activities may lead to restrictions on land use, small scale land acquisition, the loss or disruption of income or livelihood activities, and a limited amount of physical and/or economic displacement for individuals or groups of people, particularly those occupying the existing rights of way. The exact locations and the specific types of activities are not yet known. Therefore, a Resettlement Policy Framework (RPF) compliant with the national legal and regulatory framework and ESS5 will be developed to provide guidance during implementation for the preparation of Resettlement Action Plans (RAP), if necessary. The RPF will be reviewed, consulted upon, and disclosed, both in the country and on the World Bank's web site prior to appraisal.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The proposed project is not expected to involve the primary production and/or harvesting of living natural resources. The ESMF will provide guidance on screening and mitigation measures to ensure that project activities do not alter or cause the destruction of any critical or sensitive natural habitats. Feasibility studies will be conducted in order to avoid protected areas and biodiversity sites in the project's design.

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

This standard is not current relevant.

ESS8 Cultural Heritage

It is not anticipated that the project will have a potential impact on cultural heritage. However, the project will finance the activities involving excavations during the construction phases of some project related infrastructure. The environmental and social assessment process will confirm the existence of tangible or intangible cultural heritage, through consultations with local communities and the national heritage institution, and make provisions to manage any subsequent “chance finds”. Therefore, all construction and rehabilitation contracts should include a “Chance Finds” clause, which will require contractors to stop construction/rehabilitation in the event that cultural property sites are encountered during civil work. Intangible cultural heritage is taken into account in this process.

ESS9 Financial Intermediaries

This standard does not apply.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

N/A

B. Proposed Measures, Actions and Timing (Borrower’s commitments)

Actions to be completed prior to Bank Board Approval:

Prior to appraisal, acceptable drafts of all the listed instruments below should be available after national validation and Bank’s no objection. Their disclosure will be done prior to the project's board approval date.
-Preparation of the Environmental and Social Commitment Plan (ESCP) with measures for addressing the environmental, social and labor risks identified in the project;
- Preparation of the Stakeholder Engagement Plan (SEP) including a Grievance Redress Mechanism in the context of the project;

- Preparation of the Labor Management Procedures (LMP);
- Preparation of the Environmental and Social Management Framework (ESMF);
- Preparation of the Resettlement Policy Framework (RPF).

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

The Borrower's Environmental and Social Commitment Plan will include a proposed schedule for the preparation of any Environmental and Social Impact Assessments and Resettlement Action Plans; the preparation and implementation of a SEA-SH and VAC plan, if determined to be necessary.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 21-Jan-2021

IV. CONTACT POINTS

World Bank

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Borrower/Client/Recipient

Borrower: Republic of Benin

Implementing Agency(ies)

Implementing Agency: SBEE

Implementing Agency: ABERME

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Miarintsoa Vonjy Rakotondramanana, Lucine Flor Lominy
Practice Manager (ENR/Social)	Aly Zulficar Rahim Recommended on 16-Sep-2020 at 08:59:7 GMT-04:00
Safeguards Advisor ESSA	Nathalie S. Munzberg (SAESSA) Cleared on 22-Sep-2020 at 15:26:52 GMT-04:00