

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC7474

Date ISDS Prepared/Updated: 07-May-2016

Date ISDS Approved/Disclosed: 09-May-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Africa	Project ID:	P144551
Project Name:	AFCC2/RI Regional Transmission Interconnection between Mozambique and Malawi (P144551)		
Task Team Leader(s):	Maria Isabel A. S. Neto		
Estimated Appraisal Date:	22-Mar-2017	Estimated Board Date:	05-Jun-2017
Managing Unit:	GEE01	Lending Instrument:	Specific Investment Loan
Sector(s):	Transmission and Distribution of Electricity (100%)		
Theme(s):	Infrastructure services for private sector development (100%)		
Financing (In USD Million)			
Total Project Cost:	124.50	Total Bank Financing:	120.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			120.00
Free-standing TFs AFR Sustainable Development			4.50
Total			124.50
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The proposed Project Development Objectives are to enable: i) increased access to diversified supply of electricity for Malawi; and (ii) expanded opportunities for Malawi and Mozambique's to benefit from bilateral and regional power trading on SAPP.

C. Project Description

On April 3, 2013, the Governments of Mozambique and Malawi signed a Memorandum of Understanding (MOU) for (i) the interconnection of power systems from the Matambo substation in Tete, Mozambique, to the Phombeya substation in Balaka, Malawi; and (ii) extension of the interconnection of power systems from Phombeya substation in Republic of Malawi to Nacala, Mozambique as a potential second phase (not included under the proposed project).

In that context, the two countries have formally established a Project Steering Committee and have agreed to establish a Technical Committee headed by EdM and ESCOM and to set-up a Joint Project Implementation Unit for the day to day activities of the Project. In addition, the two countries have agreed to request funds from the Bank-administered Norwegian Trust Fund (NTF) for project preparation and that these funds will be channeled through EdM as the utility is already implementing an NTF Grant for the preparation of the Mozambique Backbone Regional Transmission line (known as 'STE?'). These agreements are documented through an exchange of letters copied to the Bank (letter from Mozambique dated October 10, 2013 and response from Malawi dated November 13, 2013). Both Governments have requested the Bank's support in moving the project forward.

The proposed project will consist of two components: (A) Mozambique - Malawi Interconnection; (B) Technical Assistance and Project Management Support to EDM and ESCOM.

Component A: Construction of the transmission interconnection from the Mozambique electricity grid to the Malawi electricity grid, thereby interconnecting Malawi with the Southern Africa Power Pool network. On the Mozambique side this would include construction of approximately 135 km of transmission line (likely to be 400 kV but requiring confirmation by the feasibility study) including carrying out required landmine clearing activities on limited portions of the transmission line route, the extension of the existing Matambo substation, development and implementation of a Resettlement Action Plan, as per the Resettlement Policy Framework, once the exact route is determined. On the Malawi side this would include construction of approximately 75 km of transmission line (likely to be 400 kV but requiring confirmation by the feasibility study), installation of a new substation, development and implementation of a Resettlement Action Plan, as per the Resettlement Policy Framework, once the exact route is determined, and the studies, works, engineering and project management support required to complete the interconnection.

Component B: Technical Assistance and Project Management Support to EdM and ESCOM to help on the implementation of the Project. This includes an engineering/safeguard supervision and monitoring consultant for implementation support for the proposed transmission line, and related capacity building and training. This component will also include support for preparation of feasibility studies for new generation projects.

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

The project will be located in northwest Mozambique near Tete and southern Malawi. It is expected that the selected project corridor in Mozambique and Malawi will pass mostly through agricultural land or bushland of low biodiversity value.

Construction, operation and maintenance of transmission line have both short and long term effects on the environment. Most of the adverse environmental and social impacts are result of construction and maintenance activities. Installation of transmission towers, construction of access roads, rights-of-way (ROW) clearing and site preparation may lead to loss of vegetation and associated fauna, soil disturbance and erosion, increased runoff and sedimentation of water bodies, people's temporary or

permanent physical displacement, including loss of assets, land and livelihoods. Furthermore, transmission lines often cross streams, water bodies and wetlands and may have adverse impacts on the fish as a result of sediment deposition in streams and other water bodies from excavation, stockpiles, land clearing and soil from roads.

Notwithstanding, expected adverse environmental and social impacts will be avoided and/or mitigated through provisions adopted during the project preparation phase and/or the development of the transmission line route design. Furthermore, the route of the proposed transmission line will avoid the Thambani Forest Reserve in Malawi and any known areas of biodiversity importance as well as those of high population density. The proposed project is rated as category B since proposed activities during construction and operations phases, at this concept stage, are not expected to will not cause any major or irreversible environmental and social impacts in Mozambique and/or Malawi. An Environmental and Social Impact Assessment (ESIA) and a Resettlement Policy Framework (RPF) will be prepared to set forth guidance and procedures to comply with safeguards requirements and applicable national environmental regulations. Both ESIA and RPF will be consulted and disclosed in both countries and at the Bank's Infoshop prior to the commencement of activities.

E. Borrowers Institutional Capacity for Safeguard Policies

The Resettlement Policy Framework and the ESIA will simultaneously be implemented by both ESCOM's and EdM's existing environmental and social units, respectively. These units have longstanding experience in managing projects requiring World Bank attention. However both units will be further strengthened under the project through technical assistance in Component B. The availability of the safeguards specialists and their capacity to handle the safeguard instruments will be fundamental to further guide the implementation of this project while ensuring that safeguards policies and applicable national environmental regulations are complied fully. In addition, an engineering/safeguards supervision and monitoring consultant for implementation support for the proposed transmission line will be hired to support the two countries.

F. Environmental and Social Safeguards Specialists on the Team

Eden Gabriel Vieira Dava (GSU01)

Paulo Jorge Temba Sithoe (GEN01)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Activities described under component A suggest the triggering of OP/BP 4.01 (Environmental Assessment). Borrowers will prepare an environmental and social impact assessment (ESIA) along with an Environmental and Social Management Plan (ESMP) to mitigate the negative impacts while maximizing the positive ones. The ESIA/ESMP will comprehensive guidance with a detailed institutional arrangement and monitoring and evaluation mechanism, a conflict resolution/grievance redress mechanism, including an estimated budget to allow sound and adequate implementation of the ESMP. The ESMP will binding to the civil works contracts as part of the Environmental and

		Social Clauses (ESC). These instruments will also provide a number of measures on chance finds (to comply with OP/BP 4.11- Physical Cultural Resources requirements, and Natural Habitats (OP/BP 4.04). Once finalized borrowers will disclose the ESIA/ESMP in-country and at the InfoShop prior to appraisal.
Natural Habitats OP/BP 4.04	Yes	At this concept stage of project preparation, detailed information related to transmission line design, its exact route and associated infrastructures are not known. However, the project will be located in northwest Mozambique near Tete and southern Malawi and it is expected that the selected project corridor in Mozambique and Malawi will pass mostly through agricultural land or bushland of low biodiversity value. Expected adverse environmental impacts will be avoided and/or mitigated through provisions adopted during the project preparation phase and/or the development of the transmission line route design. Furthermore, the route of the proposed transmission line will be designed to avoid the Thambani Forest Reserve in Malawi and any know areas of biodiversity importance. Notwithstanding, line construction and maintenance activities affect vegetation and wildlife as it requires clearing of land in forested and rural areas. Road, tower construction, and TL installation requires land clearance along ROW of hundreds of kilometers in length that may lead to loss of native plant species which impacts animal species in natural habitats. Hence, OP/BP 4.04 is triggered and ESIA/ESMP to be prepared will provide mitigation measures to ensure effective compliance with the policy requirements. The ESIA will make provision to comply with this policy.
Forests OP/BP 4.36	TBD	Triggering of this policy will be decided during preparation mission field visits to assess the rightfulness or not to trigger this policy.
Pest Management OP 4.09	No	No herbicides will be used to control weeds under the transmission lines and in the substations.
Physical Cultural Resources OP/BP 4.11	Yes	The policy is triggered based on the likelihood of encountering physical cultural resources during project implementation due to the fact that project activities will finance civil works and movements of earth in areas that may containing sites deemed physical cultural resources by communities living

		there (e.g. graves, holy sites such as sacred groves, sacred forests, etc.). To ensure due diligence, Chance Find Procedures will be included in the ESIA and ESMP and all contractor contracts to address OP/BP 4.11 basic requirements to adequately handle unexpected Physical Cultural Resources finds.
Indigenous Peoples OP/BP 4.10	No	There are no indigenous people in the project area as defined by OP/BP 4.10.
Involuntary Resettlement OP/ BP 4.12	Yes	The policy is triggered based on the fact that Component A activities will occur on agricultural and grazing lands that might involve land acquisition leading to involuntary resettlement of people and/or loss of assets, means of livelihoods or resources. To ensure due diligence is done, the Borrowers will update the 2007 RPF, to adequately deal with issues of land acquisition and compensation and/or the physical displacement of people. The RPF will be duly consulted upon cleared by the Bank and adequately disclosed both in-country, and at the InfoShop prior to appraisal; and ultimately develop, if physical footprint details are known at this very stage, a Resettlement Action Plan (RAP) to be disclosed both in-country and at the InfoShop. If footprints are yet to be detailed, therefore the RPF will guide the way forward to be followed once these are known during implementation phase. Just like the RPF, the RAP will then be disclosed both in-country and at the InfoShop prior to the start of the civil works of the given activity.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/ BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 01-Sep-2016

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

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.

The procurement for the ESIA, ESMP and a Resettlement Policy Framework (RPF) has been initiated. It is expected that the studies will commence in March 2016. The draft final reports are expected in September 2016.

It was determined that an RPF, rather than a Resettlement Action Plan, would be appropriate since the exact location of the towers and line route within the broader corridor will not be known by appraisal. At an early stage of implementation a technical study and a survey will be conducted to determine the exact location of the transmission line and towers within the corridor, and a record of the people and assets that will be affected will be developed. Based on the results, and if needed, a Resettlement Action Plan (RAP) or an Abbreviated RAP will be prepared, approved, disclosed in-country and in the InfoShop, and implemented before the start of any investment and construction work.

IV. APPROVALS

Task Team Leader(s):	Name: Maria Isabel A. S. Neto	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Nathalie S. Munzberg (SA)	Date: 07-May-2016
Practice Manager/ Manager:	Name: Lucio Monari (PMGR)	Date: 09-May-2016