

**INTEGRATED SAFEGUARDS DATA SHEET
ADDITIONAL FINANCING**

Report No.: ISDSA7915

Date ISDS Prepared/Updated: 18-Jul-2014

Date ISDS Approved/Disclosed: 22-Jul-2014

I. BASIC INFORMATION

1. Basic Project Data

Country:	Congo, Republic of	Project ID:	P147456
		Parent Project ID:	P106975
Project Name:	CG-Add. Fin. Water, Electricity & Urban Dev. SIL (P147456)		
Parent Project Name:	Rep. of Congo - Water, Electricity & Urban Development SIL (LEN) (P106975)		
Task Team Leader:	Mahine Diop		
Estimated Appraisal Date:	25-Jun-2014	Estimated Board Date:	16-Sep-2014
Managing Unit:	GSURR	Lending Instrument:	Investment Project Financing
Sector(s):	Public administration- Energy and mining (100%)		
Theme(s):	City-wide Infrastructure and Service Delivery (100%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	150.00	Total Bank Financing:	60.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			90.00
International Bank for Reconstruction and Development			45.00
International Development Association (IDA)			15.00
Total			150.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

A. Original Project Development Objectives – Parent

To increase sustainable access to basic infrastructure and safe drinking water for the inhabitants of Brazzaville and Pointe Noire.

B. Current Project Development Objectives – Parent

C. Proposed Project Development Objectives – Additional Financing (AF)

To increase access to basic infrastructure services, safe drinking water and electricity to the inhabitants of targeted areas in the cities of Brazzaville and Pointe Noire.

3. Project Description

The original project was approved for an IDA amount of US\$25.5 million and leveraged US\$100 million from the Government. The proposed AF builds on the same strategy and aims at ensuring sound and effective investments with a co-financing from the country. The Government will contribute US\$90 million to the AF.

The original project has three components which are as follows:

- Component 1. Urban Infrastructure Services (total cost US\$70.5 million of which IDA US\$13.5 million and Government US\$57 million). Expanding access to basic social services to the populations in the project zones through: (i) the development of urban infrastructure and services including the rehabilitation or construction of socioeconomic infrastructures in the targeted zones in coordination with the structural investments being carried out by the Government in order to enhance their effectiveness as economic growth poles (Total cost US\$62 million), and (ii) support to the institutions of the cities of Brazzaville and Pointe-Noire (Total cost US\$8.5 million) to improve local governance, municipal and urban management, and fiscal performance and to the Ministry of Housing and Urban Planning through the establishment of urban management tools.
- Component 2, Urban Water Supply (total cost US\$45.5 million of which IDA US\$8.8 million and Government US\$36.7 million). Increasing sustainable access to safe drinking water in Brazzaville and Pointe-Noire and improving urban water sub-sector management. This is to be achieved through investments in Brazzaville and Pointe-Noire as well as the provision of support to the Government and to SNDE towards technical, commercial, and financial recovery of the SNDE and through the provision of support to (i) expand access to basic services by supplying safe drinking water mainly through household connections and standpipes; (ii) reduce losses and boost productivity; and (iii) stabilize the financial situation of the SNDE by establishing a partnership with the private sector.
- Component 3, Electricity Sector Reform (total cost US\$3.7 million of which IDA US\$0.70 million and Government US\$2.7 million). Developing a comprehensive strategy for the reform of the electricity sector and improve the Government's capacity to implement the reform through provision of support to the MEH : (i) on the reform of the electricity sector including a diagnosis of the sector, short-term measures to stabilize the sector, recommendations for the reform of the sector, among others and (ii) on key actions needed for the reform including conduction of tariff studies, review and update of the legal and regulatory framework, assistance on budget implementation and investment planning, enhancing the Ministry's capacity to develop policies and manage the sector and also develop skills in key areas such as economic regulation, economic analysis of projects and M&E.

The AF will continue to cover the areas targeted by the parent project, in Brazzaville and Pointe Noire.

Proposed changes concern Component III Electricity Sector Reform (IDA US\$0.70 million, Government US\$2.7 million) which will be modified as follows:

- Three new sub-components will be added to the two initial subcomponents: (3.3) SNE Electricity Distribution and Transmission System Upgrade; (3.4) Improvement of operational performance of SNE in key business areas, with specific emphasis on sustainable loss reduction; (3.5) Institutional Strengthening and Capacity Building of SNE.
- To capture the scope of the new activities, Component 3 will be accordingly renamed ‘Sector reform, Commercial and Electricity Supply Systems Upgrade’

- Sub-component (3.3). SNE Electricity Distribution & Transmission System Upgrade (total cost US\$86 million of which Government US\$51 million, IDA US\$8.75 million, IBRD US\$26.25 million) will focus on technical investments. The sub-component will support investments in infrastructure to improve the operational efficiency of the distribution system and remove electricity supply bottlenecks within the network. This improvement will translate into system reliability by reducing system interruptions and outage times as well as lowering technical and commercial losses.

This sub-component will provide financing to: (a) Rehabilitate segments of the transmission network; (b) Reinforce and complement the sub-transmission network improvements undertaken by Government to develop a sound backbone for electricity supply, including the construction of an electric loop in Brazzaville; (c) Upgrade and extend the distribution network to increase and fully re-establish its overall transit capacity for a better end-user supply, voltage quality and provide access to new customers; (d) Implement a simple Demand Side Management (DSM) program through the distribution of Compact Fluorescent Lamps (CFL) to save energy and help customers manage bills - which are likely to increase with the termination of the lump sum billing system.

- Sub-component (3.4). Improvement of operational performance of SNE in key business areas, with specific emphasis on sustainable loss reduction. (total cost US\$50 of which Government US\$30 million; IDA US\$5 million; IBRD US\$15 million).

The sub-component will finance the incorporation of management information systems (MIS) to enable efficient, transparent and accountable performance in key business areas including: (a) Commercial Management System (CMS); (b) Incidents Recording and Management System (IRMS); (c) Implementing a Corporate Resource Management System (CRMS); and (d) Implementing a Geographic Information system (GIS)

- Sub-component (3.5): Institutional Strengthening and Capacity Building (Total US\$9.80M of which Government 6 million; IDA US\$ 0.95 million, IBRD US\$2.85 million):

This sub-component will finance (a) Institutional Strengthening of SNE (b) Logistics and office equipment and (c) trainings (d) Studies and consultancies.

The AF will also finance operating costs (US\$3,4 million, of which IDA US\$0.25 million; IBRD US\$0.75 million and Government US\$2.4 million), project management costs (audits and M&E) (US\$0.8 million, of which IDA US\$0.05 million; IBRD US\$0.15 million and Government US\$0.6 million).

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

The project will be implemented in Brazzaville and Pointe Noire.

5. Environmental and Social Safeguards Specialists

Antoine V. Lema (GURDR)

Abdoulaye Gadiere (GENDR)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The parent Project was rated EA category B. An ESMF was prepared and disclosed in December 11, 2009. The activities of this AF are the same as the parent project. The activities that will be financed under components 1 and 2 will be site-specific, small-scale with limited potential impacts. In fact, their impacts will be moderated then, successfully managed and mitigated by application of good engineering practices. In summary, the AF is not expected to induce other environmental and social impacts which are different from those induced by the original project. Taking into account this aspect, the existing ESMF has been revised, reviewed and disclosed publicly in the country on February 28, 2014 and at the Infoshop on April 24, 2014 to continue serving as a guide to the AF.
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	Project investments, particularly components 1 and 2, will induce land acquisition.
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	

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:
<p>There are no significant or irreversible adverse impacts that are expected from the implementation of activities that will be financed under this AF. Most of the adverse environmental and social impacts associated with these investments will be small-scale and site-specific. Hence, they will be manageable at an acceptable level.</p> <p>The project remains EA category B and will not trigger new safeguards policies due to the fact that components and activities are the same as in the parent project. The triggered policies are OP/BP 4.01 and OP/BP 4.12. Safeguard instruments (ESMF and RPF) have all been updated and will be implemented as guidance/guidelines for the activities during the Additional Financing phase.</p> <p>During the parent project's implementation, Overall safeguard compliance (Environmental Assessment OP/BP 4.01 and Involuntary Resettlement OP/BP 4.12) is rated Moderately Satisfactory due to late preparation of safeguards documents (EMP and RAP). All planned documents have been prepared and published in accordance with Bank rules. Recommendations to improve performance have been made to ensure that all safeguards requirements are properly implemented. These recommendations are being implemented and closely monitored by the Bank Safeguards specialists. The impacts of this close supervision are expected to be reflected in the overall safeguard rating during the supervision mission of October 2014.</p>
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
<p>The safeguards instruments of the project, both the original and the new ones, did not identify potential indirect and/or direct long-term adverse environmental or social impacts associated to this project.</p>
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
<p>N/A</p>
4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
<p>The Borrower has prepared an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF), to manage potentially adverse environmental and social impacts, given that the exact location of future investments are yet to be known</p> <p>The ESMF includes standards, methods, and procedures specifying how future activities for which location, impacts and scale are unknown will systematically address environmental and social issues. It covers: (i) a systematic environmental and social impact assessment for all activities before selection and implementation; (ii) procedures for conducting activity-specific ESIA's, Limited Environmental Impact Assessment (LEIA) or Environmental and Social Management Plan (ESMP); (iii) capacity strengthening and awareness-raising campaigns targeted at relevant stakeholder groups for better implementation and monitoring of project safeguard measures; and (iv) establishment and implementation of a consultation framework for the environmental control and monitoring.</p>

<p>The RPF clarifies the principles, organizational arrangements, and design criteria to be applied to investments/sub-projects to be prepared during project implementation. Investment-specific Resettlement Action Plans (RAPs) will be prepared, as necessary, in line with the RPF and submitted to the Bank for approval.</p> <p>The above safeguard documents provide detailed mitigation measures to ensure sustainability and compliance with Congo's regulations and legislations, as well as with the World Bank environmental and social safeguard policies. Activities financed under the project will be screened using a standardized approach based on the tools developed under the original project. ESMPs will be prepared as needed for the small civil works expected to be undertaken under this AF. For works with negligible impacts environmental measures based on national laws and regulations will apply.</p> <p>The PIU currently includes an environmental/social specialist who is responsible for safeguards compliance. The same staff will continue to oversee the implementation of the project safeguards instruments under the AF activities. The Bank Team will also continue to provide technical support to the PIU and carry out supervision missions to support safeguards compliance.</p>
<p>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</p>
<p>Stakeholders to benefit from the AF include: inhabitants in the targeted areas in the cities of Brazzaville and Pointe-Noire; the state owned energy utility company - Société Nationale d'Electricité (SNE), the state owned water utility company - La Société nationale de distribution d'eau (SNDE), ministry in charge of Territorial planning, ministry of health, schools health clinics and other public infrastructures. Consultation of stakeholders has been a continuous process during project implementation. The additional financing is the result of stakeholder consultations. As part of the preparation of safeguards documents for the additional financing, these various stakeholder groups were consulted again and their recommendations, comments and suggestions were incorporated into the safeguards instruments. The latest consultations took place in Brazzaville and Pointe Noire in February 2014.</p>

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	03-Mar-2014
Date of submission to InfoShop	24-Apr-2014
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Congo, Republic of	28-Feb-2014
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	21-Feb-2014
Date of submission to InfoShop	16-May-2014
"In country" Disclosure	
Congo, Republic of	15-May-2014
<i>Comments:</i>	

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.
If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader:	Name: Mahine Diop	
<i>Approved By</i>		
Practice Manager:	Name: Rosemary Mukami Kariuki (PMGR)	Date: 22-Jul-2014