

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC1138

Date ISDS Prepared/Updated: 20-Dec-2014

Date ISDS Approved/Disclosed: 06-Jan-2015

I. BASIC INFORMATION

A. Basic Project Data

| | | | |
|---|---|------------------------------|------------------------------|
| Country: | Egypt, Arab Republic of | Project ID: | P152961 |
| Project Name: | Cairo Municipal Solid Waste Management Project (P152961) | | |
| Task Team Leader(s): | Ibrahim Khalil Dajani | | |
| Estimated Appraisal Date: | 11-Jan-2016 | Estimated Board Date: | 31-Mar-2016 |
| Managing Unit: | GSURR | Lending Instrument: | Investment Project Financing |
| Sector(s): | Solid waste management (80%), Public administration- Water, sanitation and flood protection (20%) | | |
| Theme(s): | Other urban development (50%), Pollution management and environmental health (50%) | | |
| Financing (In USD Million) | | | |
| Total Project Cost: | 150.00 | Total Bank Financing: | 150.00 |
| Financing Gap: | 0.00 | | |
| Financing Source | | | Amount |
| Borrower | | | 0.00 |
| International Bank for Reconstruction and Development | | | 150.00 |
| Total | | | 150.00 |
| Environmental Category: | A - Full Assessment | | |
| Is this a Repeater project? | No | | |

B. Project Objectives

The proposed Project Development Objective (PDO) is to support the improvement of Municipal Solid Waste Management in the targeted areas in Cairo Governorate.

C. Project Description

39. The Project will support a combination of: (i) strategic infrastructure investments in MSWM

(i.e. collection, transport, intermediate processing, and sanitary disposal), (ii) institutional strengthening and capacity building that should greatly enhance Cairo's oversight of solid waste issues in the years to come, as well as (iii) skills and technology development. The total cost of the project is estimated to be US\$150 million to be financed through an IBRD loan to Cairo Governorate. The loan would be guaranteed by the Ministry of Finance (MoF). The Project components and their subcomponents are as follows:

Component 1: Upgrading of Solid Waste Management Facilities around Cairo Governorate. This component will support improvements to solid waste management transfer and sanitary disposal systems capacity and efficiency through financing of the following short-term and long-term investments, including: (i) rehabilitation and sanitary closure, or, conversion of selected dumpsites into strategically equipped waste transfer stations; (ii) planning, construction and operation of a new sanitary landfill and supplying of solid waste management equipment (for collection and for the new MSWM facilities); (iii) pavement of access roads to the new landfill and transfer stations; (iv) composting facility upgrades and the targeting of organic waste from vegetable markets; and (v) and the preparation of a feasibility study for an eco-park designed to facilitate higher rates of, and safer, recyclable materials recovery and processing.

The proposed approach assumes that many of the current collection challenges are linked to the inadequacy of current transfer station locations, which drive up costs by forcing haulers to spend extra time traversing local traffic to tip loads rather than collecting waste. This approach also seeks to consolidate waste processing and disposal services at larger facilities where quality control can be closely monitored. With the proper facility design and use of modern sorting and turning equipment, higher rates of organic waste recovery will occur, delivering significant material diversion and environmental quality benefits. New waste collection vehicles will also be procured under this project for use by the new collection contractors, a provision identical to the current contract.

Component 2: Capacity Building and Public Awareness: This component will support the streamlining and enhancement of the institutional, monitoring, and financial management capacities of the municipal solid waste management enabling and oversight agencies within the Egyptian government and Cairo Governorate. To enable improvements in Cairo's waste policy and delivery infrastructure, the following technical assistance activities are envisaged: (i) comprehensive analysis of current national and local institutional environment for solid waste management services; (ii) public management systems reform, including review of existing system costs and tariff structure; development of new tariff structuring guidelines; implementation of new tariff systems in Cairo Governorate and development of a financial Management Information System to support enhanced cost recovery levels; (iii) introduction of Management Information Systems (MIS) to support rationalization of service delivery and provision of timely information to support real-time decision making. This could include developing and implementing a Geographic Information System (GIS) - based fleet monitoring and logging systems on a pilot basis; developing a pilot waste collection management plan, development of performance-based tariff collection procedures; review of the existing private sector service delivery contracts; (iv) technical and design studies and standards development for landfill operation, transfer operations, composting and other processing facilities.

This component will also support (iv) the development and implementation of public awareness activities and Grievance Redress Mechanism (GRM) to enhance citizen engagement, based on the concept of co-responsibility among citizens, operators, and government entities. In particular, community-based monitoring tools (scorecards, web or ICT based reporting mechanisms (such as the use of text messaging and social media platforms such as Facebook) could be used as means to

assess and provide feedback on the quality of local solid waste management services in Cairo. A functioning project GRM would ensure that clarifications about the project are responded to, problems with implementation are resolved, and complaints and grievances are addressed efficiently and effectively.

Component 3: Project Management, Monitoring and Evaluation (M&E): This component will finance arrangements required to support the successful management, monitoring, and evaluation of all Project activities, including: (i) the establishment of a Project Technical Operations Unit (TOU) at the Cairo Governorate that would rely primarily on key staff of the SWM departments; (ii) consultants to support the core functions of the TOU and help build staff capacity through on-the-job-training related to coordination and facilitation, fiduciary (procurement and financial management), environmental and social safeguards supervision, monitoring and evaluation (M&E)); (iii) Project-related incremental operating costs for the TOU, and (iv) other independent consultancies, including citizen satisfaction surveys, implementation of the Project Environmental and Social Impact Assessment (ESIA), RAP/Abbreviated RAP, and Beneficiary Assessments.

40. Expected Environmental and Social Safeguards issues:

- Preliminary Stakeholder Consultations and Key Issues: meetings and preliminary consultations with a range of governmental and non-governmental stakeholders, including representatives of the informal sector from the Zaballeen community and related NGOs in Manshiyet Nasr underscored the wealth of knowledge stakeholders have about solid waste management challenges and opportunities in Cairo. A key area that was emphasized is the need to adequately accommodate local communities' expectations and optimize waste utilization. The lack of efficiency of the current collection system is one key challenge resulting in a high level of dissatisfaction among the local community. Similarly, a lack of clear regulation on waste transfer from street containers is resulting in waste piles on the street posing health hazards, poor aesthetics and traffic disruption across Cairo. Stakeholders also emphasized a need for building on the lessons learnt from the previous experience, particularly in the area of engaging the informal sector groups of waste collectors.
- At present, there are no institutionalized mechanisms for service recipients/residents to share their concerns about local solid waste issues in Cairo. Discussions with various stakeholders supported the view that strengthening channels of communication between citizens and the state about service delivery was important. This includes the need for effective communication campaigns dealing with subject matters related to household and community levels of waste management and disposal; issues related to public littering; and awareness-raising on macro level environmental and health consequences linked to effective solid waste management.
- Environmental and Social Impact Assessment: Preparation of an environmental and social impact assessment (ESIA) covered by the Bank's Operational Policy 4.01 covering Environmental Assessment is required for this project. The ESIA will analyze potential environmental and social impacts under the project and will propose mitigation measures to manage adverse impacts that may arise. It will also propose measures to augment positive environmental and social effects under the project. A Social Impact Assessment (SIA) will also be prepared in order to ensure setting a comprehensive approach for managing social issues related to the project. Through the SIA, a dialogue will be established with the Government for designing sustainable approaches to address the social aspects including an integrated manner for dealing with the Project Affected Persons (PAPs). The SIA results will be integrated in the ESIA report. The need to ensure that a qualified and

reputable consulting firm is employed to prepare the ESIA and SIA was underscored to the Government counterparts. The ESIA process will therefore include thorough consultations (conducted in local languages) with all concerned stakeholders in the Cairo Governorate to elicit their views and inputs on the potential impacts of the project, and any proposed mitigation measures. The ESIA will need to be disclosed locally and on the Bank InfoShop before Project Appraisal. In the meantime, the Bank shared with H.E. Cairo Governor and his team sample consultant Terms of Reference (ToR) for the ESIA and SIA.

- **Involuntary Land Acquisition and Resettlement Policy:** The World Bank’s Operational Policy 4.12 covers potential adverse impacts related to land acquisition and the need to relocate households and communities due to project effects. For the proposed SWM project, an early assessment is that the potential groups that might be affected includes owners or users of land (potentially including waste pickers) that are needed for the project on a temporary or permanent basis during the course of constructing or expanding/rehabilitating landfills, transfer stations, and setting access roads to any of these facilities. Under adverse social and economic impacts, the livelihoods of waste pickers utilizing existing dumpsites (if any), which may be adversely affected by the dumpsite closure financed by the project. In the meantime, according to Cairo Governorate and CCBA, the land that has been identified for sanitary waste management facilities near Belbis is in a publicly-owned area in the desert. The possibility of triggering OP 4.12 will be carefully examined through the SIA and decisions on preparing RAP/ARAP will be confirmed. The scope of the RAP/ARAP should cover direct social and economic impacts on owners or users for the land needed to establish the disposal facilities and the associated access roads. In case the rehabilitation or closure of existing disposal sites and/or transfer station results in preventing certain groups from obtaining their livelihoods, RAP/ARAP should be also prepared for these groups.

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

The project will support activities in Cairo Governorate. The location of the proposed new municipal solid waste management system/facilities is expected to be near Belbis, east of Cairo Governorate.

E. Borrowers Institutional Capacity for Safeguard Policies

Cairo Governorate has not been exposed to the World Bank Safeguards Policies. In addition to the introduction made by the task team to selected members of the Governorate, it is expected that the Technical Operations Unit that will be established by the Governorate will be staffed with qualified personal including specialists/consultants with good understanding and working experience with the WB Safeguards Policies.

F. Environmental and Social Safeguards Specialists on the Team

Africa Eshogba Olojoba (GENDR)

Amal Nabil Faltas Bastorous (GSURR)

Chaogang Wang (GSURR)

Esma Kreso (GENDR)

John R. Butler (GSURR)

Mohammad Farouk Ibrahim Kandeel (GTCDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

| Safeguard Policies | Triggered? | Explanation (Optional) |
|---------------------------|-------------------|-------------------------------|
|---------------------------|-------------------|-------------------------------|

| | | |
|---|-----|--|
| Environmental Assessment OP/BP 4.01 | Yes | This is a category A project due to its possible impacts on the environment due to its proximity to urban population, Nile basin system and groundwater aquifer. An Environmental and Social Impact Assessment is currently being prepared by the Client (independent consultant), and will adequately identify all associated environmental and social impacts and propose adequate mitigation measures and monitoring parameters. The ESIA report will be developed following guidelines for a World Bank Category A project and will be disclosed in-county and the Infoshop prior to Appraisal. |
| Natural Habitats OP/BP 4.04 | TBD | The feasibility study prepared by the client will identify whether any of the project facilities are located near natural protectorates or areas of biodiversity importance while the ESIA report will provide adequate mitigation measures, in case project activities are near such areas. The triggering of this policy will be revised in the Appraisal stage ISDS following findings of the ESIA. |
| Forests OP/BP 4.36 | No | |
| Pest Management OP 4.09 | No | |
| Physical Cultural Resources OP/BP 4.11 | TBD | The feasibility study that will be prepared by the client will identify whether any of the project facilities are located near areas of cultural importance while the ESIA report will provide adequate mitigation measures in line with Egyptian measures on protection of cultural heritage, in case project activities are near such areas. The triggering of this policy will be revised in the Appraisal stage ISDS following findings of the ESIA. |
| Indigenous Peoples OP/BP 4.10 | No | |
| Involuntary Resettlement OP/ BP 4.12 | TBD | Triggering this policy remains to be determined at this stage for the following reasons: i) The land needed for construction of landfills will be desert land owned by the state. It is not clear if there are any people to be affected by the land acquisition before its location is finally determined; ii) The rehabilitation of transfer stations and closure of dumpsites may affect some people, such as the waste pickers, but it is not clear how these people will be affected; iii) it is not clear if the additional land plots (1,000 – 4,000m ²) that will be needed across Cairo |

| | | |
|--|----|---|
| | | for the development of new transfer stations may have potential impacts on livelihood. The SIA will be carried by the client to assess the nature and the significance of the social and economic impacts of the project and will provide a justification for triggering the policy. If policy is triggered, a Resettlement Action Plan (RAP) or an Abbreviated Resettlement Action Plan (ARAP) will need to be prepared, approved and disclosed in-country and at the Infoshop prior to appraisal. |
| 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 | Although the long-reaching negative impacts of a do-nothing alternative may have implications on the Nile basin system and groundwater aquifer, there will be no activities that will directly impact the Nile or any other international waterways. |

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 23-Nov-2015

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:

The preparation of the ESIA (including a Social Impact Assessment) is expected to be launched in May 2015, Draft ESIA by November 2015 and Final ESIA by November 2015. If required, RAP/ARAP will follow the same timeline.

IV. APPROVALS

| | | |
|----------------------------------|-----------------------------|-------------------|
| Task Team Leader(s): | Name: Ibrahim Khalil Dajani | |
| <i>Approved By:</i> | | |
| Regional Safeguards Coordinator: | Name: Nina Chee (RSA) | Date: 30-Dec-2014 |
| Practice Manager/Manager: | Name: Nina Bhatt (PMGR) | Date: 06-Jan-2015 |

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.