

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.:ISDSA21485

Date ISDS Prepared/Updated: 11-Jul-2017

I. BASIC INFORMATION

1. Basic Project Data

Country:	Africa	Project ID:	P161265
Project Name:	Engaging Private Sector for Green Growth in the Lake Victoria Basin Project (P161265)		
Task Team Leader(s):	Jian Xie, Stephen Ling, Suiko Yoshijima		
Estimated Appraisal Date:		Estimated Board Date:	30-Jun-2017
Managing Unit:	AFCC2	Financing Instrument:	Investment Project Financing
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:	3.65	Total Bank Financing:	0.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			0.00
Africa Climate Change Program			3.65
Financing Gap			0.00
Total			3.65
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Project Development Objective(s)

To increase use of and investment in resource-efficient and cleaner production technologies by private enterprises in the Lake Victoria Basin

3. Project Description

The scale of the Basin, and its environment and climate-related challenges, cannot be adequately addressed through public funding alone, but the success of the RECP pilot program to date has revealed the catalytic power of private sector investment, once their financial and corporate social and environmental interests are aligned. The project aims to expand on this engagement, leveraging successful partnerships to bring in new elements, such as sustainable supply chains and industrial symbiosis which are expected to play a major role in

the scale-up of sustainable land management within the basin (as many of the local industries are agro-processors) and the joint adaptation and mitigation impacts that accompany it. This would provide a platform for the private sector engagement which will be further expanded in the next phase of LVEMP.

The project consists of the following three components:

Component 1: Scaling-up the RECP Activities: This component aims to expand the scope of engagement, for a broader and more sustainable program of resource-efficient and cleaner production (RECP) activities with the private sector. The existing RECP program is based on training and detailed, joint in-plant assessments, mainly with larger firms. The scale-up of this program is necessary not only to build on the lessons learned so far and carry momentum through to the next phase of LVEMP, but also because it has been shown to generate genuine win-wins for the environment and bottom line, which provide an entry point to engage the private sector on environment and climate activities more broadly. Through the joint in-plant assessment, it also provides the perfect experiential platform for identifying the opportunities. The aim is to extend and expand the current program beyond large enterprises, to include small and medium enterprises (SMEs) and their umbrella associations. The expected outcomes of this component are increased adoption of RECP by targeted industries including SMEs, contributing to the compliance enforcement on regional effluent standards and the reduction of industrial pollution that are discharged into Lake Victoria. It will also support sustainability of the NCPC by requesting the private enterprises to co-finance the cost of in-plant assessment by up to 20% so that NCPC can obtain its own source of income to sustain their business. Primary consensus for 20% co-financing was built among the EAC countries based on experiences in other projects in Kenya (e.g. the Energy Efficiency Project implemented by the Kenya Association of Manufacturers (KAM)).

Component 2: Strengthening the Facilitating Environment for RECP: Participation in the RECP program is and will remain voluntary, but this component aims to strengthen the incentives for companies to adopt RECP technologies. The expected outcomes of this component are promotion of private sector engagement in resource efficient and cleaner production through raising awareness and strengthening monitoring capacity and increased transparency. This component consists of Subcomponent 2.1: Enabling environment for RECP; and Subcomponent 2.2: Designing financial scheme for sustainability of RECP programs.

21. Component 3: Piloting Green Growth instruments: This component aims at engaging private sector support for more sustainable agricultural supply chains, particularly targeting important local agricultural commodities (e.g. sugar, tea, coffee, honey) which have intrinsic land management benefits or which offer options for improved production systems that also benefit environmental functions. The aim is therefore to engage the private sector with the Basin (much of which is involved in some form of natural resource-based or agri-processing industry) on sustainability issues beyond the factories themselves, and to promote private sector investment in sustainable land and watershed management. The expected outcomes of this component is successful pilot of green supply chain through collaboration with the private sector. This component consists of Subcomponent 3.1 Analysis of opportunities for greening agricultural value chains; Subcomponent 3.2 Green supply chain pilots.

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

The project location is Lake Victoria Basin.

5. Environmental and Social Safeguards Specialists on the Team

Jane A. N. Kibbassa, Environmental Safeguards Specialist

Mary C.K. Bitekerezozo, Social Safeguards Specialist

6. Safeguard Policies That Might Apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project is envisaged to generate a range of private and societal benefits such as reduced manufacturing and operating costs, growing employment opportunities, increased health and safety performance and reduced pollution and climate change mitigation benefits. The project has been assigned Environmental Assessment Risk Category B. The Environmental and Social Management Framework (ESMF) prepared for the second phase of the Lake Victoria Environmental Management Project (LVEMP II) remain relevant and adequate to provide strategic and operational guidance for the integration of environmental and social considerations into the planning and implementation of the proposed NDF activities.
Natural Habitats OP/BP 4.04	Yes	This policy is triggered because the project will be implemented within the ecologically sensitive Lake Victoria Basin, which is a habitat for many endemic aquatic species. Relevant Natural Habitat issues has been addressed as part of the ESMF.
Forests OP/BP 4.36	No	
Pest Management OP 4.09	Yes	OP4.09 is triggered because the target industries may include agribusiness industries. The Integrated Pest Management Plan (IPMP), prepared for the second phase of the Lake Victoria Environmental Management Project (LVEMP II) remain relevant and adequate to provide strategic and operational guidance for the proposed NDF activities.
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
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:

No large scale, significant and/or irreversible impacts are anticipated by the project. The project is envisaged to generate a range of private and societal benefits such as reduced manufacturing and operating costs, growing employment opportunities, increased health and safety performance and reduced pollution and climate change

mitigation benefits. The project has been assigned Environmental Assessment Risk Category B.
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
No potential indirect and/or long term impacts are expected.
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
The project supports mainly studies and assessments. Also the nature of the project is to promote cleaner and resource efficient production in the industries. Naturally potential negative impacts on resource management and pollution will be minimized through project interventions.
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.
The environmental and social safeguards management capacity of LVBC has been enhanced through coordination of LVEMP II implementation. At the national level, the existing arrangement for managing environmental and social issue under the respective national environment management agencies will be maintained. Each National Project Coordination team has adequate experience in safeguard management and operates in close collaboration and oversight from the national environmental regulatory authorities. The project team will be responsible for implementation of the activities and agencies will play an oversight role on the implementation of the project and to ensure quality and compliance with country regulations.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
The Environmental and Social Management Framework (ESMF) and Integrated Pest Management Plan (IPMP), prepared for the second phase of the Lake Victoria Environmental Management Project (LVEMP II) remain relevant and adequate to provide strategic and operational guidance for the integration of environmental and social considerations into the planning and implementation of the proposed NDF activities. ESMF in all instances has been applied for the initial screening of the proposed project activities for any negative environmental and social impacts which would require attention prior to project implementation. The document will be re-disclosed. Industries are consulted throughout the project preparation.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	15-Feb-2008
Date of submission to InfoShop	06-Mar-2008
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Pest Management Plan	
Was the document disclosed prior to appraisal?	Y
Date of receipt by the Bank	15-Feb-2008
Date of submission to InfoShop	06-Mar-2008
"In country" Disclosure	
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"/>
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
OP/BP 4.04 - Natural Habitats						
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
OP 4.09 - Pest Management						
Does the EA adequately address the pest management issues?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	NA	<input type="checkbox"/>
Is a separate PMP required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	NA	<input type="checkbox"/>
If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?	Yes	<input 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. Approval

Task Team Leader(s):	Name: Jian Xie, Stephen Ling, Suiko Yoshijima	
<i>Approved By:</i>		
Safeguards Advisor:	Name:	Date:
Practice Manager/Manager:	Name: Magda Lovei (PMGR)	Date: 26-Sep-2017