

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC665

Date ISDS Prepared/Updated: 28-Aug-2012

I. BASIC INFORMATION

A. Basic Project Data

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|--|---|------------------------------|--------------------------|
| Country: | Sierra Leone | Project ID: | P126180 |
| Project Name: | Sierra Leone Energy Access Project - Sierra Leone Infrastructure Development Fund (P126180) | | |
| Task Team Leader: | Elvira Morella | | |
| Estimated Appraisal Date: | 11-Sep-2012 | Estimated Board Date: | 13-Dec-2012 |
| Managing Unit: | AFTG2 | Lending Instrument: | Specific Investment Loan |
| Sector: | General energy sector (100%) | | |
| Theme: | Infrastructure services for private sector development (100%) | | |
| Financing (In USD Million) | | | |
| Financing Source | | Amount | |
| Borrower | | 0.00 | |
| Sierra Leone Infrastructure Trust Fund | | 19.20 | |
| Total | | 19.20 | |
| Environmental Category: | B - Partial Assessment | | |
| Is this a Repeater project? | No | | |

B. Project Objectives

The Project Development Objective is to: (i) improve reliability and quality of electricity supply in Freetown area; and (ii) increase access to electricity in selected rural areas.

C. Project Description

The Project will consist of four major components:

Component I: Improvement of Electricity Supply in Urban Areas. This component provides investment support for improving reliability and quality of electricity supply in the Freetown area as well as improving the technical and financial performance of NPA and includes the following activities: (i) strengthening and rehabilitation of the primary distribution network (33/11kV) in Freetown including overhead lines and substations; (ii) installation of approximately 20,000 pre-

payment meters and associated management and vending system to improve metering and revenue management; (iii) installation of statistical metering at key points in the network to enable energy balance and load measuring; and (iv) provision of technical assistance for each activity to ensure optimal application of the investment support.

Component II: Energy Projects Preparation Support. This component will provide technical support for preparation of new generation projects required in the medium term to alleviate Sierra Leone's energy supply deficit. In particular, technical assistance will be deployed to strengthen the capacity of the Ministry of Energy and Water Resources (MoWER) in reviewing and evaluating pre-feasibility and feasibility studies on proposed generation projects.

Component III: Rural Electrification. Under this component, technical assistance will be deployed to develop a rural electrification master plan and policy framework to be used as a basis for planning future projects and to encourage private sector involvement in rural electrification. Investment support will be provided to a pilot program for the installation of photovoltaic systems in public buildings including schools and clinics in 14 rural villages around the country to demonstrate applicability of the solar technology for larger deployment.

Component IV: Project Implementation Management. Given the low implementation capacity of the two implementing agencies, NPA and the MoEWR, this component will provide support to the Program Management Unit (PMU) currently established at the MoEWR for implementing externally funded development programs. The PMU will be reinforced with external expertise as needed, who will be specifically assigned to the proposed Project. In particular, the PMU staff dedicated to the Project will include: (i) procurement specialist and assistant; (ii) financial management specialist and assistant; (iii) environmental and social specialist; (iv) public relations specialist. An overall project coordinator will be appointed as link between the PMU and the GoSL.

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

The application of safeguards policies (OP4.01 Environment Assessment and OP4.12 Involuntary Resettlement) primarily concern the areas surrounding the existing distribution line that have been partially rehabilitated by the NPA, as described under Component I (above). This existing 33kV/11kV distribution line is located in the Freetown Western Capital Area, between the Blackhall Road substation and the Wellington substation. Reinforcement of the line was initially carried out under the recently completed IDA-financed Power and Water Project (P087203). A Resettlement Action Plan (RAP) was implemented and a RAP Completion Report was disclosed in November 10, 2011. The compensation payments for 29 households in the distribution line were finalized in end-October 2011. Additionally, there were five livelihood restoration programs provided for small enterprises, including training workshops for skills and youth employment.

However, as part of project preparation, a site investigation of the distribution line right-of-way (RoW) from Blackhall Road to Wellington was undertaken in February, 2012. The Site Investigation findings indicated that: (i) two PAPs who received payments in 2011 for removing structures within the vertical clearance limit (7 m) have returned and constructed new structures, which once again needed to be removed; and (ii) "new encroachers" in the RoW have set up structures despite the demarcation enforced by NPA. Following this site verification, the NPA sent a letter to the Office of National Security (ONS) to assist in removing these structures, and over the longer-term, to assist in monitoring the distribution line.

On rural electrification, the locations are not known, although some 14 selected villages will be identified to demonstrate applicability of the solar technology. These solar units will be installed as solar panels on public buildings such as schools and clinics. No land acquisition for these units will take place.

E. Borrowers Institutional Capacity for Safeguard Policies

The safeguard implementation capacity of the implementing agencies will be evaluated during project appraisal. The recommendation is to further strengthen, possibly through technical assistance, the capacities for implementation of the environmental and social safeguards policy instruments (monitoring and compliance roles). The adequacy of the country's environmental and social policies, including urban land management programs, has also been reviewed under the completed IDA-financed Power and Water Project and other urban development projects, and found to indicate some positive steps being undertaken by the GoSL.

The Project Management Unit (PMU) established at the MoEWR is currently staffed with sufficiently trained environmental and social specialists. A safeguard training program was sponsored by the Ministry of Finance and Economic Development (MoFED) in March 2012 and conducted by the Bank's Accra-based safeguards team. The training included skills for developing appropriate environmental and social safeguard terms of reference related to aspects of the Project that in the future may require some externally contracted safeguards work. These activities will also concern the rural electrification component of the Project. Although implemented by MoEWR, this will be led by a dedicated Project Coordinator who will ensure that safeguards oversight functions will be coordinated with the PMU. Overall, high level management will be ensured by a Project Oversight Committee including the Director of the PMU established at MoEWR, NPA General Manager and the MoEWR Permanent Secretary.

F. Environmental and Social Safeguards Specialists on the Team

Maria Concepcion J. Cruz (AFTCS)

Moses Yao Duphey (AFTN3)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

| Safeguard Policies | Triggered? | Explanation (Optional) |
|---|-------------------|--|
| Environmental Assessment OP/ BP 4.01 | Yes | An Environment and Social Impact Assessment (ESIA) will be completed during appraisal and covering the rehabilitation and upgrading of the existing distribution line and substations and the proposed sites for installation of solar panels. |
| Natural Habitats OP/BP 4.04 | No | The distribution line will not pass or even be close to any protected areas, including those with any high biodiversity. Also, the substation to be upgraded under the Project is not close to any critical habitat, which as a consequence may be negatively affected by the Project. |
| Forests OP/BP 4.36 | No | The distribution line will not pass through any forested areas hence no impacts on forests are expected nor the substation to be upgraded is close to any forest reserve. |

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| Pest Management OP 4.09 | No | No herbicides or pesticides will be used in the maintenance of the right of way of the distribution line. |
| Physical Cultural Resources OP/ BP 4.11 | No | There will be no works in this project that affect physical cultural resources. |
| Indigenous Peoples OP/BP 4.10 | No | A social assessment was completed under the completed IDA-financed Power and Water Project. The findings confirmed that there are no Indigenous Peoples in the project area, which is located mostly in peri-urban and urban areas. |
| Involuntary Resettlement OP/BP 4.12 | Yes | A RAP Completion Report was disclosed in November 2011 for the Blackhall to Wellington distribution line, which is covered under this Project for completion of rehabilitation work. During preparation, the status of the RoW for this segment of the distribution line was assessed. The re-survey of the RoW found that the policy is triggered because of the following: (i) previously compensated project affected persons (PAPs) moved back inside the RoW and constructed new structures that need to be moved; and (ii) “new encroachers” have since moved inside the RoW and will have to be relocated. On the solar systems, there will be neither land acquisition nor restriction of access to resources or livelihoods associated with rehabilitation of the existing substations. Solar panels will be installed in existing public buildings, like schools, so there will not be any acquisition of land nor restricted access to resources or livelihoods. |
| Safety of Dams OP/BP 4.37 | No | N/A |
| Projects on International Waterways OP/BP 7.50 | No | N/A |
| Projects in Disputed Areas OP/BP 7.60 | No | N/A |

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 18-Jul-2012

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:

June 22- June 30, 2012: Scoping and gathering of information for the update of the status of the RoW post-completion of the Resettlement Action Plan (RAP) and the Environmental Impact Assessment (EIA).

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.

June 30 – July 18, 2012: Completion of RAP update and EIA; approval by Government, and disclosure in-country and in the Bank InfoShop.

IV. APPROVALS

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|----------------------------------|-----------------------------------|-------------------|
| Task Team Leader: | Name: Elvira Morella | |
| <i>Approved By:</i> | | |
| Regional Safeguards Coordinator: | Name: Alexandra C. Bezeredi (RSA) | Date: 28-Aug-2012 |
| Sector Manager: | Name: Varadarajan Atur (SM) | Date: 26-Jun-2012 |