



Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 29-Aug-2017 | Report No: PIDISDSC22959



BASIC INFORMATION

A. Basic Project Data

| | | | |
|--|--|---|--|
| Country Vietnam | Project ID P162173 | Parent Project ID (if any) | Project Name Vietnam Second Distribution Efficiency Project (P162173) |
| Region EAST ASIA AND PACIFIC | Estimated Appraisal Date Mar 08, 2018 | Estimated Board Date Aug 17, 2018 | Practice Area (Lead) Energy & Extractives |
| Financing Instrument Investment Project Financing | Borrower(s) Socialist Republic of Vietnam | Implementing Agency Electricity of Vietnam | |

Proposed Development Objective(s)

The project development objectives is to improve the quality and reliability of electricity services to final consumers by Vietnam’s Power Corporations.

Financing (in USD Million)

| Financing Source | Amount |
|---|---------------|
| Borrower | 210.00 |
| International Bank for Reconstruction and Development | 350.00 |
| Total Project Cost | 560.00 |

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|---|---|
| Environmental Assessment Category B-Partial Assessment | Concept Review Decision Track I-The review did authorize the preparation to continue |
|---|---|

Other Decision (as needed)



B. Introduction and Context

Country Context

1. Vietnam has witnessed impressive economic growth and poverty reduction in the past 30 years. The country's Gross Domestic Product (GDP) has grown from about US\$ 33.6 billion in 2000 to an estimate of US\$ 202 billion, in 2016. Access to electricity services - which was below 10 percent in 1986 - has grown to 98.88 percent in 2015, contributing to reducing poverty and boosting shared prosperity. Expanded grid electrification of rural households was mirrored by a sustained increase in the value of GDP per capita. Rural electrification has been a critical component of the government's program to eliminate poverty, redress imbalances in development, and improve overall welfare levels by providing reliable lighting sources, better living conditions, health care, and other rural services. Using the extreme international poverty line of US\$1.25 PPP per person per day, the extreme poverty headcount in Vietnam fell from 64% in 1993 to 9.3% in 2016.
2. Vietnam has transformed from a primarily rural population and agricultural economy to a mixed economy with increasing access to modern energy and substantial development of commercial and industrial activities. The demand for electricity has mirrored the country's rapid economic development, with an average growth rate of 14 to 15 percent per year over the last several years.
3. The power sector has been struggling to keep up with rapid demand growth. In the face of periodic power shortages and financing challenges, there is continued government commitment to moving toward enhancing energy efficiency on both supply and demand side.
4. Since 2006, the Vietnam Energy Efficiency Program (VNEEP) has established a comprehensive set of activities to improve energy efficiency and conservation (EE&C), aiming at reducing the national total energy consumption between 5 percent and 8 percent during Phase 2 (2011 – 2015). The Energy Efficiency and Conservation Law, approved in 2010, calls for *efficiency in all economic sectors, and requires power distribution companies to develop programs, plans and roadmaps to reduce electricity losses and improve efficiency in distribution systems*. These measures are intended to contribute to energy security and reductions in greenhouse gas (GHG) emissions.

Sectoral and Institutional Context

5. **Sector context.** By the end of 2016, the total installed and operating generation capacity in Vietnam's interconnected power system was 41.42 GW. Between 1995 and 2015, household access increased from 50 percent to about 98.88 percent; and annual per capita electricity consumption increased from 156 kilowatt hours (kWh) to about 1,570 kWh. The government of Vietnam is continuing its effort to expand last mile access to reach the remaining unconnected households.
6. Vietnam Electricity (EVN) is operating in all electricity subsectors, and is the only wholesaler in the country. Just under two-thirds of generation capacity is owned by EVN, directly and through its subsidiaries. In 2016, non-EVN generation capacity represented about 36.8 percent of the national total, owned by local investors – referred to in Vietnam as independent power producers (IPPs) – and foreign owned Build-Operate-Transfer (BOT) power generation projects. Transmission of electricity at 500kV and 220kV is the responsibility of the National Power Transmission Corporation (NPT), which was formed on July 1, 2008 as a wholly owned subsidiary of EVN.



7. Five EVN subsidiary Power Corporations (PCs) are responsible for power distribution and retail supply within their license area, including distribution systems from voltage 220 kV and downwards. The Power Corporations were created in early 2010 out of the then existing 11 Power Companies, to increase scale and strengthen their financial and management capacity. They are: Hanoi Power Corporation (HNPC), Northern Power Corporation (NPC), Central Power Corporation (CPC), Southern Power Corporation (SPC), and Ho Chi Minh City Power Corporation (HCMPC). As of 2016, the PCs cover about 88% of distribution networks in rural communes, and remaining rural communes are being served by local distribution units (LDUs).
8. ***Institutional context.*** The Ministry of Industry and Trade (MoIT) is the line ministry for the power sector which exercises all state management functions for the energy sector through its General Directorate of Energy (GDE). Within MoIT and directly under its Minister, the Electricity Regulatory Authority of Vietnam (ERAV) is responsible for licensing, technical codes and performance standards for distribution and transmission, electricity tariff regulation and review, and monitoring the electricity market, supply security and compliance with technical and performance standards. The Energy Efficiency and Conservation Office (EEO) is the dedicated unit in MoIT responsible for the coordination of VNEEP, the Energy Efficiency and Conservation Law implementation decrees, and EE&C regulations and measures for the industrial and power sector.
9. ***Challenges and issues.*** Vietnam's energy sector is facing three major challenges to meet future energy demand: (a) resource constraints and energy security; (b) high energy demand and huge financing needs; and (c) environmental concerns.
10. Vietnam has achieved 98% electricity access rates connecting over 20 million households, industry and commercial customers – this is a remarkable achievement. Industrial electricity consumption is growing at a faster rate than the national average, reflecting the industrialization process. Residential electricity consumption has been increasing rapidly as well, due to new customers as a result of the success in expanding access, increasing electricity appliance ownership and growing urban populations with rising disposable incomes.
11. Historically, PCs' efforts focused on rural electrification and the rehabilitation and upgrading of distribution systems to eliminate bottlenecks and reduce high technical losses in rural areas. When the access rate to electricity of Vietnam reached over 96% in 2010, the challenge facing PCs was shifting from connecting consumers, to ensuring good quality supply through modern and efficient investment and operation of existing infrastructure, and promotion of efficient use of electricity.
12. In assistance with the shift of the PCs' focus, the Credit for the Distribution Efficiency Project (DEP, Cr. 5156VN) in the amount of SDR 297.7 million, then equivalent to \$448.9 million, was approved by the Board on September 11, 2012 and became effective on February 7, 2013. The objectives are to improve the performance of Vietnam's Power Corporations in providing quality and reliable electricity services, and to reduce greenhouse gas emissions through demand side response and efficiency gains. The project consists of three parts: (a) System Expansion and Reinforcement; (b) Introduction of Smart Grid Technologies in Distribution for system modernization and efficiency; and (c) Technical Assistance and Capacity Building. To date about 86% of the project works have been implemented; it is expected that the project will be completed ahead of schedule by June 2018. Under DEP, for the first time, there is a proper system for measurement and calculation of the indicators to measure the reliability and quality of the power supply such as SAIDI (system average interruption duration index), SAIFI (system average interruption frequency index), MAIFI (Momentary average interruption frequency index), etc. These



indicators demonstrate the improvement of the distribution system. From 2012 to 2015, SAIDI as improved 71.7% from 8,077 minutes to 2,281 minutes; SAIFI by 65.9% from 39.24 to 13.36 times and MAIFI by 59.9% from 5.07 to 2.03. Also for the first time, a survey of the consumer satisfaction was conducted. Customer Care Services/Call Centers have been established in all five PCs to receive and handle customers' grievances.

13. PCs' recent efforts on elimination of bottlenecks, reduction of high technical losses in rural areas, and improvement of reliability and quality of service also have shown some initial improvements. Reported average annual total distribution losses at the end of 2015 were 5.71 percent for HNPC, 5.08 percent for HCMPC, 6.68 percent for NPC, 6.08 percent for CPC and 5.19 percent for SPC. In 2010, the figures were 8.08 percent for HNPC, 6.03 percent for HCMPC, 6.03 percent for NPC, 7.1 percent for CPC and 6.04 percent for SPC. However, it would be hard for PCs to continue lowering their losses as targeted in 2020 (HNPC – 4.0%, HCMPC – 3.5%, NPC – 5.0%, CPC – 4.0 and SPC – 4.8) if further efforts in improvement of the networks and management are not made.
14. For the sustainable development of the distribution sector and for preparation of the wholesale competitive market, the EVN & PCs have recognized an urgent need for enhancing efficiency and modernization in electricity distribution. The PCs have set a number of key targets through 2020 in the EVN's business plan of 2016–2020 as follows: (i) Distribution loss (average of all 5 PCs): below 4.7%; (ii) Reliability of power supply: SAIFI \leq 10 times/year; SAIDI \leq 400 minutes/year; (iii) Rural electrification: Complete electrification program for rural, mountainous and island areas, ensuring almost all rural households to be electrified; and (iv) Technologization, modernization and professionalization of the distribution and retail businesses and customer care service, become among top 4 leading companies in the field in ASEAN.
15. To enable realization of the said targets, the distribution sector investments require approximately USD 1.5 billion, as identified in the PCs' reports. Upon successful implementation of the Distribution Efficiency Project and further investment requirements in the distribution sector, the EVN and the PCs requested the Bank to continue its support to the distribution sector through delivering a similar project to DEP to further improve efficiency and reliability of the system and to prepare for the wholesale competitive market.
16. The sustainable development of the power sector of Vietnam requires that the PCs carry out efficiently their operation in all business areas, in particular those involved in customer service (electricity supply and commercial functions). Comprehensive experience in developed and emerging countries worldwide shows that efficient electric utilities use state-of-art information systems to support operations in key business areas: electricity supply, commercial functions, corporate planning and management of corporate resources (accounting, finance, human resources, procurement, logistics, information technology, etc.). In this context, the proposed second Distribution Efficiency Project, in addition to scaling up the impact of the first Distribution Efficiency Project, will design a separate component to support PCs to fully incorporate their management information system (MIS) to improve customer service and quality and to support efficient, transparent and accountable execution of operations in all areas. Through the installation of terminals for remote access from its offices to these systems, the regulator (ERAV) can conduct its own independent monitoring without the need to ask each PC specific questions about the technical and commercial quality service received by the users. This is a requirement when the power retail market is fully operational.



Relationship to CPF

17. The proposed project contributes directly to two out of three objectives of Focus Area 3: Ensure Environmental Sustainability and Resilience of the Bank’s Country Partnership Framework (CPF) FY2018–2022. The contribution to CPF is articulated as follows:

- In objective nine, promoting low carbon energy generation, including renewables and energy efficiency, and reduce GHG emissions by improvement of reliability and efficiency of supply in Vietnam. The proposed project helps PCs to reduce energy losses, thus reducing power generation in Vietnam. As generation scheduling and dispatch in Vietnam prioritizes hydropower and other RE, the avoided generation will be thermal generation and GHG emissions will be accordingly reduced.
- In objective ten, increasing climate resilience by strengthening environmental management by improvement of system efficiency and promoting the use of renewable and clean energy sources. In this case with the improvement of the 110/35/22 kV will enable evacuation of the energy generated by small, scattered renewable sources, like small scale hydropower, solar and wind power stations.

18. Furthermore, the proposed project would address the cross cutting area “Governance”, through improvement of the management information system (MIS), to improve business environment and customer service and quality and to support efficient, transparent and accountable execution of operations in all areas. Through the installation of terminals for remote access from its offices to these systems, the regulator (ERAV) can conduct its own independent monitoring and oversight without the need of asking each PC specific questions about the technical and commercial quality service received by the users.

C. Proposed Development Objective(s)

The project development objective is to improve the quality and reliability of electricity services to final consumers by Vietnam’s Power Corporations.

Key Results

The proposed result indicators include:

PDO indicator for improved quality of PCs’ distribution services:

- Improve SAIDI, SAIFI, MAIFI in the project areas;
- Reduction of average distribution losses in the project areas;
- Customer’s satisfaction (compared to baseline);

Immediate indicators include:

- KM of distribution lines constructed
- MVA of distribution lines constructed

Management Information System

- Commercial Management System (CMS);
- Incidents Recording and Management System (IRMS);
- Enterprise Resource Planning (ERP);



- Geographic Information System (GIS).

The proposed indicators will be reviewed and finalized during project preparation.

D. Concept Description

The project objective would be achieved through: (i) the reinforcement and expansion of the distribution network of the five PCs; (ii) improvement of the management information system focusing on business activities, outage management, overall administrative management, etc. and (iii) provision of technical assistance and capacity building to enhance the capability of PCs in the MIS.

The project will comprise the following two components: (i) System Expansion and Reinforcement and (ii) Improvement of MIS for PCs. The description of each of these components, and the objectives are summarized below.

The preliminary estimated total cost of the project is about US\$ 560 million, out of which US\$ 350 million is requested by EVN and confirmed by the MPI, to be financed from International Bank for Reconstruction and Development (IBRD). The balance of US\$210 million will be financed by PCs from their own sources.

- 1. Component 1. System Expansion and Reinforcement.** This component will cover construction and reinforcement of 220 kV, 110 kV, medium voltage (MV) and LV networks, including substations of the PCs. The investments under this component will help the PCs to efficiently meet load growth, address load supply constraints due to distribution system congestion, reduce losses, and improve reliability and quality of power supply. This component will be implemented by existing PMUs of the five Power Corporations of EVN, namely HNPC, NPC, CPC, SPC, and HCMC PC which have long working experience with the Bank since 1995.
- 2. Component 2, Improvement of the Management Information System (MIS).** This component will focus on the improvement of the MIS, which includes the following systems as the minimum:
 - ▶ **Commercial Management System (CMS):** that comprehensively supports business activities.
 - ▶ **Incidents Recording and Management System (IRMS):** that timely registers, records, manages and restores distribution network interruptions to effectively deal with complaints from customers and controls the overall quality of the electric service for each area.
 - ▶ **Enterprise Resource Planning (ERP):** that covers all the main administrative functions such as Financial Material Information System (FMIS), Material Management Information System (MMIS), Investment Management System (IMIS), Procurement database, Human Resource Management System (HRMS), and a management program KPI.
 - ▶ **Geographic Information System (GIS):** that stores the geographic coordinates of each customer and grid asset to operate CMS and IRMS.

This component will be implemented by the five PCs and EVN headquarter if the EVN requires, for the purpose of overall management, a unified management information system among its affiliated companies. Based on the list of the systems required to be fully functional upon project completion, the PCs need to review and assess which systems are and are not in place and plan to complete them within the project timeframe. PCs and EVN may decide to implement this Component by either their own resources or project funds or both sources of funds. The expected outputs of the Component will be



monitoring indicators of the project.

Technical Assistance and Capacity Building activities for enhancing capability of PCs in the MIS will be streamlined in the Component 2 through a consultancy service. Objective of the service is to support PCs to refine comprehensively their Business Operation and Procedures in the field of customer service including power supply and related commercial aspects to maximize customer's satisfaction and optimize PCs' efficiency, transparency and accountability for the activity.

It was agreed that due to a large amount of work that needs to be completed in limited time, the project will be prepared and implemented in two phases which is similar to the approach of the ongoing Distribution Efficiency Project.

Subprojects, defined as independent distribution lines and/or substations, or rehabilitation/expansion of a medium voltage system, proposed to be included in the project will be selected from the investment plan of each PC, and these projects are included in the Development Plans approved by MoIT.

Accordingly, all the subprojects which are a priority and in advanced stage of preparation will be included in the first phase. The first phase will consist of subprojects that have been appraised and are ready for implementation by the time of approval by the World Bank's Board of Executive Directors. The appraisal will include an assessment of all relevant financial, economic, social and environmental aspects of the proposed investments.

The second phase will consist of subprojects that are brought forward by implementing agencies when their preparation is finalized. When their appraisal by the Bank has been satisfactorily completed, they will be financed on a first-come, first-appraised basis until all funds allocated have been committed.

SAFEGUARDS

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

The project could spread over the territory of about 40 provinces of Vietnam. The project would be implemented in the urban area mainly on the right of way of existing road; and in the rural area mainly on agricultural land. The lines will not cross or cut the protected area or important natural habitats and substation will not encroach such area.

B. Borrower's Institutional Capacity for Safeguard Policies

Power Corporations, namely NPC, CPC, SPC, HCMPC and HNPC, will implement the project through their Project Management Units (PMUs). The PMUs will be responsible for the daily activities related to the project's compliance with environmental and social safeguards policies. The overall responsibility for project monitoring and implementation of safeguard frameworks and guidelines will remain with PCs.

All PCs PMUs have implemented a number of IDA credits since 1995. These include the Transmission, Distribution and Disaster Reconstruction Project (Cr. 3034 VN), Rural Energy Project (Cr. 3358 VN), System Efficiency Improvement, Equitization and Renewables Project (Cr. 3680 VN), Second Rural Energy Project (Cr. 4000 VN), Second Transmission and Distribution Project (Cr. 4107 VN) and Distribution Efficiency Project (Cr 5156 VN). Each of these projects has involved



broadly similar safeguards issues and remedies and the PMUs are experienced with World Bank requirements regarding the preparation of EA/EMPs, RPs, EMDPs and the use of frameworks to guide their preparation.

The safeguard system for DEP2 will be built on the existing system under DEP1. All implementing agencies (PCs) will retain the current organizational arrangement with experienced staff working for DEP1. Initial trainings on safeguard have been organized to (i) review the safeguard performance in DEP1 and (ii) agree on the safeguard implementation in DEP2.

In general, the Bank is satisfied with the overall level of resources and the results of the current preparation, implementation monitoring activities of those PCs.

C. Environmental and Social Safeguards Specialists on the Team

Nghi Quy Nguyen, Social Safeguards Specialist
Thuy Cam Duong, Environmental Safeguards Specialist

D. Policies that might apply

| Safeguard Policies | Triggered? | Explanation (Optional) |
|-------------------------------------|------------|--|
| Environmental Assessment OP/BP 4.01 | Yes | <p>The Second Distribution Efficiency Project (Second DEP) involves: (i) the construction and reinforcements 220 kV, 110 kV, medium voltage (ML) and low voltage network, including the substations and distributions lines under component 1 and (ii) technical assistance (TA) activities under component 2. The policy OP/BP 4.01 is triggered due to the potential adverse impacts associated with construction activities under component 1 and TA activities under component 2, requiring the identification, mitigation and monitoring of potential adverse environmental and social impacts.</p> <p>The project involves multiples subprojects in more than 40 provinces of Vietnam. Compared to the precedent DEP, the subprojects under component 1 of Second DEP are basically the same in terms of nature, scale and location of the investments i.e. 110 kV, medium voltage (ML) and low voltage network; except that those also involves investments on 220 kV network. Still, the investments under the Project is of smaller scale compared to the Transmission Energy Efficiency Project, a category B project, which includes investments on 500 kV transmission lines and substations.</p> <p>Based on the nature of investments, the impacts are anticipated to be site-specific, not sensitive or</p> |



irreversible, varied from small to medium scale and in most cases, mitigation measures can be readily designed to reduce the negative impacts. In addition, the implementation of the ongoing DEP also shows that the impacts of subprojects are from small to medium scale, and not go beyond the original categorization of category B subproject. There is no serious issue encountered under DEP1. The Second DEP Project therefore is proposed to be classified as a category B.

According to the design, the Project will be prepared in two phases of which subprojects under phase I will be appraised and ready for implementation by the time of Bank's approval while those under phase II will be appraised during the project implementation. As such, during Project preparation, an Environmental and Social Management Framework (ESMF) will be developed by the Client to guide the environmental and social assessment process to ensure that all financed subprojects are in compliance with the World Bank's safeguard policies and national regulations. In addition, for every single subproject that is identified prior to appraisal (phase I subprojects), an ESMP will be prepared in accordance with the guidance and requirements in the ESMF. For the investments under component 2, it is likely that a simple ECOPs will be sufficient to cover potential environmental impacts.

By Project appraisal stage, public consultation and disclosure of safeguard tools i.e. ESMF for the whole Project and ESMPs for subprojects identified for the I phase will be conducted in line with the Bank's safeguard policies and national requirements.

For the TA activities, once the activities are finalized, the team will review and integrate relevant social and environmental aspects in the relevant documents (e.g. TOR, reports). Performance will also be reviewed during the regular supervision as part of overall safeguard review.

Given the type and small size of activities and experience from the precedent DEP project, it is anticipated that the project location will not involve any natural habitat, and the project would not cause significant conversion or degradation of critical or

Natural Habitats OP/BP 4.04

No



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| | | <p>other natural habitats. The policy is therefore not triggered.</p> <p>As a precautionary measure, an exclusion list will be developed as part of ESMF to exclude any subproject that could potentially have significant adverse impacts on natural habitats.</p> |
| Forests OP/BP 4.36 | Yes | <p>OP/BP 4.36 for DEP1 on Forest was not triggered as it is assessed that the type and small size of the activities and location of the different subprojects would not have the potential of having impacts on the health and quality of the forests or the rights and welfare of people and their level of independence upon or interaction with forest or bring about changes in the management, protection or utilization of natural forest or plantations.</p> <p>Under DEP1 implementation, about 03 subprojects involved the acquisition of small area plantation forest land (less than 01 hectare), which is very small compared to the covered areas at the provinces. These subprojects are assessed as: (i) do not have or may have impacts on the health and quality of forests; (b) do not affect the rights and welfare of people and their level of dependence upon or interaction with forests; and (c) do not aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned. Therefore, the policy OP/BP 4.36 were determined as not triggered for these subprojects.</p> <p>It is anticipated that the Second DEP project will not involve any activities that related to or potentially affect primary, protection, or natural forests or any other critical forests.</p> <p>The Second DEP will involve investments on 220 kV voltage distribution lines and substations and thus it is likely to involve more acquisition of plantation forest land and have the potential to impacts on the rights and welfare of local people and their level of dependence upon plantation forest. Therefore, the policy OP/BP 4.36 is triggered.</p> <p>The ESMF will involve screening process to exclude</p> |



| | | |
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| | | any activities that may impact critical forests (e.g. primary, protection forests). Impacts on non-critical forest and mitigation measures will be included in the subproject ESMP. |
| Pest Management OP 4.09 | No | The project will not involve the use, production, procurement, storage, handling or transportation, nor will it result in increased use of any pesticide. Therefore, the policy is not triggered. |
| Physical Cultural Resources OP/BP 4.11 | Yes | The subprojects under the Project may involve relocations of graves and other physical cultural resources (PCRs). The subprojects may be located in the vicinity of PCRs such as monument, temples, pagoda, etc. that may have potential impacts on these PCRs. In addition, the subprojects include excavation activities, which may result in chance finds. Therefore, the policy OP/BP 4.11 is triggered. The ESMF will include a screening process to identify possible PCRs and consequently refraining investment in the nearby area. The impacts on PCRs will be addressed in the subproject ESMP. A chance find procedure will be included the project ESMF, subproject ESMFs as well as relevant bidding contractual documents. |
| Indigenous Peoples OP/BP 4.10 | Yes | <p>The policy is triggered since the project will entail multiple subprojects in more than 40 provinces of Vietnam. This represents a large geographical area where ethnic minority are likely to be present.</p> <p>The application of OP 4.10 at the subproject level will be identified on a case by case basis with support from early screening exercises. Once the policy application is confirmed, the Borrower will conduct social assessments (SA) to confirm if affected ethnic minorities (EMs) provide their broad support to the project, including by: (i) identifying potential benefits and negative impacts of the project; (ii) defining the recommendations (including mitigation measures) to ensure free, prior and informed consultations with the EMs (especially, their participation in the project design and monitoring during the implementation phase); and (iii) defining the measures required to provide culturally appropriate benefits (e.g. tailored information disclosure, consultation, and community support activities).</p> <p>By appraisal, Ethnic Minority Development Plans</p> |



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| | | (EMDP) of relevant subproject (s) will be prepared. In addition, the Borrower will also develop an Ethnic Minority Planning Framework (EMPF), guiding the preparation of individual EMDPs for subprojects identified during the project implementation. The EMDPs will include a summary of the SA, consultations, the scope of impacts and mitigation measures, activities for the enhancement of project implementing agencies and estimated costs for the Plan. |
| Involuntary Resettlement OP/BP 4.12 | Yes | The policy is triggered due to involuntary taking of land (and associated structures and assets) for subproject execution. The land acquisition impact impacts are primarily due to the construction of substations, distribution lines (foundations, right-of-way), and access roads, among others. By appraisal, the Borrower will prepare: (i) individual Resettlement Plans (RPs) for subprojects of which the impacts are known; and (ii) a Resettlement Policy Framework (RPF) to guide the preparation of RPs for investments identified during project implementation. The RPF and RPs will include the measures to ensure that displaced people are: (i) informed about the options regarding resettlement; (ii) consulted and offered alternative resettlement choices; and (iii) provided with effective compensation and livelihood restoration. The RPF and RPs will also include guidance on screening and policy application implication for potentially linked activities. The RPs will take into account experiences in performing land acquisition and compensation in other similar Bank funded projects |
| Safety of Dams OP/BP 4.37 | No | The project does not involve construction of new dams, nor will it affect or be dependent on the safety of any existing dam. Therefore, the policy is not triggered. |
| Projects on International Waterways OP/BP 7.50 | No | No project activities will be carried out on an international waterway. Therefore, the policy is not triggered. |
| Projects in Disputed Areas OP/BP 7.60 | No | The Project is not implemented in disputed areas. Therefore, the policy is not triggered |



E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Feb 28, 2018

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

Implementing agencies will start the preparation of safeguard instruments after the project concept review meeting on August 15, 2017. Out of 92 potential subprojects, implementing agencies will prepare investment documents (including safeguards) for 46 subprojects. The team expects that solid version of safeguard instruments will be available in December 2017 for public disclosure. The pro-final versions will be available around February 2018 for the Bank's appraisal. The disclosure of final version will be arranged in March 2018 after the project appraisal.

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APPROVAL

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| Task Team Leader(s): | Hung Tien Van |
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Approved By

| | | |
|---------------------------|-----------------|-------------|
| Practice Manager/Manager: | Julia M. Fraser | 31-Aug-2017 |
| Country Director: | Achim Fock | 11-Sep-2017 |