

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC14950

Date ISDS Prepared/Updated: 07-Oct-2015

Date ISDS Approved/Disclosed: 08-Oct-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Papua New Guinea	Project ID:	P155087
Project Name:	Water Supply and Sanitation Development Project (P155087)		
Task Team Leader(s):	Fook Chuan Eng		
Estimated Appraisal Date:	21-Jan-2016	Estimated Board Date:	24-Mar-2016
Managing Unit:	GWA02	Lending Instrument:	Investment Project Financing
Sector(s):	Water supply (85%), Sanitation (15%)		
Theme(s):	Rural services and infrastructure (40%), Urban services and housing for the poor (60%)		
Financing (In USD Million)			
Total Project Cost:	55.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			5.00
International Development Association (IDA)			50.00
Total			55.00
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The specific proposed Project Development Objective (PDO) is to support the implementation of the National WaSH Policy. The PDO will be achieved by (i) supporting the development, establishment and strengthening of the sector institutional and financing structures provided by the Policy, and (ii) utilizing these institutional and financing structures to support improved the access and sustainability of water supply and sanitation (WSS) services in selected district and provincial towns.

C. Project Description

The project would comprise a National WaSH Policy component, a rural and peri-urban WSS component and an urban WSS component. The rural and peri-urban WSS component, and the urban WSS component are in turn subdivided into a policy implementation or institutional strengthening subcomponent and an associated infrastructure investment subcomponent. A summary of the components follows.

Component A: National WaSH Policy

Institutional and financing structures for the implementation of the WaSH Policy. This component will provide technical assistance, capacity building and other related support towards the establishment, operationalization and strengthening of a WaSH PMU in DNPM. This may include supporting the WaSH PMU to implement key building blocks of the National WaSH Policy, among others, (i) the WaSH Development Plan, (ii) a Capacity Development Strategy for the WaSH PMU and implementers on the ground e.g., districts, (iii) the WaSH Monitoring Information System (MIS), and (iv) a WaSH Communications and Promotion Plan.

Component B: Rural and Peri-Urban Water and Sanitation (WSS)

Component B.1: Institutional and financing structures for rural and peri-urban WSS. This component will provide technical assistance, capacity building and other related support towards: (i) the planning, development and implementation of rural and/or peri-urban WSS programs by selected subnational government authorities, and (ii) the development, establishment and initial seed financing of a Water Fund.

Component B.2: Infrastructure investment in water and sanitation systems in rural and peri-urban areas. This component will support the construction of an initial batch of rural and/or peri-urban WSS systems by the selected subnational government authorities referred to in Component B.1. This may include pilot development in particularly underdeveloped subsectors e.g., sanitation. It is envisaged that the systems will be funded through the Water Fund and would represent the first demonstration of the working of the Fund.

Component C: Urban Water and Sanitation (WSS)

Component C.1 – Institutional and financing structures for district and provincial towns WSS. This component will provide technical assistance, capacity building and other related support towards: (i) the establishment of a community service obligation support and funding scheme for urban WSS, in relation to the corporatization of Water PNG, (ii) the development and implementation of WSS service delivery model(s) for district and/or provincial towns, in relation to the corporatization of Water PNG, (iii) capacity building support to Water PNG, including in utilities management and operations, financial management, etc., in relation to improving its performance, (iv) technical, financial and other diagnostic studies related to the water resources and WSS supply operations in selected district and /or provincial towns, (v) preparation – including the assessment - of selected WSS sub-projects in district and/or provincial towns, (vi) the management and supervision of the implementation of these sub-projects.

Component C.2: Infrastructure investment in water and sanitation systems in selected District and / or Provincial Towns. This component will support: (i) the construction and implementation of new WSS systems in selected district and/or provincial towns, and (ii) the rehabilitation, augmentation,

extension and/or other improvements of existing WSS services in selected district and/or provincial towns.

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

The locations for infrastructure investments under Components B.2 (rural) and C.2 (urban) have not been determined. In terms of scale, rural schemes are typically small spring-fed, gravity-based piped systems. In urban settings, investments are likely to be in small reticulated systems within town, with possible extensions to surrounding villages. Volumes are relatively small, with water sourced from within or very near town usually from groundwater. For Water PNG's existing operations, investments may include rehabilitation and performance improvement within existing systems.

E. Borrowers Institutional Capacity for Safeguard Policies

The urban WaSH investments are expected to be in district towns where Water PNG has existing plans to establish new water supply systems. Water PNG has been operating as a fully state-owned Commercial Statutory Authority since 1987 and has a track record in planning, designing, constructing, managing and commercially operating water supply and sewerage services in various provincial and district towns. Between 1994 and 2013, Water PNG implemented approx. US\$80 million of development projects, approx. US\$45 million of which were donor/lender projects. Hence, Water PNG's institutional capacity to implement World Bank safeguard policies is expected to be reasonably competent.

The rural investments are intended to be developed and implemented by the new institutions to be established under Components A and B.1: the WaSH PMU and respective District Development Authorities (DDA). The PMU and DDAs are expected to begin with very weak capacity both for implementation and operation given the lack of systematic implementation and operations in rural PNG WSS. Substantial technical assistance and capacity support in safeguards policy implementation will be required. To allow this capacity to be developed to an acceptable standard the project design proposes deferring infrastructure financing during the initial years to allow a focus on institution building.

F. Environmental and Social Safeguards Specialists on the Team

Nicholas John Valentine (GENDR)

Ross James Butler (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This policy is triggered due to the proposed physical interventions under Components B.2 and C.2. These interventions include infrastructure investment in water and sanitation systems in rural and peri-urban areas; construction and implementation of new WSS systems in selected district and/or provincial towns; and rehabilitation, augmentation, extension and/or other improvements of existing WSS services in selected district and/or provincial towns. These investments will focus predominantly on water supply systems. Investments in sanitation will be

	<p>mostly in rural situations and will be limited to hygiene behavior, including technical assistance with simple technologies, i.e. pit latrines. Physical investments in rural sanitation are expected to be limited. Investments in urban sanitation infrastructure will be limited to rehabilitation of existing Water PNG sewerage systems.</p> <p>The potential negative environmental impacts are expected to be associated with civil construction activities for new water supply systems, utilization of water resources for these systems and disposal of minor quantities of sludge from water treatment plants. No substantial ancillary facilities are expected to be required for these investments, with only minor quantities of sludge to be generated which can be managed by hand and buried. No significant social impacts are expected as the infrastructure design has sufficient flexibility to minimize the requirements for land acquisition. The need for involuntary resettlement is expected to be very low.</p> <p>The proposed technical assistance activities under the project are administratively focused and not expected to have safeguards implications.</p> <p>Overall, the project is environmentally beneficial. The sub-project components are expected to involve simple, appropriate, low cost technologies that do not pose any significant environmental consequences. The provision of safe drinking water and proper sanitation facilities is expected to have a significant positive impact on the improvement of livelihoods and the environment, including reduction in groundwater pollution. Some minor and temporary negative environmental impacts may occur, resulting mainly from the construction activities.</p> <p>The positive impacts include (i) improved quantity and quality of safe drinking water (ii) reduction in water related diseases such as diarrhea, dysentery, cholera, typhoid and thereby minimizing the cost of healthcare in households (iii) reduction in infant, child and maternal mortality and morbidity due to improved health and sanitation services (iv) reduced distances to water points which will lead to gains in productive time for women and girls (v) better and</p>
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		<p>properly sited sanitation facilities will reduce the risk of contamination of surface and groundwater resources.</p> <p>Regardless of the subproject detail available prior to appraisal an Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) will be prepared. These documents will guide the environmental and social assessment for future investments under the project.</p> <p>The safeguards instrument for the proposed construction of district town water supply systems will be a Limited ESIA, incorporating an Environmental and Social Management Plan (ESMP) and an Abbreviated Resettlement Action Plan (ARAP). These instruments will be prepared in accordance with the Environmental and Social Safeguard Instruments for the Pacific Island Countries. Sub-projects under this component identified for first year investments will have these specific safeguards instruments prepared prior to appraisal.</p> <p>All safeguards instruments will clearly describe institutional arrangements including capacity assessment and provisions for capacity building. During preparation the project team will assess the institutional capacity of the relevant implementing agencies and, where necessary, design into the project the necessary institutional strengthening components.</p>
Natural Habitats OP/BP 4.04	TBD	<p>No impacts on natural habitats are anticipated however this will be further examined during project preparation through the ESIA process to establish whether water supply source development and distribution will have potential impacts on spring water sources and waterways. If any potential impacts are identified, this OP may be triggered at Appraisal stage.</p>
Forests OP/BP 4.36	TBD	<p>No impacts on Forests are anticipated however this will be further examined during project preparation. The examination under this OP will include whether watershed areas would require changes in management regime to protect water sources. If any potential impacts are identified, this OP may be triggered at Appraisal stage.</p>

Pest Management OP 4.09	No	No pest management issues are anticipated.
Physical Cultural Resources OP/BP 4.11	TBD	No impacts on Cultural Resources are anticipated however this will be further examined during project preparation. If any potential impacts are identified, this OP may be triggered at Appraisal stage. The ESMF will include a Chance Finds Procedure.
Indigenous Peoples OP/BP 4.10	Yes	<p>OP 4.10 would be triggered as the beneficiary communities are expected to comprise indigenous peoples. Because the overwhelming majority of people in the project areas are anticipated to be indigenous people no separate Indigenous Persons Plan will be prepared. Instead, the elements of an IPP will be incorporated into overall design. The Limited ESIA for the proposed first year investments will incorporate a social assessment including details of free, prior and informed consultations. These requirements will be incorporated in the ESMF for other future investments and will be based on the guidance provided in the Environmental and Social Safeguard Instruments for the Pacific Islands (ESSIP).</p> <p>Specifically this will include (i) Summary of legal and institutional framework, and baseline data, as relating to Indigenous Peoples in the project context; (ii) Summary of social assessment findings; (iii) Summary of consultations with Indigenous Peoples communities; (iv) Actions to ensure that Indigenous Peoples receive culturally appropriate social and/or economic benefits; (v) Actions to address any adverse impacts on Indigenous Peoples communities; (vi) Cost estimates and financing plan for implementing actions or activities; (vii) Appropriate grievance procedures; and (viii) Monitoring and evaluation arrangements.</p>
Involuntary Resettlement OP/ BP 4.12	Yes	OP 4.12 would be triggered. The need for involuntary resettlement is expected to be very low as the bulk of land used for any infrastructure provided under the project is expected to be either Government owned, or provided by beneficiary communities on a voluntary basis. This process will be further expanded upon during project preparation and documented in the project ESMF. Any voluntary land donations will be guided by guidance provided in the Environmental and Social Safeguard

		<p>Instruments for the Pacific Islands (ESSIP). If land donation is required a detailed VLD protocol will be developed prior to appraisal.</p> <p>Specifically this will include: (i) Clear justification provided on the appropriateness of VLD in the project context; (ii) Explanation of the requirements of the donation and the formalization of the donation; (iii) Clear and detailed due diligence on the owners and users of land donated; (iv) Clear and detailed consultation and disclosure arrangements; (v) Steps taken to establish informed consent of the person donating the land explained in detail; (vi) Details on documentation of the legal transfer of land donated provided; (vii) Detailed and appropriate grievance redress mechanism established.</p>
Safety of Dams OP/BP 4.37	No	Dams will not be used for sourcing water under the project.
Projects on International Waterways OP/BP 7.50	No	Not applicable.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 17-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:

October 15, 2015 – January 15, 2016

IV. APPROVALS

Task Team Leader(s):	Name: Fook Chuan Eng	
<i>Approved By:</i>		
Safeguards Advisor:	Name: Peter Leonard (SA)	Date: 07-Oct-2015
Practice Manager/ Manager:	Name: Ousmane Dione (PMGR)	Date: 08-Oct-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.