Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 01-Mar-2024 | Report No: PIDDC00478

BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies)	Operation ID	Operation Name	
Comoros	P504691	Comoros National Water Resilience Project	
Region	Estimated Appraisal Date	Estimated Approval Date	Practice Area (Lead)
EASTERN AND SOUTHERN AFRICA	15-Apr-2024	20-Jun-2024	Water
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing (IPF)	Union of Comoros	Ministry of Energy, Water and Hydrocarbons	

Proposed Development Objective(s)

To improve reliable access to basic water supply services in Moroni and strengthen governance of sector institutions

PROJECT FINANCING DATA (US$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)?	No
Is this project Private Capital Enabling (PCE)?	No

SUMMARY

Total Operation Cost	**15.00**
Total Financing	**15.00**
of which IBRD/IDA	**15.00**
Financing Gap	**0.00**

DETAILS

World Bank Group Financing

International Development Association (IDA)	15.00
IDA Grant	15.00

Environmental and Social Risk Classification	Concept Review Decision
Moderate	The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. The Union of Comoros ("Comoros") is a small archipelagic state composed of an archipelago located at the northern entrance of the Mozambique Channel in the Indian Ocean. The country's total land area - 1,860 km^2 - is dwarfed by an Exclusive Economic Zone (EEZ) 86 times as large - 160,000 km^2. Ngazidja (Grande Comore), located in the northwest, where the capital Moroni is situated, is the largest of the archipelago with 1,025 km^2. As of 2020, the population of Comoros stood at around 870,000 people and has been steadily increasing since 1960, with significant growth observed in rural areas.

2. The Comoros archipelago is exposed to many natural hazards – storms, cyclones, droughts, floods, earthquakes, volcanic activity, landslides and more. The island nation is struggling in the face of deforestation, cyclones, rising sea levels and drying rivers under changing climate conditions. These adverse effects are superimposed over inadequate water resources management, inadequate water supply infrastructure, insufficient water treatment and water quality monitoring.

3. The Union of Comoros is facing significant challenges due to climate-related impacts. The World Bank's Country Climate and Development Report (CCDR) for Comoros indicates that the island nation has already experienced an increase in average annual temperature by 0.9℃, and projections indicate a further increase of 0.8℃ to 2.1℃ by 2060. This rise in temperature poses an increased threat from droughts, which is expected to have a negative impact on agriculture, food production, and food security. Additionally, sea levels have been rising at a rate of 1 to 6 millimeters per year since 1993, and this is projected to further increase by 4 millimeters annually. CCDR findings highlight the urgent need for measures to mitigate and adapt to the impact of climate change and protect the population and infrastructure in Comoros.

Sectoral and Institutional Context

4.Water is critical for setting the necessary conditions, enabling the essential catalysts, and developing the strategic pillars laid out in the "Plan Comores Emergent (PCE) 2030," or the Comoros Emergence Plan**.** Climate adaptation is found in the ambition of the PCE, which aims to make Comoros "a country resilient to shocks in all dimensions of sustainable development" by 2030. Comoros' leading export sectors are water intensive, making the economy susceptible to water and climate-related shocks. Improving access to clean and safe water supply and sanitation contributes to enhanced public health and human capital, remove impediments to growth, reduce coastal

pollution, and protect ecosystems, which in turn boost tourism. Unsafe sanitation and deteriorating water quality affect the achievement of the national policy priority placed on human capital and economy.

5. In Comoros, an estimated 80% of households have access to basic water supply, though these figures mask a reality where water is not affordable, reliable, or potable. Additionally, an estimated 35.8% of Comorians rely on rainwater, which is increasingly unreliable due to the impact of climate change. And though in Moroni, 95.3% of urban households have access to a piped water connection, the supply is highly unreliable and in practice, households predominantly purchase water from tankers, at a higher cost, estimated to be between four to ten times the official tariff. Additionally, without adequate storage for water or identification and development of other water sources, households will increasingly be under threat, particularly during the dry season. In the rural areas, existing rural water supply management models are currently unclear between the communes and the Société Nationale des Eaux du Comores (SONEDE), including responsibility for ongoing operation and maintenance (O&M). Moroni currently has only 2,500m^3 worth of storage, and with no existing large-scale storage in place, most rain that falls on the islands is lost to the sea, and in turn results in significant flooding and damage to critical infrastructure.

6. Availability of basic sanitation services is limited, with only 36% of households having access, including 32% in rural areas and 45% in urban areas. Further, access to basic hygiene and handwashing facilities is only available to 16% of households. Whilst open defecation is not a common practice, most households rely on unimproved latrines, and the country has no wastewater nor fecal sludge treatment systems.

7. Young and/or weak institutions with lack of clear accountability and responsibilities often lack capacity and resources to manage existing infrastructure, thus perpetuating water insecurity and poverty. The Government created SONEDE, a stand-alone water utility mandated to provide clean drinking water services to the people of Comoros. To meet its mandate, SONEDE will require support to institute policy measures linked to, amongst other priorities, water efficiency, storage, and infrastructure rehabilitation, which are key to addressing the country's water challenges.

8. The nation's water infrastructure, dating back more than 50 years, is aged, dilapidated and underdeveloped. Current figures indicate that SONEDE is invoicing barely one-third of the total water produced and has a significant network loss rate of 63% owing to the age and deteriorated state of the network. Years of political instability have been detrimental to the water sector, with little attention paid to water resource management, infrastructure development for water supply, and institutional arrangements for the sector. This has in turn generated challenges at multiple levels, including challenges with cost recovery, regulation, and insufficient financing for investments and O&M.

9. Institutional arrangements for the water sector are complex and spread over multiple ministries and departments. The Ministry of Energy, Water and Hydrocarbons (MEEH) has a Directorate-General for Energy, Mines and Water (DGEME) with a technical director for water, sanitation and hygiene. There is however no regulatory authority, and the determination of SONEDE's tariffs continues to be ensured by an order of the Minister in charge of Finance, with the Government and Civil Society ensuring that the interests and rights of consumers are protected.

10. Since the country's independence in 1975, the government has sought to reform the Water Sector through the promulgation of various laws and decrees. These include the Water Code (2020), the Decentralization Act (2011), and the Public Health Code (2020). There is still work to be done to align these laws, clarify roles and responsibilities of the

various actors, and to encourage public-private partnerships (PPPs). The potential for the private sector's involvement in Water Supply and Sanitation (WSS) remains for the most part, underexplored and uncertain.

Relationship to CPF

11. The Project is closely aligned with the WBG Country Partnership Framework FY20-24 (Report No. 145699-KM). Under Focus Area 1, Criss Response and Building Resilience, the project will support both objective 1 on Building Human Capital, through increasing access to water supply services, and objective 2 on Disaster Recovery and Resilience, through supporting resilience of the water supply systems and the broader sector institutional strengthening.

12. The project's objectives contribute to the WBG twin goals of ending extreme poverty and promoting shared prosperity on a livable planet, and is well aligned with the principles of Green, Resilient, and Inclusive Development (GRID) and the Climate Change Action Plan for 2021–2025. It directly contributes to the pillars of the Fragile, Conflict and Violence (FCV) strategy 2020-2025 on preventing violent conflict and helping countries transition out of fragility, and the WBG Climate Change Action Plan 2021-2025. The project is also aligned with the World Bank Group Global Crisis Response Framework, particularly with Pillar 3 on 'Strengthening Resilience.'

13. The project further complements, builds upon, and will be complemented by other regional and national programs. Specifically, **t**he project will build upon diagnostics and studies under the Regional Climate Resilience Project (RCRP, P180171), which covers Comoros and seeks to improve the management of water-related climate impacts in Eastern and Southern Africa. There are also other ongoing World Bank-financed projects in related sectors such as agriculture and fisheries, from which the project will extract lessons and seek to align investments, as appropriate, and to be further explored during project preparation.

14. The project is aligned with the WBG 2020 Fragility, Conflict and Violence (FCV) Strategy, and contributes to the WBG Action Plan on Climate Change Adaptation. The project will seek to address the institutional and physical issues that hamper water service delivery, and to strengthen governance of the institutions responsible for policy and water supply provision. On adaptation, the project will address vulnerabilities through support to the development of water infrastructure that is resilient to the impacts of floods and erosion, building on the work of the RCRP project for data driven Water Resources Management (WRM) planning. The project is also well aligned with the key sector priorities identified in as part of the ongoing CCDR for Comoros.

15. This Project is also aligned with the goals of the Paris Agreement on both mitigation and adaptation to climate change. The Project is aligned with Comoro's National Adaptation Plan of Action (NAPA) and National Determined Contributions (NDC), and with the priorities outlined in Comoro's Strategy for Accelerated Growth and Sustainable Development (SCA2D), to reconcile structural transformation and diversification of the economy with sustainable management of natural resources and resilience. The Project will strengthen capacity to incorporate climate-informed plans and decision-making which will contribute to climate adaptation and mitigation objectives.

C. Proposed Development Objective(s)

To improve the quality of and expand access to resilient water supply services in Comoros

Key Results (From PCN)

16. Proposed PDO-level indicators are as follows:

- People provided with access to basic drinking water (number) (percentage of which urban/rural)
- Increase in the number of hours per day that water is supplied in Moroni (hours/day)

D. Concept Description

17. The Government of Comoros expressed direct demand for support to improve water supply as a matter of priority. The Project will address urgent actions to secure water supply, especially in Moroni and other water insecure regions, whilst at the same time preparing the ground for future medium and long-term interventions for water supply, water security, and sanitation services.

Proposed Project Components

18. Component 1: Water supply production and distribution ($12M) will finance activities to secure the main water source in Moroni, including completing works for the main pipeline and financing emergency acquisitions for the existing water sources. The subcomponent will also support works to enhance water resource management, including improvements to available water storage infrastructure and rehabilitation of existing reservoirs. These improvements are expected to benefit over 100,000 people.

19. Component 2: Technical Assistance for institutional strengthening and utility performance improvement ($1.5M) consists of the following subcomponents:

20. Subcomponent 2A: Service provision improvements towards resilient water supply services. This sub-component will focus on service provision improvements towards resilient water supply services, by putting in place a more robust institutional oversight of SONEDE's water supply operations, developing and implementing a performance improvement action plan for SONEDE, and clarifying arrangements for sanitation service provision.

21. Subcomponent 2B: Preparation of investments and reforms for medium and long-term water and sanitation service improvements. This subcomponent will support the preparation and readiness for medium and long-term water resilience interventions. The subcomponent will also support identification of impactful interventions for the sanitation subsector, following the ongoing diagnostic being financed by UNICEF.

22. Component 3: Project management ($1.5M). This component will finance project management activities, including project management costs, financial and technical audits, monitoring and evaluation of project activities, and technical assistance.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Area OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

Environmental risk is rated as "Moderate" at the concept stage. Overall, the project will bring positive development impacts with respect to people's access to water improvement. Potential environmental risks and impacts are expected under Components 1, they are linked to the following activities : infrastructures investments in Moroni for securing the main water source in Moroni, works for the main pipeline and emergency acquisitions for the water source (support works for water resource management; water storage and rehabilitation of existing reservoirs). Key anticipated direct, indirect, and cumulative risks and impacts associated with project activities will entail disruption of traffic in the project area due to trench excavation work to install drinking water distribution pipes, OHS risks for workers, community health and safety risks for communities around works sites, waste generation including reservoir sludge, risks related to chemical water treatment, risks of pollution, disturbance of aquatic habitats at water intake sites, inadequate wastewater management that can promote the proliferation of insects, risk of waterborne diseases if water distributed to communities is not well treated and stored appropriately in reservoirs. Technical assistance (TA) activities under components 2 are not expected to lead to significant adverse risks and impacts. The moderate risk rating takes into account the capacity of stakeholders involved in project, especially the Ministry responsible for the water sector, SONEDE and Comorian Environmental authorities to manage potential environmental and social risks and impacts and to implement ESF. The social risk rating (SRR) has been classified as Moderate, and the initial SEAH risk screening as moderate. Project activities will have positive social impacts by improving people's access to water. The Project scale and impact is expected to be large to medium and may induce some significant social risks and impacts. Potential adverse risks and impacts on the communities and population are likely to be temporary, site-specific, reversible, and could be mitigated. This will include: (i) the labor safety issues due to civil works such as the protection of the labor force and failure to comply with the labor standards of nondiscrimination, child and forced labor, as well as the potential for exploitation and abuse of workers; occupational health and safety of workers; (ii) impact due to the presence of potential migrant workers which is however considered to be medium. Indeed, most workers could be recruited locally, but some interventions may require the engagement of foreign companies/labor given their specialized nature. This could lead to Sexual and Exploitation and Abuse and Sexual harassment (SEAH) and disturbance of community health and safety mainly risk of transmission of diseases such as STDs and propagation of COVID-19.; (iii) community health and safety may also be adversely affected by waste/debris transportation to dump site, air and water pollution emanating from construction site and workers camps; (iv) traffic and road safety risks and materials; incidents/accidents with pedestrians and other road users during the rehabilitation works (v) land acquisition and access restrictions and disruption to livelihoods; however this will be mainly economic displacement; but no physical displacement is expected. The project is not expected to induce any impact on any known cultural heritage. The E&S risk management capacity of the borrower is assessed as limited. The Bank team will provide training on the standards of the new ESF during project preparation and implementation to strengthen the Borrowers capacity to develop and implement E&S measures. The

PIU will prepare appropriate assessments to manage the environmental and social risks. Prior to appraisal, the project will prepare, consult, adopt and disclose: (i) the draft ESCP and (ii) a draft SEP including the Grievance Mechanism (GM). Those instruments will be finalized during the negotiation. The outcome of the E&S assessments will be considered in the design and implementation of project activities, and no activities will commence before the appropriate assessments and mitigation measures are in place. A Labor Management Procedures (LMP), SEAH action plan, the Environmental and social Management Framework (ESMF); and Resettlement framework will be prepared no later than three months after effective date. The project will hire an Environmental specialist, and one Social specialist no later than three months after effective date.

CONTACT POINT

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