



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 16-Feb-2024 | Report No: PIDDC00368



BASIC INFORMATION

A. Basic Project Data

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

Proposed Development Objective(s)

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

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? To be decided

Is this project Private Capital Enabling (PCE)? To be decided

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

Moderate

Concept Review Decision

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 km² - is dwarfed by an Exclusive Economic Zone (EEZ) 86 times as large - 160,000 km². Ngazidja (Grande Comore), located in the northwest, where the capital Moroni is situated, is the largest of the archipelago with 1,025 km². 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°C, and projections indicate a further increase of 0.8°C to 2.1°C 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 2,500m³ 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, Crisis 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, the 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)** consists of two subcomponents:

Subcomponent 1A: Water Security and Service Improvement for Moroni (\$8M). This subcomponent will secure the main water source in Moroni, including completing works for the main pipeline and financing emergency acquisitions for the water source. 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. Subcomponent 1B: Investments in rural/small town water supply (\$4M). This subcomponent will finance targeted investments outside of the capital city, including construction of networks for existing but currently unconnected wells, limited new household connections, and rehabilitation works on the other smaller islands. Construction and rehabilitation efforts will take into account climate change considerations (i.e., to mitigate and adapt to the impact of tropical storms, floods, heat waves and episodes of drought and other shocks), with resilience considerations integrated in the design of infrastructure to ensure their sustainability under changing climate conditions. These improvements are expected to benefit over 45,000 people.

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

21. **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.



22. 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.

23. 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

Both Environmental and Social Risk are rated Substantial at Concept stage. Overall, the project will bring positive development and social impacts with respect to people’s access to water improvement. Potential environmental risks and impacts are expected under Component 1. The E&S risk management capacity of the borrower is assessed as limited.

CONTACT POINT

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APPROVAL

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