

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
CONCEPT STAGE**

Report No.: PIDISDSC18341

Date Prepared/Updated: 21-Jun-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Afghanistan	Project ID:	P156894
		Parent Project ID (if any):	
Project Name:	AF: Digital CASA 1 (P156894)		
Region:	SOUTH ASIA		
Estimated Appraisal Date:	01-Nov-2016	Estimated Board Date:	31-Mar-2017
Practice Area (Lead):	Transport & ICT	Lending Instrument:	Investment Project Financing
Sector(s):	Telecommunications (60%), Information technology (30%), General information and communications sector (10%)		
Theme(s):	Infrastructure services for private sector development (40%), e-Government (20%), e-Services (20%), Regional integration (20%)		
Borrower(s):	Ministry of Finance		
Implementing Agency:	Ministry of Communications and IT (MCIT); Islamic Republic of Afghanistan; Kabul		
Financing (in USD Million)			
	Financing Source	Amount	
	BORROWER/RECIPIENT	0.00	
	IDA Grant	90.00	
	Total Project Cost	90.00	
Environmental Category:	B - Partial Assessment		
Concept Review Decision:	Track II - The review did authorize the preparation to continue		
Is this a Repeater project?	No		
Other Decision (as needed):			

B. Introduction and Context

Country Context

1. Afghanistan has made significant progress in areas including primary education and basic health services, but continues to struggle to overcome almost three decades of war and civil strife. Afghanistan's political context remains complex and dominated by the Taliban insurgency, narcotics production, and weak governance and rule of law. Nearly 36 percent of the Afghan population continue to live below the national poverty line, and the country ranks 171 out of 188 countries in the UNDP Human Development Report 2015. Mountainous terrains and sparsely scattered population have also made the expansion of basic infrastructure and services difficult. As a result, regions in the Northeast, East, and West Central regions in the country appear to have fallen behind due to their remoteness, as well as climatic shocks, and limited reach of aid.

2. Despite steady growth between 2002 and 2012, Afghanistan's economy has stagnated due to protracted political and security transitions and slow pace of reforms. GDP growth averaged around 9 percent during 2003 to 2012, but sharply declined to 3.7 percent in 2013 and 1.5 to 2 percent in 2014 and 2015. This is mostly the result of protracted political and security transitions, slow pace of reforms, and delays in the elections process and cabinet formation which have continued to fuel uncertainty and affected investor confidence. Unfavorable weather conditions for agriculture production and a fiscal crisis that unfolded in 2014 is continuing to undermine economic recovery.

3. Further, there are significant challenges related to jobs within Afghanistan, particularly for youth, women, and refugees returning from Pakistan and elsewhere. Over the next decade there are not enough jobs to absorb the labor force that is expected to expand by about 400,000 workers per year. In particular, participation of the female labor force in Afghanistan is below 20 percent. Improving the status of women is central to improving economic well-being and to reducing fragility and conflict. A new president and unity government were elected in 2013. The unity government is committed to addressing the country's political, social, and economic challenges.

A. Regional Context > Central Asia and South Asia

4. Many of the Central Asian countries, including Kyrgyz Republic, Tajikistan, Uzbekistan are landlocked and a significant part of their economies continue to depend on the large neighboring economies including those of China, Russia, and the Middle East. The gross national incomes (GNI) per capita of Kyrgyz Republic and Tajikistan remain low at \$1,250 (Atlas method) and \$1,080 respectively, which are among the poorest in Central Asia. Afghanistan, just south of Central Asia has a much larger population (31 million), and a substantially larger economy, but fragile political and security situations have taken a heavy toll on poverty reduction, growth and development. Afghanistan's GNI per capita was \$680 in 2014, significantly lower than the South Asia average of \$1,496 and countries in Central Asia.

5. The Central Asian countries have made good progress with regard to implementing the 2003 United Nations-endorsed Almaty Programme of Action for improving competitiveness, but closer regional coordination efforts are needed, including with Afghanistan. The increased trade between Europe and Asia, which reportedly accounted for 42.5 percent of EU trade in 2011, has created an unprecedented opportunity for the land locked countries in Central Asia to emerge as a hub for trade and commerce, but the opportunities are yet to be seized. The lack of territorial access to the sea and their remoteness has resulted in isolation from an increasingly connected global market, and high transport costs have limited potential exports of goods and resources. Similarly, trade of services has been constrained by limited International connectivity and high

prices of Internet. It is evident that sustained and diverse approaches are needed to facilitate regional integration to realize the unmet potential.

Despite steady growth between 2002 and 2012, Afghanistan's economy has stagnated due to protracted political and security transitions and slow pace of reforms. GDP growth averaged around 9 percent during 2003 to 2012, but sharply declined to 3.7 percent in 2013 and 1.5 to 2 percent in 2014 and 2015. This is mostly the result of protracted political and security transitions, slow pace of reforms, and delays in the elections process and cabinet formation which have continued to fuel uncertainty and affected investor confidence. Unfavorable weather conditions for agriculture production and a fiscal crisis that unfolded in 2014 is continuing to undermine economic recovery.

Further, there are significant challenges related to jobs within Afghanistan, particularly for youth, women, and refugees returning from Pakistan and elsewhere. Over the next decade there are not enough jobs to absorb the labor force that is expected to expand by about 400,000 workers per year. In particular, participation of the female labor force in Afghanistan is below 20 percent. Improving the status of women is central to improving economic well-being and to reducing fragility and conflict. A new president and unity government were elected in 2013. The unity government is committed to addressing the country's political, social, and economic challenges.

Sectoral and Institutional Context

Afghanistan's telecommunications sector has developed significantly over the last decade. The Telecommunications Services Regulation Act of 2006 established the Afghanistan Telecom Regulatory Authority (ATRA), within the framework of the Ministry of Communications and Information Technology (MCIT), which is responsible for regulating the market. The wireless market is fully competitive and currently consists of five major mobile operators (Afghani wireless, Roshan, Etisalat, MTN Group, Salaam Network), who are actively rolling out mobile infrastructure and services in Afghanistan. MCIT reports that the population coverage has reached close to 80 percent. As a result, mobile penetration leapfrogged from 10 percent to 85 percent between 2006 and 2016. Further, the introduction of 3G mobile broadband services in 2013 is starting to contribute to the increase in broadband Internet penetration.

The ongoing IDA-financed Afghanistan ICT Sector Development Project (P121755, \$50million) has helped to expand fiber optic Internet connectivity and foster the development of the local IT industry. Following the IDA-financed Emergency Communications Development Project, which closed successfully in 2003, the ICT sector development project was approved in 2011 and is currently being implemented. To date the project has installed over 560km of fiber optic network across Afghanistan; trained over 1,500 people under the IT skills development program, including 500 women; graduated 14 incubatees/startups under the business incubation program (which collectively is anticipated to have employed close to 100 individuals), and has launched a shared mobile applications platform for government agencies to deliver online services. The project is expected to close satisfactorily in 2017. Upon completion 25 provincial capital cities will be connected to fiber optic networks, and nine provinces would remain to be connected, which include Chagcharan, Daikundi, Farah, Nuristan, Panjshir, Qalaienow, Sarepul, Tarinkot, and Zaranj (Figure 1). The government is keen to build on these achievements through Digital CASA, continue to fill remaining gaps, and enhance the IT skills development and incubation programs to include regions/cities outside of Kabul. The World Bank Group's support in the ICT sector has also been further facilitated by IFC investments. In January 2013, an IFC loan of

\$65 million was approved to the Telecom development Company Afghanistan limited (Roshan), which includes the acquisition of a 3G license, and capital expenditures to roll-out the 3G network and loan repayments.

Despite the sector's development, high speed Internet remains very costly for individuals and small businesses. The government-owned Afghan Telecom remains the monopoly optical fiber operator for both international and domestic Internet connectivity, and therefore, due to high prices of optical fiber bandwidth, demand for Afghanistan's telecommunications services is confined mainly on the mobile segment. As a result of limited international connectivity, wholesale transit pricing per Mbps remains at around \$35 per month, which is significantly higher than in countries like India (\$10), Russia (\$2), and the United States (\$1). This has translated into high prices at the consumer level. Currently, the retail price of Internet services (per Mbps per month) is \$37, which is unaffordable for the average citizen in a country where the GNI per capita is \$680. It also remains costly for small businesses that have limited financial capital. Political instability and security issues have also constrained investments in the broadband market. As a result, fixed broadband Internet penetration in Afghanistan remains below 1 percent of the population. The high price has led to delayed adoption of broadband technologies across the economy with the consequent impact on lower levels of overall economic growth and efficiency.

Significant progress has been made to promote e-Government, but more efforts are required. Through cooperation with international organizations MCIT has adopted an e-Government strategy together with its implementation program and established the e-Government Directorate to lead relevant initiatives. Currently, over 100 government websites are enabling government institutions and agencies to provide more accessible, consistent, and reliable information while the mobile service delivery platform integrates 30 applications for the health, finance, and education sectors. The e-Government Resource Center under MCIT provides advice and guidance to chief information officers of key ministries and agencies for development and deployment of digital systems and services across the government. The National Data Center supports the operations and business needs of government organizations with IT services. Yet the delivery of citizen-centric digital services and the engagement of the private sector and civil society to co-create public policies and services is hampered by the lack of appropriate policies, legal, and regulatory framework; weak coordination and collaboration in designing and implementing e-Government strategies; programs and projects; low capacity of key ministries; and a lack of relevant expertise and skills for digital development and data-driven innovations.

Afghanistan's National Development Strategy 2008-13 recognizes ICT as an enabler of social and economic development that will contribute to strengthening civil society, improving government efficiency, and promoting private sector development. The National Development Strategy asserts the importance of building on these ICT developments for achieving the MDGs, and commits to making affordable telecommunications services available across Afghanistan through an improved enabling environment for private sector investment. The Government has emphasized use of ICTs for its efforts for a broad-based reconstruction effort to enhance effectiveness, efficiency, and transparency of the public sector and the provision of social services. Further, equal access to ICTs are seen as enabler to create a vibrant private sector and increase employment, including for underprivileged groups.

Relationship to CAS/CPS/CPF

World Bank support in the ICT sector has been consistent with the Afghanistan Interim Strategy Note (ISN) 2012-14, and the Country Partnership Strategy 2017-2020 currently under

preparation. The ISN and CPS recognize the pivotal role telecommunications and ICT play in achieving some of the most important national priorities that would help the government manage the critical transition from security and development dominated by the international community to one led by the government. More specifically, Digital CASA project is expected to support the focus area infrastructure for inclusive growth within pillar 2 equitable and inclusive growth; and it will help to develop a digital foundation for facilitating regional trade and integration.

Digital CASA, through the promotion of growth enabled by infrastructure development, competitiveness and jobs, and social inclusion, is also aligned with the World Bank's regional strategies for Europe and Central Asia and South Asia . The ECA region's strategy focuses on two main pillars: (a) competitiveness and shared prosperity through jobs, and (b) environmental, social, and fiscal sustainability, including through climate action. Governance and gender continue to be thematic priorities within interventions of both pillars. The SAR region's strategy (updated March 2015) is based on three strategic pillars: (a) accelerating economic growth including investments in infrastructure, energy, urbanization, agriculture while expanding access to finance and promoting regional and global integration; (b) enhancing social inclusion by addressing the severest exclusions while improving the quality/access to health, education, and other public services and finance, social protection and increase labor force participation; and (c) climate and environment management to help countries prevent disasters and improve their readiness. Digital CASA will contribute to building digital platforms and services to enhance effectiveness of the Bank's support, particularly for addressing the issues of regional integration, enhancing service delivery, and enhancing job opportunities.

The Digital CASA program is also fully aligned with the World Bank Group's twin goals and the recommendations of the World Development Report 2016 - Digital Dividends (WDR16). In particular, the Digital CASA Program is expected to make affordable and reliable high speed Internet services available to a larger share of population, including the poor in CA and SA countries, therefore contributing to the twin goals of ending extreme poverty and promoting shared prosperity. The WDR16 provides a strong rationale to support the ICT sector, suggesting strong linkages between broadband access, growth and jobs. For instance, access to high speed broadband promotes inclusion of firms in the world economy by expanding trade, raising the productivity of capital, and intensifying competition in the marketplace. It also brings opportunities to the citizens by creating jobs and transforming public service delivery. However, in order for countries to reap these benefits, they need to be complemented by a strong enabling environment, including comprehensive legal and regulatory frameworks as well as skills.

C. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The proposed Development Objective is to increase access to digital services throughout Afghanistan, via a regionally integrated, secure and affordable digital infrastructure, including the expansion of e-Government services and digital job opportunities

Key Results (From PCN)

Key results of the Afghanistan project will be measured in terms of the areas identified in the PDO both at program and country levels. Possible indicators are listed below.

Program Level PDO indicators (to be tracked at country and regional levels)

☞ International Internet Bandwidth per Capita (Kbps)

- (¢ Wholesale Transit Pricing per Mbps (\$))
- (¢ Retail price of Internet services (per Mbps per month [\$]))
- (¢ Access to Internet services (number of subscribers per 100 people))
- (¢ Direct project beneficiaries (number), of which female (percentage))

Country Level PDO indicators (specific to Afghanistan until components for other countries are determined to include relevant activities)

- (¢ Length of fiber optic network built (km))
- (¢ Electronic transactions of public services (%))
- (¢ Percentage of trained individuals that are employed after three months of skills development program completion (of which female, number and percentage))

D. Concept Description

Description ➤ (Program Level)

The proposed Digital CASA Regional Program aims to implement a regional, cross-border approach to develop a regional transit hub for Internet traffic, and improve broadband Internet connectivity in Central Asia and parts of South Asia. This will be done by catalyzing private sector investments and cross sector infrastructure sharing and by modernizing relevant policies and regulatory frameworks. The ultimate aim is to bring reliable and affordable Internet services to the citizens of the region, link SMEs and workers to the regional and global digital economy, and catalyze innovations in the delivery of public and private services. The approach is three-fold:

- (a) Supply-side (connectivity) interventions under an appropriate public-private partnership (PPP) framework to deploy high capacity cross-border fiber-optic networks across the region (e.g. a purpose built regional wholesale network). The interventions will seek to capture synergies through cross-sector infrastructure sharing (e.g. energy, transport)
- (b) Demand-side (digital society and economy) interventions to encourage greater and more productive use of the Internet and the widely spread mobile cellular connectivity by governments, businesses and citizens. Increased demand will facilitate economies of scale to significantly lower the unit costs of investment for both Internet providers and end-consumers, and will help to create new job opportunities, including the facilitation of digital entrepreneurship.
- (c) Enabling environment (policy, regulatory, and capacity building) interventions to stimulate competition and private sector investment in the deployment of the ICT infrastructure and services at both regional and national levels.

The proposed project will take into account experiences from the implementation of regional connectivity projects including in East and West Africa, the Caribbean, and the Pacific region. It will focus on creating an enabling environment for investment by private sector and also develop cross-sector synergy between telecom, transport and energy sectors at national, regional and international levels. The project will aim to leverage as much private investment as possible into the regional fiber optic infrastructure, complemented with targeted catalytic public sector investments. Fiber optic infrastructure already in place in the focus countries or scheduled to be put in operation over the next decade or so will be the basis for the planning of domestic, regional and international routing, and will take advantage of optical fiber infrastructure available on power transmission networks (optical ground wire, OPGW) including that of currently installed

domestic power networks or foreseen for CASA-1000 optical fiber cable to be laid along the Turkmenistan, Afghanistan, Pakistan and India (TAPI) gas pipe lines, as well as the optical fiber owned by railways and other infrastructure service providers.

On the supply-side, it will be important to continue to increase the availability, use and development impact of regional and national broadband communications infrastructure, including, as required, deployment of a regional backbone network made up of multiple cross-border fiber optic links, domestic backbone networks, government Intranets, and rural access networks. Cross-border transmission links will be coordinated among the CASA countries and with neighboring countries (such as China, Iran, Pakistan and Russia) to guarantee Internet connectivity to all destinations and services. Purchasing of long term international bandwidth for the Government will be funded under Digital CASA to provide access to high speed optical fiber connectivity at affordable rates, and to connect government offices via the development of appropriate Government Networks (GovNet).

The IFC is expected to play a significant role in catalyzing private sector participation and investments. IFC and World Bank collaboration in the sector has been successful, for instance, in the implementation of the East African Submarine Cable System, which connected the east coast of Africa to the global optical fiber network. IFC provided long-term financing to a special purpose vehicle that was created to establish a commercially viable structure that adheres to open access policy objectives. Collaboration with IFC will also be critical in increasing adoption of digital technologies to grow and expand the reach of markets of small and medium enterprises (e.g. ecommerce). MIGA's support is also expected to help reduce risks for private investors given the complex political economy.

Significant emphasis is also expected to be placed on facilitating collaboration and joint approaches for the development of demand-side initiatives to take advantage of this regional infrastructure. This will be done notably through and for the delivery of transformative digital government infrastructure, platforms and services (including data-driven innovations and solutions across sectors) and by improving policies and infrastructure for facilitating digital job opportunities via the development of the IT and information technology enabled services (ITES) industries, among others. The demand-side activities are based on strong interests signaled by the governments to include some of these activities as part of the Digital CASA Program, and to build on current relevant activities supported by the World Bank including e-government, open data initiatives, as well as sector-level ICT applications in agriculture, higher education, health, financial sector development, water management, etc.

The Digital CASA Regional Program will be implemented as a series of Projects (SOP) and each phase/project will be based primarily on country readiness. Eligibility criteria to participate in Digital CASA are as follows: (a) existence of a regulatory authority for the sector that is independent from the operators in the market (and/or relevant WTO commitment to establish such regulator), (b) adherence to open access principles; and (c) full liberalization of both domestic and international Internet connectivity, or a time-bound action plan to achieve such liberalization by the midterm review of the Project.

In Afghanistan, the High Economic Council has endorsed an open access policy presented by MCIT/ATRA to liberalize the fiber optic network both at domestic and international levels and to issue a unified licensing plan (pending Cabinet approval). Further, a national PPP policy and

associated regulations are currently under review by the Ministry of Justice. The government and the Bank team are closely monitoring both progresses, and technical assistance is being mobilized to support the government.

► (ç) (ç) Kyrgyz Republic has an independent sector regulator, the State Communication Agency (SCA). Support is needed to ensure adequate, transparent and sustainable financing mechanism of the SCA and to strengthen SCA's legal mandate for decision making in the area of access regulation, including technical, economic and organizational conditions of access. Complementary reforms focusing on establishment of efficient dispute resolution procedure and wholesale Internet access market analysis are under implementation as part of a DPO program led by the Governance GP.

► (ç) While Tajikistan has expressed initial interest to join Digital CASA, WTO compliance of setting up of an independent sector regulator is not yet achieved. The Bank team is currently supporting the review of the Telecom law as part of DPO 2 preparation led by the Finance and Markets GP. The policy and regulatory frameworks also need to be strengthened to fully liberalize domestic and international fiber optic connectivity.

Implementation arrangements at the program and country levels will need to be fully worked out as project preparation progresses. Although implementation of country-specific projects will be done at the country level, the program may be linked with an existing regional specialized agency or academic institution to support regional capacity development objectives (e.g. CAREC, CAREN, universities). The team notes that UN-agencies are typically not eligible to implement regional IDA projects. A decision has not been made on any appropriate regional anchor for the program.

The sequencing of the Digital CASA phases is still indicative. Country-specific projects would be financed by a combination of private sector investments and catalytic/complementary public financing, including possible contributions from development partners (e.g., Asian Infrastructure Investment Bank, New Development Bank, EurAsian Development Bank, Islamic Development Bank, Afghanistan Reconstruction Trust Fund (ARTF), and bilateral development agencies).

Digital CASA Afghanistan is estimated at around \$90 million, and will consist of a mix of regional and national IDA funds. Since this is a regional program with significant spillover benefits across countries, supplementary regional IDA funding is expected to complement national IDA allocations for up to two-thirds of the total IDA financing of the regional activities (Table 3). The components will build on the successful implementation of the ongoing ICT Sector Development Project and are expected to be structured as follows:

Component 1: Supply-side (digital connectivity), \$60million. Under PPP frameworks, this component will finance domestic and cross-border infrastructure that is needed to ensure greater access to affordable high speed Internet services, both within Afghanistan and in neighboring countries. Activities may include but are not limited to: (a) financing and operation of regional backhaul optical fiber networks; this may include connecting Afghanistan with China through the Wakhan Border, and strengthening links with other neighboring countries such as Tajikistan, Uzbekistan and Turkmenistan (b) deployment of high capacity, domestic fiber-optic networks, including the 9 provincial capitals that remain to be connected and select rural areas of the country; (c) financing of the pre-purchase of Internet bandwidth for the Government usage; (d) financing of the establishment of a Government Network (GovNet) for providing broadband connectivity to government institutions, including schools, universities, government offices at

central and provincial levels; and (e) financing of investments in Internet exchange point that may be facilitated at the regional level, and for upgrading of the National Internet Exchange of Afghanistan.

Component 2: Demand-side (digital society and economy), \$20 million, will encourage greater and more productive use of enhanced Internet connectivity by government, businesses and citizens. Activities may include but are not limited to: (a) development of shared platform and services to enable automation of central and provincial e-services delivery. This includes leveraging postal networks across the country for ensuring end-to-end delivery of services and citizen feedback; (b) deployment of a government shared e-Procurement platform, and pilot implementation in targeted ministries; (c) enhancement of the National Data Center located within MCIT for enabling a shared digital platform across government (e.g. leveraging cloud computing technologies), including options for backup disaster recovery; (d) targeted interventions aimed at the development of the IT/ITES industry; (e) GIS mapping and development of database to improve national ICT infrastructure monitoring and asset management; (f) and digital jobs and skills development, including for youth and women outside of Kabul.

Component 3: Enabling environment, \$5 million, will provide technical assistance to MCIT and Afghanistan Telecom Regulatory Authority to support institutional development and capacity building activities, to enhance the effectiveness of the institutional framework for the project, both at the regional and national levels. This may include a combination of support for harmonized regional and domestic enabling environment that are conducive to: (a) promoting a competitive ICT market; (b) private sector investment and digital jobs facilitation; (c) facilitating cross-sector infrastructure sharing; (d) facilitating e-Government standards and interoperability frameworks; (e) developing and implementing robust cyber security frameworks; and (f) developing digital leadership within the government.

Component 4: Project Management, \$5 million, will finance the provision of technical assistance, equipment, training, and operating costs needed to establish, operate, and strengthen project management functions within MCIT.

II. SAFEGUARDS

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

This project is the first phase of the Digital Central and South Asia Regional Program, which initially involves Afghanistan, Kazakhstan and Kyrgyz Republic. Other countries such as Tajikistan, Uzbekistan, Turkmenistan, Pakistan, Iran and countries from MENA and EAP regions could also join the program at later stages. However, The Digital CASA Regional Program will be implemented as a series of projects and each phase/project will be based primarily on country readiness.

This project will be implemented in Afghanistan. It will connect the domestic Fiber Optic Cable (FOC) of this country with other regional countries. Although the exact locations are unknown at this stage, the project's scope may include fiber optic links with China through the Wakhan Border, and other neighboring countries such as Tajikistan, Uzbekistan and Turkmenistan. The project will also implement the fiber-optic networks in the remaining 9 provincial capitals (Chagcharan, Daikundi, Farah, Nuristan, Panjshir, Qalaienow, Sarepul, Tarinkot, and Zaranj) that could not be covered under the ICT Development project. The client plans to use existing rights of way of the Government

including roads and power transmission lines for fiber optic networks.

The environmental and social adverse impacts of this project will be insignificant, minor and reversible in nature. While both environmental and social safeguards issues will be managed through a framework approach, the framework will be further spelled out with additional safeguards tools which will be used throughout the sub-project design and implementation.

B. Borrower's Institutional Capacity for Safeguard Policies

The Ministry of Information Technology and Communication (MICT) has gained some capacity in implementing of and complying with the Bank's environmental safeguard policies but it is still weak on the social side. It is important the ministry not only build the safeguards capacity within the PMO of this project but also engage the civil service in the process to ensure a common understanding of safeguards policies and ownership within the ministry.

The ministry should assign a safeguards focal person who should be able to oversee the implementation of the ESMF and its instruments as well as conduct trainings on various safeguards topics to the staff of the project, ministry and contractors' safeguard focal persons.

While there is a fair amount of safeguards capacity in MICT, the client has no idea about the citizen engagement framework of the Bank and its tools. The Bank needs to engage with the client on regular basis to ensure that at least one citizen engagement tools is used in this project.

C. Environmental and Social Safeguards Specialists on the Team

Mohammad Arif Rasuli (GEN06)

Mohammad Ateeq Zaki (GSURR)

D. POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	Environmental Assessment OP/BP 4.01 is triggered. The physical work under component one may cause adverse environmental and social impacts including occupational health and safety issues. The project aims to finance the expansion and extension of the fiber optic backbone. The client will use existing right of way for this purpose and along the existing roads and power transmission network routes to bury the backbone fiber optic cable. Financing of towers is not foreseen. The risks associated with this kind of infrastructure are generally low, so the project is assigned to environmental category B. Since the project locations are unknown at this stage, a framework approach will be adopted. The borrower will have to develop an Environmental and Social Management Framework (ESMF) for this project. The ESMF will include guidelines and procedures that would avoid, mitigate, or minimize adverse environmental and social impacts as well as

		spell out the policy, guidelines and procedures to minimize and mitigate the likelihood of the any negative social and environmental impacts. The status of triggering OP/BP 4.12 will be decided by appraisal and relevant applicable safeguards instruments will be prepared, if needed.
Natural Habitats OP/BP 4.04	No	The Project does not have any activity involving Natural Habitats
Forests OP/BP 4.36	No	The Project does not have any activity involving Forests
Pest Management OP 4.09	No	OP 4.09 on Pest Management is not triggered because Project activities will not involve purchase, use or storage of pesticides, nor will it support the procurement, or use of, or lead to the increased use of other agricultural chemicals.
Physical Cultural Resources OP/BP 4.11	No	OP/B 4.11 on Physical and Cultural Resources is not triggered because there is no indication that physical cultural resources would be affected due to project activities. However, the ESMF will comprise guidelines for Chance Find Procedures according to national laws.
Indigenous Peoples OP/BP 4.10	No	This policy is not triggered as there are no Indigenous Peoples that meet the criteria of OP/BP 4.10 within the project area that could potentially benefit or be adversely affected by the Project's activities.
Involuntary Resettlement OP/ BP 4.12	TBD	No land acquisition is expected under this project. However, the possibility and need for triggering OP 4.12 on Involuntary Resettlement will be determined. All permanent structures (i.e. Nodes for connecting FOC) will be constructed on available government land provided that the land in question is free of squatters and encroachment. Further, the FOC will be buried along the roads and power transmission lines using the right of way. Nevertheless, the ICT Development project reported that some temporary land acquisition of (agriculture land) has occurred for digging the trenches and burring the FOC. Also, in some instances, the installation of FOC passed through markets and shops, which could had or had created access issues for a short period of time. Hence, affecting their livelihood. The Bank policy emphasizes on minimizing involuntary temporary land acquisition and that the project plan provides compensation for any involuntary temporary land acquisition. It is important that the task team and

		technical experts assess if burring the FOC in a private land does not pose any land use limitation or disability. For example, can the owner build a structure on the land where the cable is buried? The task team in association with the client will look into these issues and provide more clarity, including status of triggering OP/BP 4.12, by appraisal and prepare applicable safeguards instruments.
Safety of Dams OP/BP 4.37	No	The Project does not have any activity involving dams.
Projects on International Waterways OP/BP 7.50	No	The Project does not have any activity involving international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project does not involve any activity in any known disputed area.

E. Safeguard Preparation Plan

1. Tentative target date for preparing the PAD Stage ISDS

15-Sep-2016

2. 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 PAD-stage ISDS.

The client need to develop an ESMF which will specify if any additional studies are required to be completed before the appraisal.

III. Contact point

World Bank

Contact: Rajendra Singh
Title: Senior Regulatory Specialist

Contact: Junko Narimatsu
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Borrower/Client/Recipient

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Implementing Agencies

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IV. For more information contact:

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V. Approval

Task Team Leader(s):	Name: Rajendra Singh, Junko Narimatsu	
<i>Approved By</i>		
Safeguards Advisor:	Name: Maged Mahmoud Hamed (SA)	Date: 22-Jun-2016
Practice Manager/ Manager:	Name: Boutheina Guerhazi (PMGR)	Date: 26-Jun-2016
Country Director:	Name: Stephen N. Ndegwa (CD)	Date: 29-Jun-2016

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.