

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC11895

Date ISDS Prepared/Updated: 02-Nov-2015

I. BASIC INFORMATION

A. Basic Project Data

Country:	Africa	Project ID:	P154495
Project Name:	Second Energy Small and Medium Enterprises (ESME) Support Project		
Team Leader(s):	Siet Meijer		
Estimated Date of Approval:	30-Nov-2015		
Managing Unit:	GEE07	Lending Instrument:	Lending Instrument
Sector(s):	SME Finance (25%), Health (25%), Other Renewable Energy (25%), General energy sector (25%)		
Theme(s):	Micro, Small and Medium Enterprise support (30%), Other social development (20%), Other human development (15%), Rural services and infrastructure (25%), Other environment and natural resources management (10%)		
Financing (in USD Million)			
Total Project Cost:	3.163	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Energy SME Support to SSA			3.163
Environment Category:	C - Not Required		

B. Project Development Objective(s)

The Project Development Objective is to strengthen the capacity of Micro, Small and Medium enterprises to provide access to clean and renewable energy services to rural communities in selected countries in Sub-Saharan Africa.

C. Project Description

In order to reach the goal of universal access, a private sector approach to development by helping to strengthen micro, small and medium enterprises (MSME's) and fostering their growth is key. Small businesses collectively shape markets that are able to deliver products and services to a large number of Base of Pyramid (BoP) consumers.

This activity is a second phase of a cooperation with GVEP international financed by the ESME trustfund. Under the Phase 1 ESME Grant, GVEP International demonstrated that MSMEs can be

mobilized to cost-effectively implement energy access programs to serve hard-to-reach customers. Targeted TA proved to be a crucial success factor to support MSME development in the energy sector.

Based on the experience and lessons learned, this second phase will be a continuation of the activities to support MSMEs but will be more focused. The current proposed grant will focus on selected countries in sub-Saharan Africa, where GVEP international has ongoing successful engagements. The countries of focus will be Kenya, Tanzania, Senegal, and Uganda.

The project will have the following three components:

Component 1: Advisory services and capacity building support for micro, small and medium enterprises (MSME's) in the Off-Grid sector (US\$2,270,000)

This component will finance:

- a) Advisory services to early stage MSMEs serving the off-grid energy market (Kenya/Tanzania)
- b) Empower women to become energy entrepreneurs in rural areas (Senegal)
- c) Technical Assistance to the project developers to support and accelerate the development and growth of small renewable energy projects (Kenya/ Tanzania).
- d) Engagement with the Senegalese Rural Electrification Agency (ASER) to provide technical assistance: i) for productive use of energy in newly electrified villages; and ii) to PREMs (Projets Energetiques Multi-Sectoriels) that require business and technical support to develop and implement their projects (Senegal).
- e) Productive use activities in (potential) newly electrified villages (Kenya, Tanzania).

Component 2: Support for clean cooking (US\$567,000)

This component will finance:

- a) Support to the Senegal National Biogas Program (PNB) to deploy 10,000 units of biogas systems for rural households by providing business advice and technical assistance to selected biogas activities (Senegal).
- b) Engagement with cookstove manufacturers, schools and financial institutions to reduce market and financial barriers to increase adoption of improved cookstoves (Uganda).

Component 3: Project Management (US\$327,000)

This component will cover the coordination of the proposed program in the selected countries, including aspects related to monitoring and evaluation (M&E), financial management, procurement, environmental and social management, and general administration and logistics.

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

This TA will provide advisory services and strengthen the capacity of Micro, Small and Medium Enterprises through support to an NGO GVEP in terms of staff costs. The advisory services and capacity building for the NGO will include environmental and social mitigation of impacts that will be part of the screening of potential areas for SME support. This project is Category C.

E. Borrower's Institutional Capacity for Safeguard Policies

During the course of activity implementation, the level of understanding and application of environmental and social management guidelines by the NGO GVEP to the enterprises will be established. This information will be the basis for inclusion in the capacity building activities.

F. Environmental and Social Safeguards Specialists on the Team

Mary C.K. Bitekerezho (GSURR)
 Raymond Peter Von Culin (GENDR)

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II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	No	This is a TA activity for advisory services and capacity building for an NGO GVEP with no investments on the ground. The advisory services and capacity building interventions will include establishing the level of GVEP's environmental and social management capacity and improving its application of that knowledge to the enterprises it supports. Therefore none of the safeguard policies are triggered and no safeguards instruments need to be prepared.
Natural Habitats OP/BP 4.04	No	Same as above
Forests OP/BP 4.36	No	Same as above
Pest Management OP 4.09	No	Same as above. The Project activities will not include purchase of pesticides or provide TA that could lead to increased use of pesticides.
Physical Cultural Resources OP/ BP 4.11	No	Same as above
Indigenous Peoples OP/BP 4.10	No	Same as above
Involuntary Resettlement OP/BP 4.12	No	Same as above
Safety of Dams OP/BP 4.37	No	Not applicable. The Project does not have any activity involving dams.
Projects on International Waterways OP/BP 7.50	No	Not applicable. The Project does not involve any activity that will affect international waterways.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable. The Project will not affect disputed areas as defined under the policy.

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III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

IV. APPROVALS

Team Leader(s):	Name: Siet Meijer	
Approved By:		
Safeguards Advisor:	Name: Johanna van Tilburg (SA)	Date: 12-Nov-2015
Practice Manager/ Manager:	Name: Meike van Ginneken (PMGR)	Date: 13-Nov-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.