

INTEGRATED SAFEGUARDS DATA SHEET

Report No.: 128596

Date ISDS Prepared/Updated: July 7, 2018

I. BASIC INFORMATION

A. Basic Project Data

Country: Arab Republic of Egypt	Project ID: P166597	
	Additional Project ID (if any):	
Project Name: Sustainable Rural Sanitation Services Program for Results		
Task Team Leader: Osama Hamad		
Estimated Appraisal Date: May 5, 2018	Estimated Board Date: June 28, 2018	
Managing Unit: GWA05	Lending Instrument: PforR with IPF TA component	
Sector: Sub-National Government, Health, Sanitation		
Theme: Human Development and Gender, Gender, Urban and Rural Development, Rural Development, Environment and Natural Resource Management, Environmental Health and Pollution Management, Water Resource Management, Rural Infrastructure and service delivery, Air quality management, Water pollution, Soil Pollution, Water Institutions, Policies and Reform		
IBRD Amount (US\$m.): US\$ 300 million IDA Amount (US\$m.): GEF Amount (US\$m.): PCF Amount (US\$m.): Other financing amounts by source: US\$ 300 million (Asian Infrastructure Investment Bank)		
Environmental Category: C		
Simplified Processing	Simple <input checked="" type="checkbox"/>	Repeater <input type="checkbox"/>
Is this a transferred project	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

B. Project Objectives:

Revised Program Development Objective: To strengthen institutions and policies for increasing access and improving rural sanitation services in the selected governorates in the Arab Republic of Egypt.

C. Project Description:

The Program is a part of the Borrower's National Rural Sanitation Program (NRSP) and consists of the following three pillars: (i) improved sanitation access, (ii) improved operational systems

and practices of WSCs [Water and Sanitation Companies], and (iii) strengthened national sector framework. Under the Program, in the Governorates of Dakahliya, Sharkiya, Beheira, Damietta, Gharbiya, and Menoufiya, access to sanitation will be provided for about 1.71 million people living in villages and satellite areas where the water ways are highly polluted. Performance-based Capital Grants (PBCGs) will be made by MHUUC to the WSCs to carry out priority rural sanitation investments in network expansion and wastewater treatment plant construction/rehabilitation. Under the Program's second pillar, the WSCs' performance in operational, financial, institutional and citizen engagement areas will be strengthened. For the third pillar, activities will focus on capacity building for key institutions within the sector and strengthening the enabling environment for efficient and accountable rural sanitation service delivery, with a focus on (i) supporting the development of a financial model that will allow for sustainable cost-recovery, (ii) developing a National Water and Sanitation Sector Strategy, (iii) mainstreaming and updating the standard operating procedures for land acquisition for the sector, and (iv) supporting the Egyptian Water Regulatory Authority (EWRA) to deliver its mandate.

An additional loan to the parent SRSSP is proposed which would help finance the expenditures associated with i) scaling up the Program to three additional governorates and their respective Water and Sanitation Companies (WSCs) to help improve the WSC operational systems and practices; ii) improved access to sanitation services by extending access to an additional 175,000 households; (iii) further strengthening the national sector framework, the sector's institutions, especially EWRA, and policy framework; and iv) introducing an Investment Project Financing (IPF) component for Technical Assistance on strategic sector issues (which is subject of this ISDS). The AF will extend the restructured original Program closing date by 12 months to June 30, 2024. There is no change in the results area under the additional financing to the original government program.

The IPF component will be in the form of US\$15 million to provide support to MHUUD in delivering the SRSSP in the following activities:

1. Strengthening EWRA's regulatory functions to enable it to deliver its business mandate, including: (i) developing a water supply sanitation (WSS) information management system and related training; (ii) improving EWRA's institutional performance through conducting institutional development surveys, developing terms of references for EWRA staff employment, and staff training; (iv) preparing standard operating procedures and a business plan for EWRA; and (v) engaging consultants to support EWRA in improving its institutional effectiveness.
2. Strengthening the Borrower's capacity in verifying the Program's DLIs/DLRs through, inter alia, hiring of an Independent Verification Agent.
3. Strengthen the capacity of the Program Implementing Entities in achieving the DLIs / DLRs through learning and training support.
4. Strengthening the capacity of the PMU in performing management, coordination, monitoring and evaluation functions for the Operation, through financing required goods, consultant services and Operating Costs.

5. Strengthening the capacity of the MHUUC/PMU in performing sector planning and policy making functions for the water and sanitation sector through carrying out related advisory, analytical studies and capacity building activities.

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

Components 2, 3 and 4 of the TA includes support of the PMU/PIUs capacity building, staffing, project management, and support consultants (PMCF and ISCs) will cover the six SRSSP governorates: the three governorates for the parent Program (Dakahlia, Sharkia and Beheira), and the three new governorates of the AF (Damietta, Gharbia and Menofia). All those governorates are located in the Nile Delta which is characterized by high population density, fertile agriculture lands that is rapidly desertified due to rapid urbanization and salt water intrusion at the norther parts (partly due to climate change and rising sea levels).

Components 2 and 5 of the TA, concerning capacity building of EWRA and MHUUC/PMU will cover the whole country, but the sanitation interventions are typically implemented in highly developed areas.

E. Borrower's Institutional Capacity for Safeguard Policies:Through the implementation of the parent PforR the capacity of the client has been significantly improved. Recent reviews of the PMU established for the PforR show that the ESIA's prepared by the PMU, who is the beneficiary from this technical assistance, has highly improved in quality in terms of meaningful consultation, adequate analysis of alternatives, capture of different risks and impacts and providing adequate mitigation measures. The PMU/PIUs have also started to initiate and frequently update the Environmental Registers of WWTPs to include waste handling procedures and occupational health and safety (OHS) measures. On the OHS aspects, the fatality occurred on June 5, 2018, during the preparation of the Program, highlighted some weaknesses in OHS management and recommendations were put in place to address those weaknesses. A Root Cause Analysis (RCA) was carried out for this accident and recommended certain improvement measures, including applying United States Occupational Safety and Health Administration (OSHA) Standards for trenching and ensuring the trench works supervision by a competent person. Those recommendations were committed by the PMU and included in the PAP.

This TA is expected to further improve the capacity of the implementing entities of the Program.

F. Environmental and Social Safeguards Specialists on the Team:

Amal Faltas – Senior Social Development Specialist

Mohammad Kandeel – Senior Environmental Specialist

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies Triggered <i>(please explain why)</i>	Yes	No	TBD
Environmental Assessment (OP/BP 4.01)		√	
The TA focus is mainly on staffing, consultancies and capacity building related to the Program management as well as strengthening the role of the regulatory authority (EWRA). The planned activities under the TA does not have any activities that would require triggering for the environmental assessment.			
Natural Habitats (OP/BP 4.04)		√	
The TA focus is mainly on staffing, consultancies and capacity building related to the Program management as well as strengthening the role of the regulatory authority (EWRA). The planned activities under the TA does not have any activities that would require triggering for the natural habitat policy.			
Forests (OP/BP 4.36)		√	
The TA focus is mainly on staffing, consultancies and capacity building related to the Program management as well as strengthening the role of the regulatory authority (EWRA). The planned activities under the TA does not have any activities that would require triggering for the forest policy.			
Pest Management (OP 4.09)		√	
TA will not include any activities related to procurement or utilization of pesticides			
Physical Cultural Resources (OP/BP 4.11)		√	
TA will not include any activities related to physical cultural resources.			
Indigenous Peoples (OP/BP 4.10)		√	
The TA will not have any components/activities related to Indigenous peoples.			
Involuntary Resettlement (OP/BP 4.12)		√	
TA will not include any activities related to involuntary resettlement			
Safety of Dams (OP/BP 4.37)		√	
TA will not include components related to development of new dams, existing dams nor dams under construction, or infrastructure dependent on the performance of existing dams.			
Projects on International Waterways (OP/BP 7.50)	√		
OP 7.50 is applicable to the Program as assessed in the ESSA given the nature and location of the interventions. However, the Program and the AF fall within the exception to the riparian notification requirement under paragraph 7 (a) since the interventions comprise an ongoing scheme but are of a limited scale and will not adversely change the quality or quantity of water flows to other riparian countries. Overall, the Program will positively impact the reaches of canals and drains in the program areas. Egypt is located at the extreme downstream of the Nile River, and the project interventions will actually improve the quality of the final reaches of the Nile Delta.			
Projects in Disputed Areas (OP/BP 7.60)		√	
The TA will not involve any interventions in disputed areas			
Piloting the Use of Borrower Systems to Address Environmental and Social Safeguard Issues in Bank-Supported Projects (OP/BP 4.00)		√	

III. SAFEGUARD PREPARATION PLAN

- A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared:
N/A
- B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS:
- C. 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:
N/A

IV. APPROVALS

<i>Signed and submitted by:</i>		
Task Team Leader:	Osama Hamad	6.28.2018
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Nina Chee	7.03.2018
Comments:		
Sector Manager:	Carmen Nonay	7.03.2018
Comments:		