Early Warning System

WB-P152936

National Electrification Project

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Quick Facts

Countries	Myanmar
Specific Location	Thaton District and the villages near Thaton Power Station and Country-wide in all states and region
Financial Institutions	World Bank (WB)
Status	Active
Bank Risk Rating	B
Voting Date	2015-09-16
Borrower	Republic of the Union of Myanmar
Sectors	Energy, Infrastructure
Potential Rights Impacts	Cultural Rights, Housing & Property, Indigenous Peoples, Labor & Livelihood, Right to Food, Right to Health, Right to Water
Investment Type(s)	Loan
Investment Amount (USD)	$ 400.00 million
Project Cost (USD)	$ 567.00 million

Project Description

The aim of this project is to help increase access to electricity in Myanmar. Results of this project will include new household connections in urban and rural areas across the country. Also, the project will help establish and support a coordinated sector-wide institutional framework for the implementation of national electrification program and strengthen the institutional capacity of the implementing agencies – including the private and public sector in both grid and off-grid work. This project will establish the basis for sustained engagement of the World Bank Group in supporting private and public sector investments to achieve universal electricity in Myanmar. Sub-projects will be determined during implementation. In addition to sub-projects that are implemented by Electricity Supply Enterprise and Yangon Electricity Supply Board, it is expected that part of the subprojects' investments to be funded by the Project will be implemented by private investors / operators and local communities.

One focus of the project will be to build the capacity of staff to screen, assess, plan and monitor the implementation of sub-projects. Bank documents stress that currently the "government offices at these levels have no capacity to coordinate electrification activities and have no experience concerning safeguards" and "basic training on regulatory requirements, environmental and social impacts, and environmental and social assessment and management" is needed. The capacity building will cover union, state/region, and district levels.

This project has the following components:

- Grid rollout – This will support the extension of distribution networks currently operated by Yangon Electricity Supply Board and Electricity Supply Enterprise.
- Off-grid pre-electrification – This will target households which are located outside the existing national grid.
- Capacity building and technical assistance to agencies responsible for the planning, implementation and monitoring of the national electrification program, as well as selection and implementation of sub-projects.
- Contingent Emergency Response.

Location(s): Myanmar. According to Bank documents, it is expected that project implementation will eventually include all 64 districts covering all Regions and States. Specific investments will be identified during project preparation and implementation. Both urban and peri-urban and rural areas will be included. Some areas will have ethnic minorities. Bank documents state that Thaton District and the villages near Thaton Power Station will be prioritized under this project.

Resources needed: Land acquisition is possible.

Early Warning System Project Analysis

Risk Assessment: Category B.

The World Bank classifies proposed projects based on the type, location, sensitivity, and scale of the project and the nature and severity of its potential environmental impacts. Category B is assigned to a project if it has “potential adverse environmental impacts on human populations or environmentally important areas - including wetlands, forests, grasslands, and other natural habitats.”

APPLICABLE SOCIAL & ENVIRONMENTAL STANDARDS

Based on the World Bank documents, this project triggers the following safeguard policies:

Environmental Assessment OP/BP 4.01

triggered because the project will invest substantially in grid roll-out, resulting in environmental impacts, such as the need for safe disposal of construction and other waste. This project will include an Environmental and Social Management Framework (ESMF), including a Resettlement Policy Framework and an Indigenous Peoples Planning Framework. The ESMF will provide guidelines for screening of all sub-projects and the ESMF will ensure that no sub-projects have a Category A risk rating.

Natural Habitats OP/BP 4.04

triggered. Although project documents state that no significant impacts are expected, specific sub-projects and locations will be determined during implementation.

Indigenous Peoples OP/BP 4.10

triggered because the project will be country-wide and is expected to cover areas with ethnic minorities. Bank documents note challenges and risks, particularly in terms of ensuring that [ethnic minorities] will receive appropriate benefits. An Indigenous Peoples Planning Framework will be prepared as part of the ESMF.

Physical Cultural Resources OP/BP 4.11

triggered because physical cultural resources may be present in sub-project sites. A guideline for identification of physical cultural resources will be provided in the ESMF.
Involuntary Resettlement OP/BP 4.12 triggered because it is not possible to rule out that some sub-projects would involve involuntary resettlement in the form of land acquisition or loss of other assets.

Safety of Dams OP/BP 4.37

triggered because the project may include small dams (up to 1 Megawatt). According to the Bank, structures with significant adverse impacts due to potential failure of the structure to local communities and assets will not be eligible for financing.

People Affected By This Project

OUR RISK ASSESSMENT

Based on the World Bank documents, this project poses potential risks to the following human rights:

Right to Property & Adequate Housing:

Bank documents indicate that, while the sub-projects will likely have small footprints, some land acquisition or loss of assets such as trees and standing crops, cannot be ruled out, for instance, in relation to expansion of existing and construction of new Medium Voltage substations, construction of new Medium Voltage lines, Low Voltage lines, and off-grid investments such as mini-hydro-systems. A Resettlement Policy Framework will provide guidance on screening and planning of sub-projects that have involuntary resettlement impacts. Notably, this Resettlement Policy Framework will include a protocol for voluntary land donations. Careful attention to these matters is required, given Myanmar's long history of conflict stemming from land disputes.

Right to Livelihood:

As noted above, the loss of land, crops and other assets may have implications on the ability of affected persons to sustain their livelihoods. Additionally, to the extent that communities rely on fishing for livelihoods, impacts on fish migration resulting from the project will also affect this right.

Rights of Indigenous People:

Although Myanmar voted in favor of endorsing the UN Declaration on the Rights of Indigenous Peoples, which provides for free, prior, and informed consent prior to land acquisition, resettlement, and project development, Myanmar has yet to enshrine the right of individuals to participate in decision making regarding projects that affect them in its national laws. According to an assessment report published by the Danish Institute for Human rights, Myanmar Centre for Responsible Business, and the Institute for Human Rights and Business, Myanmar is one of the most culturally diverse countries in the region, and ethnicity is a complex, contested and politically sensitive issue where ethnic groups have long believed that the Government manipulates ethnic categories for political purposes. The report notes that the recognition of certain groups living in Myanmar as indigenous peoples is unclear in law and may be contested in practice.

Given its broad geographic scope, this project will likely impact the ability of affected indigenous populations to maintain their political, economic and/or social structures in accordance with indigenous peoples' cultures, spiritual traditions, histories and philosophies. World Bank documents state that some of the project areas will include Ethnic Minorities. Specifically, Bank documents discuss potential risks to Ethnic Minorities: Investing in distribution networks and off-grid electrification in conflict or post-conflict areas where ethnic minority organizations provide parallel social services and community infrastructure also poses risks that require a good consultation and project management approach. Bank documents also note challenges in terms of ensuring that [ethnic minorities] will receive appropriate benefits.

Right to Culture:

As noted above, Bank documents state that physical cultural resources may be present in sub-project sites, thereby potentially impacting the ability of communities, including indigenous populations, to maintain traditional customs and take part in cultural life.

Right to a Healthy Environment:

According to the Bank, the project may require safe disposal of construction and other waste, which may result in pollution of surface water sources. Construction of infrastructure near water bodies may also generate water pollution. During construction, air pollution may result from emissions from machines and equipment, such as drilling rigs and generators) used for different

Investment Description

- World Bank (WB)

Bank financing: World Bank
Borrower: Republic of the Union of Myanmar. The implementing agencies are the Ministry of Electric Power and the Ministry of Livestock, Fisheries and Rural Development.
Amount of bank loan or investment: USD 400.00 million
Total project cost: USD 567.00 million

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CONSULTATIONS

Project documents note that “it will be critical that the [project] is implemented using a conflict-sensitive approach underpinned by thoughtfully designed, inclusive and well-executed consultation and engagement strategies.” According to Bank documents, project preparation included a number of public consultations and field visits to solicit feedback. Project documents state that field visits were made to 8 villages across northern Chin State (Falam, Hakha), and southern Shah State (Taunggyi, Yatsauk), four villages per state, and discussions were also held with communities. The Bank states: “In Shan State, the ethnic composition across the four villages visited was Bamar, Danu, Pa-O and Nepali. Chin, Shan, Pa-O and Danu speakers joined the field research team, as needed, to assist in facilitating meaningful engagement at village level.” The draft Environmental and Social Management Framework and the Poverty and Social Impact Assessment was disclosed on May 5, 2015. Public consultations took place in Mandalay, Thuanggyi and Yangon.

PROJECT-LEVEL GRIEVANCE MECHANISM

According to Bank documents, a grievance redress mechanism will be one component of the Environmental and Social Management Framework. Information about the grievance redress mechanism will be communicated to different stakeholders and “it is intended that information about the GRM be disseminated widely in meetings and through pamphlets and brochures in Myanmar language and ethnic languages, as needed/relevant.”

According to the Bank, the different levels of the grievance redress mechanism are:

- Stage 1: Local village or township level, in which any person/s aggrieved by any aspect of the Project can lodge an oral or written complaint/grievance to the local Village Electrification Committee or implementing partner/operator.
- Stage 2: If a person is not satisfied with the outcome of Stage 1, she/he/they can lodge the complaint to the District DRD or MOEP Programme Management Office.
- Stage 3: If a person is not satisfied with the outcome of Stage 2, the case should be referred to the respective State/Region and/or National Programme Management Office.

The Village Electrification Committees and Programme Management Offices will keep a record of all complaints received

Bank Documents

- Integrated Safeguards Data Sheet (Appraisal Stage) - National Electrification Project - P152936 (Eng [Original Source]
- Integrated Safeguards Data Sheet (Concept Stage) - National Electrification Project - P152936 (Engli [Original Source]
- Myanmar - National Electrification Project (English) [Original Source]
- Myanmar - National Electrification Project (NEP) : procurement plan (English) [Original Source]
- Myanmar - National Electrification Project : environmental and social management framework (English) [Original Source]
- Myanmar - National Electrification Project : environmental assessment (English) [Original Source]
- Myanmar - National Electrification Project : P152936 - Implementation Status Results Report : Sequen [Original Source]
- Myanmar - National Electrification Project : P152936 - Implementation Status Results Report : Sequen [Original Source]
- Myanmar - National Electrification Project : procurement plan (English) [Original Source]
- Myanmar - National Electrification Project : resettlement plan (English) [Original Source]
- Myanmar - National Electrification Project : social assessment (English) [Original Source]
- Project Information Document (Appraisal Stage) - National Electrification Project - P152936 (English [Original Source]
- Project Information Document (Concept Stage) - National Electrification Project - P152936 (English) [Original Source]