

Review & Update of World Bank's
Environmental & Social Safeguard Policies
Phase 3 Consultation Meetings

Dushanbe Second Water Supply Project



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Nov. 2015

**“Road Testing” the new ESSF--Project Case Studies:
what changes, what does not?**

- 1. What are the new requirements if any?**
- 2. What requirements are dropped, if any?**
- 3. Change in effort or expertise required?**
- 4. Added Value?**

Standard	Building on	Modernizing
ESS1: Assessment and Management of ESS Risks and Impacts	OP/BP4.01(Environmental Assessment)	Non-discrimination, adaptive management, time frame for compliance
ESS2: Labor and working conditions	OP/BP4.01 and EHS Guidelines	Prohibiting child labor and forced labor, focus on OHS, grievance mechanism
ESS3: Resource Efficiency and Pollution Prevention	OP4.09 (Pest Management) and EHS Guidelines	Efficient management of energy, water, and other resources and materials
ESS4: Community Health and Safety	OP/BP4.37 (Safety of Dams) and EHS Guidelines	Focus on risks and impacts on communities through design and safety of infrastructure, equipment, products, services, traffic, and hazardous materials
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	OP/BP4.12 (Involuntary Resettlement)	Greater clarity on treatment of state land, land titling, access to common resources, voluntary transactions, force evictions
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	OP/BP4.04 (Natural Habitats) and OP/BP4.36 (Forests)	Requirement to assess and mitigate impacts on biodiversity
ESS7: Indigenous Peoples	OP/BP4.10 (Indigenous Peoples)	Clearer definitions, introduction of FPIC in specified circumstances
ESS8: Cultural Heritage	OP/BP4.11 (Physical Cultural Resources)	Adopt chance find procedure, enhanced consultation with affected communities
ESS9: Financial Intermediaries	OP/BP 4.01	Establish E&S procedures commensurate with FI nature, risk level and impact
ESS10: Information Disclosure and Stakeholder Engagement	Consolidates WB engagement provisions	Meaningful consultation, access to information and grievance redress

Project objectives: improve utility service and performance, through better water quality and increased revenue collection in selected areas of Dushanbe. (Includes ensuring that the needs and constraints of the economically and socially vulnerable sub-groups are recognized and addressed)

Project description:

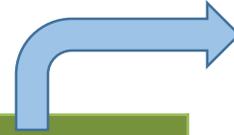
Component 1 Metering and Demand Management: supply and installation of meters (consumption and bulk); rehabilitation of service connections; supply/installation of Network Information System; communication strategy and public awareness campaign on demand management (reducing usage)

Component 2: Water Quality Improvement: System upgrades for improved quality of water, including renewal of filtration capacity at water treatment plant, network cleaning/flushing, installation of re-chlorination systems, water quality monitoring equipment. Install pollution prevention measures (fencing, septic tanks, drains)

Component 3. Institutional Strengthening and Capacity Building : Technical assistance, studies and training towards strengthening DVK capacities and performance (e.g. modernized billing, collection, accounting systems; seismic safety assessment of key facilities; optimization of sedimentation performance)

Component 4: Project implementation support

From Safeguards to E&S Standards



SAFEGUARDS POLICY		DWSP 2
4.01	ENVIRONMENTAL ASSESSMENT	✓
4.04	NATURAL HABITATS	
4.36	FORESTS	
4.09	PEST MANAGEMENT	
4.11	PHYSICAL CULTURAL RESOURCES	
4.37	SAFETY OF DAMS	
7.50	PROJECTS ON INTERNATIONAL WATERWAYS (rehabilitation of existing scheme: exempted from notification requirement)	✓
7.60	PROJECTS IN DISPUTED AREAS	
4.12	INVOLUNTARY RESETTLEMENT	✓
4.10	INDIGENOUS PEOPLES	

CATEGORY B



MODERATE RISK

ESS STANDARD	Specific Applicability to Dushanbe Water Supply Project - 2
ESS1: Assessment and Management of ESS Risks and Impacts	✓
ESS2: Labor and working conditions	✓
ESS3: Resource Efficiency and Pollution Prevention	✓
ESS4: Community Health and Safety	✓
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	✓
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	
ESS7: Indigenous Peoples	
ESS8: Cultural Heritage	
ESS9: Financial Intermediaries	
ESS10: Information Disclosure and Stakeholder Engagement	✓
7.50 PROJECTS ON INTERNATIONAL WATERWAYS	✓

Potential environmental issues:

- **Direct:** disposal of water treatment sludge; safety hazards from chlorination process; routine construction management issues (noise, dust, water pollution, safety, etc.)
- **Indirect:** issues associated with increased water usage arising from improved supply

Potential social issues:

- Potential for land acquisition/resettlement due to project design changes. Includes:
 - possible establishment of a sanitary protection area along upstream reaches of Varzob river
 - canal requiring clearance of settlements and structures;
- Restriction of certain activities near water sources (e.g. livestock access)
- Impact of higher tariffs, more stringent collection on vulnerable households (including holding apartment building residents liable for leakage in common areas)

Positive environmental/social impacts:

- public health improvement (note existing high rate of connection to water supply system)
- improved sustainability of water sources through reductions in **losses** and **wastage**

MITIGATION MEASURES

Environmental

Environmental Management and Monitoring Plan (updated from DWSP-1): contracts specifying good construction practices; construction monitoring; water quality monitoring (per national standards, with new equipment from project)

Social

- **Customer Satisfaction and Social Analysis Study** (the beginning of the project; repeated annually; end of project): develop baseline on satisfaction, gaps, willingness and capacity to pay. Identify vulnerable groups.
 - “The project will ensure that the applicable safety net for the most vulnerable apply, so that hardship risk is mitigated for these groups”
- **Mechanism for customer information, feedback, involvement** in the service provided; awareness campaign on reducing water usage
- **Resettlement Policy Framework** covering possible permanent or temporary land acquisition and/or resettlement, access restrictions in water protection zones (Resettlement Action Plans during implementation, as needed)

ESS1: Assessment & Management of E & S Risks & Impacts

New Requirements/Approaches?	Actual (under WB Ops)	Changes under ESSF	Value?
Use of Borrower's E & S Framework to the extent possible	<ul style="list-style-type: none"> National water quality standards PAD and ISDS described capacity of Municipality's PCU (improved under DWSP-1) 	Borrower may request broader application; providing own assessment of ability of national system to deliver results materially consistent with ESS . WB review/approve, for all or some ESS	
E & S Assessment	<ul style="list-style-type: none"> Stand-alone Environmental Management and Monitoring Plan). PAD identifies potential social issues Social Analysis during implementation 	<ul style="list-style-type: none"> Integrated Environmental and Social Assessment/ ESMMP (flexible timetable?) More specific information on "safety net" measures for vulnerable households 	
E & S Commitment Plan	No ESCP: EMMP from DWSP-1 updated	Time-bound ESCP covering life of project; part of Legal Agreement; emphasis on monitoring and adaptive management	
Project Monitoring & Reporting	<ul style="list-style-type: none"> EMMP including monitoring of construction impacts; water quality monitoring Baseline and annual social/customer surveys 	ESCP likely to set out broader range of environmental and social impact monitoring; explicit provisions for adaptive management based on monitoring results	
Stakeholder Engagement & Info Disclosure	<ul style="list-style-type: none"> Public consultations on Safeguards documents (ESIA, RAP) Customer satisfaction/social analysis study: monitoring data available to stakeholders Public awareness campaign 	Preparation and implementation of Stakeholder Engagement Plan Borrower reporting to public throughout life of project	

ESS2: Labor & Working Conditions

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Working Conditions & Management of Worker Relationships	No explicit requirements beyond routine OHS requirements in contracts	Explicit requirements and Borrower responsibilities relating to relationship between contractors/subcontractors and workers	
Protecting the Work Force	No explicit requirements	Explicit requirements relating to non-discrimination; child/forced labor	
Grievance Mechanism	Only in RAP	Separate GM for workers	
Occupational Health & Safety (OHS)	general OHS included in EMMP and contracts	Explicit requirements for WBG Env Health & Safety Guidelines or other international standard	
Contracted Workers	General OHS provisions in contracts	Expanded requirements in contracts; application to subcontractors; enhanced Borrower responsibility for monitoring	
Workers in Community Labor	No requirement	Not applicable (no community labor in project)	
Primary Supply Workers	No requirement	Not applicable (no ongoing primary suppliers)	

ESS3: Resource Efficiency & Pollution Prevention & Management

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Resource Efficiency	Water use efficiency is a key project objective No explicit energy efficiency measures, but new equipment likely more efficient	Explicit consideration of opportunities to enhance energy efficiency	
Pollution Prevention & Management	Water quality improvement is a key project objective	General analysis of Greenhouse gas emissions; potential climate change impacts on project sustainability	

ESS4: Community Health & Safety

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Community Health & Safety	Improved water quality is a key project objective EMMP includes provisions for safe construction practices	Consideration of other potential impacts, e.g. communicable & non-communicable diseases (?) Emergency plan (?)	
Security Personnel	No requirement	No issues in this project	

ESS5: Land Acquisition, Restrictions on Land Use & Involuntary Resettlement

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Resettlement Policy Framework during preparation Resettlement Action Plans as needed during implementation	Likely no change	
Displacement	RPF covers physical & economic, permanent & temporary displacement, reduced access	No change	
Collaboration with Other Responsible Agencies or Subnational Jurisdictions	RPF describes responsibilities of PIU, local authorities	RPF/ESCP might require more explicit, written agreements among parties involved in land acquisition	
Technical & Financial Assistance	RPF, PAD describe requirements for project-specific capacity strengthening	ESCP might specify time-bound assistance to strengthen Borrower capacity beyond project needs; explicit costs and monitoring provisions	

ESS6: Biodiversity Conservation & Sustainable Management of Living Natural Resources

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Not applicable: urban setting	No change	
Primary Suppliers	No requirement	Not applicable (no sourcing of primary resources)	

ESS7: Indigenous Peoples

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Not applicable	Not applicable	
Circumstances Requiring Free, Prior & Informed Consent (FPIC)			
Mitigation & Development Benefits			
Grievance Mechanism			
Indigenous Peoples & Broader Development Planning			

ESS8: Cultural Heritage

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
General	Not applicable (no physical cultural heritage affected)	EIA would consider potential for impact on intangible cultural heritage (unlikely to be an issue)	
Stakeholder Consultation & Identification of Cultural Heritage	No requirement 	Likely not applicable 	
Legally Protected Cultural Heritage Areas			
Provisions for Specific Types of Cultural Heritage			
Commercialization of Cultural Heritage			

ESS9: Financial Intermediaries

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
FI Environmental & Social Procedures	Not applicable 	Not applicable 	
Stakeholder Engagement			
Reporting to the Bank			

ESS10: Stakeholder Engagement & Information Disclosure

New Requirements?	Actual (under WB Ops)	Changes, additional effort/expense under ESSF	Value?
Engagement during Project Preparation	Public consultations on Safeguards instruments	Preparation of Stakeholder Engagement Plan (probably little change)	
Engagement during Project Implementation & External Reporting	<ul style="list-style-type: none"> • Baseline and annual Customer Satisfaction and Social Analysis Study with results available to stakeholders • Public awareness campaign 	Implementation of SEP; Regular reporting to public and WB on implementation	
Grievance Mechanism	Relating to RAP only	Covering all aspects of project; separate GM for workers	
Organizational Capacity & Commitment	Capacity building for DVK in EMMP, focused on project implementation (Safeguards and Public Awareness Campaign)	ESCP likely to call for E&S to be included in DVK/Municipality Operational Performance Improvement Action Plan	

Operational Implications of Proposed Framework: FVWMP-1

Borrower: overall low incremental change in scope of work and resources; decreasing marginal costs as capacity increases

Bank: similar low incremental change

Environmental and Social Standard	Prospective Change in Effort/ Resources
ESS 1: Assessment and Management of Environmental and Social Risks and Impacts	Moderate to Substantial
ESS 2: Labor and Working Conditions	Moderate to Substantial
ESS 3: Resource Efficiency and Pollution Prevention and Management	Low
ESS 4: Community Health and Safety	Low to None
ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Low to None
ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Low
ESS 7: Indigenous Peoples	None
ESS 8: Cultural Heritage	Low to None
ESS 9: Financial Intermediaries	None
ESS 10: Stakeholder Engagement and Information Disclosure	Moderate



**Thank you for your
Attention**



Excerpts from PAD

develop a baseline on customer satisfaction, willingness and capacity to pay, and perceived needs and gaps in current service provision. It will also feed into completing the evaluation of DWSP. The study findings will specifically provide guidance on the following aspects of project design: (a) identify specific areas and customers who may be more disadvantaged and underserved; (b) specify priorities of customers that link to their willingness and ability to pay; (c) inform indicators for project monitoring on beneficiary impact; (d) provide information to better target the awareness campaign on reducing water usage; and (e) highlight preferences linked to improving the image of the service provider.

Given the very high rate of connection to the water supply network, tangible improvements in the quality, delivery and efficiency of potable water services are expected to benefit the great majority of the population, including its poorer segments.

Effective metering and billing practices are expected to reduce water demands and bring associated economic and environmental benefits. Improvements in drinking water quality and water supply system operation are expected to bring health benefits and respond to a priority expressed clearly by the population. There is also a risk that the project may negatively affect certain vulnerable consumer groups through the higher tariffs and more stringent usage monitoring and collection system. **The social analysis and consumer satisfaction survey is designed to identify such potential groups and mitigate the negative impacts.** This risk is not expected to be high as all households in Dushanbe are already included in the water authority's current billing network.

Water use will now be monitored accurately, and billing options will be clearer and more efficient. However, this means that customers will now have to pay according to their water use, and earlier informal arrangements to reduce payment will no longer be possible. Further, nonpayment will result in water supply cut off. This may have negative impacts on some subgroups who may not have regular income streams or may be living in more temporary housing.

To facilitate achievement of the project's stated social development objectives, the main tool used will be a Customer Satisfaction and Social Analysis Study which will develop a baseline on customer satisfaction and perceived needs and gaps in current service provision. This study will (a) inform project design by **identifying areas and subgroups who may be disadvantaged and underserved**; (b) inform on customers willingness and ability to pay; (c) suggest indicators for monitoring beneficiary impact; (d) guide the awareness campaign on reducing water usage; and (e) highlight preferences linked to improving the image of the service provider **(NOTE: no reference to actual mitigation measures for impacts on vulnerable groups)**

Excerpts from PAD p. 2

As part of a demand management program, the project will thus tackle the difficult problem of reducing losses associated with leaks in the common piping in apartment buildings, upstream of individual apartment meters and plumbing. Once losses in common areas are measured, the Municipality is prepared to make the apartment building associations and residents accountable to pay for leaked volumes or to repair leaking pipes in their building common areas.

DVK and the Municipality have thus agreed to develop and commit to an Operational Performance Improvement Action Plan (OPIAP). DVK/Municipality Operational Performance Improvement Action Plan

The Borrower, including the Municipality of Dushanbe, the Dushanbe Vodokanal and the Project Coordination Unit, have managed the initial DWSP and are familiar with the World Bank's Safeguard Policies. Application of environmental policies has improved in the last two years, following specific supervision and advice provided by the Task Team. The World Bank team will continue closely monitor EMMP implementation, providing relevant assistance and capacity building. The EMMP will be a direct responsibility of DVK, under the management of an international PMC. Responsibilities for daily monitoring will be part of construction supervision. Compliance with the EMMP and monitoring of the impact during the construction phase will be undertaken by an Water Supply and Environmental Engineer of DVK with support and oversight of the PMC as part of his/her contract supervisory duties and by the Municipal Department for Environment.