

Morocco: Ouarzazate Concentrated Solar Power Plant Project

From Safeguards to E&S Standards

SAFEGUARDS POLICY	
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	
7.60 PROJECTS IN DISPUTED AREAS	
4.12 INVOLUNTARY RESETTLEMENT	✓
4.10 INDIGENOUS PEOPLES	

CATEGORY A



**[SUBSTANTIAL]
RISK**

ESS STANDARD	
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	✓

Second Integrated Sanitation and Sewerage Infrastructure Project

Project facts

Objectives: The project development objective is to increase installed capacity and electricity output, especially during peak hours of the Noor-Ouarzazate Solar Complex.

Financing (US\$): 400 m

Environmental Category: B

Safeguards Triggered: Environment Assessment (OP 4.01), Involuntary Resettlement (OP 4.12)

Safeguards Instruments: Environmental and Social Assessment Framework (ESIAF) for the Solar Complex; Environmental and Social Assessment (ESIA) and Resettlement Policy Framework (RPF) for the Ouarzazate-Tazerte transmission line;

Approved: September 2014

Context

The main components of the project are (i) construction of Noor II and Noor III CSP Plant by PPP between MASEN and a competitively-selected private partner and associated facilities; and (ii) cost mitigation mechanism designed to cover the difference between the payments MASEN makes to purchase power from the Noor Ouarzazate Complex and the revenue it receives from ONEE for the sale of this power and any subsidy injections from the government.

The Project is expected to have significantly lower environmental impacts than a conventional fuel power plant and help to reduce air pollution. The potential for adverse socio-economic impacts, including through land acquisition is expected to be limited.

ESS 1: Assessment and Management of Environmental and Social Risks and Impacts

- Possible cost savings:
 - common approach for Associated Facilities and/or joint financing
 - possibility of relying on Borrower Framework
 - risk classification changed and evolves over time and no need of formal restructuring
- ESS 1 introduces a clearer definition of Associated Facilities
- Under the proposed ES Framework, the requirement of social impact assessment becomes more focused, and includes specific reference to vulnerable groups and some new issues (such as labor).
- Clear requirement to apply EHS: applied under SESIAs in this project.
- The preparation of the ESCP would entail minor effort as this is basically a procedural aspect, and it specifies/refers to other instruments. That is, this is a process of formalizing in a different manner elements/documents that we already have now.
- Requirement to incorporate requirements in tender documents with contractors and sub-contractors: **done under current Project**
- Assessment of risks related to primary suppliers: **not expressly required under current Project**
- The expected additional level of effort is moderate



ESS 2: Labor and Working Conditions

- This Policy has not been applied in the past and is expected to need efforts on the part of the borrower to provide information to the bank and assist with Bank due diligence process.
- This ESS would apply in varying degrees to direct workers, contracted workers and potentially primary supply workers in this project.
- The principles of Occupational Health and safety (OHS) are required to be applied: were not expressly identified in the ESIAF.
- This standard includes recognition of the workers' right to organize, right to equitable treatment, prohibition of forced labor and child labor. Baseline information would be required to make a determination of the applicability of the standard.
- A grievance redress mechanism for all project workers would be required to be established.
- The borrower would be responsible to set in place procedures for monitoring of this ESS.
- The expected additional level of effort is moderate to substantial.



ESS3: Resource Efficiency and Pollution Prevention and Management

- Efforts required to apply resource efficiency measures if project is significant user of energy, water or raw materials: already applied in this project (**dry cooling; limited water use**)
- Obligation to minimize release of pollutants in accordance with national law and EHS
- More detailed requirements regarding management of hazardous and non-hazardous waste in ESS and in EHS.

The expected additional level of effort is moderate

ESS 4: Community Health and Safety

- ESS 4 requires avoidance of risks and impacts on health, safety and security of project affected communities
- Establishes requirements of structural design safety in accordance with EHS and GIIP, taking into account climate change considerations and risks to the public; **independent expertise required for projects in high risk locations**
- Requirement to identify, evaluate and monitor potential road and traffic safety risks: **incremental effort needed.**
- Requirement to identify in EA project risks and impacts on ecosystem services: **not likely to apply under this Project.**
- Requirements regarding management and safety of hazardous materials, communities exposure to water borne, water based, communicable & non-communicable disease that could result from project activities or associated with presence of project labor: incremental effort needed
- Requirements regarding emergency preparedness and preparation of Risk Hazard Assessment (RHA) and Emergency Response Plan (ERP) for project with the potential to generate emergency events
- The expected additional level of effort is low to moderate.



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ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

- There is no significant change in this standard from the current policy (Operational Policy 4.12).
- The project meets all the requirements of the standard in terms of work already completed under the current policy, such as holding of consultation with stakeholders, preparation of resettlement framework, provision of a grievance redress mechanism, disclosure of information etc.
- Clearer criteria on voluntary land acquisitions, commercial transactions and provisions regarding land purchased by Gvt in anticipation of the Project, and prohibition on forced evictions.
- Consultations would require more specific effort to ensure involvement of vulnerable groups
- The expected additional level of effort is none to low.



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ESS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

- The project is not financing any activities that would cause impacts on natural habitat or forests
- New: need to consider impacts on ecosystem services and living natural resources as related to affected communities : most likely not relevant for this Project.
- No additional effort is required for this ESS.



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ESS 7: Indigenous Peoples

ESS 8: Cultural Heritage

ESS 9: Financial Intermediaries

ESS7

- OP 4.10 not triggered for Project
- No additional effort is required for this ESS.

ESS8

- There is no cultural property identified in the project area.
- Chance find clause already included in bidding documents
- New requirement on intangible CH
- No additional effort is required for this ESS.

ESS9

- There are no FIs in the project and hence no incremental efforts would be required.
- No additional effort is required for this ESS.



ESS 10: Stakeholder Engagement and Information Disclosure

- Under the new ESS 10, stakeholder engagement for the E&S impacts and their mitigation would be more systematic and an on-going activity over the life of the project. Some effort would be required to prepare a Stakeholder Engagement Plan (SEP) where currently, stakeholder consultation is covered in the E&S assessment and the mitigation plans.
- ESIAF planned for a grievance redress mechanism to respond to complaints. Some minor effort may be required to disclose information about the status of resolution of all grievances.
- The expected additional level of effort is moderate.



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<http://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>