



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 06/10/2019 | Report No: ESRSC00231



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Eswatini	AFRICA	P166697	
Project Name	Kingdom of Eswatini: Water Supply and Sanitation Access Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Water	Investment Project Financing	6/24/2019	7/30/2019
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance	Eswatini Water Services Corporation		

Proposed Development Objective(s)

To improve access to improved water supply and sanitation services in targeted areas in eSwatini and strengthen the regulatory framework for national rural water supply and sanitation service provision.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>50.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The project will target improved access to water supply and sanitation in the Shiselweni region of the country. The project comprises of the following components:

Component 1: Water Supply Extension - Nhlanguano to Matsanjani in the the Shiselweni region (USD \$18 million). The overall objective of this component is to increase potable water supply coverage for domestic, institutional and commercial consumption through the construction of a transmission pipeline between Nhlanguano and Matsanjani, as well as a distribution network that will provide improved water access to the population residing along the pipeline. The component will aim to provide populations with safely managed or basic water access.



Component 2: Improved Sanitation Access in Shiselweni region (\$10 million). The overall objective of this component is to achieve increased access to safely managed sanitation and basic hygiene management in the Shiselweni region. This will be implemented in the same area that will benefit from improved potable water access through the project's Component 1. It will also aim to provide improved access to sanitation services in health centres and schools in the Shiselweni region. During project preparation, the team will explore the potential for maximizing the number of beneficiaries and overall benefits of the investment.

Component 3: Project Management and Institutional Strengthening (USD \$7 million). The overall objective of this component is to support project management and strengthen sector institutions and policies for rural water to improve the long-term sustainability of rural water and sanitation service provision. This component will update existing assessments of current challenges on rural water supply and sanitation, and bring to bear relevant international experience that can be adapted to the eSwatini context. This will likely include a focus on institutional reforms to strengthen the rural water supply and sanitation sector, targeting issues of policy, including roles and responsibilities (e.g., strengthening the Rural Water Supply Unit's capacity to formulate policy and monitor the sustainability of services and the potential for increasing the role of SWSC in the management of rural water supply and sanitation services), adequate financing, operation and maintenance, alternative management models and asset ownership. This component will also support consultancies that will support the National Disaster Risk Management Agency to undertake risk assessments and put in place early warning systems and contingency planning (e.g., drought monitoring and management).

#### **D. Environmental and Social Overview**

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]  
The project will be implemented in the Shiselweni region from Nhlangano to Siphambanweni towns. The landscape in the project area is typical of a rural area, dominated by smallholder agriculture parcels, rolling hills terrain, small rivers and vegetation patches consisting of plants that are typical to the area such as aloes. Shiselweni has 15.1% of total households in Eswatini and one of the highest rates of poverty with 21.1% of the population living below the extreme poverty line. The western part of the region (Nhlangano to Hluthi) located in the highveld and middleveld physiographic region, is mountainous, while the mid-eastern parts of the region (Siphambanweni to Matsenejeni) are gentle sloping areas and the eastern part, where Lavumisa town is located, is a low-lying area. The main source of livelihood is agriculture, predominantly livestock and rain fed subsistence farming. The region is also characterized by climate variability with recurring droughts and is prone to water shortages and inadequate supply from the existing water supply system. The landscape is predominantly characterized by loose soils with gravel rocky outcrops. Detailed soil investigations will be carried out during the environmental and social assessment to accurately determine properties of different soil types and their varying implications for excavation and specifications for construction material for the trenches to lay pipes. Visual survey indicates that the majority of the communities to be served by the project, live in geographically dispersed rural villages along the main road and scattered around the hill-tops and valleys with agriculture being the main economic activity. Non-farm income through remittances of male migrants in the neighboring South Africa is important, particularly to the mines, although South Africa's demand for migrant labor has recently declined. This region has limited infrastructure investments compared to other regions of Eswatini. Vulnerable groups in the region (whose access to potable water is particularly challenging) include the elderly, persons with disabilities, orphans and vulnerable children, including households headed by these vulnerable groups. The project will only involve digging of trenches and laying of water pipelines which will draw water from an existing



reservoir. The existing reservoir draws water from an existing Water Treatment Plant located on the banks of the Mkhondvo River, an international waterway shared between Eswatini and Mozambique.

**D. 2. Borrower’s Institutional Capacity**

SWSC has reasonable capacity in applying the World Bank Safeguard Policies and in preparing ESIA/ESMPs and RPF/RAPs. The Corporation retains an ISO 14001 and OHSAS 18001 certificates for Environmental Management System and Occupational, Health and Safety system, indicating that the utility maintains a well-functioning Environmental Management System (EMS) and Occupational, Health and Safety systems accredited by an independent third party in compliance with the standards. Currently, the Corporation has a full-time dedicated Safety, Health and Environmental (SHE) Manager responsible for overseeing environmental compliance and performance of the projects financed by the utility, and a public affairs manager responsible for overseeing social issues including stakeholder engagement, implementation of RAPs and gender issues. However, ESF requirements significantly expands responsibilities, thus additional staff and/or support from consultants will be required. Institutional Capacity Assessment: 3 SWSC staff members have been trained on the application of the new ESF. Once the project implementation arrangements have been finalized between the Bank and SWSC, a thorough Institutional Capacity Assessment (using forthcoming World Bank guidance) will be conducted prior to appraisal to assess any gaps in capacity and identify the need for procuring additional officers dedicated to managing and monitoring environmental and social risks and impacts of the project. Any capacity gaps/ strengthening measures (for the implementation of the Environmental and Social Standards) will be captured in an Institutional Capacity Strengthening Plan and reflected in the Environmental and Social Commitment Plan (ESCP). Staffing: SWSC agreed to hire full-time community liaison officers at project sites to support the implementation and monitoring of the stakeholder engagement plan related to ESS requirements.

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)** Moderate

**Environmental Risk Rating** Moderate

The environmental risk classification associated with excavation of trenches to lay 64km of water transmission pipes, construction of two 3.5ML and one 1ML reservoirs, construction of one 0.5ML water sump and water kiosks, a reticulation network, and sanitation provision is moderate under the World Bank ESF. The risk classification is moderate because the impacts likely to be generated from the project activities are site-specific, will largely occur during the construction phase of the project and will be mitigated by measures that are already known and which will be included in the ESMP. Based on a visual survey carried out during identification, key environmental impacts are related to (i) impacts on water quality and quantity, (ii) erosion and sedimentation of rivers from earthworks and run-off, (iii) traffic management during the construction phase, (iv) disposal and management of waste/spoil during the construction phase, (v) occupational health and safety of workers, (vi) nuisances related to air and noise emissions, and (vii) community health and safety.

**Social Risk Rating** Moderate

On the social side the project is moderate as it does not involve significant or irreversible social impacts and the anticipated impacts (acquisition of land/restriction of land use, labor and working conditions (including minimal labor influx), potential impacts to community health and safety) can be managed/mitigated. It is anticipated that physical displacement shall be avoided to the extent possible, and measures to mitigate displacement or restriction in access

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will be included in the Resettlement Policy Framework (RPF). Environmental and Social Impact Assessment (ESIA) will include mitigation measures for GBV risks and impacts prior to appraisal. Labor Management Procedures will also be prepared prior to Board approval. During implementation, Environmental and Social Management Plan (ESMP) will be prepared by the Client and disclosed in-country and on the WB's external web site. Required instruments with timeline will be incorporated into the Environmental and Social Commitment Plan (ESCP) will be prepared and agreed with the Client as part of the legal agreement to ensure compliance with the ESS and the World Bank Group (WBG) Environmental, Health and Safety (EHS) Guidelines.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

Key environmental risks and impacts will largely occur during the construction phase of the project and will be related to (i) pollution of water quality from excavation of trenches, accidental hydrocarbon spills from machinery and equipment and from chlorine from cleaning of the new pipes, (ii) erosion and sedimentation from earthworks and run-off, (iii) traffic disruption during the construction phase, (iv) disposal and management of waste/spoil from earth works and construction equipment and machinery, (v) occupational health and safety of workers, (vi) nuisances related to air and noise emissions during construction, and (vii) community health and safety. Key social impacts are related to land acquisition, restrictions on land use and involuntary resettlement. An ESIA/ESMP for Component 1, generic ESMP for Component 2, and RPF for Component 1 and 2 will be prepared by independent consulting firms to be procured by EWSC in line with the requirement of the ESSs and the eSwatini Environment MA of 2002. The findings of the assessment will be integrated into relevant plans and processes (SEP, GRM). Specific attention will be paid to disadvantaged and vulnerable groups. The project will ensure early, continuous and inclusive stakeholder engagement. The findings of the ESIA and the Bank's GBV risk assessment will guide the identification of GBV risks and the subsequent development of mitigation plans. Labor Management Procedures, code of conduct and a worker specific GRM proportionate to the potential risks and impacts of the project will be established at an early stage. For all the construction work, it will be stipulated in the ESMP requesting the contractor to install a safety system around the project sites (fences and safety guards) during the entire construction period. When works take place on open roads, equipment and vehicles will be brought together to one single protected area during the night to ensure both community and worker's safety. A generic ESMP will be prepared for the distribution component.

##### **Areas where "Use of Borrower Framework" is being considered:**

Reliance on Borrower's framework will not be relevant to the project.

#### **ESS10 Stakeholder Engagement and Information Disclosure**

Stakeholder engagement: In consultation with the Bank the client will prepare and implement an inclusive Stakeholder Engagement Plan (SEP) proportional to the nature and scale of the project and associated risks and impacts. The ESA will aid in the identification of stakeholders (small farmers and livestock owners; water vendors; water and sanitation management committees, DPOs, women groups, water and sanitation community management committee's entrepreneurs and small businesses reliant on water provisioning etc. on the water pipeline corridor). If during construction there are any anticipated water service disruption risks to other communities, such affected



groups should also be addressed by the SEP. The borrower will engage in meaningful consultations with all stakeholders throughout the project life cycle paying attention to the inclusion of vulnerable and disadvantaged groups. Engagement of local community liaison officers (CLOs) is critical for effective stakeholder engagement. The CLOs will engage with local stakeholders throughout the project life cycle ensuring that all consultations are inclusive and accessible (both in format and location) and through channels that are suitable in the local context, ensuring inclusion of vulnerable and disadvantaged groups. A draft of the SEP will be prepared and disclosed as early as possible and prior to Appraisal. The client will seek stakeholder feedback and opportunities for proposed future engagement, ensuring that all consultations are inclusive and accessible (both in format and location) and through channels that are suitable in the local context. The borrower will thus maintain, and disclose documentation of stakeholder engagement and Grievance Redress Mechanism (GRM) comprising description of the stakeholders consulted, a summary of the feedback/grievances received and a brief explanation of how the feedback was taken into account, or the justification why it was not).

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The project footprint is relatively discrete and does not entail a significant amount of labor. The majority of labor will be locally hired, with the exception of skilled workers who cannot be found in the project location. The pipeline is 64 km long and labor camps are not anticipated. The project will hire local unskilled labor when possible for pipeline construction, to minimize the influx of unskilled labor and reduce the potential for harm. To ensure that local communities are hired to provide labor, clear contractual agreements will be provisioned by the project sponsor with the EPC contractors. Subsequently the EPC contractors will be required to formulate a local labor hiring plan to mitigate the risks of influx/prioritize local employment. Labor Management Procedures (LMP) will be developed and a standalone worker specific GRM (for direct and contracted workers) established. The LMP will identify main labor requirements (how different categories of workers will be managed, in accordance with the requirements of national laws and ESS2) and risks associated with the project and determine the resources necessary to address labor issues. The project ESA will determine whether a specific labor management plan is required (significant impacts) or whether (low risk scenario) the ESMP can include labor related clauses. Workers Accommodation: Although not envisaged, the Construction-ESMP will confirm if there will be onsite accommodation. Occupational Health and Safety (OHS): To ensure H & S of workers during the construction/operational phases of the project, SWSC will develop/implement a Health, Safety and Environmental (HSE) plan in line with World Bank Group Environment, Health and Safety (EHS) Guidelines (for construction activities) and Guidelines for Water and Sanitation to include procedures on incident investigation and reporting, recording and reporting of non-conformance, emergency preparedness and response procedures and continuous worker training/awareness.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Loss of vegetation and faunal habitat from site clearance and earthworks will be minimal. A visual survey of the proposed pipeline routes and reticulation areas indicate an already disturbed area from human activities. The required building material will potentially include stones, sand, concrete blocks and timber to be obtained from licensed quarries in Eswatini. During the construction phase, air emissions will include exhaust from heavy vehicles



and machinery, and fugitive dust generated by construction activities. Those most likely to be affected are people living within the proximity of the construction sites. The implementation of mitigation measures such as dust suppression and vehicle maintenance will be applied to minimize the impact of air emissions during construction, and residual impacts are expected to be limited in scope and duration. During the construction phase, noise might likely be generated from the use of construction machinery and vehicle movements. The relatively short-term and small-scale nature of the works suggest that noise levels will not be excessive or cause long-term nuisances. The Environmental and Social Management Plan to be prepared by SWSC will include mitigation measures to minimize and manage the noise levels such by applying standard restrictions to hours of site work. Construction activities will generate solid and liquid waste which will primarily include excavated soil and hazardous waste such as hydrocarbon oils from construction machinery and vehicles. The waste generated by the construction works will largely be disposed of at approved sites according with the national laws and regulations. The ESA will calculate the volume of water to be used for the project.

#### **ESS4 Community Health and Safety**

Construction activities may expose/pose health and safety risks in neighboring communities (especially on the vulnerable groups). Construction of pipelines and distribution pipes may cross existing roads and cause temporary closure of roads which could hinder movement of traffic. This disruption in movement would cause inconvenience to the local communities as access would be interrupted temporarily. Traffic management plans will be put in place to address these inconveniences. For all the construction work, including the pipeline, water sump and reservoir, it will be stipulated in the ESMP requesting the contractor to install a safety system around the project sites (fences and safety guards) during the entire construction period. The ESS4 requirements on use of security personnel will be followed. If the construction works are carried out on land owned by SWSC, the contractor will use the SWSC's existing safety systems. When works take place on open roads, equipment and vehicles will be brought together to one single protected area during the night to ensure both community and worker's safety. The GBV risk assessment and action plan will include measures to mitigate risks that might arise from interaction of project workers with community members.

#### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Initial screening/scoping indicates there will be impacts relating to "Land acquisition, restrictions on land use and involuntary resettlement", and potential project impacts on private properties, but the numbers can only be identified upon completion of final detailed engineering designs for both component 1 and 2. The identification of land ownership for reservoir and pump station construction is yet to be determined by the Swaziland Water Services Corporation through the deeds office. However, currently these parcels of land are under various uses including communal grazing and are under traditional governance. The potential risk associated with restriction of access to communal resources and other land uses shall be mitigated by appropriate measures in the RPF for both component 1 and 2. The sanitation components have not yet been defined. The full scale of impacts will be known once the final design has been completed. The initial due diligence on the road reserve for the implementation of the infrastructure under Component 1, found there might be instances where the expropriation of the road reserve to be used for the transmission pipeline has not been fully completed by the Transport Authority. Therefore, a retrospective due diligence will be conducted to rectify this legacy situation and will be reviewed by the Bank prior to the Project's appraisal. The client will prepare a "Road Reserve Resolution Plan" to finalize these expropriations on a case-by-case



basis to rectify this legacy situation. Mitigation Measures: An RPF clarifying resettlement principles, organizational arrangements and design criteria will be prepared, and consulted to cover the entire project. The RPF will be prepared during project preparation and disclosed prior to appraisal and the timeline to prepare and implement subsequent RAPs be included in the ESCP.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

The ESIA will provide guidance on screening and mitigation measures to ensure that project activities do not alter or cause destruction of any critical or sensitive natural habitats especially wetlands. The preliminary baseline assessment carried out during identification, confirmed that the existing wetlands in eSwatini occupy a relatively small footprint and are not classified as critical or sensitive ecosystems. SWSC confirmed that engineering methods such as the use of gabions are normally applied by contractors to mitigate against destruction of wetlands during construction works and ensure the effective functioning of hydrological system. The environmental risk for ESS6 is therefore minimal and should there be a chance of encountering a wetland during the excavation works, the risk will be managed by applying known mitigation measures to be included in the ESMP.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

There are no identified communities with identities and aspirations that are distinct from mainstream groups as defined under the Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities Standard in the project area of influence. Therefore, this Standard is not relevant to the project.

**ESS8 Cultural Heritage**

The environmental and social assessment will confirm the existence of tangible or intangible cultural heritage. However, all construction contracts will include a “Chance Find” clause which will require contractors to stop construction if cultural property sites are encountered during construction.

**ESS9 Financial Intermediaries**

The project is not a financial intermediary activity, therefore the Standard is not relevant.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

Yes

Component 1 of the Project will support the increase of portable water supply coverage to the population living in the Shiselweni region through the construction of a transmission pipeline and distribution network. The transmission and distribution water supply network will be supplied by water from an existing treatment plant whose source of water is the Mkhondvo River, a tributary of an international waterway – the Komati River (shared with South Africa [upstream] and Mozambique [downstream]).

**OP 7.60 Projects in Disputed Areas**

No

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**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?**

No

**Financing Partners**

The World Bank is the sole financier of the project and will not include other partners.

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

- Preparation, consultation and disclosure of an draft ESIA and associated ESMP for Component 1
- Preparation, consultation and disclosure of the generic ESMP for Component 2
- Preparation, consultation and disclosure of the Stakeholder Engagement Plan (SEP)
- Institutional Capacity Assessment and Institutional Capacity Strengthening Plan
- Preparation of the Resettlement Policy Framework for Components 1 and 2
- Preparation of Environmental and Social Commitment Plan (ESCP)
- Labor Management Procedures (LMP)
- Road Reserve Resolution Plan

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

**Social:**

- Updating and Implementation of SEP
- Preparation and Implementation of Labour Management Plan
- Update and Implementation of Institutional Capacity Strengthening Plan
- Implementation of RPF and timeframe for Development and Implementation of RAPs
- Implementation of the Road Reserve Resolution Plan

**Environment:**

- Implementation and monitoring of the ESIA, ESMP and the generic ESMP
- Preparation, implementation and monitoring of the Construction ESMP (and associated sub-plans)
- ESMPs provisions to be included to the bid documents and construction contracts.

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

29-Mar-2019

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: Ministry of Finance

**Implementing Agency(ies)**

Implementing Agency: Eswatini Water Services Corporation

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s):	Ruth Jane Kennedy-Walker, Lizmara Kirchner
Safeguards Advisor ESSA	Nathalie S. Munzberg (SAESSA) Cleared on 11-Mar-2019 at 14:58:36 EDT
Practice Manager	Catherine Signe Tovey (PMGR) Concurred on 10-Jun-2019 at 14:33:40 EDT

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