



Myanmar National Electrification Project Environmental and Social Safeguards

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Yangon

Which safeguard policies does the NEP trigger?

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	#	Policy name	Triggered for NEP?*
Environmental	4.01	Environmental Assessment	YES
	4.04	Natural Habitats	?
	4.36	Forests	NO (?)
	4.09	Pest Management	NO (?)
	4.11	Physical Cultural Resources	YES
	4.37	Safety of Dams	NO
Social	4.10	Indigenous Peoples	YES
	4.12	Involuntary Resettlement	YES (?)
Legal	7.50	Projects on International Waterways	NO
	7.60	Projects in Disputed Areas	NO

Typical sub-projects to be financed

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- Electricity grid works at substations and the installation of power lines <-> mitigation measures require e.g. safe disposal of construction and other waste
- Off-grid investments could include systems based on solar PV systems, diesel generators, wind turbines and small scale hydropower (<1 MW, <10% water stream use) <-> possible impacts e.g. related to fuel usage and installation of turbines in water streams
- Investments in off-grid remain at village level schemes and potential impacts are expected to be limited → Category B classification under OP4.01.

Managing Safeguards in the NEP

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- NEP will invest in a large number of local electrification sub-projects
- NEP sub-projects exact locations and designs are unknown at project preparation stage
- → prepare comprehensive Environmental and Social Management Framework (ESMF) during project preparation to govern / ‘frame’ in detail how safeguards will be managed during implementation

Environmental and Social Management Framework

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- ESMF is
- a legal commitment
- applies to all sub-projects
- defines procedures for Government to prepare and apply site-specific safeguard plans during project, to ensure compliance of sub-projects with all World Bank safeguard policies

ESMF Procedures for Project Implementation

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❑ 1. Screen and Scope all sub-projects

Eliminate sub-projects that are ineligible for financing. Identify potential risks.

❑ 2. Prepare Terms of Reference for safeguards review studies and preparation of plans as needed (Environmental Impact Assessment; Environmental and Social Management Plan; Resettlement Plan; Indigenous Peoples Plan (with Social Assessment and Free, Prior and Informed Consultations); Physical Cultural Resources Plan)

❑ 3. Prepare required Safeguards Work and consult

❑ 4. Implement Safeguards Plans

❑ 5. Monitor Safeguards Plans implementation

Key ESMF Elements

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- Guidance on sub-project screening and further safeguards work; e.g.
 - ▣ Environment and Social Impact Assessment / consultations
 - ▣ Environmental and Social Management Plan
 - ▣ Environmental Standards and Guidelines
- Resettlement Planning Framework
- Indigenous Peoples Planning Framework
- Public disclosure and consultations for sub-projects

Inputs to ESMF Preparation

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- Poverty and Social Impact Analysis (PSIA – Phase II)
- Assessment of potential environmental impacts and mitigation measures for typical sub-projects
- Public Disclosure and Consultations of proposed NEP with PSIA and ESMF

PSIA – Phase II

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- Provide input to the design of subsidy schemes/tariff structure to improve access for poor and marginalized areas and adequate support to SMEs
- Assess challenges with Self-Reliant Electrification (SRE) implementation and the functioning of Village Electricity Committees
- Understand possible social dimensions of exclusion from access to electricity services among poor and ethnic minority communities
- Assess potential social impacts (positive and negative), risks and social dimensions

PSIA Approach

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- PSIA II follow up on PSIA I findings to deepen data collection and analysis
- Combination of qualitative and quantitative methods in both rural and urban areas
- Undertaken by EMR (Enlightened Myanmar Research)
- Parallel analysis and consultations by international consultant

Key Findings of PSIA I

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- High demand for increased access to electrification, particular in rural areas
- Quality of services a constraint, part. urban areas
- Barriers of access to services:
 - Affordability a key constraint, particularly for the poor in rural areas
 - Self-reliant Electrification (SRE) approach provides no financial support to communities; insufficient regulation
 - High reliance on informal service providers for poor and marginalized groups in urban areas

Time-line ESMF preparation

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- Jan- Apr 2015, PSIA and assessment of potential sub-project impacts, preparation of draft ESMF
- Mid May 2015 (to be confirmed), national consultations on draft PSIA and ESMF
- May 2015, confirmation of ESMF, inclusion in legal NEP project documents