Myanmar National Electrification Project
Environmental and Social Safeguards

30 Jan 2015
Yangon
Which safeguard policies does the NEP trigger?

<table>
<thead>
<tr>
<th>#</th>
<th>Policy name</th>
<th>Triggered for NEP?*</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.01</td>
<td>Environmental Assessment</td>
<td>YES</td>
</tr>
<tr>
<td>4.04</td>
<td>Natural Habitats</td>
<td>?</td>
</tr>
<tr>
<td>4.36</td>
<td>Forests</td>
<td>NO (?)</td>
</tr>
<tr>
<td>4.09</td>
<td>Pest Management</td>
<td>NO (?)</td>
</tr>
<tr>
<td>4.11</td>
<td>Physical Cultural Resources</td>
<td>YES</td>
</tr>
<tr>
<td>4.37</td>
<td>Safety of Dams</td>
<td>NO</td>
</tr>
<tr>
<td>4.10</td>
<td>Indigenous Peoples</td>
<td>YES</td>
</tr>
<tr>
<td>4.12</td>
<td>Involuntary Resettlement</td>
<td>YES (?)</td>
</tr>
<tr>
<td>7.50</td>
<td>Projects on International Waterways</td>
<td>NO</td>
</tr>
<tr>
<td>7.60</td>
<td>Projects in Disputed Areas</td>
<td>NO</td>
</tr>
</tbody>
</table>
Typical sub-projects to be financed

- Electricity grid works at substations and the installation of power lines require mitigation measures, 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; potential impacts are expected to be limited. Category B classification under OP4.01.
Managing Safeguards in the NEP

- 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

- 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
EESMF Procedures for Project Implementation

- 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

- 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

- 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

- 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

- 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

- 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

- 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