

INTEGRATED SAFEGUARDS DATASHEET APPRAISAL STAGE

I. Basic Information

Date prepared/updated: 03/17/2010

Report No.: AC5222

1. Basic Project Data

Country: Uzbekistan	Project ID: P111760
Project Name: Syrdarya Water Supply Project	
Task Team Leader: Takao Ikegami	
Estimated Appraisal Date: April 26, 2010	Estimated Board Date: July 13, 2010
Managing Unit: ECSSD	Lending Instrument: Specific Investment Loan
Sector: General water, sanitation and flood protection sector (100%)	
Theme: Access to urban services and housing (100%)	
IBRD Amount (US\$m.):	0.00
IDA Amount (US\$m.):	88.00
GEF Amount (US\$m.):	0.00
PCF Amount (US\$m.):	0.00
Other financing amounts by source:	
<u>BORROWER/RECIPIENT</u>	12.00
	12.00
Environmental Category: B - Partial Assessment	
Simplified Processing	Simple <input type="checkbox"/> Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

2. Project Objectives

The proposed project development objective (PDO) is to improve the availability, quality and sustainability of public water supply services in selected rayons of the Syrdarya Region. The objective would be achieved through rehabilitation and/or replacement of the existing water supply infrastructure that has now reached the end of its useful life. In order to reach sustainable operations the project would focus on creating the institutional capacity in the project towns and in the regional vodokanal Suvokova (SVK) to maintain the town systems and to charge user charges that would be sufficient to pay for the cash costs of operations and maintenance.

Achievement of project objectives would be measured by the following proposed performance indicators: (i) Increase in the number of people with access to improved (24 hour/day) water sources under the project; (ii) improved energy efficiency in the water supply system in Syrdarya region; (iii) number of piped households with water meters; (iv) improved financial working ratio; (v) reduced number of pipe breaks per year; and (vi) number of water utilities that the project is supporting.

3. Project Description

The proposed Syrdarya Water Supply Project responds to the Government's determination to rapidly upgrade access and quality of water supply and sanitation services in urban and rural areas. It includes the following components:

Project Component A: Physical Investments (total estimated cost US\$83.0 million of which IDA is US\$83.0 million) - This component will finance the rehabilitation and limited expansion of water supply systems in five rayons (Akaltyn, Bayaut, Miezaobad, Sardoba and Khavast) in Syrdarya region and procurement of O&M equipment, spare parts and construction of site laboratories in project sites. The following sub-components will be financed:

Sub-Component A1: Physical Investments. Physical investments will be divided into three Sub-regional Zones - Zone 1: Sardoba and Akaltyn sub-region; Zone 2: Bayaut/ Khavast sub-region and Zone 3: Mirzabad sub-region.

Sub-Component A2: Operations and Maintenance Assistance including: i) Installation of SCADA and basic MIS (software and hardware) to assist vodokanal staff to collect, store and analyze required information and data to monitor the day-to-day operations, financial management and results indicators during project implementation; ii) procurement of operational equipments and related spare parts for improved operations and maintenance of the newly rehabilitated water supply system; and iii) establishment and procurement of equipment for a central laboratory in Gulistan and smaller site laboratories in the following places: (i) Water intake Turttom, (ii) Water intake Beshbulok, (iii) Suvokova Mirzoabad (Water intake Balikchi), (iv) Suvokova Bayaut, (v) Suvokova Khavast, (vi) Suvokova Sardoba and (vii) Suvokova Akaltyn.

Component B: Institutional Strengthening and Capacity Building (total estimated cost US\$2.0 million of which IDA is US\$2.0 million)- Suvokova and its district level vodokanals are desperately short of trained staff and information systems to operate and maintain the water supply system to: i) bill and collect, ii) install and read water meters, iii) manage customers, and iv) detect, maintain and repair system failures. The Project will finance the following sub-components:

Sub-Component B1: Institutional Assessment. The project will finance an institutional study which will carry out a thorough assessment of the formal and informal (investigate the role of mahallas and shirkats) institutional arrangements currently in place to manage the delivery of water supply services. The study will examine the capacity of the SVK and district vodokanals--Akaltyn, Bayaut, Mekhnaobad, Mirzaobad and Sardoba.

Sub- Component B2: Training and Capacity Building, Installation of SCADA and Basic MIS system. The project will finance i) Institutional Consultants - will help build the capacity and improve utility management in the vodokanals.; ii) Communication Strategy and Public Awareness Campaigns- improved water supply will increase consumption of water in Syrdarya Region, a public awareness campaigns will be carried out and aimed to improve public hygiene practices and water conservation, and the need for regular tariff

payments to support O&M operations; and iii) Staff Training - training will be provided to staff in the rayon Vodokanals, Mahallas and Shirkats so that they are equipped with the information needed to communicate to project beneficiaries and have the necessary skills to operate and maintain the water supply system.

Sub-Component B3: Local PSP Pilot Program for Outsourcing select water supply operations and maintenance services. The Project will finance the following: i) Local PSP Study; ii) Pilot outsourcing of select O&M tasks. The pilot will finance performance based service contracts of select vodokanal tasks which will be based on measurable outputs; and iii) Promote learning and knowledge exchange between Tashkent Vodokanal and Syrdarya vodokanal.

Component C: Feasibility Studies for Future Sewerage Investments in Syrdarya Region (total estimated cost US\$1.0 million of which IDA is US\$1.0 million)- Under the management of the central government, this component will finance consultant studies for future sewerage investments in the Syrdarya Region.

Component D: Project Management (total estimated cost US\$2.0 million of which IDA is financing US\$2.0 million) - This component will finance the PCU, including its branches in Syrdarya. The component will also finance monitoring and evaluating (M&E) of project activities: technical, environmental and social monitoring (for example, periodic beneficiary assessments to determine consumer satisfaction, connection rates, and the effectiveness of public awareness campaigns).

4. Project Location and salient physical characteristics relevant to the safeguard analysis

The project will target rehabilitation of water supply infrastructure works in the Syrdarya Province located in the center of Uzbekistan on the left bank of Syrdarya River. The project area covers five rayons: Akaltyn, Bayaut, Khavast, Mirzaobad, and Sardoba. These rayons are located in the southern and central part of the Syrdarya Province, stretching from the west to east borders of the province. The total population is 340,000 in an area of about 4,000 km². The beneficiaries reside in about 50 towns. The main problem of these selected rayons is the scarcity of water resources, access to sources of drinking water supply, inadequate condition of the water supply system as well as high level of ground water (located at about 0.5 # 4 m), which leads to widely spread water logging and land salinization in the project area. The source of the water supply in this region of Uzbekistan is mainly provided by fresh underground waters that occur naturally at 100-500 m depth. The water is provided mainly for domestic and agricultural use through main transmission pipe lines from deep intake facilities including of standalone wells most of which need urgent rehabilitation and new pumps given their current poor ability to function. Most towns in the project area are supplied with water through pipelines via gravity given the high elevated location of the existing water intake facilities (e.g. Turttom/Sirgali). The groundwater source in the project area is categorized as #national significance# and is not hydraulically connected with any international waterways.

Safeguard policies are triggered by proposed activities financed under Component A, i.e., Physical Investments. Typical activities for this component include rehabilitation works of the existing water supply infrastructure, limited expansion of the water supply network and possibly works for drilling new deep wells if the rehabilitation of some of the existing wells (e.g., in Khavast and Bayaut rayons) will not ensure proper functionality based on their pre-inspection. If constructed, the new wells will be located next to the existing ones (while the old ones will be properly sealed) and will follow the national construction standards and mitigation measures.

5. Environmental and Social Safeguards Specialists

Ms Mary P. Judd (EASER)

Ms Ruxandra Maria Floroiu (ECSS3)

6. Safeguard Policies Triggered	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)		X
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)		X
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: The proposed rehabilitation water supply infrastructure investments will trigger the following Bank policies: OP/BP 4.01 on Environmental Assessment; OP/BP 4.12 on Involuntary Resettlement; and OP 17.50 on Disclosure Policy. The proposed project is categorized as #B,# based on the fact that the project involves mainly rehabilitation of existing water supply distribution systems (transmission main, water distribution pipelines, water intakes wells and related pumps, pumping stations with integrated chlorinators, water towers, replacement of valves, water meters installation) and new installation of 26 km transmission main of 700 mm diameter from Turttom water intake to Khavast and Bayaut rayon. Selected new construction of distribution systems that can be supplied more economically and sustainably from local groundwater wells is also planned under the project.

The rehabilitation related impacts are likely to be localized and efficiently prevented by applying international construction practice and planning. Such potential impacts may be related to: (i) dust, noise, vibration, temporary access restriction and temporary closure of traffic during works, (ii) improper disposal of construction related waste; (iii) temporary

pollution of soil, groundwater and surface waters as a result of leaching of chemicals used sometimes as pipe coating or lining, and by accidental spillage of oil and other products used as lubricants and fuel during works; (iv) lowering of the water table level may potentially occur in the close surrounding areas when the excavation of ditches and trenches goes deeper than the former; this effect, combined with the decompression of the soil, may lead to increased terrain instability with potential risks to nearby infrastructures and buildings; (v) impacts and risks associated with leaks and spills of chlorine and other chemicals or safety hazards including worker safety specially related to dismantle of asbestos pipes; and (vi) chance finds of physical cultural resources. However, these impacts will need to be properly managed during the construction phase by the contractor and closely supervised by Syrdarya PCU (SPCU), respective vodokanals, and designated supervisor engineer.

Construction of the new or replacement water supply pipes may require some displacement of commercial or agricultural activities, although the social impact, if any, is expected to be minor. The Project's intention is not to displace people but will find alternative locations should land be required. Because the exact locations will only be known during implementation, the Borrower has prepared a Resettlement Policy Framework that will describe the process to be followed in the event any enterprises need to relocate to allow land to be available for the construction and operation of the water supply network, as needed.

No major impacts on Physical Cultural Resources (PCR) are expected during the project implementation, yet attention will be paid to the possibility of built PCR being affected by dust and vibration during works.

Projects on International Waterway. The project will rely on groundwater to supply the population with safe and sufficient water. The OP/BP 7.50 is not triggered because the groundwater to be accessed is not connected hydrologically with the Syr Darya river or any other international waterway. The EA evaluation concluded that the additional water amount extracted as a follow-up to the new project investments will remain in the limits of the operational reserves and utilization of fresh saline underground waters deposits (thousand cubic meters/day) approved by the national legislation. Consequently, the team assessment based on consultation with LEGEN is that the project interventions do not trigger the OP/BP 7.50.

Involuntary Resettlement (OP/BP 4.12). A screening during project preparation established that the proposed project is not expected to involve land acquisition as the focus of the project will be rehabilitation and/or replacement of the existing water supply infrastructure. Should land be needed for these investments, the project plans to use state-owned land which is located on existing rights of way designated for municipal infrastructure, and not occupied by residents (legal or illegal) or enterprises.

Although the need for and locations of new pipelines have not been established, a reconnaissance of the potential sites where new construction may occur suggests that the project may necessitate the (temporary) relocation of households, private and other

enterprises, or that it may lead to a loss of access to assets or a loss of income sources for certain people living in the project area. The screening confirmed that there are a lot of illegally taken plots and unauthorized buildings/structures, including additions to houses, cattle-pens, warehouses, garages, toilets, sheds, vegetable gardens, etc., as well as electrical, gas and phone networks in the project area. Some of these structures are located near Suvokova facilities and networks, near non-functioning or functioning artesian wells, water towers, over WSNs and SNs, near gas and electrical networks, as well as too close to residential buildings.

To avert any negative social or economic impacts on persons losing access to land, assets and income as a result of the project a Resettlement Policy Framework (RPF) was prepared by the Borrower. The purpose of the RPF is to clarify the policies and principles and organizational arrangements for the delivery of compensation and other entitlements in the event that land acquisition and/or displacement occurs; the process by which these will be determined and delivered; and arrangements for possible grievance redress mechanisms as well as independent monitoring of the implementation of a specific resettlement plan (RP) or abbreviated resettlement plan (if impacts are minor or fewer than 200 people are displaced) that may become necessary as a result of the Project. For any project component requiring land acquisition, specific RPs consistent with the principles in this RPF will be submitted to the Bank for approval when detailed investment planning information and the scope of the civil works becomes available, and the extent of the land acquisition needed for the investment is known.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Water and soil pollution could remain temporarily affected during operational phase of the project (once works are finalized) due to accidental water bursts (at pumping stations or along the rehabilitated water supply networks) potential natural disasters and extreme climate events (e.g. floods, earthquakes) or improper household wastewater management generated due to the new domestic water use in the project area. Also, there is the possibility of some risks to health and safety of operation personnel due to inappropriate handling or accidental release of chlorine at those water distribution systems that require use of chlorination equipment for disinfection purposes. Overall and in the long-term, the project is expected to have a positive impact on the environment and on the beneficiaries#quality of life. With an improved access to basic services infrastructure provided by the project, beneficiaries will improve their health condition while at the same time reducing their expenditures to get basic services that are located farther away prior to the project.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The least cost analysis performed during project preparation as part of the FS considers a total of six project alternative supply options (e.g., two for each of the sub-areas 1, 2 and 3 covering the 5 rayons financed by the project investments). The options for Area 1 include works regarding water supply by gravity from the southern Turttom/Sirgali wellfield or water supply from the southern Turttom/Sirgali wellfield to the

southern part of Area 1 but with three independent local groundwater supplies for three towns in northern Akaltyn; the options for Area 2 consist of works regarding pumping water from the northern Beshbulok wellfield or pumping water for the northern part of Area 2 from the northern Beshbulok wellfield and provision of water supply by gravity for sections of the southern part from the southern Turttom/Sirgali well-field; the options for Area 3 includes works related to pumping water from the northern Beshbulok wellfield through existing supply lines or pumping water from a central, existing but deteriorated, Balikchi well-field that would have to be rehabilitated. The least cost solution is to rely on the Turttom/Sigali wellfield for gravity supplies to supply Areas 1 and 3 while relying on the Beshbulok wellfield to supply Area 2 by pumping. The choice of gravity supplies for Areas 1 and 3 would have the additional (unquantified) benefits of facilitating the operations and maintenance of the system.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described. Syrdarya Regional Production Organization "Suvakova" with the headquarters in Guliston is responsible for water supply and waste water services in the Syrdarya Province and reports to the State Agency "Uzkommunkhizmat." An EIA with EMP satisfactory to the Bank requirements and related national laws was prepared by Uzkommunkhizmat to help them implement the necessary measures to minimize potential negative environmental impacts and implement the project in an environmentally sound and sustainable manner. In order to ensure adequate implementation of the necessary measures and monitoring aspects, the specific provisions in the EMP and good construction practices will be incorporated in the contractors' bidding documents.

The Borrower's institutional capacity for addressing safeguard policies is built on the ongoing experience implementing the Bukhara and Samarkand Water Supply Project. The overall capacity to oversee safeguard management aspects needs be strengthened through regular on-site supervision of the central and local Project Coordination Units during the implementation of the proposed project. This should include routine monitoring of the environmental and social aspects noted in the project EMP and in the technical specifications listed in the civil works contracts. Capacity of the local and regional project entities will be built during project implementation and through regular Bank supervision missions.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The key stakeholders include the population in the project areas, Uzkommunkhizmat, Syrdarya Vodokanal and respective Hokimiyats, local relevant institutions involved in monitoring of environmental and social aspects, as well as consultants/supervisor engineers hired by Borrower to properly implement the project. The draft EA with EMP acceptable to Bank standards was subject to one public consultation and disclosure by Uzkommunkhizmat and Suvakova (SPIU) to stakeholders involved and benefiting from the proposed project investments. Public discussions on the draft report took place in each of the 5 selected rayons during November-December 2009. The draft report

including minutes of these public meetings as well as the Bank review was finalized, re-disclosed in country in local language and disclosed in English in Infoshop in February 2010. Similarly, the project Resettlement Policy Framework (RPF) was prepared by the Borrower and disclosed in country in February 2010. The RPF calls for development of specific RPs during project implementation that will be submitted to the Bank for approval when detailed investment planning information and the scope of the civil works becomes available.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	02/26/2010
Date of "in-country" disclosure	03/04/2010
Date of submission to InfoShop	03/04/2010
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

Resettlement Action Plan/Framework/Policy Process:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	02/17/2010
Date of "in-country" disclosure	03/04/2010
Date of submission to InfoShop	03/09/2010

Indigenous Peoples Plan/Planning Framework:

Was the document disclosed prior to appraisal?
Date of receipt by the Bank
Date of "in-country" disclosure
Date of submission to InfoShop

Pest Management Plan:

Was the document disclosed prior to appraisal?
Date of receipt by the Bank
Date of "in-country" disclosure
Date of submission to InfoShop

* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report? Yes

If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes
Have costs related to safeguard policy measures been included in the project cost?	Yes
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes

D. Approvals

Signed and submitted by:	Name	Date
Task Team Leader:	Mr Takao Ikegami	03/15/2010
Environmental Specialist:	Ms Ruxandra Maria Floroiu	03/11/2010
Social Development Specialist	Ms Mary P. Judd	03/09/2010
Additional Environmental and/or Social Development Specialist(s):		
Approved by:		
Sector Manager:	Mr Wael Zakout	03/16/2010
Comments:		