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Operation Name	TZ Second Power and Gas Sector DPO
Region	AFRICA
Country	Tanzania
Sector	Oil and gas (34%);General energy sector (33%);Public administration- Energy and mining (33%)
Operation ID	P145254
Lending Instrument	Development Policy Lending
Borrower(s)	MINISTRY OF FINANCE
Implementing Agency	
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Estimated Date of Appraisal	February 3, 2014
Estimated Date of Board Approval	March 25, 2014
Corporate Review Decision	Following the corporate review, the decision was taken to proceed with the preparation of the operation.
Other Decision *{Optional}*	*Teams can add more if they wish or delete this row if no other decisions are added*

I. Country and Sector Background

II. Operation Objectives

The program development objective (PDO) of the series is to: (i) strengthen the country's ability to bridge the financial gap in its power sector; (ii) reduce the cost of power supply and promote private sector participation in the power sector; and (iii) strengthen the policy and institutional framework for the management of the country's natural gas resources.

III. Rationale for Bank Involvement

The Tanzanian power sector has been facing a serious financial difficulty in recent years. Over the past few years, Tanzania has suffered from a growing power generation deficit caused by the below-average hydrological conditions and insufficient development of new generation capacity. At the peak of the crisis in 2011, Tanzania experienced up to 18 hours of load shedding per day in certain areas. The state-owned power utility, Tanzania Electric Supply Company (TANESCO), responded by entering into high-cost short-term contracts with private emergency

power projects (EPPs), which all together represent more than a third of the current total operating power generation capacity in the country. This reduced load shedding but increased the average unit cost of sales significantly. The sector has developed a sizable financial gap and accumulated arrears to the EPPs, independent power producers (IPPs), and fuel as well as other suppliers, in the amount of US$276 million by the end of December 2012.

The Government of Tanzania (GoT) has begun implementing a strategy to bring the sector back to a financially sustainable path by enhancing revenues in the power sector in the short term and reducing cost in the medium term. In the short term, the GoT seeks to close the financial gap of TANESCO by a combination of the Government's transfers, as well as TANESCO's commercial borrowing and revenue-enhancing measures. The strategy includes more transparent and more controlled budgetary transfers, tariff adjustments, reduced technical and commercial losses, and improved collections of bills.

In the medium term, cost savings will be realized by shifting the power generation mix from liquid fuels-based technologies to natural gas-based power plants and other sources of cheaper and cleaner energy, with broader and competitive private sector participation. In addition, the Government has taken a series of measures to improve the management of TANESCO, including through increased public reporting and transparency and performance-based management contracts and the reshuffle of TANESCO management. Further improvements in investment policies have been initiated, such as the increasing use of private investment, and more efficient procurement including competitive selection of developers of IPPs. The construction of a major gas pipeline between the gas producing fields in Mtwara and Songo Songo areas and Dar es Salaam, has also begun.

As the country anticipates a large revenue windfall from the offshore natural gas within a decade, a strong institutional framework for the sector needs to be built. While existing near-shore natural gas reserves will be critical to enable the shift to more efficient power generation in the short-to-medium term, it is the abundance of offshore natural gas reserves—35 trillion cubic feet (Tcf) gas-in-place as of today— that will ensure sustainability of the gas-to-power projects and that offers the highest transformational opportunity for Tanzania over the medium to long term. Beyond serving as a critical source of energy for future power generation in Tanzania, natural gas will also become a major source of government revenue for productive and social investments. A large volume of foreign direct investment (FDI) in the sector is expected over the next five years with large export and budget revenues to follow in a decade. A key challenge is to prepare the country for the natural gas economy and establish strong foundations to leverage this resource for the benefit of the Tanzanian people, including development and implementation of an appropriate policy framework for the optimal use of the revenues as well as the development of synergies with the local private sector.

While some challenges remain, the GoT has taken vigorous efforts since the First Power and Gas Sector DPO (PGSDPO-I) was approved by the Board in March 2013. TANESCO managed to control the growing level of arrears to EPPs and IPPs, which stand at $243 million in December 2013 (slightly down from $276 million in December 2012). The TANESCO' operational loss during calendar year (CY) 2013 is estimated to be about $293 million, which is 10 percent lower than the level projected at the time of the first operation. To reduce the gap between the cost of power and end-use tariffs, TANESCO applied for tariff adjustment which the regulatory agency

approved – a 39 percent increase effective January 1, 2014, marking a major achievement in the GoT's effort to restore TANESCO financial sustainability. In the meantime, the GoT adopted and started implementing the recommendations from the energy lab of the Big Results Now (BRN) initiative to reform the sector to improve the overall sector performance, including the process for competitive procurement of new gas-based private sector IPP project(s). On the long-term natural gas agenda, the GoT has adopted the Natural Gas Policy following a broad set of local consultations and launched the initiative to develop Tanzania's own Natural Resource Charter.

Tanzania has also ensured macroeconomic stability, in spite of reduced fiscal space and limited impact of economic growth on poverty reduction. Private consumption and public investment as well as the rapid expansion in a few selected economic sectors (communication, construction, financial services, and mining) have propelled Tanzania on a rapid growth trajectory, which has averaged around 7 percent in past ten years. However, over the past three years, lower than expected improvements in tax collection and diminishing aid disbursements have reduced fiscal space. Increasingly, the Government has resorted to external non-concessional borrowing to finance huge infrastructure and social needs, which has to be accompanied by close monitoring and efficient financial as well as debt management. Despite the strong and stable economic growth, poverty has reduced marginally from 34 percent in 2007 to 28 percent in 2012. The low elasticity of growth on poverty reduction is explained by the lagging impact of improvements in the human capital stock on income generation opportunities and by lack of growth in labor intensive sectors including agriculture and in rural areas, where 80 percent of poor households are located based on the 2007 Household Budget Survey (HBS). The ongoing Poverty Assessment carried on by the World Bank, using the new 2012 HBS database, should provide light on the causes behind the persistent relatively high poverty rate in Tanzania.

This DPO series helps the country reduce poverty and improve its shared prosperity by facilitating implementation of the above strategy in the power and gas sectors, which will ultimately help to increase access to electricity (and gas). Access to electricity remains very low (around 18 percent of the population) and has only improved marginally over the past few years. Higher access to electricity will boost private sector development particularly in job-creating manufacturing (over three-quarters of firms perceive it as a severe constraint to their expansion) and improve living conditions for households. These together will support Tanzania's quest to achieve faster and more equitable economic growth.

IV. Tentative financing

Source:	($m.)
BORROWER/RECIPIENT	0
International Development Association (IDA)	100
Borrower/Recipient	
IBRD	
Others (specifiy)	
Total	

V. Tranches *(if applicable)*

($m.)

First Tranche
Second Tranche
Etc.
Total

VI. Institutional and Implementation Arrangements

The implementation of the DPO series will be monitored by the Government and the World Bank and through the Bank's participation in the preparation and the assessment of the annual Performance Assessment Framework (PAF) of General Budget Support (GBS). The implementation of the series has been conducted through periodic missions involving MoF, MEM and other relevant GoT offices, which allow the team to obtain updated data on a regular basis. As part of an overall framework, supervision and preparation of the operations in the series take place in collaboration with other donors and in consistency with the MKUKUTA review mechanism. The GBS review will be conducted annually for an overall assessment of progress made in each of the program areas. The Partnership Framework Memorandum of GBS sets the framework for M&E under GBS. The Government and GBS partners will keep track of their performance relative to jointly agreed indicators, targets, and actions listed in the PAF. The PAF has incorporated some the prior actions and triggers proposed in the DPO series. Monitoring and dialogue processes will follow an annual review process aligned with the Government's planning, budgeting, and MKUKUTA II review cycles. All formal performance assessments will be undertaken jointly by the Government and GBS partners.

VII. Risks and Risk Mitigation

***Political and country-level governance risks*.** While the action to raise the TANESCO tariffs from January 2014 has helped reduce the level of risks in this area significantly, the energy sector is still prone to political economic factors, which may impact some decisions related to sector reforms. The operation and the series' alignment with the BRN, with the leadership from the top political leaders, will mitigate such risks. The emphasis on greater transparency should help enhance accountability and commitment to results.

***Macroeconomic-fiscal risks*.** Among the exogenous external risks, the economy remains exposed to variations in prices on the international market, notably of food, fuel, and gold. On the domestic front, the most important risks arise from fiscal policy as discussed in the earlier macroeconomic section and are: (i) shortfalls in revenue collection while increased public spending,; (ii) financial shortfall in the energy sector; (iii) accumulation of arrears particularly in the pension sector and contingent liabilities from the parastatals; and (iv) level of debt with increased non-concessional borrowing. Experiences around the world show that maintaining prudence in fiscal policy is important in the context of a political cycle. The proposed operation, with the objective of closing the financial gap in TANESCO and replacing costly EPPs with less

expensive domestic natural gas, is in itself a part of the strategy to mitigate the macro-fiscal risks. The DPO series also benefits from complementary dialogue channels, including the macro-fiscal dialogue through the IMF program, PRSC series which has a focuses on public investment management, the PER process which offers the platform to monitor recent fiscal developments and inform policymakers, and debt sustainability diagnostics such as DSA and debt management technical assistance activities.

Risks related to sector policies and institutions in the power and gas sectors. The implementation of the program supported by the DPO series may face several sectoral risks including: (i) possible delays in the implementation of gas and power infrastructure; (ii) delay in gas negotiations with producers. Those risks will be mitigated by the implementation of the parallel capacity building project ESCBP as well as exploring other options for technical supports, including through other DPs. The expected restructuring of the sector should also help better define priorities and responsibilities. To reduce the risk of insufficient gas supplies, the Government is pursuing gas sales agreements (GSAs) with key operators. On the governance front, the combination of policy actions supported by the series—such as improved reporting by TANESCO and TPDC, restructuring of the regulatory framework, competition through PPPs and transparent procurement procedures—should lead to better accountability and controls in the sector. The option of using risk mitigation instruments (partial risk guarantees) to attract investments in power and gas infrastructure could help mitigate the risks for the private sector. Alignment with the BRN would provide an overall environment in which investments and reforms in the sectors are being monitored and followed through.

Risks related to operational design, implementation, and sustainability. The DPO series has been designed to internalize policy parameters to lock-in incentives for reforms and limit the risk of political interference. Controlling the level of subsidy generates an incentive to enhance TANESCO's own revenue generation. Also, the programmatic approach taken by this operation should mitigate the risk of policy reversal in implementing the operation. Also, joint monitoring of the program, as being a part of GBS PAF, and close coordination with the IMF, help reduce risks of implementation delays.

Fiduciary risks. The overall PFM system in Tanzania remains adequate for DPOs and fiduciary risks directly related to this operation are low. However, the relatively low capacity in PIM and PFM continue to pose risk in the country's PFM system. The ongoing PFMRP IV program, the PER dialogue process, the PRSC series, as well as the new PFM/Open Government Partnership (OGP) operation, are important channels of dialogue and provide technical support in ensuring further deterioration of the PFM system would not happen.

Stakeholder relations and reputational risks. As the operation and the series deal with politically sensitive issues such as tariff increases and infrastructure development in relation to natural gas, there are reputational risks that need to be carefully managed. Transparency, participation, and good communications are key to mitigate such risks at the national level. This operation and the series support the immediate client, the Government, to ensure those aspects under this program. From the Bank side, preparation of the operation and overall implementation of the series need to be based on solid communication strategies with the Government, DPs, and the public.

Environmental and social impact risks. The operation broadly alleviates poverty and social conditions by helping the Government ensure expansion of access to electricity and improve reliability of the sector. Potential risks related to environmental damage from the overall natural gas development will be mitigated through this operation by supporting proper institutional building for the sector which follows international best practices. Constraints in implementation capacity, which do exist, will be mitigated by the implementation of the parallel capacity-building project ECBP. ECBP contains a window for helping the authorities to upgrade their environmental legal and regulatory framework.

Other—hydrological risks. The Tanzanian power system is highly dependent on hydropower. The Government program supported by the DPOs aims at reducing the hydrological risk by diversifying the source of energy toward gas, non-hydropower renewable technologies, and better designed hydropower plants with adequate management of reservoirs. This risk will remain during the transition as the new gas power plants will only become operational in 2015. There are several ongoing or new initiatives the Bank is taking on effective water resource management over competing demand for water resources in Tanzania, which will inform specific risk mitigation measures.

VIII. Poverty and Social Impacts and Environment Aspects

Poverty and Social Impact

Overall, the Government's reforms supported by the operation and the series are expected to contribute to poverty reduction and shared prosperity in the long run.

First, the Government's reforms, supported by this DPO series, strengthen policy and institutional frameworks and the financial stance of the power sector, which, together with improved governance, contribute to enhancement of power supply, reliability and access to electricity by firms and households over time. Recovery of financial health of TANESCO and transition to a low-cost power sector structure with improved cost efficiency and more diversified energy mix through more competition-based private sector participation in the sector, provide the enabling environment for both public and private sectors to invest in capacity and quality enhancement in power supply. Lack of stable power supply from public grids has negatively affected private sector activities with subsequent adverse impacts on employment and income. Furthermore, it had strong regressive impacts on firms since larger firms have more access to back-up power sources during power outages. The 2006 World Bank Enterprise Survey data shows that power outages cost about 12 percent loss of annual revenues among small and medium firms while six percent for very large firms. To the extent that most operating firms are small and informal, improved and more stable access to energy sources will help them growth faster and ultimately reduce poverty. Concurrently, improved access to electricity at competitive costs, which is one of the expected outcomes of the series, will increase the welfare of Tanzanian households. While the quantitative impact is difficult to estimate, the reform program, by boosting the generation capacity and increasing the number of connections, will help increase the current low access rate to electricity (only 18 percent of all households). Higher electricity access will have in turn direct benefits on social indicators as it facilitates the provision of education and health.

Second, this DPO series supports the Government's reforms for the transition to a more sustainable cost structure in the energy sector, releasing the pressure on public expenditures and protecting expenditures on social sectors. The Government is committed to closing the temporary financial gap in TANESCO through the combination of: (i) higher revenues; (ii) commercial borrowing; and (iii) government transfers to TANESCO. However, heavy reliance on commercial borrowing might further mortgage the future and affect the fiscal stance when payments are due to banks. If the Government's transfers are too large, there will be a trade-off within the existing budgetary allocations at the potential expense of pro-poor expenditures. The DPO series will reduce, though not eliminate, the need for the Government to use the three different instruments during the transition phase toward lower supply of energy, thereby mitigating their negative economic and social impacts. The agreed cap on the amount of the Government's transfers to TANESCO has also proved to be effective in balancing the cost of financing between TANESCO's customers and tax payers. In the long term, the new subsidy policy should provide more transparency and effectiveness in the Government's possible intervention in favor of low-income households.

Third, this DPO series supports the Government's programs to establish a sound institutional framework for natural gas development, through which the country can truly benefit from the rich natural resources both economically and socially. Strong institutions are essential in order to optimize the benefits of the new resources for all. The additional prosperity can be shared at the national level through promoting investment in infrastructure, building more human capital and developing the local private sector. In the long-term, fiscal revenues if well managed could also be used to develop proper social safety nets. As presented during the Multi-Donor Scoping Missions in 2012 and 2013, lessons from international experience show that a critical success factor in turning natural resources into prosperity is to effectively use the small window of opportunity that exists between discovery and the revenues to create the institutional settings for success. This includes: coordination across ministries to ensure the natural resource is an integral part of the medium- to long-term planning process for the country, managing expectations of the population, enshrining transparency at all stages of the process, building and strengthening the capacity of various institutions along the value chain of the natural resource to negotiate, select, implement and assess projects, manage revenues, and to supply the skills needed to grow. In the longer term, the transparent management of fiscal revenues derived from gas production as well as the linkages opportunities with the local economy will produce potential significant effects, on economic growth and poverty levels. The DPO series is designed to support both of these goals and complementary analytical work will reinforce this, specifically the studies on local content analysis and macro modelling. Through the 12 precepts of the Natural Resource Charter, the initiative to establish a Tanzania Natural Resource Charter will contribute to strengthening of the linkage between natural gas resources in Tanzania and poverty reduction and the shared prosperity agenda particularly by promoting 'sustained, inclusive economic development' and "securing the greatest economic benefits for its people." Civil society also has a role to play by providing information and encouraging the Government to be accountable to its citizens.

The recent decision to increase electricity tariffs by an average of 39 percent is not expected to have significant direct adverse impacts on low-income households. First, only a fraction of lowest-income households currently have access to electricity. Second, the new tariff schedule structure also included an upward shift in the threshold quantity beyond which a higher tariff rate is applied. Since the lowest-income households with access to electricity are generally low-

amount consumers, the new tariff structure should have a limited impact on them.[1] Third, more broadly, the tariff increase allows the Government to reduce the transfers to TANESCO, preventing further budget cuts in social expenditures.[2] The negative impact of the recent tariff increase might however occur through the increase in the operational costs of some private firms. Some energy-intensive industries, such as cement and fertilizers, may have to increase their prices, leading to higher costs for consumers. Small firms (among those with access to electricity) may not have sufficient financial resources to absorb the higher electricity costs and might therefore cut back on their activities. While these potential impacts on prices will need to be closely monitored in coming months both at the macro and micro levels, the expected increase in power generation should improve firms' access to electricity and facilitate their development over time. Firm level data in Tanzania and elsewhere show that firm productivity is affected more by quality of power supply such as power outages rather than cost of power. Also, Tanzania also has an effective social protection program at the national level, called Tanzania Social Action Fund (TASAF), which provide targeted social protection measures such as conditional cash transfers for the people/households in extreme poverty and protect the vulnerable groups from economic shocks.

Environmental Aspects

The policy actions supported by this operation reinforce the Government's effort to increase the use of natural gas to replace liquid fossil fuels and help the country scale up economic growth with less impact on the environment compared to other means, particularly continued use of liquid fossil fuels. Improved availability of electricity will alleviate some of the pressure on Tanzanian forest resources by reducing demand for fuel, wood, and charcoal as the primary energy sources. In addition, the operation and the series support the Government's effort to establish a proper institutional framework for the development of natural gas, including ensuring strengthening of the environmental safeguard mechanism for the development of natural gas.

This operation supports the Government in its drive to set up the right institutional framework for gas sector development, which includes provisions for proper management of environmental issues as a priority. The discovery of potentially large natural gas deposits represents an important environmental management challenge for Tanzania. Initial results suggest that natural gas deposits may be found in offshore marine and coastal waters, including areas in and around some of Tanzania's marine protected areas. Therefore, there are significant environmental risks from the natural gas sector's development unless adequately mitigated. While natural gas discoveries pose important environmental management challenges for Tanzania, the Government is focused on ensuring that environmental issues are mainstreamed into all operations in the natural gas industry, that all activities in the industry comply with environmental best practices, and that disaster management systems are in place to prevent and mitigate adverse impacts from natural gas operations. These objectives have been set forth in the Natural Gas Policy, which has a specific objective to ensure compliance with health, safety, environmental and biodiversity

[1] Preliminary estimation based on 2011/12 Household Budget Survey data implies that households of the lowest-income quintile with access to electricity may not be impacted negatively since their amount of electricity consumption is such that they may see their effective tariff rate even declined.

[2] During FY2012/13, the actual energy spending was 2 percentage points higher than the originally budgeted level in terms of share in total expenditure due to transfers to TANESCO, while for the share of health and education spending, the actual was 0.4 percentage point lower than the originally budgeted level.

issues are integrated in all operations in the natural gas value chain and ensure compliance to standards in those areas. Further details on the environment management aspects will be prepared in the context of follow-up activities such as an implementation strategy for the Policy, as well as a Natural Gas Act and Regulations. By establishing an expert panel to conduct an international benchmark exercise, the Government has also committed to preparation of a Natural Resource Charter, the framework of which includes a precept on assessment, management, monitoring and mitigation of environmental consequences of natural resource exploitation.

The existing regulatory and institutional framework in Tanzania encourages sound environmental management of investments financed through the Government budget. The Environmental Management Act of 2004 (EMA) and associated regulations require due diligence in managing environmental impacts emanating from government operations and investments, including investments by TANESCO to expand its power generation capacity.[3] The EMA gives a mandate to the National Environmental Management Council (NEMC), under the Vice President's Office (VPO), to oversee enforcement, compliance, review and monitoring of, and compliance with, environmental impact assessments; conduct research; facilitate public participation in environmental decision-making; raise environmental awareness; and collect and disseminate environmental information. The EMA also requires each sector to establish an environmental section to ensure that sectoral operations are conducted in accordance with the law's provisions, to coordinate aspects related to the environment, and to ensure that environmental considerations are integrated into sectoral planning and project implementation (such as power generation plants). These environmental units have been created in most sectoral ministries. Five ministries including MEM had developed their Sector Environmental Action Plans (SEAPs) for implementation by October 2011. Through implementation of SEAP, MEM is committed to strengthening its monitoring capacity on environmental compliance in resource exploration and extraction by adopting a set of performance indicators on environmental compliance in resource exploration and extraction, including one indicator specifically for upstream gas and petroleum activities.

The importance of strengthening environmental management has been emphasized in the gas scoping mission in 2012, co-led by the Bank, which agreed with the Government on a set of actions including those in the area of environmental management. The mission noted that the highest standards of environmental performance adopted by the multinational companies operating in the gas sector in Tanzania can help improve the overall standard of environmental planning and management of Tanzania's coastal zones by introducing new benchmarks for smaller industries to aspire to. Corporate social responsibility (CSR) programs of those companies can also significantly contribute to sustainable development.[4] On the other hand, the mission also noted that gas companies are increasingly seeking efficiencies by contracting out project activities to specialized service companies. Responsibility hence needs to be shared

[3] In addition to EMA 2004, the National Energy Policy (2003) requires environmental impact assessments for all energy programs and projects.

[4] In addition, there is a continued effort to establish a the Marine Legacy Fund, which would provide stable long-term financing for marine and coastal conservation and sustainable resource management. The funds are not a substitute to governmental support to protected areas and sustainable fishing areas but will act to complement government programs. The initiative is currently led by the WWF, exploring contributions from non-governmental sources, leveraging CSR initiatives, in particular gas investors.

throughout the contracting chain, across company departments, and between the Government and the industry, with space for independent third party oversight. The mission stressed that Tanzania needs to follow an environmental and social management framework based on internationally accepted environmental principles. The GoT action plan based on the mission has been developed with actions to: (i) ensure GoT and gas companies develop and maintain "Emergency Response Plans" applicable to all operations; (ii) carry out strategic environmental and social assessments before any development and strengthening implementation; (iii) improve land and marine use planning, including identifying, demarcating and protecting critical zones (habitats, conservation areas, ecosystems), and investing in marine and coastal zone environmental protection; and (iv) strengthen GoT capacity to monitor compliance and enforce environmental regulations.

Preparation of a Strategic Environmental and Social Impact Assessment (SESIA) for the gas sector is underway. While Tanzania has a proper legal framework for environmental impact assessments (EIAs), existing diagnostics point to the need to strengthen its implementation. On top of EIA, the EMA calls for a strategic environmental assessment (SEA) to be undertaken on all laws, policies, programs or plans to assess the likely effects of those efforts on the natural environment. The Government, with World Bank support, has recently launched preparation of an SESIA to support development of the natural gas sector. This SEA is being financed through ESCBP and will provide guidance to NEMC, VPO and MEM on systematically integrating environmental and socio-economic concerns in project development, operations and maintenance of oil and gas sector activities. The procurement process to conduct SESIA has been in place with a report to be prepared within a year. The SESIA will include consultations with relevant stakeholders to ensure their interests, concerns and advice are taken into account and will identify needed changes in or additions to policy, legislation, regulations and guidelines. Alignment of the SESIA with implementation of the Natural Gas Policy—including preparation of the Natural Gas Act and its regulations— is important.

Sound environmental management of newly discovered natural resources represents an emerging challenge, and requires significant additional capacity to be built in the Government to handle environmental work. Management of gas exploration and development in these areas will require significant expertise and strong systems to ensure adequate response to spills and leaks, and to compensate for the sector's long-term environmental impacts. Given the novelty of the sector, such expertise must be developed at the local level.

To help confront these new challenges, ESCBP has a package of capacity-building activities that has been agreed to by NEMC and is expected to help NEMC to provide effective and efficient oversight of the oil and gas sector in accordance with environmental regulations and in line with international best practices. The project also provides guidance to NEMC on systematically integrating environmental and socio-economic concerns in project development, operations and maintenance of oil and gas sector activities, and prepares NEMC staff to execute their responsibilities under the environmental laws and regulations in the oil and gas sector effectively and efficiently. Specifically, ESCBP will finance, among others: (i) the provision of advisory services and training for NEMC staff on effective oversight of the environmental aspects of the oil and gas sector in line with international standards; (ii) the development of procedures, standards and processes related to hazardous waste management and gas venting and flaring; (iii) the ongoing development of an Oil Spill Contingency Plan by the Surface and Marine Transport

Regulatory Authority; (iv) the development of a community-based early warning/response system; (v) workshops to disseminate information on the implementation of the Hazardous Waste Management Plan, the Oil Spill Contingency Plan and the Early Warning/Response system both within NEMC and in communities; and (vi) the purchase of measuring equipment for NEMC to allow the organization to make independent measurements and compare them to threshold values and national or international standards to assess environmental impact. This DPO series is complemented by the support provided under ESCBP in order to ensure that environmental aspects are adequately addressed (see Annex 7 for the description of ESCBP). Other DPs also have programs for capacity building specifically in the gas sector. For example, Norwegian Agency for Development (NORAD)'s Oil for Development program is providing support for GoT to ensure the coverage of environmental and safety issues in the review of petroleum policy and in the legislative and institutional frameworks, to strengthen knowledge, institutional competencies and regulatory capacities, and is also providing support in the areas of environmental data management systems and capacity building in relevant GoT institutions, including NEMC.

IX. Contact point

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