INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE

Date ISDS Prepared/Updated: 11-Jun-2012

I. BASIC INFORMATION

1. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Senegal</th>
<th>Project ID:</th>
<th>P125565</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Name:</td>
<td>Electricity Sector Support Project (P125565)</td>
<td></td>
<td></td>
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<tr>
<td>Task Team Leader:</td>
<td>Stephan Claude Frederic G</td>
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<tr>
<td>Estimated Appraisal Date:</td>
<td>05-Dec-2011</td>
<td></td>
<td></td>
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<tr>
<td>Estimated Board Date:</td>
<td>17-Jul-2012</td>
<td></td>
<td></td>
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<tr>
<td>Managing Unit:</td>
<td>AFTEG</td>
<td>Lending Instrument:</td>
<td>Specific Investment Loan</td>
</tr>
<tr>
<td>Sector:</td>
<td>Transmission and Distribution of Electricity (85%), Public administration- Energy and mining (15%)</td>
<td></td>
<td></td>
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<tr>
<td>Theme:</td>
<td>City-wide Infrastructure and Service Delivery (46%), Infrastructure services for private sector development (46%), Rural services and infrastructure (8%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Financing (In USD Million)

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>BORROWER/RECIPIENT</td>
<td>8.50</td>
</tr>
<tr>
<td>International Development Association (IDA)</td>
<td>85.00</td>
</tr>
<tr>
<td>Total</td>
<td>93.50</td>
</tr>
</tbody>
</table>

Environmental Category: B - Partial Assessment

Is this a Repeater project? No

2. Project Objectives

The project development objectives are to contribute to (i) reducing SENELEC’s technical and commercial losses; and (ii) improving the reliability of electricity services in selected areas focusing primarily on Greater Dakar.

3. Project Description

The proposed project whose cost is estimated at about US$ 88 million (including IDA: US$ 80 million and Government: US$8 million) will include the following components:

Component 1: Upgrading and modernization of the transmission and distribution network: (IDA US$38.5 million and GoS US$4.5 million – excluding contingencies). The upgrading and modernization of the transmission and distribution network component includes: (i) the upgrading, rehabilitation or replacement of existing transmission lines and substations in the Interconnected Network of the Recipient’s territory; (ii) the upgrading of the distribution network from 6.6 kV to 30kV from at least two selected substations in Greater Dakar; (iii) the installation of at least 15 remotely controlled MV/LV distribution substations in Greater Dakar; (iv) the extension and densification of the distribution network in Greater Dakar; and (v) the Extension of the Interconnected Network to reach isolated secondary consumption centers of the Recipient’s territory.

Component 2: Improve SENELEC’s commercial performance (IDA US$30.0 million and GoS US$3.0 million – excluding contingencies). This component aims at improving SENELEC’s commercial performance by reducing the cost of billing, increasing bill collection and reducing commercial losses through a reduction in arrears. This component includes: (i) the installation of about 150,000 STS compliant Split Pre-paid Meters in the Recipient’s territory; (ii) Installation of about 10,000 electronic Smart Meters and of a remote meter reading system in the Recipient’s territory; and (iii) the installation of a new electricity customer management system for SENELEC.

Component 3. Long-term strategic outlook (IDA US$ 8.25 million – excluding contingencies). This component will carry out studies to assist the Government in developing a medium to long term strategy for its energy sector, such studies to analyze options for: (i) energy diversification (into coal, gas, renewable energies and regional integration); (ii) energy sector governance (by strengthening of the energy sector’s efficiency, transparency and accountability) and private sector participation; and (iii) financial restructuring of SENELEC and a review of electricity tariffs.

Component 4. Project implementation, Communication and Monitoring and Evaluation: (IDA US$3.0 million – GoS US$0.5 million – excluding contingencies). This component will provide financing for Project coordination, supervision, financial management, communication and outreach, procurement, supervision of implementation of the ESMF and RPF, monitoring and evaluation of the Project, including through the provision of technical assistance, Training, goods and audit services.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The specific sub-project locations have been only generally identified.

5. Environmental and Social Safeguards Specialists
II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the Restructured project. Identify and describe any potential large scale, significant and/or irreversible impacts:

   The proposed project includes small transmission and distribution lines and substations. The specific locations for these investments, which will be selected within the overall T&D investment program, have yet to be confirmed. Although the potential environmental and social impacts of these infrastructure investments are expected to be limited, they could result in involuntary resettlements and/or entitlement to compensation and thus require appropriate mitigation.

   In light of the above, there are two Bank Safeguard policies applicable to this operation: Environmental Assessment (OP 4.01) and Involuntary Resettlement (OP 4.12). Since the specific sub-project locations are not yet known, an Environmental and Social Management Framework (ESMF), together with a Resettlement Policy Framework (RPF), have been prepared and disclosed in-country on December 12th, 2011 and at the Bank’s InfoShop on the same date. Both the ESMF and the RPF have been cleared by the Bank. Relevant provisions from the two sets of safeguard documents will be reflected in the Project Implementation Manual (PIM).

   Once the T&D investments to be financed under component 1 have been decided upon by the GoS and SENELEC, ESIA/EMP and RAPs will be prepared to in a manner satisfactory to IDA and disclosed. Eventual payments of compensation (to be financed by SENELEC) will be completed prior to the start of the works of the affected activity. The studies will be conducted in compliance with Bank and national safeguard policies.

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

   The potential environmental impacts associated with the project (Component 1) are: (a) the effects on existing land use; (b) aesthetic impact on the surroundings; (c) increased erosion and interference with local drainage patterns; (d) increased access and its associated effects (from the transmission and distribution lines themselves or from construction and maintenance of access roads); (e) hazard of electrical shock and strike to birds during construction. However, in all cases the impacts of the project are expected to be minor, temporary, readily mitigated and in most cases easily reversible.

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

   The proposed Transmission and Distribution Investments are necessary to increase access to electricity and improve service reliability in the targeted areas. There are no realistic alternatives to expand electricity services in the targeted areas: promoting distributed power generation instead of grid reinforcement and densification would cause electricity services to be unaffordable for a large part of the population and result in local pollution from the use of individual diesel gen-sets.

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.

   An Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) have been prepared and disclosed. These documents establish the process and provide guidelines to plan for and implement the physical activities. The frameworks also provide for compliance with the relevant existing environmental rules and regulations applicable in Senegal and the World Bank guidelines. The environmental assessment process described in the Framework includes: (a) an initial environmental screening, including public consultations; (b) an assessment of whether the particular activity under review will generate environmental impacts; and (c) if environmental impacts are expected, an Environmental and Social Management Plan to ensure that adequate implementation arrangements are in place.

   Similarly, in the Resettlement Policy Framework, the process for determining the need for Resettlement Action Plans or compensation plans and principles and procedures to be followed in preparing and implementing them are spelt out. The GoS has in place legislation for payment of compensation and resettlement procedures that are in line with the World Bank’s policies. The Ministry of Environment (ME), which is the lead agency responsible for coordinating planning and implementation of land acquisition and resettlement, has the expertise to assess resettlement plans in line with the Bank’s resettlement procedures , and the ME, in conjunction with other GoS stakeholders, will have the responsibility for reviewing the Resettlement Policy Plan that may be needed and its implementation.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
SENELEC through its engineering consultant shall have the direct responsibility for monitoring the implementation of the ESMF of the project. The ESMF contains reporting requirements and these will be included in the consultant’s quarterly progress reports.

Data regarding land acquisition will be available in the Resettlement Action Plan, should it be needed. This will include the list of people affected and the rates of compensation that they will be paid prior to commencement of the works.

Data collection will be included in the engineering consultant’s Terms of Reference. The data will be used during implementation to: (i) verify that people have been paid compensation for assets lost or land acquired prior to the commencement of works, as per World Bank and GoS policies; and, (ii) to ensure that the contractors are complying with the ESMF.

SENELEC will submit to the Bank: (i) the quarterly engineering consultant reports; and (ii) semi-annual progress reports in a form and substance acceptable to the Bank.

B. Disclosure Requirements Date

| Environmental Assessment/Audit/Management Plan/Other |  
| Date of receipt by the Bank | 17-Nov-2011  
| Date of “in-country” disclosure | 12-Dec-2011  
| Date of submission to InfoShop | 06-Jun-2012  
| For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors |

| Resettlement Action Plan/Framework/Policy Process |  
| Date of receipt by the Bank | 17-Nov-2011  
| Date of “in-country” disclosure | 12-Dec-2011  
| Date of submission to InfoShop | 06-Jun-2012  

If the project triggers the Pest Management and/or Physical Cultural Resources policies, 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 |  
| Are the cost and the accountabilities for the EMP incorporated in the credit/loan? | Yes [ ] No [ ] NA [ ]  

| OP/BP/GP 4.12 - Involuntary Resettlement |  
| If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan? | Yes [ X ] No [ ] NA [ ]  

| The World Bank Policy on Disclosure of Information |  
| Have relevant safeguard policies documents been sent to the World Bank’s InfoShop? | Yes [ X ] No [ ] NA [ ]  

| All Safeguard Policies |  
| 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 [ X ] No [ ] NA [ ]  

III. APPROVALS

| Task Team Leader: | Stephan Claude Frederic G  
| Approved By: |  
| Regional Safeguards Coordinator: Name: Alexandra C. Bezaredi (RSA) Date: 11-Jun-2012  
| Sector Manager: Name Lucio Monari (SM) Date: 11-Jun-2012  

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