



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 09/24/2019 | Report No: ESRSC00708



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Tanzania	AFRICA	P171189	
Project Name	Tanzania Cities Transforming Infrastructure & Competitiveness Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	5/4/2020	9/1/2020
Borrower(s)	Implementing Agency(ies)		
The United Republic of Tanzania	President's Office of Regional and Local Governments		

Proposed Development Objective(s)

To strengthen urban management performance and deliver improved basic infrastructure and services in participating urban local government authorities

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>300.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The Tanzania Urban Development Project will support urban development by strengthening urban management and improving access to basic infrastructure and services in participating urban areas in Tanzania. The theory of change underlying this project is that strengthening urban management will ensure the efficiency and sustainability of prioritized infrastructure and therefore enhance the productivity, livability, and resilience of strategically important cities in Tanzania. Urban management will be strengthened by leveraging ICT to enforce implementation of land use plans and increase own source revenue collection, using performance-based service management contracts through PPPs in operations and maintenance but not construction, to improve service provision, in solid waste management,



sanitation, and drainage. Strengthening urban management functions will require local governments taking on increasing responsibilities for the coordination of planning, implementation of plans, and operations and maintenance; and the national government providing policy and regulatory frameworks, supervision, monitoring, and enforcement. The project will implement basic infrastructure and services in participating urban local government authorities and improve the capacities of these local government institutions to plan, implement and maintain infrastructure and services in the longer term.

The selection of urban local government authorities that will participate in the program will depend on several factors. In addition to the urban local government authorities that will participate in TSCP (8) and ULGSP (18), PO-RALG requested the inclusion of 17 new entities, bringing the total number of requested local entities to 43. Given the limited IDA envelope of US\$300 million, including all 43 entities will spread resources thin and increase the risks of supervision. Therefore, only a select group of urban local government authorities will be selected for large-scale infrastructure investments under Component 2 while all entities will be supported through the technical assistance activities designed under Component 1. The selection criteria of cities eligible to access funds under Component 2 as discussed with PO-RALG considers 12 cities with a projected population of above 250,000 people by 2022 (next census) and population growth rates of above 15% percent. This approach ensures that infrastructure investments support the largest and fastest growing secondary cities in Tanzania while technical assistance activities continue to support other local authorities. Capacity of municipal governments to manage environmental and social issues will be considered in the selection process and technically supported as needed for selected municipalities.

#### D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]  
The Tanzania Urban Development Project is a follow-up operation to the Tanzania Strategic Cities Project (TSCP, US \$343 million, closing May 31, 2020) and Urban Local Government Strengthening Program (ULGSP, US\$255 million, closing June 30, 2020). Both TSCP and ULGSP aim to improve management, planning and service delivery in 26 ULGAs. The proposed Tanzania Urban Development Project consolidates TSCP and ULGSP into a single operation to better leverage synergies in activities aimed at strengthening urban management functions. Potential environment and social impacts for this project are expected from the following program components: 1A which will support land use plans for priority areas after which another project (P164906) will come in to issue Certificates of Rights of Occupancy; 1B which will support the planning, implementation, operations and maintenance of drainage, solid waste management and sanitation investments; 2B which will finance upgrading of selected low income communities including the undertaking of upgrading works in storm water drainage, parks, markets, etc.; and investments in urban resilience especially drainages under Component 2C.

#### D. 2. Borrower's Institutional Capacity

Experience and capacity for environmental and social management exist at the implementing agency or central level, the President's Office Regional Administration and Local Government (PO-RALG) augmented by the links it has established with National Environment Management Council (NEMC). The implementing agency has established an Environment and Social Management Unit which has adequate experience on environmental and social safeguard policies. Similarly, capacity exists among some of the key technical staff at Local/Urban Government Authority (LGA) level on safeguard policies, as well as application of safeguard instruments gained through training and implementation of other past and ongoing projects, especially World Bank financed operations in the urban sector. The implementation arrangements of the ongoing TSCP and ULGSP will remain the same for the Tanzania Urban Development Project. The main implementing agency – the PCU in the PO-RALG – has demonstrated its capacity to



manage similar projects through the implementation of TSCP (parent, AF1 and AF2), as well as the current DMDP, ULGSP and earlier LGSP. The PCU has adequate capacity in environmental and social risk management at the national level. There are three safeguards staff at the PCU to oversee overall implementation of safeguards activities across the program. Subnational capacity for both environmental and social risk management exists, with the exception of one LGA, but will continue to require attention. In addition, apart from the ESF awareness raising received by the PCU staff, neither the central nor local level entities have any past experience in addressing and managing ESS aspects under the ESF. Therefore training and awareness on the application of ESSs will be critical. As part of project preparation and the development of the ESMF, a capacity building plan will be developed which will detail capacity needs (human resources) and training required, particularly for Component 2. The training to central and local level entities will be rolled out during project implementation. The PIU environmental and social safeguards staff will be trained as trainers who will continue to provide environmental and social risk management training to enhance the local capacity at the ULGA level to address specific environmental and social risks and impacts at the local level. The resources for capacity building for environmental and social risk management will be included in Component 1 and 3. In addition, the project will incentivize strong implementation of environmental and social instruments through the use of performance based grants. The minimum conditions and performance measures that correspond to these performance grants will be developed during project preparation. The project will ensure that technical assistance and capacity building activities are strongly aligned with the minimum conditions and performance measures used to determine the allocation of the performance grants. The national team will have an overall responsibility for monitoring compliance with the agreed mitigation measures and actions as per the Environmental and Social Commitment Plan (ESCP).

Public Disclosure

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Substantial

#### Environmental Risk Rating

Substantial

The project proposes to deliver improved basic infrastructure in participating urban local government authorities. The project also aims to support urban local government authorities to develop unique investment pipelines that will meet their urban needs and catalyze their development potential. The project will support activities to strengthen these cities' urban management capabilities that are critical for efficient delivery and sustainable management of infrastructure and services. The project will enhance support to urban disaster risk management, and climate change adaptation through targeted Technical Assistance (TA) and risk-informed and climate-smart green solutions. This project will build on these initiatives, adding concerns for land administration, sanitation, private finance, and connectivity.

The expected physical activities include construction of select roads, drainage, bus stands, markets, and landfills in selected urban areas, similar to what was financed by TSCP and ULGSP. It is anticipated that these activities will be executed in populated areas, largely involving existing basic infrastructure. The likely implementation sites are in the vicinity of residential housing areas and commercial centers, that are likely to be affected by project works. Therefore, the project activities and implementation sites, the nature and extent of the project's potential risks and impacts is anticipated to be substantial. The project Environmental and Social Management Framework (ESMF) will guide the selection and preparation of site specific instruments, namely Environmental and Social Impact Assessment (ESIA)



and/or Environmental and Social Management Plans (ESMPs), which will identify and recommend appropriate actions to address the potential risks and impacts. The potential environmental risks and impacts from the works are expected to be typical of road and drainage construction. They may include: traffic disruption; erosion, loss of vegetation; noise and dust; cracking of houses due to vibrations from operating heavy equipment, pollution from oil leakage or poor storage of fuel and related chemicals; accidents and injuries; etc.. These are largely reversible, easily contained within the confines of the works sites and can be mitigated within the project duration. The ESMF will also guide the screening of potential direct and indirect environmental and social impacts and risks from the proposed TA activities. Potential TA impacts both positive and negative could indirectly link with ESF through proposals to address issues including: disaster risk, flood mitigations measures and sanitation facilities (ESS1, ESS2, ESS3, ESS4); land administration activities (ESS5). PO-RALG has existing safeguards capacity in-terms of staffing. It has experience working with the Bank, specifically all urban projects in the mainland over the last ten years and has experience following the safeguards policies. PO-RALG has also recruited environment and social specialists under DMDP, TSCP, and ULGSP who will continue to support the proposed project.

**Social Risk Rating**

Substantial

The project social risk rating (SRR) is substantial at this stage because, the potential social impacts of the project, and the associated mitigation measures may give rise to a limited degree of loss of informal business and the related impacts to the affected household members due to loss of productive assets including land. The project should try to minimize land acquisition and its accompanying measure of resettlement wherever possible especially during detailed engineering designs for roads, drains, and other community facilities to be upgraded/constructed as well as for the investments that will be identified under the Local Economic Development Strategies. Further, land use plans that will entail robust stakeholders' engagement and consultations at local levels should not result into loss of user rights for the project beneficiaries. The project will deal with upgrading of small economic and industrial clusters. The borrower has experience dealing with complex projects such as informal settlement upgrading under DMDP but the experience of implementing agencies may be limited in some respects and the experience regarding social risk management in the Tanzania Urban Development Project suggest capacity concerns that can be readily and deliberately addressed through focused capacity building and implementation support.

Public Disclosure

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1. General Assessment**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

**Overview of the relevance of the Standard for the Project:**

The project proposes to improve basic infrastructure and services in participating Tanzanian urban local government authorities. The project also aims to support urban local government authorities to develop unique investment pipelines that will meet their urban needs and catalyze their development potential. The project will support activities to strengthen these cities' urban management capabilities that are critical for efficient delivery and sustainable management of infrastructure and services. The project will enhance support to urban disaster risk management, and climate change adaptation through targeted Technical Assistance (TA) and risk-informed and climate-smart green solutions. This project will build on these initiatives, adding concerns for land administration, sanitation, private finance, and connectivity. In addition to continuing the road rehabilitation and construction works



for municipal infrastructure under TSCP and ULGSP, the project plans to upgrade industrial clusters, by improving connectivity, drainage, parking/loading areas, and community facilities. The focus for the secondary cities is proposed to be construction and rehabilitation of existing primary roads and drainage; upgrading of informal clusters and informal areas; and helping to improve solid waste management and sanitation services by better organizing collection, transfer and disposal across the value chain. The potential environmental and social risks and impacts from the works are expected to be typical to road and drainage construction. They may include acquisition of land for road expansion; temporary removal of access to properties (residences, shops, schools, markets etc.); cracking of houses due to vibrations from operating heavy equipment; traffic disruption; noise and dust; accidents and injuries. The proposed TA activities under Component 1 may lead to an unforeseen environmental and social risks to the end users, which will need to be identified, assessed and mitigated as part of the implementation of the proposed actions. These risks and potential impacts will be assessed through a Strategic Environmental and Social Assessment (SESA)--discussed in more detail below.

On vulnerability, the proposed activities could affect vulnerable groups such as women headed households, orphans, elderly disabled and children. The severity of these risks and impacts will further be assessed through the SESA which will inform the TA activities. Under Component 2, attention to vulnerability will also be required. Measures to limit disproportionate impacts or ensure access to benefits may include the consideration of safety measures in road investments for users including the disabled, the elderly, and young children; universal access in construction of community facilities; and inclusive participation in stakeholder engagement processes, including participatory decision-making processes for the development of upgrading plans. In addition, Component 2B will target benefits to low-income communities. It will adopt participatory decision-making processes to obtain feedback from a range of stakeholders and it will be informed by a gender analysis. These measures will be further developed in detail during the preparation of the ESMF and when the activities are identified and during the preparation of the specific Environmental and Social Impact Assessments (ESIAs).

It is envisaged that the project will prepare the following instruments during project preparation: Environmental and Social Management Framework (ESMF), Resettlement Policy Framework(RPF), Labor Management Procedures (LMP), Stakeholder Engagement Plan (SEP) and the Environmental and Social Commitment Plan (ESCP). These instruments will also apply to the proposed PPP component.. The documents will be disclosed in-country and on the Bank's website prior to appraisal. The instruments prepared will incorporate relevant guidance from the World Bank's Environmental, Health and Safety Guidelines (EHSG) i.e. general and sector specific guidelines. During project implementation, ESIAs, ESMPs, site specific Contractor's Environmental and Social Management Plans (ESMPs) and RAPs will be prepared as appropriate prior to commencement of specific activities. As previously noted, a SESA will be prepared to inform proposed TA activities (Component 1). It will include an examination of risks and impacts and be carried out with stakeholder engagement. The scope of the SESA, as well as the full preparation schedule, will be specified during project preparation as the focus of the activities and/or outputs of the Technical Assistance are detailed. It is expected, however, that there will be some initial assessment undertaken to scope the range of issues, and that these will be conducted in a consultative manner with relevant stakeholders. An early draft of the SESA will be available for review at appraisal to guide Bank decision-making regarding the project design and readiness. A final document will be prepared during implementation (timeline to be indicated in the ESCP).

**Areas where "Use of Borrower Framework" is being considered:**



The project will rely on the Bank ESF during project preparation and implementation. Use of Borrower's Framework is not endorsed, and the Borrower's Framework will not be used in whole or in part for this project.

### **ESS10 Stakeholder Engagement and Information Disclosure**

The project focuses on communities and households in urban local government authorities, who will be the primary stakeholders. Other key stakeholders include the ULGAs in the Tanzania mainland as well as CSOs, CBOs, and development partners that will be actively involved in the design and implementation of the program. Therefore, the application of ESS10 stakeholder engagement and disclosure of information is a central part of the proposed project that will be closely monitored through the implementation of the Stakeholder Engagement Plan (SEP), the ESMF, and RPF. The SEP will outline the characteristics and interests of the relevant stakeholder groups and timing and methods of engagement throughout the life of the project. Enhancement of the existing Project level and community-based Grievance Redress Mechanisms (GRMs) will be undertaken.

### **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

#### **ESS2 Labor and Working Conditions**

Anticipated key labor risks and impacts are mainly associated with the planned construction works. Workers to be employed on the project are expected to be of two main categories, direct workers mostly civil servants employed by the Government at local and central level. The second category will be made of contracted workers including contractors, consultants both national and international and laborers, mostly local. The Borrower will prepare Labor Management Procedures (LMP) which will have detailed information on the work terms of conditions including explicit prohibition of child labor. The LMP will include measures to ensure that labor is provided on a paid basis and will further ensure the health and safety of workers, especially women are given adequate attention. The LMP will also have the details of the grievance redress mechanism for workers and the roles and responsibilities for monitoring such workers. Health and Safety risks to which workers may be exposed from each type of the proposed sub-project will be assessed during the planning and design stages so as to eliminate or prevent the risks. Potential risks may include accidents and injuries, safety and health hazards. The project will address potential risks by providing measures such as safety gears, sanitary and waste disposal facilities, first aid kit, clear labelling and signage and description of important areas, such as emergency assembly points.

These workers will however be subject to the requirement of ESS2 in relation to labor and working conditions including occupational health and safety and grievance mechanisms. Likewise, any technical consultants contracted by the project will also need to adhere to such standards. To ensure health and safety of workers during the construction and operational phases of the project, a Health, Safety and Environmental (HSE) plan in line with Good International Industry Practice (GIIP) will be prepared as part of the ESMPs. The plan will include procedures on incident investigation and reporting, recording and reporting of non-conformity, emergency preparedness and response procedures and continuous training and awareness to workers. In addition, the project will need to develop and implement written labor management procedures that will set out the way in which project workers will be managed. The LMP will be prepared and disclosed prior to project appraisal.



### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Proposed construction activities may necessitate excavations and dredging which could pose pollution risks to water bodies and air due to soil erosion and dust emission from construction sites. Solid waste management, particularly landfills if not properly operated could lead to both air and water pollution. Relevance of this ESS will be further assessed during project preparation as part of the ESIA process and additional information regarding construction materials to be used; on energy and water use efficiency motor oil storage and disposal plans. Solid waste management and operations of landfills may require the project to prepare provide a gross Green House Gas (GHG) emissions for this project. This requirement will be confirmed at a more advanced stage of project preparation.

### **ESS4 Community Health and Safety**

The project is likely to contribute to some level of potential internal labor influx in the project sites. The influx of labor in the projects sites pose the risk of increase in crime, protestation, gender-based violence (GBV) and other related social risks. Also, the project could contribute to potential structural safety risks such as increase in road accidents due to increased number of vehicles during construction phase especially in formal settlement where we have a large number of people in a project site. The other potential community health risk relates to the potential for spread of communicable diseases due to the influx of people in search of work in the project sites. The client will prepare as part of the ESIA report and ESMP, including the Emergency plans for DRM activities, the mitigation measures for these and other potential community health and safety to be identified during the project preparation.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

The project will prepare a Resettlement Policy Framework (RPF) that will spell out the overall principles and objectives of ESS5 and provide guidance on how to manage land acquisition during project implementation, including the preparation of site specific RAPs or potential restriction of access and the process to be followed in the case of voluntary land donation. The project will involve civil works and such activities will involve land acquisition and its attendant measures of resettlement including compensation. In addition, the work under Component 1A will support land use plans and the issuance of Certificates of Rights of occupancy under a separate project (the Land Tenure Improvement Project). Land use planning is usually undertaken as part of the regularization process. Due to planning standards, which require a network of roads and/or tracks within a settlement to allow access to individual land plots, physical regularization may be required whereby land owners may lose rights and use of strips of land along the perimeters of their plots. These impacts may be minor in scale but will be further understood during project preparation and addressed in the relevant resettlement instruments.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

All project activities will involve upgrading of infrastructure and improvement of connectivity in an urban setting. Since project implementation sites will be located in urban areas with a significant concentration of residential and commercial buildings and access roads, activities with direct impacts on biodiversity or living natural resources are not anticipated. However, proposed construction activities may involve purchase of wooded material from natural resource areas through third parties or Primary Suppliers. In case the project will purchase natural resources



commodities such as timber, it will be important to establish the source area and to have a mechanism in place to ensure that the Primary Suppliers are not significantly impacting sensitive ecosystem or degrading natural habitats. Relevance of this ESS will further be assessed during project preparation as part of the ESIA process. ESIA's will include specific measures to avoid or minimize potential risks and impacts.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Relevance of this ESS will further be assessed during project preparation as part of the ESIA process and as we get more information and clarity especially about selected and confirmed locations and sites for project implementation.

**ESS8 Cultural Heritage**

The project will implement civil works that may have impacts on cultural heritage, mainly through chance finds. The ESMF will outline the established procedures on chance finds in Tanzania for the entire project and site specific ESIA's and ESMP's will include provision for accessing such sites, reporting procedures and handling of the physical cultural resources.

**ESS9 Financial Intermediaries**

The project is not anticipated to have Financial Intermediaries as project implementation entities.

**B.3 Other Relevant Project Risks**

Implementation experience of the ongoing TSCP and ULGSP does not indicate a likelihood of high reputational and/or political economy risk that could adversely influence or hinder the proposed project from achieving environmental and social standards compliance. This will further be assessed during project preparation, after confirmation of project components and activities, including TA; determining locations of the implementation sites; and agreeing on the project implementation arrangement and institutional setup.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

The project will not impact any known international waterways in Tanzania

**OP 7.60 Projects in Disputed Areas** No

There are no known disputed areas in Tanzania.

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?** No

**Financing Partners**

No financing partners have been identified at this stage.

Public Disclosure



**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

Prior to Bank board approval the following documents will need to be developed: Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), Stakeholders Engagement Plan (SEP), Labor Management Procedures (LMP) and Environmental and Social Commitment Plan (ESCP). These instruments will be approved by the Bank and publicly disclosed prior to appraisal.

An early draft SESA, prepared in a consultative manner, will be submitted to the Bank for review. The SESA will be finalized in early stages of Project implementation.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

- (i) Preparation and disclosure of updated Environmental and Social Management Framework (ESMF) with capacity building plan, LMP, SEP with GRM, and Resettlement Policy Framework (RPF) prior to project appraisal.
- (ii) The need for site specific Environmental and Social Impact Assessment (ESIAs) and Environmental and Social Management Plans (ESMPs) including health and Safety for the proposed investments as per environmental and social screening procedure in the ESMF.
- (iii) Finalization of the SESA to support Technical Assistance activities (Component 1).
- (iv) The development of site specific Resettlement Action Plans (RAPs), Grievance Redress Mechanisms and Emergency Response Plans as required during project implementation.
- (v) Monitoring and reporting requirements on environmental and social risk management, grievances and accidents and incidences.
- (vi) Assignment of a budget to cover cost of environmental and social specialists in the project team at the national and LGA levels and to finance implementation of capacity building plan for implementation/ management of environmental and social risk at the local levels.
- (vii) Development and implementation of a Gender Based Violence GBV/SEA Action Plan during the construction and operational phase.

Public Disclosure

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

04-May-2020

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: The United Republic of Tanzania

**Implementing Agency(ies)**

Implementing Agency: President's Office of Regional and Local Governments

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s):	Hannah Kim, Eric Dickson
Practice Manager (ENR/Social)	Robin Mearns Recommended on 12-Sep-2019 at 14:03:6 EDT
Safeguards Advisor ESSA	Maria Da Cunha (SAESSA) Cleared on 24-Sep-2019 at 17:39:2 EDT