

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA18973

Date ISDS Prepared/Updated: 20-Jun-2016

I. BASIC INFORMATION

1. Basic Project Data

Country:	India	Project ID:	P144678
Project Name:	Prepare:Program toEstablish Pilots for Access through Renewable Energy (P144678)		
Task Team Leader(s):	Mani Khurana		
Estimated Appraisal Date:	23-May-2017	Estimated Board Date:	15-Sep-2017
Managing Unit:	GEE06	Lending Instrument:	Specific Investment Loan
GEF Focal Area:	Multi-focal area		
Sector(s):	Other Renewable Energy (100%)		
Theme(s):	Rural services and infrastructure (100%)		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			No
Financing (In USD Million)			
Total Project Cost:	40.90	Total Bank Financing:	0.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			12.80
Global Environment Facility (GEF)			12.80
Foreign Private Commercial Sources (unidentified)			15.30
Total			40.90
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

2. Global Environmental Objective(s)

To demonstrate decentralized renewable energy based PPP models for improving energy access in state of Uttar Pradesh.

3. Project Description

The proposed project aims to engage in the state of Uttar Pradesh to demonstrate the use of solar technologies to increase the access to electricity. According to the 2011 census data, less than 37 % of the households in Uttar Pradesh have access to electricity. This figure is even worse in rural Uttar Pradesh (i.e. 77% of the population) where only 24% of the households have access to electricity. The village electrification status in Uttar Pradesh has shown improvement over the years. As per the latest progress report on village electrification by CEA, 98.4 % of villages have been electrified up to March 2015. But the state faces a high energy deficit (12.5% in FY16) and a high peak deficit (15% in FY 16) which results in long and frequent outages in the all over the state.

The proposed project is envisaged to be located in villages which are completely un-electrified, partially un-electrified or have poor access to electricity. The project covers a) financial and technical support for setting up solar mini-grids in a few villages in Uttar Pradesh and b) technical assistance support to UPNEDA (the Implementing agency).

The areas proposed to be covered under the first set of sub-projects are in the districts of Kannauj and Jaunpur. These villages are electrified but suffer severe load shedding. To meet their energy needs some of the households in these villages are either using kerosene. Most of the households are using lighting connections from a central diesel generator owned and operated by local entrepreneur and end up paying a substantial amount a monthly basis.

The project would have the following two components namely: (A) Investment in solar mini-grids to provide access to electricity; and (B) Technical Assistance

Component A: Investment in solar mini-grids to provide access to electricity (Total cost: US\$19.6 million, of which US\$10 million financed by GEF): This component will include financing the Viability Gap Fund that would be needed to set up solar mini-grid infrastructure. This component will be implemented under a PPP mode wherein a private developer would be selected to construct, operate and maintain the solar mini-grids. State nodal agency (UPNEDA) will be the implementation agencies from the U.P Govt. side and would run the bidding process for selecting the private player. The VGF quoted by the successful bidder will be funded by GEF and counterpart funds in ratio of 70:30 (as per existing DEA rules).

Component B: Technical Assistance (Total cost: US\$ 2.8 million funded by GEF): This component would fund the following activities:

- a) Independent Verification Consultant (IVC): An independent verification consultant would be hired by the implementation agencies to monitor and report the progress/performance of the private developer both during the construction phase as well as during the operation phase (for the initial period of two to three years post commissioning).
- b) Communication strategy consultant: A communication strategy consultant would be hired by the implementation agency to work in association with the project developer to conduct community outreach programs to sensitize people about the project and to educate people on the benefits of electricity.
- c) Linkage with Livelihood: Consultant(s), in the form of NGOs, would be hired to set-up linkage of electricity access to livelihood through activities such as livelihood mapping, identifying livelihood opportunities especially the ones dependent on energy, formulating go to market strategy for select opportunities and also securing funding through Micro-financing institutions

d) Capacity Building and Institutional Strengthening (CBIS) of UPNEDA: Through discussions with the implementation agency, a set of activities would be identified for strengthening key skills of UPNEDA.

e) Impact evaluation Study: Impact evaluation studies would be conducted at the household or village level disaggregated across demographic profile in the project areas to assess the socio-economic benefits of the project.

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

The project will be implemented in 10 districts of Uttar Pradesh, India's most populous state, in the Gangetic plain. The land use in the state, and project districts is mostly agriculture. There is little forest area in these districts, with a maximum of 8% in Etawah. There are 5 protected areas, all water bodies (rivers or lakes or wetlands). There are few other environmental concerns as the activities under the project are fairly limited.

5. Environmental and Social Safeguards Specialists

Parthapriya Ghosh (GSU06)

Samuel Thangaraj (GTC06)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project activities can have some impacts on the environment in terms of the alteration of drainage if some facilities like roads need to be developed, handling and disposal of potentially harmful material like CFL lamps and batteries in disuse as well as health and safety of workers and local population during implementation and operation of the facilities. Hence, this policy is triggered.
Natural Habitats OP/BP 4.04	No	No Forest land will be used in the project. All the land that will be taken for the project will be mostly likely be Revenue land from the local Gram Panchayat's common pool.
Forests OP/BP 4.36	No	The project activities do not involve commercial logging and are not likely to affect health of forests.
Pest Management OP 4.09	No	No pesticides would be used for the project activities.
Physical Cultural Resources OP/BP 4.11	Yes	The project will involve some civil works and chance finds cannot be ruled out. Hence, this policy has been triggered.
Indigenous Peoples OP/BP 4.10	No	The project Districts of Kannauj and Jaunpur are non-scheduled tribes area and do not have Blocks covered under Forest Rights Act, PESA etc. Hence, this policy has not been triggered.
Involuntary Resettlement OP/BP 4.12	No	Any land required for the project will be purchased by the developer on a willing buyer- willing seller basis. Alternatively, the developer will take Gram Panchayat land on lease through transparent process in accordance with Acts/laws that recognizes the role of Gram

		Panchayats/Gram Sabhas. During the purchase of land and leasing of Panchayat land, the project will ensure that the land parcel is free of encroachment and other encumbrances. Therefore, OP 4.12 is not triggered.
Safety of Dams OP/BP 4.37	No	The project does not involve any dams.
Projects on International Waterways OP/BP 7.50	No	The project does not affect any international waterways.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in any disputed areas.

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 project will have no large scale significant impacts on the biophysical or socio-cultural environment. Key safeguards issues pertain to the impacts of facilities like roads that may be built for access to the plant sites for installation and operation & maintenance of the equipment, health and safety of workers and the people in proximity of the facilities, and disposal of exchanged CFL lamps and exhausted batteries, which are considered as potentially hazardous material.

The impacts could include alteration/hindrance to existing drainage patterns and associated risk of flooding and/or erosion if the facilities are not properly designed and maintained. These may be localized as the roads will be only for local access.

During installation and operations, risky operations such as movement of heavy material, accidental falls and slippage, etc. can pose risk to workers and people in the project sites.

Since the project envisages the replacement of the CFL lamps with LED lights, the waste CFL and exhausted battery units would need to be properly disposed of, to avoid contamination of the environment.

The only irreversible impact could be from change of land use in the locations where the solar PV panels are installed. No other irreversible adverse impacts are anticipated if proper management measures are taken.

The project will not have any adverse social impacts as the project developer will purchase private land on the basis of Willing-Buyer-Willing Seller after paying mutually agreed purchase price. Where necessary, the developer will also lease Panchayat land through transparent process in accordance with laws that recognize the role of Gram Panchayats/Gram Sabhas. The developer will purchase private land and/or lease Panchayat land only when they are available without encroachments and other encumbrances. The developer will undertake a transparent and participative process of social screening to confirm this prior to purchasing private land and/or leasing Panchayat land.

The project will not have any adverse impacts on Scheduled Tribes/Indigenous People as the

project area does not have designated tribal areas where Government's Tribal Sub Plans and other such targeted plans/schemes are implemented. The project area also does not have Development Blocks where Forest Rights Act and Acts such as PESA are implemented.
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
No long term impacts are anticipated due to anticipated future activities in the project area.
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
The selection of the technology for the project included previous consideration of biomass based power plants, which could have more extensive environmental impacts. The finally selected technology is solar PV which is considered as environmentally friendly. The location for the solar PV plants will be decided by the eventually successful bidder/ concessionaire.
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 has been adopted by UPNEDA. Its relevant portions will be made a part of the bidding documents and all bidders will be required to fill up an environmental checklist as part of their submission. The checklist provides for the identification of impacts, mitigation measures and estimates of costs that may be considered in the bid price. Since the implementation of the ESMF measures will be the direct responsibility of the successful bidder/concessionaire, the Third Party Independent Verification Consultant to be employed for the project will also report to the distribution utilities and the World Bank on the extent of compliance with the ESMF provisions during implementation and operation phases. This IVC team will have a social and environmental specialist who will be responsible for reporting and orienting the selected Project Developers to the requirements of the ESMF adopted for the project.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
The project will be implemented in 10 districts of Uttar Pradesh, India's most populous state, in the Gangetic plain. The land use in the state, and project districts is mostly agriculture. There is little forest area in these districts, with a maximum of 8% in Etawah. There are few other environmental concerns as the activities under the project are small scale and do not involve any discharges during operation

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	17-Jun-2016
Date of submission to InfoShop	29-Jul-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
India	21-Jun-2016
<i>Comments:</i> It will be uploaded on June 21, 2016 due to system error today.	
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:	

NA

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
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 [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

III. APPROVALS

Task Team Leader(s):	Name: Mani Khurana	
Approved By		
Safeguards Advisor:	Name:	Date:
Practice Manager/ Manager:	Name:	Date: