



# Environmental and Social Review Summary

## Appraisal Stage

### **(ESRS Appraisal Stage)**

Date Prepared/Updated: 05/01/2019 | Report No: ESRSA00144



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Eswatini	AFRICA	P166170	
Project Name	Network Reinforcement and Access Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Energy & Extractives	Investment Project Financing		
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance	Eswatini Electricity Company		

Proposed Development Objective(s)

To improve the reliability of electricity supply and increase access to electricity services in targeted areas of Eswatini.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>45.00</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]**

Access to electricity in Eswatini has increased from 5% in 2003 to 75% in 2017. However, there are significant variations across the country’s regions with the Shiselweni being the least electrified at 48%. Electricity demand growth, largely driven by the REP is placing a strain on existing grid capacity and comprising quality and reliability of supply. The proposed project will, therefore, strengthen the electricity network in the Shiselweni region of Eswatini to improve the reliability of service and increase access to electricity for domestic and productive uses. The project develop objective is to improve the reliability of electricity supply and increase access to electricity services in targeted the Shiselweni region, located south of Eswatini. This will be achieved through three components: (i) Reinforcement of the transmission and distribution grid; (ii) electricity access expansion; and (iii) Analytical support and capacity building. Component 1: Reinforcement of the Transmission and Distribution Grid - Component 1 comprises two sub-components. Component 1a: Reinforcement of the Southern Transmission Grid: Component 1a

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will finance the construction of approximately 87km of 132 kV transmission line from Nhlanguano II to Lavumisa with 2 new 20MVA 132/11kV 20MVA substations at Matsanjeni and Lavumisa, and expansion works at the existing 132/66/11kV Nhlanguano II substation, and the 11kV Hluthi switching station that will be converted into a 20MVA 132/11kV substation. Component 1b: Distribution network reinforcement: The objective of this sub-component is to improve reliability of the distribution network in the Shiselweni region and align the distribution network with present and projected electricity demand. The sub-component will finance various activities to link the new 132/11kV substations to the distribution network, reinforce weak segments of the distribution network and install control equipment in key segments of the network. Specific activities will include, amongst others: (i) construction of new feeders; (ii) upgrade of distribution lines; (iii) installation of remotely controlled protection equipment (auto-reclosers); and (iv) installation of transformers. Component 2: Electricity access expansion - Component 2 will support GoKE's program for rural electrification by financing an estimated 8,000 household connections through the Rural Electrification Program (REP). The component will be implemented by EEC's Rural Electrification Unit focusing on the Shiselweni region and will fund all costs up to the customer interface unit including the necessary medium voltage and low voltage (11kV and 0.4kV) network, service drop, meter and breaker for group schemes approved by the MNRE. Component 3: Analytical Support and Capacity Building - This component will finance technical assistance (TA) to: (i) enhance electrification planning, implementation, monitoring and verification capacity at MNRE, considering GoKE's stated capacity of reaching universal access in the short-term; and (ii) support the implementation of GoKE's policy positions as stated in the 2018 National Energy Policy (NEP) by enabling greater private sector participation in renewable energy generation and off-grid electrification through maximizing finance for development.

#### D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]  
The transmission line (Component 1.a) will be constructed in the southern part of Eswatini and will traverse six Tinkhundlas (administrative subdivisions): Somntongo, Sigwe, Shiselweni 1, Hosea, Zombodze and Matsanjeni. The 132kV transmission line will cover a distance of approximately 87km from Nhlanguano II Substation in Nhlanguano town to Lavumisa town. Approximately 50% of the transmission line will be built within the existing Right-of-Way (RoW) and the remainder 50% will be built on greenfield sites. The project will also finance expansion works at Nhlanguano II substation and the existing Hluthi switching substation that shall be converted into a 20MVA 132/11kV substation, as well as new 20MVA 132/11kV substations at Matsanjeni and the termination point at the Lavumisa town. Distribution infrastructure (Component 1.b) and new electricity connections to be financed as part of the ongoing Rural Electrification Program (Component 2), will also be implemented across the Shiselweni region which consists mostly of rural settlements. Small industries and commercial entities also characterize the Shiselweni region particularly within the region's administrative town of Nhlanguano. According to the Eswatini Electricity Company (EEC) standards, the expected Right-of-Way for the transmission line is 30 meters and the transmission towers will likely be installed at approximately 300 meters intervals depending on the terrain, routing and environmental and social considerations. Each tower will occupy a land footprint of approximately 22 square meters. Work under the distribution network reinforcement will largely be on brownfield sites within the existing 11kV network where existing equipment will be upgraded or additional equipment such as capacitor banks installed on existing infrastructure. Under the access expansion component, the extent of work will be limited to short spurs of 11kV lines and low voltage (0.4kV) lines to provide connections to households. The project area is largely rural, characterized by highveld landscape from Nhlanguano to Hluthi and the lowveld through to Lavumisa. The transmission line will cross communal land and smallholder farms whose land is used for grazing and subsistence farming under traditional governance. The area is rural in nature and the population density is low, with scattered settlements and homesteads. Therefore, while the



transmission line traverses a significant distance, the relative impact is anticipated to be moderate. A large part of the Right-of-Way (RoW) for the transmission line is along land tenure categorized under Eswatini Nation Land, whilst the surrounding area is mostly designated for residential use and subsistence farming. Part of the proposed RoW traverses along banana plantations and is bordered by privately owned farms. Commercial forests with pine trees are also found along the route. Most of the land within the RoW is degraded mainly due to overgrazing, making the area susceptible to soil erosion. The western part of the region (Nhlangano to Hluthi) is mountainous while the mid-western parts of the region (Siphambanweni to Matsenjeni) is characterised by a gentle sloping terrain and the eastern part, where the Lavumisa town is located, is a low lying area. Indigenous plant species such as Ficus, Aloe Malothii and grasslands with thorny bushveld trees dominate the project area. The main river along the route of the transmission line is the Ngwavuma River and a small seasonal stream called Sitilo River. Livelihoods in the region are rural based, communities are small and dispersed. The economy is primarily agriculture based. In this setting, where investments in infrastructure has been lower than in the other regions of Eswatini, the project is expected to impact on the ability to diversify livelihoods and bolster productive economic activities as a result of improved access to electricity. (The above description is based on the preliminary survey report of the proposed alignment of the transmission line. Further confirmation of the alignment shall be based on analysis of alternatives which will be undertaken as part of feasibility studies. The final alignment will be determined as part of the detail design, the alternative route analysis, the route alignment maps and the ESIA and associated ESMPs at the detail design).

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

The Ministry of Finance is the Executing Agency and the EEC is the Implementing Agency. The EEC is responsible for the management of all activities, including environment, social, procurement, financial management, and reporting. EEC has not implemented World Bank funded projects before, but through the project, will establish a Project Implementing Unit (PIU) with staff dedicated to environmental and social management. Environment: EEC has an in-house dedicated environment unit headed by an Environmental Manager and includes three (3) environment, health and safety officers who are competent in applying the Eswatini EIA laws and regulations, in carrying out ESIA's and in implementing ESMPs. Social: The EEC currently has two staff members who manage compensation for land acquisition and oversee stakeholder engagement using country systems. Within the PIU, a dedicated social standards officer is being hired from the open market to coordinate and ensure compliance with the Environmental and Social Framework (ESF). Services of asset value evaluators and lawyers will be hired to be part of project team at the project site level to manage risks associated with valuation of affected assets and negotiations with Project affected persons. The project team shall also be responsible at the project area level for grievance handling, community engagement and minimization and mitigation of adverse impacts. EEC will ensure that the number of staff involved in the implementation of the SEP, LMP and RPF will be proportionate to the types and levels of risks and impacts for the project. In addition, EEC through the assistance of the Chiefs (Community Leaders) will hire Community Liaison Officer who will be the direct contacts for PAPs and the local communities. They will provide EEC with assistance during consultations, identification of PAPs, and conducting of interviews, where required. Specialized NGOs present in the country will be engaged by EEC to increase sensitization among communities on GBV and other health issues. The Borrower is in the process of engaging a firm to carry out detailed ESIA, ESMP and preparation of associated specific mitigation plans such as Labor Management Plan, Resettlement Action Plans. The firm shall also update the Labor Management Procedures, Resettlement Policy Framework and Stakeholder Engagement Plan prepared by EEC. The detailed assessments will provide detailed procedures to manage risks and impacts and outline personnel requirements. Three staff members from EEC have been trained on the application of the ESF. Any capacity gaps and strengthening measures will be described in an Institutional Capacity Strengthening Plan to be prepared along with ESIA and reflected in the Environmental and Social Commitment Plan (ESCP).



**II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

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

Moderate

**Environmental Risk Rating**

Moderate

The environmental risk classification of the Project is moderate, The environmental risks and impacts are associated with the siting, construction and operations of a typical transmission line and sub-station project which are site-specific, largely generated during the construction phase of the project, and can be mitigated with measures that are known. Based on a preliminary survey of the project area, environmental impacts are related to: (i) the aesthetic and visual quality of the surrounding landscape of the project area from the erection transmission towers, (ii) erosion and sedimentation of rivers (mainly ephemeral streams) from earth works and run-off during the construction phase, (iii) disruption of traffic flow and increased traffic safety risks during the construction phase, (iv) disposal and management of large amounts of excavated material generated from construction activities during the construction phase, (v) occupational health and safety of workers both during the construction and operational phases, (vi) increased level of dust, noise and vibration from moving of construction vehicles and machinery, and (vii) community health and safety risk. Measures to mitigate these risks and impacts are included in the preliminary Environmental and Social Impact Assessment (ESIA) report and its associated Environmental and Social Management Plan (ESMP) which were prepared and disclosed based on a preliminary survey on an existing Right-of-Way (RoW) and screening of environmental risks and impacts on an existing footprint carried out by the Client. At the feasibility and detail design stage, the ESIA and the ESMP will be updated to include an alternative route analysis report, route alignment maps and mitigation of site-specific environmental risks and impacts that will be determined through the feasibility studies. The relevant environmental and social instruments will be incorporated into the Environmental and Social Commitment Plan (ESCP) to be prepared and agreed with the Client as a requirement of the legal agreement to ensure project compliance with the relevant Environment and Social Standards and the World Bank Group (WBG) Environmental, Health and Safety (EHS) Guidelines.

The visual survey carried out by the Borrower and the Task team, and the preliminary environmental assessment carried out by the Borrower, confirm that there are no sensitive ecological sites within the project area that would likely be impacted by project activities.

The Borrower's (Eswatini Electricity Company-EEC's) management capacity and commitment during project implementation to manage and monitor environmental risks and impacts in a manner consistent with the Environmental and Social Standards (ESSs) under the World Bank's Environmental and Social Framework (ESF) is strong. EEC currently has a team of competent environmental, healthy and safety specialists who have been trained on the new ESF, and an environmental management system in place in line with ISO standards, to guide the company in the management of environmental risks and impacts of its projects. At the national level, there is a good institutional and legal framework in place which is strongly enforced under the custodian of the Eswatini Environmental Authority (EAA).

**Social Risk Rating**

Moderate

The social risks associated with this project are moderate and are associated with the construction labour management, context of high prevalence of GBV incidents, loss of assets or restriction to landuse and no prior experience of Borrower with Bank ESS. The project does not anticipate establishment of labor camps, but the labour

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and community interface cannot be ruled out. Hence the risks are related to management of labour and community interface in the mostly rural setting of the proposed construction activities. As per the GBV risk assessment tool of the Bank, the rating is moderate. As the prevalence of GBV incidences is reported to be high in Eswatini, GoKE has initiated several proactive steps such as passing a law on Sexual Offences and Domestic Violence Act (2018) and establishing a tracking system for incidents. Several organizations are present in the country and are active in the space of HIV, sexual and domestic violence etc.

The proposed construction of 87km of 132 kV lines with 3 new 132/11kV 20MVA substations and expansion works and short lengths of the expected distribution line extensions, along with low and dispersed population suggests a limited number of project-affected persons. However, the land ownership system is varied and substantial area is under the control of State and Chiefs. The community Liaison Officer will be engaged from the respective affected communities to act as first contact person for PAPs and facilitate consultations and PAP interviews during the preparation and implementation of ESIA and RAP. The preliminary survey suggests that the existing servitude can be followed for more than 50% of the length of transmission lines and largely traverse through communal land and smallholder farms used for grazing and subsistence farming under traditional governance. It is anticipated that physical displacement shall be avoided to the extent possible, and that the associated impact including livelihood disturbance will be temporary and manageable.

Initial round of consultation at the 12 Royal Kral Level in the project area and Mbabane level with various relevant organizations including those active in labour, GBV and HIV aspects and Government Departments has been carried out in March 2019. The objective was to introduce the project concept and seek early feedback on potential concerns, risks and procedures the project must consider.

Most parts of the current country systems are at variance with the ESF and so cannot be adopted for this project. The measures to mitigate these impacts and risks has been included in the draft Resettlement Policy Framework (RPF), Labor Management Procedure (LMP) embedded actions for GBV and community health risks and Stakeholder Engagement Plan building upon the already existing stakeholder engagement, labour management and HR systems and Bank ESS. These draft documents are reviewed and is already disclosed to public on EEC web site along with a notice in the local newspaper. Stakeholder meetings and community consultations is planned in April 2019 to receive feedback specifically on draft RPF. The SEP and LMP would be a living document and need to be updated and refined throughout the lifecycle of the Project. Further consultations on specific impacts and risks of all the project components shall be carried out as part of ESIA process at the feasibility and design stages to inform and further update the draft documents.

The relevant environmental and social instruments are incorporated into the Environmental and Social Commitment Plan (ESCP) prepared and agreed with the Client as a requirement of the legal agreement to ensure to ensure that the Project complies with the Environment and Social Standards and the World Bank Group (WBG) Environmental, Health and Safety (EHS) Guidelines.

## **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 will generate positive environmental impacts from reduced use of biomass for fuel, including positive socio-economic benefits to the communities and other entities that will have access to electricity because of the connections provided by the project. Anticipated environmental risks and impacts of the project are moderate, associated with the siting, construction and operations of a typical transmission line and sub-station project which are site-specific, largely generated during the construction phase of the project, and can be mitigated with measures that are known. Based on the preliminary Environmental and Social Assessment, environmental impacts are related to: (i) the aesthetic and visual quality of the surrounding landscape of the project area from the erection transmission towers, (ii) erosion and sedimentation of rivers (mainly ephemeral streams) from earth works and run-off during the construction phase, (iii) disruption of traffic flow and increased traffic safety risks during the construction phase, (iv) disposal and management of large amounts of excavated material generated from construction activities during the construction phase, (v) occupational health and safety of workers both during the construction and operational phases, (vi) increased level of dust, noise and vibration from moving of construction vehicles and machinery, and (vii) community health and safety risk. The visual survey carried out by the Borrower and the Task team, and the preliminary environmental assessment carried out by the Borrower, confirm that there are no sensitive ecological sites within the project area that would likely be impacted by project activities. Measures to mitigate and monitor the potential environmental risks and impacts are included in the preliminary Environmental and Social Impact Assessment (ESIA) report and its associated Environmental and Social Management Plan (ESMP) prepared by the Client based on a preliminary survey on an existing Right-of-Way (RoW) and screening of environmental risks and impacts on an existing footprint. The preliminary ESIA/ESMP was disclosed in-country on April 23, 2019. At the feasibility and detail design stage, the ESIA and the ESMP will be updated to include an alternative route analysis report, route alignment maps and mitigation of site-specific environmental risks and impacts that will be determined through the feasibility studies prior to Loan Effectiveness. Relevant management plans such as Contractor's Environmental and Social Management Plan (CESMP), Traffic Management Plan (TMP) and Waste Management Plan (WMP) must be reviewed and approved prior to the start of any construction works. Given that majority of the anticipated environmental risks and impacts will occur during the construction phase, the contractor will be contractually bound to prepare and implement the CESMP, TMP and WMP consistent with (i) ESS1 through the Environmental and Social Impact Assessment (ESIA) and associated ESMP, (ii) ESS3 on Resource Efficiency and Pollution Prevention, (iii) ESS2 on Labor and working conditions and (iv) ESS4 on Community Health and Safety. The main anticipated social risks and impacts are associated with construction labor management, context of high prevalence of GBV incidents, loss of assets or restriction to land use and no prior experience of borrower with Bank ESS. The construction labor management risk is related to the construction and management of labor and their potential interface with community mostly in the rural setting of Shiselweni region. The project does not anticipate establishment of labor camps. Most of the workers will be recruited locally except for few skilled labor and officers. Prevalence of Gender Based Violence (GBV) in Eswatini is high: nearly 50% of all women experience some form of GBV in their life time, the majority (1 in 3) before the age of 18. Eswatini also has one of the highest adult HIV/AIDS prevalence rates globally (27.4% in 2017). However, proactive steps have been taken through the national legislations and government programs. There are several organisations in Eswatini that are active in the field of Gender based violence, HIV, labor welfare, disability and other health and social issues. Management and mitigation in relation to construction labor and associated GBV and SEA is assessed further in the ESIA (ESS1), is part of the integrated approach in the SEP and ongoing stakeholder engagement (ESS10) and Labor Management Procedures (ESS2 and ESS4). The risk is identified as moderate as per draft ESIA findings and the Bank's GBV Risk Assessment Tool and accordingly mitigation actions are provided in the draft ESMP. Labor Management Plans, code of conduct and a



worker specific GRM proportionate to the potential risks and impacts of the project will be established at an early stage by the contractor as per the Labour Management procedures and will be made part of his contractual obligations. Specialised NGOs will be engaged for awareness training of contractors, workers, communities and procurement documentation will include prioritization of local labor hiring to minimize labor influx. Proposed construction activities including sub stations, transmission lines, distribution lines etc.. may lead to loss of land, assets and restriction to productive use of land. The relative length of the transmission line and even shorter lengths of the expected distribution line extensions, along with low and dispersed population suggests a limited number of project-affected persons. It is anticipated that physical displacement shall be avoided, and that the main associated impact, including livelihood disturbance, will be temporary, and manageable. These potential impacts, compensation and management measures is further detailed in the preliminary ESIA and Resettlement Policy Framework (ESS5). Efforts are made to avoid and minimise Resettlement impact as part of preliminary surveying of possible transmission routes and a draft RPF has been prepared accordingly. The impact may be on title deed properties, commercial forests and community land holders located on Swazi Nation Land. RAPs will be prepared subsequent to finalization of routing and exact footing of the transmission lines and distributions lines are known to compensate any adverse impact (ESS5). In addition, specific attention will be paid to the identification of disadvantaged, vulnerable individuals/groups, including gender specific measures, in the project area and appropriate (and differentiated) mitigation measures will be outlined in the ESMP and RAP.

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

The Borrower has prepared an inclusive Stakeholder Engagement Plan proportional to the nature and scale of the project and associated risks and impacts. A key component of the stakeholder engagement plan is engagement of local community liaison officers (CLOs). The CLOs will engage with local stakeholders throughout the project life cycle ensuring to ensure that all consultations are inclusive and accessible (both in format and location) and through channels that are suitable in the local context, ensuring inclusion of vulnerable and disadvantaged groups (including the elderly, persons with disabilities, female headed households and orphans and vulnerable children). The Stakeholder Engagement Plan identifies main stakeholders (project affected communities/households, rural electrification committees, CBOs, local authorities, regional administrators and line departments etc.). The draft ESIA and Resettlement Policy Framework (RPF) includes enhanced requirements for stakeholder engagement with project affected people as part of preparation of the ESMP and Resettlement Action Plan (RAP) which will be prepared in conjunction with feasibility and designs. The Stakeholder Engagement Plan provides details on project specific grievance mechanism with the existing EEC procedures (which includes toll free customer line. The GRM is designed to address concerns and complaints promptly and transparently with no impacts (cost, discrimination) for any reports made by project affected people (PAPs). The GRM works within existing legal and cultural frameworks, providing an additional opportunity to resolve grievances at the local, project level. The Social Standards Officer shall act as Project Contact Person (PCP) within PIU of EEC and will be responsible to receive, review, record and address project related complaints. As part of the environmental and social assessment, the borrower will maintain, and disclose, a documented record of stakeholder engagement and Grievance Redress Mechanism (GRM), including a description of the stakeholders consulted, a summary of the feedback/grievances received and a brief explanation of how the feedback was taken into account, or the reasons why it was not. The Marketing and Corporate Communications (MCC) Department with EEC in coordination with Social Standards Officer will be responsible for the design proper implementation and monitoring of the SEP. The Marketing and Corporate Department has an standing budget allocated towards the Stakeholder Management Program and SEP. EEC has already prepared and disclosed the



preliminary ESIA along with draft Resettlement Policy Framework, draft Labor Management procedures and draft Stakeholder Engagement plan on their website and notified through a local newspaper (Times of Eswatini) on April 23, 2019. The hard copies of the same are also being placed at key public buildings such as Regional administrator office, town council etc.. The documents have been disclosed in English. There would be no need to translate the documents since those that read the local language (siSwati) learn first to read in English – all newspapers in Eswatini are in English. However, the language used for community consultation is siSwati to ensure free flowing conversation and participation of those who can not read and write. Initial round of consultation at the 12 Royal Kral level in the project area and at project level with various relevant organizations including those active in labor, GBV and HIV aspects and Government Departments has been carried out in March 2019. The objective was to introduce the project concept and seek early feedback on potential concerns, risks and procedures the project must consider. Community Consultations are also planned on April 29,2019 to specifically receive feedback on draft RPF. The SEP and LMP would be a living document and need to be updated and refined throughout the lifecycle of the project. Further consultations on specific impacts and risks shall be carried out as part of the ESIA process and RAP preparation as outlined in SEP and RPF. The draft of impact specific ESIA/ESMP and RAP would require to be cleared by Bank and disclosed to public for feedback during design stage.

## **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**

The risks are expected to be moderate as they can largely be avoided, minimized or managed through Labor management Procedures (LMP) . The draft Labor Management Procedures has been developed by Eswatini Electricity Company (EEC) to manage risks under the project funded by the World Bank. The LMP applicable to the project sets out the Project’s approach to meeting national requirements as well as the objectives of the World Bank’s Environmental and Social Framework, specifically objectives of Environmental and Social Standard 2: Labor and Working Conditions (ESS2) and Standard 4: Community Health and Safety (ESS4). EEC is committed to, on a continuous basis, throughout the Project, evaluate risks and impact to have in place adequate measures and procedures to manage adverse impacts. The LMP applies to all Project workers whether full-time, part-time, temporary, seasonal or migrant workers. The project will not engage community labor or security forces. Government civil servants, who may provide support to the Project, will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement. EEC staff, including Project staff and consultants, employed or engaged by EEC to work specifically in relation to the project will remain subject to the terms and conditions currently in place at EEC. These conditions are outlined in the LMP. The People employed or engaged by contractors to perform work related to core function of the project, regardless of location and People employed or engaged by EEC’s primary suppliers are also covered by the LMP. Based on current conditions in the sector it is assessed that the risk of child or forced labor is negligible, and already managed through national legislation and EEC corporate requirement. It is not expected that the Shiselweni area will experience substantial labor influx. EEC’s existing operational procedure is to mandate and localize the economic benefits and only allow for outside, including expatriate labor, where there is a requirement for special skills. External workers, which will be few in numbers, will be accommodated at existing housing in the area which has been prior practice by EEC in similar projects. There will be no dedicated camps established for worker accommodation in the project. The construction of the transmission line and substations is expected to be completed within 18 months. While the Project is estimated

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to require 100 workers during that period, there will not be 100 workers on site at any time. Depending on the specific task there may be 10-75 persons at the Project site at any time. EEC's RfP for contractors will specify a preference for local labor. The Contractors will be required to recruit particularly the laborers from the identified communities, through the Chiefdoms or Tinkhundla Centers. For the distribution lines and connections, the works is carried out by contractors who may have one or more teams of 12 persons. EEC estimates that as many as 30 teams may be required through the duration of the Project, which requires a total of 600 workers. However, at no time will 600 persons be working under the Project. It is anticipated that no more than eight (8) teams will be working at any point in time for a total of 96 persons. The prevalence of Gender-Based Violence is high in Eswatini: nearly 50% of all women experience some form of GBV in their life time, the majority (1 in 3) before the age of 18. Eswatini also has one of the highest adult HIV/AIDS prevalence rates globally (27.4% in 2017). Specific requirements to manage risks associated with potential interaction between project workers and local communities, such as communicable diseases (HIV) and gender-based violence, will be managed through contractual requirements, code of conduct and training and awareness program set out in the LMP and ESMP. These procedures are guided by national legislations and Government ongoing programs on AIDs (Swaziland National Aids Program) and prevention of sexual and domestic violence. The main labor risks associated with the project are assessed to be related to the potentially hazardous work environment and associated risk of accidents. The occupational health and safety risk related to the transmission and distribution lines is associated with the risk of falling from height when stringing and installation of transmission towers or poles used for distribution. There could also be a risk of electrocution during testing and charging phase. EEC has existing corporate requirements for contractor training and safety, records of which are inspected monthly and audited bi-annually. EEC will develop and implement a Health, Safety and Environmental (HSE) Plan in line with World Bank Group Environment, Health and Safety (EHS) Guidelines and guidelines for Power sector. The plan will include procedures on incident investigation and reporting, recording and reporting of non-conformance, emergency preparedness and response procedures and continuous training and awareness to workers. The focus of the LMP is on workers engaged by contractors engaged by EEC for works on the transmission line (component 1a), distribution (component 1b) and connections (component 2). Adhering to these procedures, Project contractors will be contractually obliged to prepare a Labor Management Plan and code of conduct for larger works as part of ESMP. For smaller contracts, EEC may prepare specific procedures to be inserted in the contract as part of contractors' legal obligations. Contractors will be required to present a worker grievance redress mechanism which responds to the minimum requirements in this LMP. The Project Management Unit's Social Officer will review records on a monthly basis. Where worker concerns are not resolved, the national system will be used as set out in the section, but the Project Management Unit will keep abreast of resolutions and reflect in quarterly reports to the World Bank. Additional Training: Contractors are required to, at all times, have a qualified safety officer on board. If training is required, this will be the contractor's responsibility. The safety officer will provide instructions to contractor staff. EEC will procure specialized agencies/organizations for training to address risks associated with community health and safety such as labor community conflict, GBV, AIDs and other health issues for both contractor and community. The contractor will be obligated to make staff available for this training, as well as any additional mandatory trainings required by EEC, as specified by the contract.

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

Cutting of trees, stripping of topsoil and digging of foundation pits for towers will likely affect the soil structure and quality, and generate solid waste. The extent of vegetation clearance and depth of foundations will depend on the type of tower for the transmission line and pole height for the distribution lines. Given the agricultural activities that



take place in the project area, if the topsoil removed during construction activities is not properly reinstated, it may lead to loss of soil quality and thereby low agricultural productivity. Noise and vibration is expected to be generated during the site preparation and construction phases. Such noise may be generated from blasting (if required), operation of construction equipment and machinery, and the transportation of equipment and materials. Depending on stringing method applied and the conductors to be used, the noise from operation of a winching machine could reach 80 dB (A). The project will also generate dust in areas where earthworks, cutting and filling operations take place or in material handling and storage areas. A large percentage of such dust emissions from construction sites are likely to comprise of particles which are coarse in size (>10 microns) which tend to settle down within a few hundred meters of the source of emissions. The smaller fractions (PM10) can however be carried over longer distances in a dust cloud, in the event wind velocity is higher and depending on prevailing wind direction maybe deposited in the adjoining settlements with the potential to cause soiling of residential premises. The project will likely generate both solid and liquid waste emanating from earthworks and construction activities in the form of spoil and hydrocarbons. The contractor will prepare a C-ESMP which will include a waste management plan and a rehabilitation plan. Given the nature of the project, relatively insignificant greenhouse gases will be emitted during the operational phase of the project at an annual average of 3,616 tCO<sub>2</sub>e. Water requirements will be low during both the construction and operational phases of the project. Water will be sourced from authorized supplies within the project area. The volumes involved will be minor impact to other water users within the project area and its vicinity. During the construction phase, the contractors will not be allowed to discharge wastewater within the project site and its vicinity and will use portable toilets at the construction work areas. Wastewater and sludge will be removed by authorized contractors for off-site disposal in a licensed wastewater treatment plant. Small volumes of hazardous waste (mainly oil and lubricants from construction equipment and vehicles) will be removed by a licensed waste management contractor. EEC will ensure that the contractor implements waste and wastewater management programs included in the C-ESMP, incorporating designated waste storage areas, procedures for the responsible management of solid, liquid and hazardous wastes. Regular maintenance of the RoW to control vegetation will involve the use of mechanical and manual clearing methods and will not use herbicides.

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

Community health and safety risks associated with the project include exposure to physical hazards on project sites where communities have access, traffic and road safety hazards associated with the movement of construction vehicles and equipment, health issues including water-borne and vector borne diseases which may result from poor site management such as stagnant water, and communicable diseases such as HIV/AIDs associated with labour community interface. Construction activities may pose potential safety concerns for the communities living within the vicinity of the project sites especially when construction is carried out near villages, schools and hospitals. Stringing of transmission and distribution lines may cross existing roads including village and district roads, and state and national highways which could disrupt flow of traffic. In some cases, temporary closure of roads may be required to facilitate stringing activities. This disruption in movement would cause inconvenience to the local communities, as access would be interrupted temporarily. A detailed Traffic Management Plan will be developed as part of the Construction Environmental and Social Management Plan to manage and monitor traffic safety. Changes in baseline environmental conditions may be experienced by the local communities in terms of increased level of dust, noise and vibrations from construction activities, and contamination of surface or ground water from soil erosion and runoff from earth works. The updated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages will include Environmental Codes of Practice (ECOP) stipulating specific environmental management measures to be



adopted by the contractors in developing Construction Environmental and Social Management Plan which will include Traffic Management Plan, Waste Management Plan, Spoils disposal and Remediation Plan, and Health and Safety Plan. The ECOP will be included in bidding and contract documents as appropriate and its implementation will be closely monitored during implementation. Most labor to be locally hired, except skilled workers/technical experts who cannot be found locally, to minimize potential for harm associated with influx. A labor management plan including code of conduct (embedding GBV requirements) will form part of ESMP and procurement documentation for construction contractors and adherence to this shall form part of the contractual obligations. Contractor required to certify that all staff engaged on the project, incl. subcontractors, have completed training on safety/conduct prior to work commencement. The ESMP and other environmental and social management instruments will fully describe the GBV risk and other community health risks, and appropriate mitigation measures. Given high prevalence of GBV and HIV/AIDS, a specialized NGO will be engaged to train the contractor, workers, and surrounding community on related risk and respectful behavior. For all construction, it will be stipulated in the ESMP that the contractor installs a security system around the project sites (fences, EEC security guards) during the entire construction period. If construction works are carried out on land owned by EEC, the contractor will use EEC's existing security system. When works take place on open roads, equipment/vehicles will be brought together to one single protected area during the night to ensure community/worker safety. In 2018, the Sexual Offences and Domestic Violence Act was signed into law in Eswatini and it is expected that a related Code of Good Practice will be developed as part of Codes under the Industrial Relations Act to address workplace issues at EEC. Developing a system at the project level to capture gender-based violence, sexual exploitation and workplace sexual harassment related complaints/issues will be under the portfolio of the Social Standards Officer who shall identify and engage the relevant stakeholders on GBV/SEA and Aids issues. Community health and safety risks associated with the project will be managed and monitored through the Health and Safety Management Plan and the Traffic Management Plan to be included in the Contractor's Environmental and Social Management Plans (CESMPs) and must be reviewed and approved prior to the start of any construction works.

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

At this stage, it is not possible to estimate the exact number of people who may be affected since the technical designs/details have not yet been developed and specific land needs have not yet been identified. When these locations are known, and after the conclusion of the site-specific socio-economic study, information on specific impacts, individual and household incomes and numbers of affected people and other demographic data are available, the ECC shall prepared site specific RAP/ARAP in consultation with PAPs. For the distribution lines, should the pre-construction screening identify resettlement impacts, the Project Management Unit will either oversee redesign of project associated activities or prepare Resettlement Action Plans (RAPs) proportionate to potential risks and impacts. The requirement for the preparation and timeframes for RAPs is captured in the ESCP. To comply with ESS5 a Resettlement Policy Framework (RPF) has been prepared by EEC to guide routing options, designs and preparation of RAP reflecting specific impacts. The RPF applies to all components of the project and provides resettlement principles, organizational arrangements and design criteria and consultations with project affected. Surveyors will be provided with training in ESS5 to prioritize avoidance and minimization of impact. As per the preliminary survey report of EEC, it is anticipated that physical displacement shall be avoided and that the main associated impact will be loss of private land, assets and restriction of landuse. These impacts will be caused by the proposed construction of 87km of 132 kv lines and 3 new 132/11kv 20 MVA substations. The transmission line will cross communal land and smallholder farms whose land is used for grazing and subsistence farming under traditional



governance. The area is rural in nature and the population density is low, with scattered settlements and homesteads. Therefore, while the transmission line traverses a significant distance, the relative impact is anticipated to be moderate. The transmission line shall pass through 12 Chiefdoms. A large part of the Right-of-Way (RoW) for the transmission line is along land tenure categorized under Eswatini Nation Land, whilst the surrounding area is mostly designated for residential use and subsistence farming. Part of the proposed RoW traverses along banana plantations and is bordered by privately owned farms. Commercial forests with pine trees are also found along the route. It is anticipated that about half of the transmission line is likely to use existing Right-of-Way, but with possible need for expanding the Right-of-Way. Parts of the transmission and distribution lines are expected to traverse commercial land where Right-of-Way agreements are in place (commercial forests and sugarcane production). However, the distribution network extension component is largely expected to upgradation and addition of instruments within the existing 11 kv network and short spurs spurs of 11 kV lines and low voltage lines to provide connections to households in the same project area. This component is expected to avoid impacts on land and assets primarily through alternate design options resulting in negligible temporary impacts. The EEC is responsible for overall project implementation through the Project Implementation Unit, which includes preparing and implementing RAP(s) as well as project monitoring, procurement, financial management and reporting. The Project Unit's Social Standards officer, based in the PIU, will ensure adherence to the guiding principles outlined in this RPF, including implementing proportional mitigation measures. The Social Officer will work in close consultation with the Local chief's Royal council members, elected representatives, community members and affected households. No physical and/or economic displacement will occur until required RAPs have been finalized, and approved by the World Bank and, until compensation and resettlement assistance are fully paid to PAPs. Component 1 activities that will cause physical and/or economic displacement will not commence prior to completion of resettlement and compensation assistance payments and submission of compensation and resettlement assistance payment completion report is a condition for impact site clearance and site handover to the contractor. The RPF has been prepared by the EEC as an instrument to be used throughout the life of the Project. The draft RPF has been publicly disclosed on the EEC website and notified through newspaper. Also feedback is being sought on the draft RPF through public meetings organized by the EEC in all project area. In addition, printed copies will be available to the public at EEC head office in Mbabane and the EEC depots in Shiselweni, regional administrator office and the two town councils. EEC will monitor and report on the resettlement implementation and ensure that the findings are reflected in the Project's quarterly reports to the World Bank.

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

The transmission line will traverse an area of dry vegetation and commercial forest. The landscape within the project area and its vicinity is degraded by human land uses such as farming and pasture. The preliminary survey carried out by EEC, confirms that there are no protected areas or routes of migratory birds in the project area and its vicinity, or presence of threatened or endangered species according to the IUCN. Before project activities can commence through the forest land, EEC will obtain relevant permits according to Eswatini laws and regulations. Site preparation will involve removal of trees, shrubs and aloes that are currently present along the transmission line corridor and the site locations for the sub-stations and distribution lines, which might likely cause minor change in the already modified habitat within the project areas, leading to a minimal loss of floral biodiversity at a localized level. Construction activities will include excavation, movement of machinery and increased movement of people, which might also likely cause minor disturbance to the floral habitats within the vicinity of the tower footings and the project sites sub-stations because of the deposition of dust and noise generated from the construction activities.



These disturbances will be for a temporary period (during the construction phase), localized and of low magnitude. The updated Environmental and Social Impact Assessment (ESIA) and its associated ESMP to be prepared at feasibility and detailed design stages will include specific measures on management of floral biodiversity likely to be disturbed by construction activities which will include removal, protection and replanting of the disturbed species.

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

There are no identified vulnerable or marginalized groups with identities and aspirations that are distinct from mainstream groups as defined under the Indigenous Peoples/Sub-Saharan African Historically Under-served Traditional Local Communities in the project area of influence. Therefore, this Standard is not currently relevant to the project.

**ESS8 Cultural Heritage**

The environmental and social assessment will confirm the existence of tangible and or intangible cultural heritage. However, all the construction contracts will include “Chance Find” clause which will require contractors to stop construction in the event that cultural property sites are encountered during construction.

**ESS9 Financial Intermediaries**

The standard is not relevant to the project as the project will not use financial intermediaries as an instrument for channeling funds to the beneficiaries.

**B.3 Other Relevant Project Risks**

The political and governance risk is substantial, given the complex decision-making process affecting eSwatini borrowing from international entities such as the World Bank Group.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

No

**OP 7.60 Projects in Disputed Areas**

No

**III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)**

DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED	TIMELINE
ESS 1 Assessment and Management of Environmental and Social Risks and Impacts	
Preliminary Environmental and Social Impact Assessment report (ESIA) and the associated Environmental and Social Management Plan (ESMP) at the preliminary site survey.	04/2019

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Updated site-specific Environmental and Social Impact Assessment (ESIA) and the associated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages.	10/2019
Construction Environmental and Social Management Plan (CESMP) including Traffic Management Plan, Waste Management Plan, Spoils disposal and Remediation Plan, and Health and Safety Plan.	06/2020
<b>ESS 10 Stakeholder Engagement and Information Disclosure</b>	
Disclose preliminary ESIA along with draft RPF, LMP and SEP	04/2019
Engage Community Liaison Officers	05/2019
Notify and establish GRM procedures for the project	05/2019
Engage agencies for sensitization on GBV/SEA and AIDs	06/2020
<b>ESS 2 Labor and Working Conditions</b>	
Update Labor Management Procedures based on detailed ESIA and redisclose With Detailed ESIA Prepare Labor Management Plan - along with contract specific ESMP Ensure LMP relevant clauses are incorporated in Bid documents	10/2019
Establish Workers grievance mechanism by contractor	06/2020
<b>ESS 3 Resource Efficiency and Pollution Prevention and Management</b>	
Updated site-specific Environmental and Social Impact Assessment (ESIA) and the associated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages.	10/2019
Construction Environmental and Social Management Plan which will include Waste Management Plan, and Spoils disposal and Remediation Plan.	06/2020
<b>ESS 4 Community Health and Safety</b>	
Updated site-specific Environmental and Social Impact Assessment (ESIA) and the associated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages including actions specific to GBV prevention and community health.	10/2019
Construction Environmental and Social Management Plan (CESMP) including Traffic Management Plan, Waste Management Plan, Spoils disposal and Remediation Plan, and Health and Safety Plan.	06/2020
<b>ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement</b>	
Resettlement Policy Framework preparation and disclosure	04/2019
RAP for Transmission Line works contracts Screening and RAP for distribution line works contracts	10/2019
<b>ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources</b>	



Updated site-specific Environmental and Social Impact Assessment (ESIA) and the associated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages.	10/2019
Construction Environmental and Social Management Plan (CESMP) including management plan for floral biodiversity likely to be disturbed by construction activities.	06/2020
<b>ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities</b>	
<b>ESS 8 Cultural Heritage</b>	
Updated site-specific Environmental and Social Impact Assessment (ESIA) and the associated Environmental and Social Management Plan (ESMP) at feasibility and detailed design stages including "Chance Find" procedures for contractors.	10/2019
<b>ESS 9 Financial Intermediaries</b>	

**B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts**

**Is this project being prepared for use of Borrower Framework?** No

**Areas where “Use of Borrower Framework” is being considered:**

Reliance on Borrower’s framework will not be relevant to the project.

**IV. CONTACT POINTS**

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**Borrower/Client/Recipient**

Borrower: Ministry of Finance

**Implementing Agency(ies)**

Implementing Agency: Eswatini Electricity Company

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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