

INTEGRATED SAFEGUARDS DATA SHEET

APPRAISAL STAGE

Report No.: ISDSA3353

Date ISDS Prepared/Updated: 05-Jun-2013

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I. BASIC INFORMATION

1. Basic Project Data

Country:	Albania	Project ID:	P102733		
Project Name:	Water Sector Investment Project (P102733)				
Task Team Leader:	Stephen George Karam				
Estimated Appraisal Date:	28-May-2013	Estimated Board Date:	25-Jul-2013		
Managing Unit:	ECSUW	Lending Instrument:	Specific Investment Loan		
Sector(s):	Water supply (60%), Wastewater Collection and Transportation (35%), Sub-national government administration (5%)				
Theme(s):	Water resource management (15%), Pollution management and environmental health (20%), Other public sector governance (18%), Urban services and housing for the poor (34%), Decentralization (13%)				
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:	86.44	Total Bank Financing:	86.00		
Total Cofinancing:		Financing Gap:	0.00		
Financing Source		Amount			
Borrower		0.44			
International Bank for Reconstruction and Development		86.00			
Total		86.44			
Environmental Category:	B - Partial Assessment				
Is this a Repeater project?	No				

2. Project Development Objective(s)

To (i) improve the quality of water and wastewater services in the Durres Utility Service Area; and (ii) improve the financial performance of Durres Water Utility.

3. Project Description

The Durres Water Utility Service Area comprises Durres City and 4 other municipalities, plus 10 communes that together have a residential population of around 330,000. This number increases to over 400,000 during the summer months, as Durres is a coastal city that accounts for a substantial share of Albania's tourism receipts. Durres was selected as the Government's priority location for piloting its institutional and policy reform agenda, coupled with critical investment financing. Investments in water supply will help address a critical water supply deficit of some 30,000 m³ daily within the service areas. Investments in wastewater network rehabilitation will improve sanitation conditions and collection for appropriate treatment and disposal so as to minimize impact on the environment. Project components include:

Component 1: Priority Water Supply Investments. This component will finance: (i) water supply production wells and a bulk water supply transmission pipeline that will provide up to 630 l/s additional supply capacity to address the acute water shortages in the Durres Utility Service Area; (ii) ancillary investments, including elevated reservoirs, linking municipalities/communes within the Durres area and along the transmission pipeline route to the water supply system in a sustainable manner; and (iii) priority investments in the water distribution network in Durres, as well as provision of leak detection equipment and pressure reducing valves to reduce losses.

Component 2: Wastewater Network Investments. This component will finance priority wastewater investments aimed at enhancing the existing sewerage network's capacity to handle the increased water supply in an environmentally and socially sustainable manner, including: (i) construction of the secondary and tertiary sewerage network in the Durres Beach area; (ii) rehabilitation of critical parts of the existing sewerage system and separate from stormwater drainage networks in Durres City to reduce sewage overflows during heavy rain events; and (iii) provision of high-powered sewer cleaning equipment for Durres Water Utility.

Component 3: Institutional Development Program and Water Demand Management. This Component will support the Government's broad-based policy and reform agenda at the national level with specific interventions at the local level, focused on the Durres region on a pilot basis. Investments would include: (i) the design and implementation of a Water Demand Management Program; (ii) the support to the Performance Monitoring and Benchmarking Unit; (iii) preparation and implementation of a Performance Improvement Plan and other support for Institutional Strengthening of Durres Water Utility to improve efficiency of operations; and (iv) consultancy services for technical studies, feasibility and design studies and for civil works supervision.

Component 4: Project Implementation Support. This component will support implementation of the project including salaries for PIU staff, the PIU operating costs, provision of needed equipment, consultant services technical analysis and reviews, as well as overall project monitoring, evaluation and reporting.

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

The proposed project would finance investments within Durres Prefecture, including 5 municipalities and 10 communes. Environmental impacts are largely confined to the construction phase. Limited land acquisition is necessary in the Fushe Milot wellfield to be rehabilitated for the development of six production wells and along segments of water supply transmission main.

5. Environmental and Social Safeguards Specialists

Frederick Edmund Brusberg (EASSD)

Bekim Imeri (ECSSO)

Nikola Ille (ECSEN)

6. Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The potential impacts and related environmental mitigation measures relate to general protection of the aquifer to be used for Durres water supply, protection of immediate zones around the extraction wells, and sustainability of groundwater use. Other impacts are related to general construction activities during Project execution – noise, dust, vibration, soil pollution from machinery, which can be mitigated or avoided by application of good engineering practice. The Project is not expected to have any severe negative or long-lasting environmental impacts if measures detailed in the environmental mitigation plan are fully applied. The project will not undertake works in any Category A subprojects. The project is classified as Category B in accordance with OP/BP 4.01 on Environmental Assessment. An Environmental Impact Assessment and Environmental Management Plan has been prepared and cleared by the Regional Safeguards Advisor. Both of these documents were disclosed in-country and at the Bank's Infoshop on May 21 and 22, 2013 respectively. A Consultations Workshop was convened on May 28, 2013 and no significant issues arose.</p>
Natural Habitats OP/BP 4.04	Yes	<p>OP/BP 4.04 on Natural Habitats will be triggered as the pipeline transmission main crosses a “Protected Area” of an approximate distance of 9,000 meters. This area is comprised of some forested land (Ishimi Hills) and marshes and agricultural fields with a protection category of IV. Over time, much of this area has become settled and is now peri-urban with residential housing in the areas along the pipeline route. Within the Protected Area, the transmission main follows mostly existing roads, and would consist of a shallow trench and manholes. Forests are at sufficient distance such that disturbance during construction are expected to be minimal during</p>

		the construction phase, with no expected disturbances during the operation phase. Pre-construction mitigation measures have been accounted for in design by identifying a pipeline routing in such a way as to minimize impact on natural ecosystems, namely by following existing roads for almost the entire length of the pipeline. In addition, the EMP identifies additional measures for the construction phase to mitigate remaining impacts on natural habitats.
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	Based on the identified civil works OP/BP 4.12 on Involuntary Resettlement will be triggered. Land adjacent to the locations of the proposed production wells, as well as land along sections of the pipeline routing have been identified as requiring acquisition. A detailed Resettlement Action Plan has been prepared and cleared by the Regional Safeguards Advisor and a Resettlement Policy Framework is in place to anticipate any further need for temporary or permanent resettlement or land acquisition. The RPF/RAP were publicly disclosed within country and at Infoshop on May 21, 2013. Public consultations were held on May 28, 2013.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	Yes	The proposed investments would be situated close to the Adriatic Sea, which is an international waterway. The project proposes an investment to draw upon a currently accessed well field that will likely increase the quantity of treated wastewater discharged. However, recent completion of a wastewater treatment plant in Durres, accompanied by a collector built with EU IPA funds would substantially improve the effective management of wastewater effluent, including its collection, treatment and ultimate discharge into the Adriatic. Notification of

		riparians was initiated on March 11, 2013. The 45 day notification period concluded on May 5, 2013, and no objections were received from any of the notified countries. The project is therefore compliant with OP 7.50 requirements.
Projects in Disputed Areas OP/BP 7.60	No	

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the Restructured project. Identify and describe any potential large scale, significant and/or irreversible impacts:
N.A.
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
<p>There are no long term negative environmental impacts anticipated as a result of the project. Detailed analysis of the source water aquifer suggests adequate quantity and satisfactory quality of water. A hydrologist report prepared for the Project indicates that the aquifer is recharged at a rate of 2,250 l/s from the Mati River and that about 1,210 l/s is extracted through licensed and unlicensed production wells, leaving a quantity of 1,040 l/s, which is more than sufficient for the proposed production wells. Several water quality testing samples have been reviewed and indicate that water quality is within acceptable limits. Production well design documents specify measures to be taken by the contractor to test and verify water quality prior to commissioning of the wells. Additional measures are prescribed in the Environmental Management Plan for the project. In addition, the Project supports a Water Demand Management Program that includes a public awareness campaign to promote water conservation, as well as installation of meters on remaining household connections that are not metered to strengthen end-user accountability for water consumption.</p>
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
<p>Alternative wellfields were investigated, prior to the identification of the proposed Fushe Milot wellfield, but were determined to be suboptimal due to risks of marine water intrusion or inadequate water quantity. Alternative pipeline routing options were considered factoring in economic, social and environmental impacts. The selected option uses a minimum distance routing plan with a routing scheme designed to cause minimal disruption to settled communities, avoid higher costs of land acquisition, and locating the transmission main at a sufficient distance from densely settled communities to avoid illegal break-ins and the potential loss of water resources.</p>
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.
<p>A Resettlement Policy Framework (RPF) has been prepared to set out the broad legal, regulatory and institutional issues related to social safeguards. It is designed to address both the social safeguard issues associated with identified investments, as well as those that may arise as designs are completed for the remaining network civil works. A Resettlement Action Plan was prepared for the identified production well locations and segments along the pipeline routing that would require minimal land acquisition. An Environmental Impact Assessment has been prepared and</p>

cleared by the Regional Safeguards Advisor and was publicly disclosed at the Bank's Infoshop and within country. A public consultations workshop was held on May 28, 2013.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Key stakeholders include the residents and local governments within the Durres Utility Service Area, national level policy makers and the Durres Water Utility. Extensive consultations have taken place to ensure stakeholder commitment to the project. Consultations were conducted on the RPF/RAP and Project Affected Persons (PAPs) were consulted on the proposed land acquisition plans under the project, including area to be acquired, compensation amounts and related procedures. Consultations were conducted on the RPF/RAP with Project Affected Persons (PIPs) on the proposed land acquisition plans under the project, including area to be acquired, compensation amounts and related procedures. Public consultations have been held on the disclosed safeguard documents.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	20-May-2013
Date of submission to InfoShop	22-May-2013
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Albania	21-May-2013
<i>Comments:</i> EIA/EMP were publicly disclosed on the Ministry of Public Works and Transport Website and announced in two local newspapers.	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	19-May-2013
Date of submission to InfoShop	21-May-2013
"In country" Disclosure	
Albania	21-May-2013
<i>Comments:</i> The RPF/RAP document was publicly disclosed on the MPWT website and made available to the general public through announcement in two local newspapers.	
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:	
N.A.	

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"/>]
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>]	No [<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 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
OP 7.50 - Projects on International Waterways	
Have the other riparians been notified of the project?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
Has the RVP approved such an exception?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" 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 checked="" type="checkbox"/>] No [<input 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 checked="" type="checkbox"/>] No [<input 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:	Stephen George Karam
<i>Approved By</i>	

Regional Safeguards Advisor:	Name: Agnes I. Kiss (RSA)	Date: 05-Jun-2013
Sector Manager:	Name: Dina Umali-Deininger (SM)	Date: 05-Jun-2013