



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Cameroon	WESTERN AND CENTRAL AFRICA	P178136	
Project Name	Cameroon Power Sector Reform Program		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Energy & Extractives	Program-for-Results Financing	2/6/2023	5/11/2023
Borrower(s)	Implementing Agency(ies)		
Republic of Cameroon	Ministry of Water and Energy (MINEE)		

Proposed Development Objective

The Program's Development Objectives (PDO) are to improve financial sustainability of the power sector, increase access to electricity and improve quality of service.

Financing (in USD Million)	Amount
IPF Component	30.00
Total Project Cost	300.00

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

No

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

The objective of the IPF component is to provide technical assistance (TA) to sector stakeholders to achieve PforR results, including independent verification, and to roll-out state-of-the-art meters in public sector institutions.

D. Environmental and Social Overview



D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The IPF is nationwide. Cameroon is a lower-middle-income country in Central Africa, which has been experiencing ongoing internal and external conflicts that are compounded by the impacts of natural disasters and climate change. It has a population of over 25 million (2018). Located along the Atlantic Ocean, it shares borders with Chad, the Central African Republic (CAR), Equatorial Guinea, Gabon, and Nigeria. Two of its border regions with Nigeria (Northwest and Southwest) are Anglophone, while the rest of the country is Francophone. Cameroon is endowed with rich natural resources, including oil and gas, minerals, high-value species of timber, and agricultural products, such as coffee, cotton, cocoa, maize, and cassava. Having enjoyed several decades of stability, Cameroon has been grappling with attacks by Boko Haram in the North & Far North and a secessionist insurgency in the Northwest and Southwest regions. Since September 2017, the crises in the Northwest and Southwest regions have internally displaced more than 711,056 people y. As of February 2021, Cameroon hosts 1,946,751 people displaced by conflict and instability.

The World Bank’s 2015 Systematic Country Diagnostic for Cameroon identified improving reliability, availability, and access to clean energy as the highest ranked – and most feasible – intervention for addressing poverty reduction. According to the 2015 Global Competitiveness index, Cameroon ranks 124 out of 140 countries worldwide on electricity infrastructure. In the World Bank’s 2007 Investment Climate Assessment, two thirds of manufacturing firms cited power deficiencies as a constraint to doing business, leading to annual revenue losses as high as 4.3 percent.

Cameroon has a variety of ecological regions and ecosystems. This great diversity of habitats (90% of African ecosystems represented) is at the origin of the diversity of flora and fauna whose richness places Cameroon in 5th position in Africa. It is estimated that 8,260 plant species are found in the country, including 156 endemic and 45 for Mount Cameroon alone. The vegetation is characteristic of that of tropical Africa. In the southern part, there are dense forests (evergreen or semi-deciduous); gallery forest found along rivers; mangroves along the coastal zones; and montane forests at 1800m altitude. In the northern part there is savanna including the Sudanese type of wooded savanna of Adamawa rich in shrubs, trees and grasses with wooded depressions (gallery forest); and grass savanna resulting from degradation by bushfires and erosion. The steppes occupy the driest regions of the Far North with a herbaceous carpet that is discontinuous or sparse hosting shrubs and thorny plants that resist heat. Human activities (agriculture, forestry and NTFPs exploitation, urban development, pollution, etc,) pose a threat to floristic diversity. There is the disappearance of 1,000 km² of forest each year.

On the socioeconomic aspects, Cameroon has weak social indicators, and it is performing below expected in access to electricity. Poverty remains high with around 25.3 percent of the population (25 percent of women) living in extreme poverty, earning less than \$1.90 per day in 2018. Poverty incidence is much higher in rural areas (56.8%), compared to urban areas (9 percent). Inequality levels are also high, with 13 percent of the national income shared by the poorest 40 percent of the population, while 35 percent of the income is shared by the richest 10 percent of the population. In 2020, three in every five Cameroonians (63%) had access to electricity, compared to 88 percent for LMICs. Cameroon ranks 153 out of 189 countries for the Human Development Index with an HDI value of 0.563. Cameroon ranks 141 out of 162 countries for the Gender Inequality Index for the most recent, 2019 assessment (UNDP 2019). Main vulnerable and disadvantaged peoples access to electricity in Cameroon will be carried out as part of the social analysis of the ESSA.

D. 2. Borrower’s Institutional Capacity

The GoC has adequate legislation that addresses E&S risks and impacts assessment and management, but the institutional capacity is weak leading to weak implementation of existing legislation.



Institutional arrangements for the management of environmental and social risks of the project will be confirmed during project preparation. In the meantime, preparation of E&S instruments for the project will be handled by E&S specialists of Project Implementation Units (PIUs) related to the implementing agencies that are the Electricity Development Corporation (EDC), SONATREL (Société Nationale de Transport de l'Electricité), ENEO (Energy of Cameroon), and ARSEL (Agence de Régulation du Secteur de l'électricité). Implementation of the whole PforR, including the IPF, would be through a Steering Committee (SC) be headed up by the MINEE (Ministere de l'eau et de l'énergie) as the relevant line ministry, and key sector actors will nominate focal points to sit on the SC. This SC would be supported by a Secretariat and a Program Implementation Unit (PIU) to be created. Day-to-day oversight of the PforR, including the IPF, would be done by this PIU.

Despite the implementing agencies having substantial experience working with previous WB-supported projects, the overall E&S performance rate has mostly rated as moderately satisfactory (i.e., Electricity Transmission and Reform Project – P152755). In addition, it is the first time these agencies will implement a project under the WB Environmental and Social Framework. Thus, specific measures of capacity building, including training, will be proposed as the project preparation advances.

Institutional management of E&S risks assessment of the implementing agencies will be carried out throughout the project preparation, and tailored strengthening measures will be proposed as needed. The assessment will include availability of human resources, knowledge of the ESF, the suitability of lines of communication and coordination mechanism between the different implementing agencies, financial and logistical resources needs, implementation of adequate stakeholder planning and implementation.

This institutional assessment will also comprise external factors that could prevent the Borrower from carrying out the anticipated E&S risk management tasks, e.g., coordination with institutions that have a specific mandate on protecting the interests of any of the project's activities. Further to the assessment, mitigation measures, if needed, will be proposed and included in the IPF's Environmental and Social Commitment Plan (ESCP).

Public Disclosure

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

A. Environmental and Social Risk Classification (ESRC) Moderate

Environmental Risk Rating Moderate

Environmental Risk is Moderate. The IPF operation will include the purchase and installation of roll-out meters for all public sector institutions, including public lighting and procurement and installation of IT platform in ARSEL. The potential environmental risks of these activities are the generation of electronics and e-waste. Improper management of e-waste may affect the natural environment and public health. Replacement of poles of public lighting and installation of public lighting can involve minimal ground disturbance. These activities may pose some occupational health and safety risks, such as electrocution and falling from heights. There will be also risks related to procurement of non-energy-efficient IT equipment and meters. These activities are expected to generate low to moderate risks. The proposed TA will have national relevance and will focus on activities that will support the strengthening of the government's capacity in the sector of energy , including development of analytical works and conceptual studies that



are expected to provide inputs for improvements of the sector. These activities would generate low environmental risks. The IPF would not finance activities such as the preparation of feasibility studies, technical, engineering design studies and bid documents that may result in the construction of physical infrastructure. Therefore, considering the type of activities to be supported and the capacity of the implementing agencies, the potential environmental risks are assessed as Moderate.

Social Risk Rating

Moderate

The Social risk rating is Moderate. The installation of the roll-out meters for public sector institutions, including public lighting and technical assistance support to the implementing agencies, are of moderate social risk. Currently, these social risks would include inadequate management of human resources for project's workers, possible SEA/SH in the work and communities' environment, inadequate stakeholders engagement, and downstream social negative impacts of studies and plans related to the reforms in among most vulnerable peoples when implemented. Other key potential social risks that need to be factored in the TA supported under the proposed IPF are, for example, potential exclusion of most disadvantaged and vulnerable peoples from the planning processes and, therefore, the need to ensure inclusive and comprehensive stakeholder engagement throughout the TA development. The TA outputs to be developed will incorporate requirements for due diligence, assessment, and mitigation of environmental and social risks, in line with the ESSs. To avoid, minimize or mitigate potentially adverse social risks and impacts of the proposed IPF activities, the Borrower, with the support of the Bank shall: a) Ensure that the terms of reference for the preparation of the studies, plans, and other activities being supported by the IPF component incorporate the principles and requirements set out in the World Bank's Environmental and Social Standards ESSs 1-10. The Bank's environmental and social specialists will review and provide no objection to such ToRs; b) Strengthen stakeholder engagement, through public disclosure and consultations, around the proposed activities supported by the IPF component. The Government will be required to prepare a draft Stakeholder Engagement Plan that shall be disclosed before the project's appraisal, in line with ESS10, that will pay particular attention to allow for opportunities to engage and get feedback from disadvantaged and vulnerable groups, such as women and IPs; and c) Strengthen social capacity through training to improve planning, monitoring, and reporting on the proposed TA activities. The Bank's environmental and social specialists will provide support in this regard. These measures will be detailed in the ESMF, LMP and SEP to be prepared, consulted upon, and disclosed in country and in the Bank sites. SEP will be prepared and disclosed before project's appraisal, while ESMF and LMP will be prepared within 60 days of the project's effectiveness.

Public Disclosure

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

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

This is the Investment Project Financing (IPF) component of the proposed Cameroon Power Sector Reform Program (hereafter referred to as Program), implemented through the Program for Results (PforR) instrument. While the PforR will support the government's power sector recovery plan ('PSRP') and sector strategies to address key structural issues hindering the capacity of the sector to deliver affordable, reliable and sustainable electricity to the population. The three result areas are (i) Achieved financial sustainability of the power sector, (ii) Increased access to electricity



and improved quality of service, and (iii) Strengthened institutional framework and enhanced accountability in the electricity sector.

The IPF component of the Program (hereinafter referred to as the project) will strengthen the implementation capacity of the proposed PforR by supporting:

- (i) the purchase and installation of meters for all public sector institutions, including facilities for metering of public lighting consumption;
- (ii) the incorporation by the sector regulator ARSEL of an IT platform to allow monitoring operational performance of regulated companies and compliance with applicable standards on quality and reliability of electricity supply;
- (iii) providing technical assistance, that would include (a) the recruitment of highly qualified regional and international consultants to enhance capacity building of beneficiary institutions (MINEE (Ministere de l'eau et de l'énergie), MINFI (Ministere des Finances), ARSEL (Agence de Régulation du Secteur de l'électricité), SONATREL (Société Nationale Transport Electricité) and EDC (Electricity Development Corporation) for the successful implementation of the PforR. These consultancies will be part of the TA including studies and plans and capacity building activities, which will be further detailed as the operation preparation advances. At this concept stage, studies would comprise, i.e., survey all points of public lighting consumption and propose the most cost-effective technical solution to ensure that all points are adequately metered; and (b) training and internship opportunities to close gender gaps in the energy sector. Potential interventions could include assistance linked to recruitment - and retainment policies of the institutions, to mentoring and career pathways as well as training or skills development opportunities, with the aim to increase the proportion of women in the sector; and
- iv) the creation of a Program Management Unit (PIU) under the MINEE (Ministere de l'eau et de l'énergie). This PIU would act as a Secretariat of the high-level Inter-Ministerial Committee responsible for PforR implementation. This PIU would also be in charge of procurement and environmental and social management of the IPF component.

According to the above described activities of the IPF component at this concept stage, there are environmental and social risks that although rated as moderate will need to be adequately and timely managed. WB ESSs relevant are ESS1 Assessment and Management of Environmental and Social Risks and Impacts, ESS2 Labor and Working Conditions, ESS 3 – Resource Efficiency and Pollution Prevention Management, ESS4 – Community Health and Safety and ESS10 Stakeholder Engagement and Information Disclosure.

The Borrower, as per the ESF requirements and relevant ESSs, will prepare an ESMF that will comprise, among other aspects, guidelines for ensuring most vulnerable peoples are included in project's process planning as relevant, a Labor Management Procedures that includes addressing OHS and SEA/SH risks and a Grievance Redress Mechanism (GRM) for project's workers, and a Stakeholder Engagement Plan (SEP) with the corresponding Grievance Redress Mechanism (GRM).

The SEP, jointly with the ESCP, will be disclosed in country and on the Bank's site before appraisal. The LMP and ESMF will be prepared, consulted upon and disclosed within 60 days of project's effectiveness. Additionally, for the TA activities, the Bank will review and provide no objection to all of them to ensure that they adequately reflect and incorporate the relevant requirements of the ESSs. Further, all the proposed TA will be consulted upon with relevant stakeholders, and pertinent stakeholder feedback will inform the finalization of the TA outputs.

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



The use of the Borrower Framework is not being considered in replacement of the mandatory environmental and social requirements of the Bank through investment project financing (IPF).

ESS10 Stakeholder Engagement and Information Disclosure

ESS10 is relevant. At this stage of IPF preparation with the initially planned activities, the main stakeholders include authorities and civil servants employees at government secretariats and agencies involved (ENEO, SONATREL, ARSEL, AER and EDC); users of the public electricity service. Other interested parties are the media, non-governmental organizations, and the private sector.

The SEP will incorporate stakeholder mapping with suggested methods of engagement throughout the Project's life to guide the Borrower in the interactions with a wide range of affected and interested parties regarding the Project's activities. Whether the SEP of the IPF will also cover the entire Program will be defined as preparation advances.

Stakeholders such as all the electricity agencies (ENEO, SONATREL, ARSEL, AER and EDC) were equally consulted as part of the ongoing design of the Program. These consultations will continue and would comprise the Program and the IPF.

The Stakeholder Engagement Plan (SEP) will include a Grievance Redress Mechanism which will provide an efficient and effective means by which complaints from stakeholders can be addressed. The GRM will be simple, transparent and accessible with multiples means of raising complaints and a track record of timely response.

The scope of SEP with the GRM coverage (only the IPF or the whole PforR) will be defined as preparation advances. The SEP shall be prepared and consulted upon and disclosed in country and Bank's sites prior to project's appraisal.

This SEP will aim to:

- a) Facilitate timely access to information related to the Project and its environmental and social risks and impacts to affected and interested parties
- b) Benefit from the Project's support to any communication activities. The project's SEP would include the elaboration and implementation of a communication strategy for vulnerable individuals and social groups. The approaches to be taken in the communications will aim to ensure that information is meaningful, timely, accessible to affected stakeholders; addresses cultural sensitivities and challenges deriving from gender, illiteracy, disability; and other cultural barriers.
- c) Facilitate broad, inclusive, and comprehensive public consultations with proposed project stakeholders, including vulnerable and marginalized groups.
- d) Provide access to a grievance mechanism for the project, in line with ESS10.

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



ESS2 is relevant. The project workers include direct workers such as the staff of the project implementing agencies and their consultants and primary supply workers for procurement and installation of meters and IT equipment.

Project activities will require hiring full-time, part-time and temporary consultants, trainers and others (direct workers) that are not public servants.

The project shall prepare Labor Management Procedures (LMP) according to ESS2 and relevant ESHS guidelines as well as the provisions of the ILO. This LMP will be applied for project workers (PIU staff and other workers/consultants to be recruited by implementing partners).

The LMP will contain specific procedures for project's workers recruitment and management and shall define and document the conditions of employment and work, measures for prevention and mitigation of child and forced labour, occupational health and safety risks, sexual harassment and sexual exploitation and abuse risks among the project staff, the grievance mechanisms to address worker complaints.

The project worker's grievance mechanism will be proportionate to the nature and scale of the proposed IPF activities and accessible for all project workers to raise workplace concerns. This grievance mechanism will be provided separately from the Grievance Mechanisms required under ESS10. The grievance mechanism will not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

The LMP will also contain the provision on which functions of the Project will be executed by government civil servants that will remain subject to the terms and conditions of their existing public sector employment agreement and, therefore, ESS 2 will not apply to them, except as set out in ESS2 para 8.

The LMP would be prepared and finalized within 60 days after project's effectiveness.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is relevant to the IPF. Project's activities will lead to environmental and social risks and impacts including the generation of e-wastes after the expiry of electronic meters, and procurement of non-energy efficient metering and IT equipment. Improper management of e-waste may affect the natural environment and public health.

Transport related activities to the IPF will lead to increase in noise pollution, dust emissions, and CO2 emissions from exhaust of transport vehicles.

The ESMF of the project will provide detailed procedures to for the management of e-waste, procurement of energy-efficient equipment, and management of E&S risks associated with the transport related activities.

ESS4 Community Health and Safety

ESS4 is relevant. The IPF will not support any civil construction, new buildings, or structural elements. The activities of installing electronic meters in public buildings and transport related impacts may pose some minimal risks to the



community. Community protection measures (fencing around installation sites, speed limit, dust suppression, traffic control, covid-19 prevention measures, etc.) shall be required.

These measures shall be included in the ESMF. The ESMF shall include guidelines for addressing SEA/SH risks resulting from the minimal labor influx.

The TA outputs to be developed will incorporate requirements for due diligence, assessment, and mitigation of ESS4.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is not relevant to the project currently. Based on the available information and the current scope of the IPF component, this standard is not relevant.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

ESS6 is not relevant to the project currently. Based on the available information and the current scope of the IPF component, this standard is not relevant.

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

ESS7 is not relevant based on the current scope of the IPF activities. Although the project's area is national and there are Indigenous Peoples in Cameroon, they will not be the solely or overwhelming majority of direct project beneficiaries. According to this the Borrower will design and implement the project in a manner that provides Indigenous Peoples with equitable access to project benefits as relevant. The Project's Stakeholder Engagement Plan (SEP) and the Environmental and Social Management Framework (ESMF) will include the necessary elements to ensure the IPF will ensure that any of its benefits are provided to all individuals, irrespective of origin or ethnicity and considering the cultural requirements of Indigenous Peoples.

In addition, for the case of TA activities and outputs, any plan that may lead to adverse downstream implications to Indigenous Peoples when implemented, even though not financed by the IPF will be mitigated. The terms of reference, work plans or other documents defining the scope and outputs of TA activities will be drafted so that the advice and other support provided is consistent with ESS7.

ESS8 Cultural Heritage

This standard is not relevant as installation of meters will be carried out in the existing buildings or structures. However, chance find procedures will be included in the ESMF.

ESS9 Financial Intermediaries



N/A

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

N/A

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

Actions to be completed prior to Bank Board Approval:

For the IPF, the Borrower, as per the ESF requirements and relevant ESSs, will prepare an ESMF, a Labor Management Procedures and a Stakeholder Engagement Plan (SEP) with the corresponding Grievance Redress Mechanism (GRM). The SEP, jointly with the ESCP, will be disclosed in country and on the Bank’s site before appraisal. The LMP and ESMF will be prepared, consulted upon and disclosed within 60 days of project’s effectiveness. Additionally, for the TA activities, the Bank will review and provide no objection to all of them to ensure that they adequately reflect and incorporate the relevant requirements of the ESSs.

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

Scope of each of the E&S instruments, timeline and responsibilities, including SEP's scoping in terms of coverage (only the IPF or the whole PforR).

Training component to strengthen capacity of PIU, Consultant firms and others stakeholders.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 14-Nov-2022

IV. CONTACT POINTS

World Bank

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Public Disclosure



The World Bank

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Borrower/Client/Recipient

Borrower: Republic of Cameroon

Implementing Agency(ies)

Implementing Agency: Ministry of Water and Energy (MINEE)

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

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