



Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 30-Oct-2017 | Report No: PIDISDSC20578



BASIC INFORMATION

A. Basic Project Data

Country Nigeria	Project ID P161885	Parent Project ID (if any)	Project Name Nigeria Electrification Project (P161885)
Region AFRICA	Estimated Appraisal Date Feb 26, 2018	Estimated Board Date Apr 25, 2018	Practice Area (Lead) Energy & Extractives
Financing Instrument Investment Project Financing	Borrower(s) Federal Ministry of Power, Works and Housing (Works), Federal Ministry of Finance	Implementing Agency Rural Electrification Agency	

Proposed Development Objective(s)

The development objective is to increase access to electricity services for households, universities, and small businesses in rural areas

Financing (in USD Million)

Financing Source	Amount
International Development Association (IDA)	350.00
Total Project Cost	350.00

Environmental Assessment Category B-Partial Assessment	Concept Review Decision Track II-The review did authorize the preparation to continue
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Other Decision (as needed)



B. Introduction and Context

Country Context

- 1. The Federal Republic of Nigeria, located on the Gulf of Guinea in West Africa with an estimated population of 186 million people in 2016, is a diverse country with abundant natural and human resources, major opportunities, and complex challenges.** Consisting of 36 states and the Federal Capital Territory, the Federation is divided into six geopolitical zones. With more than 400 ethnolinguistic groups, it also features significant contrasts in terms of economic and social outcomes: robust economic growth over the past decade and yet modest poverty reduction; dynamic urban growth centers and isolated rural areas; and widening social and income disparities.
- 2. Nigeria is experiencing macroeconomic problems, after a period of sustained growth until 2016.** The decline in international oil prices from late 2014 has significantly affected the fiscal and external accounts, reducing government revenue to just 7.8 percent of GDP in 2015 from 10.5 percent in 2014. Foreign exchange restrictions in 2016 have significantly impacted private sector activity. Coupled with fuel and electricity shortages and lower investor confidence, GDP growth slowed sharply from 6.3 percent in 2014 to an estimated 2.7 percent in 2015, and is estimated to have contracted by 1.7 percent in 2016.¹
- 3. Addressing the challenges in the power sector will facilitate the restoration of macroeconomic stability and economic growth for shared prosperity and poverty reduction.** The steep decline in power output from the peak of over five gigawatts (GW) in March 2016 to less than four GW on average in late 2016 is a contributing factor to the decline in economic activity. The decline in power output has led to reduced volume of sales, and high commercial and technical losses, which, in turn, have led to a cumulative financial deficit of about US\$3 billion by 2017.
- 4. While the poverty rate in Nigeria declined between 2004 and 2013, the number of poor did not decrease.** The national poverty rate declined from 46 percent in 2004 to about 36 percent in 2013.² However, due to population growth between 2004 and 2011, the total number of poor, estimated at about 64 million people in 2013, did not decline.

Sectoral and Institutional Context

- 5. Nigeria launched a far-reaching power sector reform program in 2001 that led to unbundling and privatization of generation and distribution companies in 2013.** The National Electric Power Policy in 2001 specified the reform agenda that resulted in the Electric Power Sector Reform Act 2005. This Act removed the monopoly of the vertically integrated National Electric Power Authority (NEPA), and unbundled it into six generation companies (GENCOs), 11 distribution companies (DISCOs), and the Transmission Company of Nigeria (TCN).
- 6. The reform program has not yet delivered substantial improvement in electricity services.** Although installed generation capacity is 11.8 GW, available capacity ranges between three to five GW. The main reason for so much installed capacity being permanently or temporarily stranded is the continual gas supply constraints.
- 7. In March 2017, the government prepared a Power Sector Recover Program (PSRP) with the goal of putting the sector on a financially sustainable path.** Addressing the gap between the cost of supply and cost recovery is a cornerstone of the PSRP. The Recovery Program recognizes that until tariffs reach cost recovery, the government must make up the shortfall in order to ensure payment to the various service providers in the electricity supply value chain. The PSRP incorporates an action plan for addressing the institutional and governance challenges in the power

¹ Global Economic Prospects - January 2017, The World Bank.

² A new poverty estimate will be assessed in the coming months from the recently gathered General Household Survey (2015/2016 Panel) data



sector, that include appointment of professional Boards to state agencies, declaring tariff policy for cost recovery, ensuring performance and accountability of the privatized distribution companies, and settling the debt arrears owed by government to the distribution companies as well as providing for payment of their bills going forward.

8. **Nigeria faces significant challenges in energy access.** At present, 80 million people lack access to grid electricity, with the national electrification rate at 58 percent and only 41 percent in rural areas.³ The majority of the unserved people live in rural areas, and rely on candles and flashlights for lighting. To achieve universal access to electricity by 2030, Nigeria would need to connect between 500,000 to 800,000 households per year, and add around 25 GW to its actual operating capacity.⁴

9. **Due to lack of access to power, enterprises and public institutions are constrained.** The productive uses of labor and development of economic activity are hindered, including in manufacturing, light industry, and agriculture, by lack of electricity access. Rural commercial and industrial enterprises rely on diesel generation sets that produce expensive electricity. Further, public institutions, such as educational institutions, health centers, and offices cannot provide adequate service without power.

10. **The FGN aims to make reliable electricity available to 75 percent of the population by 2020, and 90 percent by 2030, with at least a 10 percent share of renewable energy by 2025.**⁵ Under the PSRP, the FGN intends to take a comprehensive approach to extending access through grid extension and off-grid expansion. It addresses the weak financial, technical, and operational position of the Discos, and also provides for expansion of off-grid supply of power.

Rural electrification fund

11. Nigeria's Rural Electrification Strategy and Implementation Plan (RESIP⁶) provides for a Rural Electrification Fund to help finance rural electrification expansion in Nigeria. The Fund will be created and operated by the Rural Electrification Agency. The criteria to be used by the Fund will give take account of the need for equity and regional balance.

Mini-grids

12. **Nigeria is preparing the regulatory framework for mini grids.** The Nigerian Electricity Regulation Commission (NERC) has issued draft regulation for mini grids, which includes permit and approval procedures as well as tariff and regulations in case of an interconnection of the mini grid to the main grid. NERC completed its public consultations for the regulation in December 2016 (the Bank reviewed the draft and provided comments). NERC approved the regulation in March 2017 and is now awaiting gazetting of these regulations.

Standalone systems

13. **Standalone solar PV systems offer a workable path to electrification for people in rural areas where mini grids are not sustainable.** The cost, performance, and quality of solar lighting products such as solar lanterns have all improved significantly in the last decade. Hence, there are market-ready solutions to displace poor quality, high cost service from dry cell batteries, kerosene, candle, and vegetable oil lamps that are currently prevalent across rural

³ 2015/16 Living Standards Measurement Study (LSMS) by the Nigerian National Bureau of Statistics and the World Bank Group.

⁴ To achieve 30 GW of installed capacity per Nigeria's Vision 2020.

⁵ National Electric Power Policy (NEPP) 2001 and Rural Electrification Policy 2005; cited in Rural Electrification Strategy and Implementation Plan (RESIP) 2016 prepared by the FMP and approved by the President.

⁶ The World Bank assisted FGN in formulating this plan and strategy document.



Nigeria. In addition, there is a need to displace poor quality solar lighting products that have become available in Nigeria with better quality products.

Serving rural universities

14. **Lack of electricity has a particularly adverse impact on education.** Education plays a critical role in human capital formation and socio-economic development. In FGN’s assessment, the lack of access to reliable power supply is a major barrier to effective learning, institutional operations and student residency in Nigeria’s federal universities and teaching hospitals. These federal institutions are forced to generate high cost, diesel-based electricity for themselves. FGN has therefore identified these institutions as priorities for the provision of reliable power under its Energizing Education program.

Relationship to CPF

15. **Relationship to Country Partnership Strategy (CPS).** The proposed project is aligned with the Nigeria FY2014-17 Country Partnership Strategy (CPS). The first strategic cluster of the CPS has a focus area “Increasing installed power generation and transmission capacity, and improving the efficiency and governance of electricity delivery.” The proposed project will contribute to this element of the focus area: “Improve access to modern lighting for the base of the pyramid...”

C. Proposed Development Objective(s)

The development objective is to increase access to electricity services for households, universities, and small businesses in rural areas

Key Results (From PCN)

The key results expected and associated indicators are as follows:

PDO indicator:

- (a) People, enterprises, and public institutions provided with new or improved electricity service (number)

Intermediate indicators:

- (a) Number of households, enterprises and institutions electrified through mini grids
- (b) Number of households electrified through stand-alone systems
- (c) Number of universities and hospitals provided with new or improved electricity service through off-grid solutions.

D. Concept Description

16. The project aims to accelerate electricity access in rural areas through mini grids and stand-alone off-grid solutions. In addition, the project will improve electricity supply to selected universities that do not have adequate power supply from the Discos. it is preliminarily proposed to increase access to 500,000 households (2.5 million people).

Table 1: Project scale and components

Component	IDA Allocation
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	(US\$ million)
1. Rural Mini grids	120 – 150
2. Rural Standalone solar systems	50 – 80
3. Underserved universities and hospitals	100 - 160
4. Technical Assistance	20
Total	350
<i>Note: The final amounts allocated from the total of \$ 350 million to the various components will depend upon further preparation.</i>	

Component 1. Rural mini grids (US\$150 million)

17. The objective of this component is to electrify unserved and underserved areas that have high economic growth potential aiming to serve households, local enterprises and public institutions, developed by the private sector. The preliminary target indicators are: about 830 mini grids, 200,000 households; 50,000 local enterprises; and 15 mini grid operators, subject to scaling up or down during project preparation. The overall estimated investment cost is about \$430 million, of which about \$150 million will be provided by IDA, and the rest by private firms. This component will be implemented in many States, early scaling activities expected in Niger, Plato, Kaduna, River States

18. **Technical specifications.** The technical focus will be on solar hybrid systems, i.e., solar generation with battery storage, and diesel back-up; other renewable technologies may also be considered on a case by case basis. The mini-grids will be built to grid code in order to allow for integration with DISCOs when they reach a mini grid’s site.

19. REA, the implementing agency, will be responsible for planning of the mini grid sites as well as for the preparation and implementation of the framework for acceleration. The mini grids themselves will be implemented and operated by private operators.

20. REA will develop mini grids under two delivery tracks: (i) a solicited track, under which, in order to kick-start the market, REA will invite bids for minimum subsidies for 200 mii grids in order to kick-start; and (ii) an unsolicited track, under which REA provide performance based grants on basis of installed capacity (\$/kW), new connections (\$/end user) or a combination. In addition, UNOPS will develop 70 mini grids in the conflict-ridden areas in the Northeast, where private investment is unlikely.

21. **Productive uses and collaboration.** The presence of productive loads is important for the commercial operation and long term sustainability of mini-grids. Therefore, the proposed project will collaborate closely with agricultural programs such as the Agro-Processing, Productivity Enhancement and Livelihood Improvement Support Project and Fadama III Project, particularly to identify agricultural load centers.

22. **Regulation and Tariffs.** The Rural Electrification Policy specifies that the tariffs for rural electricity service will be cost-reflective. Tariffs for projects with a permit are still expected to be regulated by NERC, using a tariff model that is specifically designed for mini grids, taking into account the expected costs of mini grids. If the tariff level exceeds the one set by NERC, an exemption can be provided as long as willingness to pay can be demonstrated from the community to be served by the mini grid.

23. **Financing.** The implementing agency will be responsible for establishing and administering a facility that would provide payments to developers toward capital expenditures through a clear and transparent process. As local currency debt finance is constrained in Nigeria, during project preparation options will be considered to induce commercial lenders to lend funds to private mini grid developers. Financing instruments may include capex subsidies, partial risk



guarantees and credit provision and will be considered carefully during the preparation phase. All efforts will be made to minimize distortions in the financial markets. In particular, the importance of mainstreaming the loans to mini grid operators will be kept in mind, as this will be part of the financial framework for accelerating electricity access. The lessons learned from such systems in other countries, particularly in Bank-financed projects, will be taken into account.

Component 2. Stand-Alone Home Solutions (US\$80 million)

24. **The goal of this component** is to help 1.5 million underserved Nigerian households and micro, small and medium enterprises (MSMEs) access better energy services at lower cost than their current service, via stand-alone solar home systems provided by the private sector. This component will support the deployment of stand-alone solar systems ranging in different sizes and levels of service. In addition, it is expected that around 1 million single solar lanterns will be distributed during the project period⁷ with a total estimated private sector leverage of US\$467 million.

25. This component builds on the Lighting Africa Nigeria program launched in March 2015 to develop a vibrant retail channel, expand consumer access to finance by collaborating with microfinance banks and improve consumer awareness through consumer education campaigns. The component intends to promote only Lighting Global approved products and will support some of the activities that Lighting Africa Nigeria has been successful at implementing so far. Lighting Africa Nigeria's market development efforts have reached about 11 states, with plans to reach 21 states by December 2017.

26. A market-based approach has been elected based on market barriers and financing needs of the private sector in the solar market in Nigeria as well as past program experiences in other countries. Several discussions with partners, the client, and key private sector firms confirmed that public sector support is both necessary and complementary to the ongoing efforts in the sector due to the inability of markets to develop without (i) improving confidence in mobilizing private investment, and (ii) addressing key environment barriers.

27. The solar market in Nigeria operates using two main business models: i) cash sales of products, which typically apply to smaller and cheaper systems, such as solar lanterns and small SHS, and (ii) "pay-as-you-go" (PAYG) models, which make the services more affordable to households due to cash flow constraints avoiding the relatively large upfront costs of such systems. Private sector companies relying on both PAYG and cash sales must fund an ever-increasing amount of stock in the supply chain and large amounts of capital to fund the portfolio of SHS assets. Capital is also needed for building up or expanding the 'soft infrastructure' to reach and serve customers. The existing and potential solar lanterns/home systems importers/distributors remain hampered by several financial and non-financial barriers, which if eased, would enable them to scale quickly and more effectively. Some of these include: access to capital as described above, import duties on SHS (currently at 20%), counterfeit and low quality products, currency devaluation risk and access to forex.

28. The key investment components will focus on both upfront and results-based grant funding for companies that have considerable scale up potential. In light of a wider financial sector reform the WB is engaged in at this time in Nigeria, debt financing while not part of the initial design, will continue to be explored for eventual incorporation into the project or coordinated with other partners working toward this goal.

⁷ While REA's strategic objective is to increase the adoption of SHS that can provide higher levels of service, early adoption of single lamps has proved important in other markets as a step towards higher tiers of access since it can help build awareness and confidence in the solar light and power products.



29. **Output Based Fund.** This fund will provide grants, on average about 15% of the costs of the system, for each eligible system installed and verified. These payments will enable solar providers to reach and serve larger numbers of customers more rapidly. This line of support will enable the firms to finance the required investment in people, training, advertising, increased working capital, processes, logistics. The grant amount will be fixed for each system size/level of service category, and reduced over the life of the program to a nominal level during the final period of the program.

30. **Market Scale-up Challenge Fund.** This fund will offer up-front payments grants to the handful of strongest and most capable providers to accelerate their capacity to reach and serve Nigerian households and MSMEs on a large scale. It will reduce investors' risks, and stimulate commercial investment in solar in spite of the forex risk, and local debt that is limited and at very high cost. A tranche based payout will be used to manage any risk of non-performance.

31. Technical assistance will help mitigate the market and regulatory barriers, to make the financing support to the private sector go further and help the sector grow and mature. Some of the activities will include a market study building on the MTF survey, sensitization campaigns, addressing a range of regulatory and policy barriers, standards and quality assurance, as well as incubation and technical advice to solar companies with missing capacities.

Component 3. Reliable power for federal universities and teaching hospitals (Energizing Education) (US\$100 million)

32. This component will accelerate implementation of FGN's Energizing Education program. This program aims to provide new or improved electricity service to 37 federal universities and 7 adjoining university teaching hospitals across the country (including street lighting for illumination of campuses) with off-grid systems ranging from one MW to 11 MW.

33. A preliminary assessment carried out by the FGN concluded that approximately 119 MW needs to be generated on these campuses. About 50 percent is targeted to come from solar panels, with a total land space of 755,000 square meters required, and the remainder from gas or liquid fuel sources.

34. FGN has allocated 20 billion Naira (US\$65 million) in the 2017 national budget to fund independent power plants at six federal universities in six different states⁸ (one in each region). FMP has begun a competitive tender process to enter into EPC contracts (plus one year of operation & maintenance) for these sites with short-listed firms. FMP expects that these six projects will be commissioned within 2017.

35. The Energizing Education program will have two stages. The first stage (with multiple phases of implementation) is the electrification of the selected universities as described above. The second stage is extending electricity service to the rural communities surrounding those universities, with the federal university effectively serving as the anchor for a rural mini grid. Energy audits to determine these load centers in a radius of 10 kilometers around the universities are ongoing. During project preparation, the option of including the second phase will be considered.

Component 4. Technical Assistance (US\$20 million)

36. This component will support project implementation and capacity building. FGN has noted that there is a scarcity of qualified personnel for renewable and off-grid rural electrification. In particular, there is a need to build the

⁸ Osun, Anambra, Delta, Sokoto, Benue and Borno.



commercial and financing skills necessary for understanding off-grid markets and developing investment grade projects and programs at REA, FMoPWH, and participating banks and private parties, which will be involved with the execution of the off-grid energy aspects of this project. Therefore, technical assistance will be provided through this component to FMoPWH to build the capacity required to manage and administer the REF.

SAFEGUARDS

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

Component 1 will finance solar hybrid mini-grids in rural areas. Subproject selection will be managed by the Rural Electrification Agency (REA) via (a) solicited track with locations for 200+ mini-grids will be pre-identified and bid out to private developers; E&S questions have been included in site identification survey to be conducted by REA to help establish a baseline and eliminate high risk locations and (b) unsolicited track that will support mini-grid projects identified/ proposed by private developers themselves. Investment locations are not yet known, except 1-2 pilots that may be supported from PPA extended to GoN. E&S risks and impacts include - based on preliminary ESIA submitted by developer for 50KW PV solar – workers and community health and safety during construction and operation. WB site visits to prospective mini-grids revealed potential issues with vegetation clearance, land rights/ownership, battery storage and disposal. Some proponents carried out consultations that indicate broad community support. Overall, E&S impacts of mini-grids are expected to be moderate given small size (50-200KW). To lower the risks, certain exclusions may be applied as part of selection criteria (significant impacts on ecologically sensitive areas including forests, large-scale resettlement, and cultural heritage).

Component 2 will support stand-alone solar home systems provided by the private sector. The core issue with SHS is long-term implications of the increased number of the energy storage units (with batteries). Site visits have not provided indications that SHS distributors have any measures in place. This impact requires a strategic solution and REA will be requested to put in place a program for battery disposal/recycling, in which SHS distributors will play a role.

Component 3 will support construction and operation of mini-grids for Nigerian universities. REA has already commenced Phase 1 for 10 universities with own resources (incl. preparation of ESMPs and RAPs). Phase 1 ESMPs already indicate main E&S risks as water availability, OHS issues, land-related issues, e-waste management. 9 universities have issues with encroachment on land allocated to them and traditionally used by communities. Issues identified in Phase 1 are a good proxy to issues in Phase 2 that will be supported by the Bank and will include projected 7 universities locations of which are known. Site-specific safeguards instruments must be prepared before appraisal.

B. Borrower's Institutional Capacity for Safeguard Policies

Overall, Nigeria has demonstrated its commitment to mitigating adverse E&S impacts in the implementation of a range of World Bank projects, including category A and B projects in the Energy sector. There are adequate legal and institutional frameworks in-country to ensure compliance with World Bank safeguards policies triggered by projects. Environmental governance commenced in Nigeria in 1988 by the establishment of the Federal Environmental Protection Agency (FEPA). Currently, NESREA has the responsibility of enforcing all environmental laws, regulations, guidelines, and standards under Environmental Impact Assessment Act 2004 and other relevant regulations. In addition, state Environmental Protection Agencies have an oversight as environmental regulators at state level. Both NESREA and State EPAs have basic capacity to fulfil their obligations.

REA will be responsible for overall project implementation. In order to ensure sound E&S risk management of the project



in line with the national regulations and World Bank Safeguard policies, REA will develop and put in practice an Environmental and Social Management Framework (ESMF) . ESMF will clarify the roles and responsibilities of REA, private sector mini-grid developers and operators, as well as SHS distributors. RFP will also be prepared as a practical tool to guide the preparation of Resettlement Action Plans (RAPs) for sub-projects during the implementation, for which the location are not known at preparation. The project will also set up a Grievance Redress and Feedback Mechanism for people to report concerns or complaints, if they feel unfairly treated or are affected by any of the subprojects.

C. Environmental and Social Safeguards Specialists on the Team

- Thomas E. Walton, Environmental Safeguards Specialist
- Ekaterina Grigoryeva, Environmental Safeguards Specialist
- Amos Abu, Environmental Safeguards Specialist
- Michael Gboyega Ilesanmi, Social Safeguards Specialist
- Edda Mwakaselo Ivan Smith, Social Safeguards Specialist

D. Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>Components 1, 2, and 3 (but not 4) will involve physical components and infrastructure that may result in adverse E&S impacts. Since the subprojects are not known (with the exception of universities under Component 3), ESMF will be prepared to clarify the roles and responsibilities of REA, private sector mini-grid developers and operators for components 1 and 3, SHS distributors for component 2, and other stakeholders with regard to E&S due diligence/ assessment, management of risks and impacts, and monitoring. ESMF would cover step-by-step processes for assessing and managing E&S risks and impacts associated with each component. As part of the E&S risk management system, with ESMF at its core, REA will also put in place clear E&S conditions as part of its bidding process for mini-grid construction and operation, as well as for selection of SHS distributors.</p> <p>Additionally, site-specific ESIA's for university mini-grids, phase 2 of component 3 shall be prepared since locations of all universities and mini-grids to be developed are known. This instrument will need to be prepared in line with safeguards policies, cleared by the Bank and disclosed before Board approval.</p>
Natural Habitats OP/BP 4.04	No	Based on a sample of potential subprojects visited during initial project preparation, some of the rural mini-grid subprojects under component 1 (and



		possibly under component 3) may impact natural habitats. Where this is the case, a biodiversity impact screening and assessment will be carried out as part of the overall E&S risks and impacts identification process and mitigation measures identified as part of the ESMP. However, mini-grid subprojects with significant impacts on ecologically sensitive areas, and thus requiring significant investments in biodiversity risk management, would be excluded from financing through subproject eligibility criteria as they would not be not only environmentally but financially viable.
Forests OP/BP 4.36	No	If impacts on forests in line with the scope of application of OP4.36 (regardless of impacts covered under 4.04 which has different scope of application) are identified during E&S screening and assessment of subprojects (under component 1), such subprojects would be excluded as impacts may be too complex to manage vis-à-vis private developers' capacity. Hence, the policy is not triggered.
Pest Management OP 4.09	No	Project does not envisage use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	Since subprojects under components 1 and 3 will involve work with likely digging, excavation and/or earth displacement sub-activities, impacts on cultural resources may occur. However, significant impacts may need substantial investments in related risk management measures. Hence, such subprojects will be excluded from financing through subproject eligibility criteria, as they would not be environmentally, socially, or financially viable. Impact screening and assessment for these issues would still be carried out as part of the overall E&S risks and impacts identification process, in order to be able to exclude this.
Indigenous Peoples OP/BP 4.10	No	Groups meeting the World Bank definition of Indigenous Peoples are not found in Nigeria.
Involuntary Resettlement OP/BP 4.12	Yes	The policy is triggered since the subprojects to be financed under components 1 and 3 would require land for mini grid sites and transmission lines and this may result in displacement of people (both economic and physical) Given that the detailed description of the investments under these components are yet unknown, the borrower will prepare a Resettlement Policy Framework (RPF) in accordance with the Bank



Safeguard policy on Involuntary Resettlement (OP/BP 4.12) to address the needs of persons who will be affected by loss of economic activities, land acquisition and/or relocation. This will mainly cover component 1, but also relevant aspects of component 3 (component 2 is not expected to have such impacts). The RPF will set out the policies, principles, institutional arrangements, likely categories of affected people, eligibility criteria and categories, compensation rates, methods of valuing affected assets, community participation and information dissemination, Grievance Redress Mechanism, and effective monitoring and evaluation. Large-scale resettlement may be excluded through project eligibility criteria.

Additionally, since it was confirmed that universities have issues with encroachment from communities who originally owned/ inhabited the land allocated to the university, site-specific RAPs for university mini-grids, phase 2 of component 3 shall be prepared since locations of all universities and mini-grids to be developed are known (it was confirmed that due to the need to locate mini-grids in certain spaced for technical reasons such as proximity to existing powerhouses, managing this issue cannot be avoided). This instrument will need to be prepared in line with safeguards policies, cleared by the Bank and disclosed before Board approval.

Safety of Dams OP/BP 4.37	No	Construction of dams is not envisaged for this project.
Projects on International Waterways OP/BP 7.50	No	Subprojects will not involve impacts on international waterways.
Projects in Disputed Areas OP/BP 7.60	No	Subprojects will not be located in disputed areas.

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Nov 17, 2017

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

In line with World Bank Safeguard policies that would be applied to this project, REA will prepare, consult on, and



disclose the following safeguards instruments:

1. Environmental and Social Management Framework (ESMF) before project appraisal estimated for January 2018.
2. Resettlement Policy Framework before project appraisal estimated for January 2018.
3. Site-specific instruments (ESIAs and RAPs) for university mini-grids, phase 2 of component 3 shall be cleared by the Bank and disclosed at least 30 days before Board approval envisioned for April 2018.

CONTACT POINT

World Bank

Kyran O'Sullivan, Johannes (Jon) C. Exel Exel
Lead Energy Specialist

Borrower/Client/Recipient

Federal Ministry of Power, Works and Housing (Works)
louis Edozien
Permanent Secretary
louis.edozien@power.gov.ng

Federal Ministry of Finance
Aliyu Ahmed
Director
aliyu.ahmed@finance.gov.ng

Implementing Agencies

Rural Electrification Agency
Damilola Ogunbiyi
Managing Director
damilola.ogunbiyi@aptovp.org



FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Kyran O'Sullivan, Johannes (Jon) C. Exel Exel
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Approved By

Safeguards Advisor:	Maman-Sani Issa	02-Nov-2017
Practice Manager/Manager:	Raihan Elahi	12-Nov-2017
Country Director:	Indira Konjhodzic	16-Nov-2017