

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Date prepared/updated: November 27, 2017

Report No.: 121849

I. Basic Information

1. Basic Project Data

Country: Republic of Zambia		Project ID: P163958	
		Additional Project ID (if any): P157943	
Project Name: Additional Financing for Zambia Scaling Solar Energy Project (Ngonye Project)			
Task Team Leader: Mirlan Aldayarov, Arnaud Braud			
Estimated Appraisal Date: October 11, 2017		Estimated Board Date: December 20, 2017	
Managing Unit: GEE08		Lending Instrument: Guarantee	
Sector: Energy and Extractives			
Theme: Financial and private sector development			
IBRD Amount (US\$m.):			
IDA Amount (US\$m.): 2.8			
GEF Amount (US\$m.):			
PCF Amount (US\$m.):			
Other financing amounts by source:			
Environmental Category: B			
Is this a transferred project		Yes [X]	No []
Simplified Processing		Simple [X]	Repeater []
Is this project processed under OP 8.00 (Rapid Response to Crises and Emergencies)		Yes []	No [X]

2. Project Objectives:

The project development objective is to increase solar electricity generation capacity and diversify electricity generation resources in Zambia.

3. Project Description:

As part of the World Bank Group (WBG) Scaling Solar program, the Government of the Republic of Zambia (GRZ) awarded to Enel Green Power (“the Sponsor”) the contract to finance, construct and operate a 34.0 MWp solar photovoltaic (PV) power plant (“the project”) at the Lusaka South Multi-Facility Economic Zone (LS-MFEZ) in Zambia. The project is one of the two winning 50MW solar PV IPP projects in Zambia. The two projects are located on the same site side-by-side of each other. The first project, Neoen Bangweulu, was disclosed in January 2017.

The Sponsor and IDC (the Industrial Development Corporation, an investment company owned by GoZ, have set up a special purpose vehicle dedicated to the project (“the Company”, or “Ngonye Power Company Limited”). Enel Green Power, the main sponsor of the project, is the renewable energy division of multinational energy company Enel and generates electricity from renewable sources (solar, wind, hydroelectric, geothermal or biomass). Enel Green Power develops and operates renewable power plants in Europe, Americas, Africa, Asia and Oceania for a total managed capacity of around 39 GW. The Zambia PV power plant to be built under the WBG’s Scaling Solar program will operate on a 25-year Power Purchase Agreement (PPA)

signed with ZESCO, the integrated electricity utility company of Zambia. The total project cost is estimated at up to US\$45 million (including transaction costs). The World Bank (WB) is providing a payment guarantee and IFC’s proposed investment consists of an A loan of up to \$12 million.

The power plant covering a maximum footprint area of about 50.2 hectares will require about 105,000 tracker modules and 28 inverters. The proposed PV system will be connected to the grid and the electrical energy will be evacuated through the Lusaka South MFEZ substation, via a 33kV underground cable. The substation is constructed by ZESCO separately. The underground cable and related infrastructure to connect to the substation will be financed, implemented and commissioned by the project company, and then handed over to ZESCO.

4. Project Location and salient physical characteristics relevant to the assessment of environmental and social risks and impacts:

The project site is situated within the Lusaka South Multi Facility Economic Zone (LS MFEZ) about 15 km to the South and East of the Lusaka Central Business District. The site is bordered by the Lusaka National Park to the South and some agricultural holdings to the East.

5. Environmental and Social Safeguards Specialists on the Team:

Mwansa Lukwesa, Environmental Specialist, GEN01
 Yaa Opong, Senior Social Development Specialist, GSU07
 Richard Everett, Consultant, GSU01

6. Applicable Performance Standards	Yes	No
PS 1: Assessment and Management of Environmental and Social Risks and Impacts	X	
PS 2: Labor and Working Conditions	X	
PS 3: Resource Efficiency and Pollution Prevention	X	
PS 4: Community Health, Safety, and Security	X	
PS 5: Land Acquisition and Involuntary Resettlement	X	
PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	X	
PS 7: Indigenous Peoples		X
PS 8: Cultural Heritage		X

7. If PS 1 and PS 2 are NOT applicable, provide a brief explanation why:

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

See attached Environmental and Social Review Summary, which is disclosed on October 17, 2017 and can be found at <https://disclosures.ifc.org/#/projectDetail/ESRS/37811>.

B. Disclosure Requirements Date		
Environmental and Social Review Summary:		
Dates of "in-country" disclosure		October 17, 2017
Date of submission to InfoShop		October 17, 2017
For Category A projects, date of distributing the Executive Summary of the client's ESIA to the Executive Directors		n/a
If in-country disclosure of any of the above documents is not expected, please explain why:		

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

Client's Environment and Social Assessment			
Does the project require a stand-alone Environmental and Social Assessment (including EMP) report?	Yes [X]	No []	N/A []
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes [X]	No []	N/A []
Client's Environmental and Social Management System			
Has the client developed an appropriately detailed ESMS, <u>and</u> does the client have the technical and organizational capacity to implement it?	Yes [X]	No []	N/A []
Labor and Working Conditions			
Does the client have a written human resources policy available to all employees that describes labor and working conditions?	Yes [X]	No []	N/A []
Biodiversity and Natural Resource Management			
If PS 6 is applicable, would the project result in any significant conversion or degradation of critical natural habitats?	Yes []	No [X]	N/A []
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 []	No []	N/A [X]
If the project entails use of living natural resources, has certification been obtained or a time-bound plan established to obtain certification?	Yes []	No []	N/A [X]
Physical Cultural Resources			
If PS 8 is applicable, does the project design include adequate measures related to physical cultural resources?	Yes []	No []	N/A [X]
Indigenous Peoples			
If PS 7 applicable, and have Indigenous Peoples communities been consulted in accordance with requirements of PS 7?	Yes []	No []	N/A [X]
Have the requirements for Free Prior Informed Consent been met, and is there reasonable evidence of broad community support by the affected Indigenous Peoples communities?	Yes []	No []	N/A [X]
Involuntary Resettlement			
If PS 5 is applicable, have the requirements been complied with by the client?	Yes [X]	No []	N/A []
Pollution Prevention and Efficient Use of Resources			

Does the project comply with good international industry practice as presented in the WBG EHSGs or a similar internationally recognized benchmark?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Is the project designed for energy efficiency and waste minimization?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Community Health and Safety			
Has the assessment determined that local communities could face significant adverse impacts in event of an accident or emergency situation associated with the project?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
If so, has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Projects on International Waterways			
Have the other riparians been notified by the Bank of the project?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Projects in Disputed Areas			
Has the memo conveying all pertinent information on the international aspects of the project, including the procedures to be followed, and the recommendations for dealing with the issue, been prepared by the Bank?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Disclosure			
If Category A or B, has the ESRS been sent to the World Bank's Infoshop?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Have relevant assessment documents prepared by the client 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"/>	N/A <input type="checkbox"/>
Monitoring and Reporting			
Has the client agreed to submit an Annual Monitoring Report to the Bank to report on the management of environmental and social risks and impacts, and does the Legal Agreement contain this provision?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Has the client agreed to report at least annually to local affected communities on how the project is performing with respect to environmental and social risks and impacts of concern to those communities?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Mirlan Aldayarov, Arnaud Braud	November 27, 2017
Environmental Specialist:	Mwansa Lukwesa	November 27, 2017
Social Development Specialist:	Yaa Oppong	
Additional Environmental and/or Social Development Specialist(s):	Richard Everett	November 27, 2017
<i>Approved by:</i>		
Safeguards Advisor:	Nathalie Munzberg	November 30, 2017
Comments:		
Practice Manager:	Charles Joseph Cormier	November 30, 2017
Comments:		