

Luxembourg, 19 June 2025

Environmental and Social Data Sheet

Overview

Project Name: Mwanza II Water and Sanitation Project
 Project Number: 2023-0607
 Country: Tanzania
 Project Description: The project involves expansion of water supply and sanitation to Mwanza South and extension of Butimba Treatment.

EIA required: yes

This is a requirement according to the National Environment Management Council (NEMC)

Project included in Carbon Footprint Exercise¹: No

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

This project aims to extend the water supply system to unserved areas in the south of Mwanza City and neighbouring areas. The main objective of the project is to develop water supply services in Mwanza and sewerage services in Mwanza, Bukoba and Musoma. The specific objectives are:

1. achieving the Government's target of 90% clean and safe supply in urban areas by 2026, in a context of fast-growing population (from 490,000 in Mwanza in 2022 to more than one million by 2045); and
2. protecting the water quality of Lake Victoria, threatened by human pollution, including waste water pollution.

This is a follow up operation of LV Watsan Mwanza (20110618) which was co-financed by AFD in an MRI agreement with EIB in the lead. The current operation is similarly undertaken as an MRI with AFD, but with AFD in the lead this time. It will be implemented by, Mwanza Urban Water and Sewerage Authority (MWAUWASA), the same Promoter who implemented the previous project.

The main project activities include:

- i. Mwanza South: Extension of drinking water treatment plant at Butimba to meet the Mwanza South's 2035 demand, construction of a 2.5MW solar power plant for the Butimba treatment plant, construction of 5No.reservoirs of various capacities and

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.



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distribution and reticulation networks including approximately 40,000 new customer connections. In addition, the project will focus on implementation of simplified sanitation systems (SSS) in informal settlements, creating 175 km of sewerage networks in Mwanza.

- ii. Bukoba: Development of a 14,000 m³/day collective sanitation system, including pumping stations and transfer lines.
- iii. Musoma: Expansion of sanitation systems in underserved areas and addition of 12,000 domestic connections.
- iv. In addition, the project includes technical assistance to improve management and financial capacity for sustainable service.

The EIB will primarily finance Mwanza south components only, AFD will additionally finance Bukoba and Musoma components.

Environmental aspects of construction projects are under the jurisdiction of the National Environment Management Council (NEMC) under the Ministry of Environment. NEMC operates under the ESIA regulations 2005 amended in 2018 whose objectives include ensuring all environmental considerations are addressed and incorporated into any development decision as well as anticipating, avoiding or minimising any adverse biophysical, social and relevant effects of development proposed. NEMC therefore reviews all safeguard documents and recommends issuing of licenses by the Ministry of Environment.

The project has elaborated Environmental and Social Management Plans (ESMPs) in line with World Bank standards notably the, Stakeholder Engagement Plan (SEP) including grievance redress mechanism (GRM), Resettlement Policy Framework (RPF), Labor Management Plan (LMP), the Gender assessment and Gender Action Plan as well Environment and Social Impact Assessment for the Butimba treatment plant and simplified sewer systems settlements. The Resettlement Action plan (RAP) for the water networks has also been elaborated. However, according to National Environment Management Council (NEMC), RAP was not necessary for the Butimba plant and the solar plant since they will be located on an already existing site. The ESMPs are still under review by the EIB.

The ESIAs have identified potential negative and positive impacts of the project during the project cycle from planning, construction and operation. The framework also spells out mitigation measures on the foreseen negative impacts. The main environmental impacts of the project are listed below:

Positive impacts

- Improved and generalized access to water supply services: the most beneficial impacts of the Project will be the increase in potable water distribution coverage;
- Public Health improvement: increase in potable water coverage both in terms of quantity and quality has a direct impact on personal hygiene and thus public health;
- Additionally, the implementation of simplified sewer systems will help prevent untreated wastewater from contaminating open drains and Lake Victoria, thereby protecting this vital ecosystem
- The use of renewable energy, specifically solar power, will further minimize the project's carbon footprint and reliance on fossil fuels, promoting resource efficiency
- Economic attractiveness: the project areas are fast growing due to economic development (tourism and light industries);
- Finally, job creation during both the construction and operational phases will contribute to local socio-economic development, providing employment opportunities and fostering community resilience

Negative impacts

- Works impacts: during construction, occurrence of occasional and localized disturbances (mainly dust, noise, construction waste and traffic). Mitigation: an



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Environmental and Social Management Plan has been prepared and will be included in the works tender document for implementation by the future contractor;

- Potential bio-diversity losses: the sites envisaged for Bukoba Treatment Plant and Butimba Solar Plant present characteristics of wetlands, with dense vegetation and an abundance of birds, and may be considered a critical habitat as per the World Bank Standards and IFC Performance Standards 6. Mitigation: A biodiversity study monitored by AFD and a conditionality scheme are therefore proposed as additional E&S risk mitigation measures
- HIV, AIDS and Gender Based Violence and Harassment (GBVH): during construction, presence of numerous workers can have an impact on the spread of Sexually Transmitted Diseases (STD). Mitigation: the ESMP under review includes a programme of actions for the minimization of HIV and AIDS transmission. The Labour Management Plan contains provisions to prevent GBVH.

Climate change

The Climate resilient and sustainability study was undertaken financed by AFD. According to the study, only 3 climate hazards will be impacted moderately or significantly resulting in potential increase on associated hazards thus i) average temperature, ii) heatwave and iii) flood. Adaptive measures to these vulnerabilities have been proposed and budgeted. In conclusion, current adaptive measures are in place which helps to mitigate the risk today for the project assets with only the electricity supply identified as high risk during prolonged drought conditions. Solar power generation will be installed to complement power instability.

Social Assessment, where applicable

In addition to the positive impacts listed above, the project will have further positive social impacts related to employment. It will create different employment opportunities during the various phases of the project such as assisting with social surveys, unskilled and skilled labour during construction period. In addition to the direct employment opportunities, there will be also indirect employment linked to transport, accommodation, food services and laundry services for example.

The main social risks identified in the project sites are related to land acquisition, restrictions on land use, restricted access to natural resources, economic displacement, labour influx-related risks. The project related works could trigger involuntary resettlement: land acquisition or displacement of families or businesses on permanent or temporary basis.

To address these situations, the project has elaborated the required social standards instruments including the, Resettlement Policy Framework (RPF), Labour Management Procedure (LMP), Gender Action Plan (GAP) and Stakeholder Engagement Plan (SEP) including a Grievance Redress Mechanism.

Other social issues

Labour standards

The project may create an influx of non-local labour; to mitigate any potential risk related to occupational and community health safety and security (OHSS), several mitigation measures have been foreseen at different levels. These include the compulsory adoption and enforcement of a code of conduct for the project staff and contractors (including on sexual harassment), the Project has developed a labour influx management plans and workers campsites plans, OHSS related plans and trainings.



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Tanzania has been a member of the ILO since 1962. Today, the ILO provides technical and financial support to the country in collaboration with its tripartite constituents (government, workers' and employers' organization) for employment creation, cooperative development, entrepreneurship training, the expansion of social protection, labour law compliance, HIV/AIDS, the elimination of the worst forms of child labour, and strengthening of social dialogue, among others. Therefore, Labour Management Plan (LMP) was prepared and will be implemented in respect of the international labour standards. The project, through its Labour Management Plan (LMP), addresses labor-related issues by aiming to ensure equal employment opportunities and compliance with national and international labor standards. It aligns with key Tanzanian laws such as the Employment and Labour Relations Act, 2004 and the Labour Institutions Act, Cap 300 which set basic employment rights and wage standards. The LMP outlines employment procedures, including working hours, formal contracts, and equal opportunity recruitment. It establishes termination procedures, salary compliance, and a grievance redress mechanism for employees to report issues safely. Additionally, an Emergency Preparedness Plan will be implemented for safety, and all personnel must adhere to a Code of Conduct. Overall, the LMP serves as a framework to promote fair labor practices and protect workers' rights, creating a safe and inclusive work environment throughout the project's lifecycle. In addition, Furthermore, the project will make a grievance mechanism available to all project personnel including contractors and sub-contractors at site level.

Gender equality

The Water Supply Systems Project aims to enhance water access and sanitation while emphasizing gender equality. Recognizing that women are disproportionately affected by inadequate services; the project includes a Gender Action Plan to address these disparities. The Action Plan considers several national policies and regulations including National Gender Policy 1999, National Policy on HIV /AIDS, 2001, Community development policy 1996, National Health policy 2009, Employment and Labour relations act No. 6 of 2004 etc.

Specific gaps include: 1) women and young girls are responsible for fetching water in the communities, they are forced to spend more time in search for water than performing productive and income generating activities having to walk long distances 2) as far as sanitation is concerned, women and children are responsible for the cleaning of toilets and there is a risk of contracting infectious diseases due to water scarcity. In addition, lack of proper sanitation facilities causes girls to miss school during menstruation periods and 3) there is no enabling environment for people with disabilities to access water and sanitation facilities. Key elements include assessing the specific challenges women face, promoting their involvement in decision-making, and supporting vulnerable groups like female-headed households. Training programs will empower women with knowledge about water management and hygiene, while infrastructure improvements will bring water supply points closer to homes. A monitoring framework will track progress toward gender-related objectives, ultimately improving socio-economic conditions and contributing to gender equality in the project location.

Public Consultation and Stakeholder Engagement

A Stakeholder Engagement Plan inclusive of grievance redress mechanism has been developed according to world bank standards and used during the preparation for the project safeguard plans including RAPs, ESIA, and RPF. These documents are still under EIB's reviews to ensure compliance with the Bank's standards.

Overall implementation of the SEP is the responsibility of the MWAUWASA which has experience in such implementation from previous project. In addition, the project foresees project implementation consultant to support MWAUWASA in project implementation including stakeholder engagement.



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Other Environmental and Social Aspects

The promoter, MWAUWASA, has experience with management of Environmental and social risks and has in its organisation structure, Environment and Social experts who are responsible for implementation of RAPs and monitoring ESMPs.

Specifically for this project, the promoter will also have a dedicated project implementation Unit (PIU) dedicated to implementing the project. The team will include an environmentalist as well as a social expert responsible for monitoring E&S impacts and their mitigation measures. The project also foresees a project management consultant to support the PIU and MWAUWASA in general.

Conclusions and Recommendations

The implementation of this Project will lead to access to clean, stable and reliable water and sanitation services. This will lead to improved health, cleaner environment and sustainability of economic infrastructure and an enabling environment for economic activities in the project areas.

It will also lead to improved environmental health of the Lake Victoria which is the largest freshwater lake in East Africa.

The Project is not expected to have significant adverse impact on the environment. Possible negative environmental effects should be temporary and confined to the immediate construction sites.

The Project is considered acceptable for EIB financing from an Environmental and Social point of view with the following conditions:

Conditions for any disbursement related to works:

- Evidence that the Environmental and Social Management Plans have been properly considered in the works contract as a contractually binding document.
- Confirmation that compensation to those people affected by the project, in relation to the disbursement in question, has taken place.
- Submission of the license from Ministry of Environment to start construction for the project component under disbursement.
- The Environmental and Social Impact Assessment and the Resettlement Action Plan of the components in relation to the disbursement in question are satisfactory to the Bank and sent to be published on the Bank's website, together with the favourable opinion of the competent authority.

Undertakings

- Implement a Gender Action plan to mitigate and respond to gender gaps, including a Grievance Redress Mechanism that is sensitive and confidential.
- The promoter commits to comply with the recommendations of the Environmental and Social Management Plans including the Resettlement Policy Framework, the Stakeholder Engagement Plan and the associated Grievance Redress Mechanism.