

Environmental and Social Data Sheet

Overview

Project Name:	KYRGYZ WATER AND SOLID WASTE FRAMEWORK LOAN
Project Number:	2014-0105
Country:	Kyrgyzstan
Project Description:	<i>The water and wastewater component will primarily support improvements in water supply, metering and wastewater networks. The solid waste management component of the project comprises construction of sanitary landfills and closure of the existing dumpsites, as well as supply of waste collection equipment for the local municipal companies.</i>
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

This operation is structured as a Framework Loan, and will include a number of water, wastewater and solid waste management sub-projects, for which details were not known at the time of appraisal. Nevertheless, it is expected that the implementation of the schemes will have an overall positive environmental impact.

Environmental and social impact assessment studies normally form part of the documentation developed in the course of the scheme preparation, despite the fact that under national legislation all the schemes may not require a full environmental impact assessment (EIA). The Kyrgyz national legislation (Law on the Environmental Assessment) requires a process similar to the one required by the EU EIA Directive for projects which may have a significant impact on the environment. While the construction of sanitary landfills falls into that category, many of the components of the water sector schemes will not.

The project will be co-financed with the European Bank for Reconstruction and Development (EBRD) and the individual schemes will comply with the EBRD's Performance Requirements as well as the EIB Environmental and Social Standards. Therefore, should the EIB determine that a full environmental and social impact assessment would normally be required in line with its Environmental and Social Standards, then the completion of the full ESIA or the remaining steps to complete an ESIA will be required.

The two already identified mature solid waste projects (Osh solid waste and Jalal-Abad solid waste) will provide new sanitary landfills, serving approx. 450,000 inhabitants that are expected to reduce adverse environmental, health and climate impacts from current dumpsites that will be closed and rehabilitated. The closure of the existing dumpsites will adversely affect people whose livelihoods depend on the collection of secondary materials on the sites and appropriate livelihood restoration plans will have to be developed and implemented. Potential adverse environmental impacts during the operation phase comprise primarily soil and water pollution, greenhouse gas emissions and management of mineral resources, which will be mitigated through appropriate design and operational procedures.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

Furthermore, the rehabilitation and construction of sewerage systems in Cholpon-Ata, Karakol and Balykchy is considered to be instrumental in the protection of the ecosystem of the Yssyk-Kul Lake.

In general, the implementation of the schemes in the water sector is expected to considerably improve the reliability and the quality of water supply and wastewater collection. It will contribute to the provision of safe drinking water and prevent environmental pollution, thus improving public health. It will further contribute to the protection and more sustainable use of water resources, through its water efficiency components. These measures will also result in an improved resilience of the system to climate change.

The construction works will result in limited, localised, short-term adverse environmental impacts that can be mitigated by adhering to a good practice.

The promoters' capacity to manage the projects implementation and subsequent operation will be strengthened by EBRD Technical Assistance.

The Bank funds will not be allocated to schemes that require a full EIA unless the necessary consents have been issued by the competent authorities and public consultations have been completed as required. The Promoters will be required to implement the environmental and social action plans and the stakeholder engagement plans developed for the individual schemes. With the appropriate mitigation measures in place and the mentioned environmental and social contractual conditions placed on the project, the project is considered acceptable for Bank financing.

Environmental and Social Assessment

Environmental Assessment

- The two solid waste projects in Osh and Jalal-Abad will reduce adverse environmental, health and climate impacts from current dumpsites that will be closed and rehabilitated. The EIAs for the projects conclude that the construction works will result in limited, localised, short-term adverse environmental impacts that could be mitigated by adhering to a good practice. Potential impacts during the operation phase comprise primarily soil and water pollution, greenhouse gas emissions and management of mineral resources, which will be mitigated through appropriate design and operational procedures, and by aiming at using local mineral resources to minimise the impact from transports.
- The Kyrgyz Republic has a network of specially protected natural territories, established to protect biodiversity (covering around 6% of the total area of the country). Of particular relevance for the potential schemes to be financed within this operation is the Yssyk-Kul Biosphere Territory, which is located in the vicinity of some of the potential schemes. In particular the rehabilitation and construction of sewerage systems in Cholpon-Ata, Karakol and Balykchy is considered to be instrumental in the protection of the ecosystem of Yssyk-Kul Lake.
- Kyrgyzstan has approximately 30% of the region's water resources, and is in one of the main suppliers of water in Central Asia. Run-off from glaciers together with the seasonal snowmelt produces 60-80% of the river flow. Climate models suggest that the increased glacial melting will increase the annual flow on short term (up to 10% over the next 20 years) but reduce total annual flow on long term and increase its fluctuations. Continued rapid glacial melting is likely to lead to a decline in water supply and quality in certain parts of the country. Changes to the surface water regime will also likely impact groundwater supplies as the contributions of glaciers to groundwater recharge will be reduced. At the same time, the higher temperature will increase the demand for drinking water.

Social Assessment

General

- The occupational health and safety practices need improvement, in particular as regards the human resources management system, working conditions and facilities for the personnel. Environmental and social action plans are expected to be developed for each scheme separately and will address these issues with the support of Technical Assistance.
- The social impacts associated with implementation of the water schemes have not yet been determined, but are expected to be limited to short-term disturbances during the construction stage. Most of the components will involve renovation of the existing assets such as rehabilitation of the existing supply networks and well fields and will not involve any new developments. Therefore, mainly positive impacts associated with improved quality of water and sanitation are expected.

Osh and Jalal-Abad solid waste management schemes

- Environmental and social due diligence studies carried out for the two projects do not report any need for physical resettlement. (These studies include Environmental and Social Due Diligence with Non-Technical Summary, Environmental and Social Management Review, Environmental and Social Action Plan, Stakeholder Engagement Plan, Compensation and Livelihood Restoration Framework). The site visit confirmed these findings. However, the closure of the existing dumpsites will affect the livelihoods of people involved in the collection of secondary materials on the sites (about 10 in Jalal-Abad and 30 in Osh). Some of these people are reported to belong to a Lyuli ethnic minority, considered to be vulnerable. Appropriate livelihood restoration plans will have to be developed and implemented in accordance with EIB and EBRD standards.
- Working conditions in the local operators is also an area of some concern. The annual turnover of staff is high. The companies' facilities and workshops are often in poor technical condition. The Technical Assistance that will be provided by EBRD for Osh and Jalal-Abad schemes will include a component dedicated to the implementation of the occupational health and safety standard 18001 in the operating companies. Rehabilitation of the companies' premises and facilities is a part of the project and should contribute to the overall improvement of the working conditions. The appropriate mitigation measures will be included in the Environmental and Social Action Plan for each of the schemes.

Public Consultation and Stakeholder Engagement

- The environmental assessments of the schemes have not yet been reviewed by the competent authority, which will decide if the formal public consultation procedure applies. The Bank will require the submission of the results of this review prior to the allocation of the schemes. The Promoters will be assisted by the consultant in that process.
- The Technical Assistance for Osh and Jalal-Abad schemes will include a Stakeholder Participation Programme component that is aimed at enhancing public ownership and awareness of solid waste management, and increase public participation in the solid waste collection system. It will also support the implementation of the Stakeholder Engagement Plans.

Other Environmental and Social Aspects

The Technical Assistance for Osh and Jalal-Abad solid waste schemes will include a component dedicated to the review of the management systems of the operators and improving them in line with ISO 14001 standard and the occupational health and safety standard 18001. It will also develop Environmental and Social Action Plans for the companies.

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Similar actions may be also envisaged for water companies implementing water and wastewater schemes, where relevant. In some cases, the implementation of environmental and occupational health and safety management systems is ongoing as an element of the earlier projects supported by the EBRD.

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