

Environmental and Social Data Sheet

Overview

Project Name:	LV WATSAN - KISUMU
Project Number:	2011-0619
Country:	Kenya
Project Description:	The Project involves the expansion of the water supply and rehabilitation and expansion of the wastewater system in the city of Kisumu, as well as certain satellite towns around the city including the construction of a new Wastewater Treatment Works.
EIA required:	Yes This is required on each component of the project according to Kenyan law and to the satisfaction of the Bank. The documents will be published in the Bank's website.
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

The Project will be implemented under an MRI agreement with AFD, with AFD acting as the Lead Financier. Environmental and social aspects will be monitored by AFD, as defined in the relevant clauses of the MRI between AFD and the Bank. Conditions for disbursement relating to environmental and social aspects identified by the Bank (including the preparation of ESIA for the various components of the project) will need to be approved by the Bank.

The Promoter for this project is Lake Victoria South Water Services Board (LVSWBSB), a State Corporation under the Ministry of Water and Irrigation. The Board is among the 8 Water Service Boards (WSBs) established under the Water Act (2002) with the mandate of ensuring efficient and economic provision of Water and Sanitation Services in its designated area. LVSWBSB is a capable Promoter that has significant experience in implementing projects in the water sector financed by IFIs. To be noted that the new Water Act of 2016, which is expected to come into force in the coming months, stipulates the transfer of functions, assets, liability and staff from Water Services Boards to new government entities named Water Works Development Agencies. It is not anticipated that this transfer will have an impact on the implementation of the Project.

Environmental aspects of construction projects are under the jurisdiction of the National Environment Management Authority (NEMA) that is mandated by the Environmental Management and Coordination Act (EMCA) no 8 of 1999 to administer required Environmental and Social Impact Assessments (ESIAs).

The Second Schedule of the Environmental Management and Coordination Act (EMCA) of 1999 (and its subsequent Amendment of 2015) define the projects that require an EIA. The

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.

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following components of the project qualify for ESIA under 1(a) Changes in Land Use (Major changes) and 3(f) Transportation (Water Transport):

- Expansion of the water supply network in areas not currently connected to water supply within Kisumu city as well as the satellite towns of Maseno, Kiboswa, Darajambili and Ahero.
- Rehabilitation of the wastewater collection network within the city of Kisumu as well as expansion of the wastewater collection network in surrounding areas of Kisian, Otonglo, Kanyakwar and Nyamasaria.
- Construction of a new Wastewater Treatment Works (WWTW) at Otonglo to the east of Kisumu.

An environmental impact scoping that was conducted as part of the Project Formulation Study (PFS), funded by the Bank in 2010, concluded that the project is not expected to have any significant adverse effect on the environment. The typical project activities will involve clearing of construction sites from obstacles, excavation of trenches, laying of pipelines, construction of concrete structures and installation of electromechanical equipment. Possible negative environmental impacts are limited to the construction period and include land disturbance, air pollution due to dust generation, noise, generation of construction waste and ecosystem disturbance due to excavations. These impacts are expected to be temporary and confined to the immediate construction sites. These issues will be addressed in the relevant Environmental and Social Monitoring Plans (ESMPs). The project is unlikely to result in any lasting loss of flora and fauna. It is foreseen that there will be some permanent loss of agricultural land at the site of the WWTW but this is expected to be minimal.

There are many positive impacts associated with the Project, notably public health benefits arising from access to clean drinking water and collection and treatment of wastewater. The Project is also expected to result in improved compliance with environmental and other legislation.

With the expansion of the wastewater system the Project is, ultimately, also expected to help improve the water quality in Lake Victoria. As a result, the Project will support a regional objective of protecting the environment and sustainable development of communities of the Lake Victoria region. Lake Victoria, as a shared source of water between several countries, gives rise to a regional interest regarding sound practices on water supply, sanitation and waste management

Given the early stages of the Project, there is currently no ESIA for the various components. However, all environmental and social impacts will be addressed in accordance with Kenya's national regulations and EIB standards through the Project's ESIA, specific ESMPs and Resettlement Action Plan (RAP). Completion of the ESIA, to the satisfaction of the Bank, will be a condition prior to any Disbursement relating to works.

The scope of the Project is fully in line with the Bank's Water Sector Lending policy and is contributing to the achievement of Sustainable Development Goal No.6 (SDG) of *"availability and sustainable management of water and sanitation for all"*, particularly in the peri-urban low income areas. The Project is also in line with the objectives of the Cotonou Agreement of developing social and economic infrastructure in sectors important for poverty eradication as well as for regional integration among the countries around Lake Victoria (Kenya, Tanzania, and Uganda).

Social Assessment, where applicable

The project is expected to trigger limited permanent and temporary physical and economic displacement that is limited to the location of the WWTW. Although Kenyan regulations for resettlement comply substantially with EIB's standards the related social impacts will be

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addressed appropriately by the Project's ESMP and RAP as condition precedent to disbursement pertaining to the WWTP works

The Land Act 2012 is the substantive law governing land in Kenya and provides the legal regime over administration of public and private lands. It also provides for the acquisition of land for public benefit. The government has the powers under this Act to acquire land for projects, which are intended to benefit the general public. The projects requiring resettlement are under the provision of this Act.

Specific conditions will be included for the Government to carry out the implementation of the RAP/ESIA/ESMP and the respective public disclosure.

Kenyan legislation on labour standards and occupational health and safety matters is deemed satisfactory, however it is its enforcement across the project that might prove challenging, particularly since EIB standards will also apply to first-tier contractors and suppliers. To this end, robust monitoring is sought by LVSWSB.

The expansion of the water supply is expected to have a significant positive effect on women and girls, who usually bear the burden of fetching water and as a result miss out on opportunities for education, productive activities or leisure time. In addition the increase in wastewater collection coverage is expected to address the adverse health effects due to a lack of adequate sanitation and hygiene and unburden women of sanitation relating tasks as they are the ones that usually have the primary responsibility for the management of household water supply, sanitation and health.

Public Consultation and Stakeholder Engagement

Public consultation will be carried out as part of the different required assessment stages as defined in the Environmental Management and Coordination Act (EMCA) of 1999. A satisfactory Stakeholder Engagement Plan, including an accessible grievance mechanism, to be duly implemented throughout the project's duration will be required by the Bank as well as reporting on project information disclosure, stakeholders' consultation and grievance management by the promoter.

The Promoter will have to ensure compliance with national regulations and facilitate the access by the public to project related relevant information in accordance with the Bank's Transparency Policy.

Conclusions and Recommendations

The implementation of this Project will lead to improved public health arising from access to clean drinking water and collection and treatment of wastewater. In addition, with the expansion of the wastewater system, the Project is also expected to help improve the water quality in Lake Victoria. As a result, the Project will support a regional objective of protecting the environment and sustainable development of communities of the Lake Victoria region.

The Project is not expected to have any significant adverse impact on the environment. with possible negative environmental effects (such as land disturbance, air pollution due to dust generation, noise, generation of construction waste and ecosystem disturbance due to excavations) being temporary and confined to the immediate construction sites. The Project is unlikely to result in any lasting loss of flora and fauna. It is foreseen that there will be some permanent loss of agricultural land at the site of the WWTW but this is expected to be minimal.



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Limited involuntary resettlement and economic displacement is expected at the location of the WWTW and will need to be addressed appropriately by the Project's Environmental and Social Management Plan and Resettlement Action Plan.

The scope of the Project is fully in line with the Bank's Water Sector Lending policy and the objectives of the Cotonou Agreement.

The Project is considered acceptable for EIB financing from an environmental and social point of view with the following conditions relating to environmental and social matters:

- The submission of a Stakeholder Engagement Plan (SEP), including a project-wide grievance mechanism.
- The preparation of a Resettlement Action Plan and proof of completion of resettlement compensation at the site of the construction of the new Wastewater Treatment Works (WWTW) at Otonglo
- The Environmental and Social Impact Assessment (ESIA) report for the project component under disbursement, received to the satisfaction of the Bank with (i) an electronic copy of the non-technical summary of that assessment including the full environmental impact study or (ii) a link to its own website or the competent authority's website by which the Bank can retrieve the non-technical summary and the full environmental impact study of that assessment.
- Submission of the license from NEMA to start construction for the project component under disbursement.
- Satisfactory evidence of implementation of the ESMP, the RAP, the SEP incl. grievance mechanism