

SUMMARY ENVIRONMENTAL ASSESSMENT

Supplementary Appendix to the
Report and Recommendation of the President
to the Board of Directors

on the

Punjab Devolved Social Services Program

Islamic Republic of Pakistan

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SUMMARY ENVIRONMENTAL ASSESSMENT

A. Introduction and Background

1. Rapid population growth, stagnant school enrollments, low literacy rate, high infant and maternal mortality and poor nutritional status of women and children are the major challenges. Almost 40% of the burden of disease is related to communicable diseases having major impact on well-being, the economy, and the environment of the Punjab Province. These challenges have an impact on poverty, gender imbalance and neglect of social services in rural areas and urban slums, which are in turn linked to governance and environmental problems.

2. The Punjab Economic Research Institute has ranked the 34 districts of Punjab according to the level of development based on a composite development index using the SPDC methodology¹ developed by the Karachi based Social Policy Development Center. Ten districts have been classified as highly deprived and comprise in descending order: Rajanpur (the most deprived), Muzaffargarh, DG Khan, Layyah, Lodhran, Bhakkar, Pakpattan, Rahimyar Khan, Bahawalpur and Jhang. Seven of these most deprived districts fall in southern Punjab. The Punjab Devolved Social Services Program (PDSSP) aims to improve education, health and drinking water and sanitation in all the districts of Punjab Province. It will support local governments (LGs) and community-based organizations with flexible financing to improve and expand social services with priority for the poor, women and vulnerable.

3. An environmental assessment of the proposed PDSSP was carried out to identify necessary measures to prevent or mitigate any adverse environmental impacts, which could possibly arise from its implementation. The PDSSP is classified as environmental category B. The program is supported by policy reforms and a technical assistance grant for capacity building of LGs, which includes implementation, monitoring and evaluation of environmental safeguards.

B. Description of the Program

4. The goal of DSSP is to achieve progress on MDGs related to poverty, gender, education, health, and water and sanitation sector (WSS). The policy framework provides for the introduction of new policies or adaptation of existing policies to create an enabling environment for LGs to improve quality, efficiency and effectiveness of social services for the poor and vulnerable groups. The program is built around three principal policy outcomes:

- i) Realign inter-governmental relations to support devolved social services;
- ii) Rationalize and set minimum standards for social services; and
- iii) Strengthen public accountability mechanisms and promote public-private partnership.

5. The overall objective is to strengthen devolved social services for more equitable, efficient, effective, and sustainable social services in line with the Punjab Local Government Ordinance (PLGO). In order to achieve the goals and objectives, it will be necessary to:

¹ The Social Policy Development Center, Karachi (SPDC) had developed a district profile of concentration of poverty for each province in 2001, using four indicators namely employment, education, housing and housing services (which includes water supply and sanitation).

- i) increase funding to the social sectors to expand coverage of health services,² especially for women and children, increase school enrolment rates, and improve access to WSS facilities;
- ii) move away from provincially driven to demand driven programs that are identified and implemented by LGs in line with PRSP to achieve MDGs; and
- iii) to enhance the capacity of LGs to assume new roles and responsibilities envisaged under the PLGO, including planning, implementation, and monitoring and evaluation.

C. Environmental Assessment of Policy Interventions

6. The environmental assessment of the four Policy interventions (see policy matrix overleaf) was conducted using the methodology of the assessment of the direct environmental impacts caused by the immediate economic and social outcomes. As shown, most direct environmental impacts are expected to be positive and in some cases, means to enhance such outcomes have been suggested. Alternatively, where negative impacts have been identified, mitigation measures are proposed.

7. Although expected to have substantial positive environmental impact, increased expenditure in social sectors should be adequately addressed to prevent any negative outcomes. For this purpose, specific environmental mitigation measures have been proposed. These have been specifically addressed through a program of interventions under the Environmental Management Plan and will be supported by the proposed TA loan associated with this program loan, amounting to a total of \$20 million.

² Includes reproductive health and nutrition services

Policy Outcome 1: Realign inter-governmental relations to support devolved social services			
Policy Statement	Economic and Social Outcomes	Potential Environmental Impacts	Mitigation Measures
1.1. Five year strategic plans for social sectors in line with PRSP to achieve MDGs	Strategic plans prepared with explicit economic and social outcomes, and, strategies. Explicit attention given to the poor, women and other vulnerable groups by ensuring the process is participatory.	<ul style="list-style-type: none"> ▪ (P) Sectoral strategic plans aimed to achieve the MDGs will aim to ensure environmental sustainability (MDG 7), increasing access to safe water and sanitation. ▪ (P) Increased social sector expenditure will result in (i) sustained management of water resource, (ii) efficient use of scarce freshwater resources, (iii) greater efficacy in the provision of solid waste management, including safer handling, segregation and recycling of medical waste. ▪ (N) Increased investment in provision of health services may lead to the uncontrolled increase in medical waste generation, inadequate collection, segregation, and disposal of waste. ▪ (N) Inadequately controlled investment in water supply services may lead to over extraction of aquifers, waterlogging and water table depletion and/or salinization, deterioration of land and/or downstream ecosystems in the case of excess surface water extraction. 	<ul style="list-style-type: none"> ▪ Guidelines prepared for all levels of government on how to undertake investment in the social sectors with specific instructions on participatory planning, addressing pro-poor, gender, and environmental concerns. ▪ Environmental checklists are developed for screening all project investments are in conformity with the guidelines. TMAs to submit completed environmental checklists for every project. ▪ Sectoral policies to be developed to include water supply and sanitation and solid waste management policies (with specific sections addressing medical waste and industrial waste). ▪ All projects to follow Pakistan EPA environmental impact review requirements. Full reports to be submitted to the Punjab Environment Department where checklists have identified the environmental impacts to be significant. ▪ For projects with significant impacts (as determined by checklists-- Pakistan EPA full EIA review required. ▪ Where required, mechanism for benchmarking and progressive enforcement introduced.

<p>1.2. Implement devolved administrative and financial powers in line with PLGO</p>	<p>Strategic plans describe a clear strategy for the implementation of administrative and financial powers, clearly state the responsibilities for the achievement of economic and social outcomes for all levels of government, also for the transitional period. This is reflected in the associated laws, rules, regulations, notifications and directives are prepared.</p>		
<p>1.3. Use of the conditional grants to articulate and implement provincial policies, sectoral priorities, and institutional arrangements for devolved social services</p>	<p>Achievement of the economic and social policy objectives of the PG. Grant system to ensure that poor, women, and vulnerable groups are better targeted.</p>	<ul style="list-style-type: none"> ▪ (P) Provincial sectoral policies regarding water supply and sanitation and solid waste management (including medical waste) will be formulated resulting in positive environmental outcomes, such as improved water conservation, integrated water and land resources management, waste segregation and recycling. ▪ (N) Sectoral policies focus only on provincial priorities, not addressing potential environmental impacts on neighbouring/downstream/upstream Provinces. 	<ul style="list-style-type: none"> ▪ Sectoral policies to be reviewed by the Punjab Environment Department to ensure provincial environmental compliance and incorporation of environmental concerns. <ul style="list-style-type: none"> ▪ Sectoral policies to be in agreement with national policies in the sectors of water supply (currently being formulated) as well as other national policies to be prepared. ▪ Public disclosure of sectoral policies (web, etc) during consultation period to ensure stakeholders outside the Province have access and possibility to express concern.

Policy Outcome 2: Rationalize and set minimum standards for social services			
Policy Statement	Economic and Social Outcomes	Potential Environmental Impacts	Mitigation Measures
2.1 Provincial Line Departments (PLDs) set pro-poor and gender sensitive minimum service standards	Standards for service delivery are set which are sensitive to the poor, women, and other vulnerable groups designed.	<ul style="list-style-type: none"> ▪ (P) Minimum service delivery standards will incorporate minimum technical standards and environmental safeguards, applicable to activities such as water quality testing, therefore increasing the quality of water quality delivery. 	
2.2. PLDs design mechanisms and procedures for providing guidance and monitoring DG and program TMAs in rationalizing social sector services	Clear procedures stating how to rationalize services, particularly with reference to the poor, women and other vulnerable groups, and, opposition areas designed.		
2.3. Rationalisation of staff in PLDs and strengthening of employer functions of DGs and TMA level	Priority given to female employers and DGs and TMAs in the poverty areas of the province. Preference given to candidates with a background in economics or social sciences.	<ul style="list-style-type: none"> ▪ (N) Staff recruited in DGs and TMAs are unaware or untrained for conducting their tasks in an environmentally conscious manner. 	<ul style="list-style-type: none"> ▪ Guidelines prepared for assessing that the relevant levels of government have the appropriate expertise in environmental management. ▪ Plan prepared for filling the human resource gap and address any shortcomings in environmental assessment, such as through adequate training or secondment from central agencies. ▪ Experts in environmentally-related matters, including competent engineers, are recruited to support DGs and TMAs. ▪ Capacity of DGs and TMAs is built through provision of technical training, monitoring and environmental, prevention and mitigation knowledge transfer.

Policy Outcome 3: Strengthen public accountability mechanisms and promote public private partnership			
Policy Statement	Economic and Social Outcomes	Potential Environmental Impacts	Mitigation Measures
3.1 (a) Design monitoring systems for social sectors at the local level and enhance public disclosure on social services delivery	Economic and social indicators are disaggregated in the monitoring system to reflect pro-poor, women and vulnerable groups.	<ul style="list-style-type: none"> ▪ (P) Clear and specific environmental monitoring system designed, incorporating environmental indicators and monitoring mechanisms, this will include water quality testing, water extraction, solid waste collection levels. ▪ (P) Relevant NEQS and WHO standards included in the monitoring system, resulting in enhanced environmental enforcement and compliance. 	Proposed enhancement measures include: <ul style="list-style-type: none"> ▪ DG and TMA staff training on environmental monitoring mechanisms. ▪ Public disclosure mechanisms, which focus on timely, clear and precise disclosure of information on social services designed and included in the rules. ▪ Specific incentives developed to ensure environmental monitoring systems are in place. ▪ Environmental monitoring complaint cell institutionalized in each TMA covered under this project.
3.1 (b) Strengthen monitoring systems for social sectors at the local level and enhance public disclosure on social services delivery	Ensure that the process is consultative and addresses means by which citizens can engage with PG and LGs. Complaint cell monitoring to include disaggregated data by poor and women where relevant.		
3.2. Effective functioning of Local Council monitoring committees	Laws and rules designed for local council monitoring committee include economic and social outcomes.		
3.3(a) Design of public-private partnership modalities in social sectors focusing on innovative service delivery and public accountability mechanisms	Creation of greater opportunities for economic and social activity at the local level, creation of private and social capital in the delivery of social services with a special focus on the poor and women.	<ul style="list-style-type: none"> ▪ (P) Diversification and inclusion of private sector in the delivery of social sector (water supply, sanitation and solid waste management) services to result in improved service delivery, including (i) improved O&M of water supply, sewerage and wastewater treatment schemes through enhanced cost recovery, (ii) improved delivery of waste to users 	<ul style="list-style-type: none"> ▪ Partnerships to include minimum environmental standards as part of the required conditionalities.
3.3(b) Promotion of public-private partnerships in social sector focusing on innovative service delivery and public accountability mechanisms	Modality designed ensures that economic and social concerns/issues (women, pro-poor, vulnerable group) are built in.		

DG = District Government; EIA = Environmental Impact Assessment; EPA = Environment Protection Agency; LG = local government; N = negative; MDGs = Millennium Development Goals; NEQS = National Environmental Quality Standards; O&M = Operation and Maintenance; P = positive; PG = Government of Punjab; PLGO = Provincial Local Government Ordinance; TMA = tehsil municipal authority; WHO = World Health Organization.

D. Environmental Management Plan

8. The following proposed actions describe the conditions or safeguards required to ensure that the policy interventions will promote environmentally sound development.

9. Environmental checklists will be developed for the TMAs to conduct a rapid environmental assessment on proposed investment projects to be undertaken. For those projects deemed by the TMAs to have some impact on the environment, environmental monitoring procedures during design, construction and operation will be specified and monitored through the implementation of an environmental management plan (EMP) designed for each of such investment projects. The EMP will comprise design, implementation and operation mitigation measures and specify monitoring activities to ensure compliance. EMPs will be designed by locally accredited institutes and approved by the line department and Environment Protection Department of Punjab, as required by local law.

10. Specific measures to be included as part of the Environmental Management Plan designed to prevent any environmental impacts include:

- (i) Environmental checklists are developed for screening all project investments are in conformity with the guidelines. TMAs covered under the Program to submit completed environmental checklists for every project;
- (ii) Guidelines on the use of funds including environmental screening procedures incorporated in all service delivery projects;
- (iii) Consultation on environmental impacts is built into the consultation program with stakeholders;
- (iv) Environmental monitoring and evaluation training to be provided to designated TMA officers in TMAs covered under the program;
- (v) For in TMAs covered under the program, hospital and clinics to designate a medical waste management focal point responsible for development and enforcement of a medical waste collection, segregation and management plans, and provide appropriate training to the sanitary staff;
- (vi) Hospital and clinics to develop medical waste disposal record system, reflecting that all solid and non-infectious waste is adequately disposed of through an incineration process where appropriate or at an upgraded and designated landfill;
- (vii) DSSP will affect improvements in the quality of water supplied to consumers through a comprehensive water quality-testing program to be developed jointly by the Environment Protection Department and TMAs covered under the program and implemented on quarterly basis;
- (viii) Occupation Health and Safety procedures will be developed by the in TMAs covered under the program where chlorination systems are to be implemented
- (ix) Environmental management training to be organized for women and men from communities; environmental education for school children and establish environmental club to monitor and improve the environmental conditions of the school environment. In addition, hygiene education programs to be developed and provided throughout the province.

1. Description of Programs and Parameters

11. Protocols to be followed by the TMAs are to include:

- (i) Occupational Health and Safety plans for any works undertaken;

- (ii) Enforcement of internal and external monitoring procedures;
- (iii) Development of a financial sustainability plan for operating facilities, and follow-up monitoring plan;
- (iv) Agreements between communities and local authorities for provision of safe and environmentally acceptable disposal of municipal waste facilities and appropriate treatment of septic tanks on a regular basis;
- (v) Contract agreements to be signed between municipal authorities and private providers for disposal of medical waste to the landfills and for disposal of human waste to incinerators;
- (vi) Awareness program for the development of a separation of hazardous waste at source program and its proper collection and transportation with safe disposal;
- (vii) Training courses in operating safe management/disposal of medical waste and water conservation practices; and employee health, hygiene and safety training;
- (viii) Public- private –civil society partnership for solid waste management system may be introduced in selected Districts; and
- (ix) A comprehensive groundwater and surface water quality testing program to be developed to ensure the suitability of sources for drinking purposes in TMAs covered under the program.

2. Description of the Responsibilities for Mitigation and Monitoring Requirements

12. The program support unit (PSU) will be provided with at least one environmental expert, in charge of preparing environmental guidelines, environmental checklists, environmental indicators and associated monitoring mechanisms for all participating TMAs. Each TMA will appoint a focal point for overseeing the implementation of the environmental and training programs, undertaking project environmental checklist assessments, monitoring and evaluating environmental requirements.

13. The Provincial Steering Committee, chaired by the Chairman, Planning and Development Board and including concerned line departments, communication and works department and finance department as well as members of civil society, will provide overall direction and supervision of the implementation of environmental mitigation measures. The PSU will be responsible for administering the environmental monitoring system. It will ensure the incorporation of environmental due diligence into the program cycle, incorporate environmental mitigation measures into the design, construction and operations supported by the PDSSP, and provide GOP and ADB with timely information on progress towards the expected outputs. A civil engineer/environmental specialist will serve as a full time PSU staff. His/her responsibilities, apart from policy work on WSS and solid waste management, will include:

- (i) Overseeing the development of environmental items in the selection criteria for constructions;
- (ii) Assisting civil works survey concerning environmental aspects, including source of drinking water quality testing;
- (iii) Participating in the selection of activities;
- (iv) Liaison with the line departments on environmental classification of works undertaken by TMAs;
- (v) Establishing contact with local key stakeholders;
- (vi) Administering monitoring surveys during the implementation phase and audits after the completion of work; and

- (vii) Developing reports on the implementation of the specifically required EMPs on a semi-annual basis, to be reported to the Provincial Steering Committee and ADB.

14. The Planning and Development Department, Punjab Government, will be responsible for (i) environmental clearance of physical investments; (ii) environmental compliance monitoring during construction; and (iii) routine environmental monitoring. Municipalities will be responsible for (i) testing and approval of water quality for supplying, (ii) routine water quality monitoring, (iii) public health education and awareness, and (iv) public health monitoring.

15. The Environment Protection Department in Punjab will be responsible for overseeing monitoring and ensuring that all activities undertaken under by the TMAs as a result of increase expenditure in the social sectors is in agreement with Pakistan Environmental Protection Act and associated laws and regulations. The Environment Protection Department in Punjab will also be responsible for providing overall environmental guidance in the development of relevant policies and guidelines in the water supply and sanitation, solid waste management and medical waste management sectors.

E. Conclusions

16. The impacts of the Program components will be mostly positive. The proposed Program would significantly improve the overall environmental quality of the participating TMAs. The Program is considered not to have significant environmental impacts and classification B to be appropriate and therefore an Environmental Impact Assessment is not deemed necessary.