



Project Summary Information

Date of Document Preparation: November 14, 2023	
Project Name	Accelerating Sustainable and Clean Energy Transformation (ASCENT) Rwanda
Project Number	P000756
AIIB member	Rwanda
Sector/Subsector	Energy/Multi-subsector
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Under Preparation
Objective	To accelerate access to sustainable, reliable and clean energy for households, enterprises and public institutions in the Republic of Rwanda.
Project Description	The Project will support the target of the Government of Rwanda (GOR) to achieve universal electricity access, in line with Rwanda's National Electrification Plan (NEP), targeting grid-based electrification for 65 percent of villages and off-grid electrification solutions for 35 percent. It will also strengthen Rwanda's efforts to enhance energy access for productive uses. In addition, the Project will support improved quality, reliability and efficiency of electricity service through upgrades in the electricity network and improvements in the operational performance of the energy utility. Finally, the Project will provide increased access to clean cooking solutions amongst large institutional users, in aid of the target of the Energy Sector Strategic Plan (ESSP) to reduce the number of households using traditional cooking fuels in line with GOR's target to reduce unsustainable biomass usage.
Expected Results	<ul style="list-style-type: none"> • Increased access to grid electricity • Enhanced reliability of electricity service • Increased access to off-grid electricity, clean cooking, and productive use of energy (PUE) • Improved institutional capacity for project implementation

Environmental and Social Category	The World Bank (WB) has categorized the environmental and social (ES) risks of the Project as “Substantial” which is equivalent to Category B if AIIB’s Environmental and Social Policy (ESP) were applicable.
Environmental and Social Information	<p>The loan will be co-financed with the WB as lead co-financier, and the Project’s ES risks and impacts have been assessed in accordance with the WB’s Environmental and Social Framework (ESF). To provide for a harmonized approach to addressing the ES risk and impacts of the project, and as permitted under AIIB’s Environmental and Social Policy (ESP), the WB’s ESF will apply to the project in lieu of AIIB’s ESP. AIIB has reviewed the WB’s ESF and is satisfied that: (i) it is consistent with AIIB’s Articles of Agreement and materially consistent with the provisions of AIIB’s ESP, including the Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (ii) the monitoring procedures that are in place are appropriate for the Project. The WB has categorized the ES risks of the Project as Substantial (which is equivalent to Category B if AIIB’s ESP were applicable).</p> <p>The construction works of substations and networks carries occupational health and safety (OHS) risks for workers due to vehicle operation, equipment use, working at heights, and electrocution. Anticipated environmental impacts and risks associated with grid extension include environmental degradation from vegetation clearance and tree cutting for right of way, and generation and disposal of waste, including solid wastes (metals, cables, wood, glass and packaging materials) and liquid waste. This includes hazardous waste from older imported transformers, and soil and groundwater contamination from parts and oils, capacitors, fluorescent bulbs, and certain heavy metals during the decommissioning of old equipment. The activity of increasing access to off-grid electricity via solar home systems could lead to waste management issues due to hazardous battery storage and disposal, and solar panel recycling/disposal. In addition, the activity of providing clean cooking solutions could pose potential fire risks. The installation of solar panels and transmission lines poses risks to birds, including collision, electrocution, and habitat disturbance.</p> <p>The Project will have both positive and negative social impacts on people and communities in implementation areas. The key social risks and potential adverse impacts include: (i) increased risks related to sexual exploitation, abuse and harassment (SEA/SH) and spread of transmittable diseases among community members due to labor influx during construction works; (ii) SEA/SH among Project workers; (iii) discrimination in the hiring of local workers; (iv) loss of, or adverse impacts on livelihoods, due to restrictions on land use, and the need to establish right of way easements for HV, MV and LV lines and transformers’ infrastructure; (v) risks of labor and working conditions in the supply chain. With respect to on-grid and off-grid electrification and clean cooking, there is a potential risk of exclusion of the vulnerable poor community members and women due to unaffordability of electricity to consumers.</p> <p>The client will prepare ES instruments in compliance with WB’s ESF, including Environmental and Social Management Framework (ESMF), Resettlement Planning Framework (RPF), Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP), and Gender Action Plan (GAP). The SEP will establish an operational GRM accessible to stakeholders</p>

	<p>at both Project and subproject level, which will include the GRM for project workers. The information of project-level GRM will be disclosed in a timely and appropriate manner.</p> <p>Site-specific instruments such as Environmental and Social Impacts Assessment (ESIA), Environmental and Social Management Plan (ESMP), and RAP (Resettlement Action Plan) will be ready before contractor bidding phases to allocate adequate resources for ESF requirements. For Component 3, the existing Environmental and Social Management System (ESMS) established by Development Bank of Rwanda (implementing entity for Component 3) will be reviewed for adequacy, and any necessary modifications will be completed prior to implementation of any Component 3 activities. In addition, the details of monitoring and reporting arrangements will be further discussed and determined with the Client during the appraisal. Client has disclosed draft ES Commitment Plan (ESCP) and SEP on October 13, 2023 via https://www.reg.rw/media-center/publications/category/esf/documents/?itemPerPage=10&cHash=1b2f33d73d6844ab78dea32a8c2f450d. Other ES instruments such as ESMF and RPF will also be disclosed in a timely manner once these are available.</p>				
Cost and Financing Plan	<p>IDA Credit: USD 300 million AIIB: USD 100 million Total: USD 400 million</p>				
Borrower	Republic of Rwanda				
Implementing Entities	<p>Development Bank of Rwanda (BRD) Energy Development Corporation Limited (EDCL)</p>				
Estimated date of loan closing (SBF)	31/Jan/29				
Contact Points:	AIIB	AIIB	World Bank	Implementation Entities	
Name	Suzanne Shaw	Tione Mtalimanja	Norah Kipwola	Felix Gakuba	Liliane Igihozo Uwera
Title	Senior Infrastructure Economist	Senior Investment Operations Specialist - Energy	Senior Energy Specialist	Managing Director	Head of SPIU
Email Address	suzanne.shaw@aiib.org	tione.mtjalimanja@aiib.org	nkipwola@worldbank.org	fgakuba@edcl.reg.rw	l.igihozo@brd.rw
Date of Concept Decision	02/Nov/23				
Estimated Date of Appraisal Decision	31/Jan/2024				
Estimated Date of Financing Approval	28/Feb/24				

Independent Accountability Mechanism	<p>The Project will be co-financed with the World Bank (WB). AIIB has agreed that the WB's environmental and social policies and procedures will apply to this Project and that it will rely on the WB's determination as to whether compliance with those policies and procedures has been achieved under the Project. The Bank has further agreed with the WB that the WB's Independent Accountability Mechanism, the Inspection Panel, which reviews the WB's compliance with its policies and procedures, will handle submissions and complaints relating to WB's compliance with its ESF with respect to the Project. Consequently, in accordance with the AIIB's Policy on the Project-affected People's Mechanism (PPM), submissions made to the PPM regarding such complaints under this Project will not be eligible for consideration by the PPM. Information on WB's Inspection Panel is available at Home Inspection Panel.</p>
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