

## Integrated Safeguards Data Sheet (Initial)

### Section I - Basic Information

Date ISDS Prepared/Updated: 08/23/2002

#### A. Basic Project Data (from PDS)

##### I.A.1. Project Statistics

Country: JORDAN	Project ID: P077404
Project: JORDANIAN GAS TRANSMISSION PROJECT	Task Team Leader: Bent R. Svensson
Authorized to Appraise Date: January 7, 2003	IBRD Amount (\$m):
Bank Approval: July 1, 2003	IDA Amount (\$m):
Managing Unit: COCPO	Sector: Oil & gas (100%)
Guarantee: [ ] Partial Credit [X] Partial Risk	Theme: Trade facilitation and market access (P)
Status:	

**24904**  
August 23, 2002

##### I.A.2. Project Objectives (From PDS):

The development objectives are to attract private sector investments in the energy sector, to reduce government investments in the sector, and to enable the introduction of clean-burning natural gas into the country's energy balance. The Project would increase the efficiency of the energy sector, reduce environmental impact of fuel use by replacing oil products by natural gas, reduce the dependence on imported oil, work as a catalyst for regional trade and economic integration, and ultimately stimulate economic growth and reduce poverty.

Jordan is almost entirely dependent on imported oil, mainly from Iraq, to meet its energy needs. As part of its strategy, the Government of Jordan is seeking to diversify both the fuel mix in the country's energy balance, as well as sources of the country's energy supply. Exploration for local gas is ongoing and regional electricity interconnections are being promoted. Jordan is presently interconnected to the Egyptian power system, and a new interconnection with Syria is expected to be fully operational later this year. The role of renewable energy is also expected to increase.

The proposed Project consists of a 369 km natural gas pipeline system from Aqaba to the Rehab and proposed Samra power stations, and eventually to the international border with Syria. The Project will purchase natural gas from East Gas Company, an Egyptian government-owned company, at an interface point at Aqaba. A new Egyptian pipeline system from El-Arish in Egypt to Aqaba is under construction, and when completed will include an undersea portion in international waters across the Gulf of Aqaba. East Gas Company plans to first deliver gas to Aqaba in mid-2003.

Based on an international competitive bidding, an Operator will be selected to design, engineer, construct, finance, own, and operate the pipeline system, and, at the end of the contract period, transfer it to the Government or its designee. A competitive gas price at the border should ensure that delivered natural gas prices will be competitive with other fuels. The Project would be supported by an IBRD partial risk guarantee, which is critical to the financing of the Project.

The Government has deferred development of the Samra Power Project (P057862), for which an IBRD partial risk guarantee has been approved by Bank management, pending successful award of the Project. The Samra Power Project, which had been conceived as an oil-fired power plant initially, will now be designed for burning natural gas from commissioning. The JGTP and Samra Power Projects are separate but linked projects.

This operation would be the second IBRD guarantee in Jordan. The first IBRD guarantee was a partial credit guarantee approved on May 4, 1994, for Jordan Telecommunications Corporation (P-6278-JO).

The operation is expected to be a joint operation between IFC and IBRD, using IFC Loans and IBRD Guarantees in a complementary manner. MIGA insurance may be added at a later date if the selected Operator so desires.

**I.A.3. Project Description (From PDS):**  
Components:

The project is a 369 km natural gas pipeline from Aqaba to Samra and Rehab, serving industries on the route. The Bank is providing a partial risk guarantee (PRG) for the implementation and construction of this pipeline, which is a private-sector-led development and operation.

**I.A.4. Project Location:** (Geographic location, information about the key environmental and social characteristics of the area and population likely to be affected, and proximity to any protected areas, or sites or critical natural habitats, or any other culturally or socially sensitive areas.)

The pipeline will run from Aqaba in the south of Jordan to the Samra and Rehab power stations in the north of Jordan. Aqaba is a coastal city and the import terminal will be located south of the city, approximately half way to the Saudi Arabian border. The pipeline, which will be buried, is planned to follow the main highway to the capital, Amman through a highland desert. The power plants are 345 km and 369 km, respectively, from the import terminal in Aqaba. A small number of industrial customers on the route may be served as well. Potential issues related to natural habitat, cultural property, indigenous people and involuntary settlements will be evaluated during the preparation of the EA.

**B. Check Environmental Classification: A (Full Assessment)**

*Comments:* The Project is a Category A project. This project is a major construction activity, linked to similar construction activities across an international waterway, and which when completed will

be utilized for high pressure transport of natural gas, a hazardous (flammable, explosive) material. All geological, environmental and other necessary site investigations will be the responsibility of the Project Company. As a condition to the IBRD partial risk guarantee, the Project Company will be responsible for preparing an Environmental Assessment (EA), and the related Environmental Management Plan (EMP) for the Project, in accordance with the Bank's policies and requirements and any requirements of the Government of Jordan.


An outline route has been proposed by MEMR, however the Project Company proposes the final pipeline route, for approval by MEMR. Rights of way will be granted across government land. MEMR will expropriate all private lands according to expropriation law No. 12 of 1987. MEMR will then agree a lease for the land with the Project Company. Compensation to private land owners may be an issue. Depending on the route(s) selected other potential environmental safeguard issues such as natural habitats, and cultural properties may be triggered. If these are identified during EA preparation they will be addressed in strict compliance with World Bank policies, Jordanian regulatory requirements and any international treaties to which the Government of Jordan is signatory.

For ancillary work in the Project's area of influence, such as the pipeline from El-Arish to Aqaba, and the Samra power station, each of the third parties undertaking this work would be responsible for preparing EAs and related EMPs. The standards normally applied by the World Bank for EAs are those of the sovereign state in the Project and its Area of Influence, e.g., Jordan or Egypt. In the event the Bank determines that local standards do not meet World Bank standards, World Bank standards will apply.

For the section of the pipeline within Egypt, a draft EA has been prepared by URS Corporation, a US firm in accordance with Egyptian environmental laws and regulations. It is under review by the environmental authorities. An EA for the remaining sections of the pipeline, including the undersea crossing, has been commissioned to the same firm and is under preparation.

The project will replace around 1 mill. ton 3% sulfur heavy fuel oil and 21000 cubic meters of diesel oil with natural gas in existing power plants, Aqaba and Rehab.

### ***C. Safeguard Policies Triggered (from PDS)***

(click on  for a detailed description *or* click on the policy number for a brief description)

<b>Policy</b>	<b>Applicability</b>
<b>Environmental Assessment (OP 4.01, BP 4.01, GP 4.01)</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> TBD
<b>Natural Habitats (OP 4.04, BP 4.04, GP 4.04)</b>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> TBD
<b>Forestry (OP 4.36, GP 4.36)</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> TBD
<b>Pest Management (OP 4.09)</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> TBD
<b>Cultural Property (OPN 11.03)</b>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> TBD
<b>Indigenous Peoples (OD 4.20)</b>	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> TBD
<b>Involuntary Resettlement (OP/BP 4.12)</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> TBD
<b>Safety of Dams (OP 4.37, BP 4.37)</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> TBD
<b>Projects in International Waters (OP 7.50, BP 7.50, GP 7.50)</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> TBD
<b>Projects in Disputed Areas (OP 7.60, BP 7.60, GP 7.60)*</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> TBD

## Section II - Key Safeguard Issues and Their Management

*D. Summary of Key Safeguard Issues. Please fill in all relevant questions. If information is not available, describe steps to be taken to obtain necessary data.*

II.D.1a. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts.

Potential issues related to natural habitat, cultural property, indigenous people and involuntary resettlement will be evaluated during the preparation of the EA. A Resettlement Policy framework would be prepared before appraisal, in respect of expropriation to be undertaken.

II.D.1b. Describe any potential cumulative impacts due to application of more than one safeguard policy or due to multiple project component.

II.D.1c Describe any potential long term impacts due to anticipated future activities in the project area. TBD during the EA as a part of the project preparation

II.D.2. In light of I, describe the proposed treatment of alternatives (if required)  
TBD during the EA as a part of the project preparation

II.D.3. Describe arrangement for the borrower to address safeguard issues

As a Category A project, the Operator will engage independent consultants to prepare an Environmental Assessment. Concerning the Project's Area of Influence, we understand that an EA, primarily for the section of the pipeline within Egypt, has been prepared by URS Corporation, a US firm, in accordance with Egyptian environmental laws and regulations. This EA will be reviewed by the World Bank for compliance with relevant law. EAs for the remaining sections of the pipeline, including the undersea crossing, must also be carried out in accordance with applicable law, provided the law and its standards meet or exceed World Bank standards.

Preliminary analysis indicates that the crossing of the Gulf of Aqaba by the Egyptian pipeline constitutes a project in international waters. Riparian states will be notified in accordance with OP 7.50 as a condition to the IBRD Guarantee.

During Project preparation, applicability of other safeguard policies will be determined.

II.D.4. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.  
A participatory approach and related mechanisms for consultation and collaboration with NGOs, civil society organisations and communities will be identified during the scoping exercise (6.1 above);

**E. Safeguards Classification** (select in SAP). Category is determined by the highest impact in any policy. Or on basis of cumulative impacts from multiple safeguards. Whenever an individual safeguard policy is triggered the provisions of that policy apply.

- S1. – Significant, cumulative and/or irreversible impacts; or significant technical and institutional risks in management of one or more safeguard areas
- S2. – One or more safeguard policies are triggered, but effects are limited in their impact and are technically and institutionally manageable
- S3. – No safeguard issues
- SF. – Financial intermediary projects, social development funds, community driven development or similar projects which require a safeguard framework or programmatic approach to address safeguard issues.

**F. Disclosure Requirements**

<i>Environmental Assessment/Analysis/Management Plan:</i>	<u>Expected</u>	<u>Actual</u>
Date of receipt by the Bank	1/13/2003	
Date of "in-country" disclosure		
Date of submission to InfoShop	3/13/2003	
Date of distributing the Exec. Summary of the EA to the Executive Directors (For category A projects)		
<i>Resettlement Action Plan/Framework:</i>	<u>Expected</u>	<u>Actual</u>
Date of receipt by the Bank	1/13/2003	
Date of "in-country" disclosure	3/13/2003	
Date of submission to InfoShop	3/13/2003	
<i>Indigenous Peoples Development Plan/Framework:</i>	<u>Expected</u>	<u>Actual</u>
Date of receipt by the Bank		
Date of "in-country" disclosure		
Date of submission to InfoShop		
<i>Pest Management Plan:</i>	<u>Expected</u>	<u>Actual</u>
Date of receipt by the Bank	Not Applicable	Not Applicable
Date of "in-country" disclosure	Not Applicable	Not Applicable
Date of submission to InfoShop	Not Applicable	Not Applicable
<i>Dam Safety Management Plan:</i>	<u>Expected</u>	<u>Actual</u>
Date of receipt by the Bank	Not Applicable	Not Applicable
Date of "in-country" disclosure	Not Applicable	Not Applicable
Date of submission to InfoShop	Not Applicable	Not Applicable

If in-country disclosure of any of the above documents is not expected, please explain why.

**Signed and submitted by**

Task Team Leader:

Project Safeguards Specialists 1:

Project Safeguards Specialists 2:

Project Safeguards Specialists 3:

**Name**

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Nicole Glineur/Person/World Bank

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**Date**

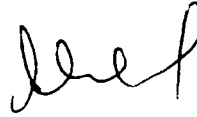
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**Approved by:**

**Name**

**Date**

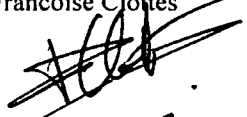
Regional Safeguards Coordinator: Sherif Kamel F. Arif  
Comments



9/11/02 ISDS

Sector Manager  
Comments

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09/13/02