



### Project Summary Information

Date of Document Preparation/Updating: 02/26/24 1:58 PM	
<b>Project Name</b>	Solid Waste Management for Sustainable Urban Development Project
<b>Project Number</b>	P000769
<b>AIIB member</b>	Indonesia
<b>Sector/Subsector</b>	Urban
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure
<b>Status of Financing</b>	Under Preparation
<b>Objective</b>	To improve solid waste management services in participating cities and districts in Indonesia.
<b>Project Description</b>	<p><u>Component 1: Solid Waste Infrastructure in Participating Cities and Districts.</u> This component will finance priority investments in waste management infrastructure in each participating city and district, including support for better utilization and upgrading existing infrastructure. Priority investments include: (i) the construction of integrated waste treatment facilities (resource recovery and refuse derived fuel (RDF) plants) and upgrading existing landfills; (ii) the provision of waste collection facilities and transport services. The latter subcomponent covers the construction and/or rehabilitation of transfer stations and the procurement of goods and equipment, including collection containers and fleets, mechanical cleaning equipment, compaction systems, tracking systems, or route optimization software with considerations to improve services in low-income areas, among others.</p> <p><u>Component 2: Capacity Building, Technical Assistance, and Implementation Support.</u> This component will finance activities related to: (i) capacity building and technical assistance for institutional strengthening including training and workshops for regulators and operators; knowledge-exchange programs and citizen engagement and awareness campaign; waste management planning and budgeting; training on waste service costs and levies as well as its optimization, inter-regional coordination, handling the integration of waste pickers, independent aggregators, especially women, into formal SWM businesses; alternative service delivery models including private sector participation; among others, and (ii) Implementation</p>

	and Project Management Support including: procurement, financial management, monitoring and evaluation, environmental and social safeguards, and construction oversight and quality assurance. It will provide support to the relevant national and local officials for effective project implementation.
<b>Expected Results</b>	The Project objectives will be evaluated against the following key result indicators: (i) People served by the improved Solid Waste Management (SWM) services (gender-disaggregated); (ii) Solid waste treated properly in integrated solid waste treatment facilities and other designated facilities.
<b>Environmental and Social Category</b>	A
<b>Environmental and Social Information</b>	<p><b>Applicable Policy and Standards:</b> AIIB's Environmental and Social Policy (ESP) applies to the Project, including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL). The initial Environmental and Social (E&amp;S) due diligence determined that ESS 1 (Environmental and Social Assessment and Management) applies to the assessment of E&amp;S impacts of Project activities. ESS 2 (Land Acquisition and Involuntary Resettlement) also applies as Project-related activities can lead to adverse direct and indirect impacts on waste pickers and those who derive income from landfills. ESS 3 (Indigenous Peoples) will not apply to this Project as no Indigenous Peoples are identified according to the AIIB team's desk review and field visit.</p> <p><b>ES Categorization and Instrument:</b> As per the Bank's ESP, the Project has been assigned Category A, considering the potential adverse environmental and social (E&amp;S) risks and impacts from upgrading of the existing landfill and construction of integrated waste treatment and its associated facilities. Since not all subprojects to be financed under the Project are identified, a framework approach will be adopted for the Project whereby an Environmental and Social (ES) Management Planning Framework (ESMPF) will be developed of which will include a generic Environmental and Social Management Plan (ESMP) and a Resettlement Planning Framework (RPF). The ESMPF and RPF will guide the preparation of subproject specific Environmental and Social Impact Assessments (ESIAs) and site specific Environmental and Social Management Plans (ESMPs) including site specific Resettlement Plan (RAPS) If needed.</p> <p><b>Summary of potential E&amp;S risks and impacts:</b> The Project is expected to generate positive environmental and social outcomes from integrated and improved waste management and reduced waste load to the environment. The beneficiaries of the project are expected to be approximately 13 million residents in the participating cities through increased access to improved SWM services and environmental, social and health conditions and improved working conditions of sanitation workers and better livelihood opportunities in waste management sector. Implementation of the physical Investments,</p>

however, may cause a wide range of risks and impacts on the environment and human health during the construction and operation phases. Potential adverse E&S impacts of primary concern include air pollutant emissions and disposal of hazardous wastes, such as fly ash from RDF burning and accidentally disposed medical and hazardous waste; treatment of leachate from landfill and waste compression; risk of fire and explosion caused by biogas from landfill, and during production, storage and transportation of fuel products; dust and bio-aerosols, odors, and vehicle emissions from waste receipt, unloading, processing, storage, and transport; noise and vibration from truck traffic, loading equipment, stationary compactors, balers, grinders, and other treatment and conveyance systems; community health and safety concerns including odor, traffic safety, workers' camps, and pollutant leakage. The new facilities are proposed to be constructed within the existing landfill sites in the selected areas, which are distant from sensitive environmental receptors. Any legal and physical footprints will be verified during ESIA including possible E&S legacy issues, associated facilities and project's area of influence. Potential adverse impacts will need to be minimized or mitigated by adopting state-of-the-art technologies/good engineering design, and site-specific construction, operation, and maintenance measures in compliance with good international practice.

**Occupational Health and Safety (OHS):** Labor and Working Conditions. In addition to typical construction work-related OHS risks, existing risks that will continue to be relevant are: a) the waste pickers, landfill workers, and staff due to interactions with waste, compost and RDF products and heavy machinery, leading to possible workplace accidents and injuries and health impacts from exposure to toxic waste, medical waste, fire and smoke, and pathogens; b) potential risk Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risks on communities due to possible labor influx; and c) child and women protection concerns on SEA/SH and Gender Based Violence (GBV) in light of the prevalence of women and children among waste pickers at the landfill. Measures to improve workplace safety for women and men through providing personal protective equipment (PPE) and safety training as well as improving security standards and protocols on landfill sites and waste facilities will need to be formulated to protect the workers and to be included in ESMP.

**Stakeholder Engagement, Consultation, and Information Disclosure:** Key stakeholders, including project-affected parties, local communities, women, disadvantaged and vulnerable groups, waste pickers, and other interested parties, will be identified and consulted during Project preparation. A Stakeholder Engagement Plan (SEP) will be prepared by the client to assess the impacts on and influence of these various stakeholders, formulate differentiated approaches and strategies for engaging with them in a meaningful and culturally appropriate way, and specify the roles and responsibilities of Project management and implementation units in implementing the SEP throughout the whole process of Project preparation and implementation. The consultation process, including comments and suggestions received from stakeholders and how they are addressed, will be documented in the E&S instruments. The draft E&S instruments in English and summary in Bahasa

	<p>Indonesia will be disclosed by the client on its website before the Bank's appraisal review. E&amp;S and instruments will also be disclosed on the Bank's website in a timely manner and made available at project sites in hard copies.</p> <p><b>Grievance Redress Mechanism (GRM):</b> A multi-tier GRM will be established at the Project and subproject level including separate GRM for project contracted workers will also be developed to receive and facilitate the resolution of the concerns or complaints of local communities, other stakeholders particularly women, vulnerable groups, and those people who believe they have been adversely affected by E&amp;S impacts of the Project. In addition to the above, GRM for addressing complaints from the local community and workplace grievances will be made available. The Project-level GRM will be operational before any Project activities that require the GRM coverage are implemented. Information on established multi-tier GRMs and Bank's Project-affected People's Mechanism (PPM) in local languages will at least be timely disclosed in an appropriate manner to communities surrounding the area of the project activities prior to implementation.</p> <p><b>Monitoring and Supervision Arrangements.</b> CPMU will be responsible for overall coordination, supervision, and monitoring of the project's E&amp;S aspects, including coordinate the collection of data and individual reports from all PIUs and submit consolidated progress reports to AIIB periodically. An independent third-party monitoring agency will be hired to verify project E&amp;S compliance and report every six months and the project team will carry out field-based E&amp;S supervision during implementation. Detailed monitoring and reporting arrangement with clearly defined roles and responsibilities and templates for periodic and annual progress reports will be developed and included in the PIM.</p>		
<b>Cost and Financing Plan</b>	AIIB USD150m		
<b>Borrower</b>	Republic of Indonesia		
<b>Implementing Entity</b>	Ministry of Public Works and Housing, Indonesia		
<b>Estimated date of loan closing (SBF)</b>	December 2029		
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<b>Date of Concept Decision</b>	02/22/24		
<b>Estimated Date of Appraisal Decision</b>	2024 Q3		
<b>Estimated Date of Financing Approval</b>	2024 Q4		

<b>Independent Accountability Mechanism</b>	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit <a href="https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html">https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</a></p>
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