



Project Summary Information

Date of Document Preparation/Updating: 09/18/24	
Project Name	Lahore Water and Wastewater Management Project
Project Number	P000074
AIIB member	Pakistan
Sector/Subsector	Water
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Under Preparation
Objective	The project objective is to: (i) ensure sustainable supply of safe water; (ii) reduce deteriorating environmental impacts due to untreated sewage disposal; and (iii) strengthen institutional capacity of LWASA to deliver improved services to the people of Metropolitan Lahore, and to become a financially strong entity.
Project Description	<p>The Project will invest in: (i) surface water treatment infrastructure and network rehabilitation to augment the city's water supplies to deliver safe and sustainable drinking water to the selected localities in Lahore, and (ii) wastewater infrastructure for safe transport of sewage, thus, eliminating wastewater discharge into stormwater drains and reducing urban flooding. Project components include:</p> <ul style="list-style-type: none"> i Component 1, Investment in Safe Water Supply Infrastructure: This component will consist of (i) construction of a Siphon (underground hydraulic conduits) to transport water in the Banbawala Ravi Bedian Depalpur (BRDB) canal across River Ravi (the Ravi Siphon) and an intake structure at the BRDB canal; (ii) construction of potable water infrastructure, including a raw water channel from the intake structure, a surface water treatment plant, pumping stations, transmission and distribution networks; and, (iii) implementation of a Non-Revenue Water (NRW) reduction program through the rehabilitation of old and dilapidated network infrastructure; metering commercial and domestic connections; and improvements in the billing and collection system. ii Component 2, Investment in Wastewater and Drainage Management: This component will consist of (i) construction of two new trunk sewers and a new pumping station to safely transport wastewater for disposal, and (iii) improve urban environment and flooding by rehabilitating stormwater drains. Construction of the trunk sewers will also allow decommissioning of old pumping stations which will reduce LWASA's operating costs.

	<p>iii Component 3, Project Management: This component will support LWASA and PID to engage Project Management Consultants (PMC) for design review, procurement of works and goods, and overall Project management including construction supervision.</p>
Expected Results	<p>The progress toward the Project objectives will be measured by monitoring the achievement of following proposed outcomes:</p> <ul style="list-style-type: none"> i Reduced rate of decline of groundwater in Project localities (meter/year), ii Average number of hours/day with clean water supply in accordance with national standards (number of hours) iii Reduced wastewater discharges in stormwater drains (million cubic meters) iv Flood prone areas with reduced flood risks (numbers)
Environmental and Social Category	A
Environmental and Social Information	<p>The Bank's Environmental and Social Framework (ESF) will be applicable to the proposed project, and the Environment and Social Standards (ESSs) will be applicable for screening, categorization and due diligence with respect to the subprojects. As per the Bank's Environmental and Social Framework (ESF), the Project is proposed to be Category A, considering the nature of the project activities and local environmental and social contexts. Categorization for the Project will be further reviewed and finalized based on the Environmental and Social Impact Assessments (ESIAs), as well as the Bank team's site visits prior to appraisal. As part of project preparation, instruments, such as an ESIA and Environmental and Social Management Plan (ESMP) should be prepared in parallel to other project documents, under the ESF. If some sub-projects are not identified or finalized at the time of project appraisal, instruments, such as an Environmental and Social Management Framework (ESMF), should be prepared to provide the technical guidance and procedural requirement for in environmental and social matters project implementation.</p> <p>The Borrower has assured that Lahore Water and Sanitation Agency (LWASA) will use the AIIB's ESF to guide their environmental and social due diligence and preparation of relevant instruments. LWASA has carried out preliminary due diligence including 3 environmental and social impact studies of the Project, in accordance with national policy and requirement.</p> <p>Overall the environmental and social impacts are expected to be positive as the works relate to the augmentation of the water supply systems, minimization of water losses, and reduction of deteriorating environmental impact of untreated sewage disposal in Lahore. An ESMF is under preparation. Guidance on Environmental and Social Assessment followed by preparation of a specific ESIA and Management Plans will be prepared as part of the ESMF. For each specific sub-project identified during the project preparation, the ESIA and the ESMP will be prepared. This will include consultation with relevant stakeholders, with a focus on project affected peoples (PAPs) and enabling women to actively participate, and adequate information disclosure.</p>

Cost and Financing Plan	Total Project Cost: USD342 million Financing Plan: AIIB: USD 329 million GoPb: USD 13 million		
Borrower	Islamic Republic of Pakistan		
Implementing Entity	Lahore Water and Sanitation Agency		
Estimated date of loan closing (SBF)	March 2029		
Contact Points:	AIIB	Borrower	Implementation Organization/Sponsor
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Date of Concept Decision	04/06/18		
Date of Appraisal Decision	10/19/22		
Estimated Date of Financing Approval	2025 Q1		

Independent Accountability Mechanism	<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 https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html to the PPM web page.</p>
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