

Project Summary for Public Disclosure

Project Name	Water Supply and Sanitation Program in Russia
Country	The Russian Federation
Sector	Water Resource Management, Supply and Sanitation
Concept Approval Date	12 May 2020
Board Approval Date	29 September 2020
Total Project Cost	USD 170 million
Initial Limit of NDB Financing	USD 100 million
Current Limit of NDB Financing	USD 100 million
Borrower	Eurasian Development Bank
Implementing Agency	Eurasian Development Bank
Program Context	<p>Russia is endowed with one-fifth of the world’s fresh water resources, however, faces challenges with discharge of untreated wastewater into its water bodies. The majority of the water supply and sanitation systems in the Russian Federation were constructed during the 1970s to 1980s and due to physical and technological wear, require replacement or modernization. The current state of water supply and sanitation infrastructure has an adverse impact on the environmental situation in the country. With the target to enhance the quality of water supply and sanitation facilities, the Government of the Russian Federation (GoRF) has adopted the National Project “Ecology” which is aimed at pollution abatement in Russia.</p>
Program Objective	<p>The Program is aimed at improving environmental protection across Russia as set out in the National Project “Ecology” through reconstruction of water supply and sanitation facilities in different regions of the country.</p>
Program Description	<p>The proposed NDB loan through the modality of a two-step loan will be used by Eurasian Development Bank (EDB) to finance water supply and sanitation sub-projects meeting selection criteria agreed with NDB.</p>
Expected Benefits	<p>The positive outcomes and impacts of the Program include: i) increased wastewater treatment capacity in line with the country quality standards; ii) increased sludge removal capacity to avoid sludge being disposed in landfills; iii) overall improvement in water quality; iv)</p>

	increased health benefits from avoided costs of health treatment associated with people contracting water-borne diseases; and v) improved quality of lives for the beneficiaries.	
Environmental and Social Aspect	The Program is Category “FI-B” in line with NDB’s Environmental and Social Framework (ESF). The sub-projects are likely to be Category B due to moderate environmental and social (E&S) impacts and risks that will be mitigated by adherence to the country systems. For sub-projects with significant E&S impacts and risks, including Category A, financing of such sub-project needs to be approved by NDB.	
Financing Aspect		
	Source of Fund	Amount (USD million)
	NDB	100
	Other Sources (Loans, Equity, Grants)	70
Implementation	The Program is to be implemented over four years between 2020 and 2024. It is expected that most sub-projects will be implemented by public entities, following mandatory procurement requirements as per the country system.	
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