

Section 5. Terms of Reference

Mineral and Hydrocarbon Sector Strategic Environmental and Social Integrated Assessment

A. Background

Afghanistan is endowed with abundant mineral resources. If used sustainably, mineral resources can constitute a fundamental driver of economic growth and poverty reduction. Moreover, the appropriate development of the sector could generate critical resources for the country's reconstruction and development. Analytical work estimates that the gross annual market value of solid minerals produced could increase from its level of US\$60 million in 2004 to US\$253 million by the end of the decade, and US\$600 – 800 million by 2015.⁶ Such scenarios would imply significant economic and social benefits, including new jobs, export earning, and government revenues of US\$100 to 150 million per year, which could be used to support community development and other socially desirable goals. Additional benefits could realized from the hydrocarbon sector, which is currently dominated by the gas fields of Yateem Taq, Khwaja Gogerdak, Khwaja Bolan, Zigdeli and Bayan in Ghor province as well as in the outskirts of Sheberghan district in Jowzjan province.

To capitalize on the potential of these sectors, the Government of Afghanistan (GoA) must establish conditions and an enabling environment to attract and retain investment by private local and international companies. In addition, the government must ensure that public institutions are strengthened to assume the corresponding regulatory and policy-making functions, as well as to administer the laws and sector regulations efficiently and effectively.

The Afghanistan Sustainable Development of Natural Resources Project (SDNRP), approved by the World Bank's Board of Directors in June 2006 and in effect since September 2006, is assisting the Ministry of Mines (MoM) in improving its capacity to effectively regulate Afghanistan's mineral and hydrocarbon resources sector in a transparent and sustainable manner while fostering private sector development. The project is designed to assist the MoM to transition from producer of minerals, hydrocarbons and other commodities to its new role as the sector's policy-making and regulatory entity. The project's components focus on: (i) improving the efficiency of MoM's departments; (ii) developing capacity to regulate, among other areas, the sector's environmental and social impacts; (iii) managing the development of mineral resources; and (iv) enhancing sector governance through upfront technical assistance.

The project is expected to yield positive environmental and social impacts through the development of regulations and guidelines for responsible mining and hydrocarbon developments and through institutional strengthening for environmental and social monitoring and enforcement. However, the project will also provide an enabling investment

⁶ Transitional Islamic State of Afghanistan: Mining as a Source of Growth, Report No. 28231-AF, March 2004, The World Bank.

environment and likely to lead to an expansion of mining and hydrocarbon activities in Afghanistan, particularly, in the area of influence of the Aynak copper mine, which has already been tendered by the GoA to private investors. It is worthy of mention that production of coal—and its socio-environmental impacts—is expected to grow dramatically due to anticipated construction of a coal fired electric generation plant capable of producing 400-1000 megawatts of power for the Aynak copper project and the city of Kabul. The Hajigak iron deposit, and associated coal deposits in the northern half of the Afghan territory—from Badakhshan to Herat—and hydrocarbon deposits in the Sherbeghan and Afghan-Tajik Basin are also likely to attract investment and expansion. These developments will have potentially significant environmental and social impacts.

To address these issues, the World Bank has a two prong strategy. First, it will quickly provide non-lending technical assistance (NLTA) to the GoA for an assessment of the effectiveness of existing environmental institutions and policies, assistance to the National Environmental Protection Agency (NEPA) and the MoM to strengthen institutional capacity for environmental and social management in the mining sector, and support to the GoA in environmental and social sustainability in priority mining sector projects.

Second, the Bank will support the Mineral and Hydrocarbon Sector Strategic Environmental and Social Integrated Assessment (MHS-SIA), which—with extensive stakeholder consultation—will identify the environmental and social impacts of the projected development of the mining/hydrocarbon sector, assess the existing environmental and social management systems in Afghanistan in addressing the areas of likely expansion and potentially significant downstream impacts, and recommend measures needed to address any weaknesses or gaps that may be identified in these systems. The MHS-SIA will build upon the information collected and be supported by the NLTA and provide a strategic plan for interventions that will improve the environmental and social performance of the mining sector over time and space.

B. Objective

The goal of the MHS-SIA is to identify key environmental and social issues associated with mining and hydrocarbon growth in Afghanistan, generally, and with the development of the Aynak and Hajigak mines and the Sherbeghan and Afghan-Tajik hydrocarbon zones, particularly, to formulate specific policy, institutional, and governance recommendations and interventions to be included in the SDNRP aimed at ensuring environmental and social sustainability of mining and hydrocarbon growth. The information compiled on the key environmental and social issues is to be sufficiently comprehensive to become a reference for the minerals industry.

In addition to the NLTA, the MHS-SIA will build on previous Bank studies and other literature concerning extractive industries in Afghanistan with particular emphasis on the Aynak and Hajigak mines, including the Mining as a Source of Growth study (2004), The Role of Women in Afghanistan's Future (2006), Afghanistan - State Building, Sustaining Growth, and Reducing Poverty (2005), and Afghanistan – Poverty, Vulnerability, and Social Protection: An Initial Assessment (2005). It will also rely on previous consultations with key stakeholders in the sector.

The specific objectives of the MHS-SIA are to:

- assess likely significant effects of mining and hydrocarbon growth on environmental and social priorities, particularly for Aynak, Hajigak, and the coal production regions of northern Afghanistan in the context of Afghanistan’s policy, legal, institutional and regulatory framework for mining/hydrocarbon sector development;
- assess national and sub-national policy, institutional and governance systems to address these likely significant effects on priorities, with special reference to the role of the Ministry of Mines;
- discuss international best practices and in-country local community mobilization experiences applicable to Aynak, Hajigak, the coal production regions of northern Afghanistan, and Afghanistan as a whole to address institutional and governance weaknesses and take advantage of opportunities for promoting environmental and social sustainability in the context of accelerated mining/hydrocarbon growth;
- formulate a regional spatial development plan, including policy, institutional and governance adjustments for promoting sustainable and equitable development of Aynak, Hajigak, the coal production regions of northern Afghanistan, and Afghanistan as a whole induced by mining and hydrocarbon growth;
- ensure consideration of the perceptions and concerns of vulnerable groups in mining and hydrocarbon sector reform and the preparation and implementation of the SDNRP.

C. Organization and Scope of the Work

The winning bidder will prepare the proposed MHS-SIA. The team should comprise international and local consultants. The Client will provide as a counterpart staff at least six specialists from the Ministry of Mines (MoM) and the Afghan National Environmental Protection Agency (NEPA), which are major arms of the Afghan regulatory agencies. International consultants will provide cutting edge knowledge on stakeholders engagement and institutional and governance analysis on environmental, benefit sharing and social issues associated with the mining/hydrocarbon sector. The local consultants will provide in-depth knowledge of Aynak/Hajigak and the coal production regions of northern Afghanistan institutional, as well as in-country historic, environmental and cultural issues relevant to the MHS-SIA. The reports and other work produced by the consultant will be subject to review/comments and approval by the MoM. The relevant departments of the World Bank will provide technical support and the Bank’s country office and sector specialists will also be involved.

The local team from the Afghan regulatory agencies will work alongside the consultants to:

- a) learn and be part of the international knowledge transfer to the local staff;
- b) be mentored and, by the end of the Consultant contract, be enabled to the furthest extent possible to independently undertake the tasks that are carried out by the Consultant;
- c) identify elements for an effective environmental and social management plan; and
- 4) be in a better position to deal with the Aynak and the upcoming Hajigak projects, the socio-environmental impacts

arising from exponential development of coal and oil and gas resources of northern Afghanistan, and any other future social and environmental impact assessments of mining projects, including aspect and impact analyses and mitigation strategies.

The consultant will focus the MHS-SIA on Aynak and Hajigak and broaden the scope of the analysis at the country level to the extent required for a comprehensive and internally consistent policy, legal, institutional and regulatory analysis of the mining and hydrocarbon sector. While the MHS-SIA will focus on the environmental and social considerations for mining/hydrocarbon growth to be a sustainable development driver in Aynak, Hajigak, and coal, oil and gas resources of northern Afghanistan, the analysis will be framed in the context of Afghanistan's spatial development plan for the minerals sector.

Under these Terms of Reference, the consultant will undertake the following activities:

1. Baseline Assessment

Information and documents regarding current status of the environmental and socioeconomic situation in the areas of the Aynak and Hajigak mines and in the coal, oil and gas bearing regions of northern Afghanistan, zones of proposed mining/hydrocarbon, and coal mining activities, adjacent communities or areas, and communities affected by mining or hydrocarbons (mining/hydrocarbons influence area) will be collected and reviewed. The analysis will cover the existing economic structure by sectors, their contribution to livelihood, income, employment, and mining/hydrocarbon forward and backward linkages—i.e., industrial agglomerations or clusters. This also will include conducting a profile of the existing labor force, including information on the availability of skilled laborers such as electricians, carpenters, masons, welders and others in the areas of future development of mining projects. Consideration will be given to external sources of skilled immigrants and the methods by which social conflict with local populations have been avoided. Attention would be given to the linkages between mining/hydrocarbon, poverty and regional and local conflicts. In the baseline, the particular geopolitical situation of Aynak and Hajigak and the influence of local landlords and drug traffickers in mining/hydrocarbon areas will be discussed. The structure, geographical and ethnic distribution, income levels and organization of the population will be also described and discussed. Particular attention will be given to the prevalent “law and order” situation and the rule of law in mineral/hydrocarbon and coal rich areas of Afghanistan, including Aynak and Hajigak. The analysis will be complemented with morbidity and mortality indicators, disaggregated by gender, and main health risk factors affecting the population (utilizing household or labor surveys, if such exist).

Environmental factors in mining/hydrocarbon influence areas will be also described and analyzed. This will include but not be limited to the availability and quality of surface and underground water, orphan mining sites, mining/hydrocarbon environmental liabilities, natural resources, land use patterns, soil erosion, land degradation, air pollution and environmental sensitive areas such as national parks, wildlife sanctuaries, protected areas and environmental hot spots. The baseline should be documented with GIS-type overlays and data to overlap demographic, economic, environmental, social and political variables,

biophysical and climatic conditions, as needed for the analysis. Onsite and offsite impacts will be analyzed.

The results of the above analysis would be benchmarked against comparable data (possibly drawn from existing household surveys and other sources) for a representative sample of non-mining/hydrocarbon areas. This comparative analysis should be done in a way that allows for general inference rather than just anecdotal and qualitative description by applying statistically valid procedures to surveys and/or logical replication procedures to case-studies.

2. Stakeholder Analysis and Political Economy of the Mineral/Hydrocarbon Sector

The Consultant will identify key federal and provincial, public and private, ethnic groups, local and non-local, stakeholders in the mineral/hydrocarbon sector, particularly in Aynak and Hajigak (but also in the oil and gas and coal rich areas of the northern half of Afghanistan). Specific attention will be paid to the most vulnerable groups, with special attention to women, local communities, migrant laborers, the disabled, and ethnic minorities. Key stakeholders will be categorized as having a stake in environmental issues, being vulnerable to poverty or social marginalization, and having a stake in mineral extracting, processing or transforming activities. The Consultant will describe the main differences within each group of stakeholders, such that both those in positions of power and those who are more vulnerable are covered in the process. Local communities and ethnic groups, for example, can be very heterogeneous in power, interests, and needs and are likely to differ considerably depending on gender, age, socioeconomic and political conditions, and each sub-group of stakeholders might be affected by mining/hydrocarbons in a very different manner.

The Consultant will discuss the incentives and interests underlying key stakeholders' behavior and the corresponding benefits and costs for them arising out of the mining/hydrocarbon sector reform. In the analysis the Consultant will assess the potential tensions or conflicts that may arise from the development of the mining/hydrocarbon sector, and the motivation of stakeholders to support, oppose or capture in their favor the mining/hydrocarbon sector reform. In doing so, the Consultant will elucidate the corresponding environmental and social consequences of this interplay of varied and sometimes conflicting interests. The political economy and power dynamics analysis will take into account gender considerations and provide insights into ways to engage constructively key groups in the development of the mining/hydrocarbon sector, so that the reforms are not unduly challenged or opposed during implementation and benefit the most vulnerable groups.

3. Identification of Environmental and Social Priorities

Based on the results of the baseline assessment and political economy of the minerals sector discussed above, the consultant will identify a set of key environmental and social issues. Similarly to the baseline assessment, the identification of key issues will focus on the Aynak and Hajigak mines and their influence area, though the other areas (the oil, gas and coal rich

areas of northern half of Afghanistan) will also be covered and framed in the broader context of Afghanistan's policy, legal, institutional and regulatory framework for environmental and social management. These key issues will be then prioritized by the MHS-SIA stakeholders or legitimate representatives of such stakeholders—community organizations, NGOs, women's groups, etc.—through workshops and focus groups' discussions in Kabul.

The consultant will ensure that MHS-SIA's environmental and social priorities are selected not only on the basis of their importance and urgency but also taking into account the financial cost and political will needed to address them. In as much as possible, the selection of key environmental and social issues will be supported with quantitative economic analysis based on reliable data. With the assistance of the Consultant, the stakeholders (or their representatives) should use this objective information to select a few priorities based on their own experience and perceptions of what are the critical issues for the sustainable and equitable development of Aynak and Hajigak and the other mining/hydrocarbon zones identified that can be tackled with the financial resources and political will available in the province itself and in Afghanistan. In the identification of MHS-SIA's priorities, the consultant should ensure that the perspectives of vulnerable groups will be considered.

In the identification of key environmental and social issues, among other findings emerging from the baseline assessment and political economy analysis, the consultant will assess the following issues, if their importance is validated during consultations with stakeholders:

- *Water availability.* The consultant should assess the relationship between the required use of water for the operation of the mine and the availability of superficial and underground water in the region. The potential for competition for the resource from agriculture and urban use and the location of surface and groundwater water resources adjacent to and within areas of greatest prospectivity will also be addressed.
- *Land compensation.* The consultant should analyze whether land will be converted to mining/hydrocarbon activities, and if so, the formal and informal rules governing access to land and compensation for land conversion, loss of income generating activities, and grievance for families affected by the mining/hydrocarbon activities. Options for resettlement when no land is available nearby of suitable fertility will be addressed. Options for the installation of infrastructure for resettled communities will be addressed.
- *Migrant labor force.* Issues to be considered include whether the development of the Aynak and Hajigak mines is likely to attract labor for mining from outside the communities neighboring the mine, the socioeconomic conditions of migrant workers and the potential conflicts that may arise between migrant workers and local communities.
- *Benefit sharing mechanisms and community participation.* The consultant should assess the likeliness of mining/hydrocarbon benefits reaching the most disadvantaged members of society, such as women, youth and rural families and for mining/hydrocarbon itself to become a development driver in the region.
- *Training Issues.* The consultant should review the composition of workforces during the planning construction and operation phases against the current availability of skilled laborers such as electricians, carpenters, masons, welders and against the

available training facilities at all levels and then identify the technical and vocational skills, training programs, and schedule that will be required to have the necessary skilled laborers for construction and implementation of future mining projects.

4. Assessment of Effects of Mining/Hydrocarbon Growth on Priorities

The Consultant will assess the effects of mining/hydrocarbon growth on environmental and social priorities over a range of likely mining/hydrocarbon growth scenarios, particularly regarding the Aynak and Hajigak mines and the anticipated escalation of coal production associated with construction of a coal fired electric generation plant capable of producing 400-1000 megawatts of power to supply electricity to the Aynak project and the city of Kabul, as well as other infrastructure projects associated with the development of the Aynak and Hajigak mines. The scenarios will be based on existing information of geological potential, relevant minerals and metals markets, and availability of key production factors such as transport and energy infrastructure and skilled and unskilled labor. Expert judgment from mining/hydrocarbon and regional development economic specialists will be used to inform the assumptions to build the scenarios. The scenarios will be geographically referenced to identify the regions and communities that would likely be affected by mining/hydrocarbon development, especially in Aynak, and take into consideration all projected new mining, energy and transport infrastructure, and other associated activities in the project area. How the development of infrastructure for the minerals industry could facilitate the development of other sectors located near mining areas will be considered.

For each mining/hydrocarbon development scenario, the likely significant effects (impacts and opportunities) on environmental and social priorities will be assessed. This will include analysis of the distribution of economic, social, and environmental benefits and costs among different stakeholders over the medium and long term. The Consultant will analyze the likely significant impacts on and opportunities for environmental and social priorities of mining/hydrocarbon induced development at different stages of the mining/hydrocarbon cycle: exploration, production and after mine closure.

5. Assessment of Institutions and Governance Systems

Institutions perform three fundamental functions for sustainable development by picking up signals about needs and problems, balancing interests, and implementing solutions. The MHS-SIA will examine how the judiciary (legal, quasi-legal and traditional), public national, provincial and local mining/hydrocarbon sector and environmental institutions, community structures, and, civil society institutions, representing the interests of key private stakeholders related to mining/hydrocarbon identify environmental and social priorities, interact to balance the interests of different stakeholders and implement sustainable solutions. Building upon the work done in the NLTA, it will assess the capacity of the institutions (both formal and non-formal) to effectively address the likely significant effects of mining/hydrocarbon growth on environmental and social priorities. To do so, it will include but not be limited to the following:

- Analysis of the geopolitical situation of relevant areas where ‘the rule of law’ has been weakened by warlords and drug traffickers. This is likely to affect negatively

community participation, the trickle down of mining/hydrocarbon benefits to local communities, and mining/hydrocarbon growth itself;

- Analysis of social protection policies and other activities carried out by the government for addressing poverty alleviation, including social impact analysis, in the mineral/hydrocarbon sector and existing mechanisms for community and stakeholder participation. This will also include an assessment of existing opportunities for women's education and inclusion in the development of the mineral/hydrocarbon sector;
- Analysis of activities carried out by the government for environmental management, including environmental impact analysis in the mining/hydrocarbon sector, and existing mechanisms for community and stakeholder participation. Building upon information and supported by NLTA, this will include gap analysis of policy and legal mandates, institutional capacity, and expenditure review in permitting, monitoring and enforcing environmental management regulations in the mineral/hydrocarbon sector;
- Assessment of existing grievance redress systems, including conflict resolution and consensus building mechanisms (formal, non-formal, legal, quasi-legal), to enable future adjustments to maintain and promote sustainable mining/hydrocarbon growth in response to experience, new information or changes in stakeholder preferences;
- Coordination and interface between government tiers/institutions, miners, ethnic groups, and local communities for existing mining operations and future development of the mining sector;
- Assessment of the role of civil society groups/institutions, media, etc. to support, facilitate and monitor effective social assessments and implementation of environmental and social safeguards as far as the mining/hydrocarbon sector is concerned. This should include analysis of organizational and institutional capacity of affected, less favored or vulnerable groups;
- Review of good and best international practice comprising examples and case studies on addressing the institutional and governance weaknesses for environmental and social management identified for the Aynak and Hajigak mines and Afghanistan in general by review of relevant mining contracts in countries with similar geo-political and socio-economic conditions (at this moment, very few or no active large mines are operating in Afghanistan). Among the issues to be analyzed by the consultant, benefit sharing mechanisms to promote regional and local development from mining/hydrocarbon activities and to avoid natural resource curse and rent-seeking behavior will be reviewed. It is important that the government of Afghanistan is aware of the typical institutional weaknesses that make environmental degradation and the natural resource curse more likely, and the types of institutions (including laws and regulations) that make them less likely.

The assessment will be mainly based on an analysis of existing materials and, in-depth interviews with key informants, included enlightened people from the influence area of the Aynak and Hajigak mines, coal and hydrocarbon production areas and, if possible, focus

groups discussions with vulnerable stakeholders (or their legitimate representatives), such as women, migrant workforce, etc.

6. Recommendations to be taken under the SDNRP for institutional and governance strengthening and enhancing the benefits from the mining/hydrocarbon sector.

MHS-SIA recommendations will be presented in a policy-action matrix and validated in a national workshop and focus groups with key stakeholders (or legitimate representatives) ensuring the participation and due consideration of views of vulnerable or affected stakeholders. The main final product should be quantitatively and analytically supported recommended interventions (policy, regulation, institutional strengthening, and otherwise) and complementary technical assistance to address likely significant effects of mining/hydrocarbon growth on each one of the environmental and social priorities identified. The recommendations will also seek to mainstream local population into mining/hydrocarbon projects through enhancing awareness, capacity building, benefit sharing mechanisms, etc. These recommendations will inform the preparation and implementation of a master plan to guide the sustainable development of activities in the Aynak and Hajigak project areas, in particular, and the expansion of the mining/hydrocarbon sector in Afghanistan. The MHS-SIA will also recommend policies to address barriers to the development of adequate institutions, particularly political economy considerations, and barriers to women and vulnerable groups having a voice in sector development.

7. Social Learning for Continuous Policy Improvement

Institutional reforms rarely succeed in meeting all of their stated objectives due to uncertainties, incomplete information, conflicting interests, and other characteristics of the policy process. Thus, mining/hydrocarbon policies will require continuous improvements to address environmental and social priorities, as well as exogenous changes in the context where mining/hydrocarbon policies are applied. In this context, learning allows policy-makers to continue improving policy design and the MHS-SIA should aim at promoting social learning by opening an opportunity to reform organizational structures, initiate a dialogue among all stakeholders, and implement monitoring and evaluation indicators. An effective monitoring and evaluation system that includes data disaggregated by gender, socioeconomic status, education and based upon a set of measurable monitoring indicators will be developed by the Consultant. Also, the MHS-SIA will assess capacity of agencies in charge of monitoring and evaluation, and when necessary, provide technical support or capacity building to ensure positive benefits of the MHS-SIA can be maximized.

8. Participatory and Consultation activities

A key component of the MHS-SIA is the participatory and consultation process as the MHS-SIA is a process to involve key stakeholders in a policy dialogue to inform the preparation and implementation of the SDNRP. Based on the results of the stakeholder analysis and political economy of the mining/hydrocarbon sector, the Consultant will prepare a public participation and consultation plan. The participatory and consultation plan will include but not be limited to the following:

- Awareness raising seminar at the time of launching the MHS-SIA in Kabul. In this seminar, the Consultant will explain MHS-SIA's objectives, approach and expected outcome and how stakeholders will participate in the assessment.
- A workshop in Kabul for the identification of the MHS-SIA's environmental and social priorities involving stakeholders (or their legitimate representatives) from the areas of influence of the Aynak and Hajigak mines and other relevant mining/hydrocarbon and coal zones.
- A second workshop in Kabul to disseminate and validate the results of the MHS-SIA, with stakeholders (or their legitimate representatives) from the areas of influence of the Aynak and Hajigak mines and other relevant mining/hydrocarbon and coal zones. The report to be validated should include a plan for participation of civil society organizations in monitoring the implementation of MHS-SIA's recommendations (policy action matrix).

Seminars, meetings and workshops will be multi-stakeholder events comprising all MHS-SIA key stakeholders; the local staff should be fully engaged in the process. Focus groups' discussions will be used complementarily when the Consultant considers this mechanism is more effective than multi-stakeholder workshops, particularly for giving voice to vulnerable or affected stakeholders or taking stakeholders' dispersed interests into account in the MHS-SIA process. The Consultant must ensure that the voice and interests of weak and vulnerable stakeholders are heard, especially women, migrant miners/laborers and disabled individuals.

The Consultant will document all participatory and consultation activities. Documentation would, for example, include recording meetings details, participants, and their comments and concerns. With these records the Consultant will establish a database of the participatory and consultation activities carried out in the MHS-SIA to enhance its validity. The database should be developed without compromising the need to avoid endangering the people that contribute to the MHS-SIA by protecting their anonymity.

To the extent possible, the Consultant will ensure that members of the Ministry of Mines Environment Department and/or NEPA are fully briefed on the work as it progresses, such that some capacity development can occur during the process. The details of this will be defined later—i.e., whether some individuals will be designated to follow the work or whether the approach will be more general.

D. Report Submissions

Reports must be written in English.

The Consultant (Team Leader) will prepare and submit the following reports:

- i An inception report (via e-mail) within four weeks of signing the contract which should describe i) the institutional arrangements and timing agreed with the

Ministry of Mines (MoM) to carry out the MHS-SIA; ii) the MHS-SIA work plan describing the main activities for data collection and analysis, plan for the MHS-SIA public participation; and iii) the expected products and reporting schedule to be reviewed and accepted by the MoM.

- ii An interim technical report to be delivered on the deadline established in the inception report, satisfactory to the MoM. This report will comprise of six parts: baseline study, identification of priority issues, mining/hydrocarbon growth scenarios, assessment of likely significant effects on priorities issues and growth scenarios, political economy and stakeholder analysis, institutional analysis of MoM in addressing environmental and social management issues.
- iii A draft MHS-SIA report comprising a policy-action matrix, including specific recommendations for technical assistance, including recommendations for institutional and governance strengthening in environmental and social management, to be supported under the SDNRP, an incorporated draft final technical report.
- iv Final MHS-SIA report, policy matrix, implementation and monitoring plan, including a well phrased and tightly worded executive summary, and incorporated final technical report satisfactory to the MoM.

All reports would be submitted for review and comments to the MoM. The World Bank will provide technical assistance to the MoM for supervising the MHS-SIA.

The following is an indicative time frame to be agreed with consultants in the inception report. The MHS-SIA will be implemented in around 10 months beginning during the second quarter of 2009. Given the pace of the Aynak and Hajigak developments, the phasing of activities to ensure that Aynak/Hajigak related issues are given priority would be recommended

	No. of months after signing contract
Inception report submitted	within 1 month
Interim technical report	within 6 months
Draft MHS-SIA report and stakeholder workshop	within 7 months
Final report and dissemination	within 9 months

E. Background Information for MHS-SIA

For further information and background, it is recommended that the MHS-SIA team become familiar with the following World Bank supporting resources and studies:

- Mining as a Source of Growth (2004)

- The Strategy for the Mineral Resources Sector
- The Interim Afghanistan National Development Strategy (2006)
- World Bank Mission Aide-Memoires
- Afghanistan The Role of Women in Afghanistan's Future (2006)
- Afghanistan, Poverty, Vulnerability, and Social Protection: An Initial Assessment (2005)
- Afghanistan, State Building, Sustaining Growth, and Reducing Poverty (2005)

F. Key Staff and required Skills

The Consultant will be an international consulting firm (or a combination) with extensive working experience in Afghanistan and an understanding of the socioeconomic, political, and administrative complexities of Aynak, Hajigak, and the coal and hydrocarbon rich zones would be advantageous. International consulting firms should include local personnel or firms to give proper consideration to domestic and local institutional and cultural issues in the context of the MHS-SIA. In addition, a team consisting of staff from the MoM environmental and other relevant departments and from the National Environmental Protection Agency are also going to be fully engaged in every step of the project to a degree they should be able to conduct all activities independently upon completion of the project by the Consultant. The Consultant team will report to the Project Director of the Sustainable Development of Natural Resources Project Management Unit Office (under the Ministry of Mines) in Kabul and comprise at least the following specialists and also be able to demonstrate capacity in the listed areas of expertise:

Team Leader: Person with experience on environmental and social policy design and Environmental Management Systems (ISO 14001) standards and 15 or more years of relevant experience related to mining/hydrocarbons. This person will lead the MHS-SIA, make sure deadlines are met, and write (with team input) and be responsible for the final report.

Mining/Hydrocarbons Environmental Policy Expert: This person will be primarily responsible for supporting the team and conducting the data collection and economic analysis to underpin the selection of the priority issues and the design of environmental recommendations and interventions. This person will have an advanced degree, expertise in quantitative data and political economy analysis that has been proven in other similar projects, and 15 years or more of relative experience.

Mining/Hydrocarbons Social Expert: This person will be responsible for conducting the data collection, economic and social analysis to underpin the selection of the priority issues and the design of social and poverty alleviation recommendations and interventions. This person will have an advanced degree, expertise in poverty and social impact analysis that has been proven in other projects, and 15 years or more of relative experience.

Stakeholder Analysis Expert: Social scientist with experience in stakeholder analysis and consensus building, resolving conflicts for the types of policy interventions envisaged under SDNRP. The expert should be fluent in Pashto and Dari, and also have experience in

managing community/stakeholders' consultation workshops – and making them meaningful and objective oriented workshops. Knowledge of additional regional/local languages will be an added advantage. Must become thoroughly knowledgeable about the SDNRP and will be the primary contact person in Afghanistan to receive stakeholder input on the project for the duration of the MHS-SIA.

Expertise in:

Institutional Analysis: covering institutional and governance analysis, and institutional and governance strengthening of public, private and civil society sector organizations (both in terms of human development as well as regulatory framework), analyzing gaps and inter-sectoral institutional linkages, and streamlining their functions commensurate with their mandatory obligations.

Gender: covering culturally appropriate consultation with women (including at community level) and assessment of priority active interventions for women.

Land Acquisition/Resettlement: covering legal and implementation aspects of land acquisition, resettlement, rehabilitation and compensation in the mining/hydrocarbon sector, under the existing legal system and international good practice

Mediation and Conflict Resolution: covering policy, legal and institutional issues in relation to dispute resolution, grievance redress system, formal/informal and legal/quasi-legal systems of conflict resolution in the mining/hydrocarbon sector.

Counterpart Staff: Six Afghan specialists consisting of staff from relevant departments of the MoM NEPA selected in concurrence with the MoM and NEPA by the Consultant based on their knowledge of English and understanding of socio-environmental issues associated with mining activities.