



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 11/30/2020 | Report No: ESRSA01171



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Ethiopia	AFRICA EAST	P174385	
Project Name	Second Ethiopia Resilient Landscapes and Livelihoods Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing	11/13/2020	12/11/2020
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance	Ministry of Agriculture, Ministry of Agriculture		

Proposed Development Objective

To improve climate resilience, land productivity and carbon storage, and increase access to diversified livelihood activities in selected rural watersheds.

Financing (in USD Million)	Amount
Total Project Cost	165.24

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

RLLP-II will support Ethiopia's efforts to scale up and enhance its Sustainable Landscape Management Program. The integrated package of activities will promote green infrastructure and resilient livelihoods and enhance institutional capacity and improve information for better decision-making.



D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

RLLP-II (P174385) is designed to create resilient landscapes and livelihoods for vulnerable rural populations in Ethiopia. RLLP-II will improve climate resilience, land productivity and carbon storage, as well as improve access to diversified sources of income in selected rural communities. Geographically, the RLLP-II will support major watersheds found in the seven Ethiopian regional states of Amhara, Benishangul-Gumuz, Gambella, Oromiya, SNNP, Sidama and Tigray. The RLLP (P163383) and RLLP AF (P172462) project area covers 210 woredas/major watersheds with 8-12 micro-watersheds per major watershed in the seven national regional states of Ethiopian Highlands, averaging approximately 10,000 hectares each. The 210 major watershed includes the 135 watersheds that were supported by SLMP-I and II; 57 new added woredas; 18 woredas supported by Global Affairs Canada (GAC). Largely, the proposed RLLP-II will scale up the results of RLLP work to be undertaken in 40 major watersheds. Even though, there are national parks, regional parks, wildlife sanctuaries, wildlife reserve areas, and controlled hunting areas in the project regions, none of them are in the project area/watersheds. Climate: The lowlands of RLLP regions are characterized by high temperature and low precipitation, whereas the highland parts enjoy suitable temperatures and ample rainfall. The mean annual temperature in the seven regions varies from less than 10°C in high altitudes to over 30°C in tropical lowlands. The annual rainfall in the regions ranges from 303-2,553 mm. Soil and Geology: The major types of soil in RLLP II region include Nitisols, Vertisols, Cambisols, Acrisols, Luvisols, Lithosols, Aluvisols, Arenosols and Regosols, most of which carry high agricultural potentials. The Precambrian, Palaeozoic, Mesozoic, and Cenozoic rocks are the three main geologic formations found in the RLLP II regions. Additionally, the Proterozoic rock formation is found in Tigray Region. Protected Areas: In the Project intervention regions, there are national parks, regional parks, wildlife sanctuaries, wildlife reserve areas, and controlled hunting areas. In Oromia region there are three national parks (Bale Mountains, Awash and Abijatta Shalla) and regional (Dhera Zilfekar), five wildlife sanctuaries (Senkelle, Yabello, Babile, Erer-fafen and Kuni Muktar) and three wildlife reserves (Awash, Bale and Chelbi) and many controlled hunting areas that hosted mammals, birds, grazers, browsers and hunters. Tigray region has one national park which is Kafta-Sheraro national park (in Western and North Western zones). Siemen Mountains National Park and Alatish National Parks are found in Amhara regional state. Southern Nations, Nationalities and Peoples Regional State (SNNPR) encompasses five national parks (Mago National Park, Nechsar National Park, Omo National Park, Chebera Churchura, and Maze Park), 2 wild life reserves (Chewbahir, and Tana) and 6 (Akobo, Boyo Swamp, Maze sheleko, omo West, Murle, and segen) controlled hunting areas. In Gambella region, Gambella National Park is found. However, none of them are in the project area/ watersheds where the project has activities. River Basin and Lakes: RLLP-II intervention regions have abundant surface and ground water resource potential. Large areas of the regions are drained by major rivers, streams and lake basins. The main river basins in the project regions includes Abay, Baro, Dededesa, Basin, Awash, Wabi Shebele, Genale basin, Rift Valley and Segan, Tekeze, Jema, Baro-Akobo, Omo-Gibe, Mereb and Denakil basin. There are a number of sub-basins and tributary rivers. There are a number of lakes found in the RLLP-II project regions like Lake Tana, Zengena and Haik in Amhara region; lake Abaya-the largest rift valley lake in Ethiopia, Chamo, Hawassa, and Rudolf in SNNPR; Ashengie lake in Tigray region; and Ziway/Dembel, Abijata, Shalla, Langan, Beseka, Abaya, Istifani and Awasa found in SNNPR; lake Chukala, Hora (Kilole), Bishoftu (Babogeya), Hora Oda (Arsede), Megerisa, Wenchi and Dendi in Oromia region. Amhara National Regional State (ANRS): ANRS covers a total land area of approximately 154,700 km². The regional average landholding is 0.3 ha/household. RLLP II targets 54 woredas/watersheds in the region. The climatic condition of the Region is divided into temperate (Dega), subtropical (Woina Dega) and arid (Kola) agro-climatic zones, constituting 25%, 44% and 31% of the total area of the region, respectively. Mean annual rainfall of the Region varies from 700 mm to over 2,000 mm and the temperature range is between 10°C and 26°C. Most of the region is on a highland plateau and characterized by rugged mountains, hills,



valleys and gorges. Hence, the region has varied landscapes composed of steep fault escarpments and adjoining lowland plains in the east, nearly flat plateaus and mountains in the center, and eroded landforms in the north.

Benishangul-Gumuz National Regional State (BGNRS): covers an area of approximately 50,699 km². The region has an altitude ranging from 600 up to 2,000 m.a.s.l and has topography dominated by river valleys which join the Abay River before it enters the Sudan. The region has climatic condition of 85% Kola (Hot climate), 10% Woina Dega (Semi – Temperate) and 8% Dega (Temperate) climatic conditions. It is endowed with rich natural resources, including fertile land, water, forest, minerals, and fish. BGNRS is endowed with a variety of natural resources. Over 50% of the land is covered with natural forest, which also has commercial value. RLLP II targets 15 woredas/watersheds of the region.

Gambella National Regional State (GNRS): GNRS has an area of 29,782 km². The Region borders the Republic of South Sudan in the south and Sudan in the west. The altitude of Gambela region ranges between 300 and 2,500 m.a.s.l. Agro-ecologically, the region is predominantly lowland (kola), with a few midlands (Woina Dega). The average annual rainfall of the region varies according to the different altitudes. While areas with 400 - 500 m.a.s.l of the western part receive 900 mm - 1500 mm/annum, areas over 2,000 m.a.s.l (eastern part) receive average rainfall ranging from 1,900 to 2,100 mm/annum. Accordingly, the average temperature is 17.5oC – 27.5oC and the mean annual rainfall is 900-2200mm. The majority of the population of the region lives in rural areas where their livelihood is based on sedentary agriculture (crop based, livestock based and agro-forestry based) in which the region’s economy is predominantly dependent. The region is endowed with abundant natural resources of expansive land and water which are the main source of livelihoods of the people. Gambella Region is endowed with vast natural resources. The RLLP II will be implemented in 9 woredas of the region.

Oromia National Regional State: With an area of approximately 298,164 km². More than 87% of the people of Oromia live in rural areas while 13% reside in urban areas. The topography of varies from high rugged mountain ranges, undulating plateaus, panoramic gorges and deep incised river valleys, and rolling plains, with altitudes ranging from less than 500 m.a.s.l. to over 4500 m (Mt. Batu being the highest peak at 4607 m). The prevailing climatic types in the region may be grouped into 3 major categories: the dry climate, tropical rainy climate and temperate rainy climate. The dry climate has mean annual temperatures of 27°C to 39°C, and mean annual rainfall of less than 450 mm. The hot semi-arid climate mean annual temperature varies between 18°C and 27°C, with a mean annual rainfall of 410-820 mm with noticeable variability from year to year.

Southern Nations, Nationalities and Peoples Regional State (SNNPRS): SNNPRS covers an area of 105,887 km², and accounts for 10% of the total area of the country. The region has undulating topography and is dissected by the Omo river basin into western and eastern parts. The elevation ranges from 376 to 4207 m.a.s.l, the lowest part being Lake Rudolf in South Omo and the highest being Mount Goge in North Omo. About 56% of the total area of the region lies below 1500 m.a.s.l, and is largely categorized as hottest low land, Kolla. The rest 44% is found in the temperate climatic zone. The mean annual rainfall of the region ranges from 500 to 2200 mm, its intensity, duration and amount increases from south to northeast -northwest. The mean annual temperature ranges from 15oC to 30oC.

Sidama Regional State: It has a total area of 10,000 km², of which 97.71% is land and 2.29% is covered by water. Of the land, 48.70% is cultivated, 2.29% is forested, 5.04% is shrub and bush land, 17.47% is grazing land, 18.02% is uncultivated, 6.38% is unproductive and 2.10% has other uses. The region has a variety of climatic conditions. Warm conditions cover 54% of the area, Woinadega, this is a temperate zone ranging from an elevation of 1500 m to 2500 m above sea level, mean annual rainfall varies between 1200 mm and 1599 mm, with 15 °C to 19.9 °C average annual temperature. A hot climatic zone, Kolla, covers 30% of the total area, elevation ranges from 500 m to 1500 m above sea level with a mean annual rainfall of 400 mm to 799 mm, and the mean annual temperature ranges from 20 °C to 24.9 °C. Cool climatic conditions exist in the mountainous highlands. This covers 16% of the total area with an elevation between 2500 m and 3500 m above sea level. This part gets the highest amount of rainfall, ranging from 1600 mm to 1999 mm and it has a mean annual temperature of 15 °C to 19.9 °C.

Tigray National Regional State (TNRS): consists of seven zones and 35 woredas. 26 woredas/watersheds of Tigray are selected for RLLP II. Altitudes range from 500 meters up to 3,900



meters a.s.l. The mean annual rainfall ranges from 600 mm in the north-eastern part to 1,600 mm in western part. Temperature ranges between 160C and 200C in the eastern and central highland part while in the lowlands of the western zones it is 38-40c.

D. 2. Borrower's Institutional Capacity

Ethiopia's Ministry of Agriculture (MOA) and the respective regional offices will be the principal implementing agencies for the RLLP-II (P174385). The MOA has experience in implementing different World Bank financed projects, including Agricultural Growth Project-II (P148591), Resilient Landscape and Livelihoods Project (P163383), (P172462), Rural Productive Safety Nets Project (P163438), Livestock and Fisheries Sector Development Project (P159382), Development Response to Displacement Impacts Project (P152822) and others.

The RLLP-II will use the existing RLLP (P163383 and P172462) implementation arrangement at national, regional, woreda and kebele level. The implementation of the RLLP activities and particularly the environmental and social safeguards will take place through the existing government institutional structures from the federal to the local or community level. RLLP II would build upon this implementation structure and the built capacity, which include environmental and social safeguard instruments implementation including the Environmental and Social Management Framework (ESMF), Social Assessment (SA), Resettlement Planning Framework (RPF) and Gender Mainstreaming Guideline (GMG) and subproject level assessments and plans (ESIAs, ESMPs, and RAPs).

At Federal/National level: the overall coordination and implementation of the project will be facilitated by the Federal Ministry of Agriculture (MoA) in collaboration with other relevant Ministries (e.g. Ministry of Finance and Economic Cooperation (MoFEC), Ministry of Water, Irrigation and Energy (MoWIE), Ministry of Environment, Forest and Climate Change (MoEFCC), etc. The RLLP has its own National Steering Committee (NSC) and will use an independent and fully responsible National Technical Committee (NTC) which existed for SLMP II. The NSC is the responsible entity for the overall guidance and leadership on the environmental and social compliance of the RLLP II. The RLLP II Coordination Unit (RLLP PCU) within the MoA is the core unit that coordinates the project activities, preparation of annual work plan and progress reports including environmental and social risk management technical support and reporting of implementation progress, environmental and social risk management.

Regional: implementation will be led by the Bureau of Agriculture (BoA). The regional coordinators recruited for RLLP are responsible for approving annual work plan and progress reports from the Woredas. The reports would then be submitted to the National RLLP-PCU. A Regional Steering Committee (RSC) will be formed from heads of relevant sectors to provide guidance and leadership at the regional level. The RSC will meet quarterly to review performance, endorse the quarterly progress reports and provide necessary guidance on project implementation, including environmental and social risk management technical support and reporting. The reporting requirements including the frequency of reporting will be included in the Project Implementation Manual for parent RLLP and RLLP II. The RLLP II will apply the same reporting frequency with the parent RLLP.

Woreda and Kebele level: the implementation of the project will be undertaken jointly by Woreda Office of Agriculture (WoA) through the Woreda Technical Committee (WTC), the Kebele Watershed Team (KWT), and communities. The WoA will assign an independent Focal Person from natural resource management unit who will take the lead responsibility in the overall implementation of the program. The focal person will be the staff of WoA. The WTC and KWT will assist communities in (i) developing annual work plan and budgets for submission to the Region for endorsement and integration into the Regions work plan and budgets; (ii) facilitating community participation in watershed planning and rehabilitation; (iii) environmental and social screening, implementing



mitigation measures, monitoring and reporting as per the environmental and social risk management (ESRM) instruments, such as the ESMF (and any subsequent plans, such as ESIA or ESMP), SA, SEP, LMP, GMG and RPF.

Development Agents (DAs): The DA will screen/design/plan subprojects applying a simple checklist as a format for fast track eligibility checking of identified sub-projects. The screening process will be conducted in consultation with the communities and kebele development committee at the early stages of subproject selection and prioritization phase. Once the checklist is approved at the kebele level, the project design/plan will then be sent to the Woreda Agriculture Office and/or the Woreda Technical Committee. The Technical Committee, depending on the scale, nature and type of subproject, will further screen the sub-projects. The Woreda Focal Person (WFP), woreda implementing office, and regional project support unit will ensure and document such procedures are properly followed.

The RLLP (P163383 and P172462) has project coordination unit at national and participating regions. Given the scope of work, monitoring, technical support and reporting requirements RLLP-II will deploy one environment and one social specialist at national and each regional level i.e. in all seven regions, environmental and social specialist are deployed. The client is relatively committed towards ensuring the environmental and social compliance, including sound experiences in regularly conducting annual environmental and social audit by the national and regional RLLP-II concerned specialists in collaboration with other stakeholders to review of the performance of environmental and social safeguard activities including implementation of the ESMF, SEP, LMP, SMP, RPF. In addition, Mid Term Review (MTR) and project completion period the auditing will be conducted by independent consultants to be recruited by the project. For effective implementation of ESRM instruments trainings on the Bank Operational Policies and Environmental and Social Framework were conducted by RLLP (P163383), thus, there is adequate capacity. Although training programs were not measured, it has been believed that some changes both in knowledge and skill developments have been achieved. However, experience also revealed that proper implementation and documentation of safeguards related matters remains a challenge that needs to be further strengthened through ensuring adequate personnel and capacity, especially at Woreda levels. Institutional capacity building is a continuous process, the client will strengthen staffing to implement the ESRM instruments, this requirement was captured in the ESCP.

Preparation of site-specific ESRM instruments including environmental and social screening, preparation of ESMPs, implementation and documentation of the mitigation measures are among the major challenges encountered at Woreda levels. Therefore, the federal and regional environmental and social specialists will provide technical support, including on the job training of the Woreda experts to build the ESRM capacity at woreda level. However, with the RLLP (P163383 and P172462) and RLLP-II, there will be a dedicated (a total of 16) environmental and social development specialist at the national and regional level. The capacity building and technical assistance should use inclusive and equitable support to accommodate cultural, linguistic and capacity variations across participating regions. The RLLP II planning to provide capacity building including training. The budget also allotted for these activities. The ESF will apply to all plans developed and technical assistance provided financed from the proceeds of this proposed woredas Largely, the client will use systems, experiences and structures developed in the RLLP (P163383 and P172462) Environmental and Social Management Framework (ESMF)), Resettlement Policy Framework (RPF), Social Assessment (SA) and Gender Assessment, Action Plan and Mainstreaming Guideline (GMG) (which was updated for the purposes of RLLP II). And additional instruments required under ESF standards, such as LMP and SEP

The RLLP-II will primarily build on lessons from the implementation of the SLM Program, including the Bank-financed SLMP-I, SLMP-II and RLLP (P163383 and P172462). The national and regional project coordination offices need to



provide due attention in setting up the environment and social risk management system, institutional capacity building and technical support, strengthening and establishing a Grievance Redress Mechanism (GRM). The project at the federal and seven regions will have Environmental and Social specialists who will oversee preparation of the required site-specific ESRM instruments, monitor implementation and provide quarterly reports during implementation. The regional safeguards experts will primarily be responsible in preparing site specific ESRM instruments for those relatively higher risk subprojects, based on subproject screening. The regional safeguards experts, together with the federal level safeguards experts will be responsible for providing capacity building and on the job training for Zonal/Woreda level experts. Accordingly, the Zonal and Woreda level experts shall be responsible for the preparation and implementation of site specific ESRM instruments for the lower risk subprojects. The environmental and social performance reports will be prepared at each Woreda/Zonal level will be channelled to the respective region for compilation and communication to the federal PMU. The federal level safeguards experts in turn shall review, compile and communicate to the Ministry of Agriculture and the World Bank country office (quarterly basis) for further review and feedback.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Substantial

The environmental impact of the project is largely positive, especially given that activities play a pivotal role in rehabilitating degraded landscapes and conservation of valuable ecosystems through afforestation/reforestation, and biological and physical soil and water conservation on agricultural lands and other ecologically critical ecosystems. The RLLP-II is designed to create resilient landscapes and livelihoods for vulnerable rural populations in Ethiopia. It will also improve climate resilience, land productivity and carbon storage, improve access to diversified sources of income in selected vulnerable rural major watersheds found in Amhara, Benishangul Gumuz, Gambella, Oromiya, SNNP, Sidama and Tigray regional states. The beneficial impacts of the project include: (i) improved soil and water source conservation, which contributes to proper water management and increased soil moisture that can reduce variability in response to flood/drought conditions, (ii) soil retention, can provide benefits both on-site in terms of soil quality and off-site in terms of reduced erosion, (iii) benefit in terms of land savings or erosion prevention, increased soil fertility (which is a determining factor for higher and less variable crop yields), (iv) increased vegetation cover also helps to prevent erosion and improved downstream water quality, while simultaneously supporting biodiversity will be further enhanced through investment in green corridors, etc.

Notwithstanding to its positive impacts, RLLP II can also impose some potential negative impacts although most of them are site-specific and reversible in nature. The environmental impacts of the project are primarily associated with subproject activities under Component 1. Negative impacts may arise as a result of infrastructure work to be financed; such as: construction and rehabilitation work of the physical and biological conservation structures (bunds, terraces, water harvesting trenches, check-dams, small reservoirs, and other civil works; soil fertility and moisture management; assisted natural regeneration; enclosures plus livestock land use rationalization, intercropping, minimum tillage, gully reclamation, grazing corridors, watering points and wells, pastoral strategies, etc), afforestation and reforestation on communal and private lands. Some of the anticipated environmental concerns include: (i) limited capacity at local levels in terms of identification, analysis and implementation of the environmental

Public Disclosure



and social risks; need for capacity building for the client for application of ESF vis-à-vis safeguards policies, (ii) possible introduction of invasive species (during afforestation/re-afforestation and introduction of improved crop or animal species), (iii) potential conflict among and between the land users, (iv) occupational health and safety during access road construction, terracing, animal husbandry, (v) potential conflict between and among the community water users due to inadequate community engagement, (vi) possible soil erosion, land degradation, water source depletion and contamination, etc. could also arise in relation to improper agricultural activities, road construction and water harvesting activities, (vi) prevalence of vector borne disease, (commonly malaria) because of water lodging within small dams and community ponds. . These impacts will be minimized by addressing the capacity needs at all levels and incorporating mitigation measures (as per the project E&S instruments). Based on the type and extent of the aforesaid and other envisioned environmental related impacts, construction and rehabilitation work of the physical and biological conservation structures (bunds, terraces, water harvesting trenches, check-dams, small reservoirs, and other civil works the potential environmental risk of the project is classified to be Substantial.

Social Risk Rating

Substantial

The social risk classification for this project is substantial requiring careful risk mitigation and monitoring Even though the nature of land take in RLLP II has been voluntary and small in scope. There are some anticipated social concerns risks. The following are key potential social risks:

Component 1: Investment in Green Infrastructure and Resilient Livelihoods. The potential risks include (i) not properly addressing the circumstances of people such as hunters and gatherers, who pursue particular livelihood systems and natural resource management strategies, hence, the project focus on supporting smallholder farmers to scale up and adopt best-fit sustainable land and water management technologies and practices; (ii) creation of benefit streams through markets and other market based instruments like results-based payments involves the risk/challenge of not properly considering the elderly, people with disability and poor members of the community; (iii) Watershed community saving is part of the project activities that helps Users’ Groups who voluntarily organize themselves to engage in IGA suitable to their respective environment. In principle membership is open to all, but the minimum cash contribution and active participation requirement to run the IGA may exclude some members of the community who cannot afford the registration and primary contributions for setting up the IGAs. This involves the risk of further disadvantaging vulnerable groups; (iv) female headed households may face the risk of not benefiting from the Project in equal measure with male counterparts because of not being able to balance their domestic responsibilities with their project-related role in the treatment of communal lands; and (v)Construction of water harvesting structures and community ponds may cause competing claims (upper & downstream) over water and conflict, ponds may become breeding place for disease vectors (malaria) and malaria infestation increases, mismanagement of water may cause gully erosion and loss of water. Further, the risk mitigation measure relies on carefully designed and community vetted inclusive targeting criteria to identify eligible households prioritized based on local context.

Component 2: Investing in Institutions and Information for Resilience. Inadequate attention to the use of locally available indigenous knowledge systems and time-tested adaptation strategies can undermine the potential positive role and contribution of indigenous knowledge.

Component 3: Project Management and Reporting. This component at different levels supports coordination, planning, monitoring, reporting and support including the environmental and social risk management.



The environmental and social risk mitigation measure relies on carefully designed and community assessed inclusive targeting criteria to identify eligible households prioritized based on local context to avoid or mitigate the potential vulnerability and risk factors of the project. The RLLP (P163383 and P172462) environmental and social risk management instruments, ESMF, RPF, SA and GMG were prepared under the WB's Operational Policy and publicly disclosed. The ESMF, RPF, SA and GMG instruments are updated to capture the requirements of the ESF, and disclosed. The instruments are updated to provide risk mitigation measures for the proposed GCF finance reflecting the requirements of applicable environment and social standards. In addition, a Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP), and Environment and Social Commitment Plan (ESCP) were developed. The RLLP II, if it is implemented in conflict affected areas or potential conflict areas, WB (Task Team leaders and social development specialist) and MOA will work together to understand the context and design proportionate risk mitigation measures while delivering development benefits.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

Environmental Risks: the proposed interventions target rural livelihood productivity and resilience through sustainable land management, low-emission resilient agriculture practices, enhanced land tenure, gender-sensitive livelihood initiatives which contributes to removing barriers to women's ownership of and control over assets and improving voice and agency, and the strengthening of value chains for long-term program durability. The RLLP will contribute to climate resilience in 210 major watersheds with 8-12 micro-watersheds per major watershed. The beneficiaries of RLLP include the entire population of the selected watersheds, estimated at 4.2 million people, or 834,000 households. The project interventions are also expected to lead to a GHG emissions reduction of 43.6 million tone CO₂eq due to carbon sequestration as a result of improvements to grasslands and agriculture. 152 watersheds will be supported by IDA and MDTF (Contribution by Government of Norway), 18 watersheds by the anticipated contribution to MDTF by the Government of Canada, and 40 watersheds by GCF.

Soil and water conservation; gully rehabilitation; establishment of green corridors; area closure management and use; establishment of plantation blocks and enrichment of degraded pasture and rangeland; farm water and soil moisture management that includes in situ soil moisture management practices such as improved tillage; mulching/permanent soil cover and water harvesting; integrated soil fertility and soil health management through improved compost making including bio-slurry; vermi-compost and manure management; lime and gypsum application; drought and disease resistant crop development and management and environmentally-friendly livestock production through feed development and management; high quality and quantity forage in pasture and along farm boundaries; gullies and back yards; etc are among the major beneficial impacts of the proposed project under component 1. In addition, the project will enhance production and management of and access to relevant environmental, crop, livestock, forest, weather and geospatial information for land use decision making and disaster risk reduction at the levels of major watersheds, community watersheds, and farms. Furthermore, it will provide support for developing relevant policies, regulations, and by-laws, including for the establishment of watershed associations.

Nonetheless, the Project will finance supporting infrastructure such as soil and water conservation activities, like for ex. terraces, water harvesting trenches, and other civil works; soil fertility and moisture management; assisted



natural regeneration, enclosures plus backyard livestock land use rationalization, intercropping, low tillage, gully reclamation, watering points and wells, etc. that may entail potential negative impacts to the social and physical environment. Besides, as stipulated under section A above, the proposed RLLP GCF financing can entail environmental related concerns that includes, among others: limited capacity at local levels for the safeguards risk analysis and implementation, possible introduction of exotic/invasive species and genetic materials; safety issues due to labor works during the watershed implementation and increased use of livestock pesticides, drugs, vaccines & other chemicals, ex. disposal of animal drugs, pesticides, fertilizers and their packing materials; potential impact on biodiversity, mainly as a result of expansion of pasture and farm lands, introduction of new breed species of crops, seeds or animals may have adverse and significant environmental impacts; OHS hazards such as disease transmission during animal dips (ex: Anthrax); competition over land, water and pasture (intra and inter woredas), antibiotic resistance from poor management of livestock drugs, etc.

Ecological change could trigger an outbreak of endemic disease or reemergence of latent diseases, particularly vector-borne diseases within the target watersheds. This could happen as the project successfully alter or "improve" the landscape and ecology of the area. The ESMF will include items in the screening checklist about potentials of vector-borne diseases and acknowledge the disease outbreak are potential impacts of water harvesting structures as they could provide habitat to water- and vector-borne diseases, such as schistosomiasis and malaria. This risk may be given a little more emphasis by: (i) including the in the scope of screening and assessments of individual subprojects; and, (ii) requiring a system of disease surveillance (alert system) in the project areas. The ESMF will also include relevant guiding tool (in line with the World Bank's ESF/Safeguards Interim Note: COVID-19 Considerations in Construction/Civil Works Projects) that will help in addressing the risk of COVID 19 epidemic.

Social Risks: the anticipated social related impacts of the proposed RLLP are expected to be manageable and most of them are related to: (i) not properly addressing population groups such as hunters and gatherers, who pursue particular livelihood systems and natural resource management strategies; (ii) vulnerable groups like elderly, disabled, and poor members of the community not benefited fairly from benefit stream; (iii) female household heads and married women may not equally draw benefit like their male counterpart; (iv) inadequate attention to the use of locally available indigenous knowledge systems and time-tested adaptation strategies; (v) the implementation of land administration and certification should not be based on wholesale or universal application may differentially affect and induce conflict; and (vi) female household heads losing their land that they have leased to sharecroppers, who can register to plots in their name for certification against the terms of the sharecropping agreements.

Therefore, the project requires awareness and realistic assessment of risks, especially as part of implementation of components and its subprojects. The RLLP ESMF, SA, RPF and GMG will be updated to capture the essence of implementation challenges, concerns and views regarding environmental and social risk management in the proposed RLLP GCF. The ESMF will include guidelines [or templates] for detailed site-specific Environmental and Social Management Plans (ESMPs) that will be consulted upon and disclosed prior to the commencement of civil works, and negative impacts will be avoided or mitigated through the implementation of the mitigation measures developed in the ESMPs. The ESMF also includes measures for addressing broader environmental and social impacts, including on natural habitats and forests, and an Integrated Pest Management Plan. The effective use of the ESMF will be regularly reviewed as part of the project's M&E system. The updated ESMF will be disclosed in-country and on the Bank's external website prior to appraisal in accordance with Bank requirements. Capacity building, along with the required training and awareness creation shall be provided for all relevant actors based on need and gap assessment results. Principally, each activity shall be subject to environmental and social screening followed by preparation of other instruments (ESMPs, ESAs, RAPs), as required. All the site-specific instruments will also be cleared by the respective Regional Environment, Forest and Climate Change Authorities (REFCCA). The instruments



shall be properly implemented and the results will be monitored, documented and quarterly reported to the Ministry and the WB.

ESS10 Stakeholder Engagement and Information Disclosure

The objective of stakeholder engagement is to incorporate views from all stakeholders through meaningful consultations and feedback to improve the environmental and social sustainability of the project, enhance its acceptance, and make a significant contribution to successful project design and implementation.

In consultation with the World Bank, MoA will prepare and implement an inclusive country-level SEP proportional to the nature and scale of potential risks and impacts; such as, (i) potential for re-emergence of civil unrest, (ii) weak multi-sectoral coordination, (iii) risk of potential elite capture of project benefits, and (iv) possible inaccurate perceptions of association with either of the Government's Mass Mobilization Campaign, neither of which the Bank finances. A draft of the SEP will be prepared and disclosed prior to appraisal. Building on the experiences of the RLLP and the first RLLP AF, the borrower will seek stakeholder feedback and opportunities for proposed future engagement, ensuring that all consultations are inclusive and accessible (both in format, language and location) and through channels that are suitable in the local context. If major changes are made to the SEP, a revised SEP should be publicly disclosed. The borrower will engage in meaningful consultations with all stakeholders throughout the project lifecycle, paying attention to the inclusion of historically underserved peoples, vulnerable and disadvantaged groups (including the elderly, persons with disabilities, female headed households and orphans and vulnerable children).

Stakeholders for the project encompass two categories: (i) directly affected stakeholders including farmers, pastoralist and agro-pastoralists communities, relevant government offices at national, regional, zonal, woreda and kebele level, Development Partners including GIZ, local organizations, NGOs/CSOs, religious leaders and environmental public sector agencies; and (ii) other interested parties, including politicians (national and regional state leadership), international, national, and local media, social media activists, agriculture research institutions (national and international), other International NGOs, and the public at large.

The SEP will also assure the participation men and women. As a key focus of the project is to ensure that vulnerable groups including indigenous/underserved people can access project benefits, the stakeholder engagement process shall ensure that their views are incorporated in project design and implementation, and that risks particularly affecting women and girls are adequately assessed and mitigated. Due to the presence of underserved communities in regions, Gambella, Benishangul, in parts of regions Oromiya and SNNPR, any specific engagement requirements for their participation will be provided in the SEP. A grievance redress mechanism (GRM) guideline prepared for RLLP will be used to strengthen and support establishment of project GRMs. A Grievance redress committee will be established at Woreda and Kebele level composed of the local community to ensure accessibility and transparency of the GRM.

As consultation as a continuous activity, the project will engage stakeholders at different level, including communities as per the stakeholder engagement plan which will be adapted to the evolving nature of COVID 19.

Due to the evolving situation of COVID 19, the MoA and the RLLP PCU has adopted a progressive approach in managing community and stakeholder consultation, soil and water conservation and public works. The approach



include (i) adopting small groups allowed by law (up to four people in one group), (ii) phased public works group (everybody is not going out at the same time which limits congregations), (iii) multiple working sites unlike before, (iv) maintain physical distance, (v) use locally available materials for face mask, (vi) frequent hand washing and sanitization (with locally available soap and alcohol). The RLLP has adopted a communication campaigns on improved hygiene and disease prevention measures through community facilitators and development agents. The approach will be revised as per the directions provided by the health authorities at different levels.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The project is not expected to create large-scale labor influx. The project implementing entities most staff are civil servants under the Bureaus of Agriculture. The project implementation will involve direct, contracted and community labor coordinated by the MoA, under National Program Coordinator for Sustainable Land Management Program (SLMP). The direct labor includes, the MoA, under SLMP, RLLP staff, Regional RLLP staff, Woreda experts, development agents and Kebele community facilitators. Contracted workers will include local companies hired to undertaken small scale civil works such as community infrastructure (water sources and roads.) Community workers will be involved in soil and water conservation work under component 2 as well as sustainable land use practices. Project workers will be subject to the relevant requirements of ESS2 via the Labor Management Procedures (LMP) including clear information on the terms and conditions of employment, principles regarding non-discrimination and equal opportunity, rules regarding child labor and forced labor, and occupational health and safety measures.

Potential labor risks are mainly associated with the informal arrangements between contractors and local labour. In cases, where the contractors recruit local labor, the client will monitor payment of fair wages by the contractors. However, the contractors are not supposed to be mobilized outside the respective project participating region and are expected to understand the labor costs in the respective areas. The contractors will adopt a protocol with clear information on the terms and conditions of employment, principles regarding non-discrimination and equal opportunity, rules regarding child labor and forced labor and grievance mechanism to provide feedback for any workers related grievances. The protocol will cover matters related to workers health and safety. The existing GRM at community level will be adopted to receive and resolve grievances related to labor issues, drawing principles from the national law and procedures.

The ESMF and SA will consider safety and environment measures and procedures, along with the required training and adoption of other international good practice on observing occupational health and safety related matters. The project will ensure the application of Occupational Health and Safety measures that includes introduction of guidelines for the management of COVID 19 epidemic risks (e.g. inclusion in the site-specific ESMPs, environmental construction contracts and monitoring systems). Besides, in accordance to the WB's ESS2 and Ethiopian labor law, the use of forced labor or conscripted labor and the recruitment of child labor is prohibited for all activities financed by project proceeds. The MOA will ensure consistent application and adherence to the requirements related to the applicable Environmental and Social Standards. The project will ensure a basic, responsive grievance mechanism to allow workers have avenue to inform management of labor issues, such as a lack of PPE and unreasonable overtime via the MoA. The Ministry is required to report any incidences or accidents that might occur in connection with the project implementation.



ESS3 Resource Efficiency and Pollution Prevention and Management

The project largely contributes for positive outcomes in terms of efficient use of energy resources and pollution prevention through supporting and encouraging Enterprises and Formal and traditional saving groups to manufacture, promote and sale fuel saving cook stove and alternative cooking fuels, and as well for the purchase of RE/EE products. The project interventions are also expected to lead to a GHG emissions reduction of 43.6 million-ton CO₂eq due to carbon sequestration as a result of improvements to grasslands and agriculture. Reforestation through assisted natural regeneration will further contribute to the mitigation of carbon emissions, at an estimated rate of 0.92 tons of CO₂-eq. per hectare annually.

However, farm water and soil moisture management practices (based on Climate Smart Agriculture (CSA)) is part of promoting sustainable livelihoods and may indirectly involve use of agrochemicals; including fertilizers, herbicides and insecticides for both crop and livestock improvements. In due of this, the borrower needs to identify pesticides that may be financed under the project and develop integrated pest management plan. In view of this, Ethiopian legislation requires that all pesticides to be used in the country should be registered by the respective authority (MoA) on the basis of demonstrated product effectiveness and safety for humans, non-target organisms and the environment. The ESMF provision will include a description of Integrated Pest Management (IPM) approaches that would elaborate on what actions need to be undertaken to minimize environmental, health and safety impacts. In view of this, integrated pest management tools and manuals developed for certain crops and livestock by the then Ethiopian MoA, in collaboration with the UN Food and Agriculture Organization (FAO), will be consulted and/or applied, as required.

overall, the Borrower shall ensure that all pesticides used will be manufactured, formulated, packaged, labelled, handled, stored, disposed of, and applied according to relevant international standards and codes of conduct, as well as the General and sector-specific EHSs. Care is, therefore, required at all stages in their transport, storage and application, siting, design, maintenance and day-to-day organization of stores and transport operations must be planned to keep hazards to a minimum.

ESS4 Community Health and Safety

In line with safety provisions in ESS2, it is equally important to ensure the health and safety of communities from the potential impacts and risks of sub projects including soil and water conservation work such as stone bunds, roads, water harvesting structures, check dams construction of flood control structures, bridges, etc which may pose risks to slips and falls due to wet surface and hillside activities, dust that can affect eyes, and other respiratory problems. Water structures such as community earth ponds, hand-dug well, shallow wells have risks associated with water borne and vector borne diseases and physical fall safety risks for children and animals.

The ESMF will include provisions to integrate response and mitigation strategy including: allocate budget to fence or put clear sign on projects with potential risk; implement dust suppression techniques; plan for training and awareness creation on community health and safety hazards; and possible protection measures for coordinators and implementers at all level and for the communities.

For small dams the guideline for small dam construction prepared by the MoA will be used to ensure safety of small dams generic dam safety measures designed by qualified engineers in accordance with GIIP will be adopted and



implemented with respective requirements to be outlined in the ESMF. The environmental and social assessment will confirm that there will be no or negligible risk of significant adverse impacts due to potential failure of the dam structure to local communities and assets, including assets to be financed as part of the proposed project. Prevalence of vector borne disease as a result of water logging and possible drowning of children or animals will also be another area of concern that will be addressed through the site specific ESMPs.

It is also equally important to ensure the safety of communities from the potential impacts and risks with rehabilitation, treatment of gully sites and community infrastructure work. This will include adverse environmental and social impacts; such as, possible health impacts because of use of agrochemicals, labor influx that disrupts communities, Gender-Based Violence (GBV) and sexual exploitation. While the civil works to be financed are limited in scale and scope, to ensure the health and safety of communities during the construction phases of the project, the project will develop and implement a Health, Safety and Environmental (HSE) Plan in line with World Bank Group Environment, Health and Safety Guidelines (EHS) for construction activities. The borrower shall adhere to relevant requirements outlined in the ESMF.

The civil works under RLLP are small in scale and the potential impacts and risks encompass, (a) increased living costs and food prices in local markets, (b) risk of cultural misunderstanding or exploitation. The risk mitigation measures include recruitment of required labor from the community and minimize the influx of labor. Further, the risk of sexual exploitation due to workers' relations with local women or girls will be mitigated through reliance on the analytical work and proposed action plan which define the RLLP's approach on gender, which is based on an exploration of values and norms, and the legal, social and economic context.

Establish Community Communication Protocol: the project will adopt a comprehensive community communication and outreach protocol which will cover community health and safety with specific provisions to be included in each sub-project ESMP. By its very nature, RLLP involves large community based work force and therefore application of any precautionary measures against introducing the COVID 19 epidemic will be taken based on the ESF/Safeguards Interim Note: COVID-19 Considerations in Construction/Civil Works Projects Guidance note, and other relevant guiding tools to protect the local communities. However, if subproject civil works will be undertaken by contractors, the Borrower shall enter in to contract agreements with contractors in determining what obligations should be considered in relation to the current situation. Overall, the task teams will work with the Borrower (PIU) to confirm that projects (i) are taking adequate precautions to prevent or minimize an outbreak of COVID-19, and (ii) have identified what to do in the event of an outbreak.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

The Project deals with rehabilitation, civil works, treatment of gully sites and community infrastructure. The scope of land take would be small. ESS5 is applied recognizing that Components 1 may induce land acquisition or affect access to and use of natural resources. The project's potential impact on physical or economic displacement, or restriction of access to natural resources will be managed through application of the principles outlined in the resettlement policy. The Resettlement Policy (RP) in accordance with the requirements of ESS5 was updated, consulted upon and will be disclosed in-country and at the Bank's external website. The RP defines the principles for implementation arrangements and for site specific instruments preparation commensurate to the scope of impact. This ESS does not apply to land use planning or the regulation of natural resources to promote their sustainability on a regional, national or subnational level (including watershed management, groundwater management, fisheries management, and coastal zone management). In such instances, the project will use key processes to ascertain due process is followed in defining access and use to natural resources.



The experience from the implementation of the sustainable land management project demonstrated that, the nature of land take was voluntary, small scale, and used voluntary land donation guidelines. The proposed project has updated the existing voluntary land donation guideline ensuring adherence to the principles outlined in ESS5 satisfactory to the Bank. When land needs to be acquired, RLLP II proposes to rely on voluntary land donation (VLD). The procedure includes efforts to avoid VLD by finding other alternatives, changing design or location. During implementation of VLD of household/family land, consultation with family members (including spouses) must be made and the family must be aware that refusal is an option. If the land is communal land individuals using or occupying the land must be identified and consulted to minimize the risk of settlers and local communities losing their livelihood due to the land donation decision. If the land that may be donated is household/family land the proportion of the land must not exceed 10% of the total land holding of the donor and must not be the donor's main source of income; it should not significantly affect the donor livelihood. Moreover, VLD should not occur if it requires physical relocation, loss of structures or fixed assets on the affected portion of land which will be the basis for involuntary resettlement. A formal statement or minutes for all consultation and discussion with the landholders, their interest and agreed actions including schedule should be signed and documented at kebele and woreda MoA offices and should be reported for enhanced transparency. The activity will only proceed if all landholders and users are willing/agree to donate the land (VLD) and all the conditions described above and any others agreed with the affected persons/HH/communities, are met and documented as per the RPF.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

RLLP is expected to finance afforestation/re-afforestation and other natural resource management (range land management, area enclosure) related activities for which ESS6 would apply. In due of this, project intervention areas may encompass some natural habitats which are protected by law. However, RLLP sub-projects will exclude areas that qualify as critical natural habitats and sub-projects that would infringe upon Protected areas. However, it may affect rangelands and other natural habitats, for which ESS6 will apply to protect even those non-critical natural habitats from any adverse impacts. Hence, the ESMF will be updated to ensure that sub-projects will be screened in conformity with the requirements of the ESS6 and that appropriate preventive or mitigation measures are formulated and executed. The ESS6 may be applicable as the project areas are likely to encompass some forests which may be reforested and rehabilitated. The project ESMF shall ensure that subprojects are screened against these kind of environmental related risks and that appropriate preventive or mitigation measures are formulated and executed.

The anticipated potential risks on biodiversity and other living natural resources that might be arisen as a result of possible use of agrochemicals (insecticides, herbicides, fertilizers, etc.) shall also be administered in accordance to the PMP provisions which will be prepared as part of the ESMF.

The biological treatment of the project watersheds improves forest quality of the project area. It has a positive role in promoting and improving the ecological environment in terms of water conservation, soil and water preservation, as well as increasing the income of farmers within the project area. Although, there is no endangered plant species that found in the project watersheds, the watershed should be treated with the integration of physical and biological conservation for future benefits and sustainability. The indirect ecological and environmental impact of these conservation activities might not be obvious during the project construction period but become gradually clear during the operating period. The project should monitor gains and losses in biodiversity or individual species in the project



areas, to understand the level of impact these changes over the course of the project and beyond as part of annual environment audit.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

The project will be implemented in Gambella, Benishangul, and areas where there are pastoralists and agro pastoralists in Oromia and SNNP regional states who meet the criteria of ESS7. The Ethiopian Constitution recognizes the presence of different socio-cultural groups, including underserved peoples and historically disadvantaged groups, as well as their rights to their identity, culture, language, customary livelihoods, socio-economic equity, etc. The social risks and impacts relating to ESS7 has been assessed through an enhanced SA and extensive engagement process with potential project beneficiaries, including those identified as vulnerable groups and underserved peoples.

Due to the presence of vulnerable groups including historically underserved people Benishangul Gumuz, Gambella in parts of regions Oromiya and SNNPR any specific engagement requirements for their participation will be provided in the SEP. The SEP will assure the participation of this groups. As a key focus of the project is to ensure this vulnerable groups including historically underserved people can access project benefits, the stakeholder engagement process shall ensure that their views are incorporated in project design and implementation, and that risks particularly affecting women and girls are adequately assessed and mitigated. Also, RLLP II is designed to accommodate the livelihood, land use and resource management system of the vulnerable group in these regions through participatory approach to community watershed management and livelihood activities used in parent RLLP.

The engagement process will enable communities to voice their views and concerns. A range of recommendations resulting from the SLMP-II implementation experience, have already been incorporated into the project design. Since the project does not involve (i) adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation; (ii) cause relocation of Indigenous Groups from land and natural resources subject to traditional ownership or under customary use or occupation; and (iii) significant impacts on cultural heritage that is material to their identity and/or cultural, ceremonial, or spiritual aspects of their lives, the project will not require Free Prior and Informed Consent (FPIC). The need for FPIC was assessed as part of the social assessment and measures are integrated in the SDP.

A detailed matrix outlining the GRM, benefit sharing approach, consultation, participation, mitigation, monitoring and evaluation, potential social risks and mitigation actions included in the SA more specifically as a Social Development Plan in the Social Assessment. The SDP is an equivalent to an Indigenous Peoples Plan, which were included as an annex in the RLLP-II PAD and incorporated by reference in the ESCP along with the other environmental and social risk management instruments. The SDP as part of the social assessment is an integral part of the environment and social risk management instruments of the proposed project. It is important that, the approach will be tailored based on the livelihood types (small holder agriculturalists, agro-pastoralists, hunters, gatherers, fisheries, people depending on non-forest timber products. Thus, the social assessment and the mitigation measures are defined in the SDP entertaining the diversities in livelihood, culture, values of participating regions and people. The project will ensure that the Grievance Redress Mechanism established and/or strengthened under ESS10 will be accessible and culturally appropriate for these communities.

ESS8 Cultural Heritage



There are areas in the project locations that may constitute physical cultural resources in the sense described in ESS8. Although the nature and scope of the proposed subprojects is not known at this stage, they are unlikely to involve any major excavation work or inundation of areas with water and are thus not likely to affect any physical cultural resources. Furthermore, subprojects will be carried out only in areas selected, through a broader consultative process that includes prior informed consent, by local citizens who would normally give great importance to safeguarding their cultural resources. Nonetheless, ESS8 will be consulted on the assumption that there could be “chance find”. No sub-project that might have potential negative impact on cultural property will be funded without acceptable mitigation measures prepared prior to execution of any such sub-project. There are national procedures and guidelines for reporting chance finds to be followed, and a national entity for coordinating and facilitating the archiving, safekeeping and documentation of physical cultural resources. The project implementing entities would work closely with the national authority, should any chance find issues arise.

ESS9 Financial Intermediaries

N/A.

B.3 Other Relevant Project Risks

The MOA and the PIU should alert the Bank any incidents related to security, conflict and potential sensitivities in the project areas.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework? No

Areas where “Use of Borrower Framework” is being considered:

N/A.

IV. CONTACT POINTS

World Bank

Contact: Pablo Cesar Benitez Ponce Title: Senior Environmental Economist

Public Disclosure



Telephone No:	+1-202-473-0736	Email:	pbenitez@worldbank.org
Contact:	Nigel Ross Hughes	Title:	Senior Natural Resources Management Specialist
Telephone No:	5358+6153 / 1-202-53586153	Email:	rhughes@worldbank.org
Contact:	Million Alemayehu Gizaw	Title:	Senior Natural Resources Management Specialist
Telephone No:	5358+6070 / 251-11-5176070	Email:	malemayehugizaw@worldbank.org

Borrower/Client/Recipient

Borrower: Ministry of Finance

Implementing Agency(ies)

Implementing Agency: Ministry of Agriculture

Implementing Agency: Ministry of Agriculture

V. FOR MORE INFORMATION CONTACT

The World Bank
 1818 H Street, NW
 Washington, D.C. 20433
 Telephone: (202) 473-1000
 Web: <http://www.worldbank.org/projects>

VI. APPROVAL

Task Team Leader(s):	Nigel Ross Hughes, Million Alemayehu Gizaw, Pablo Cesar Benitez Ponce
Practice Manager (ENR/Social)	Helene Monika Carlsson Rex Cleared on 29-Nov-2020 at 23:07:35 GMT-05:00
Safeguards Advisor ESSA	Peter Leonard (SAESSA) Concurred on 30-Nov-2020 at 19:20:48 GMT-05:00