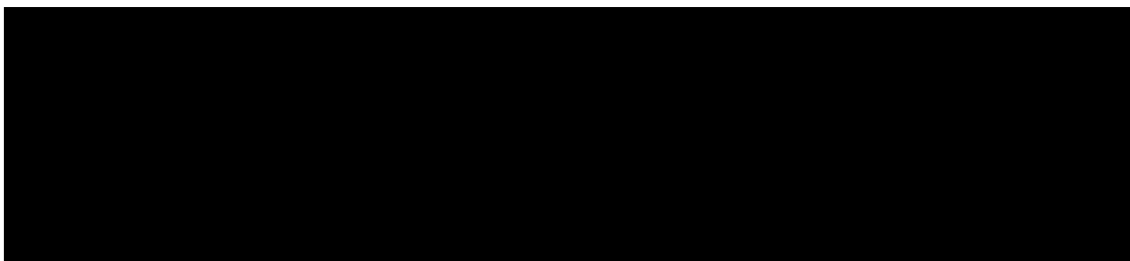




SOCIAL FUND FOR DEVELOPMENT
Planning and Follow-Up Group
Environmental and Social Policies Sector (ESPS)



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LIST OF ACRONYMS AND ABBREVIATIONS

AESFP	Amana Environmental and Social Focal Point
AP	Affected Persons
AQRO	Air Quality and Radiation Officer
CDA	Community Development Association
CHED	Community Health and Education Department
CID	Community Infrastructure Department
EA	Environmental Assessment
EAP	Environmental Action Plan
EEAA	Egyptian Environmental Affairs Agency
EIA	Environmental Impact Assessment
ESA	Environmental and Social Assessment
ESATO	Environmental and Social Awareness and Training Officer
ESCAP	Economic and Social Commission for Asia and the Pacific
ESGM	Environmental and Social Guidelines Manual
ESIA	Environmental and Social Impact Analysis
ESMP	Environmental and Social Management Plan
EESPS	Environmental and Social Policies Sector
ESS	Environmental and Social Screening
HCDG	Human and Community Development Group
HMMO	Hazardous Material Management Officer
IPM	Integrated Pest Management
IR	Involuntary Resettlement
LAD	Local Area Development
LDU	Local Development Unit
LSBO	Land, Soil, and Biodiversity Officer
MESM	Monitoring of Environmental and Social Measures
PAF	Project Affected Family
PAP	Project Affected Persons

RAP	Resettlement Action Plan
RESFP	Regional Environmental and Social Focal Point
ROs	Social Fund for Development's Regional Offices
RPF	Resettlement Policy Framework
SEDO	Small Enterprise Development Organization
SFD	Social Fund for Development
SMEs	Small and Medium Enterprises
SRO	Social and Resettlement Officer
TOR	Terms of Reference
UNESCO	United Nations Educational, Scientific, and Cultural Organization
WB	World Bank
WRMO	Water Resources Management Officer

GLOSSARY¹

Amana: Headquarters.

Biodiversity: The wealth of ecosystems in the biosphere, of species within ecosystems, and of genetic information within populations.

Census: Household survey that covers all affected persons irrespective of entitlement or ownership. It provides a complete inventory of all affected persons and their assets. It can be used to minimize fraudulent claims made by people who move into the area affected by the project in the hope of being compensated and/or resettled.

Checklist: A specific list of environmental parameters to be investigated for possible impacts but does not require the establishment of direct cause-effect links to project activities.

Community Health and Education Department: Department within the SFD (part of HCDG) that funds and manages projects and sub-projects in Governorates including health services, illiteracy campaigns, vocational training, strengthening of community development associations, and support to small and micro enterprises. Many of its sub-projects are labor-intensive and generate considerable temporary employment.

Community Infrastructure Department: Department within the SFD (part of HCDG) that funds and manages projects and sub-projects in Governorates which typically include improvements and extensions in water and wastewater networks, road paving, canal covering and pitching, utilities house connections, environmental improvements, and renovation and expansion of public buildings.

Cultural heritage: A concept referring to sites, structures and remains of archaeological, historical, religious, cultural, social and aesthetic values

Displaced Persons: Persons who are affected by the involuntary taking of land and / or the involuntary restriction of access to legally designated parks and protected areas.

Ecology: Study of interrelationships of organisms to their environment.

Ecosystem: A community and its environment (living and non-living considered collectively).

Environment: The surrounding zone (the specific zone to be affected by the project), all natural resources (physical and biological) and human resources (people, economic development and quality of life values).

¹ Sources: <http://www.unescap.org>, <http://www.adb.org>, World Bank OP 4.12, and SFD's Operational Manual for the Local Development Program.

Environmental Impact: An effect (both positive and negative) on an environmental resource or value resulting from infrastructure development projects.

Environmental and Social Impact Assessment (ESIA): A systematic procedure for enabling the possible environmental and social impacts of development projects to be considered before a decision is made as to whether the project should be given approval to proceed.

Environmental and Social Screening (ESS): A process of early determination of potential environmental and social impacts of an infrastructure development project.

Environmental and Social Management Plan: The synthesis of all proposed mitigation and monitoring actions, set to a timeline with specific responsibility assigned and follow-up actions defined.

Human and Community Development Group (HCDG): One of the SFD's main program groups which now incorporates public works, community development, and human development programs.

Implementing / Intermediary Agency: The local entity which manages the implementation of specific SFD sub-projects.

Indicators: Physical, chemical or biological attributes which provide some indication of the health of an ecosystem.

Initial Environmental and Social Examination: An initial environmental and social examination is the first review of the potential impacts (effects) which the proposed infrastructure development project will have on both natural and social environments.

Involuntary: Actions that may be taken without the displaced person's informed consent or power of choice.

Involuntary Resettlement (IR): The unavoidable displacement of people and/or impact on their livelihood, assets and common property resulting from development projects that create the need for rebuilding their livelihood, sources of income and asset bases.

Landscape: A subjective concept, which includes a large number of parameters such as relief, vegetation, buildings, hydrography and contour, which can be perceived by the eye and enjoyed by the senses.

Local Area Development (LAD): A program of multi-sectoral and integrated projects and sub-projects, with each project in a specific locality (village clusters, small towns, and districts of cities) with the highest concentration of poor.

Local Area Development (LAD) Project: A grouping of integrated sub-projects in a particular area, which is budgeted and funded by the SFD, and formalized by a tripartite framework agreement between SFD and the relevant Governorate.

Markaz: district.

Monitoring: The process of repeated observations and measurement of environmental and social quality parameters to enable changes to be observed over a period of time.

Monitoring of Environmental and Social Measures: To monitor proper implementation of EIA recommended mitigation measures for adverse environmental and social impacts.

Public Involvement: The dialogue encompassing consultation and communication between a project proponent and the public. It includes dissemination, solicitation and presentation of information

Rehabilitation/Resettlement: A term often used to describe the process of reestablishing lifestyles and livelihoods following resettlement. The term is also used to describe construction works that bring a deteriorated structure back to its original conditions.

Replacement Cost: Method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs.

Resettlement Action Plan (RAP): A time-bound action plan with a budget, setting out resettlement strategy, objectives, options, entitlements, actions, approvals, responsibilities, monitoring and evaluation.

Social Impact: An effect (both positive and negative) on a social issue resulting from infrastructure development projects

Sponsoring Agency: The lead local agency for a specific LAD project, a role which is formalized by contractual agreement with SFD. It will be in most cases a “mother NGO” which is active in the LAD project area, although in some cases it may be the appropriate local administrative unit.

Stakeholders: Those who have an interest in project development and who will be involved in the consultative process, and includes any individual or group affected by, or that believes it is affected by the project; and any individual or group that can play a significant role in shaping or affecting the project, either positively or negatively, including the host community/population.

Vulnerable Groups: Distinct groups of people who might suffer disproportionately from resettlement effects, such as, the old, the young, the handicapped, the poor, isolated groups and single parents.

TOPIC INFORMATION MAP

Topic	Document	
	ESMP/ESGM	RPF
List of Sub-Projects LAD is Likely to Fund	<u>X</u>	<u>X</u>
Potential Negative Environmental and Social Impacts	<u>X</u>	
Best Practice Mitigation Measures	<u>X</u>	
Egyptian Environmental Legislation	<u>X</u>	
Egyptian Social Legislation	<u>X</u>	<u>X</u>
World Bank Safeguard Policies	<u>X</u>	
Proposed Organization Structure for EESPS	<u>X</u>	
Staffing and Institutional Capacity of EESPS	<u>X</u>	
Capacity Building & Training Program	<u>X</u>	<u>X</u>
Training Needs Assessment for EESPS	<u>X</u>	
Proposed Operation System for EESPS	<u>X</u>	
Proposed Roles and Responsibilities for ESM	<u>X</u>	
Public Consultation and Disclosure	<u>X</u>	<u>X</u>
Budget for Implementation of ESMP	<u>X</u>	<u>X</u>
Entitlement Matrix for PAPs		<u>X</u>

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1. INTRODUCTION

The Social Fund for Development (SFD) was established in 1991 with the initial goal of creating a safety net to protect vulnerable groups from adverse effects of the economic reform and structural adjustment program. Since then, the SFD's mandate has evolved to more specifically cover the: (a) creation and finance of small enterprises that are capable of providing sustainable job opportunities, (b) provision of basic infrastructure and public utilities necessary to support project/enterprise development, and (c) promotion of a supporting environment conducive to the improvement of standards of living.

Under the Fourth Phase of the World Bank's (WB) assistance program to the SFD, these objectives will be met through financing various development sub-projects under the Local Area Development (LAD) Program. The LAD Program is operating under the Human and Community Development Group (HCDG) in the SFD through multi-sectoral and integrated projects and sub-projects that target the poor within specific urban and rural areas in Egypt.

One of the key differences distinguishing LAD Projects from preceding projects is that it intends to focus on decentralization and integrated development in implementation. The contracts for the sub-projects may be managed on the markaz² or even village level in order to encourage decentralization and allow local authorities to take a more active and influential role in sub-project implementation. Moreover, while under previous projects the focus has been to cater to the needs of the communities on an ad hoc basis, LAD's goal is to address development from a more holistic perspective, focusing on the economic, social, and environmental upgrading of deprived and under-developed areas. In order to achieve this, the Project shall also look into strengthening the capacity of the SFD's Regional Offices (ROs) in assisting the communities and in implementing the sub-projects in a way that is compliant with safeguard policies and with the communities needs.

For more information on the LAD Program, please refer to Annex A.

1.1. Objectives of the Environmental and Social Management Plan and the Guidelines Manual

The primary objective of the proposed Environmental and Social Management Plan (ESMP) is to identify the environmental and social requirements needed to ensure that all sub-projects are in compliance with the SFD's environmental and social protection measures in general, and the WB's safeguard policies in specific. A clear and concise ESMP will ascertain that all major environmental and social impacts are being addressed effectively for the successful appraisal, design, and implementation of the sub-projects. Complimentary and integrated within the ESMP, is the Environmental and Social Guidelines Manual (ESGM), which provides a standardized safeguard screening and

² District.

assessment process that enables the SFD to quickly and effectively assess the likely adverse environmental and social impacts associated with any of the sub-projects, and identify the necessary mitigation measures (in line with best practices) to counter such impacts. The ESGM provides a review of the relevant environmental and social legal framework as well as appropriate public consultation and participation techniques that are needed throughout the sub-project lifecycle. Furthermore, the ESGM also includes the monitoring and evaluation indicators that are necessary for implementing the ESMP.

1.2. Structure and Content

The Environmental and Social Management Plan and Guidelines Manual is structured into two main sections. This first section combines the ESMP and the ESGM together to provide an Environmental and Social Assessment Study. The section begins with a brief description of the sub-projects that may be included under the LAD Projects, the possible adverse environmental and social impacts associated with the sub-projects and mitigates, and the means for incorporating environmental social planning and management within the SFD's sub-project cycle.

The second section of the Environmental and Social Management Plan and Guidelines Manual outlines a Resettlement Policy Framework (RPF), which is to be used as a reference by the SFD whenever issues relating to involuntary resettlement are triggered. The RPF provides a useful tool for detecting issues related to involuntary resettlement and the means of addressing them.

SECTION 1: ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN

2. PROJECT DESCRIPTION

In line with SFD's mandate and with previously funded WB Projects, the LAD Program aims at alleviating poverty, enhancing job creation, and providing basic infrastructure and services to deprived communities in urban and rural areas in Egypt. This objective shall be implemented on the ground through a number of integrated developmental projects and sub-projects, falling under four main departments:

- 1 Community Infrastructure Department (CID)³: funds and manages projects and sub-projects in Governorates such as improvements and extensions in water and wastewater networks, road paving, canal covering and pitching, utilities house connections, environmental improvements, and renovation and expansion of public buildings.
- 2 The Community Health and Education Department (CHED)⁴: funds and manages projects and sub-projects in Governorates including health services, illiteracy campaigns, vocational training, strengthening of community development associations (CDAs), and support to small and micro enterprises.
- 3 Micro-Credit Enterprise Sector (MES) funds and technically supports micro enterprises, particularly in the fields of manufacturing and livestock production. Credit extended to micro enterprises is up to LE 10,000 per enterprise.
- 4 Small Enterprise Development Organization (SEDO)⁵ funds and supports the design and establishment of small enterprises in the fields of manufacturing, livestock production, services, and marketing and trade. Financial funding extended to small enterprises ranges from LE 10,000 to LE 1,000,000.

Box 1 presents a non-exhaustive list of the sub-projects that may be executed under a LAD Project in any given locality, in line with the above-mentioned departmental functional areas.

³ Part of the HCDG.

⁴ Part of the HCDG.

⁵ Although SEDO's activities will not be funded by the LAD Projects and sub-projects, SEDO's services will be promoted and made available to all eligible inhabitants within the LAD target zone.

Box 1: List of Sub-Projects LAD is Likely to Fund

Community Infrastructure Department	<p><u>Potable Water Supply Projects:</u></p> <ul style="list-style-type: none"> ③ Boost or improve sources of potable water ③ Maintenance of intakes ③ Water purification and treatment ③ Improve storage capacity and pressure ③ Improve existing distribution networks ③ Extend water supply and distribution network ③ Extend house connections Maintenance of intakes <p><u>Waste Water Systems:</u></p> <ul style="list-style-type: none"> ③ Treatment plant ③ Build sewage networks and replace old and small collector networks ③ Pumps and pump stations ③ Extend house connections (including collector networks such as manholes) <p><u>Roads and Streets:</u></p> <ul style="list-style-type: none"> ③ New and improved roads in villages and connector roads ③ Paving existing village streets and public squares ③ Protecting and improving sidewalks and public squares ③ Landscaping in urban areas <p><u>Waterways:</u></p> <ul style="list-style-type: none"> ③ Coverage of canals ③ Protection of banks and canals from waste and plants ③ Coverage of water ways ③ Pitching and lining of canals ③ Filling of ponds and swamps <p><u>Public Buildings:</u></p> <ul style="list-style-type: none"> ③ Construction of public and community buildings (additional classrooms, school toilets, playground, youth centers, health centers) ③ Refurbishment of public buildings (renovation of interiors and exteriors, improved internal water, wastewater, and electricity systems, basic furniture) <p><u>Environmental and Community Support:</u></p> <ul style="list-style-type: none"> ③ Solid waste collection and removal ③ Street cleaning and removal ③ Water supply and sanitary drainage ③ Irrigation canal cleaning ③ Youth and social centers ③ Other environmental improvement activities
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Community Health and Education Department	<p><u>Healthcare Projects:</u></p> <ul style="list-style-type: none"> ③ Construction of health clinics in remote areas ③ Construction of veterinary clinics ③ Refurbishment and upgrading of existing health facilities ③ Training of health personnel ③ Provision of equipment and supplies <p><u>Education:</u></p> <ul style="list-style-type: none"> ③ Vocational training ③ Adult education and literacy programs ③ Construction of community schools ③ Construction of nursery schools and daycare centers <p><u>Strengthening Community Development Associations (CDAs):</u></p> <ul style="list-style-type: none"> ③ Training CDAs in different areas
Micro-Credit Enterprise Sector and Small Enterprise Development Organization	<p><u>Small Manufacturing Projects:</u></p> <ul style="list-style-type: none"> ③ Food and agricultural produce processing (bread, milk, sweets and beans crushing) ③ Plant Nursery ③ Wood works (mainly doors and windows) ③ Engineering and electrical products ③ Textiles (mainly apparels and carpets) ③ Chemicals production (soaps, detergents, and plastic products) ③ Paper products ③ Leather products ③ Metal products (aluminum doors, windows, metal pipes). <p><u>Small Animal Production Projects:</u></p> <ul style="list-style-type: none"> ③ Animal breeding (calves and sheep) ③ Poultry Breeding ③ Fishing and fish farming ③ Bee breeding for honey <p><u>Small Services Projects:</u></p> <ul style="list-style-type: none"> ③ Transportation (mainly buses and taxis) ③ Laundromats ③ Advertising ③ Maintenance and repair (vehicles related maintenance) ③ Restaurants ③ Metal working (lathing, welding) <p><u>Small Marketing Projects:</u> These projects are focused on marketing and sales for previously identified products.</p>

The WB loan will continue to fund some of the ongoing development sub-projects under the LAD as well as many new ones. For a clearer understanding of the type and scale of sub-projects that the SFD shall undertake under LAD, a summary of three projects which the SFD has recently signed contracts to is provided below:

- ③ The Integrated Development Project: for People with Special Needs in Sohag Governorate is a development project that falls under the CHED component. The project aims at providing integrated development assistance to the families of children with physical or mental disabilities in Sohag Governorate, within the age bracket of 1 – 18 years old. This shall be done through the provision of technical, educational, and health services to the children and their families, while raising the community's understanding of the children's disabilities and the various ways of dealing with them. The project shall be carried out by a local CDA covering the Governorate's 11 markaz-es over a period of one year, and the SFD's financial contribution to the project is estimated to reach maximum LE 1.6 million.
- ③ The Communal Infrastructure Project in El-Menoufia Governorate is a CID project that is expected to fund 44 sub-projects within the Governorate. Amongst the project's work shall be (1) the completion of 4 youth centers, (2) coverage of waterways (4.5 km long) located within residential areas, (3) the establishment and pavement of 7.60 km of rural roads, and (4) the establishment of 6 elevated water tanks and 6 wells. The SFD shall provide LE 7 million for the funding of the project, which is expected to generate at least 1,000 jobs and benefit 150,000 people. .
- ③ The SFD has allocated a grant for LE 257 thousand for the General Environmental Protection and Garbage Transportation Project in El-Rahbeen Village in Samanood Markaz – Gharbiya Governorate. The twin objectives of this CID project are the improvement of the environmental and health conditions in El-Rahebeen Village, and raising health awareness in the village. These objectives shall be met through (1) the daily transportation of solid wastes generated within the village (at a generation rate of 3,125 kg/day), (2) combating the increase in number of harmful pests and rodents, and (3) raising environmental and health awareness amongst the village community.

3. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS AND MITIGATION MEASURES RELATED TO SUB-PROJECTS

This section shall review positive and negative environmental and social impacts that may result from the implementation of some of the sub-projects and the different mitigation measures. Since the sub-projects have not been specifically identified yet, the list of impacts is neither definitive nor exhaustive. It is important to note, however, that the objective of this generic environmental and social impact matrix is to help SFD staff undertake environmental and social impact assessments. This will enable them to predict and assess early on in the preparation and planning phase the likely negative impacts of each sub-project on the natural environment and community and the means of rectifying

such impacts, to avoid any harmful consequences during the implementation and operation phases.

3.1. Potential Positive Environmental and Social Impacts

The sub-projects are likely to result in a number of positive environmental and socio-economic impacts. Generally, all of the projects are expected to create employment and business opportunities for the local people (although not necessarily for PAPs). For the CID sub-projects, other positive impacts could include improved access to drinking water and an improvement in water quality through the introduction of wells, water pumps, and water distribution systems; improvement of agricultural production through irrigation support systems; and decrease in water-borne diseases and improvement in health through sanitary drainage systems and latrines. The CHED sub-projects shall provide deprived communities with basic necessities through the establishment of health clinics and facilities and education centers. This may have the effect of improving health and education status in the rural areas where the sub-projects are implemented, as part of the SFD's mission to combat poverty and improve the livelihoods of local citizens. Finally, the micro-credit sub-projects are expected to generate employment opportunities and improve income generation for many individuals.

3.2. Potential Negative Environmental and Social Impacts

Whereas the net impacts of the sub-projects implemented by the SFD shall be positive, there may be some negative impacts, associated with the CID and CHED components, which should be addressed during the sub-project preparation phase. The most significant negative impacts under CID or CHED sub-projects may include noise and air pollution caused by construction activities, the risks of polluting water sources or underground water, and the mismanagement of construction waste causing the increase of construction waste or other forms of solid waste as well. Sub-projects under the micro-credit component, or any other income-generating or capacity building activities, are not expected to result in any adverse environmental or social impacts.

Table 1 summarizes some of the negative environmental and social impacts that may be associated with sub-projects under the LAD Project's different components. It should be noted that this table was not intended to provide a comprehensive listing of all the types of sub-projects, their impacts, and their mitigation measures that shall be funded by the Project, rather, the table highlights the most common impacts that can be expected in the types of sub-projects that shall be financed by the LAD Project.

3.3. Best Practices for Environmental and Social Mitigation

The early detection of adverse environmental and social impacts (instead of dealing with such impacts as they arise) will enable SFD staff to put forth measures for the management and control of these impacts prior to their occurrence. The in-advance identification of suitable mitigation measures is a useful tool for standardizing the methodology for dealing with foreseen problems. The first step in mitigation practices is

prevention, where the sub-projects shall try to avoid the identified potential impact. If prevention is not possible, the scale or degree of the impact should be minimized as much as possible. Different rehabilitation and compensation techniques should be investigated, in consultation with all relevant stakeholders, and applied as a means to negate or pacify any likely adverse environmental and social impacts.

Table 1 proposes mitigation measures during the construction and operation phases for some of the sub-projects identified under the LAD different components. These measures are based on generally well-known best practices as well as past experience from SFD Projects.

Table 1: Matrix for Potential Environmental and Social Impacts and Mitigation Measures for SFD’s Sub-Projects

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
Community Infrastructure Department				
Water Supply, Waste Water Systems, Road, and Irrigation and Drainage	<u>Environmental</u> ③ Mismanagement of construction and demolition / rehabilitation waste ③ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ③ Cut down of trees or destruction of green areas ③ Increased air pollutant emissions ③ Foul odors ③ Effluents to public water systems ③ Alteration of current alignment of streams ③ Obstruction of irrigation intakes ③ Obstruction of flood water course ③ Alteration of surface water quality or quantity ③ Interference with existing drainage networks ③ Alteration of direction /	<u>Environmental</u> ③ Monitoring of water ③ Regional water use plans ③ Proper drainage near wells and pumping stations ③ Erosion control during construction ③ Construction during dry season ③ Include odor-control technology in design ③ Provide appropriate sized bins to collect construction waste and arrange for periodic pick up and disposal ③ Restrict activities to areas where biodiversity is not adversely affected ③ Avoid cutting trees and destruction of green areas, and if necessary, re-vegetation should be arranged and included in the project	<u>Environmental</u> ③ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ③ Increased air pollutant emissions ③ Foul odors ③ Changes in soil (erosion / fertility / salinity / pollution) ③ Gas emissions ③ Change in local climate ③ Accidents may occur leading to fire or personal injury <u>Socio-Economic</u> ③ Reduction / Loss of employment and income opportunities ③ Loss of social capital and disruption of social networks ③ Reduced adequacy of physical or social	<u>Environmental</u> ③ Quality; operation, and maintenance plan ③ Avoid harmful effects to biodiversity during operation ③ Monitoring of water ③ Regional water use plans ③ Erosion control during operation ③ Include odor-control technology in operation ③ Use protective clothing and masks for workers as appropriate. ③ Train workers on health care waste segregation and occupational safety measures <u>Socio-Economic</u> ③ Consultation with PAPs and affected communities ③ Employ local citizens in sub-project area in sub-project operation

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<p>quality of groundwater</p> <ul style="list-style-type: none"> ④ Changes in soil (erosion / fertility / salinity / pollution) ④ Gas emissions ④ Dust pollution ④ Change in local climate ④ Accidents may occur leading to fire or personal injury <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Displacement and involuntary resettlement of population ④ Reduction / Loss of employment and income opportunities ④ Loss of social capital and disruption of social networks ④ Loss of language / dialect / culture, etc. for indigenous populations ④ Alteration of land tenure and ownership ④ Elimination or reallocation of existing structures ④ Reduced adequacy of 	<ul style="list-style-type: none"> ④ Control construction by fencing site and spraying water over working area to control dust emissions ④ Consider project siting during the design phase ④ Collect liquid effluents during construction and avoid disposal of untreated effluents into public water systems ④ Careful design and appropriate selection of irrigation systems ④ Use protective clothing and masks for workers as appropriate. ④ Train workers on health care waste segregation and occupational safety measures <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Avoid involuntary resettlement, and prepare RAP if unavoidable ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during 	<p>infrastructure</p> <ul style="list-style-type: none"> ④ Loss of rights or access to resources ④ Disruption / congestion of transportation and traffic circulation ④ Increase in traffic hazards to motorists and pedestrians ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess solid wastes and litter ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, or protected areas and sites ④ Risk of impact on recreational activities 	<ul style="list-style-type: none"> ④ Education in proper sanitation and health practices ④ Avoidance of stagnant waters ④ Careful management of pesticides ④ Integrated pest management programs ④ Provide glowing traffic signs and build artificial humps near construction area

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<p>physical or social infrastructure</p> <ul style="list-style-type: none"> ④ Loss of rights or access to resources ④ Elimination or reallocation of existing commercial or business enterprises ④ Transportation and traffic circulation ④ Increase traffic hazards to motorists and pedestrians ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess solid wastes and litter ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, religious, or protected areas and sites ④ Risk of impact on 	<p>construction process</p> <ul style="list-style-type: none"> ④ Provide compensation for loss in structures (depending on legal rights) to restore to pre-project conditions ④ Provide rehabilitation and development assistance and compensation to PAPs and indigenous populations ④ Education in proper sanitation and health practices ④ Avoidance of stagnant waters ④ Careful management of pesticides ④ Integrated pest management programs ④ Provide glowing traffic signs and build artificial humps near construction area ④ Strict avoidance of construction near archeological, historical, or religious areas. If any potential artifacts are discovered during 		

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	recreational activities ④ Increased noise levels / noise pollution	construction, work will be temporarily halted in this area ④ Restrict noisy activities to certain hours during the day to avoid disturbance		
Waste Management	<p><u>Environmental</u> ④ None perceived</p> <p><u>Socio-Economic</u> ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, religious, or protected areas and sites ④ Risk of impact on recreational activities</p>	<p><u>Environmental</u> ④ None</p> <p><u>Socio-Economic</u> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during construction process</p>	<p><u>Environmental</u> ④ The garbage streams contain all types of household and other wastes, some of which are hazardous. ④ Collection vehicles are not covered during transport leads to littering. ④ Collection workers usually have no special training or protection for handling these wastes ④ Human scavengers at dumping area may be sorting through the waste. ④ Waste accumulating in dumping areas may burn spontaneously or by individuals resulting</p>	<p><u>Environmental</u> ④ Avoiding contamination of close by water bodies through random waste dumping. ④ Sound selection and siting of dumping areas, studies are crucial for this type of project ④ Train workers on waste management and occupational safety measures ④ Use protective clothing and masks for workers as appropriate ④ Vehicles must be covered during transport. ④ Waste generated should be collected frequently and storage prohibited in streets. ④ Waste accumulated in</p>

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
			<p>in air quality degradation from smoke and dust.</p> <ul style="list-style-type: none"> ④ Contamination of ground water resources is of concern at dumping areas. <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Loss of rights or access to resources ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on recreational activities 	<p>dumping areas should be covered to avoid scavenging and spontaneous burning</p> <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Integrate local scavengers in sub-project operations ④ Education in proper sanitation and health practices
<p>Latrines and Sanitary Drainage Connections to Homes</p>	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Mismanagement of construction and demolition / rehabilitation waste 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Avoid cutting trees, and if necessary, re-vegetation should be arranged and included in the project 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Contamination of ground water resources is of great concern with pit latrine construction. 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Avoiding contamination of close by water bodies. ④ Periodically inspect and empty septic tanks

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<ul style="list-style-type: none"> ④ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ④ Cut down of trees or destruction of green areas ④ Use of hazardous construction materials such as lead based paints, asbestos, and/or hazardous insulation material ④ Changes in soil (erosion / fertility / salinity / pollution) ④ Dust pollution ④ Construction in areas with compacted and impermeable substrates leading to poor absorption, frequent runoff (particularly in the rainy season), and negative health impacts <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Reduction / Loss of employment and income opportunities ④ Alteration of land tenure and ownership 	<ul style="list-style-type: none"> ④ Restrict noisy activities to certain hours during the day to avoid disturbance ④ Control dust emissions from construction by fencing the site or spraying water over working area ④ Provide appropriate sized bins to collect construction waste and arrange for periodic pick up and disposal ④ Use excavated material for refill as much as possible within the work site <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during construction process ④ Provide compensation for loss in structures (depending on legal rights) to restore to pre-project conditions ④ Education in proper 	<ul style="list-style-type: none"> ④ Overflow of septic tanks and emission of foul odors <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Loss of rights or access to resources ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on recreational activities 	<ul style="list-style-type: none"> ④ Include covers to septic tanks in the design <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area in sub-project activities ④ Education in proper sanitation and health practices

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<ul style="list-style-type: none"> ③ Elimination or reallocation of existing structures ③ Reduced adequacy of physical or social infrastructure ③ Loss of rights or access to resources ③ Elimination or reallocation of existing commercial or business enterprises ③ Transportation and traffic circulation ③ Increase traffic hazards to motorists and pedestrians ③ Introduction of new diseases ③ Excessive exposure to existing diseases ③ Attraction of pests and rodents ③ Generation of excess solid wastes and litter ③ Transport, storage or disposal of regulated hazardous wastes ③ Reduced aesthetic values / visual pollution ③ Risk of impact on 	<p>sanitation and health practices</p> <ul style="list-style-type: none"> ③ Avoidance of stagnant waters ③ Integrated pest management programs ③ Provide glowing traffic signs and build artificial humps near construction area ③ Strict avoidance of construction near archeological, historical, or religious areas. If any potential artifacts are discovered during construction, work will be temporarily halted in this area ③ Restrict noisy activities to certain hours during the day to avoid disturbance 		

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	historical, archaeological, touristic, religious, or protected areas and sites ④ Risk of impact on recreational activities ④ Increased noise levels / noise pollution			
Septic tank, Pit Latrines Emptying	<p><u>Environmental</u> ④ None</p> <p><u>Socio-Economic</u> ④ Reduction / Loss of employment and income opportunities</p>	<p><u>Environmental</u> ④ None</p> <p><u>Socio-Economic</u> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during construction process</p>	<p><u>Environmental</u> ④ Random discharge of collected wastewater</p> <p><u>Socio-Economic</u> ④ Introduction of new diseases ④ Attraction of pests and rodents</p>	<p><u>Environmental</u> ④ Avoid contamination of close by water bodies. ④ Designate a safe destination for the collected wastewater ④ Transport vehicles should be in good working condition with no leakages</p> <p><u>Socio-Economic</u> ④ Consultation with PAPs and affected communities ④ Integrate local citizens in sub-project area in sub-project operations ④ Education of workers in proper sanitation and health practices</p>

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
Community Health and Education Department				
Health Care Related	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ③ Mismanagement of construction and demolition / rehabilitation waste ③ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ③ Cut down of trees or destruction of green areas ③ Changes in soil (erosion / fertility / salinity / pollution) ③ Dust pollution ③ Accidents may occur leading to fire or personal injury <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ③ Alteration of land tenure and ownership ③ Elimination or reallocation of existing structures ③ Loss of rights or access to resources ③ Elimination or reallocation of existing 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ③ Adequate sanitation and disposal system for waste ③ Avoid cutting trees and destruction of green areas, and if necessary, re-vegetation should be arranged and included in the project ③ Restrict noisy activities to certain hours during the day to avoid disturbance ③ Control construction by fencing site and spraying water over working area to control dust emissions ③ Provide appropriate sized bins to collect construction waste and arrange for periodic pick up and disposal ③ Consider project siting during the design phase ③ Restrict activities to areas where biodiversity is not adversely affected ③ Use protective clothing and masks for workers as 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ③ Indoor air pollution ③ Infectious waste may be disposed of in mixed form with municipal waste ③ Incinerators, if used, may not be properly sited, operated or maintained leading to air pollution and hazardous working conditions. ③ Accidents may occur leading to fire or personal injury <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ③ Loss of rights or access to resources ③ Disruption / congestion of transportation and traffic circulation ③ Increase traffic hazards to motorists and pedestrians ③ Introduction of new diseases 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ③ Control sources of indoor pollution at source. ③ Provide for appropriate in door ventilation either naturally by using larger windows or mechanically by using air circulation fans and vents ③ Use different bags for municipal waste (black bags) and infectious waste (red bags). ③ Get approval on incinerator location before installation. ③ Maintain incinerator periodically. ③ Use protective clothing and masks for workers as appropriate. ③ Train workers on health care waste segregation and occupational safety measures <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ③ Consultation with PAPs

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<p>commercial or business enterprises</p> <ul style="list-style-type: none"> ④ Transportation and traffic circulation ④ Increase traffic hazards to motorists and pedestrians ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess solid wastes and litter ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, religious, or protected areas and sites ④ Risk of impact on recreational activities ④ Increased noise levels / noise pollution 	<p>appropriate.</p> <ul style="list-style-type: none"> ④ Train workers on health care waste segregation and occupational safety measures <p>Socio-Economic</p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during construction process ④ Provide compensation for loss in structures (depending on legal rights) to restore to pre-project conditions ④ Provide rehabilitation and development assistance and compensation to PAPs and indigenous populations ④ Education in proper sanitation and health practices ④ Careful management of pesticides ④ Integrated pest management programs ④ Provide glowing traffic 	<ul style="list-style-type: none"> ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess solid wastes and litter ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, or protected areas and sites ④ Risk of impact on recreational activities 	<p>and affected communities</p> <ul style="list-style-type: none"> ④ Employ local citizens in sub-project area in sub-project operation ④ Education in proper sanitation and health practices ④ Avoidance of stagnant waters ④ Careful management of pesticides ④ Integrated pest management programs ④ Provide glowing traffic signs and build artificial humps near construction area

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
		<p>signs and build artificial humps near construction area</p> <ul style="list-style-type: none"> ④ Strict avoidance of construction near archeological, historical, or religious areas. If any potential artifacts are discovered during construction, work will be temporarily halted in this area ④ Restrict noisy activities to certain hours during the day to avoid disturbance 		
<p>Vocational Education</p>	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Mismanagement of construction and demolition / rehabilitation waste ④ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ④ Cut down of trees or destruction of green areas ④ Use of hazardous construction materials such as lead based paints, asbestos, and/or 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Adequate sanitation and disposal system for waste ④ Control construction by fencing site and spraying water over working area to control dust emissions ④ Consider project siting during the design phase ④ Restrict activities to areas where biodiversity is not adversely affected ④ Restrict activities to areas where biodiversity is not 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Indoor air pollution Improper waste management, where industrial type waste may be generated ④ Accidents may occur leading to fire or personal injury <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Reduced adequacy of physical or social infrastructure 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Control sources of indoor pollution at source ④ Provide for appropriate in door ventilation ④ Hazardous waste should be separated from other municipal waste (such as oils, grease, paints, chemicals, etc and their containers) ④ Use protective clothing and face masks ④ Use different containers

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<p>hazardous insulation material</p> <ul style="list-style-type: none"> ④ Changes in soil (erosion / fertility / salinity / pollution) ④ Dust pollution <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Alteration of land tenure and ownership ④ Elimination or reallocation of existing structures ④ Loss of rights or access to resources ④ Elimination or reallocation of existing commercial or business enterprises ④ Transportation and traffic circulation ④ Increase traffic hazards to motorists and pedestrians ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess 	<p>adversely affected</p> <ul style="list-style-type: none"> ④ Use protective clothing and masks for workers as appropriate ④ Train workers on health care waste segregation and occupational safety measures <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area during construction process ④ Provide compensation for loss in structures (depending on legal rights) to restore to pre-project conditions ④ Provide rehabilitation and development assistance and compensation to PAPs and indigenous populations ④ Education in proper sanitation and health practices ④ Careful management of pesticides 	<ul style="list-style-type: none"> ④ Loss of rights or access to resources ④ Disruption / congestion of transportation and traffic circulation ④ Increase traffic hazards to motorists and pedestrians ④ Introduction of new diseases ④ Excessive exposure to existing diseases ④ Attraction of pests and rodents ④ Generation of excess solid wastes and litter ④ Transport, storage or disposal of regulated hazardous wastes ④ Reduced aesthetic values / visual pollution ④ Risk of impact on historical, archaeological, touristic, or protected areas and sites ④ Risk of impact on recreational activities 	<p>for municipal waste and hazardous waste</p> <ul style="list-style-type: none"> ④ Contract or agree with a waste management operator to collect waste ④ Develop an emergency response plan in case of accidents and designate an individual to handle accidents in case of occurrence ④ Train workers on health care waste segregation and occupational safety measures <p><u>Socio-Economic</u></p> <ul style="list-style-type: none"> ④ Consultation with PAPs and affected communities ④ Employ local citizens in sub-project area in sub-project operation ④ Education in proper sanitation and health practices ④ Avoidance of stagnant waters ④ Careful management of pesticides ④ Integrated pest

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	solid wastes and litter ③ Transport, storage or disposal of regulated hazardous wastes ③ Reduced aesthetic values / visual pollution ③ Risk of impact on historical, archaeological, touristic, religious, or protected areas and sites ③ Risk of impact on recreational activities ③ Increased noise levels / noise pollution	③ Integrated pest management programs ③ Provide glowing traffic signs and build artificial humps near construction area ③ Strict avoidance of construction near archeological, historical, or religious areas. If any potential artifacts are discovered during construction, work will be temporarily halted in this area ③ Restrict noisy activities to certain hours during the day to avoid disturbance		management programs ③ Provide glowing traffic signs and build artificial humps near construction area
Micro-Credit Enterprise Sector and Small Enterprise Development Organization				
Micro and Small Manufacturing	<u>Environmental</u> ③ Mismanagement of construction and demolition / rehabilitation waste ③ Disruption to biodiversity (changes to fauna, flora, and aquatic life) ③ Cut down of trees or	<u>Environmental</u> ③ Avoid cutting trees and destruction of green areas, and if necessary, re-vegetation should be arranged and included in the project ③ Restrict noisy activities to certain hours during the	<u>Environmental</u> ③ Indoor air pollution may be caused from production processes ③ The waste streams contain all types of municipal and other wastes, some of which are hazardous	<u>Environmental</u> ③ Control sources of indoor pollution at source ③ Provide for appropriate in door ventilation ③ Hazardous waste should be separated from other municipal waste (such as oils, grease, paints,

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
	<p>destruction of green areas</p> <ul style="list-style-type: none"> ③ Use of hazardous construction materials such as lead based paints, asbestos, and/or hazardous insulation material ③ Changes in soil (erosion / fertility / salinity / pollution) ③ Dust pollution <p><u>Socio-Economic</u> None perceived</p>	<p>day to avoid disturbance</p> <ul style="list-style-type: none"> ③ Control dust emissions from construction by fencing the site or spraying water over working area ③ Provide appropriate sized bins to collect construction waste and arrange for periodic pick up and disposal ③ Consider project siting during the design phase <p><u>Socio-Economic</u> None needed</p> <ul style="list-style-type: none"> ③ 	<ul style="list-style-type: none"> ③ Improper waste management, where industrial type waste may be generated ③ Accidents may occur leading to fire or personal injury ③ Inefficient consumption of energy and raw materials ③ Waste water discharge may be of concern if discharged directly to water bodies ③ Waste water to public sewers may not comply with legal requirements ③ For people living adjacent to these facilities, noise and odors may be a problem <p><u>Socio-Economic</u> None perceived</p>	<p>chemicals, etc and their containers)</p> <ul style="list-style-type: none"> ③ Use protective clothing and face masks ③ Use different containers for municipal waste and hazardous waste ③ Contract or agree with a waste management operator to collect waste ③ Develop an emergency response plan in case of accidents and designate an individual to handle accidents in case of occurrence ③ Include fire fighting equipment and first aid supplies at the facility ③ Include appropriate drainage for wastewater and assess the quality of discharge to public sewers and water bodies. ③ Simple treatment of wastewater can include simple removal of debris with screens at the discharge point, use of filters, use of settlement

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
				<p>ponds, or simple aeration systems</p> <ul style="list-style-type: none"> ④ Re-circulate wastewater and re-use if feasible ④ Discharge license must be obtained if wastewater is directly discharged to water bodies (including Nile river and branches, lakes, groundwater aquifers, irrigation canals and drains) ④ Use energy efficient lighting, and design the process to use energy efficient equipment ④ Train workers on occupational safety and best environmental management practices <p><u>Socio-Economic</u> None needed</p>
<p>Micro and Small Animal Production</p>	<p><u>Environmental</u> Same as above</p> <p><u>Socio-Economic</u> None perceived</p>	<p><u>Environmental</u> Same as above</p> <p><u>Socio-Economic</u> None needed</p>	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Contamination of water resources is of concern if runoff water discharges to water bodies (surface and 	<ul style="list-style-type: none"> ④ <u>Environmental</u> ④ Include appropriate drainage for wastewater and assess the quality of discharge to public sewers and water bodies.

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
			<p>ground)</p> <ul style="list-style-type: none"> ④ For people living adjacent to these facilities, noise and odors may be a problem ④ The volume and concentration of delivery vehicles can be disturbing and disruptive to neighboring homes. ④ Improper waste management particularly as relevant to animals waste and carcass may be of concern ④ Animal vaccination and treatment waste may be infected and require separate disposal <p><u>Socio-Economic</u> None perceived</p>	<ul style="list-style-type: none"> ④ Treatment of wastewater can include simple removal of debris with screens at the discharge point, use of settlement ponds, or simple aeration systems ④ Animal waste, blood, and carcass parts must be disposed of in a sanitary and hygienic fashion. ④ Carefully site the project during design phase of the project <p><u>Socio-Economic</u> None needed</p>
<p>Micro and Small Services</p>	<p><u>Environmental</u> None perceived</p> <p><u>Socio-Economic</u> None perceived</p>	<p><u>Environmental</u> None needed</p> <p><u>Socio-Economic</u> None needed</p>	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Indoor air pollution may be caused from some service projects (mainly vehicle repair 	<p><u>Environmental</u></p> <ul style="list-style-type: none"> ④ Control sources of indoor pollution at source ④ Provide for appropriate in door ventilation

Sub-Project Type	Potential Environmental and Social Negative Impacts During Project Construction	Best Management Practices and Mitigation Measures	Potential Environmental and Social Negative Impacts During Project Operation	Best Management Practices and Mitigation Measures
			shops, and metal working projects) ④ Improper waste management, where hazardous type waste may be generated ④ For people living adjacent to these facilities, noise and odors may be a problem <u>Socio-Economic</u> None perceived	④ Hazardous waste should be separated from other municipal waste (such as oils, grease, paints, chemicals, etc and their containers) ④ Contract or agree with a waste management operator to collect waste ④ Train workers on occupational safety and best environmental management practices ④ Carefully site the facility during the design phase <u>Socio-Economic</u> None needed
Micro and Small Marketing	<u>Environmental</u> None perceived <u>Socio-Economic</u> None perceived	<u>Environmental</u> None needed <u>Socio-Economic</u> None needed	<u>Environmental</u> None perceived <u>Socio-Economic</u> None perceived	<u>Environmental</u> None needed <u>Socio-Economic</u> None needed

4. LEGISLATIVE FRAMEWORK

This section outlines the most relevant environmental and social legislative framework that needs to be considered when evaluating any of the sub-projects. This includes both the Government of Egypt's environmental and social legislation as well as the WB's environmental and social safeguard policies.

4.1. Government of Egypt's Relevant Legislation

4.1.1. Main Environmental Legislation

4.1.1.1. Legislations Regulating Inputs

The legislations which regulate inputs include the following laws:

- ③ Law 21/1958 - Ministry of Industry
- ③ Ministry of Industry decree no 138/1958
- ③ Ministry of Labor decree 76/1972
- ③ Minister of Manpower & Training decree 55/1983
- ③ Minister of Industry decree 977/1989
- ③ Minister of Economy & Foreign Trade 663/1994
- ③ Environment Law 4/1994 & regulations
- ③ Minister of Industry decree 7/1997

The regulation of productive inputs is important due to the unavoidable impact that they have (albeit they are key/catalytic raw materials) or energy, upon the waste quality and work environment. Handling such impacts may be more costly than avoiding the use of particular outputs, by their replacement or reconsideration of the productive process itself. **Law 21/1958** regarding industry organization delegated, in article (14),(15), Ministry of Industry for designing specifications of raw materials and the industrial products. Ministry of Industry **decree 138/1958** provided that handling chemicals in industrial purposes shall be licensed by Industrial Control Authority.

Ministerial decree 76/1972 addenda to article (2) of Ministry of Labor 48/1967 provided "Harmful materials shall be replaced, if possible, by un harmful or less harmful ones". Article (6) of **decree 55/1983** of State Minister of Manpower & Training referred to the table of suspect carcinogenic materials". These materials shall, if possible, be replaced by less dangerous ones.

Decree 977/1989 of Industry Ministry for prohibition of ferion use-Decree 633/1994 of Ministry of Economy & Foreign Trade which minimized the use of the ozone layer harmful substances in some industries.

Regulations of **law 4/1994** of Environment provided that licensing for handling hazardous substances is governed by:

- ③ Availability of trained staff

- ③ Availability of the relevant techniques, potentials and systems of the safe handling of such substances.
- ③ Availability of the requirements of tackling hazards of any handling accidents;
- ③ License applying activity having no environment and public health damaging impacts.

This law provided for the cancellation of the license in case of any unexpected environmental impacts or the initiation of advanced technologies in lieu of the licensed materials which can be applied with minor modifications for more protection of the environment and workers health. Competent authority of determination of such materials is Ministry of Industry in coordination with Ministry of Health & EEAA.

Regulations of **law 4/1994**

- ③ Determined the maximum Sulfur content in the used fuel in the urban area at the vicinity of the housing areas as 1.5%.
- ③ Prohibited use of heavy oils or any heavy oil products, crude oil, coal, as energy source in the housing areas

Minister of Industry **decree 7/1999** provided a list of hazardous materials to be prohibited or imported except upon a license by General Industrialization Authority(GIA) and organized the quality of the raw materials and energy sources as effective way for control of the industry related environmental impacts for the cost effectiveness of waste treatment..

4.1.1.2. Work Environment Regulating Legislations

The main principle of the legislations of work environment is that "practices of industrial processes, activities and any other operations in the industrial facilities shall not be harmful to workers health and safety". These legislations include the following laws and decrees:

- ③ Decree 236/1958
- ③ Decree 48/1967(Ministry of Labor)
- ③ Decree 470/1971(Minister of Health)
- ③ Decree 380/1975 (Minister of Reconstruction)
- ③ Law 137/1981(Labor Law)
- ③ Decree 55/1983 (Ministry of Labor)
- ③ Decree 116/1991(Minister of Manpower)
- ③ Law of Environment 4/1994

Decree 236/1958 of the Ministry of Municipal and Rural Affairs included the conditions of seed sieving, cleaning and grinding, and some technological standards for protection of the work environment. "The Statutes and License Department shall provide for the use, in the store, of mechanical equipment for disposal of bad air sand and dust and relocation, by closed tubes, to tightly closed sedimentation chamber outside the area, where the waste shall be easily disposed of".

Decree 47/1971 (Minister of Health) provided for the standards of gases, vapor, dust and flying materials at work sites. The main principle of the labor environment legislations of labor law **137/1981** was detailed in the 5th chapter of Safety & Occupational Health. The same principle was detailed in the decrees of Ministry of Labor, particularly the following ones:

- ③ **48/1967** for the relevant precautions for workers safety during work from health damages and work and machines hazards.
- ③ **55/1983** for the conditions and precautions for the provision of safety and occupational health techniques.

These texts provided for some conditions of work sites for workers protection and safety:

- ③ Protection from mechanical and natural hazards (heat and illumination intensity) and their implication on the surrounding environment.
- ③ Protection from fires and some natural hazards (noise for example) and mechanical hazards and their implication on the surrounding environment.

It included mandatory standards for the industrial facility like the maximum temperature, maximum rates of pollutants' concentration in the local work environment. It referred to the requirements of site provision with air suction equipment for reaching the specified standards. **Decree 380/1975** (Minister of Reconstruction) regarding the structural conditions of the standards of ventilation, lighting, sanitary supplies to be available in the industrial facilities.

Decree 116/1991 (Minister of Manpower) regarding the facilities, safety & occupational health equipment and training entities empowered them with significant authorities in the design and supply of machines, raw materials and pollution control equipment for workers safety and less polluted work environment.

Regulation of **law 4 /1994** highlighted the principles of labor environment protection and reissued the tables of the maximum temperature, noise intensity and pollutants in the local environment.

These regulations considered the maximum intensities, referred to in the **decree 55/1983** (Ministry of Labor) as expressive (with some minor modifications) of the meantime of intensities for 8 hour work day. These regulations added a new standard for a limited time exposure to pollutants, with higher concentrations with no impact upon workers health, and with concurrent compliance with standards.

4.1.1.3. Waste Regulating Legislations

These legislations are divided according to the waste recipient environment. We shall refer, herein, to those of liquid, gaseous, solid and hazardous ones respectively. Due to the difference of the liquid waste recipient median, we shall present the legislations of discharging to the water streams, including underground water, those discharged to drainage networks and those related to the maritime environment.

4.1.1.4. Liquid Waste

Discharging to the Water Streams: **Law 48/1982** of protection of Nile River and water streams from pollution and the uniform disposal of drainage water in water streams .It prohibited discharging all types of waste (solid, liquid or gaseous) from all sources to any water stream. It prohibited the construction of any facilities, which waste is discharged in the water streams, except upon license of Ministry of Irrigation. The said law laid the bases for protection of water streams. The relevant standards of liquid industrial discharging to fresh water surfaces like the River Nile, its branches, tributaries and canals are more stringent than those of the raw water (drains, lakes, ponds and marshes)

Effecting the said law and its regulations (Jan 1983) was to high extent difficult due to lack of investments and shortness of the grace period (one year for waste treatment or license cancellation).This brought about successive modifications in the Minister of Irrigation **decrees 140/1998-225/1984-43/1985-9/1988**.

In July 1996, Prime Minister issued a decree for the formation of a ministerial committee for location of all water pollutant industrial areas, the priority of their treatment and one year period of grace to the factories starting the date of notification with 50% of treatment equipment costs by the state.

Discharging to Networks

Law 93/1962 regulates the liquid industrial discharging to networks, whereas **decree 44/2000** included an amendment in some of the standards of the organic content of the liquid industrial discharging to be less stringent the those (in **law 48/1982**) of discharging to raw water streams and seas. It linked the license of network discharging with the daily discharge volume for encouraging the industrial facilities to reduce the liquid waste or separation of polluted water of cooling water. In chapter 6 of the regulations, **law 93/1962** regulated the surface drainage, divided its lands into sandy – muddy, the general conditions and standards of the discharged water quality and the mandatory license from the competent authority.

Discharging to Maritime Environment

Law 4/1994 determined discharging standards, complying with those of raw water streams in **law 48/1982**. The former law regulates the upstream and downstream construction works after reference to EEAA.

4.1.1.5. Gaseous Waste

Recent legislations for air emission control began with presidential **decree 864/1969** for the formation of a high-ranking committee for air pollution control, chaired by Minister of Health for consideration of air pollution sources, policies of its abatement and the standards of the ambient air quality.

Decree 470/1971 (Minister of Health) for the standards of emissions in work areas; as amended by **decree 240/1979** which added sulphure dioxide standard. **Law 4 /1994** is the forerunner in the determination of standards of the industrial emissions of some industries and the reduction of the standards values. The regulations of this law provided more standards for the existing facilities than the new ones.

4.1.1.6.Solid and Hazardous Waste

Public Cleanliness **law 38/1967** is the forerunner in dealing with the waste of industrial facilities. It provided for the waste maintenance in specific containers as specified by the regulations (Industrial stores). It did not refer to the quality or the quantity of the solid waste. The law did not make clear any technique of handling with hazardous waste, albeit they are solid or waste, but held the competent cleaning authorities responsible for the job as well as for the collection, transport and disposal specifications.

Due to the emergency of handling of hazardous industrial waste, law 4/1994 prohibited their handling without license from Ministry of Industry for its expertise in this respect. Regulations of the said law determined the main principles of hazardous waste management during generation, collection, storage, transport, treatment, recycling and disposal phases, methods of protection during their emergency cases, monitory of its implementation by obligating such facilities for maintaining formal record of such waste which EEAA shall be verified of.

4.1.1.7. Some Technological Determinants' Regulating Legislations

Law 1094/1954 for conditions of Asphalt and bitumen factories provided that they shall be fitted with kilns with chimneys for mixing and heating purposes. **Decree 1147/1954** for conditions of diaries, whereby industrial drainage water shall be discharged by open little bit deep streams through facultative ponds of sufficient capacity.

Decree 1257/1954 of metal painting provided for separation of painting ponds from glossing brushes for avoidance of glossing flying particles reaching the ponds. **Decree 638/1956** provided for lead treatment before melting in smelters. **Decree 380/1975** (Minister of Housing & Reconstruction) provided for some conditions concerning the kilns, fire house design and installation of chimney.

Decree 116/1991(Minister of Manpower) which empowered the safety and occupational health authorities wider authorities, for participation with the competent officials ,in design, supply of machines, raw materials ,and pollution control equipment for maintenance of workers health and good work environment with lesser pollution. In some of the articles of **law 4/1994**, there are some technological determinants for minimizing the handling of hazardous materials and waste in articles (27),(28) of its regulations by cancellation of handling license in case of initiation of advanced technology which can be applied by minor changes.

4.1.1.8. Site Conditions

Decree 380/1975 (Minister of Housing), for the stores which activities may cause inconvenience for surrounding people, that they shall be far enough from such housing or any similar areas. Physical planning **law 3/1982** defined the industrial zones and prohibited the construction of new facilities or initiation of any change to the existing structures outside the industrial zones except for improving production or raising the standard of health, subject to the approval of the competent authority in the Ministry of Industry. **Law 102/1983** of the protected areas which prohibits the construction of buildings, structures, excavation of roads or development of any agricultural, industrial or commercial activities unless after approval and license of EEAA and the competent administrative authorities.

4.1.1.9. Law 102/1983 of Protected Areas

On applying law, the protected areas are defined as any area on the ground, the territorial water or the inland water containing the creatures, plants, living animals, fish or the natural phenomena of cultural, scientific and tourist value, as determined by a Prime Minister decree upon a proposal of EEAA.

Law prohibits the works and transactions which may destroy, damage, or cause a deterioration of the physical environment, fauna, flora or aesthetics of the protected area, including the following activities:

- ③ Catching, transporting, killing or bothering land or sea creatures or animals or taking any measures for such purpose.
- ③ Catching, seizure or transport of any creatures or organic materials like shells, coral reefs, rocks or dust for any purpose whatever it may be.
- ③ Damaging or transporting the plants in the protected areas.
- ③ Damage or destruction of the geological or geographical formations or the areas which are considered a habitat of some species of animals, plants or for their reproduction.
- ③ Bringing strange creatures into the protected areas.
- ③ Pollution of soil, water, air in the protected area by any ways.

Law prohibits the construction of buildings, facilities, roads or driving any cars or exercise of any agricultural, industrial, or commercial activities in the protected area except by approval and license of the competent administrative authorities, subject to the conditions, provisions and measures, determined by Prime Minister. Law prohibited the exercise of any activities, transactions, actions, or experiments in the surrounding area of the protected areas except on the permission of the competent administrative authorities.

The law provided that, without prejudice to any part of any other law, any violator of the law conditions and executive decrees to be specifically issued for the prospective construction of protected areas shall be incurred a penalty of LE 500-5000 and a maximum one year imprisonment or either of them, incurring him the expenses of immediate removal or repair works as determined by the competent administrative

authority or its governorate branches, and confiscation of used machines, materials and equipment during the violation.

4.1.2. Main Social Legislation⁶

4.1.2.1. Egyptian Constitution

Part one of the Second Chapter of the Constitution outlines the “Social and Moral Constituents” for the Republic. Some of the key articles of this chapter are highlighted below:

- Article 7: Social solidarity is the basis of society.
- Article 8: The State shall guarantee equal opportunities to all Egyptians
- Article 11: The State shall guarantee coordination between a woman’s duties towards her family and her work in the society, considering her equal to man in the political, social, cultural and economic spheres without detriment to the rules of Islamic jurisprudence (Sharia).
- Article 14: Citizens are entitled to public offices, which are assigned to those who shall occupy them in the service of people. The State guarantees the protection of public officers in the performance of their duties in safeguarding the interests of the people. They may not be dismissed by other than the disciplinary way except in the cases specified by the law.
- Article 16: The State shall guarantee cultural, social, and health services and shall work to ensure them particularly for villagers in an easy and regular manner in order to raise their standard.
- Article 17: The State shall guarantee social and health insurance services. All citizens shall have the right to pensions in cases of incapacity, unemployment, and old-age in accordance with the law.
- Article 18: Education is a right guaranteed by the State. It is obligatory in the primary stage. The State shall work to extend obligation to other stages. The State shall supervise all branches of education and guarantee the independence of universities and scientific research centers, with a view to linking all this with the requirements of society and production.

4.1.2.2. Labor Laws

The most recent labor law is **Law No 12 of 2003**, which outlines individual and collective labor relationships, issues on vocational guidance and training, vocational safety and health for workers, and ensuring labor environmental security. The Law also contains regulations for the employment of minors. The **Child Law No. 12 of 1996** incorporated the regulations stipulated in the previous Labor Laws, with some minor changes.

⁶ It should be noted that there are no laws in Egypt specifically targeting Indigenous People.

4.1.2.3. NGOs Law

The most recent law regulating NGOs in Egypt is **Law 84 of 2002**. Amongst other things, the Law identifies the purposes, rights, and obligations of NGOs, sets forth the machinery for association, and the conditions leading to the dissolution of associations.

4.1.2.4. The Small Establishments Development Law

As per the auspices of **Law No. 141 of 2004**, the SFD is the key agency responsible with the development of SMEs in Egypt, and on planning, coordinating, promoting, propagating, and assisting them in obtaining all the finance and services they need. The Law defines SMEs, identifies their funding sources, and the incentives and facilities given by the government to them, and

4.1.2.5. Law Protecting Cultural Heritage

The law governing the protection of cultural heritage in Egypt is **Law 17 of 1983**, which covers issues such as the definition of private property, system of ownership, and extension of protection – including registration, archeological excavations, and authorities responsible for protection.

4.1.2.6. Laws on Property Expropriation

There are a number of laws governing the expropriation of property in Egypt, including the **Law 10 of 1990** on Property Expropriation for Public Benefit. Section Two of this document (Resettlement Policy Framework) provides a comprehensive description of all the laws concerned with land expropriation and the related compensation measures in Egypt.

4.2. World Bank Safeguard Policies

The WB's safeguard policies are used to ensure that the people and the natural environment are not negatively affected by any development process undertaken by the Bank, and in the case that any harm is anticipated, that such harm is mitigated so that the net result is a positive developmental impact on the people and area being served. The safeguard policies are intended to serve, foremost, as guidelines for SFD staff in the identification, preparation, and implementation of WB funded programs and projects with a focus on minimizing negative social and environmental impacts and including the community throughout the project cycle's preparation and implementation phases.

The table below highlights the key principles underlining the World Bank's 10 safeguard policies.

Table 2: World Bank Safeguard Policies

Policy	Key Principles
Environmental Assessment (OP/BP 4.01)	<ul style="list-style-type: none"> ③ All projects proposed for WB financing require an EA to ensure that they are environmentally and socially sustainable. ③ Used by the WB to identify, avoid, and mitigate the potential negative environmental impacts associated with WB lending operations. ③ Instruments used to perform the EA may include an EA, regional or sectoral EA, an environmental audit, a hazard or risk assessment, and an environmental action plan.
Natural Habitats (OP/BP 4.04)	<ul style="list-style-type: none"> ③ WB promotes and supports natural habitat conservation and improved land use, and the protection, maintenance, and rehabilitation of natural habitats and their functions in its project financing. ③ WB does not support projects that involve significant conversion or degradation of critical natural habitats.
Forests (OP/BP 4.36)	<ul style="list-style-type: none"> ③ The management, conservation, and sustainable development of forest ecosystems and their associated resources ③ To assist borrowers to harness the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests.
Pest Management (OP 4.09)	<ul style="list-style-type: none"> ③ WB supports the use of biological or environmental control methods instead of synthetic chemical pesticides that affect agriculture and/or public health. ③ Criteria for the use of pesticides, when required, are described.
Cultural Property (OPN 11.03)	<ul style="list-style-type: none"> ③ Cultural Property – as defined by the UN – includes sites having archeological (prehistoric), paleontological, historical, religious, and unique natural values. ③ WB policy is to assist in the preservation of cultural property and to seek to avoid their elimination.
Involuntary Resettlement (OP/BP 4.12)	<ul style="list-style-type: none"> ③ Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs. ③ Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. ③ Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

Indigenous Peoples (OD 4.10)	<ul style="list-style-type: none"> ③ WB identifies indigenous people as a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories; (c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (d) an indigenous language, often different from the official language of the country or region. ③ Indigenous People should be engaged in a process of free, prior, and informed consultation to avoid potentially adverse effects on the Indigenous Peoples' communities, and when avoidance is not feasible, minimize, mitigate, or compensate for such effects.
Safety of Dams (OP/BP 4.37)	<ul style="list-style-type: none"> ③ WB requires that dams be designed and constructed by experienced and competent professionals. ③ WB distinguishes between small and large dams with regards to specifications and safety measures. ③ The Bank may finance the projects that do not include a new dam but will rely on the performance of an existing dam or a dam under construction, including power stations or water supply systems.
Disputed Areas (OP/BP 7.60)	<ul style="list-style-type: none"> ③ WB may support a project in a disputed area if the governments concerned agree that, pending the settlement of the dispute, the project proposed in Country A should go forward without prejudice to the claims of Country B.
International Waterways (OP/BP 7.50)	<ul style="list-style-type: none"> ③ International waterways are understood as (a) any river, canal, lake, or similar body of water that forms a boundary between, two or more states, (b) any tributary or other body of surface water that is a component of any waterway; and (c) any bay, gulf, strait, or channel bounded by two or more states or, if within one state, recognized as a necessary channel of communication between the open sea and other states—and any river flowing into such waters. ③ Ascertain whether riparian agreements are in place, and ensure that riparian states are informed of and do not object to project interventions.

Source:

<http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/EXTPOLICIES/EXTSAFEPOL/0,,menuPK:584441~pagePK:64168427~piPK:64168435~theSitePK:584435,00.html>

4.2.1. Environmental Policies

Below is a brief summary of the environmental safeguard policies and their relevancy to Egypt.

4.2.1.1. Environmental Assessment

Environmental Law No. 4 of 1991 states that the environmental impact of certain projects must be evaluated before any construction works are initiated or a license is issued by the competent administrative authority or licensing authority. The Law defines an EIA as the process of “studying and analyzing the environmental feasibility of proposed projects, whose construction or activities might affect the safety of the environment in order to protect it.” The primary objective of conducting EIAs is to enable the licensing authority, local and central government and the developer to properly consider the potential environmental consequences of a project and make informed decisions. The criteria for identifying the projects that should be subject an EIA has been identified in the Law’s Executive Regulations based on the (1) type, (2) extent of natural resources exploitation, (3) location, and (4) source of energy used to operate the project. This is more or less in line with the WB’s project classification, which is based on the (1) type, (2) location, (3) sensitivity, and (4) scale of the project and the nature and magnitude of its potential environmental impacts. *The EEAA’s classification system is compared to the WB’s system in Annex A.*

4.2.1.2. Natural Habitats

There are currently 24 legal protectorates and at least 34 officially recognized important bird areas (IBAs) spread all over Egypt. As part of its policy on the protection of natural habitats, the WB does not support any projects or sub-project that may lead to the significant loss or degradation of any Critical Natural Habitats, defined as any natural habitats that are either (1) legally protected, (2) officially proposed for protection, or (3) unprotected but of known high conservation value. Thus, the implementation of a project or sub-project in any of these areas immediately triggers this operational policy.

4.2.1.3. Pest Management

The WB policy prohibits the use of harmful pesticides in its funded projects or sub-projects, especially those dealing with rural development and the health sector. A preferred solution is the use of Integrated Pest Management (IPM) techniques. IPM incorporates, among other measures regular monitoring of infestation levels, minimizing human and environmental health risks, and evaluating treatment outcomes. The development and implementation of IPM in Egypt is the responsibility of the Central Administration for Pest Control (CAPC), a division of the agriculture ministry.

If a Bank funded project or sub-project necessitates the use of pesticides for crop protection or combating vector-borne diseases, a Pest Management Plan (PMP) should be included as part of an the EA for the sub-project.

4.2.1.4. Forests

In its effort to promote a greener environment, the under-secretariat for Afforestation and Environment within the Ministry of Agriculture and Land Reclamation, in cooperation with the Ministry of State for Environmental Affairs, has implemented a number forest-plantation projects (man-made forests), irrigated by treated sewage water, to produce timber trees of high economic value. Afforestation was implemented in at least 10 Governorates, and is underway in several more. These national efforts are in line with the WB's policy that aims to reduce deforestation, promote afforestation, enhance the environmental contribution of forested areas, reduce poverty, and encourage economic development. The policy is prompted if any Bank-financed projects or sub-projects: (1) have or may have impacts on the health and quality of forests, (2) affect the rights and welfare of people and their level of dependence upon or interaction with forests, and (3) aim to bring about changes in the management, protection, or utilization of natural forests or plantations.

4.2.1.5. Safety of Dams

By far the biggest dam in Egypt is the Aswan High Dam. There are a number of other small dams in Egypt including the older Aswan Dam or (Aswan Low Dam). Despite the many benefits of dams, there are a number of environmental and social issues that need to be considered prior to the erection of dams. One of the most serious damages caused by large dam building is the displacement of large numbers of people. Thus, prior to the building of dams several environmental and social impacts need to be investigated and accounted for in the sub-project designs.

4.2.1.6. International Waterways

The safeguard policy regulating international waterways applies to (a) hydroelectric, irrigation, flood control, navigation, drainage, water and sewerage, industrial, and similar projects that involve the use or potential pollution of international waterways; and (b) detailed design and engineering studies of the above mentioned projects, including those to be carried out by the Bank as executing agency or in any other capacity. Egypt's main international waterways that may be applicable to this policy include the Nile River, Suez Canal, and Gulf of Aquaba.

4.2.2. Social Policies

Below is a brief summary of the social safeguard policies and their relevancy to Egypt.

4.2.2.1. Involuntary Resettlement

Amongst the different types of projects that bring about physical displacement of people, dams and their related infrastructure are believed to be the largest contributors to displacement, often leading to IR.

According to the WB's safeguard policy on Involuntary Resettlement (IR), physical and economic dislocation resulting from WB funded developmental projects or sub-projects should be avoided or minimized as much as possible. Unavoidable displacement should involve the preparation and implementation of a Resettlement Action Plan (RAP) or a Resettlement Policy Framework (RPF), to address the direct economic and social impacts resulting from the project or sub-project's activities causing IR. The RAP or RPF should define the approach and work plan to guide the implementation, handover, and monitoring and evaluation of the resettlement process.

The second section of this ERSMP includes a RPF that provides the guiding procedures and methodological approach for the SFD staff, in case that any of the sub-projects under the LAD Project's trigger IR.

4.2.2.2. *Indigenous People*

There are two main distinct groups of indigenous people in Egypt today. The first encompasses the *Bedouin people* and the second the *Nubian people*.

- ③ Bedouin People: Bedouin Arab nomads and semi-nomads represent the largest group of indigenous people in Egypt. They are primarily living in the eastern and western deserts and in the Governorates of North and South Sinai as well as in Matrouh and New Valley Governorates. The Bedouins are recognized by their nomadic lifestyles, unique dialects, social structures, and culture, which clearly places them within the WB's classification for indigenous people.
- ③ Nubian People: Historically the Nubians lived in northern Sudan and Upper (southern) Egypt. Today, the Nubian population is concentrated along the Nile in Aswan and in urban Cairo. The Nubian people's lifestyle and culture tallies the WB's definition of indigenous people, as per OP 4.10.

In addition, there are a number of smaller groups of indigenous populations in Egypt as well.

- ③ Bisharin People: The Bisharin people are descendents of Neolithic tribal groups of ancient Hamitic origin people. They speak a unique language called Beja. The Bisharin people occupy the southern part of the Eastern Desert alongside the Rashida people who are of Arab origin and who travel from Sudan with their camels.
- ③ Rashida People: The Rashida people are of Arab origin and have traveled from Sudan with their camels and currently occupy the Southern part of the Eastern Desert.
- ③ Ababda People: The Ababda people are originally of African descent. They are a sub-group of the Beja (Bisharin) people. Some of the Ababda in Egypt still speak the Cushitic Beja language, while others speak Arabic but retain their unique culture and traditions. They occupy the southern border of Egypt, east of the Nile.

- ③ Berbers: The Berbers are an ancient people of North-West African origin. They live in the Siwa Oasis region and they continue to speak the Berber language.

The WB recognizes that the traditional lifestyles and subsistence strategies of indigenous peoples, as well as their identities and culture, are intimately linked to the lands on which they live and the natural resources on which they depend. Accordingly, these people may be exposed to different types of risks from development projects, including loss of identity, culture, and customary livelihoods. Thus, the WB's policy on indigenous people states that Bank-funded projects or sub-projects should ensure that indigenous people are informed and accepting of all sub-project activities, that they benefit from these sub-projects, and that there are effective measures to avoid or mitigate any potentially adverse impacts. While it is not yet clear whether any of the sub-projects will trigger OP 4.10 on Indigenous People, in case this happens, such factors should be covered within an Indigenous People Plan (IPP) or Indigenous People Framework (IPF).

It is not foreseen that OP 4.10 on indigenous people will be triggered under this phase of the LAD Projects. Accordingly, the SFD has not taken any steps yet to incorporate safeguards on indigenous people in its Project Cycle.

4.2.2.3. Cultural Property

There are numerous sites of historical, religious, archaeological, and unique cultural and natural value spread all over Egypt. Some of the sub-projects to receive funding under LAD Project may be located in areas that are home to cultural heritage. These sites are protected by the laws and regulations set forth by the national government as well as the UNESCO's international legal instruments. Although none of the previous SFD Projects had an impact on cultural property, precautionary protection measures need to be taken in the sub-project areas where there are identified cultural property. Such measures may include consultations with the relevant authorities to ensure that no damage is done, resulting in the non-compliance with the WB policy on cultural property.

4.2.3. Other Policies

The last of the World Bank's 10 safeguard policies is the policy on Disputed Areas, which is briefly summarized below.

4.2.3.1. Disputed Areas

Currently there are no disputed areas in the Arab Republic of Egypt that may affect the activities of any of the LAD sub-projects. However, in the case that any of the sub-projects are located in an area in which a future dispute may arise between the Arab Republic of Egypt and another country, the sub-project shall be appraised by the SFD and

WB staff to assess the nature of the dispute. The sub-project's implementation shall then be subject to the SFD and WB staff satisfaction that either "other claimants to the disputed area have no objection to the project, or that the project is not harmful to the interest of other claimants, or that a conflicting claim has not won international recognition or been actively pursued", as detailed in OP 7.60.

5. INSTITUTIONAL FRAMEWORK

5.1. Current Structure of the Environmental Component in the SFD

The SFD has established the Environment and Development Department in 1999. The department's mission was to integrate the environmental dimension into the SFD's operations, in accordance with environmental laws and legislations. The department also aimed at promoting sustainable development in order to improve quality of life without exhausting natural resources.

The SFD has realized that there is a need to further enhance and integrate the environmental dimension in their activities as well as prepare and implement an Environmental Management Plan. Therefore, the SFD decided to upgrade the Environment and Development Department to a sector titled the "Environmental Policies Sector (EPS)" and to affiliate this sector to a planning group at the central level, in order to ensure the mainstreaming of environmental concerns into all of SFD activities.

As per Decree Number 37 of 2004, the mandate of the EPS is to:

- ③ Develop the SFD's environmental policies and to ensure the effective integration of these policies upon the design of strategic plans for SFD's different groups.
- ③ Follow-up on the implementation of SFD environmental management plan.
- ③ Follow-up the development and delivery of training programs for the implementation of the environmental guidelines and other relevant training events.
- ③ Develop policies for environmental safety in cooperation with other SFD's groups, and to monitor their implementation using performance indicators.
- ③ Plan and implement field visits to follow-up and assure the implementation of environmental guidelines and environmental safeguard policies
- ③ Participate in projects' appraisal committees undertaken by the other SFD's groups-to ensure the integration of environmental considerations. Furthermore, it should guarantee that other SFD's groups are promoting the integration of environmental dimension to the implementing agencies in their projects.
- ③ Cooperate with the Ministry of State for Environmental Affairs – Egyptian Environmental Affairs Agency, (MSEA/EEAA) whenever relevant.
- ③ Develop studies for sector improvement and present progress reports on sectors activities through the revision of other SFD's group reports.

The SFD – through the Planning and Follow Up Group / Environment Policies Sector-prepared a plan for realizing the following goals:

- Design and implementation of the environmental strategies of SFD activities.

- Provision of technical support and training in environment fields for SFD departments and activities.
- ③ Provision of follow up plans and conducting environmental screenings for projects
- Raising the environment awareness for SFD personnel and beneficiaries.
- Implementation of pilot projects to consolidate the environment policies in SFD activities.

The environment management plan was made so that it can be easily implemented, causing no more burdens or lagging in the accelerated life cycle of the SFD projects. Benefits of such a plan for the SFD can be summarized as follows:

- Ensuring the inclusion of environment issues during the project planning and design phases.
- Ensuring that the relevant environmental studies are being made, that the mitigation measures for adverse environmental impacts are being implemented, and that the costs for both are accounted for in the project budget.

5.2. Proposed Organization and Management Procedures for the ESPS

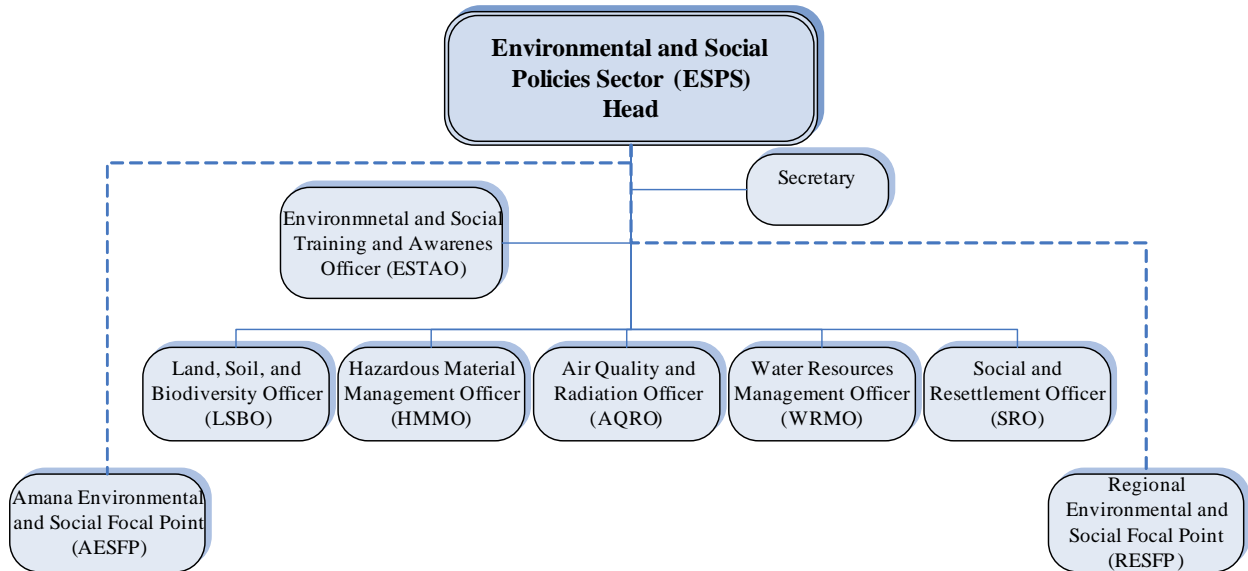
In order to incorporate the social dimension (including resettlement issues) into the SFD's operations, it is proposed that the Environmental Policies Sector be renamed as the "Environmental and Social Policies Sector" (ESPS). The ESPS shall be responsible for ensuring that the SFD's operations and activities comply with environmental and social safeguard policies and legislation.

Organizationally, the ESPS shall continue to be affiliated to the Planning and Follow-Up Group of the SFD. However, the current organizational structure is not appropriate with the nature and size of the assigned and proposed tasks to the sector. The tasks, which were initially suggested by the SFD's Director General, are beyond the scope of what can be achieved with the current resources. Accordingly, there is a gap between what is required from the ESPS and what it can actually accomplish at present. Thus, the structure requires additional human resources to meet current and future needs for expansion in terms of activities diversification and geographic locations.

While the proposed structure of the sector may be ambitious considering the current available human resources, it is, nevertheless, feasible. Moreover, training and capacity building can also easily overcome any gaps in the proposed organizational structure.

Based on the ESPS's mission statement, as specified in the SFD decree No. 37 and the additional social safeguard policies that are going to be adopted (including resettlement), figure 1 illustrates the proposed amended organizational structure to improve the operation of the sector.

Figure 1: Proposed Organization Structure of ESPS



The proposed organizational structure and the related organogram above illustrate that the Head of the Sector, the affiliated Environmental and Social Awareness and Training Officer (ESTAO), and secretarial support (i.e. General Management Unit) represent the higher managerial level. The Head of the sector shall manage the four specialized environmental departments, the Social and Resettlement Officer, and will be in direct and continuous contact with the Amana Environmental and Social Focal Points (AESFPs) and the Regional Environmental and Social Focal Points (RESFPs). The Sector Head shall be responsible for realizing the ESPS's goals and objectives, as assigned by the SFD, through optimum utilization of available resources. The ESTAO shall be responsible for organizing training workshops on various environmental and social issues for SFD staff – especially for the RESFPs who shall be the key implementers of the ESMP.

The second managerial level at the ESPS will include the proposed four environmental departments, namely: land, soil and biodiversity (LSB); hazardous materials management (HMM); air quality and radiation (AQR); and water resources management (WRM). It is also proposed here that a Social and Resettlement Officer (SRO) be recruited along with the four specialized environmental officers to handle the social issues related to the sub-projects. The main responsibilities of these officers will be to assist the RESFPs in undertaking safeguards assessment, to help identify and assess the main adverse impacts and possible mitigation measures associated with the sub-projects. The assessment should be made in line with the WB safeguard policies (including the preparation and implementation of any required plans such as the RAPs or any other plans corresponding to relevant WB safeguard policies).

This proposed structure shall facilitate the implementation of the assignments, guarantee the smooth flow of work, while avoiding any overlapping of responsibilities and will attempt to clarify lines of authorities and coordination methodologies between different departments by specifying the following:

- ③ Scope of work of each department

- ③ Communication channels
- ③ Job descriptions for key staff

5.2.1. Staffing and Institutional Capacity of ESPS

In general, the SFD's capacity with regards to environmental and social aspects appears to be unbalanced, with the great majority of the staff specializing in technical environmental areas. This is evident from the academic background of most of the SFD staff in the different departments. This is especially apparent within the CID and CHED, where most of the staff are engineers, with some background in environmental engineering, but not necessarily any knowledge of social development and management.

The ESPS currently employ only two staff, the Head of the Sector and a Senior Officer, in addition to the Sector's Secretary, currently assisting in all activities with no specific assignments yet. This limited number of staff reflects a key managerial constraint for the efficient implementation of the sector objectives and its associated activities.

As is the case with the SFD in general, the ESPS staff (both within the headquarters and at the ROs) is mainly specialized in environmental management and other environmental issues, with little background on social management. Accordingly, all of the trainings attended by the ESPS staff have been concerned with environmental issues, including the following trainings on:

- Cost of Environmental Degradation
- Preparation of Environmental Management Plan and Presentation of Country Case Study
- Environmental Awareness Workshops (24 workshops within the different Governorates)
- Workshops on Departmental Guidelines (3 workshops introducing and familiarizing staff with the Guidelines prepared for each department)

As previously noted, it is recommended that a SRO and specialized environmental officers be recruited to take on the responsibility of the environmental and social review of the sub-projects within the ESPS. The primary role of the those officers in specific and the ESPS in general, will be to work closely with the AESFPs and RESFPs during the sub-project life cycle, to ensure that the environmental and social assessment is conducted appropriately and in line with the SFD guidelines and WB safeguard policies. As for the AESFPs and RESFPs, they will need to undertake extensive training and capacity building on social aspects in order to be able to carry out social review and assessment in addition to environmental assessment. Furthermore, in order to enable the ESPS staff to undertake effective environmental and social management, there is a need to strengthen their institutional and organizational capacities as well as to introduce to them various elements of ESM. A training and capacity-building program for the SFD staff is proposed under section 8 of this report.

For more information on the ESPS' staffing and institutional capacity, please refer to Annex J, which contains a capacity assessment report that was produced in 2005 by EcoConServ Environmental Solutions, S.A.E.

6. INCORPORATING ENVIRONMENTAL AND SOCIAL MANAGEMENT INTO THE SFD PROJECT CYCLE: THE GUIDELINES MANUAL

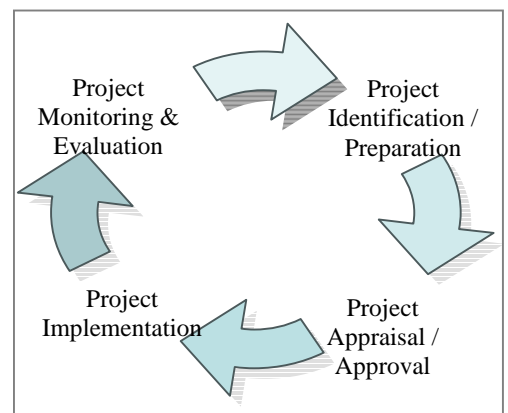
This Chapter will identify the entities concerned with incorporating the ESMP into the SFD's project and sub-project cycle, as well as describe in detail all the parties that shall be responsible for implementing this ESMP and ensuring its successful operation.

6.1. SFD Sub-project Cycle

The SFD's sub-project cycle is illustrated in figure 2.

As in any project cycle, project identification and preparation is the first step, which includes identifying the sponsoring agency, target groups, geographical areas, and sub-project types, after which the project ideas are formulated into proposals. The second step is project appraisal and approval in which prioritization is made to choose the sub-projects which meet the SFD guidelines, are expected to bring about the greatest benefits to the community, and are sustainable over the long-term. The third step is project implementation in which the intermediary agency / implementer actually executes the project, while the SFD supervises the process of implementation. Finally, the last step in the cycle is monitoring and evaluating the sub-project's performance after implementation to determine whether it is keeping with its set objectives.

Figure 2: Sub-Project Life Cycle



6.2. Environmental and Social Assessment Process within SFD Sub-Project Cycle

The role of ESPS will be to incorporate the environmental and social dimension into the SFD sub-project cycle. This means that the ESPS will be responsible for ensuring that the different environmental and social issues are considered at the preparation and implementation phases of the SFD sub-project cycle. In addition, the SRO, specialized environmental officers, AESFPs and RESFPs shall play an important role in monitoring and evaluating the sub-project's adherence to environmental and social policies and standards. The RESFPs, in particular will bear the greatest responsibility throughout the sub-project lifecycle in ensuring the successful implementation of the ESMP.

The main elements (steps) of the SFD's operating system can be summarized as follows:

1. Environmental and social classification of sub-projects
2. Environmental and social screening and recording of sub-projects
3. Environmental and social impact assessment of sub-projects
4. Appraisal and approval of sub-projects
5. Implementation of sub-projects
6. Monitoring, evaluation, and report preparation of sub-projects

6.2.1. Environmental and Social Classification of Sub-Projects

Different SFD sub-projects are environmentally classified into three main categories, namely (A), (B), and (C). These categories are based on the EEAA's classification lists which use the following principles for evaluation: (1) type of activity performed by, (2) extent of natural resources exploitation, (3) location of the project, and (4) type of energy used. It should be noted here that the EEAA is currently in the process of revising project classification, as part of issuing the revised EIA guidelines. Thus, the classifications provided in this document may need to be amended accordingly in the future.

Annex B compares the EEAA and WB's environmental screening processes, while Annex C provides the EEAA's classification lists for the sub-projects.

Classification (A)

- Projects having minor environmental impacts.
- ③ The project proponent is required to fill "Environmental Screening Form A".
- There is no requirement for any environmental assessment or follow-up.
- ③ Examples of such projects include: training, institutional capacity building, awareness, and provision of training centers with equipment.

Classification (B)

- ③ Projects having limited environmental impacts.
- ③ The project proponent is required to fill "Environmental Screening Form B".
- ③ The project proponent may be required to conduct a scoped EIA on certain identified impacts/processes.
- ③ Category (B) sub-projects represent the highest percentage amongst SFD's total sub-projects. Examples of such projects include: construction of health units, clinics, medical research centers, roads, bridges, and water supply projects.

Classification (C)

- ③ Projects having significant environmental impacts.
- The project proponent is required to conduct an integrated Environmental Assessment and periodic follow-up to ensure that the project is complying with environmental specifications and laws.
- ③ Examples of such projects include: sanitary dumpsites, health care waste management in urban and rural areas, and sanitary drainage in urban and rural areas.

The same social classification methodology can be applied to the sub-projects as well. Any sub-project that is expected to have minimal adverse social impacts shall be classified as (A), while any sub-project having limited social impacts shall be classified as (B). Sub-projects triggering the WB's social safeguard policies and which are believed to have significant social impacts on individuals, households, or the community as a whole shall be classified as (C).

6.2.2. Environmental and Social Screening and Recording of Sub-Projects

Environmental and social screening should be undertaken during the initial phase of the SFD's sub-project life cycle during which the sub-projects under the LAD Project are chosen. This process helps identify early in the sub-project life cycle the sub-projects with likely adverse environmental and social impacts so that effective mitigation measures are developed for them.

Accordingly, the sub-project proponent, or sponsoring agency, shall first submit an application to the to the competent official in the regional offices according to the type and nature of the project (i.e. CID, CHED, SEDO, etc.). The said official shall record and classify the project according to the EEAA's environmental screening model for classification into two main types:

- First Type: for projects classified as type (A), only the EEAA's form (A) should be filled with no additional requirements.
- ③ Second Type: for projects classified as types (B) and (C), which includes most of the development projects submitted to SFD, the preparation of a partial or complete EIA study shall be required in addition to environmental follow-up and supervision during the sub-project's different phases.

The competent official in the regional office shall submit the project documents to the RESFP to review the above classification for approval or modification in case there were environmental or social concerns associated with the sub-project that require the preparation of a complete or partial EIA or ESIA.

Social classification and screening shall follow the WB's social safeguard policies with regards to involuntary resettlement. Any project that triggers any of the following policies shall be identified accordingly by the AESFPs / RESFPs. This may require the drafting of RAP/RPF in the case of involuntary resettlement.

Annex D provides a checklist of the social impacts that may result from sub-projects. This checklist is the primary tool with which the AESFPs / RESFPs will screen the sub-project applications and determine the social impacts associated with each sub-project. Moreover, Annex D' provides a template field questionnaire for social impacts.

6.2.3. Environmental and Social Impact Assessment of Sub-Projects

Once screening of the sub-projects has been done, a decision on the appropriate level of assessment has to be made. For (A) classified sub-projects, besides the completion of the

EEAA's (A) Form, no environmental assessment is needed. A limited or partial environmental assessment shall be required for (B) sub-projects that may potentially result in adverse environmental or social impacts, in addition to the completion of EEAA's form (B). The sub-project proposal should include abatement measures and any other requirements needed at the design stage to ensure compliance with environmental and social safeguards. Finally, for (C) classified sub-projects, an integrated Environmental and Social Assessment needs to be prepared.

The environmental and social impact assessment of the sub-projects shall be made during the initial phase of the sub-project lifecycle. Since the ESA will require highly skilled environmental and social experts for its completion, we propose that SFD prepare a list of competent consultants along with a generic TOR, to be given to the sponsoring agents and executing parties of (C) classified sub-projects. *A sample TOR for EA is provided in Annex E.*

6.2.4. Appraisal and Approval of Sub-Projects

The next phase, as per the sub-project life cycle, is to appraise and approve the chosen sub-projects. The SFD's regional office manager shall first examine the sub-project's eligibility in accordance with SFD's operational guidelines and mandate. Once this has been cleared, the RESFP, with the help of the AESFP, shall review and verify that all the required sub-project documents, data, and studies (including EEAA's approval) have been completed. The regional office shall then send the partial or complete ESA to the ESPS at the SFD's central headquarters.

In turn, the ESPS shall be responsible for the review of the ESA in addition to double checking that the sub-project documents are all complete. External environmental and social auditors may be hired to examine the assessment report. However, the ESPS should work on building the capacity of the SRO and the specialized environmental officers so that they are able to perform this task internally in the near future.

The ESPS / external auditor should submit all comments and any proposed mitigation and control measures to the appraisal committees for advice. There are three possible outcomes from the appraisal phase, namely:

- ③ acceptance of the sub-project,
- ③ request for modifications, additional information, or complete or partial revisiting of the sub-project documentation, or
- ③ rejection of the sub-project.

Upon approval by the appraisal committees, the sub-project shall move to the implementation and then operation phases. In case there are some requested modifications or additions, the sub-project will go back to the regional office where it will be presented to the sponsoring agent for completion and amendment. If the sub-project is disapproved, it may also go back to the regional office for a final revisiting and investigation of the reasons of disapproval.

It is worth mentioning that if the sub-project location is changed, the sub-project sponsoring agent is required to modify the study or prepare a new environment and social assessment study for the new area, and the ESPS will need to appraise the sub-project once again to ensure that the required mitigation measures are considered within the sub-project plan and budget.

6.2.5. Implementation and Operation of Sub-Project

Following project approval, the next step in the sub-project life cycle is implementation. During the construction / implementation phase, the sub-project sponsoring agency shall be responsible for guaranteeing that the implementing agency is in compliance with environmental and social safeguard policies and with the mitigation measures referred to in the ESA. These measures shall be covered and included in a periodic written report submitted to the RESFP, who will be responsible for performing periodic follow-up to ensure that the sponsoring / implementing agencies are in compliance .

All arrangements regarding construction, implementation, and monitoring of the construction phase shall also be covered by a legal contract signed between the SFD and the sponsoring / implementing agency. It is important to incorporate the mitigation measures, design specifications, supervision plans, and monitoring arrangements specified in the ESA, as well as penalties for mismanagement or non-compliance, into the legal contract to ensure conformance with the ESA's recommendations. It is recommended here that the SFD develop a standard set of environmental and social clauses to be included in each contract, which will be further customized according to the different sub-projects.

The sponsoring agency shall also submit self-monitoring reports during the operational phase of the sub-project, which will again be reviewed by the RESFP to ensure their compliance with environmental and social laws and safeguard policies. The RESFP may be assisted by EEAA laboratories and regional branch equipment in his / her effort.

It should be noted that the SFD's newly established regional "Services Complex" shall be responsible for facilitating the process of obtaining permits, approvals, and various paper work from different competent administrative authorities on behalf of beneficiaries of SME loans from the SFD.

6.2.6. Monitoring and Evaluation of Sub-Projects

The final phase of the sub-project life cycle is the monitoring and evaluation of the sub-projects. Throughout the construction and operation phases, sub-project monitoring shall be undertaken on a periodic basis by the RESFPs. Monitoring will be undertaken mainly to verify that the sub-project activities have been effectively implemented with respect to quantity, quality, timeliness and adherence to the measures set in the ESA.

Throughout the implementation phase, the sponsoring / implementing agent shall be responsible for providing quarterly written reports highlighting the different environment

and social impacts ensuing from the sub-projects and the mitigation measures being used. The RESFP, with the help of the AESFP, shall review the status reports to ensure their compliance with mitigation measures specified in the ESA.

Annex F provides a checklist of some environmental and social monitoring indicators for a number of sub-projects.

It is recommended that the RESFPs establish a system in which the data collected from the reports is fed into a software program. This will allow the focal points to internally monitor the sub-project's progress and evaluate its performance. The RESFPs shall also be responsible for presenting a quarterly progress report on the performance of all the sub-projects under his/her direct supervision. The head of ESPS (with the assistance of external environmental and social experts) shall compile the different progress reports from all the regional offices into an annual report that describes the status of environmental and social compliance with the regulations and safeguard policies. This report shall be submitted to the SFD's Managing Director and Policies Committee for review.

Figure 2 below provides an overview of the proposed operational system for impact assessment, monitoring, and evaluation by the ESPS, followed by Table 3, which highlights the proposed division of roles and responsibilities amongst the different concerned entities for the execution of the ESMP, throughout the sub-project's life cycle.

Figure 3: Proposed Operation System for ESPS

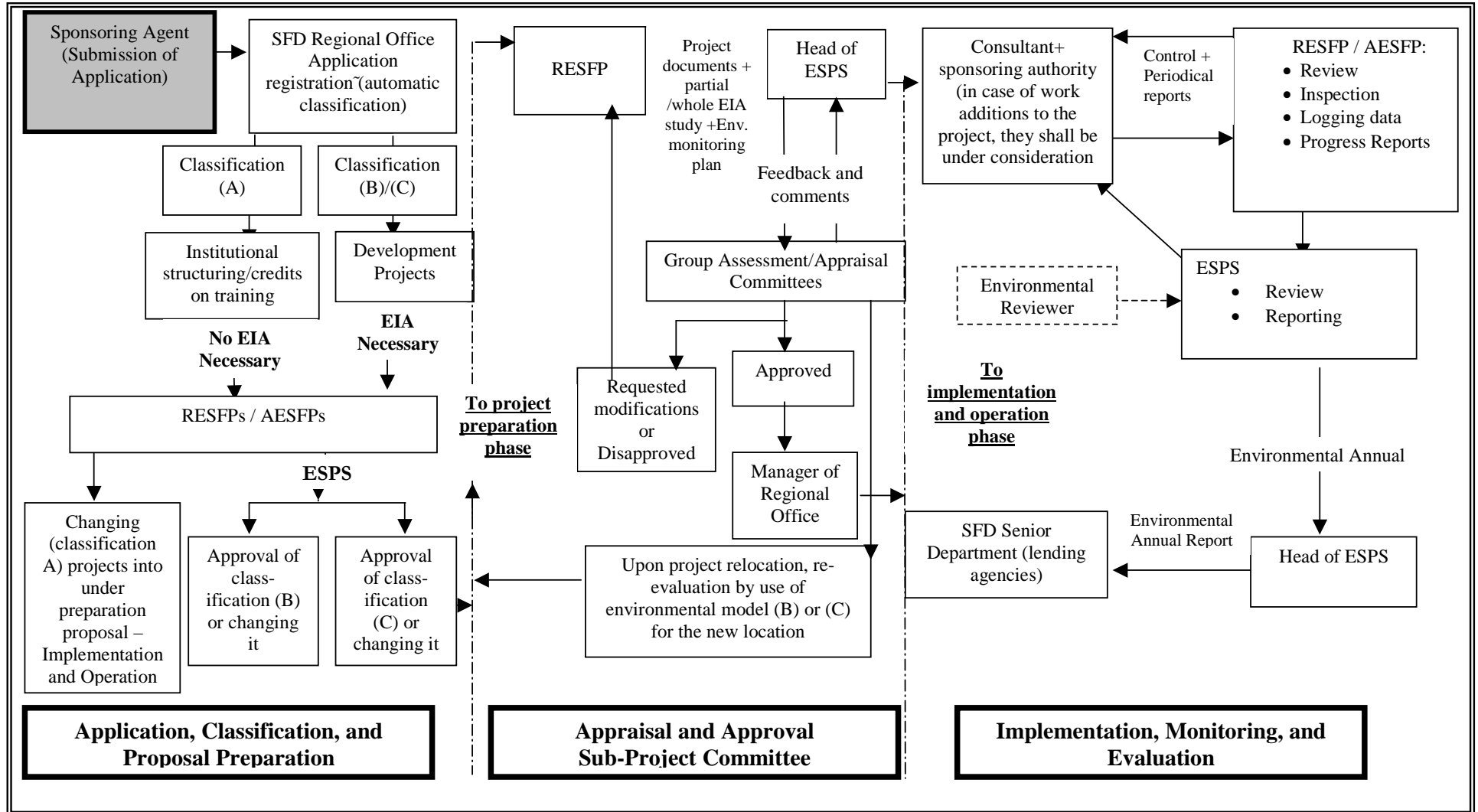


Table 3: Proposed Roles and Responsibilities for the Different Execution Parties throughout the Sub-Project Life Cycle

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
ESPS	<ul style="list-style-type: none"> □ Provide technical support to SFD’s different departments on environmental and social issues through supplying them with the relevant laws and legislations as well as the environmental sub-project classification lists (A-B-C). ③ Provide information on best practices for environmental and social management and control ③ Provide guidelines for the preparation of ESIA studies, which are to be distributed by the regional offices to SFD beneficiaries (sponsoring / implementing agencies) for reference. ③ Participate in the sub-project assessment committees to assess: (1) the potential environmental and social impacts during the construction and operation phases of the 	<ul style="list-style-type: none"> ③ Review ESIA ③ Make sure all sub-project documentation is complete. ③ Submit comments, if any, on sub-project documentation to the appraisal committees. 	<ul style="list-style-type: none"> ③ Provide technical support and training to SFD departments and beneficiaries (sponsoring agencies / implementing agencies) on the means by which they can conduct self-screening of environmental and social indicators. ③ Disseminate information on environmental and social issues and any other relevant sub-project developments. 	<ul style="list-style-type: none"> ③ Draft an annual report that describes the sub-projects’ status of environmental and social compliance with all policies and legislations.

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
	<p>sub-projects, (2) mitigation measures and environmental and social monitoring, (3) environmental and social management plan for the sub-project, if available.</p> <ul style="list-style-type: none"> □ Recommend the committees approval on the sub-projects which environmentally and socially comply with the SFD's standards and accepted legislative framework. 			
Different SFD Departments	<ul style="list-style-type: none"> □ Utilize the information and publications provided by ESPS for promoting environmental and social awareness amongst SFD beneficiaries (sponsoring / implementing agencies). ③ Whenever necessary, provide SFD sponsoring / implementing agencies) with the guidelines for the preparation of ESIA studies. ③ Whenever necessary, direct SFD Beneficiaries 			

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
	<p>(sponsoring / implementing agencies) to ESPS for additional technical support on environmental and social issues.</p> <ul style="list-style-type: none"> ③ Present the sub-project relevant documentation (form A or B or ESIA) to ESPS to ensure compliance with environmental and social standards. ③ Specify a certain percentage from the budget of any sub-project classified as “B” or “C” for the preparation of an ESIA and needed compliance measures. 			
SFD Regional Offices	<ul style="list-style-type: none"> □ Utilize the information and publications provided by ESPS for promoting environmental and social awareness amongst SFD beneficiaries (sponsoring / implementing agencies). ③ Whenever necessary, provide SFD 	<ul style="list-style-type: none"> ③ Ascertain the sub-project’s eligibility in accordance with SFD’s operational guidelines and mandate. ③ Review and verify that all required sub-project documentation has been completed 	<ul style="list-style-type: none"> ③ Review the quarterly reports prepared by the sponsoring / implementing agencies and log the relevant information in soft ware. ③ Recommend to the beneficiaries 	<ul style="list-style-type: none"> ③ Review the quarterly reports prepared by the sponsoring / implementing agencies and log the relevant information in soft ware. ③ Submit a quarterly progress report on

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
	<p>beneficiaries (sponsoring / implementing agencies) with the guidelines for the preparation of ESIA studies.</p> <p>③ Whenever necessary, direct SFD Beneficiaries (sponsoring / implementing agencies) to ESPS for additional technical support on environmental and social issues.</p> <p>③ Present the sub-project relevant documentation (form A or B or ESIA) to ESPS to ensure compliance with environmental and social standards.</p>	<p>(i.e. A and B forms, ESIA, etc.).</p>	<p>(sponsoring / implementing agencies) the ESPS as a source of additional technical support for self-monitoring of environmental and social indicators.</p> <p>③ Disseminate information on environmental and social issues and any other relevant sub-project developments.</p> <p>③ Services Complex in different regional offices will support and facilitate for SME beneficiaries obtaining permits, approvals, and documents from competent administrative authorities.</p>	<p>the performance of all the sub-projects under the regional office.</p>
<p>EEAA and its Regional Branches</p>	<p><input type="checkbox"/> Provide relevant information on environmental laws,</p>	<p>③ Review EIAs presented by beneficiaries.</p>	<p>③ Grant environmental approvals to SFD</p>	<p>③ Support regional offices in monitoring</p>

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
	<p>regulations, and measures.</p> <ul style="list-style-type: none"> ③ Provide SFD beneficiaries (sponsoring agencies) with information explaining the importance and means if preparing EIA studies. ③ Provide updated lists for the environmental classification of sub-projects(A,B,C) to SFD beneficiaries (sponsoring agencies) to enable them to appropriately classify their sub-projects. <ul style="list-style-type: none"> □ Provide assessment forms (A) and (B). □ Provide the ESPS with case studies of best practice impact minimization and mitigation measures used in previous sub-projects (to be distributed in turn by the ESPS to other SFD departments and regional offices). 		<p>beneficiaries (sponsoring / implementing agencies).</p> <ul style="list-style-type: none"> ③ Assist in raising the awareness of SFD beneficiaries (sponsoring / implementing agencies) concerning environmental laws and regulations. 	<p>environmental compliance.</p>
SFD Beneficiaries (sponsoring and implementing	<ul style="list-style-type: none"> ③ Prepare the required ESIA study for the sub-project. 	<ul style="list-style-type: none"> ③ If modifications are requested or sub-project is 	<ul style="list-style-type: none"> ③ Apply mitigation measures referred to in the ESIA. 	<ul style="list-style-type: none"> ③ Prepare quarterly environmental and social status

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
agencies)	<ul style="list-style-type: none"> ③ Verify that all environmental and social prerequisites required by the SFD and other governmental entities have been fulfilled. ③ Liase and establish contacts with SFD regional offices, EEAA regional branches, and EMUs in the Governorates to understand their different responsibilities and duties. ③ Review and examine all available information on similar projects and the best practices with regards to environmental and social impact mitigation. ③ Attend all events and activities conducted for capacity building or raising awareness on environmental or social issues. □ Request additional technical support from ESPS, if necessary. 	disapproved, modify or revisit the sub-project proposal based on comments given from the committees.	<ul style="list-style-type: none"> ③ Prepare a quarterly environmental and social status report and clarify the mitigation measures being used. ③ Implementing and applying EMS/ environmental screening plan (ESP) according to EIA study of the project. ③ Applying safe techniques of waste management, complying with environmental standards and conditions. ③ Applying, if necessary, for technical support from ESPS of SFD, EEAA . 	reports highlighting the different environment and social impacts ensuing from the sub-projects and the mitigation measures being used.
International			€ Finance training	

Execution Parties	Identification, Preparation, and Planning Phase	Appraisal and Approval	Project Implementation	Monitoring and Evaluation
Funding Agencies			and capacity-building on environmental and social compliance methods and best practice mitigation measures during implementation phase.	

7. PUBLIC CONSULTATION AND DISCLOSURE

In order to ensure effective and successful environmental and social management of the sub-projects, the SFD will need to involve stakeholders throughout the different stages of the sub-project life cycle. The main objectives of consulting the stakeholders are:

- to increase public awareness and understanding of the sub-project,
- ensure that stakeholder concerns are reflected in the sub-project design and implementation,
- promote development initiatives of involving the affected people in a transparent decision-making process, and
- maintain the successful implementation and operation of the sub-project.

7.1. Identifying the Stakeholders

The first step in developing a public consultation and participation plan is to undertake a stakeholder analysis to help identify the primary and secondary stakeholders, after which a decision has to be made on who should be involved in the consultative process. Specific attention should be given – at all times - to gender and indigenous population inclusion as well as the inclusion of the poor, marginalized, and all other vulnerable groups that may be directly or indirectly affected by the sub-project.

For the sub-projects under LAD Project, the list of primary stakeholders may include:

- ③ Relevant local public authorities (Governorate / Markaz / Village levels)
- ③ Sub-project authorities and approving agencies (SFD Departments / ESP / Regional SFD Offices / Appraisal Committees)
- ③ Donor representatives (WB)
- ③ Sub-project sponsoring agent / proponent / beneficiary
- ③ Implementing agencies
- ③ Affected persons and potential beneficiaries
- ③ Local residents and communities
- ③ Host populations
- ③ NGOs and CDAs
- ③ External experts / specialists / consultants / reviewers / auditors
- ③ Financial institutions

Those with an interest in the sub-project outcome, but who are not directly involved or affected by it may be considered as secondary stakeholders to the sub-project, i.e.:

- ③ National government
- ③ NGOs
- ③ Civil society
- ③ Academic institutions

7.2. Consultation and Public Disclosure

A simple approach is proposed for public consultation in the early stages of sub-project preparation and planning:

- ③ The stakeholders should be made aware of the different elements and features of each sub-project and their main objectives and target groups. Once an ESIA has been made, the results of this study should be disclosed to all concerned primary stakeholders.
- ③ The stakeholders should then be encouraged to share their concerns, worries, and any comments they have on the sub-project or its likely impacts. This should include discussions on alternative and proposed mitigation measures that are to be accounted for in the sub-project design, implementation, and operation phases.
- ③ The final step is to incorporate the stakeholder inputs into the sub-project plans in order to improve the sub-project design.

The process of stakeholder involvement and consultation will continue during sub-project implementation as well in order to integrate any additional comments and worries that may arise from the construction and implementation phase.

Consultation with the stakeholders may take different forms, depending on the need and subject matter that is being communicated. An informative method would be through the use of one-way communication techniques such as audio (radio), visual (television), printed (leaflets, brochures, pictures, diagrams, posters), or electronic media (internet and electronic mail). In this case, the stakeholders will be merely informed with certain information and there shall be no opportunity for questions or comments. In order to have interactive consultation with the stakeholders, two-way participatory techniques are required. This may include one-to-one briefings, small group and village meetings, and the organization of workshops and forums.

The technique used for the disclosure and dissemination of information and data should take into consideration stakeholder preferences and characteristics. The disclosed information should be in a language that all stakeholders are familiar with, and for those who are illiterate certain measures may need to be taken to ensure that they are fully aware of the contents of the disclosed documents. Another important consideration is that ample time should be given to the stakeholders to review the disclosed information prior to the consultation process to allow them to thoroughly address the sub-projects various issues.

8. PROPOSED CAPACITY BUILDING AND TRAINING PROGRAM

As previously noted, the ESPS is currently under-staffed, which undermines the sector's ability to effectively implement the management plan. Moreover, the regional offices will need to undertake a rigorous capacity building program to strengthen the competencies of their staff and bring them to a level that will allow them to adequately carry out their duties and responsibilities under the ESMP.

In order to improve institutional and organizational capacity within the SFD, technical assistance should be provided to the staff in the headquarters as well as the environmental and social focal points in the regional offices. The EEAA may assist in providing training to the staff on environmental classification and screening and relevant environmental policies and regulations in Egypt. The WB may also sponsor social safeguard assessment and resettlement trainings, which would be attended by the AESFPs / RESFPs and ESPS staff.

Training activities on effective environmental and social management under the different sub-projects will provide the basis of the capacity-building program. This shall include training on the Environmental and Social Management Plan and Guidelines Manual and the use of the environment and social forms. Other topics to be covered under the training program include: environmental and social review and assessment, socio-economic surveying, resettlement planning, and best practice mitigation measures during the construction and operation phases of the sub-projects. Environmental and social management tools, such as Environmental and Social Impact Assessment and Environmental Audits, will also be introduced. Moreover, training on the different methods of environmental and social monitoring will be needed to enable the RESFPs to systematically carry out their periodic monitoring duties. Finally, it is also suggested that the SFD staff are trained on technical report writing and evaluation techniques to aid them in their periodic and annual evaluation reports. These trainings may need to be repeated several times each year to accommodate for new participants and to refresh and update the information of the old participants.

When and if needed, the SFD may provide training to sub-project sponsoring / implementing agencies on environmental and social screening, assessment, and management. As part of the CHED sub-projects, some basic training and capacity building and awareness activities may also be given to local community representatives on selected topics, depending on the need and type of sub-projects implemented within the community areas.

The table below provides a proposed plan for training and capacity building. The ESTAO at the ESPS shall be in charge of coordinating the different training sessions throughout the year with the various participants.

Ultimately, it is anticipated that these trainings will: (1) provide the SFD staff with in-depth knowledge on environmental and social safeguard policies and management processes, (2) render them more susceptible to the needs and concerns of the PAPs, and (3) prepare them to carry out effective environmental and social management.

Table 4: Training and Capacity Building Program for Implementing ESMP

Training / Capacity Building Activity	Participating Stakeholder(s)	Skills to be Acquired	Scheduling	Cost Estimate in LE	Possible Funding Sources
Management and Organizational	<ul style="list-style-type: none"> • ESPS Manager and Staff • Regional managers and RESFPs • AESFPs 	<ul style="list-style-type: none"> • Decision making and delegation • Human resources • Administration • Information flow • Work procedures 	Prior to sub-project preparing and planning phase	LE 20,000	SFD
Institutional	<ul style="list-style-type: none"> • ESPS staff • RESFPs • AESFPs • Staff from other SFD Departments 	<ul style="list-style-type: none"> • Environmental and social policies, laws, and regulations • WB safeguard policies (EA, resettlement, etc.) 	During sub-project preparing and planning phase	LE 25,000	SFD / EEAA / WB
ESMP Implementation	<ul style="list-style-type: none"> • RESFPs • AESFPs • Sub-project Beneficiaries (sponsors / implementers) • Communities 	<ul style="list-style-type: none"> • Environmental and social methods, processes, and tools (screening, stakeholder analysis, ESIA, EAs, mitigation measures, RAP, etc.) 	During preliminary construction and implementation phase	LE 100,000*	SFD / WB
Monitoring, Evaluation, and Reporting	<ul style="list-style-type: none"> • ESPS staff • RESFPs • AESFPs • Sub-project Beneficiaries (sponsors / implementers) 	<ul style="list-style-type: none"> • Environmental and social monitoring and compliance • Progress report preparation and evaluation 	During preliminary construction and implementation phase	LE 75,000**	SFD / WB
Total Program Costs = LE 220,000					

* 5 training workshops throughout the year at a cost of LE 20,000 each.

** 5 training workshops throughout the year at a cost of LE 15,000 each.

9. ESTIMATED RESOURCES FOR MAINSTREAMING ENVIRONMENTAL AND SOCIAL MANAGEMENT INTO SFD SUB-PROJECTS

It is essential to calculate the costs needed for the effective implementing of the ESMP and to include them into the SFD's budget. The table below illustrates a tentative estimated budget associated with mainstreaming environmental and social management into the SFD's system.

The following assumptions were made in designing the budget for the ESMP:

- Well-trained staff will undertake environmental assessment.
- Environmental and social monitoring and sub-project supervision will be undertaken on a quarterly basis by the RESFPs (with the help of the SRO and specialized environmental officers at the ESPS).
- The evaluation of the sub-project performance will be made on a quarterly basis by the RESFPs (with the help of SRO and specialized environmental officers at the ESPS).

It should be noted that the proposed budget is still pending the SFD's upper management's review and approval.

Table 5: Estimated Resources for ESMP Implementation

ESMP Activity	Quantity	Cost Estimates <i>in LE</i>	Total Cost <i>in LE</i>	Possible Funding Source(s)
Recruitment Specialized Environmental Officers Social and Resettlement Officer	4 1	LE 36,000* LE 36,000*	LE 144,000 LE 36,000	SFD
Training and Capacity Building Management and Organizational Institutional ESMP Implementation Monitoring, Evaluation, and Reporting	Lump-sum Lump-sum Lump-sum Lump-sum	LE 20,000 LE 25,000 LE 100,000 LE 75,000	LE 220,000	SFD SFD / WB / EEAA WB SFD / WB
Sub-Project Implementation Amending Contracts to Include Social and Resettlement Clauses (legal advice)	Lump-sum	LE 10,000	LE 10,000	SFD
Social Mitigation Measures** Resettlement and compensation measures Development assistance (financial and non-financial)	--- Lump-sum	--- ---	--- ---	WB/SFD WB/SFD
Environmental Monitoring and Evaluation External Experts (monitoring, impact assessment, etc.) Quarterly monitoring activities (water quality, air quality, etc.) Annual Report (External Auditor)	50** Lump-sum 50	LE 1,000 LE 20,000 LE 1,000	LE 50,000 LE 80,000 LE 50,000	SFD SFD/EEAA SFD
Total ESMP Implementation Budget = LE 590,000				

* Representing the annual net salary.

** In case any of the sub-projects necessitate IR, the resource requirements will be adjusted accordingly with the amount of appropriate compensation and development assistance.

** Since a capacity-building program for the SFD staff is included in the budget, it is assumed that no more than 50 person-days may be needed to fill specialization gaps.

SECTION 2: RESETTLEMENT POLICY FRAMEWORK

10. INTRODUCTION

The Social Fund for Development (SFD) recognizes that some of the sub-projects that shall be undertaken under the LAD Project may possibly result in the involuntary resettlement of people. Since the sub-projects have not been identified yet, resettlement plans can not be constructed at this stage. Meanwhile, in line with the World Bank's (WB) Involuntary Resettlement Policy (OP 4.12), the SFD is required to prepare a resettlement policy framework (RPF) which proposes a resettlement and compensation framework to be applied to the sub-projects during project implementation.

Accordingly, this RPF has been prepared in compliance with the Bank's safeguard policy on involuntary resettlement, as well as the Government of Egypt's relevant laws and policies. In cases where involuntary resettlement is inevitable, sub-project resettlement plans will be prepared, in consistence with this policy framework, and will be submitted to the Bank for approval after specific planning information becomes available.

10.1. Proposed Framework

It is a widely accepted fact, if left unmitigated, involuntary resettlement under development projects may give rise to economic, social and environmental risks. The purpose of the RPF is to set down the principles for social impact mitigation, as well as clarify the organizational arrangements that may be needed during sub-project preparation and implementation phases. This includes compensating all project affected persons (PAPs) for the loss of lands, properties, and livelihoods resulting from displacement and resettlement, as well as assisting these people in relocation and rehabilitation. The RPF may be triggered whenever a sub-project activity entails the acquisition of land and / or the displacement of people, causing the loss of land, property, assets, access (to land, property, and assets), income, or sources of livelihood.

This framework shall cover all the SFD's sub-project operations financed by the WB, and shall apply to all displaced persons regardless of the total number affected, the severity of impact, and whether or not the affected persons have legal title to the land. Since resettlement often affects the most vulnerable and marginalized groups (economically, politically, and socially), the RPF shall be particularly sensitive to the affects which displacement may have on these groups, including the poor, landless, elderly, women, children, ethnic minorities, or persons with specific mental or physical disabilities.

10.2. Objectives of the Framework

The objectives of this framework correspond to those of the WB policy on Involuntary Resettlement, namely:

- ③ To avoid or minimize (whenever possible) involuntary resettlement and land acquisition through design efforts.

- ③ If involuntary resettlement and land acquisition is unavoidable, to execute resettlement and compensation activities as sustainable development programs, whereby sufficient investment resources are provided to give the displaced persons an opportunity to share in project benefits. Displaced and compensated persons shall be meaningfully consulted and given opportunities to participate in planning and implementing resettlement plans.
- ③ To assist displaced persons in their efforts to improve their livelihoods and standards of living or at least to restore them to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

11. BRIEF DESCRIPTION OF POSSIBLE SUB-PROJECTS REQUIRING LAND ACQUISITION AND / OR RESETTLEMENT

In Section 1 of this document, a list of the sub-projects which the LAD Project is likely to fund is given (Box 1). Rural and urban infrastructure sub-projects under the CISD component may possibly result in displacement and IR. This includes small and medium scale sub-projects that involve extending water supply and wastewater networks, building roads, and bringing in small-scale irrigation and drainage. To a lesser degree, sub-projects under the LAD Projects may also lead to IR. This mainly encompasses community development sub-projects that require construction works, including the building of schools, hospitals, clinics, and / or any other communal centers. Sub-projects under the MES and SEDO components are not expected to result in IR.

Although displacement will be avoided as much as possible under the LAD Project, in case that any of the sub-projects trigger WB safeguard policy 4.12 on IR, this RPF shall serve as a guideline to the SFD to this regard.

12. LEGISLATIVE FRAMEWORK FOR RESETTLEMENT

Resettlement and land acquisition issues under the proposed Project and subsequent sub-projects will be addressed under the guidance of the laws governing the Arab Republic of Egypt to this regard and the World Bank's OP 4.12. The RPF represents the reference to be used in managing land acquisition issues and addressing the involuntary resettlement and displacement of people related to WB financed projects. The SFD shall be committed to complying with the national and WB laws and policies and to any future amendments to them.

12.1. Government of Egypt Relevant Legislation

It is the Government of Egypt's policy to pay compensation or offer assistance to people whose lands and properties are affected by projects undertaken by the Government. This

section pertains to the means, causes, and the competent authorities entrusted with the implementation of the provisions and rules of the administrative law, civil law, in addition to the law related to the expropriation of private property for public interest. In addition, this section also covers the restrictions, the conditions of the legality of procedures applied by the administration at its disposal, and the consequences of property expropriation, in addition to the legal procedures for the possession of private property.

12.1.1. Administrative Authority's Decision Making Responsibilities

The main objective of the state, represented by its executive authority through the issuance of administrative decisions for the public benefit, is to achieve public interest. The state (administrative authority) uses various means to exercise this diversified activity that is readily perceived in the administrative affairs and reflected in the legal affairs.

In accordance with Article 34 of the Constitution: "Private ownership shall be safeguarded and may not be placed under sequestration except in the cases defined by law and in accordance with a judicial decision. It may not be expropriated except for the general good and against a fair compensation as defined by law. The right of inheritance shall be guaranteed in it." According to this article, it is understood that procedures for private property expropriation are considered to be exceptional. The competent jurisdiction shall be entitled to take cognizance of the lawsuits raised by individuals against the administration for appropriate compensations.

Other relevant laws governing expropriation and consequent compensation procedures include:

- ③ Law 557/54, which was later amended by Law 252/60 and Law 13/162, lays down the provisions pertaining to the expropriation of real estate property for public benefit and improvement,
- ③ Law No. 27 of 1956, which stipulates the provisions for expropriation of districts for re-planning, upgrading, and improvement, and
- ③ the amended and comprehensive Law No.10 of 1990 on the expropriation of real estate for public interest.

The general provisions guiding expropriation of private property (according to Law 577/54, Law No. 27 of 1956, Law No. 252 of the year 1960, and Law 577/54) include the following:

1. Property expropriation shall be only on tangible real estate property, there shall be no expropriation of movable possessions.
2. Applicable only to property privately owned by individuals, thus, public property is excluded from the procedures.
3. The expropriation shall include land and constructions (structures).
4. The purpose of expropriation shall only be for realizing public interest.
5. The administrative authority has the right to assess the circumstances related to expropriation as well as the authority for implementation of

property expropriation, which is justifiable by the objective of achieving public benefit. The administrative authority may not be challenged or judged on the grounds that it could have chosen more appropriate real estate property to achieve public benefit than the one that it has already chosen.

6. The administration shall estimate the area it sees necessary for the establishment of a project. This right shall not be only restricted to the real estate property required for the project; but the legislator empowered the administration to also include expropriated property.

According to Article 23 of Law 577/1954: “If the purpose of the property expropriation is the establishment of a squares, streets, or their expansion, modification, demarcation, or the establishment of a new district, or for its improvement/ upgrading or beautification, or for any health related matter; property expropriation may include, in addition to the real-estate property needed for the project, any other real-estate property which the administration in charge sees to be necessary to achieve the project’s objective or any other property whose current state (whether in size or form) is not consistent with the required improvement.

Moreover, the first article of Law No. 27 of 1956 allows for the expropriation of districts for their improvement, upgrading, re-planning, and reconstruction. Article 24 of Law 577/54 also stipulates that in case only partial expropriation of real estate property is required, and the remaining un-expropriated part will not be of benefit to the owner; the owner shall be given the right to submit a request within 30 days (beginning from the date of final disclosure of the list of the expropriated property) for the purchase of the entire area.

It should be noted that the new law has not restricted the right to request the purchase the remaining un-expropriated portion of real estate to buildings only, but it was also extended to include land as well.

Law No. 252 of the year 1960, amended by Law 577/54 was promulgated to equilibrate the rights and guarantees for individuals with the rights of the state in expropriating private property. Moreover, this law has stipulated that the assessment of public benefit / interest, which justifies property expropriation, shall be emanated in all cases by a Presidential Decree, while previously it was made by the competent minister.

12.1.2. Legal and Administrative Procedures for Transfer of Ownership and Compensation

The procedures taken to this regard are administrative, with no judicial interference except in the assessment of the compensation amount.

Article 1 of Law 252/60 (amended by Law 577/54) states that the determination of public benefit for the expropriation of private real estate property is subject to Presidential Decree. On the other hand, according to Article 2 of Law 27/1956, the determination of

public interest for the expropriation of districts for re-planning and upgrading is subject to a Decree from the Cabinet of.

Enclosed with the decree is:

- ③ A memorandum that demonstrates that the required project shall be considered of public benefit / interest (to be published with the Decree in an official newspaper and in relevant local administrative units).
- ③ A map delineating the project scope.
- ③ Two weeks following the publication and promulgation, the official commissioned to the expropriation property procedures is permitted to enter into the real estates to perform the technical and surveying operations and all the necessary demarcations of the expropriated real estate.

The steps for ownership transfer are highlighted below:

1. Preparation of a census of all property: The census shall be performed by commissions which consist of a delegate of the entity commissioned to perform the expropriation (i.e the Governorate, Ministry of Agriculture, etc.) and one of the local officials from the Governorate. A registered notice shall be sent to notify the concerned person. All owners and those with rights or entitlements to the expropriated property shall meet up with the commission in the project area during the census process in order to guide the commission members with regards to their property rights. The commission shall report the minutes of the procedures, which shall include all property and their owner names and addresses. The members of the commission and the owners shall sign the census report. If anyone refuses to sign, this will be noted in the minutes of the session by justifying the reason for refusal. Entering the expropriated properties from then on shall be subject to the notification of the concerned person.
2. Preparation of statements and evacuation warnings: The expropriating entity shall prepare statements with the number and types of property that shall be expropriated, their size, location, owner's names and addresses, and compensation values (as per the census report). These statements shall be published in an official newspaper. The owners and tenants shall be warned that they must evacuate the property within a period of maximum 5 months. The owners shall be given a period of 30 days (from the date of submission of the statements) to present their complaints or grievances regarding the data in the statement. If the complaints were not submitted during this 30-day period, the data included in the statements shall be considered conclusive and shall not be subject to any litigation or claim, and in this case the compensation amounts indicated in the statements shall be sent to the identified owners.
3. Transfer of ownership: For those owners with no complains or contestations, the transfer of ownership is simply made by having them sign specific forms for ownership transfer. For property which the owners have not signed the proper forms, the competent minister shall emanate a decision to expropriate the property. The forms and the Ministerial decrees shall then be deposited in the relevant Notary Office. This deposit regarding the real estates shall generate the effects caused by the declaration of the sale contract. According to it, the property

- shall be transferred to the administrative authority that expropriates the property, and the rights incumbent on the real estates shall be transferred to the compensation amounts.
4. Compensation assessment: Property expropriation shall only be made against a fair compensation in accordance to constitutional provisions. The legislator has put forth some principles which should be taken into consideration with regards to compensation assessment:
- a. The compensation assessment for property expropriation shall not include structures, plants / crops, improvements / additions, or tenant agreements if it has been proved that the aforementioned acts were performed in order to acquire higher compensation. The legislator has provisioned that every act taken to this regard, after the publication of the decision for expropriation for public benefit in the official newspaper, shall be considered as an act performed for increasing the compensation value. Accordingly, these acts should be ruled out in the assessment of the compensation amount (*Article 25: Law No. 577 of 1954, and Article 7: Law No. 27 of 1956*).
 - b. If the compensation amount for the un-expropriated part, in projects other than urban planning, increases or decreases (due to activities causing general public benefit), the increase or decrease in amount should be taken into consideration so that the amount to be added or reduced shall not exceed 50% of the compensation value of the expropriated property (*Article 19: Law No. 577 of 1954*).
 - c. If the value of the property subject to expropriation for the upgrading or re-planning of districts /cities is increased as a result of the implementation of a public benefit project, the increase in value shall not be calculated in the compensation assessment if the property expropriation is performed within 5 years from the date of implementation in the previous project (*Article 20: Law No. 477 of 1954*).
 - d. For real estate subject to improvement due to public benefit works (district/city re-planning and upgrading projects), the owners shall be obliged to pay for the improvements, provided that the payment does not exceed 50% of the actual expenses for establishing or expanding the street or square which resulted in the improvement. This provision shall also be applicable if only part of the property within the district/city re-planning/upgrading projects is expropriated, and the authority in charge has deemed that that keeping part of the real estate by the owner does not conflict with the purpose of the intended project. The assessment of the aforementioned charges made by the authority in charge of organizing affairs shall not be subject to any appeal (*Law No. 577 of 1954*).

In order to avoid delays, which may prevent owners from acquiring their compensation in due, time, Law No. 14 of 1962 has provided for a new provision in Article 21', which states that "Half of the value of the expropriated property that has entered into the improvements areas shall be disbursed, while the second half of the value shall be deposited in the trust funds of the competent authority, until the owner submits a

certificate issued from the competent authority that demonstrates the payment in return for the improvements made to the property.

12.1.3. Disputes

The procedures for expropriation are administrative by nature and usually rapidly implemented. Accordingly, the abrogation proceedings, compensation disputes, and all actions related to the expropriation property will not stop the expropriation procedures nor prevent its consequences; rather, the owner's right for compensation is addressed (Article 26: Law No. 577 of 1954). However, the rapidity of these procedures should not prevent the owners and concerned persons from claiming and ensuring their rights. Accordingly, the legislator has distinguished two different the redress mechanism:

1. For compensations not related to the compensation assessment: Such as those pertaining to the actual right of the expropriation. In this case, the authority in charge of the expropriation process shall be responsible for investigating these disputes in order to pay the due compensation value (*Article 11: Law No. 11 of 1954 and Law No. 11 of 1956*).
2. Disputes over compensation assessment: These disputes are subject to legal jurisdiction as follows: The authority in charge of the expropriation procedures shall refer the disputes over the compensation assessment submitted to court. The court shall examine the complaint quickly and its judgment shall be conclusive.

12.1.4. Temporary Expropriation of Real Estate

The right of the public authority to expropriate needed real estate property also includes the right to temporarily occupy / take over this privately owned property. Law No. 577 of 1954, Law No. 27 of 1956, and the new Law No. 10 of 1990 pertaining to property expropriation, include provisions regarding temporarily occupying property:

Summarized below are the legal provisions for two particular cases:

1. Occupation of Real Estate Property Prior to Expropriation: If the administration resorts to interim or temporary occupation of privately owned real estate, the time frame should be identified. However, if the temporary occupation is conclusive, the administration shall resort to the regular expropriation procedures (mentioned above). In order to save time, the new legislation has allowed the administration to occupy prior to the completion of the expropriation procedures (*Article 16: Law No. 577 of 1954*). According to the amendment of Law No. 252 of 1960, "except in emergencies and hasty cases that require the occupation of real estates to perform necessary reparation works, upgrading, and other work, temporary occupation of real estate for public benefit is subject to a Presidential Decree (to be published in an official newspaper). The legislator has included some provisions guiding this case:
 - The administration cannot resort to this before the issuance of the decision that the expropriation of this specific property is considered to be of public benefit.

- The real estate owner has the right to compensation for not being able to get access or use his / her property, starting from the date of actual occupation until the payment of the due compensation as a result of the property expropriation.
 - The owner of the real estate has the right to dispute / contest the value of the assessed compensation, for preventing him/ her from using or gaining access to his / her property, through the same process for grievance redress on the assessed compensation for property expropriation. In this case, it will not be allowed to remove any structures or buildings (which have been occupied) until the re-estimation of value has been conclusively made.
 - In the case of expropriation of districts, the property and buildings will not be expropriated until alternative dwellings have been provided for those who lost their homes.
2. **Temporary Occupation:** If the administration needs to manage a real estate for an interim / temporary period that does not justify the expropriation of the property, and accordingly the administration takes over only the management while the ownership remains with its official owner.

Summarized below are the legal provisions for two particular cases:

1. Necessity (Hastiness / Rapidity): As stated in Article 17 "...in case of sinking, or severing of a bridge, or the outbreak of an epidemic, and in all emergency cases, it is permissible to temporarily take over / occupy the needed real estates to perform reparation works, prevention, or other kinds of work".
2. Public Benefit Project: Law No. 577 of 1954 states that the occupation decision in both cases aforementioned shall be issued by the "Director" or the Governor (Article 17), while Article 2 of the previous law concerning the occupation decisions identified the Governor as the person in charge issuing temporary occupation decisions in case of emergency / hastiness. In any other case, the aforementioned law designates a Presidential Decree for the implementation of temporary occupation.
 - Procedures: Real estate temporary occupation only requires that a representative from the competent entity to identify the type of real estate, size, and condition upon occupation. If this is done, the competent entity is then able to occupy the real estates without having to take other measures."To simplify the procedures to the previous figure, that could be justified in the occupation case for emergency or rapidity.
 - Compensation: Within a week of the occupation date, the competent authority shall determine the compensation value for the concerned persons / owners in return for losing access and use to their property temporarily. The owners shall have the right to dispute the assessed compensation as previously noted.
 - Occupation Period: The maximum period for temporary occupation is 3 years, beginning from the actual occupation date. If the administration deemed it necessary to extend the occupation period for over 3 years, this may be done through agreement with the owner. However, if no agreement is reached the property shall be expropriated and the administration shall be responsible for returning the property to the owner in its original status, at the time of occupation, along with compensation for any of spoilage or decrease in its value.

12.1.5. Introduction of New Articles to the Law on Property Expropriation for Public Benefit No. 10 of 1990

The legislator deemed it necessary to amend the law to reflect new developments that have occurred, beginning from the administrative decentralization process in the local governance system and the transformation of many public entities into separate public bodies, each being a separate legal entity, independent from the state, and a budget, independent from the public budget.

This law was promulgated when the Egyptian Public Entity for Survey, one of the subsidiary departments for the Ministry of Water Resources and Irrigation, was the competent authority for performing the expropriation procedures. The required that the Entity allocate the compensations values in its budget. The new amendment of this law states that the authority requesting the property expropriation shall be responsible for the payment of compensation value and in representing itself in legal litigations before the jurisdiction.

Article 2 of the Law No. 10 of 1990 has identified public benefit activities to be:

- ③ Construction of roads, streets, squares, or their broadening, modification, paving, or the constructing of entirely new districts.
- ③ Sanitary drainage and water projects
- ③ Irrigation and drainage projects
- ③ Electricity / power projects
- ③ Construction of bridges and the surface paths (slides, lower passages, or modifying them)
- ③ Transportation projects
- ③ Urban / rural planning and improvement of infrastructure
- ③ All activities that are considered to be of public benefit as per any other law
- ③ Other public benefit activities may be added as per Cabinet of Ministries Decree(s)
- ③ The decision ruling public benefit activities shall be in accordance with a Presidential decree and shall, with a memorandum of the project enclosed

The new law has introduced / specified, through Article 6, the members of the compensation assessment commission. The commission is made at the Governorate level, upon a Decree by the Minister of Water Resources and Irrigation, and consisting of a delegate from the Ministry's Surveying Body (as President), a delegate from the Agricultural Directorate, a delegate from the Housing and Utilities Directorate, and a delegate from the Real Estate Taxes Directorate in the Governorate. The compensation shall be estimated according to the prevailing market prices at the time of the issuance of the Decree for Expropriation.

12.2. World Bank Safeguard Policies

The WB's policy on involuntary resettlement and the compensation of affected persons is clearly spelled out under the Bank's operational safeguard policy (OP) # 4.12.

“For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen sub-projects to be financed by the Bank to ensure their consistency with [OP 4.12]. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this [OP 4.12]. The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.”

Please refer to Annex G for the full text of OP 4.12.

13. ELIGIBILITY CRITERIA FOR AFFECTED PERSONS

13.1. Defining Affected Persons

Affected persons (AP) or project affected persons (PAPs) are defined in this policy framework as individuals who may be subjected to adverse economic, social, or cultural impacts by the WB’s assisted sub-projects. These impacts may constitute anything from the loss of physical assets such as land, farm lands, crops, commercial properties, homes, personal belongings, sources of income, and cultural / historical / religious sites, to non-physical assets such as social capital and cultural networks and activities. Moreover, adverse impacts also include the loss of access to the physical and non-physical assets and the involuntary restriction of access to legally designated parks and protected areas. Box 2 highlights some of the key losses that may arise from land acquisition.

At this stage, it is not possible to quantify the number of people who may be adversely affected under the LD IV Project, since the detailed plan with all the sub-projects has not been yet completed. However, once the sub-projects have been identified, it shall be the responsibility of the specialized environmental officers and the Social and Resettlement Officer (SRO) to distinguish the sub-projects that will require the drafting of a resettlement plan. This shall include a comprehensive census and socioeconomic survey⁷ of potentially affected individuals, households, communities, and vulnerable groups.

Box 2: Possible Losses from Land Acquisition

Land	<ul style="list-style-type: none"> ③ Agricultural land (rented or owned) ③ Urban land (rented, owned, or occupied) ③ Commercial / business property (rented, owned, or occupied) ③ Access to land
Structures	<ul style="list-style-type: none"> ③ Houses or living quarters (rented or owned) ③ Other physical structures (rented or owned)
Income	<ul style="list-style-type: none"> ③ Income from crops ③ Income from wage earnings ③ Income from fishing areas

⁷ The survey shall cover all the aspects detailed in WB OP 4.12.

	<ul style="list-style-type: none"> ③ Income from affected business ③ Access to formal employment opportunities
Communal ⁸	<ul style="list-style-type: none"> ③ Public Schools ③ Public Hospitals ③ Markets ③ Community centers ③ Cemeteries ③ Social capital: networks, activities, relationships
Religious and Cultural ⁹	<ul style="list-style-type: none"> ③ Religious shrines ③ Worship areas (mosque, church, synagogue) ③ Cultural, historical, sites
Environmental	<ul style="list-style-type: none"> ③ Access to natural resources ③ Negative environmental impacts resulting from land acquisition or from the sub-project itself

13.2. Eligibility Criteria

All APs who suffer a complete or partial loss of assets or access to assets shall be eligible for some kind of assistance, according to their legal rights to the land, if it can be proven that they occupied the land before the claim cut-off date. The Bank OP4.12 specifically proposes three general categories for eligibility, as illustrated in the table below:

⁸ The sub-projects should not be permitted to infringe on or damage in any way public cemeteries or private graveyards or graves physical assets. If extremely necessary, such cases shall be subject to the laws of the Government of Egypt to this regard.

⁹ The sub-projects should not be permitted to infringe on or damage in any way religious or cultural physical assets. If extremely necessary, such cases shall be subject to the laws of the Government of Egypt to this regard.

Table 6: Criteria for Eligibility (OP 4.12)

Displacement Category	Entitlement
Individuals who have formal legal rights to land (including customary and traditional rights recognized under the laws of Egypt)	<ul style="list-style-type: none"> ③ Compensation for loss in land and assets at full replacement cost. ③ In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and locational advantages equivalent to the lost sites. ③ Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels. ③ Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).
Individuals who do not have formal legal rights to land, but have a claim to such land or assets (provided that such claims are recognized under Egyptian laws or become recognized through a process identified in the resettlement plan)	<ul style="list-style-type: none"> ③ Compensation for loss in land and assets at full replacement cost. ③ In case of physical relocation, provide assistance during relocation (i.e. moving allowances) and residential housing and / or agricultural sites with productive and locational advantages equivalent to the lost sites. ③ Support after displacement, until livelihoods and standards of living are restored to pre-displacement levels. ③ Development assistance in addition to compensation measures (i.e. land preparation, credit facilities, training, job opportunities).
Individuals who have no recognizable legal right or claim to the land they are occupying (i.e. squatter settlements, disputed ownership).	<ul style="list-style-type: none"> ③ Resettlement assistance as appropriate (i.e. land, assets, cash, employment, etc.).

In addition, all individuals in possession of properties (i.e. land, houses, structures) that may be adversely affected by any of the sub-projects' activities (i.e. construction, rehabilitation, etc.) shall also be eligible for some sort of compensation which shall be identified in the resettlement plan depending on the type of damage.

14.METHODS OF VALUATION OF AFFECTED ASSETS AND COMPENSATION

14.1. Asset Valuation

The valuation of losses in physical assets will be carried out by assessing the market value of the assets, if known, and estimating the replacement cost. Replacement cost is

simply calculated as the cost of replacing the lost assets plus any transaction costs associated with bringing the asset to pre-displacement value. Replacement cost will differ depending on the type of asset, as illustrated in the table below.

Table 7: Replacement Cost for Tangible Assets

Asset	Replacement Cost
Agricultural Land	Equals the pre-project or pre-displacement, whichever is higher, market value of land of equal productive potential or use located in the vicinity of the affected land, plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes.
Urban Land	Equals the pre-displacement market value of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes.
Houses / Other Structures	Equals the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes.

Source: WB OP 4.12

For intangible losses that can not easily be valued in monetary terms (i.e. access to employment opportunities, public services, natural resources, social capital), the sub-projects should attempt to establish access to equivalent resources and earning opportunities that are acceptable to the PAPs.

14.2. Compensation

Compensation will be provided to all individuals whose assets or access to assets is severely affected or damaged, as a consequence of land acquisition or any other activities undertaken by the sub-projects. The compensation for the loss of physical and non-physical assets will vary depending on the type of loss, severity of the loss, and eligibility of the APs. Compensation may come in the form of cash compensation, in-kind compensation, and/or assistance.

All PAPs will be entitled to monetary compensation at replacement cost, at market value (at the entitlement cut-off date) for affected tangible assets. Another option may be in-kind compensation where the affected assets would be replaced with an asset of similar size, value, and quality. The decision on which type of compensation is used should be jointly agreed upon between the sub-project staff and the APs and shall be subject to the availability of replaceable assets. Moreover, development and resettlement transitional assistance needed to restore the livelihood and standard of living of PAPs under the sub-project to pre-project levels shall also be part of the compensation component of any

resettlement plan (i.e. short-term jobs, subsistence support, moving allowance, salary maintenance, food assistance, etc.).

It should be noted here that compensation for losses in communal property shall only be in-kind for the community as a whole, and shall take the form of reconstruction of the affected or damaged facility (i.e. public school buildings, markets, etc.) to - at least - the same standard it was on prior to the project's implementation.

15. ENTITLEMENT MATRIX

Each RAP should develop a resettlement matrix that identifies the expected negative impacts from the sub-project, the eligible persons for compensation, and the compensation policy that is to be applied. Since the sub-projects under LAD Project have not yet been specifically identified, the following entitlements matrix may serve as a generic tool for identifying the possible losses arising from the expected sub-projects and the respective entitlement benefits of the PAPs.

Table 8: Entitlement Matrix for Affected Persons

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Agricultural Land				
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost for the lost land¹⁰ plus the cost of preparing the land to levels similar to those of the affected land, plus the cost of any registration and transfer taxes. • Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> • A list of available arable and grazing land in each affected commune • A list of PAP and entitled persons • Consultations and formal agreement with PAPs on type of compensation (cash or in-kind) • If available and requested by the PAPs and agreed to by the sub-project and concerned authorities: provide equivalent land nearby, of similar size, value, and quality • In case of relocation, provide assistance to farmers during and after the relocation process • Provision of assistance to farmers to develop new crops and improve production for both crops and livestock • Poor and vulnerable PAPs (including the landless) will not be displaced until replacement land is provided
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • Provide development and transitional assistance in locating new replacement lease land. • Provide cash compensation for loss of crops or trees at replacement cost. 	
Loss of arable and grazing agricultural land or access to it	Permanent (complete or partial) loss of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> • No compensation for land. • Provide landless PAPs with resettlement assistance in securing temporary or lease rights to replacement land • Provide cash compensation for loss of crops or trees at replacement cost. 	

¹⁰ Calculated at entitlement cut-off date.

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Loss of arable and grazing agricultural land or access to it	Temporary ¹¹ (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. Provide cash compensation for loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease. 	<ul style="list-style-type: none"> If the temporary loss continues for more than one year, PAPs will be given a choice of either continuing with the temporary arrangements, or selling the affected land to the sub-project at full replacement cost at current market value Provision of development assistance to enable farmers / land owners to restore land to its previous condition or better quality by providing measures to improve land quality in cases of land being adversely affected.
Loss of arable and grazing agricultural land or access to it	Temporary (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use. Provide cash compensation for loss of crops or trees at replacement cost and compensation for loss of net income from subsequent crops that cannot be planted for the duration of the lease. 	
Loss of arable and grazing agricultural land or access to it	Temporary (complete or partial) loss of all or part of arable and grazing land located in the sub-project site	Farmers / Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> No compensation for land if returned to owner in less than one year. Provide cash compensation for loss of crops or trees at replacement cost. 	<ul style="list-style-type: none"> Provision of development and resettlement assistance to landless PAPs with no legal rights.

¹¹ Temporary here refers to a period of up to 3 year maximum (in conformance to the Government of Egypt's Legislation).

Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy & Standards	Implementation Issues
Urban Land (Residential and /or Commercial)				
Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost of land of equal size and use, with similar or improved public infrastructure facilities and services and located in the vicinity of the affected land, plus the cost of any registration and transfer taxes. • In the case that there are structures on the land, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. 	<ul style="list-style-type: none"> • A list of available non-arable land in each affected commune • A list of PAP and entitled persons • Consultations and formal agreement with PAPs on type of compensation (cash or in-kind) • If available and requested by the PAPs and agreed to by the sub-project and concerned authorities: provide equivalent land nearby, of similar size, value, and quality • Provision of development and resettlement assistance, mainly in the form of transition allowances for severely affected PAPs (transition
Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • In the case that there are structures on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. • Provide development and transitional assistance in locating new replacement lease land 	

Loss of urban residential or commercial non-arable land or access to it	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have any recognizable legal right or claim to the land	<ul style="list-style-type: none"> • Provide no compensation for land. • In the case that there are structures on the land which have been built by the users, provide cash compensation at replacement cost for the materials used to rebuild the structures or to partially repair an affected structure. • Provide landless PAPs with resettlement and transitional assistance in securing alternative commercial or residential land and to restore their livelihoods. 	subsistence allowance for food, moving incentive allowance, assistance in locating new residential or commercial leasing, and income transition allowance if businesses are affected).
Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy	Implementation Issues
Loss of urban residential or commercial non-arable land or access to it	Temporary (complete or partial) loss of urban residential or commercial non-arable land	Individuals who have formal legal ownership rights to land	<ul style="list-style-type: none"> • No compensation for land if returned to owner in less than one year. • Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use • Provide cash compensation for loss of crops, trees, or structures at replacement cost 	<ul style="list-style-type: none"> • If the temporary loss continues for more than one year, PAPs will be given a choice of either continuing with the temporary arrangements, or selling the affected land to the sub-project at full replacement cost at current market value
Loss of urban residential or commercial non-arable land or access to it	Temporary (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights	<ul style="list-style-type: none"> • No compensation for land if returned to owner in less than one year. • Provide cash compensation equivalent to the replacement cost at market price of renting the land during the temporary use • Provide cash compensation for loss of crops, trees, or structures at replacement cost 	<ul style="list-style-type: none"> • Provision of assistance to enable the land users owners to restore land to its pre-subproject condition by providing measures to improve land quality in cases where land is adversely affected
Loss of urban residential or	Temporary (complete or	Individuals who do not have any recognizable	<ul style="list-style-type: none"> • No compensation for land if returned to owner in less than one year. 	<ul style="list-style-type: none"> • Provision of resettlement assistance to landless

commercial non-arable land or access to it	partial) loss of urban residential or commercial non-arable land	legal right or claim to the land	<ul style="list-style-type: none"> • Provide cash compensation for loss of crops, trees, or structures at replacement cost 	PAPs with no legal rights
Structures or Buildings (Commercial, Business, Industrial, or Residential)				
Loss of structures or access to them	Permanent (complete or partial) loss of structures	Individuals who have formal legal ownership rights to the structures	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost which equals the market cost of materials used to build a replacement structure with similar area and quality, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. 	<ul style="list-style-type: none"> • A list of available structures in each affected commune • A list of PAP and entitled persons • Consultations and formal agreement with PAPs on type of compensation (cash or in-kind, i.e relocation)
Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy	Implementation Issues
Loss of structures or access to them	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have formal legal ownership rights to land but have temporary or leasing rights (tenants)	<ul style="list-style-type: none"> • Provide assistance in moving and finding similar and affordable rental accommodation (this may include moving allowance and rental allowance for a transitional period). 	<ul style="list-style-type: none"> • A 3-months notice - at least - to be given to the tenants.
Loss of structures or access to them	Permanent (complete or partial) loss of urban residential or commercial non-arable land	Individuals who do not have any recognizable legal right or claim to the land (squatters and persons in ownership dispute)	<ul style="list-style-type: none"> • Provide cash compensation at replacement cost for the structures if they were built by the users. • Provide assistance in moving and finding similar and affordable rental accommodation (this may include moving allowance and rental allowance for a transitional period). 	<ul style="list-style-type: none"> • The Environmental and Social Officer may look into the possibilities of formalizing the structures following their repair.
Standing Crops, Trees, and Plants				

Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who cultivate the land and who have formal legal ownership rights to the land on which the crops are	<ul style="list-style-type: none"> • Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	<ul style="list-style-type: none"> • A comparative list of the prices of agricultural products in local markets. • A list of tree and plant species in the commune area. • The sub-project activities should take into consideration the cropping patterns and seasons in order to avoid partial or complete loss – if possible.
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who do not have formal legal ownership rights to land on which the crops are but have temporary or leasing rights (tenants)	<ul style="list-style-type: none"> • Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	
Loss of standing crops, trees, or plants or access to them	Permanent (complete or partial) loss of standing crops, trees, or plants	Farmers or individuals who do not have any recognizable legal right or claim to the land on which the crops are	<ul style="list-style-type: none"> • Provide cash compensation for loss of crops, trees, or plants at replacement cost. 	
Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy	Implementation Issues
Income or Access to Income (Commercial, Business, and Industrial Activities)				
Loss of source of income or access to source of income	Permanent loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> • Provide transitional cash compensation until new permanent employment is secured based on net income (for a maximum period of 6 months). • Provide development assistance to PAPs (i.e. training in specific areas) in order to help them to maintain and/or improve their income generation potential and access to gainful employment. 	<ul style="list-style-type: none"> • A list of available commercial, industrial, and business activities in each affected commune • A list of PAP and entitled persons. • The Environmental and Social Officer shall assist in the provision of development assistance to severely affected PAPs

Loss of source of income or access to source of income	Permanent loss of income source or access to it	Owner or workers in informal unregistered businesses	<ul style="list-style-type: none"> • Provide transitional cash compensation until new employment is secured based on minimum wage per month in the respective district (for a maximum period of 6 months) • Priority shall be given to severely affected PAPs in the provision of any relevant employment in the activities related to the sub-project. 	severely affected PAPs and vulnerable groups (i.e. design training programs, formalizing informal activities, access to credit, including them in the sub-project's contractors' specifications wherever possible).
Loss of source of income or access to source of income	Temporary loss of income source or access to it	Owner or workers in formal registered businesses	<ul style="list-style-type: none"> • Provide cash compensation for the duration of business/income generation that is disrupted based on net income. 	
Loss of source of income or access to source of income	Temporary loss of income source or access to it	Owner or workers in informal unregistered businesses	<ul style="list-style-type: none"> • Provide cash compensation for the duration of business/income generation that is disrupted based on the minimum wage per month in the respective district. 	
Type of Losses	Level of Impact	Entitled Person(s)	Compensation Policy	Implementation Issues
Community Resources				
Loss of community assets or access to them	Permanent (complete or partial loss) of community physical assets	All members of the community	<ul style="list-style-type: none"> • Affected land will be replaced in areas identified in consultation with affected communities and relevant organizations and authorities. • Provide alternative or similar resources to compensate for the loss of access to community physical resources 	<ul style="list-style-type: none"> • A list identifying community physical assets and resources (i.e., public hospitals, markets, fishing areas, grazing areas, fuel, or fodder). • If income loss is expected due to the loss in any

<p>Loss of community assets or access to them</p>	<p>Temporary (complete or partial loss) of community physical assets</p>	<p>All members of the community</p>	<ul style="list-style-type: none"> • Restoration of affected community buildings and structures to original or better condition • Provide alternative or similar resources to compensate for the temporary loss of access to community physical resources 	<p>community assets, compensation for this loss shall be in the form of development assistance to restore the livelihoods of the PAPs.</p>
<p>Loss of socio-economic and/or social-cultural relationships / networks or access to them</p>	<p>Permanent (complete or partial loss) of community non-physical assets</p>	<p>All members of the community</p>	<ul style="list-style-type: none"> • Provide development assistance to enable community members to take advantage of income restoration measures noted above. • Provide alternative or similar resources to compensate for the loss of access to community social capital. 	<ul style="list-style-type: none"> • Identify different forms of social capital from PAPs’ point of view (i.e. social credit, networks, social cohesion, etc.)
<p>Loss of socio-economic and/or social-cultural relationships / networks or access to them</p>	<p>Temporary (complete or partial loss) of community non-physical assets</p>	<p>All members of the community</p>	<ul style="list-style-type: none"> • Provide development assistance to enable community members to take advantage of income restoration measures noted above. • Provide alternative or similar resources to compensate for the temporary loss of access to community social capital. 	<ul style="list-style-type: none"> • Consultation with PAPs to identify measures to rectify the permanent or partial losses in social capital.

16. INCORPORATING RESETTLEMENT AND COMPENSATION PLANNING INTO THE SFD SUB-PROJECT CYCLE

16.1. Institutional and Organizational Context

At present, there is no resettlement institutional capacity within the SFD. However, since the SFD's policy shall be to avoid involuntary resettlement under LAD sub-projects, and since no previous SFD project had involved the displacement or resettlement of people, it is believed that – at this point – there is no need to create an independent unit responsible for the preparation and implementation of RAPs.

It is recommended that a SRO be recruited at the Environmental and Social Policies Sector (ESPS), as per the organogram in figure 1. This person will be responsible for screening the sub-projects related to resettlement, appraisal of the sub-projects, preparation of RAPs for the sub-projects when needed, supervise sub-project implementation and disbursement of compensation to PAPs, and monitoring and evaluation of the RAPs. This will require specific training to enable the SRO working within the ESPS's central office as well as the AESFPs / RESFPs to undertake this task.

16.2. Proposed Preparation Process

16.2.1. Sub-Project Screening

Once the sub-projects under the LAD have been identified, they should be screened to determine whether or not they will necessitate the involuntary resettlement of people within the determined project area.

Annex H provides a guideline for screening sub-projects for resettlement.

16.2.2. Preparation of Socio-Economic Survey

Following the identification of the sub-projects that may necessitate involuntary resettlement, the next step would be prepare a socio-economic study, in which baseline data within the sub-project's target areas is collected. The study should be carried out by the environmental and social focal point in the relevant regional office with the help of the SRO. The regional environmental and social officer will need to collect information on the PAPs and related household members or dependents, total land holdings, and affected assets amongst other things. This information will be put in writing and integrated within the quarterly progress reports that the environmental and social focal point shall prepare. This information will also be used in the preparation of the RAP and in determining the appropriate compensation and assistance for each affected individual / household.

The objective of conducting this socio-economic survey is to:

- ③ Introduce the sub-project to the PAPs.
- ③ Collect census data to identify PAPs on the individual and household levels.
- ③ Collect census data to identify vulnerable and severely affected PAPs.
- ③ Collect census data on the overall socio-economic environment of the affected communities.
- ③ Identify stakeholders.
- ③ Identify impacts of the sub-project on the livelihoods of the PAP (i.e. property, structures, income, etc.).
- ③ Identify any concerns or worries the PAPs may have
- ③ Identify the resettlement preferences of the PAPs.

At this stage, if the affected community reflects severe dissatisfaction with the sub-project, the SFD would have to consider disapproving the sub-project at the appraisal stage. If the PAP expresses no major concerns that would inhibit the implementation of the sub-project, a resettlement plan will need to be drafted for the sub-project.

16.2.3. Preparation of Resettlement Action Plans

Any sub-project that shall entail the acquisition of land or may result in the involuntary resettlement of people or loss or restriction of access to private or communal resources will require the preparation of a RAP. The RAP should assess the number of PAPs, propose alternative locations for the sub-projects if possible, identify the eligibility criteria, include provisions for compensation and assistance, and address the means by which the sub-project monitoring and evaluation will take place to ensure that the PAPs receive their compensation and that their grievances are heard and addressed. The mitigation measures and compensation policies proposed in the RAP shall be disclosed to the PAPs for feedback and comments.

More specifically, according to Annex A of the WB's OP 4.12 on IR, the sub-project RAP should include:

- A description of the sub-project
- Identification of potential impacts
- Objectives of RAP
- Relevant findings of the socio-economic study
- Legal framework
- Institutional framework
- Eligibility criteria and eligible PAPs
- Valuation and compensation for losses
- Resettlement measures
- Site selection, site preparation, and relocation
- Housing, infrastructure, and social services
- Environmental protection and management
- Community participation
- Integration with host populations
- Grievance procedures

- Organizational responsibilities
- Implementation schedule
- Costs and budget
- Monitoring and evaluation

The RAP shall be carried out by the relevant regional environmental and social focal point, with the help of the SRO. The plan shall be attached to the sub-project ESIA and other documentation to be reviewed and appraised by the committees.

Annex I provides a sub-project land requirement and acquisition form that will help the AESFPs / RESFPs in completing their documentation.

16.3. Sub-Project Appraisal and Approval

The AESFPs / RESFPs, with the help of the SRO in the ESPS, will need to review and approve the sub-project RAP, including the proposed mitigation measures within the plan, prior to making a decision on whether or not the sub-project shall be implemented. The SFD shall take into consideration the communities concerns and worries raised in the process of putting together the socio-economic survey and RAP.

The RAP may need to be reviewed by other local or central authorities in some cases. Once the RAP has been approved by the SFD and the local authorities, the resettlement plan should be sent to the WB for final review and approval.

16.4. Sub-Project Implementation

Once the sub-project proposal (including the RAP) is approved by the appraisal committees at the SFD, the implementing agency shall be required to present a detailed survey of the project site to determine the scope of land acquisition and the impacts that the acquisition, demolition, and consequent displacement will have on the affected individuals, household, and communities. PAPs that have been determined to be eligible for compensation should be compensated prior to sub-project implementation, in accordance with the sub-project's RAP. This includes providing the PAPs with cash compensation, preparing the resettlement sites with the adequate structures and facilities, and / or providing different development and transitional assistance measures to assist the displaced persons need to

16.4.1. Sign Compensation Contract and Pay Compensation to the Affected People

As previously noted, affected individuals, households, and communities, who have been identified earlier under the socio-economic survey, will be consulted on their compensation preferences. The PAPs will be formally informed through written or verbal notification (in case some of the PAPs are illiterate) delivered in the presence of at least one public official. The environmental and social focal point in the regional office

will arrange meetings with the affected individuals / households to document the lands acquired by the sub-project throughout the implementation period and discuss the compensation process.

The PAP will be required to sign a contract detailing the acquired land plots and / or partially or completely affected structures and the corresponding types of compensation (i.e. cash or in-kind) that have been agreed upon. The signature of the compensation contracts as well as the actual payments and in-kin transfers shall be made in the presence of at least one public official from the village authorities. The contracts may also include contracts on possible transitional or developmental assistance and income restoration measures that will be given to the PAPs including, provision of skills training, access to credit, and sub-project related job opportunities.

16.4.2. Grievance Redress Mechanisms

A grievance mechanism should be devised in order for the PAPs to be able to voice their concerns, complaints, or dissatisfaction with any part of the compensation process and seek redress. Simply, complaints can be made concerning the non-fulfillment of contracts, compensation entitlement, types and levels of compensation, compensation policy, acquisition / destruction of land or assets, resettlement, or development or transitional assistance. The grievances should be addressed to the relevant regional office and local authorities (in case legal claims or land acquisition issues need to be settled) either verbally or in writing. The regional office manager and the environmental / social focal point will collect and review the grievances (in coordination with the representative local public official) monthly and the regional office manager shall make a decision on appropriate compensation. If the PAPs continue to refuse the compensation suggested by the regional office, the two parties may resort to legal action at the local government courts.

16.5. Resettlement Monitoring and Evaluation Arrangement

In line with WB requirements, internal and external resettlement monitoring and evaluation will be carried out in order to supervise resettlement implementation and ensure that all PAPs are compensated adequately.

16.5.1. Internal Monitoring

The regional environmental and social focal point will undertake internal monitoring of the RAP implementation every three months, which will be documented in the quarterly progress reports that also report on other environmental and social safeguards. The internal report will mainly cover resettlement policies and compensation standards, resettlement progress, delivery of resettlement compensation, provision of development and transitional assistance to PAPs (especially vulnerable groups), implementation schedule, fund disbursements, land or structure allocation, and grievances and redress.

16.5.2. External Monitoring and Evaluation

An independent agency will be required to do external resettlement monitoring and evaluation. The rationale behind hiring an external institution is to ensure that the overall objective of the resettlement plan is achieved in an equitable and transparent manner. In addition to reviewing the issues covered by the internal monitoring progress report, the external agency shall also evaluate and assess:

- the competence and effectiveness of the SFD regional staff and the training programs given to them,
- adequacy of compensation, development and transitional assistance techniques provided to the PAPs,
- ability to reach the most vulnerable PAPs,
- consultation and public disclosure of the RAP,
- effectiveness of the grievance redress mechanism,
- and the overall effectiveness of the entire ESMP.

The table below provides a list of some verifiable indicators for monitoring and evaluating the implementation of RAPs.

Table 9: Verifiable Indicators for Monitoring and Evaluation Implementation of RAPs

Monitoring	Evaluation
Percentage of individuals selecting cash or a combination of cash and in-kind compensation	Proposed use of payments
Payment of compensation to PAPs in various categories	Conformance to compensation policies described in the RAP
Number of grievances	Timeliness and quality of decisions made on grievances
Delivery of technical assistance, relocation, payment of transitional subsistence and moving allowances	Facilitation of access to technical and development assistance and transitional allowances
Delivery of income restoration and development assistance	Ability of individuals and households to re-store sources of income
Public information dissemination and consultation procedures	Timeliness, quality, and effectiveness of consultation and information disclosure
Completion dates of the RAP activities	Actual completion of resettlement activities compared with the RAP time schedule

The ESPS manager, with the help of external consultants, will be responsible for compiling all the individual sub-project progress reports drafted by the regional environmental and social officers, in addition to all the reports presented by the external

monitors, into an annual report. This annual report shall represent the ex-post valuation for all the sub-projects implemented during the year with a focus on environmental, social, and resettlement management planning. The report shall be submitted to the appraisal committees and the WB for review.

17. PUBLIC CONSULTATION AND DISCLOSURE

During the sub-project preparation phase and upon the identification of the sub-projects that will necessitate IR, public meetings should be held in the areas where resettlement and displacement may take place to introduce to the affected communities, and other primary stakeholders, general information on the sub-project and resettlement policies and procedures. Information will be given to the PAPs and other stakeholders on:

- Project components
- Project impacts
- PAPs' legal rights and entitlements
- Compensation policies
- Resettlement activities
- Grievance and redress Mechanism
- Implementation schedule
- Public consultation and disclosure of information.
- Organizational responsibilities.

It is crucial that the PAPs and other primary stakeholders are involved in the sub-project from the very early stages, and that relevant and adequate information about the sub-project and its activities is provided to them in a timely manner, since this would:

- Help identify the sub-project impacts and the affected individuals, households, and communities (especially the most vulnerable groups)
- Allow for the collection of more accurate data for the socio-economic survey
- Make the delivery of entitlement and services more transparent
- Reduce the potential for conflicts and minimize the risk of sub-project delays
- Support the formulation and design of resettlement programs and rehabilitation measures that meets the needs and priorities of the affected people

Following the preliminary introductory meeting, the PAPs will be again consulted during the process of conducting the socio-economic survey where they will be interviewed and asked to present their ideas, concerns, and preferences on issue regarding land acquisition and replacement, resettlement sites, compensation, and income restoration measures.

If the sub-project is approved, the PAPs should be involved in the actual formulation of different options for the RAP. After the finalization of the RAP it shall be publicly disclosed to all PAPs and other relevant stakeholders in a meeting. The stakeholders points of views will be taken into consideration upon the actual implementation of the RAP. The PAPs will have a chance to express their concerns with the implementation of the RAP through the grievances and redress mechanism mentioned above. It will be amongst the main objectives of the monitoring and evaluation phase to ascertain that the

PAPs complaints have been addressed and that they have been informed about the organizational procedures for resettlement throughout the entire process.

18. CAPACITY BUILDING AND TRAINING

The SFD staff (ESPS, AESFPs, RESFPs) will need to attend a number of WB-sponsored trainings on resettlement policies and planning in order to build their capacities and competencies in that area. The purpose of these training will be to give the SFD staff a better understanding of the WB's resettlement policies, as per OP 4.12 and prepare them to carry out resettlement planning, implementation, and management whenever needed.

Resettlement training has been accounted for in the Capacity Building Program proposed for implementing the ESMP (Table 4).

19. BUDGET AND SOURCES OF FUNDING RAPS

As soon as the sub-projects triggering IR have been identified and approved by the appraisal committees and the WB, realistic cost estimates shall be calculated based on the data collected from the socio-economic survey on the estimated number of PAPs that are likely to be affected by the sub-projects and the quantity and types of affected assets. The budget shall consider all of the anticipated impacts under the sub-project and calculate compensation according to actual replacement costs (at market value).

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ANNEXES

ANNEX A: BRIEF OVERVIEW OF THE LOCAL AREA DEVELOPMENT PROGRAM

In 2005 SFD launched a major new initiative called Local Area Development (LAD). This Operations Manual explains the concept and its various dimensions and also serves as a practical guide for the community and local authority stakeholders who will be responsible for implementing the new initiative in specific locations.

The new initiative aims at concentrating SFD's well-established poverty-alleviation and employment-generating activities within specific urban and rural areas of Egypt where there are clear concentrations of the poor and where there are clear deficits in basic social and economic services. Candidate areas will normally have populations ranging from 20,000 to 200,000 inhabitants.

Under an integrated local development approach there can be a better mobilization of community, the benefits of interventions can be better targeted, and there can be a more synergetic effect among the different interventions which will allow for greater overall impact. One of the main such synergies lies in the participation of local authorities and community associations in the identification, design, procurement, and operation of priority interventions. Another synergetic dimension is economic: increased purchasing power of poor families and increased government expenditures due to LAD in a particular area lead to more money in circulation and, in turn greater demand for services and labor. In addition, under the LAD approach there is an opportunity to measure the impact of interventions in specific locales in a systematic way.

LAD projects are to be established in the poorest rural and urban areas of Egypt. A typical LAD project will last on average 18 months from start to finish, including four months for preparation. It is envisioned that there will be a rolling program of LAD projects in different stages in different areas of the poorer governorates.

The following steps summary the LAD application in a particular area:

1. Using SFD's poverty mapping tools, possible candidate rural and urban areas are identified where analysis of poverty and service deficiency data indicate the greatest need for interventions. Candidate areas may include a cluster of villages, a whole rural markaz, or a district (hay) of a town.
2. Areas so identified are confirmed as candidates in coordination with governorate officials. A preliminary baseline socio-economic study as well as local development assessments and plans are prepared by outsourced consultants combined with maximum inputs from local authorities and local community organizations whose capacities are strengthened during the preparatory period and also during implementation. The preparatory period ends with a package of infrastructure, environment, economic, and social service subprojects for which stakeholder consensus is confirmed. This investment package and its

- implementation arrangements is then formalized in a framework agreement between SFD and the relevant governorate. In addition, and as spelled out by the framework agreement, specific financing agreements are made with active community development associations and local authorities at the markaz (rural) or hay (urban) level in the candidate area. In rural areas, special agreements will also be made with village councils. The package is carefully designed to complement, and avoid duplication with, other investments coming from various government agencies to the candidate area.
3. The kinds of subprojects eligible for SFD financing will normally be improvements and extensions in water and wastewater networks, road paving, canal covering, renovation and expansion of public buildings, provision of basic health services, illiteracy campaigns, vocational training, strengthening of community development associations (CDAs), and support to small and micro enterprises, including micro credit. In the formulation and design of these subprojects it is the local intermediary or community agency who takes the main role, supported and appraised by SFD's central and regional office staff.
 4. Before implementation, an independent Local Development Unit (LDU) is set up by the governorate in the candidate area with technical and financial support from SFD. This LDU is attached to the local unit partner and supports the preparation and implementation of subprojects. Before and during the implementation SFD regional offices make concentrated efforts to raise the capacities of local CDAs and local authorities in all aspects
 5. During the LAD project, implementation phase there is built-in flexibility to allow for adjustments in the mix of subprojects to reflect emerging realities, and there is also a strong monitoring and evaluation component.
 6. Following implementation, operations and maintenance of the particular subproject investments become the responsibility of the respective CDA or local authority, and checks are made to ensure that proper maintenance is carried out and that budgets are allocated for O&M. . Post-project impact evaluations are carried out by SFD, including a post-project repeat of the social economic baseline survey to measure true impact.

The LAD process is a collaborative effort among a number of actors, including governorates, local authorities and technical directorates, elected village and district councils, community development associations, and service NGOs. Throughout the LAD process the participation of the target beneficiaries, that is the community development associations and the communities themselves, is maximized.

All LAD subprojects are covered by SFD environmental directives to insure that environmental issues are considered at all stages of the sub-project cycle, and environmental safeguards and mitigation measures may be integrated into sub-project design.

Sub-project procurement and accounting and financial management of sub-projects by local authorities and CDAs is carefully designed and roles and responsibilities are explicit, including rules for reporting, monitoring and evaluation, sanctions, and audits. The Local Development Units set up in each LAD area will have a major role in procurement, reporting, and accounting.

ANNEX B: COMPARISON OF EEA AND WB'S ENVIRONMENTAL SCREENING MODELS

Project Category	EEAA Classification	World Bank Classification
Category A	A proposed project is classified as Category A (White List) if it is likely to have minor environmental impacts. The project proponent has to fill in the Environmental Screening Form A.	A proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive (i.e. irreversible or raises issues covered by OP 4.10 on <i>Indigenous Peoples</i> , OP 4.04 on Natural Habitats; OP 11.03 on Cultural Property, or OP 4.12 on Involuntary Resettlement, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works. EA for a Category A project examines the project's potential negative and positive environmental impacts, compares them with those of feasible alternatives (including the "without project" situation), and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance. For a Category A project, the borrower is responsible for preparing a report, normally an EIA (or a suitably comprehensive regional or sectoral EA) that includes, as necessary, elements of the other instruments.
Category B	A proposed project is classified as Category B (Grey List) if it is likely to have substantial environmental impacts. The proponent has to fill out Environmental Screening Form B.	A proposed project is classified as Category B if its potential adverse environmental impacts on human populations or environmentally important areas—including wetlands,

	The procedure consists of two stages: (1) screening (filling out Form B) possibly followed by (2) a scoped EIA on certain identified impacts/processes.	forests, grasslands, and other natural habitats—are less adverse than those of Category A projects. These impacts are site-specific; few if any of them are irreversible; and in most cases mitigation measures can be designed more readily than for Category A projects. The scope of EA for a Category B project may vary from project to project, but it is narrower than that of Category A EA. Like Category A EA, it examines the project's potential negative and positive environmental impacts and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance.
Category C	A proposed project is classified as Category c (Black List) if it is likely to have significant environmental impacts. The establishments / projects in the Black List are required complete an EIA due to their potential impacts.	A proposed project is classified as Category C if it is likely to have minimal or no adverse environmental impacts. Beyond screening, no further EA action is required for a Category C project.
Category FI		A proposed project is classified as Category FI if it involves investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts.

Source: EEAA and World Bank

ANNEX C: EEAA'S CLASSIFICATION LIST FOR THE SUB-PROJECTS¹²

A – Classifies Sub-Projects (White List)

This category includes facilities/projects that are believed to have minor adverse environmental impacts, in which case, the project applicant shall fill form (A).

Contents of Environmental Classification Form (A)

- | | |
|--|--|
| General Information: | <ul style="list-style-type: none"> • Name • Type • Owner's Name • Name of Responsible Official • Licensing Authority |
| Sub-Project Information: | <ul style="list-style-type: none"> • Site and location • Address • Total Construction Area • Type • Productive Capacity • Final product / By-products • Project phases and expected starting dates of each • Brief project description |
| Types and Quantities of Wastes Generated During Operational Phase and Treatment Methods: | <ul style="list-style-type: none"> • Liquid Waste • Solid Waste • Gaseous Emissions • Noise Prevention and Control Measures |

The following table demonstrates the number of activities defined by the EEAA under the A – Classified List. These projects are further spelled out below.

Type	Number
Industrial Projects	49
Agricultural Projects	3
Petroleum Projects	4
Energy and Infrastructure Projects	4
Other Projects	1
Total	61

¹² This classification list is currently under review by the EEAA, thus, it should be noted that it may need to be amended in the near future.

I – Industrial Projects

Food Industries:

1. Automatic / half automatic bakeries
2. Seed and legume roasting stores
3. Cooling stores / refrigerators with capacity less than 10 tons
4. Fruit and vegetable preservation stores
5. Poultry and bird breeding, slaughtering, and packing in incubation stores
6. Pastry and candy stores
7. Yeast and beer brewery factories in the licensed industrial zones
8. Milk fermentation, selling, bottling or canning/ drinking milk collection, packaging and selling stores / milk products' store (cheese, butter, etc.) / milk skimming stores / yoghurt stores / milk, yoghurt and all types of white cheese stores of less than 1 ton/day
9. Canned fruit and vegetable factories of no more than 1000 tons/year, in the approved industrial zones
10. Food products' factories, of no more than 1000tons/year
11. Foodstuff smoking facilities, with daily output of no more than 500kgm/day
12. Ice factories
13. Dried dates grinding and packaging
14. Vinegar bottling
15. Rice grating machine, small grinding machine (one or two stones), seed crusher and spice grinding, etc.
16. Restaurants far from water streams, seas, or drains.
17. Silo

Spinning, Weaving and Synthetic Fibers:

18. Weaving factories (having no dyeing units in the approved industrial zones)
19. Cotton ginning mills / cotton compressing and clearing stores / medical cotton factories.
20. String and rope factories (conditional on non-inclusion of plastic manufacturing processes)
21. Knitting works (sock darning, ribbons, elastic bands, waistbands, buttonholes), buttons / buckles, clothes manufacturing (without bleaching or dyeing), manual weaving, woven products' stores, carpets, domestic upholstery by sewing machine, upholstery ribbon factories.

Chemical Industries:

22. Stores of chemical fertilizer
23. Leather tanning (no-dyeing, factories in the approved industrial zones)
24. Un-tanned leather stores (not including manufacturing)
25. Leather product manufacturing (without tanning) stores.

Timber Industries:

26. Mechanical carpentry workshops
27. Musical instruments

Refractory Industries, Metallurgy, Building Materials, and Plastics:

28. Plastic cutting, welding / plastic bag roll cutting
29. Plastic crusher (inside the approved industrial zones)
30. Marble and granite cutting, polishing, and finishing

Metallic Industries:

31. Precious metals (gold, silver, platinum) processing stores, gold and copper plating, electrostatic painting
32. Metallic sponge
33. Smelters, turneries, non-smelting metallic forming, cold cutting workshops, soldering workshops, machine and engine maintenance workshops

Vocational and Service Projects:

34. Glass forming works, glass computerized cutting and chamfering-crystal trimming, mirror silvering
35. Shades manufacturing and assembly.
36. Photograph development and printing stores.
37. Seeds, insecticides, fertilizers (domestic-agricultural) without mixture or packing and in closed packets...
38. Fresh fish selling stalls
39. Printing houses (paper-silk screen)
40. Battery repair and charging stores
41. Car repair workshops, door alignment, turneries, repair and maintenance of mechanical part engines of cars, trailers, trucks, motorcycles, etc.
42. Engraving and zincograph.
43. Laundry and dry cleaning
44. Furniture painting stores
45. Paints retail sale stores, oils, varnish, gloss-printing inks
46. Coal, cattle cake, and dry fuel materials stores and warehouses
47. Metals, non-metallic painting, bleaching
48. Public garages (having no maintenance works)

II – Agricultural Projects

49. Poultry and sheep farms
50. Cattle, sheep, camel, horse, poultry (of any number) / Non-milk producing cattle, animal raising / public and private stables / pig-farms.
51. Manual slaughters

III -Petroleum Projects

52. Material selling stores / 50 liter / 200liter / 1000liter / benzene selling stores for not more than 180 liters/day, alcohol and petroleum materials selling stores if having two or more of those types, of any quantities.
53. Car fuelling service station (liquid-natural gas) curbstome pumps in non-environmental sensitive areas.
54. Gas filling (in the licensed industrial zones)
55. Gas pump stores

IV – Energy and Infrastructure Projects:

56. Drainage water treatment plants –capacity of 1000 PE or less
57. Extension or upgrading an existing road of not more than 15%
58. Extension of existing electrical power lines of not more than 10%
59. Construction or extension of an operation plant corresponding to 130 kW

V – Other Projects

60. Main cellular phone stations

B – Classified Sub-Projects (Grey List)
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This list includes the facilities that may result in significant environmental impacts. The project applicant should fill form (B), and may be possibly requested to conduct a partial or complete EIA, depending on the EEAA's assessment.

Contents of Environmental Classification Form (B)

General Information:	<ul style="list-style-type: none"> • Name • Type • Owner's Name • Name of Responsible Official • Licensing Authority
Sub-Project Information:	<ul style="list-style-type: none"> • Site and location • Address • Total Construction Area • Type • Productive Capacity • Final product / By-products • General Description of Surrounding Area (archeological, historic, touristic, recreational, or protected sites) • Available Infrastructure on Site • Reason for Choosing Site
Project Phases and Expected Starting Dates of Each:	<ul style="list-style-type: none"> • Construction Dates • Actual Operation Date
Brief Project Description:	<ul style="list-style-type: none"> • Water Sources • Type of Fuel Used
Types and Quantities of Wastes Generated During Operational Phase and Treatment Methods:	<ul style="list-style-type: none"> • Liquid Waste • Solid Waste • Gaseous Emissions • Noise Prevention and Control Measures
Detailed Description of Operational Phase:	<ul style="list-style-type: none"> • Project Components • Industrial Activities • Energy Source Used • Technology Used and Reasons for its Use • Labor Used

Types of Waste, Treatment Methods, and Disposal:

- Liquid Pollutants
- Air Pollutants
- Solid and Hazardous Waste

Initial Assessment of Environmental Impacts During Operational Phase and Minimization Measures:

- Impacts on Air Quality
- Impacts on Water Quality and Quantity
- Impacts on Soil Quality
- Visual Pollution
- Noise Pollution
- Other Impacts

The following table demonstrates the number of activities defined by the EEAA under the B – Classified List. These projects are further spelled out below.

Type of Activity	Number
Industrial Projects	93
Agricultural Projects	3
Petroleum Projects	8
Energy & Infrastructure Projects	14
Health Projects	2
Tourist Projects	3
Total	123

I. Industrial Projects

Food Industries:

1. Onion drying factories
2. Macaroni factories
3. Candy, juice, refreshments, soft drinks factories
4. Milk manufacturing
5. Halwa manufacturing
6. Biscuits and pastry factories
7. Vegetable oils (not including refinery /treatment)
8. Molasses factories
9. Sesame, vegetable oil, and tehina processing mill
10. Salt factories
11. Canned fruit vegetable factories (not more 1000t/y)
12. Foodstuff smoking factories (not more than 500kgm/d)
13. Animal fodder and fish processing facilities
14. Yeast, beer, mineral water, and natural water packaging factories (outside the approved industrial zones)
15. Starch factories

16. Dairies (pasteurized, sterilized milk, butter, cheese more than 1 ton/day)
17. Tobacco grinding and packaging, molasses, tobacco and snuff processing factories
18. Sugar refinery factories
19. Food products factories (not more than 1000 t/y)
20. Rice/cereals grinding mills
21. Ice cream

Spinning, Weaving and Synthetic Fibers:

22. Fiber producing plants like linen and their carding factories (outside residential areas)
23. Factories of synthetic fibers like silk and nylon, not including dyeing units
24. Textile dyeing works, at maximum of 10 t/d
25. Cellulose processing facilities, spinning and weaving factories (outside the licensed industrial zone)

Chemical (leather, paper, viscose, glass, and drug) Industries:

26. Paper, cardboard products, wall paper works
27. Eau de cologne, perfumes, cosmetics
28. Protective gloves for toxic gases
29. Printing houses (offset, magazine and newspapers)
30. Cork manufacturing stores
31. Industrial gas producing factories
32. Soap and glycerin factories
33. Sulphur factories
34. Liquefied gas cylinder and accessories manufacturing producing factories
35. Synthetic sponge factories
36. Plastic forming /dosing, plastic pipes factories / plastic piercing / plastic wire
37. Coating / plastic factories / crushers / elastic band factories
38. Packaging of liquid and solid chemicals and products (outside the approved industrial zones)
39. Gum and glue factories
40. Leather and shoe manufacturing facilities (outside the approved industrial zones)
41. Oil paints, varnish /printing inks factories
42. Sponge products and tire manufacturing
43. Tooth paste & powder, shampoo, hair oil
44. Fiberglass
45. Tanning mills, producing no more than 1 M²/year or using less than full 750 pieces of animal skin/day
46. Water treatment chemicals
47. Organic fertilizer /compost packaging, and mixing factories
48. Pencils and ball pens
49. Water pulp (less than 100 t/d of rice straw / 500 t/d of sugar cane waste)

50. Drug and cream packaging (excluding raw material or active ingredients processing)

Wooden Industries:

51. Wood immersion (chemical treatment) / synthetic wood factories
52. Doors, windows, timber supplies, furniture, and offices

Refractory, Metallurgy, and Building Materials:

53. Glass
54. Automatic slab manufacturing workshops and factories
55. Brick tile pottery and their pipes, chin-wares, brick clay factories
56. Cement products (cement tanks, manhole covers, etc.)
57. Brick, lime, gypsum/pottery kilns
58. Gypsum lime, brick dust, and glass workshops
59. Asphalt mixing factories, road pavement materials, reinforced concrete mixers
60. Dry processing cement factories- lime works (not more than 100t/h), and other (wet, semi wet-semi dry) processes which capacity is 50 t/h or less
61. Charcoal manufacturing, cleaning, treatment/ mills
62. Quarry clay treatment
63. Marble, sand, clay quarries, crushers, etc.
64. Minerals extraction in new areas over total area of 1500 feddans or less
65. Porcelain manufacturing projects of more than 200 kg/d, in case of being outside the approved industrial zone
66. Coal extraction from animal bone

Metallurgical Industries:

67. Metallic tins processing
68. Copper works
69. Metallic furniture
70. Surgical instruments
71. Copper rolling and smelting
72. Foil paper
73. Metal smelting factories and workshops (excluding the precious ones and lead)
74. Steel pipes
75. Photographing films and paper
76. Electric wires and cables
77. Iron and steel & non ferrous metal smelters
78. Surface treatment of iron, steel /non ferrous metals/ electric varnishing factories producing maximum of 25 t/d
79. Steam boilers
80. Steel and cast iron plants, provided, its productive capacity is not more than 150 t/d

Electric and Electronic Industries:

81. Manufacture of parts air condition sets
82. Manufacture and assembly of electric machines & refrigerators
83. Manufacture of scientific, arithmetic and electronic equipment
84. Manufacture of electric products (switches plug)
85. Factories of lighting lamps and bulbs
86. Plants of energy production by wind power
87. Manufacture of solar cells
88. Projects of electric techniques, including factories of batteries and accumulators

Vocational and Service Projects:

89. Car spray workshops / kilns
90. Photographing studios

Manufacture of Machines and Means of Transport:

91. Farming equipment and trailers
92. Manufacture and assembly of cars and vehicles
93. Thermal compressors

Waste Recycling Projects:

94. Facilities and sites for waste recycling processes

II. Agricultural Projects

95. Land reclamation, over a maximum area of 400 feddans
96. Fish farms in un environmentally vulnerable areas
97. Automatic/semi automatic slaughter house

III- Health Facilities

98. New hospitals (more than xx beds and extension of existing hospitals/ the treatment institutions)
99. (Hospital incinerators/treatment units) inside the hospital

IV- Petroleum Projects

100. Construction of a maximum of 50 km nautical/land pipelines in non-environmentally vulnerable areas
101. Benzene / gas / diesel storage tanks (and service stations) of total storage capacity of 15000 m³ or less
102. Service and car fuelling (gas- liquid) stations – greasing workshops
103. Petrochemicals factories, of 50 t/d maximum capacity

104. Land / nautical (geological/geophysical) exploration survey works
105. Land/ nautical (without development) exploration drilling
106. Productive drilling of production facility areas and linking the new wells with such facilities, without any new extensions

V- Projects of Energy and Infrastructure

107. Readjustment of existing quay not including the possible disposal of any water pollutants, repair of strait
108. Construction of a taxiway of 1500 m or less (extension of an existing airport)
109. Construction of railway line (50 km or less)
110. Sewerage treatment plants (capacity of 1000-1000000PE), urban waste treatment units
111. Inland and highways in cities (with annual average of 10000 cars or less)
112. Potable water filling and treatment/potable water plants and distribution systems, water supply facilities.
113. Bulk transport systems and express ways, over 50 km or less including subway, bridges and tunnels
114. Proposed extensions or adjustments in the existing irrigation and drainage structures for the facility extension.
115. Adjustment /widening of an existing road (more than 15%)
116. Extension of ship building docks, dry, and floating docks for ship repair and maintenance/extension of an existing arsenal
117. Sport stadiums
118. Thermal energy plant (30 mega or less)
119. Electrical transmission lines and conversion plants which were not mentioned in list (A)
120. Cleansing works of main water streams

VI- Tourist Projects

121. Hotels / resorts inside a tourist center, for which an integrated study was conducted, in downstream areas (behind the road-inside the approved built up area)
122. Operation of nautical line /construction of a scaffold on piles without mooring/anchorage.
123. Cafeteria overlooking seas, rivers, lakes and drains

C- Classified Sub-Projects (Black List)

This list includes the facilities, for which a complete EIA shall be conducted. The following table demonstrates the number of activities defined by the EEAA under the C – Classified List. These projects are further spelled out below.

Type of Activity	Number
Industrial Projects	22
Agricultural Projects	2
Petroleum Projects	10
Energy & Infrastructure Projects	19
Health Projects	1
Tourist Projects	4
Total	58

I. Industrial Projects

Food Industries:

1. Vegetable oil refinery and extraction
2. Vegetable oil refinery and other treatments, hydrogenated oils/ margarine, edible oils, vegetable and animal hydrogenated fats/ natural butter factory

Spinning, Weaving, and Synthetic Fibers:

3. Factories of synthetic fibers like silk and nylon including dyeing units
4. Textile and carpet dyeing works with maximum of more than 10t/d

Chemical (leather, paper, sponge, glass & drug) Industries:

5. Factories of acids, alkaline, and derivatives
6. Production of polymers (of more than 50t/d)
7. Factories of insecticides production and extraction/factories of insecticide chemicals packing and mixing
8. Factories of coal distilling and production of derivatives
9. Factories of water pulp production (more than 100t/d of rice straw and 500 t/d of sugar cane waste)
10. Tanning plants, producing more than one million cubic foot/year or using more than complete 750 pieces of animal skin/d
11. Production of different vaccines
12. Production of engine oils

Refractory, Metallurgy, and Building Materials:

13. Dry processing cement factories- lime works (not more than 100t/h), and other factories using (wet, semi wet-semi dry) processes which capacity is 50 t/h or less
14. Extraction of minerals in the new areas over maximum area of 1500 feddans
15. Utilities of porous natural metallic fibers production

Metallurgical Industries:

16. Lead smelters and processing factories
17. Factories of electric varnishing, which productive capacity is more than 25 t/d
18. Factories of non ferrous metals extraction
19. Steel and cast iron factories (more than 150 t/d)
20. Coke copper production and manufacture

Projects of Hazardous/Toxic waste Treatment/Disposal:

21. Facilities of toxic/hazardous waste treatment or disposal

II. Agricultural Projects

22. Land reclamation, over a maximum area of 400 feddans
23. Fish farms in un environmentally vulnerable areas

III- Health Facilities

24. Central (incinerators/treatment) units of hazardous and medical waste

V- Projects of Energy & Infrastructure

25. Development of nautical/land pipelines (if more than 50 km)
26. Oil & exploration drilling and land/sea development
27. Land/sea development of oil and gas fields
28. Land/sea oil /gas production
29. Construction of a maximum of 50 km nautical/land pipelines not in environmentally vulnerable areas
30. Benzene /gas/diesel storage tanks (and service stations) of total storage capacity of 15000 m³ or less
31. Oil and petrochemical refinery plants
32. Urban natural gas distribution networks
33. Oil and gas separation, treatment, handling & storage units
34. Petrochemical factories of not more than 50 t/d capacity
35. Bulk transport systems and express ways, (over 50 km) including subway, bridges and tunnels
36. Construction of airports/ extension of a taxiway of more than 1500m
37. Construction of railway lines (50 km or less)

38. Bulk water and drainage projects including dams and barrages
39. Sewerage treatment plants (capacity of 1000-1000000PE), including waste treatment units
40. Development of industrial zones
41. New urban development projects or their extensions
42. City inland and highways (with annual average of 10000 cars /d)
43. Construction of water streams
44. Desalination plants including distribution networks
45. Construction/extension of merchant ports/metallurgical or free ports whether inside a harbor or separate ones
46. Thermal power plants (more than 30 megawatt)
47. Nuclear fuel operated power plants
48. Trans-continental electrical connection plants
49. Water energy operated generation plants
50. Generation plants, including grids
51. Sludge treatment sites
52. Sanitary dumpsites
53. Construction of new docks for ship, dry, and floating docks for ship repair and maintenance

VI- Tourist Projects

54. Construction of hotels or resorts in environmentally vulnerable areas like the Nile, its two branches and main canal-in the tourist and monumental areas-crowded areas along sea beaches, lakes or inside protected areas
55. Construction of electric recreational areas
56. Marinas
57. Any facilities inside the beach or sea buffer zone, as well as those mentioned in list (B)

Serial No.	Issue	% of respondents		
		No / Small Impact (A)	Medium Impact (B)	Large Impact (C)
1.	Will the sub-project introduce new diseases to the sub-project area?			
2.	Will the sub-project increase exposure to existing diseases?			
3.	Will any of the sub-projects attract of pests and rodents?			
4.	Will the needed contributions from communities for the implementation of the sub project burden them?			
5.	Will the sub project operation and maintenance cost overload poor people?			
6.	Will the sub-project result in loss of jobs or affect the livelihoods of any groups?			
7.	Will the sub-project involve land expropriation, reallocation, or demolition of existing structures?			
8.	Will the sub-project lead to induced settlements by workers and others causing social and economic disruption?			
9.	Will the sub-project lead to environmental and social disturbance by construction camps?			
10.	Will the sub-project result in the loss of or negatively affect social networks or social capital?			
11.	Will the sub-project result in the marginalization of any specific category from the acquired benefits?			
12.	Will the project negatively affect the local culture or impose new ideas that might disturb community traditions?			
13.	Will the sub-project adversely impact indigenous people?			
14.	Will the sub-project increase traffic hazards to motorists and pedestrians?			
15.	Will the sub-project activities reduce aesthetic values or cause visual pollution for the community?			
16.	Will the sub-project have an impact on archaeological or historical sites, including historic urban areas?			
17.	Will the sub-project have an impact on religious monuments, structures and/or cemeteries?			
18.	Will the sub-project negatively affect any of the services provided to the community?			
19.	Will the project require the acquisition of land			

Serial No.	Issue	% of respondents		
		No / Small Impact (A)	Medium Impact (B)	Large Impact (C)
	(public or private, temporarily or permanently) for its development?			
20.	Will the sub-project result in the displacement and involuntary resettlement of people?			
21.	Will the project result in the temporary or permanent loss of crops, fruit trees, personal belongings, and / or structures (residential, public, commercial, etc.)?			
22.	Will the sub-project lead to the loss of rights or access to natural or economic resources (forests, rivers ..etc)?			
23.	Will the subproject result in pollution of any natural resources?			

Submitted and signed by the representative of the proposing agency _____ Date _____

Reviewed and signed by Environmental/Social Focal Point: _____ Date _____

Reviewed and Signed by ESPS Manager: _____ Date _____

ANNEX D': CHECKLIST OF LIKELY NEGATIVE SOCIAL IMPACTS OF SUB-PROJECTS – FIELD SURVEY QUESTIONNAIRE

Name of Sub-project:

Sub-Project Component:

Proposing Agency:

Interviewee Information¹³:

Gender:

Educational Status:

Average age:

Occupation:

Address:

Serial No.	Issue	No / Small Impact (A)	Medium Impact (B)	Large Impact (C)
24.	Will the sub-project introduce new diseases to the sub-project area?			
25.	Will the sub-project increase exposure to existing diseases?			
26.	Will any of the sub-projects attract of pests and rodents?			
27.	Will the needed contributions from communities for the implementation of the sub project burden them?			
28.	Will the sub project operation and maintenance cost overload poor people?			
29.	Will the sub-project result in loss of jobs or affect the livelihoods of any groups?			
30.	Will the sub-project involve land expropriation, reallocation, or demolition of existing structures?			
31.	Will the sub-project lead to induced settlements by workers and others causing social and economic disruption?			
32.	Will the sub-project lead to environmental and			

¹³ This information should be treated with confidentiality. The interviewee information might be useful to help in observing relations between responses and status of interviewee (e.g. specific replies were mentioned with higher frequency among women, illiterate, residents of certain place ..etc)

Serial No.	Issue	No / Small Impact (A)	Medium Impact (B)	Large Impact (C)
	social disturbance by construction camps?			
33.	Will the sub-project result in the loss of or negatively affect social networks or social capital?			
34.	Will the sub-project result in the marginalization of any specific category from the acquired benefits?			
35.	Will the project negatively affect the local culture or impose new ideas that might disturb community traditions?			
36.	Will the sub-project adversely impact indigenous people?			
37.	Will the sub-project increase traffic hazards to motorists and pedestrians?			
38.	Will the sub-project activities reduce aesthetic values or cause visual pollution for the community?			
39.	Will the sub-project have an impact on archaeological or historical sites, including historic urban areas?			
40.	Will the sub-project have an impact on religious monuments, structures and/or cemeteries?			
41.	Will the sub-project negatively affect any of the services provided to the community?			
42.	Will the project require the acquisition of land (public or private, temporarily or permanently) for its development?			
43.	Will the sub-project result in the displacement and involuntary resettlement of people?			
44.	Will the project result in the temporary or permanent loss of crops, fruit trees, personal belongings, and / or structures (residential, public, commercial, etc.)?			
45.	Will the sub-project lead to the loss of rights or access to natural or economic resources (forests, rivers ..etc)?			
46.	Will the subproject result in pollution of any natural resources?			

If all answers to this section are “No”, there is no need for further action. If all or any of the issues are indicated as “small, medium, or large impact”, best practice mitigation measures will be needed depending on the level of impact. Moreover, for medium and large impacts, this may trigger the WB safeguard policies requiring RPF / RAP or other management plans.

Signature of the Surveyor:

Date:

Signature of the representative of the proposing agency

Date

Reviewed and signed by Environmental/Social Focal Point:

Date

ANNEX E: SAMPLE TOR FOR THE PREPARATION OF AN ENVIRONMENTAL ASSESSMENT (EA) FOR THE MATROUH RESOURCE MANAGEMENT PROJECT II (MRMP II)

Terms of Reference

Background:

The on-going MRMP I project is expected to close by the end of 2002. This project emphasized natural resource management and improved agricultural and livestock production using a participatory approach involving local communities. The Government of Egypt (GoE) has requested the World Bank, in partnership with IFAD, to assist in the design and funding of a follow-on project (Second Matrouh Resource Management Project (MRMP II)). The development objective of this follow on project is to contribute to rural poverty reduction in the North West Coastal Zone (NWCZ) of Egypt through community-driven development. Naturally, this second project would build on the success of the MRMP and on the core of experienced professionals and infrastructure established.

The proposed Mathrouh Resource Management Project II (MRMP II) will also contribute to capacity building of various stakeholders, through community-based rural development and natural resource management.

The purpose of this project is consistent with the Bank Group's assistance strategy to Egypt which is focused around poverty alleviation and providing gainful employment to an increasingly large labor force. The alleviation of rural poverty is cited in the CAS as the most relevant target for the coming years.

The Ministry of Agriculture and Land Reclamation (MALR) will have the overall responsibility for the execution of the project, which would be entrusted to the Project Coordination Unit (PCU) in Marsa Matruh , which was established to implement the current MRMP. Coordination with EEAA will be established for the GEF component.

Scope:

The project will particularly take place in the region of Matrouh in the north west coastal zone and will be implemented over a period of 5 years.

To achieve its objectives, the project will support capacity building of local communities, focusing in particular on the needs of women, and demand-driven activities in the following areas: (i) watershed management and water harvesting; (ii) range management and sustainable agricultural and livestock development;(iii) rural roads; (iv) marketing and agro-processing; (v) women off-farm income-generating activities. With regard to natural resource management, in addition to watershed and range management, the

project will address biodiversity conservation and measure carbon sequestration under different land uses, with the support of a GEF grant.

Project Description.

The proposed MRMP II will be constituted of the following components:

Component 1. Local Community Capacity Building. The project is to be implemented through a community-driven development process. This approach requires the strengthening of the capacity of local communities to: (i) analyze their constraints, identify their objectives and priorities; (ii) decide on the allocation of limited resources according to their priorities, and prepare their own development plans (Community Action Plans - CAPs); (iii) monitor the implementation and evaluate the results. The project will provide support to the local communities to acquire those skills, through a learning-by-doing process. In addition to capacity-building through the process of designing, implementing and evaluating the CAPs, support will also be provided upon request, as part of the CAPs for: (i) literacy and numeracy, especially for women and girls; (ii) nutrition and health sensitization programs and environmental awareness programs targeting women, (iii) community affairs (organization and management); (iv) information and communication.

Component 2. Watershed Management, Water Harvesting and Soil Management using integrated watershed management approach. Based upon the present project team interactions with the communities, it is estimated that approximately 60% of the investments requested by the communities will be for watershed management and water harvesting. Watershed management may require the involvement of several communities having right over the watershed, for the design and implementation of sustainable watershed management plans taking into consideration the land use system, the communities' diverse needs for water and the need to reduce potential conflicts among users. Implementation will be carried out using the successful water harvesting and storage techniques and infrastructure (underground cisterns/reservoirs and various types of dikes for water retention at the field level and in the wadi) integrated within an overall strategy of watershed management.

Component 3. Improved Agricultural and Livestock Production and Range Management. A number of technologies have already been tested and adapted under the on-going project. An evaluation of these technologies with the communities is taking place as part of the preparation of the follow-on project. Under the follow-on project, the technologies, which the communities will have evaluated as relevant for their needs will be further, disseminated using the extension system in place and mass media communication. Communities will be able to include improved agricultural and livestock production and range management activities in their action plans and obtain advisory services and start up funds from the project to initiate activities in this domain. For those constraints that are still unresolved, for example in rangeland management, adaptive research may still be required in collaboration with the communities. Potential areas for productivity improvements or initiation of new activities are vegetable and fruit (targeting quality), livestock, range management, feed and forage, small livestock (poultry and rabbits) as

well as new crops such as medicinal plants. The component includes therefore advisory activities, start up fund for communities testing innovations, and research adaptation. Women will be specifically targeted for some of the innovations or new activities proposed under this component (such as vegetable production, medicinal plant production, small livestock raising).

Component 4. Marketing and Agro-Processing. This component will be of particular relevance to enable farmers and herders to increase their income from agriculture. The project will help local communities to identify market outlets and better respond to consumer demands (product quality and type, period of the year), as well as identify new products or new market niches for traditional products. It will also help the communities to get organized for marketing purposes, in particular negotiate with wholesalers and traders and access valuable market outlets. The project will also help set up a communication and information system to enable local communities to have access to information on economic opportunities, market niches, prices and relevant economic actors. Finally, the project will identify areas for support in agro-processing.

Component 5. Women Off-Farm Income-Generating Activities. The follow-on project will identify areas for support in order to make rug-weaving and other handicraft production more profitable, in particular addressing the marketing issue, both domestically and perhaps internationally.

Component 6. Biodiversity enrichment and environmental conservation and protection. This component is linked to component 2, in particular the rangeland management and component 1, soil and water management. In addition to the objective of natural resource management already included in these components, it will have the following specific objectives: (i) conserve biodiversity of the unique dry land plants and animals: some of the local species identified as endangered could be used for rangeland improvements; (ii) develop a coherent framework and national capacity to quantify and monitor carbon sequestration in different dry land ecosystems and under different land uses; (iii) build a public awareness and capacity for a replication strategy which would enable extension of project activities to other parts of Egypt and the Middle East and North Africa and West Asia Regions with similar ecology.

Component 7. Rural roads. As part of improved market access, rural roads may be requested by some communities (up to a total of 100 km of rural roads).

Component 8. Project Management and Coordination. The MALR has established a separate entity under MALR for the purpose of project implementation, monitoring and evaluation since the MALR services in the Mathrouh governorate do not have such capacity. The entity is already equipped with computers, telecommunication and GIS equipment, office furniture and some vehicles. MRMP II would continue support to this entity with operating funds (incentive payments, operating and maintenance costs, training and short term assistance) and replacement of some of the vehicles. However, the follow-on project will also seek to upgrade the entity to become an integral part of an established long-lasting institution (see section 2, Key policy issues).

Institutional/Implementation Arrangements:

The project management will be carried out by the PCU, situated at Marsa Matrouh with the Matrouh Applied Research Center (MARC) and its associated Training Center and the five subregional support centers. The PCU is appropriately staffed to ensure effective coordination of project components. The PCU is headed by a Project Director General and a Deputy Director General who are responsible for project planning and monitoring and have acquired considerable experience with the implementation of a Bank group funded project. The PCU has full administrative and financial autonomy, including for the disbursement of project funds. The PCU would operate through existing government organizations in the Governorate. The PCU would coordinate its activities through the National Coordinator in the MALR who would chair a National Coordination Committee (NCC) in Cairo. Representatives of the Ministry of Planning and International Cooperation, Egyptian Environmental Affairs Agency (EEAA) the General Manager of PBDAC, the secretary General of Matrouh Governorate and where appropriate, representatives of bi/multi-lateral projects being executed in the project area, and the Project Director General and the Deputy Director General Project coordination Committee in Marsa Matrouh. The NCC would meet at least once a year or as often as necessary.

At the regional level a Project Coordination Committee (PCC), which has been established under the MRMP would continue to function. The PCC includes the project Director General (Chairperson) and the Deputy Director General and representatives of the project's executing agencies, a representative from the Governorate, Matrouh Development and Reconstruction Sector (MDRS), Sub Regional Service Center chiefs and elected representatives of the participating communities. The PCC would coordinate the project implementation among the participating executing agencies, review and approve annual work programs with budgetary allocations based upon the Community Action Plans. It would also facilitate cooperation between the project and other projects and government agencies in the project area, in particular regarding health sensitization programs and women and girl literacy programs. PCC would initially meet once a month or as required initially and subsequently once every quarter. The PCU would seek the services of local and foreign technical assistance and further training for its staff and beneficiaries. The Project Implementation Plan will include detailed arrangements for project and financial management, procurement and accounting procedures.

Safeguards Considerations:

An initial safeguards screening for the this project shows that two safeguards policies of the Bank may be triggered:

- Operational Policy (O.P.) 4.01 – Environmental Assessment
- Operational Policy (O.P.) 4.04 – Natural Habitats

As most of the “demand-driven” sub-projects will involve civil construction works, small scale environmental impacts are anticipated. For example, rural roads, small civil works for watershed management, possible agro-processing facilities are all sub-projects with potential impacts. In addition the indirect impacts of rangeland management and unforeseen impacts of the use agro-chemicals should be assessed at the sub-project level. At the Project Concept Document (PCD) stage of project processing, the environmental category of “B” was assigned to the project.

Also at the PCD stage, the Natural Habitat Policy O.P. 4.04 was deemed as applicable because of the biodiversity of the unique dry land plants and animals. Some of the local species identified as endangered could be used for rangeland improvements without undermining the fragile natural habitats. To avoid any potential impacts, the sub-projects on biodiversity will be screened for potential impacts.

Under the World Bank’s new integrated approach to Safeguards, the new Safeguards Category is S2, and is further described on the Integrated Safeguards Data Sheet (ISDS).

Objectives for the Assignment:

The main objectives of the Assignment are to prepare:

Environmental Management Plan (EMP) – A simple EMP for public disclosure and for inclusion as an annex in the Project Appraisal Document (PAD).

Environmental and Social Guidelines Manual - A detailed Environmental and Social Guidelines Manual for inclusion in the Project’s Operations Manual.

The sub-objectives for the Environmental and Social Guidelines Manual are:

- description of the environmental policy and legal framework in Egypt relevant to the two Bank safeguard policies triggered in this project
- identification of good practices for environmental and social mitigation based on the previous MRMP I
- safeguard screening procedures to review sub-projects
- description of appropriate public consultation/participation techniques to identify potential environmental and social impacts
- typical terms of reference for sub-projects that require site specific EMP, as a result of the screening process
- training and capacity building program for various stakeholders
- monitoring indicators on implementation of the Environmental and Social Guidelines.

Scope of Work:

The Consultant will carry out the following tasks:

(i) Environmental Management Plan. Prepare a simple Environmental Management Plan that will summarize the major objectives and findings that are incorporated into the

Environmental Guidelines Manual. The EMP should be formatted with three major chapters (a) Main Environmental Mitigation Measures (b) Environmental Training and Capacity Program (c) Environmental Monitoring Program. In addition a brief implementation plan for the EMP including costs, timetable and assigned responsibilities should be included, as is outlined Annex C to OP4.01. The EMP should be suitable for public disclosure in Egypt and at the Bank's Info Shop, and for inclusion as an appendix to the PAD.

(ii) Environmental Sub-Project Screening Checklists. For each type of sub-project, the manual should contain a simple environmental screening checklist which poses a series of questions designed to identify risks to the environment (including the 5 Bank safeguard policies related to environment that include OP/BP/GP4.01 Environmental Assessment, OD4.04 Natural Habitats, OP4.09 Pest Management, OP4.36 Forestry) based on the identified site chosen for the sub-project. The goal of the checklist (also called a screening or environmental data sheet) is to identify which sub-projects require more environmental information in the form of a site-specific EMP EA Report and which can proceed without any special mitigation measures. Additional guidance on screening may be obtained from "Environmental Assessment Sourcebook Update No. 2: Environmental Screening" or through discussion with safeguard specialists from the Bank's unit MNSRE. Another reference document is: Latin America and Caribbean Region Sustainable Development Technical Paper No. 1, *Environmental Guidelines for Social Funds* (December 1998). A final reference is the World Bank MNA Region, *Guide for the Preparation of Environmental Assessments*, (October 2000).

(iii) Sub-Project Safeguard Review Procedures. Provide a brief description of how the checklist / environmental data sheet should be used by the community organizations when preparing their application forms for sub-projects. Integrate these review procedures with the participatory rural assessment procedures under the MRMP, whereby representatives of the local stakeholders will take part the preparation exercise. Ensure that any identified environmental issues discussed with the local community representatives during the preparation stage are included during the screening reviews. Provide a brief description of how the PCU should use the checklist /environmental datasheet as well issues identified by communities to screen sub-projects at the desk review stage and at the final field appraisal stage. Give examples of cases where a site specific EMP should be requested from the community groups by the PCU. These procedures will detail the steps to be followed at each stage of the project/subproject cycles in order to ensure compliance with Safeguard policies triggered in the context of the project. These procedures will in particular define how to conduct proper screening, supervision and monitoring and specify the reporting format. These procedures are to be included in the operational manual.

(iv) Overview Description of Relevant Egyptian Safeguard Legislation and Institutions. Provide an overview of the existing institutional and legal framework for environmental protection as it relates to the types of sub-projects included in the project. A source of relevant information that should be consulted is: *Evaluation and future development of the EIA system in Egypt*, A Report Prepared under the METAP EIA

Institutional Strengthening Project, (December 2000). Prepare a table to identify environmental permits and approvals required in Egypt the identified sub-projects. Identify when approvals are given e.g. on engineering design drawings, during construction, on acceptance of completed works.

(v) Good Practice Mitigation Measures. Prepare a compendium of good/best practice examples typical types of sub-project activities based on experience gained under the previous project, or similar projects in Egypt. The purpose of this task is to describe the key environmental mitigation measures that must be included with engineering designs for the detailed technical project description used in the procurement bidding documents. This good practice examples should be in a short concise format of about 1-2 pages per type of sub-project that could be appended to bidding documents. Include in the good practice section a list of key reference documents for use by community organizations in Egypt for the types of sub-projects included in the project; e.g., environmental design manuals, public health regulations, safety standards, environmental regulations, etc.

(vi) Capacity Assessment and Institutional Strengthening Program. Assess the environment and social safeguards capacity of the concerned project institutions, and major community groups and evaluate their acceptability relative to the recommended Environmental Guidelines Manual. Focus on the assessment of the capacity of the implementing agency to carry out in an efficient and sustainable manner the environmental procedures covering screening of sub-projects, supervision and monitoring. Prepare an required for implementation during the project. Conduct a pilot training workshop sessions to assist the PCU in implementing the procedures described in the Environmental Guidelines. Describe the key field procedures that contractors should carry out to ensure meeting the environmental mitigation measures included in typical contracts. Set the objectives for the PCU to accept the final hand-over of a sub-project that includes a site-specific EMP.

(vii) Terms of Reference for a Site-Specific EMP. Review and adapt existing Terms of Reference (ToRs) for environmental assessments and EMPs, and the requirements of the Egyptian legislation so as to develop ToRs appropriate to community projects, and then prepare concise 1-2 page ToRs for site-specific EMPs.

(viii) Environmental Monitoring. Described the impact measurement of all project components and activities will be monitored and reported in the PCU's bi-annual progress reports and reviewed by Bank supervision missions environmental assessments. Described how sub-selected sub- projects will be selected for post-audit style desk review and for field reviews, and how the data on screening will be summarized. Indicate the issues that will require special monitoring attention. Recommend monitoring concise criteria that will indicate 'satisfactory implementation progress' to be used with the Bank reporting system (PSRs-Project Supervision Reports).

(ix) Assistance with Bank Missions. Participate in relevant meetings during the pre-appraisal, appraisal and loan negotiations missions.

Reports

The reports should follow the following outlines:

1. Environmental Management Plan (EMP) – A simple 2 page EMP with the following chapters:

- Main Environmental Mitigation Measures
- Environmental Training and Capacity Program
- Environmental Monitoring Program

2. Environmental Guidelines Manual - A detailed 20- 40 page Environmental Guidelines Manual for inclusion in the Project's Operations Manual, with the following main chapters:

- Manual Objectives
- Policy, Legal, and Administrative Framework
- Summary of Good Practice Mitigation Measures
- Safeguard Screening Procedures
- Environmental Training and Capacity Program
- Environmental Monitoring Program
- Annexes:
 - Extracts From Most Relevant Legislation
 - Environmental Sub-Project Screening Checklists
 - Good practice examples should be in a short concise format of about 1-2 pages per type of sub-project
 - Terms of Reference for a Site-Specific EMP
 - Outline for the training materials

Planning

- DRAFT EMP TO BE DELIVERED PRIOR TO APPRAISAL MISSION AND FINAL EMP TO BE FINALIZED DURING APPRAISAL
- DRAFT ENVIRONMENTAL GUIDELINES TO BE DELIVERED PRIOR TO APPRAISAL AND THT FINAL TO BE DELIVERED 30 DAYS AFTER APPRAISAL

Schedule of Payments

- [SPECIFY THE TYPE OF CONTRACT]
- [SPECIFY THE SCHEDULE OF PAYMENTS AND TOTAL BUDGET]

ANNEX F: SAMPLE CHECKLIST FOR ENVIRONMENTAL AND SOCIAL MONITORING INDICATORS FOR SUB-PROJECTS

School Sub-Project:

Environmental Impact	Monitoring Indicator	Monitoring Frequency
Air Pollution	Noise Odors Dust Smoke Pollutants (i.e.CO, NOx. And SO2) Asbestos Paint containing lead	Annually
Water Pollution	Electrical Conductivity BOD – COD E-Coli Nitrates	Annually
Soil Pollution	Oil Wastewater Solid Waste	Annually
Cultural Heritage and Property	Number of identified cultural property within sub-project vicinity Administrative procedures to ensure safeguarding of cultural property	Annually
Indigenous Populations	Identification of any indigenous populations Benefits ensued to indigenous people in sub-project area	Semi-Annually

Health-Care Unit Sub-Project:

Environmental Impact	Monitoring Indicator	Monitoring Frequency
Air Pollution	Radiation Noise Odors Dust Smoke Pollutants (i.e.CO, NOx. And SO2) Asbestos Paint containing lead VOC	Annually

Water Pollution	Electrical Conductivity BOD – COD E-Coli Nitrates	Annually
Soil Pollution	Oil Wastewater Medical Liquid or Solid Waste Municipal Solid Waste	Annually
Cultural heritage and property	Number of identified cultural property within sub-project vicinity Administrative procedures to ensure safeguarding of cultural property	Annually
Indigenous Populations	Identification of any indigenous populations Benefits ensued to indigenous people in sub-project area	Semi-Annually

Road Sub-Project:

Environmental Impact	Monitoring Indicator	Monitoring Frequency
Air Pollution	Increase in traffic Noise Odors Dust Smoke Pollutants (i.e.CO, NOx. And SO2) Asbestos Paint containing lead VOC	Annually
Different Forms of Visual Pollution	Solid Waste Construction Waste Green Areas Sewage System Archeological Sites / Artifacts	Annually
Water Pollution	EC BOD-COD E-Coli Nitrates	Annually
Reduction or Migration of Water Sources	Productivity of water source	Annually
Obstruction of Water Collection	Obstruction of canals on the road Dispersion of natural canals Road erosion	Annually

Landslide, Erosion, and Structural Instability of Slopes	Falling rocks, soil, and debris on the road Change in road width	Annually
Population Emigration	Census	Annually
Tourism Support	Determination of incoming tourists	Semi-Annually
Involuntary Resettlement	Number of individuals / families subjected to IR Abidance with compensation policies	Quarterly
Land Ownership	Identification of land ownership per individual (size, legal form, etc.)	Quarterly
Land Acquisition	Amount of land acquired Compensation for land acquisition	Quarterly
Cultural Heritage and Property	Number of identified cultural property within sub-project vicinity Administrative procedures to ensure safeguarding of cultural property	Annually
Historical Sites	Number of identified historical sites within sub-project vicinity	Annually
Archeological Sites	Number of identified archeological sites within sub-project vicinity	Annually
Cemeteries and Tombs	Number of cemeteries and tombs within sub-project vicinity	Annually
Indigenous Populations	Identification of any indigenous populations Benefits ensued to indigenous people in sub-project area	Semi-Annually

ANNEX G: WORLD BANK OPERATIONAL POLICY NO. 4.12

THE WORLD BANK OPERATIONAL MANUAL

Operational PoliciesOP 4.12
December 2001

These policies were prepared for use by World Bank staff and are not necessarily a complete treatment of the subject.

Involuntary Resettlement

This Operational Policy statement was revised in April 2004 to ensure consistency with the requirements of [OP/BP 6.00](#), issued in April 2004. These changes may be viewed [here](#).

OP 4.12 (revised April 2004) applies only to projects that are governed by [OP/BP 6.00](#), *Bank Financing* - that is, those in countries with [approved country financing parameters](#). Other operational policy statements governing Bank financing that have been amended to reflect OP/BP 6.00 also apply to these projects, click to view a full [Table of Contents \(blue\)](#).

Projects in countries without approved country financing parameters continue to be subject to other operational policy statements governing Bank financing; click here for a full [Table of Contents \(yellow\)](#) that includes these statements.

Note: OP and [BP 4.12](#) together replace OD 4.30, *Involuntary Resettlement*. These OP and BP apply to all projects for which a Project Concept Review takes place on or after January 1, 2002. Questions may be addressed to the Director, Social Development Department (SDV).

1. Bank¹ experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost. This policy includes safeguards to address and mitigate these impoverishment risks.

Policy Objectives

2. Involuntary resettlement may cause severe long-term hardship, impoverishment, and environmental damage unless appropriate measures are carefully planned and carried out.

For these reasons, the overall objectives of the Bank's policy on involuntary resettlement are the following:

- (a) Involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs.²
- (b) Where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons³ should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.
- (c) Displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.⁴

Impacts Covered

3. This policy covers direct economic and social impacts⁵ that both result from Bank-assisted investment projects⁶, and are caused by
- (a) the involuntary⁷ taking of land⁸ resulting in
 - (i) relocation or loss of shelter;
 - (ii) lost of assets or access to assets; or
 - (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location;or
 - (b) the involuntary restriction of access⁹ to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the displaced persons.
4. This policy applies to all components of the project that result in involuntary resettlement, regardless of the source of financing. It also applies to other activities resulting in involuntary resettlement, that in the judgment of the Bank, are (a) directly and significantly related to the Bank-assisted project, (b) necessary to achieve its objectives as set forth in the project documents; and (c) carried out, or planned to be carried out, contemporaneously with the project.
5. Requests for guidance on the application and scope of this policy should be addressed to the Resettlement Committee (see [BP 4.12](#), para. 7).¹⁰

Required Measures

6. To address the impacts covered under para. 3 (a) of this policy, the borrower prepares a resettlement plan or a resettlement policy framework (see paras. 25-30) that covers the following:

- (a) The resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
- (i) informed about their options and rights pertaining to resettlement;
 - (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; and
 - (iii) provided prompt and effective compensation at full replacement cost¹¹ for losses of assets¹² attributable directly to the project.
- (b) If the impacts include physical relocation, the resettlement plan or resettlement policy framework includes measures to ensure that the displaced persons are
- (i) provided assistance (such as moving allowances) during relocation; and
 - (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site.¹³
- (c) Where necessary to achieve the objectives of the policy, the resettlement plan or resettlement policy framework also include measures to ensure that displaced persons are
- (i) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living;¹⁴ and
 - (ii) provided with development assistance in addition to compensation measures described in paragraph 6(a) (iii), such as land preparation, credit facilities, training, or job opportunities.

7. In projects involving involuntary restriction of access to legally designated parks and protected areas (see para. 3(b)), the nature of restrictions, as well as the type of measures necessary to mitigate adverse impacts, is determined with the participation of the displaced persons during the design and implementation of the project. In such cases, the borrower prepares a process framework acceptable to the Bank, describing the participatory process by which

- (a) specific components of the project will be prepared and implemented;
- (b) the criteria for eligibility of displaced persons will be determined;
- (c) measures to assist the displaced persons in their efforts to improve their livelihoods, or at least to restore them, in real terms, while maintaining the sustainability of the park or protected area, will be identified; and
- (d) potential conflicts involving displaced persons will be resolved.

The process framework also includes a description of the arrangements for implementing and monitoring the process.

8. To achieve the objectives of this policy, particular attention is paid to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, indigenous peoples,¹⁵ ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.

9. Bank experience has shown that resettlement of indigenous peoples with traditional land-based modes of production is particularly complex and may have significant adverse impacts on their identity and cultural survival. For this reason, the Bank satisfies itself that the borrower has explored all viable alternative project designs to avoid physical displacement of these groups. When it is not feasible to avoid such displacement, preference is given to land-based resettlement strategies for these groups (see para. 11) that are compatible with their cultural preferences and are prepared in consultation with them (see [Annex A](#), para. 11).

10. The implementation of resettlement activities is linked to the implementation of the investment component of the project to ensure that displacement or restriction of access does not occur before necessary measures for resettlement are in place. For impacts covered in para. 3(a) of this policy, these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, taking of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to the displaced persons. For impacts covered in para. 3(b) of this policy, the measures to assist the displaced persons are implemented in accordance with the plan of action as part of the project (see para. 30).

11. Preference should be given to land-based resettlement strategies for displaced persons whose livelihoods are land-based. These strategies may include resettlement on public land (see footnote 1 above), or on private land acquired or purchased for resettlement. Whenever replacement land is offered, resettlers are provided with land for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the land taken. If land is not the preferred option of the

displaced persons, the provision of land would adversely affect the sustainability of a park or protected area,¹⁶ or sufficient land is not available at a reasonable price, non-land-based options built around opportunities for employment or self-employment should be provided in addition to cash compensation for land and other assets lost. The lack of adequate land must be demonstrated and documented to the satisfaction of the Bank.

12. Payment of cash compensation for lost assets may be appropriate where (a) livelihoods are land-based but the land taken for the project is a small fraction¹⁷ of the affected asset and the residual is economically viable; (b) active markets for land, housing, and labor exist, displaced persons use such markets, and there is sufficient supply of land and housing; or (c) livelihoods are not land-based. Cash compensation levels should be sufficient to replace the lost land and other assets at full replacement cost in local markets.

13. For impacts covered under para. 3(a) of this policy, the Bank also requires the following:

(a) Displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms are established for these groups.

(b) In new resettlement sites or host communities, infrastructure and public services are provided as necessary to improve, restore, or maintain accessibility and levels of service for the displaced persons and host communities. Alternative or similar resources are provided to compensate for the loss of access to community resources (such as fishing areas, grazing areas, fuel, or fodder).

(c) Patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons. To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in preexisting communities and groups are honored.

Eligibility for Benefits¹⁸

14. Upon identification of the need for involuntary resettlement in a project, the borrower carries out a census to identify the persons who will be affected by the project (see the [Annex A](#), para. 6(a)), to determine who will be eligible for assistance, and to discourage inflow of people ineligible for assistance. The borrower also develops a procedure, satisfactory to the Bank, for establishing the criteria by which displaced persons will be deemed eligible for compensation and other resettlement assistance. The procedure includes provisions for meaningful consultations with affected persons and communities,

local authorities, and, as appropriate, nongovernmental organizations (NGOs), and it specifies grievance mechanisms.

15. *Criteria for Eligibility.* Displaced persons may be classified in one of the following three groups:

- (a) those who have formal legal rights to land (including customary and traditional rights recognized under the laws of the country);
- (b) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan (see [Annex A](#), para. 7(f)); and¹⁹
- (c) those who have no recognizable legal right or claim to the land they are occupying.

16. Persons covered under para. 15(a) and (b) are provided compensation for the land they lose, and other assistance in accordance with para. 6. Persons covered under para. 15(c) are provided resettlement assistance²⁰ in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the borrower and acceptable to the Bank.²¹ Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in para. 15(a), (b), or (c) are provided compensation for loss of assets other than land.

Resettlement Planning, Implementation, and Monitoring

17. To achieve the objectives of this policy, different planning instruments are used, depending on the type of project:

- (a) a resettlement plan or abbreviated resettlement plan is required for all operations that entail involuntary resettlement unless otherwise specified (see para. 25 and [Annex A](#));
- (b) a resettlement policy framework is required for operations referred to in paras. 26-30 that may entail involuntary resettlement, unless otherwise specified (see [Annex A](#)); and
- (c) a process framework is prepared for projects involving restriction of access in accordance with para. 3(b) (see para. 31).

18. The borrower is responsible for preparing, implementing, and monitoring a resettlement plan, a resettlement policy framework, or a process framework (the “resettlement instruments”), as appropriate, that conform to this policy. The resettlement

instrument presents a strategy for achieving the objectives of the policy and covers all aspects of the proposed resettlement. Borrower commitment to, and capacity for, undertaking successful resettlement is a key determinant of Bank involvement in a project.

19. Resettlement planning includes early screening, scoping of key issues, the choice of resettlement instrument, and the information required to prepare the resettlement component or subcomponent. The scope and level of detail of the resettlement instruments vary with the magnitude and complexity of resettlement. In preparing the resettlement component, the borrower draws on appropriate social, technical, and legal expertise and on relevant community-based organizations and NGOs.²² The borrower informs potentially displaced persons at an early stage about the resettlement aspects of the project and takes their views into account in project design.

20. The full costs of resettlement activities necessary to achieve the objectives of the project are included in the total costs of the project. The costs of resettlement, like the costs of other project activities, are treated as a charge against the economic benefits of the project; and any net benefits to resettlers (as compared to the “without-project” circumstances) are added to the benefits stream of the project. Resettlement components or free-standing resettlement projects need not be economically viable on their own, but they should be cost-effective.

21. The borrower ensures that the Project Implementation Plan is fully consistent with the resettlement instrument.

22. As a condition of appraisal of projects involving resettlement, the borrower provides the Bank with the relevant draft resettlement instrument which conforms to this policy, and makes it available at a place accessible to displaced persons and local NGOs, in a form, manner, and language that are understandable to them. Once the Bank accepts this instrument as providing an adequate basis for project appraisal, the Bank makes it available to the public through its InfoShop. After the Bank has approved the final resettlement instrument, the Bank and the borrower disclose it again in the same manner.²³

23. The borrower’s obligations to carry out the resettlement instrument and to keep the Bank informed of implementation progress are provided for in the legal agreements for the project.

24. The borrower is responsible for adequate monitoring and evaluation of the activities set forth in the resettlement instrument. The Bank regularly supervises resettlement implementation to determine compliance with the resettlement instrument. Upon completion of the project, the borrower undertakes an assessment to determine whether the objectives of the resettlement instrument have been achieved. The assessment takes into account the baseline conditions and the results of resettlement monitoring. If the assessment reveals that these objectives may not be realized, the borrower should propose

follow-up measures that may serve as the basis for continued Bank supervision, as the Bank deems appropriate (see also [BP 4.12](#), para. 16).

Resettlement Instruments

Resettlement Plan

25. A draft resettlement plan that conforms to this policy is a condition of appraisal (see [Annex A](#), paras. 2-21) for projects referred to in para. 17(a) above.²⁴ However, where impacts on the entire displaced population are minor,²⁵ or fewer than 200 people are displaced, an abbreviated resettlement plan may be agreed with the borrower (see [Annex A](#), para. 22). The information disclosure procedures set forth in para. 22 apply.

Resettlement Policy Framework

26. For sector investment operations that may involve involuntary resettlement, the Bank requires that the project implementing agency screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the borrower submits, prior to appraisal, a resettlement policy framework that conforms to this policy (see [Annex A](#), paras. 23-25). The framework also estimates, to the extent feasible, the total population to be displaced and the overall resettlement costs.

27. For financial intermediary operations that may involve involuntary resettlement, the Bank requires that the financial intermediary (FI) screen subprojects to be financed by the Bank to ensure their consistency with this OP. For these operations, the Bank requires that before appraisal the borrower or the FI submit to the Bank a resettlement policy framework conforming to this policy (see [Annex A](#), paras. 23-25). In addition, the framework includes an assessment of the institutional capacity and procedures of each of the FIs that will be responsible for subproject financing. When, in the assessment of the Bank, no resettlement is envisaged in the subprojects to be financed by the FI, a resettlement policy framework is not required. Instead, the legal agreements specify the obligation of the FIs to obtain from the potential subborrowers a resettlement plan consistent with this policy if a subproject gives rise to resettlement. For all subprojects involving resettlement, the resettlement plan is provided to the Bank for approval before the subproject is accepted for Bank financing.

28. For other Bank-assisted project with multiple subprojects²⁶ that may involve involuntary resettlement, the Bank requires that a draft resettlement plan conforming to this policy be submitted to the Bank before appraisal of the project unless, because of the nature and design of the project or of a specific subproject or subprojects (a) the zone of impact of subprojects cannot be determined, or (b) the zone of impact is known but precise sitting alignments cannot be determined. In such cases, the borrower submits a resettlement policy framework consistent with this policy prior to appraisal (see [Annex A](#), paras. 23-25). For other subprojects that do not fall within the above criteria, a resettlement plan conforming to this policy is required prior to appraisal.

29. For each subproject included in a project described in paras. 26, 27, or 28 that may involve resettlement, the Bank requires that a satisfactory resettlement plan or an abbreviated resettlement plan that is consistent with the provisions of the policy framework be submitted to the Bank for approval before the subproject is accepted for Bank financing.

30. For projects described in paras. 26-28 above, the Bank may agree, in writing, that subproject resettlement plans may be approved by the project implementing agency or a responsible government agency or financial intermediary without prior Bank review, if that agency has demonstrated adequate institutional capacity to review resettlement plans and ensure their consistency with this policy. Any such delegation, and appropriate remedies for the entity's approval of resettlement plans found not to be in compliance with Bank policy, are provided for in the legal agreements for the project. In all such cases, implementation of the resettlement plans is subject to ex post review by the Bank.

Process Framework

31. For projects involving restriction of access in accordance with para. 3(b) above, the borrower provides the Bank with a draft process framework that conforms to the relevant provisions of this policy as a condition of appraisal. In addition, during project implementation and before to enforcing of the restriction, the borrower prepares a plan of action, acceptable to the Bank, describing the specific measures to be undertaken to assist the displaced persons and the arrangements for their implementation. The plan of action could take the form of a natural resources management plan prepared for the project.

Assistance to the Borrower

32. In furtherance of the objectives of this policy, the Bank may at a borrower's request support the borrower and other concerned entities by providing

(a) assistance to assess and strengthen resettlement policies, strategies, legal frameworks, and specific plans at a country, regional, or sectoral level;

(b) financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations;

(c) financing of technical assistance for developing resettlement policies, strategies, and specific plans, and for implementation, monitoring, and evaluation of resettlement activities; and

(d) financing of the investment costs of resettlement.

33. The Bank may finance either a component of the main investment causing displacement and requiring resettlement, or a free-standing resettlement project with

appropriate cross-conditionalities, processed and implemented in parallel with the investment that causes the displacement. The Bank may finance resettlement even though it is not financing the main investment that makes resettlement necessary.

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1. “Bank” includes IBRD and IDA; “loans” includes IDA credits and IDA grants, guarantees, Project Preparation Facility (PPF) advances and grants; and “projects” includes projects under (a) adaptable program lending; (b) learning and innovation loans; (c) PPFs and Institutional Development Funds (IDFs), if they include investment activities; (d) grants under the Global Environment Facility and Montreal Protocol, for which the Bank is the implementing/executing agency; and (e) grants or loans provided by other donors that are administered by the Bank. The term “project” does not include programs under development policy lending operations. “Borrower” also includes, wherever the context requires, the guarantor or the project implementing agency.
 2. In devising approaches to resettlement in Bank-assisted projects, other Bank policies should be taken into account, as relevant. These policies include [OP 4.01](#), *Environmental Assessment*, [OP 4.04](#), *Natural Habitats*, [OP / BP 4.10](#), *Indigenous Peoples*, and [OP 4.11](#) (forthcoming), [Management of Cultural Property in Bank-financed Projects](#).
 3. The term “displaced persons” refers to persons who are affected in any of the ways described in para. 3 of this OP.
 4. Displaced persons under para. 3(b) should be assisted in their efforts to improve or restore their livelihoods in a manner that maintains the sustainability of the parks and protected areas.
 5. Where there are adverse indirect social or economic impacts, it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse economic and social impacts, particularly upon poor and vulnerable groups. Other environmental, social, and economic impacts that do not result from land taking may be identified and addressed through environmental assessments and other project reports and instruments.
 6. This policy does not apply to restrictions of access to natural resources under community-based projects, i.e. where the community using the resources decides to restrict access to these resources, provided that an assessment satisfactory to the Bank establishes that the community decision-making process is adequate, and that it provides for identification of appropriate measures to mitigate adverse impacts, if any, on the vulnerable members of the community. This policy also does not cover refugees from natural disasters, war, or civil strife (see [OP/BP 8.50](#), *Emergency Recovery Assistance*).
 7. For purposes of this policy, “involuntary” means actions that may be taken without the displaced person’s informed consent or power of choice.
 8. “Land” includes anything growing on or permanently affixed to land, such as buildings and crops. This policy does not apply to regulations of natural resources on a national or regional level to promote their sustainability, such as watershed management, groundwater management, fisheries management, etc. The policy also does not apply to disputes between private parties in land titling projects, although it is good practice for the borrower to undertake a social assessment and implement measures to minimize and mitigate adverse social impacts, especially those affecting poor and vulnerable groups.
 9. For the purposes of this policy, involuntary restriction of access covers restrictions on the use of resources imposed on people living outside the park or protected area, or on those who continue living inside the park or protected area during and after project implementation. In cases where new parks and protected areas are created as part of the project, persons who lose shelter, land, or other assets are covered under para. 3(a). Persons who lose shelter in existing parks and protected areas are also covered under para. 3(a).
 10. The *Involuntary Resettlement Sourcebook* provides good practice guidance to staff on the policy.
 11. “Replacement cost” is the method of valuation of assets that helps determine the amount sufficient to replace lost assets and cover transaction costs. In applying this method of valuation, depreciation of structures and assets should not be taken into account (for a detailed definition of replacement cost, see [Annex A](#), footnote 1). For losses that cannot easily be valued or compensated for in monetary terms (e.g.,

access to public services, customers, and suppliers; or to fishing, grazing, or forest areas), attempts are made to establish access to equivalent and culturally acceptable resources and earning opportunities. Where domestic law does not meet the standard of compensation at full replacement cost, compensation under domestic law is supplemented by additional measures necessary to meet the replacement cost standard. Such additional assistance is distinct from resettlement assistance to be provided under other clauses of para. 6.

12. If the residual of the asset being taken is not economically viable, compensation and other resettlement assistance are provided as if the entire asset had been taken.

13. The alternative assets are provided with adequate tenure arrangements. The cost of alternative residential housing, housing sites, business premises, and agricultural sites to be provided can be set off against all or part of the compensation payable for the corresponding asset lost.

14. Such support could take the form of short-term jobs, subsistence support, salary maintenance or similar arrangements

15. See [OP / BP 4.10](#), *Indigenous Peoples*.

16. See [OP 4.04](#), *Natural Habitats*.

17. As a general principle, this applies if the land taken constitutes less than 20% of the total productive area.

18. Paras. 13-15 do not apply to impacts covered under para. 3(b) of this policy. The eligibility criteria for displaced persons under 3 (b) are covered under the process framework (see paras. 7 and 30).

19. Such claims could be derived from adverse possession, from continued possession of public lands without government action for eviction (that is, with the implicit leave of the government), or from customary and traditional law and usage, and so on.

20. Resettlement assistance may consist of land, other assets, cash, employment, and so on, as appropriate.

21. Normally, this cut-off date is the date the census begins. The cut-off date could also be the date the project area was delineated, prior to the census, provided that there has been an effective public dissemination of information on the area delineated, and systematic and continuous dissemination subsequent to the delineation to prevent further population influx.

22. For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized resettlement specialists to advise on all aspects of the project relevant to the resettlement activities. The size, role, and frequency of meeting depend on the complexity of the resettlement. If independent technical advisory panels are established under [OP 4.01](#), *Environmental Assessment*, the resettlement panel may form part of the environmental panel of experts.

See [The World Bank Policy on Disclosure of Information](#), para. 34, (Washington, D.C.: World Bank, 2002).

24. An exception to this requirement may be made in highly unusual circumstances (such as emergency recovery operations) with the approval of Bank Management (see [BP 4.12](#), para. 8). In such cases, the Management's approval stipulates a timetable and budget for developing the resettlement plan.

25. Impacts are considered "minor" if the affected people are not physically displaced and less than 10% of their productive assets are lost.

26. For purpose of this paragraph, the term "subprojects" includes components and subcomponents.

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ANNEX H: RESETTLEMENT SCREENING GUIDELINES

1. Land Acquisition

- Will this sub-project require the acquisition of land?
- If yes, how much land will be acquired? What type of land is it (urban/agricultural)? What is the land being used for (residential/commercial/ec.)?

2. Potential Displacement

- Will the sub-project result necessarily result in the unavoidable in the displacement of people?
- If yes, how many people (PAPs) will be displaced as a result of the sub-project implementation?

3. Resettlement Measures

- If people will be displaced, are there resettlement measures in place to address the displacement?
- If yes, has land been allocated for the resettlement of PAPs?
- How much land has been allocated for each household? List name of PAP, location of proposed land, and size and description of plot.

4. Compensation

- Has compensation been agreed on for the PAPs?
- If yes, what is the compensation that has been offered to each PAP?
- If no, then how will the resettlement of the PAP be addressed?
- Describe the type of compensation to be given to each PAP under this subproject.

If the sub-project answers “Yes” to all the questions above, and the resettlement will be more than 50 people or 10 households, then a RAP should be prepared as part of the pre-appraisal of the subproject.

ANNEX I: SUB-PROJECT LAND REQUIREMENT AND ACQUISITION FORMSExisting Land Resources:

1. Name of Village:
2. Address:
3. Current land tenure/ownership in the village:
 - a. Individual land _____ *m2*
 - b. Household land _____ *m2*
 - c. Community land (e.g. belonging to) religious organizations _____ *m2*
 - d. CBOs, other (specify) _____ *m2*
 - e. Village land (under local authorities) _____ *m2*
 - f. Government land (under central authorities) _____ *m2*

Total Land Sources _____

4. Sub-project land requirement) _____ *m2*
5. Agreement to meet sub-project land requirement, as per Village Government Meeting of (day/month/year) and confirmed by Village Assembly of (day/month/year)

**ANNEX J: INSTITUTIONAL ANALYSIS OF THE ENVIRONMENTAL POLICIES
SECTOR (EPS)**