



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

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**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Eastern and Southern Africa		P179804	
Project Name	Strengthening Economic Policymaking Capacity in Africa		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Education	Investment Project Financing	3/31/2023	6/12/2023
Borrower(s)	Implementing Agency(ies)		
African Union Commission	African Union Commission		

**Proposed Development Objective**

To strengthen the capacity and sustainability of African economic policy institutes to undertake world-class policy relevant research, advise governments and collaborate for improved economic policy making across the region.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>50.00</b>

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

No

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

The economic shocks associated with the COVID-19 pandemic and the Ukraine war have further highlighted the need for strong African economic institutions to support economic decision-making through good quality research and policy advice. However, in most countries in Africa there are too few policy institutes with the capacity for robust research, analysis and advisory services. This limited capacity has often resulted in relatively limited demand from national governments and regional associations for the services of national and regional policy institutes. Addressing these knowledge supply and demand challenges will be critical to improving economic policy decision-making in the region.



The project aims to strengthen regional policy institutes so that they can contribute to higher quality and locally informed research that will lead to better economic policy. It will focus on areas that require regional cooperation for an effective response (e.g., climate change, regional economic integration, public health) and policy areas with positive and negative externalities that transcend national boundaries.

The proposed project aims to support the capacity and sustainability of African economic policy institutes to deliver more high quality, locally informed research and analysis to positively influence economic policy across the continent. The program will work across countries and with The African Union (AU) and Regional Economic Communities (RECs) to identify policy priorities and research needs that respond to national demand and have continental impacts. The proposed project will aim to support both the supply side, through institutional capacity development, and the demand side, through a focus on actions to support uptake of policy analysis and advice by national governments and regional organizations. The proposed project will be pan-African supporting institutions in both SSA and North Africa and collaborating with RECs across the continent.

The project will be organized around three main components: (i) Supporting a flourishing and sustainable policy research community through regional interventions; (ii) Enhancing research capacity of think tanks in regional priority areas which will include strengthening policy research uptake and institutional capacity for policy research; and (iii) Project coordination and management.

#### **D. Environmental and Social Overview**

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

The proposed grant will build the capacity of institutions in Africa to support policymaking aligned to IDA strategic priority areas. The call focused on five IDA priority areas for the region to accelerate economic growth, create jobs and address climate change: (i) economic transformation; (ii) agriculture, livestock and food security; (iii) human capital; (iv) digital and technical innovations; and (v) the energy transition. This regional program supports the capacity and sustainability of economic policy institutes that can contribute to higher quality and locally informed research that will lead to better economic policy and areas with significant costs and benefits beyond national boundaries. The Program aims to mobilize financing to support an independent, robust, and high-quality African knowledge ecosystem. At this stage the African countries that base the think tanks or economic policy institutes are not known. The think tanks or economic policy institutes will be selected through a competitive process by the apex institute.

The project doesn't support activities that have significant environmental and social risks/impacts. There are no civil works and related activities associated with this project. The grant activities focus on strengthening the capacity of African institutions to support governments to develop better policies to deliver on these priority areas. Such activities, while themselves having minimal or no social or environmental impacts, may involve providing support to institutions in carrying out or overseeing activities that do have potentially significant social and environmental implications. These implications should be considered in the design and implementation of the capacity support.

#### **D. 2. Borrower's Institutional Capacity**



The recipient of the IDA grant will be a regional body such as the African Union or one of its agencies that has pan-African membership and a mandate to discuss economic policy issues and will be responsible for selecting the apex institute and offering oversight of the program. It will be accountable to the World Bank for legal, fiduciary and safeguards compliance. The regional apex institution, selected competitively by the IDA grantee, will be the key regional coordination body tasked with the day-to-day implementation and management of the proposed project. The IDA grantee will on-grant IDA funds to the apex institute via a Partnership Performance Agreement (PPA). The apex institute will be responsible for fiduciary management and reporting, safeguards implementation and monitoring, and M&E, all governed by the PPA. The beneficiary think tanks or economic policy institutes, selected through a competitive process by the apex institute, will be responsible for the implementation of their proposals. Each think tank will receive a grant from the apex institute through a PPA based on annual work plans and will be tasked with institutional-level M&E, fiduciary and safeguards responsibilities. The proposed project will support pan-African supporting institutions in both Sub-Saharan Africa (SSA) and North Africa and collaborating with RECs across the continent. The institutional capacity for environmental and social risk management of the regional apex institution (which is not known at this stage) will be assessed during project preparation to ensure that the project is implemented in line with the environmental and social Framework (ESF). The assessment will define the required level of engagement and establishment of functioning E&S risk management team including resources to build environmental and social risk management capacity.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Low

#### Environmental Risk Rating

Low

The Project supports technical assistance and capacity building to strengthen institutional systems, platforms, and the uptake of research by governments for policy-making; research, analysis, modeling, policy engagement and communication; linkage between the international partner institutions with African think tanks to global policy institutes, organizations and universities to building technical capacity and expand research. The project also supportss the African economic policy institutes to deliver more high-quality, locally informed research and analysis to positively influence economic policy across the continent. There will also be a support to the financial sustainability of policy institutes on the continent through an Endowment Fund, which will provide regular funding to think tanks in Africa. There will not be direct support or the formulation of policies and programs but rather a capacity-building activity through research and communication. Furthermore, it is also noted that the Project is planned to be implemented at an institutional level and doesn't have a physical footprint on the ground. No rehabilitation or construction of new infrastructure or TA-type activities that result in negative environmental impacts will be financed through the project. The capacity-building support for the African economic policy institutes including the feasibility study for the endowmet fund will be undertaken in compliance with relevant environmental and social framework in a manner that is consistent with the ESF and the World Bank's Advisory Note on Technical Assistance. The E&S implications coming from to the implementation of capacity building activities will be taken into account during the design and implementation of the capacity support cconsidering relevant ESF requirements. Thus, considering the limited ground footprint of all the referenced activities the expected environmental, health and safety risks of the project are limited and small which could be easily mitigated through proper consideration of environmental and



social objectives into the planning process. Therefore, at this stage the environmental risk rating of the project is rated low. Once available, the results of the Borrower’s capacity assessment to be developed during preparation will further confirm the risk rating.

**Social Risk Rating**

Low

The overall project social risk is rated as low. The project will support technical assistance (TA) activities, that do not have direct adverse social impacts. These activities include TA to think tanks in economic policy research, analysis and policy engagement with government, civil society organizations (CSOs), media and other stakeholders. Nevertheless, the outcomes of TA support may – if subsequently implemented by the participating countries’ governments may have downstream social implications. The TA studies supporting economic policymaking, shall therefore, systematically examine social risks, impacts, and issues, associated with the policy at the national level but also in smaller areas (strategic social analysis). This analysis will be closely integrated with the economic policy analyses so that the social implications are taken into consideration for future project selection, siting, and design decisions. There could be risks of excluding women and other vulnerable groups (such people living with disabilities) from activities relating to training, fellowships, staff exchanges, and secondment programs as economic policy institutes or think tanks in Africa tend to be dominated by male researchers, analysts, and leaders. The project will give priority considerations in the TA programs and activities to women and other potential beneficiaries who represent underserved demographics, geographies, and sectors, including the vulnerable disadvantaged and groups in the participating countries. The project will ensure broad stakeholder engagement and information dissemination of its, policy-making and training activities to facilitate broad participation of potential beneficiaries – particularly these marginalized groups, CSOs, media and other institutions who may represent vulnerable segments of society – in order to achieve maximum project development benefits. Other risks include, labor and working condition risks due to failure to abide by national legislation on working hours, wages, overtime, compensation or benefits. These social risk will be addressed in ESF instruments, such as the Environment and Social Commitment Plan (ESCP), abbreviated Stakeholder Engagement Plan (SEP) and a simplified Labour Management Procedures (LMP) which will be developed by the grant recipient to mitigate these risks. Furthermore, the project will include a grievance redress mechanism (GRM). All project implementation partners are required to adhere to and implement measures contained in the ESF instruments.

Public Disclosure

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

**B.1. General Assessment**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

**Overview of the relevance of the Standard for the Project:**

This standard is considered relevant. The project under its components supports policy research across Africa and aims to enhance the demand for and uptake of high-quality research by regional bodies, Regional Economic Communities (RECs), and African governments for policy and decision-making. It also supports enhancing the Research Capacity of Think Tanks in Regional Priority Areas. Therefore, considering the capacity support targeted under this project, the requirements set out in paragraphs 14-18 of ESS1 including considerations for future project selection, siting, and design decisions will be applied to technical assistance activities and integrated with the economic policy analyses as relevant and appropriate to the nature of the risks and impacts. The terms of reference,



work plans, or other documents defining the scope and outputs of capacity-building activities will be drafted so that the advice and other support provided are consistent with ESSs 1-10.

There could be risks of excluding women and other vulnerable groups (such people living with disabilities) from activities relating to training, fellowships, staff exchanges, and secondment programs as economic policy institutes or think tanks in Africa tend to be dominated by male researchers, analysts, and leaders. The project will give priority considerations in the TA programs and activities to women and other potential beneficiaries who represent underserved demographics, geographies, and sectors, including the vulnerable disadvantaged and groups in the participating countries. Other risks include, sexual exploitation and abuse and sexual harassment (SEA/SH) among project workers and with stakeholders and/ or local communities, and labor and working condition risks due to failure to abide by national legislation on working hours, wages, overtime, compensation or benefits

Grievance redress mechanisms will also need to be established, publicized, maintained, and operated, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10.

The “regional body” (the African Union or one of its agencies) is expected to prepare an abbreviated SEP and an ESCP prior to the appraisal. To manage the direct workers employed in the project activities as well as contracted workers who might be working through consultancy firms for the capacity building services, the regional body will prepare a simple LMP. The project’s ESCP will also include all the requisite E&S actions and commitments between the regional body and the Bank to ensure that environmental and social impacts are addressed and managed in keeping with the Bank’s ESF. The “regional body” shall obtain clearance from the Bank and publicly disclose the ESCP and SEP prior to appraisal.

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

N/A

**ESS10 Stakeholder Engagement and Information Disclosure**

ESS10 is relevant to the project. The recipient of the IDA grant will be expected to prepare an abbreviated SEP. The SEP will outline how the regional apex institution and the think tanks or economic policy institutes will engage stakeholders in each of the participating countries during the preparation and implementation of the sub-project activities. The initial version of this should be finalized, consulted upon, and disclosed by appraisal, including the development of or strengthening of an existing GRM for the project. The SEP will outline the characteristics and interests of the relevant stakeholder groups and the timing and methods of engagement throughout the life of the project. Specifically, it will set out how women and vulnerable groups are engaged in the project activities, including in the economic policy-making engagements and dissemination of research. Other key stakeholders to be engaged and consulted will include potential beneficiaries and project-affected persons, including vulnerable and marginalized people (women, poor, elders, and people with disabilities), as well as CSOs with an interest or involvement in the project. The project will ensure that information is meaningful, timely, and accessible to all affected stakeholders,



including the use of appropriate languages, and addressing cultural sensitivities, and challenges deriving from illiteracy or disability. The project will further ensure that information disclosure takes place in an on-going, satisfactory, manner and culturally appropriate manner that allows for each country's context. The SEP to be developed should consider the current practices and institutional arrangements of the grant recipients regarding stakeholder engagement activities, including aspects of the GRM.

## **B.2. Specific Risks and Impacts**

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

### **ESS2 Labor and Working Conditions**

This Standard is considered relevant. The capacity-building activities supported under the project will be provided through existing staff and potential partner organizations. The size and composition of the team specifically working on this project (direct workers) is to be determined, during the grant's execution stage. Labor risks are low and will likely include failure to abide by national legislation on working hours, wages, overtime, compensation, or benefits. Similarly, the risk of child or forced labor is very low. A worker grievance mechanism will be put in place to ensure a basic, responsive grievance mechanism to allow workers to quickly inform management of poor labor conditions (such as extended work hours without overtime payment) and unsafe work practices.

A simple LMP will be prepared by the grant recipient outlining requirements for working conditions, management of worker's relationships, occupational health, and safety, code of conduct (including relating to SEA/SH ), forced labor, child labor and grievance arrangements for employees of agencies receiving grants under the project, based on the provisions of ESS 2, and considering national laws and regulations. The OHS requirements of WBG EHS guidelines could also be considered as well in the ToRs for capacity building and feasibility study. This requirement to prepare a simple LMP will be outlined in the ESCP.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

ESS3 is considered relevant and shall be taken in to consideration during the developments of ToRs for capacity building activities and feasibility study for the TA activity in relation to the strategic priority areas (which include among others agriculture and energy transition) will consider including relevant ESS3 requirements (as well as WBG EHS Guidelines).

### **ESS4 Community Health and Safety**

Even though direct risks to community health and safety are considered low at this stage, the capacity building activities must align with the ESS4 requirements. Any risks to community health and safety, including SEA/SH associated with the capacity building activities such as formal training provided by the project and the mentorship program where hands-on technical assistance and capacity building support will be delivered to policy institutes or think tanks, mid-cadre technical and young professionals in government, CSOs and media, will need to be determined once the nature of these activities is further defined. Community health and safety, including requirements for PPE, hygiene standards and distancing, will also need to be considered during stakeholder engagement in line with the



local COVID-19 situation. The project will follow applicable laws in participating countries to address the community health and safety risks, complemented by any necessary measures to be consistent with the ESF.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

N/A

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

ESS6 is considered relevant. Though proposed Project will not finance or support any civil works that might affect biodiversity or management of living natural resources, ToRs for capacity building activities and feasibility study for the TA activity in relation to the strategic priority areas (which include among others agriculture and energy transition) will consider including relevant ESS6 requirements (as well as WBG EHS Guidelines).

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

This standard is not relevant. However, project capacity-building activities are open to all eligible participants in the participating countries. Potential TA beneficiaries could include members from indigenous groups and/or institutions such as NGOs or other institutions who may work and represent the interests of the indigenous groups. Therefore, the project will ensure broad information dissemination on the design and engagement of the project activities to facilitate their participation in the capacity-building programs, including the dissemination of information among national indigenous organizations.

**ESS8 Cultural Heritage**

N/A

**ESS9 Financial Intermediaries**

N/A

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

**OP 7.60 Projects in Disputed Areas**

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**





**A. Is a common approach being considered?**

No

**Financing Partners**

None

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

- 1. Environmental and Social Commitment Plan (ESCP)
- 2. Abbreviated Stakeholder Engagement Plan (SEP)

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

- 1. Simple labor management procedures
- 2. Establish and ensure the functionality of workers GRM throughout the implementation period

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

01-Mar-2023

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: African Union Commission

**Implementing Agency(ies)**

Implementing Agency: African Union Commission

**V. FOR MORE INFORMATION CONTACT**

Public Disclosure



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**VI. APPROVAL**

Task Team Leader(s):	Samer Al-Samarrai
Practice Manager (ENR/Social)	Iain G. Shuker Recommended on 02-Dec-2022 at 08:31:25 GMT-05:00
Safeguards Advisor ESSA	Peter Leonard (SAESSA) Cleared on 23-Dec-2022 at 15:40:18 GMT-05:00