



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 03/25/2022 | Report No: ESRSA01935



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Maldives	SOUTH ASIA	P177240	
Project Name	Sustainable and Integrated Labor Services (SAILS)		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing	3/30/2022	5/31/2022
Borrower(s)	Implementing Agency(ies)		
Republic of Maldives	Ministry of Economic Development, Ministry of Economic Development, Maldives Pension Administration Office		

Proposed Development Objective

To enhance the resilience and employability of Maldivians by establishing a sustainably financed unemployment insurance scheme and integrated labor market services.

Financing (in USD Million)	Amount
Total Project Cost	24.00

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 proposed project will establish and foster the development of an integrated unemployment insurance and employment services scheme for Maldives. This will increase the capacity of the national social protection system to support Maldivians affected by major climate and other shocks. The project will provide the initial financing to set up the program’s core fund, legal structure, systems and processes, and create public awareness of the program, including its branding and features. It will help the new program to register workers, establish the processes for



collection of contributions, and optimize financial management of funds under its control. It will then support the commencement of program services to the unemployed, including application, enrollment, payment of benefits, training and job search assistance. It will expand the existing labor market information system to serve as the main program delivery platform, linking jobseekers to jobs and training opportunities. It will also support the decentralization of service delivery for the national Job Center to selected atolls and island councils nationwide, to improve the delivery of employment and other social services. Finally, the project will build the capacity of the program's implementing agencies to ensure the long-run financial and technical sustainability of social protection programs.

D. Environmental and Social Overview

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

Maldives is an island nation in the Indian Ocean oriented north-south off India's Lakshadweep Islands. It consists of 1,192 coral islands grouped in a double chain of 26 atolls. The country's atolls encompass a territory spread over roughly 90,000 sq. km, making it one of the world's most geographically dispersed countries. Over 200 of its 1,192 islands are habituated by the country's population, with an average of 5-10 islands in each atoll being inhabited islands with infrastructure such as housing, roads and other facilities built in. The islands consist of coral, sea grass, seaweed, mangrove and sand dune ecosystems which are of great ecological and socio-economic significance. As of 2017, Maldives has 436,330 inhabitants with approximately 373,330 Maldivians and 63,000 expatriate workers.

The Maldives is an upper middle-income country with gross domestic product (GDP) per capita of US\$10,331 in 2018. Maldives has very low rates of poverty compared to its regional, income, and small island peers. It has sustained an average annual GDP growth rate of more than 10 percent over the last four decades, eliminating extreme poverty and performing well on human development indicators. Maldives ranks 101st out of 189 countries in the Human Development Index (HDI) for 2017, the second-highest HDI rank in the South Asia region after Sri Lanka. However, Poverty rates and the level of inequalities seem to vary by region, with locals in southern atolls more likely to be affected by poverty. Further, the Maldivian economy remains dependent on a small number of sectors: tourism (20.2 percent), transport and communication (11.1), construction (9.3 percent), and trade (9.0 percent) (2018 figures).

In terms of digital connectivity, in 2019, 63 percent of the population or 60 percent of households used the Internet; unique mobile subscribers constituted 57 percent of the population. These indicators of internet uptake position Maldives ahead of other countries in South Asia. However, the outer islands and atolls lag behind by the access to fast, affordable Internet connectivity - for e.g. 83 percent of households in Malé have access to fixed broadband services, compared to 51 percent of households in the atolls.

The geographical isolation of the islands means a dispersed population across many small islands which significantly limits opportunities for job creation and economic diversification. With the tourism sector contributing directly to about one-fifth of total employment in the country in 2017, only 55 percent of the 34,500 jobs created were filled by Maldivian staff. Further, while public sector jobs account for approximately 40% of total employment, public-private wage differentials and other benefits associated with public employment often disincentivize job seekers from taking up private sector employment (World Bank, 2020). Combined with various inclusion issues, this has resulted in relatively elevated levels of youth unemployment (15.3%) and low rates of women participation in the workforce (World Bank, 2020).



Maldives economy and the labor market has been significantly impacted as a result of the COVID-19 pandemic. Maldives real GDP grew by 5.3 percent in 2019, but is estimated to have contracted sharply in 2020 as a result of the COVID-19 pandemic. The pandemic impacted many workers, disproportionately the self-employed, freelancers and contractors. Women were disproportionately more impacted than men. The Ministry of Economic Development (MoED) with an emergency Income Support Allowance (ISA) program. However, the pandemic has highlighted the risk of future climate and economic shocks to the welfare of Maldivians, especially lower-income workers who are predominantly informal. Given the circumstances face, the Government of Maldives intends to start a new unemployment benefit scheme (UBS) that will extend contributory social insurance to all Maldivian workers.

D. 2. Borrower's Institutional Capacity

The project will be implemented by the Ministry of Economic Development (MoED) of the Government of Maldives (GOM). MoED has gained experience in World Bank-financed projects through its successful implementation of the Maldives COVID-19 Emergency Income Support Project (CEISP) and co-implementing the Maldives: Enhancing Employability and Resilience of Youth (MEERY) Project. The government's JobCenter platform (formerly called Guraha) was initiated by the Ministry of Higher Education under the MEERY project to host job ads. The platform was handed over to the MoED in 2020 and further developed through the CEISP to handle the registration and selection of ISA beneficiaries. It now has the capability to accept applications from jobseekers, confirm they meet eligibility criteria, and refer them for payment via the government's well-established G2P payment system. It also handles grievances and appeals. Thus the borrower has gained adequate capacities in developing and straightening social protection systems in Maldives.

Even in the past, the Government of Maldives have a gained expertise in successfully implementing social protection systems with World Bank support. Starting in 2009 with the Maldives Pension and Social Protection Administration (PSPA) Project, the government was able to quickly establish the Maldives Retirement Pension Scheme (MRPS). In addition, PSPA project established the Maldives Pension Administration Office (MPAO). Both the MPAO and the MRPS have operated successfully and without external support since the project closed in 2014. Existing delivery systems were established, particularly in terms of information systems, online program platforms and electronic benefit payment systems. Contributions and benefits under the new UI program would piggyback the existing MRPS system, and not require any experimentation. As of 2020, the MRPS had net assets of MVR 11.2 billion (US\$726 million) under management, paid benefits to almost 20,000 retirees, and had around 95,000 active contributors. It has continued to develop its systems, including developing a mobile application for beneficiaries to check their balances on demand. Similarly, the PSPA project helped set up the National Social Protection Agency (NSPA), which operates the country's largest social registry and played a pivotal role in the CEISP as the payment agent for over 100,000 cash allowance transactions.

The World Bank continues to play active role in providing capacity building and advisory services for the government on social protection. In addition to the work on the unemployment benefit scheme (UBS) design under the CEISP, the World Bank is assisting the government to develop a national social protection strategy, review the MRPS, and further develop the National Social Protection Agency (NSPA) delivery system to more easily register and update data on beneficiaries in outlying islands. Going forward the World Bank through the SAILS project will continue to strengthen borrowers capacities to establish a robust unemployment benefits scheme.

The CEISP PMU under the MoED which has gained the necessary capacities with the World Bank support is expected to implement the Sustainable and Integrated Labor Services (SAILS) project well. The PMU was adequately



capacitated and was able to maintain a Highly Satisfactory rating since its inception in April 2020. Under the CEISP, the MoED established the ISA program in less than five weeks, and paid 9 months of support to almost 23,000 beneficiaries. Throughout the project the PMU has made continued improvements to the system to boost application processing capacity, cross-check applications with other databases, and conduct real-time tracking and reporting.

In terms of E&S compliance rating of CEISP, project’s performance was continually rated as being ‘Satisfactory’. The CEISP had successfully filled E&S staffing positions, built their capacities, carried out communication campaigns and consultations, administered a satisfaction survey, operationalized an effective grievance redress mechanism (GRM), and also put in place COVID-19 safety measures in accordance with the Stakeholder Engagement Plan, ESMF, and Labor Management Procedure. Hence the PMU has demonstrated strong capacities under the CEISP, which should contribute with support of World Bank to implement E&S due diligence actions under the SAILS project.

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

A. Environmental and Social Risk Classification (ESRC)

Moderate

Environmental Risk Rating

Low

The proposed project will establish a national contributory unemployment insurance scheme and integrated labor market services for those unemployed workers not supported by other social insurance scheme and will include activities such as institutional setting up, development of processes, training etc. There are no civil work activities planned under the project. However, IT equipment may be procured to establish an information system to operate the unemployment insurance (UI) and the employment services (ES) programs . If IT equipment is procured, use and disposal of this equipment at end of life will lead to the generation of E-waste that can be managed via protocols and arrangements to ensure that sound management is undertaken in line with the regulations of the Maldives Waste Management Department, Environmental Protection Agency and international good practice including requirements under ESS3. Therefore, interventions under this project are not expected to generate adverse environmental impacts that require active management. Therefore, the environmental risk is rated as being ‘Low’.

Social Risk Rating

Moderate

The unemployment insurance (UI) and the employment services (ES) programs are expected to benefit workers who are laid off from their jobs providing them with financial support, alongside retraining and labor market reinsertion initiatives. While the benefits are promising, the social risks can be considered as ‘moderate’ given the associated risks around: (i) exclusion of eligible beneficiaries, particularly vulnerable groups from benefiting from the program due to lack of equitable selection criteria and processes including challenges in accessing information and services, (ii) specific challenges faced by women to participate fully & benefit from training and employment opportunities due to household & childcare duties and cultural & social norms (e.g. certain courses or jobs such in ICT and tourism sector may be viewed as being more suitable for males), (iii) occupational health and safety risks due to the pandemic when physically accessing services and trainings including risks of gender-based violence especially during residential programs, and iv) inadequate consultations & citizens engagement and lack of transparency in the application and decision-making processes which could lead to social tensions. These risks are expected to be avoided or mitigated by ensuring the project design and program eligibility criteria and processes are inclusive and equitable, vulnerable workers in underserved areas including women are able to access information and services

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and meaningful consultations are conducted and avenues of grievance redressal are in place. The project will also comply with Covid19 Health and Safety guidelines and adopt a Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Code of Conduct for all project workers including training providers to comply with.

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:

The project will provide support to implement unemployment insurance (UI) and employment services (ES) programs such as training opportunities and job placement for laid off workers. There are no civil work activities planned under the project. However, IT equipment may be procured to establish an information system to operate the UI and ES programs. The project does not plan to procure IT equipment in large scale. However, if procuring IT equipment becomes necessary for project management purposes, disposal of such equipment at end of life that will lead to the generation of E-waste will be managed via protocols and arrangements to ensure that sound management is undertaken in line with the regulations of the Maldives Waste Management Department, Environmental Protection Agency and international good practice including requirements under ESS3. As such, depending on the necessity, the project will prepare a project specific E-waste management guideline.

Given the current situation associated with the COVID-19 pandemic, occupational health and safety risks for project workers (i.e. PMU staff, workers engaged with the Job Center, staff at the new unemployment benefit scheme (UBS), educational/trainings institutions and employers who will directly engage with the public), is a concern. To mitigate these risks, the project workers will follow proper hygiene, social distancing measures and other safety precautions which will be detailed in the ESMF of the project, the WHO standards and other Government guidelines.

The key social risks are related to issues of exclusion and access to information and services specifically for vulnerable and marginalized groups. These risks are associated with the eligibility criteria and processes not being designed in an equitable and a transparent manner thereby excluding key vulnerable groups from benefiting from the unemployment benefit scheme and the supporting services. In addition, disadvantaged and vulnerable groups may face challenges in terms of accessing information and services to apply for the benefit scheme, undermining the central objectives of the project. The project will seek to prioritize enrollment of workers who are at present uncovered by social insurance, in particular those whose jobs are most vulnerable to economic and climate-related shocks. Accordingly, inclusive and equitable eligibility rules and enrollment processes will be in place for the UBS. The UBS will link jobseekers to training opportunities, subsidize cost of trainings and provide an allowance to trainees to ensure inclusion workers struggling economically to enter into the job market.

All Island Council Offices have access to ICT facilities including internet connectivity. Under the Maldives COVID-19 Emergency Income Support Project (CEISP), Island Councils were trained on the income support application process. Subsequently, Island Councils supported those who lacked internet connectivity/access to ICT services to access the online JobCenter platform at the Island Council offices. Accordingly, under the SAILS project, Island Councils will take this learnings forward and support vulnerable groups to access ICT/online facilities to submit their applications and access employment support services through the ICT facilities available in Island Council offices.



To ensure potential female candidates are not discriminated against in terms of meeting the eligibility criteria, the project will formulate special selection criteria for females recognizing the historical disadvantages faced by women as well as their socially ascribed roles in family and society. The project will ensure enhanced targeting and engagement of female unemployed workers who have been pre-identified as socially and economically vulnerable linking to the COVID-19 pandemic and incidents of Gender Based Violence (GBV). All educational/training institutions including employers providing apprenticeships and jobs placements will be required to comply with a SEA/SH code of conduct/guideline, given the SEA/SH risks for women during close interaction with career counselors and also when attending training courses physically, especially if the trainings are residential in nature. The project will facilitate access to safe transportation, provide housing and childcare for women along with more community norms/behavior change interventions for both women and men to de-stigmatize women working in certain sectors such as in tourism.

With experience gained from the CEISP, the project will implement an effective citizen engagement program through communications, meaningful consultations, conducting satisfaction surveys and implementing a robust grievance redressal mechanism to promptly response to enquiries, suggestions and complaints from citizens and beneficiaries. The outreach outreach and communications activities will be designed and implemented to reach populations in remote Islands in the local language. The cadre of case managers and careers counsellors at the UBS, will collaborate with educational institutions and employers to address the needs of beneficiaries and create an individualized program of support that leads to productive employment. These case managers will have a physical presence in the regions, in order to reach underserved and more vulnerable workers.

The project has prepared an Environmental and Social Management Framework (ESMF), a Stakeholder Engagement Plan (SEP) and a Labor Management Procedures (LMP) which has been disclosed in the client and WB websites before Appraisal. The project does not involve any sub-projects, and hence will not require preparation of site-specific environment and social management plans during implementation. However, an ESMF has been prepared customized to the project activities and the level of risk to serve as a guidance to the borrower on the ESF requirements and procedures that needs to be complied with during the planning and implementation of project activities.. The project has also prepared other instruments, as required, for the respective Project activities including for contracts with consultant firms and/or individuals based on the assessment process, the ESSs, the ESCP, the ESMF, the EHSGs, and other relevant Good International Industry Practice (GIIP) including the WHO guidelines on COVID-19 as acceptable.

ESS10 Stakeholder Engagement and Information Disclosure

The project recognizes the need for an effective and inclusive engagement with all relevant stakeholders and the population at large. The project will put to practice the learnings from the CEISP in regards to meaningfully engaging stakeholders. For example, under the CEISP communication campaigns and awareness raising was done through social media, television, radio etc. and carried out 100+ rounds of consultations with local government authorities and island councils, media, and civil society groups to disseminate information about the Income Support Assistance program including the application process. Two satisfaction surveys was also completed by the CEISP. The beneficiary satisfaction survey provided useful findings to understand areas to improve the project design. Accordingly, the project took measures to reduce the processing time for applications by simplifying processes and



improving the time taken for depositing & communicating with the applicants etc. Island Councils also reached out to vulnerable groups to support in the application process and business associations reached out to encourage women in self-employment to apply for ISA. All Island Council Offices have access to ICT facilities including internet connectivity. Under the Maldives COVID-19 Emergency Income Support Project (CEISP), Island Councils were trained on the income support application process. Subsequently, Island Councils supported those who lacked internet connectivity/access to ICT services to access the online JobCenter platform at the Island Council offices.

Under the SAILS project, to ensure employment services will be accessible to citizens in the atolls, the Job Center will be expanded, with five regional hubs established and Job Center staff placed in up to 50 island council offices. The dedicated case managers in island council offices, will serve as a personal contact for beneficiaries of the UI and ES programs at the atoll level and support vulnerable groups to access ICT/online facilities to register for the UI and ES programs and access services available with the Job Center platform through the ICT facilities available in Island Council offices. . The case workers at Island Councils will also be trained and empowered to support the delivery of other social programs, including the welfare benefits implemented by National Social Protection Agency (NSPA) and the Ministry of Gender, Family and Social Services (MoGFSS).

In regards to stakeholders consultations as inputs to the design of the SAILS project, relevant consultations have already being carried out with key stakeholders to design UI scheme by an international expert with support from the World Bank through the CEISP. The review recommended that existing agencies – in particular, the Maldives Pension Administration Office (MPAO), the nascent Job Center network, and a variety of technical and vocational education and training providers – could play a role in implementing the UI scheme, including for the provision of employment services. In addition, consultations were carried out as part of the restructuring of the CEISP to pilot active labor market programs (ALMPs), including vocational training, apprenticeships, and small business start-up support for unemployed Maldivians. Furthermore, consultations have also been done with stakeholders linked to the MEERY project under the Ministry of Higher Education to received inputs on the design of the ALMPs around vocational training. In terms of engaging citizens, a training needs assessment has already being conducted to inform the designs of the pilot ALMPs under the CEISP. Accordingly the PMU will build on its existing stakeholder partnerships and engage with them for the SAILS project as well.

The project will adopt a coherent approach for engaging citizens and relevant stakeholders in project activities taking forward the learnings from the COVID-19 Emergency Income Support Project (CEISP). The design of the UI and ES programs will be carried out in a consultative and inclusive manner, including drafting regulations, establishing program rules and eligibility criteria and liaising with other government and non-government entities. The Project will form a Civil Society Advisory Panel with representation from various employed/self-employed worker associations that will provide inputs to the design of the UI and ES programs and also function as a third party monitor of the beneficiary registration and case management processes. For Component 1, a public awareness campaign will be launched on social and broadcast media to inform potential beneficiaries about the available Employability Services (ES) and to reach populations in remote Islands in the local language. In addition to harnessing social and traditional media for information disclosure and feedback, the PMU will reach out to local governments, workers' associations and island-level community groups including women's groups to spread the word about the ES program and collect feedback and suggestions. For the activities under Component 2, consultations that have already begun during the design the Unemployment Insurance (UI) will continue during the establishment of the UI fund and its administrative systems during project implementation. In addition to expanding the Job Center service centers, case managers will operate from island council offices, who will serve as a personal contact for beneficiaries of the UI and ES programs at the atoll levels to reach out to and proactively collect feedback from the local community including vulnerable groups



and those without access to internet. The cadre of case managers, will collaborate with educational institutions and employers to address the needs of beneficiaries and create individualized programs. The SEP includes the in detail the specific measures that will be used for awareness as well as consultations covering activities under component 1 and 2.

Just like in the CEISP, beneficiary feedback surveys will be conducted to obtain feedback on the level of satisfaction regarding the ES and the UI programs and understand areas to improve and strengthen the ES and UI programs. The Grievances Redressal Mechanism (GRM) that successfully operated for the CEISP, will be used for the SAILS project as well. The GRM that is incorporated into the Jobcenter website to promptly response to enquiries, suggestions and complaints from citizens and beneficiaries through the website and the available Information hotline. As in the CEISP, all grievances will be resolved within a two week period. Information provided will be treated as confidential and not disclosed at the individual level or in a manner that could identify individuals. GRM data will also be analyzed regularly to understand program & system issues, and the learnings will be used at the aggregate level for course correction to improve program operation. The CEISP will be completed once the new SAILS project starts. Hence the existing staff who gained experience handling the GRM of CEISP will be able to focus their efforts to manage the GRM of the SAILS project. The three beneficiary feedback indicators used for the project are (a) Beneficiary satisfaction with the UI program (percentage by gender), (b) Beneficiary satisfaction with the ES program and (c) Grievances addressed within two weeks (percentage).

The project’s stakeholder Engagement Plan has been prepared and disclosed detailing the stakeholder engagement approaches planned under the SAILS project targeting for specific groups including beneficiaries, vulnerable groups, civil society organizations, government & private sector institutions, development partners etc.

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B.2. Specific Risks and Impacts

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

ESS2 Labor and Working Conditions

The project workforce includes: (i) direct workers, mainly the staff of PMU, MPAO and MoED and (ii) contracted workers, mainly the staff at the Job Centres, Training Providers, Consultants contracted to design and also to deliver the ES & UI programs and Case Managers operating at Island Council Offices who will support the project activities, (iii) workers of primary suppliers if IT equipment is procured and (iv) community workers from local governments, workers’ associations and island-level community groups who will support in outreach activities . The project has prepared an LMP detailing the procedures to establish and maintain a safe working environment; covering terms and condition of employment; non-discrimination and equal opportunities; prohibition of forced labor & child labor; prevention of SEA/SH and adhering to workers’ rights in a manner consistent with ESS2.

The MoED and MPAO will also collaborate and consult with project workers in promoting understanding and methods for implementation of OHS requirements, especially in relation to COVID risks, as well as in providing information and training to project workers on occupational health and safety and infection control strategies based on administrative controls, safe work practices such as provision of personal protective equipment (PPE) comprising masks, gloves and hand sanitizers, without expense to the project workers. All project workers including staff of the



UBS & training providers while may physically interact with beneficiaries will be made aware about SEA/SH prevention Code of Conduct and will also be expected to sign it. The labor GRM of the CEISP will be used for the SAILS project, which will be set up for all workers to raise and resolve workplace-related concerns including those that are related to SEA/SH issues.

ESS3 Resource Efficiency and Pollution Prevention and Management

Under the SAILS project, IT equipment may be procured to establish an information system to operate the unemployment benefit scheme (UBS). If IT equipment is procured, use and disposal of this equipment at end of life will lead to the generation of E-waste.

As the Maldives does not have explicit standards or requirements for the management (including storage, transportation, and disposal) of hazardous waste, which include E-Waste, international best practice guidance such as the World Bank Groups Sectoral Guidelines on Solid Waste Management, and strict criteria on manufacturer management of e-waste, including the transport of decommissioned systems out of the country as part of the investments, will be followed via mandatory provisions in contracts with suppliers and contractors. These will be in line with both national legislation and applicable international conventions, including measures such as a buy-back arrangement with the equipment suppliers over the life cycle of the equipment. If IT equipment is procured, relevant domestic regulations, conventions and their enforcement will be reviewed against the requirements of ESS3 and the World Bank's applicable Environmental, Health, and Safety Guidelines to confirm the adequacy of the existing system for battery management and recycling in the Maldives. These documents will be used to develop a project specific E-waste management guideline. The guideline will refer to measures that can be taken which can include buy-back arrangements of equipment by vendors, recycling and resource recovery measures and others. Specific protocols for use and management, specific to the exact nature of e-waste generated via the project will be prepared in the form of a guideline at the time a decision is made that the project will procure IT equipment.

ESS4 Community Health and Safety

Since most of the application, beneficiary enrollment and benefit payments are expected to come through the online platform (Job Center), the risks of exposure to COVID-19 contagion for the beneficiaries who use digital services is expected to be minimal. Since the case managers and careers counsellors including with educational institutions and employers may physically interact with beneficiaries, interactions would increase the risk of exposure to the virus for these workers and also pose a similar risk for the communities, especially the vulnerable groups. The project will take precautions in anticipating and avoiding adverse impacts on the health and safety of communities, including keeping beneficiaries updated on specific protocols for cash-out and minimizing risks of in-person interactions planned during



the project implementation; engaging with community for project work in person only if any other alternatives are not available; ensuring that the project related work strictly adhere to the guidelines issued on COVID-19 by the Government and the WHO; and mandating hand hygiene and personal protective equipment (PPE) such as facemasks etc. thus ensuing OHS protections in accordance with General EHSs even during community engagement to protect against contamination from COVID-19.

While there have not been any reports or evidence on risks of sexual abuse and exploitation linked to registration for social protection programs in the Maldives, these concerns have materialized in other emergency contexts. Therefore information on GBV and support services will be provided through the communication outlets (e.g. website, leaflets) to increase women’s awareness of these services. All project staff, trainers providers, employers and project beneficiaries will subscribe to a zero tolerance policy on sexual harassment, undergoing awareness training in SEA/SH prevention and reporting, signing a code of conduct, and making safe spaces available for beneficiaries to share any concerns around SEA/SH experiences. Training modules delivered will also include topics relating to gender equality, GBV, sexual abuse and harassment. Information regarding these programs will also be disseminated across the country using the Women’s Development Committees as a means of information dissemination.

The SEA/SH risks of the project was rated as ‘low’ determined by the World Bank’s SEA/SH Risk Rating tool. The SEA/SH risk was rated ‘low’ because the project does not support any rehabilitation or construction activities, here there is no risks associated with labor influx. Further since majority of the activities will be done remotely via the online platform (Job Center), there will be limited physical interaction between people. In addition, training programs and apprenticeships with employers will take place in accessible urban areas and the project will have systems in place to monitor the implementation of SEA/SH prevention measures such as adopting of a Code of conduct including SEA/SH complaint reporting through the project GRM.

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ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This standard is currently considered Not Relevant. The project is not expected to support construction or rehabilitation works of any nature. Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households’ use of land and livelihoods, will not be considered under the project.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard is currently considered Not Relevant since the project does not involve any civil or rehabilitation works that would affect biodiversity or natural resources.

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



This ESS is Not Relevant for the project. There is no evidence suggesting the presence of Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities in the Maldives.

ESS8 Cultural Heritage

This standard is currently considered Not Relevant since the project does not involve any civil or rehabilitation works that would have an impact on cultural heritage.

ESS9 Financial Intermediaries

This standard is NOT considered relevant since the government has no intention of investing the funds in unemployment benefit scheme (UBS) in anything other than government short-term securities, the same investment approach currently used for the Maldives Retirement Pension Scheme (MRPS). The project will not be providing any advice or guidance on market investment of program funds, because the capital markets and regulatory systems in Maldives are not sufficiently well developed to support this type of investment strategy.

B.3 Other Relevant Project Risks

The political and governance risk is Substantial. The government has shown commitment to the expansion of social insurance, as reflected in the Strategic Action Plan. However, there are substantial fiscal and political constraints, and during its five-year lifespan the project may encounter shifts in the government’s priorities, as well as social and economic pressures that are at present unknown. The risk of shifts in political support for the scheme is also being mitigated by the team through ongoing engagement in other World Bank activities, including the development of a National Social Protection Framework and proposed reforms to the pension system being supported under the CEISP.

Institutional capacity risk is Substantial. The IA for this project is the MoED, which has gained some experience in World Bank-financed projects through its successful leadership of the CEISP and indirectly as a co-implementing agency of the MEERY Project. During these projects, the MoED has improved its Financial Management (FM) and procurement capacity and demonstrated a strong willingness to follow Environmental and Social Safeguards (ESS) guidelines under the new Environment and Social Framework (ESF). To further mitigate this risk, close support for the PMU will be provided by World Bank staff to ensure sufficient capacity at initial stages to ensure prompt implementation. The project will also finance a number of international consultancies to support the design and rollout of the program, lasting a number of years in order to give the government time to work out initial design issues and establish capacity to manage the program over the long term.

Technical risk is Substantial. The proposed operation would support the establishment of a complex and permanent new labor services program in a context where previous labor market supports have been limited. International experience suggests this will take time to get right, as the required interventions are context-specific. Mitigating this risk, the government has through the CEISP demonstrated a capacity to deliver new programs in a short timeframe, and to make appropriate course corrections to improve outcomes. The CEISP is already piloting labor market initiatives, and has begun the process of transforming the Job Center into a fully-fledged employment support program. The experience of the PSPA project is also instructive: that project established the MPAO and MRPS and



they have operated successfully and without external support since the project closed in 2014. The supervision and technical support provided through the project will be crucial in mitigating this risk.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

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

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

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

The use of Borrower Framework is not being considered for this project. The project will meet both requirements of the Government of Maldives and will comply with the Bank’s Environmental and Social Framework and its Environmental and Social Standards.

Public Disclosure

IV. CONTACT POINTS

World Bank

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Borrower/Client/Recipient

Borrower: Republic of Maldives

Implementing Agency(ies)

Implementing Agency: Ministry of Economic Development

Implementing Agency: Ministry of Economic Development

Implementing Agency: Maldives Pension Administration Office

V. FOR MORE INFORMATION CONTACT



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VI. APPROVAL

Task Team Leader(s): Thomas Walker

Practice Manager (ENR/Social) Maria Beatriz Orlando Cleared on 07-Mar-2022 at 16:38:37 GMT-05:00