



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 27-Feb-2022 | Report No: PIDA32863



BASIC INFORMATION

A. Basic Project Data

Country Ethiopia	Project ID P177233	Project Name Response - Recovery - Resilience for Conflict-Affected Communities in Ethiopia	Parent Project ID (if any)
Region AFRICA EAST	Estimated Appraisal Date 28-Feb-2022	Estimated Board Date 25-Mar-2022	Practice Area (Lead) Social Sustainability and Inclusion
Financing Instrument Investment Project Financing	Borrower(s) Federal Democratic Republic of Ethiopia	Implementing Agency Ministry of Finance	

Proposed Development Objective(s)

The project development objective (PDO) is to (i) rebuild and improve access to basic services and climate-resilient community infrastructure and (ii) improve access to multi-sectoral response services for GBV survivors; in selected conflict-affected communities in Ethiopia.

Components

- Rebuilding and Improving Access to Basic Services and Climate-resilient Community Infrastructure
- Improving Access to GBV Response Services
- Adaptive Project Management
- Contingent Emergency Response Component

The processing of this project is applying the policy requirements exceptions for situations of urgent need of assistance or capacity constraints that are outlined in OP 10.00, paragraph 12.

Yes

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	300.00
Total Financing	300.00
of which IBRD/IDA	300.00
Financing Gap	0.00



DETAILS

World Bank Group Financing

International Development Association (IDA)	300.00
IDA Credit	150.00
IDA Grant	150.00

Environmental and Social Risk Classification

High

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **With a population of over 115 million people (2020), Ethiopia is the second most populous nation in Africa after Nigeria, and one of the most diverse.** Ethiopia’s location in the center of the Horn of Africa and close to the Middle East and its markets gives it high strategic importance. It is physically connected to six other countries, namely Eritrea, Somalia, Kenya, South Sudan, Sudan, and, essential in terms of global trade, to Djibouti and its deep-sea port. Ethiopia hosts about 86 ethnic groups and 90 spoken languages and is also religiously and geographically diverse.¹ There are differences in ethnic and religious composition as well as geographic and climatic characteristics between the highland and lowlands and within the subnational regional states.

2. **Despite its strong economic growth, Ethiopia remains one of the poorest countries in Africa, with an average per capita income of US\$850 per annum.**² Ethiopia’s economy experienced strong, broad-based growth averaging 9.4 percent a year from 2010/11 to 2019/20. Its real gross domestic product growth slowed to 6.1 percent in 2019/20 due to the Coronavirus Disease (COVID-19). Employment rates plunged in the early days of the pandemic, particularly in urban areas where the rate dropped from 80 percent before COVID-19 to 65 percent in April 2020, with changes noted more prominently in female-headed households. This, coupled with slow agricultural growth related to high levels of sensitivity and vulnerability of the agriculture

¹ According to Ethiopia’s 2007 Census.

² International Monetary Fund. 2021. Regional Economic Outlook. URL: <https://www.imf.org/en/Publications/REO/SSA/Issues/2021/10/21/regional-economic-outlook-for-sub-saharan-africa-october-2021>. URL:



sector to impacts of climate variability and change, is expected to lead to a rise in poverty.³ Projections based on a high-frequency phone survey results⁴ suggest that there were two million more poor in December 2020 compared to 2019. Though employment levels have been recovering, vulnerability is expected to remain high, resulting from the transition of many Ethiopians to fewer steady types of employment, such as self-employment, casual employment, and family work.⁵

3. While official data on national accounts for Fiscal Year (FY)21 are yet to be released, economic growth is estimated to have significantly decelerated due to the ongoing armed conflict in the north and reduced access to essential services and infrastructure. Several intermediate indicators point to a slowdown: crop production during the main harvest season grew by only two percent in FY21 compared to 6.2 percent in FY20⁶; electricity generation increased by only 2.2 percent down from 20.5 percent during the preceding year; and cement sales are estimated to have dropped by about three percent, as one of the main factories, located in the Tigray Region, ceased activity. As the current account deficit widened during the first quarter of FY22 and donor financing dwindled, the government conducted a large drawdown of official reserves, which declined to official US\$2.1 billion as of September 2021. Continued limited access to external financing sources coupled with lack of reprofiling of external debt service obligations pose significant risks to macroeconomic stability. Inflation has gone up significantly in 2021, mainly driven by high food prices. Worsening supply conditions in food markets due to the slowdown in production, disruptions in logistics and supply chains, and the persistent foreign exchange crunch were the main factors for the increase in inflation. In addition, conflict and uncertainty seem to have exacerbated expectations, driving inflation to over 30 percent in recent months and heightening the volatility of the parallel market premium. Nominal annual depreciation accelerated from an average of about six percent for most of the past decade to 25 percent by the end of June 2021, but persistent high inflation has hampered efforts to achieve real exchange rate depreciation.⁷ This macroeconomic pressure has led to significant impacts on communities and households. In combination with damages reported throughout conflict-affected areas on local basic infrastructure⁸, it has reduced the government's ability to provide basic services to communities, leading to a medium-term decline in development opportunities, for example, because of reduced educational outcomes. At the household level, real-term income losses have had negative impacts on development trajectories. In turn, the deceleration in economic growth may fuel further social tensions and political risks, above all in a situation where conflict reasons are mutually attributed. As such, rapid recovery activities have the potential to address medium-term threats to development and reduce conflict risk levels.

³ World Bank, 2021 and Miguel Sánchez-Martín, Samuel Mulugeta, Zerihun Getachew and Christina Wieser. 2020. *Ensuring resilient recovery from Covid-19*. Ethiopia Economic Update, Volume 8. Washington, DC.

⁴ World Bank. 2021. COVID-19 High Frequency Phone Survey of Households 2020. Data available at: <https://microdata.worldbank.org/index.php/catalog/3716/related-materials>.

⁵ World Bank, 2021 and Miguel Sánchez-Martín, Samuel Mulugeta, Zerihun Getachew and Christina Wieser. 2020. *Ensuring resilient recovery from Covid-19*. Ethiopia Economic Update, Volume 8. Washington, DC.

⁶ Agricultural production in the Amhara and Afar regions is expected to have been disrupted since the spread of the conflict in these two regions coincided with the farming and planting period of the *meher* season. According to the Ministry of Agriculture, 41 million quintals of crop (about twelve percent of FY21 *meher* grain production) are estimated to have been damaged in the Amhara Region alone due to the conflict. Production of sesame – a major export commodity – is the most affected as 70 percent of production comes from areas affected by the conflict.

⁷ Source: World Bank, January 2022.

⁸ The Federal government is commencing a nationwide damage assessment extending from the ongoing conflict in the north. During project preparation, several regional governments presented preliminary numbers outlining damages in the range of tens of billions of Ethiopian Birr on infrastructure and equipment in relation to schools, health posts, agricultural centers, etc. throughout the country. The MoF announced on Dec 30, 2021, that it is seeking 122 billion birr to help finance reconstruction efforts.



Sectoral and Institutional Context

4. **In recent years, existing conflict drivers have re-surfaced and new conflicts have emerged in Ethiopia.** Incidences of violent conflict have increased sharply in the last five years in both rural and urban areas across the country.⁹ The Northern Ethiopian Crisis represents the most recent large-scale manifestation of conflict in Ethiopia, escalating since the onset of the political transition in different forms, and finally leading to the outbreak of open violence in the beginning of November 2020 in the Tigray Region. Armed conflict continues notwithstanding numerous efforts to achieve a ceasefire. Fighting has meanwhile spilled over into the Amhara and Afar regions and continues (especially in Eastern Amhara) within a fluid context. This has resulted in the death of civilians¹⁰, mass displacement, and acute food insecurity across the Tigray, Amhara, and Afar regions.

5. **The conflicts in Ethiopia have resulted in humanitarian crises, leading to destruction of private and public assets and a need for immediate support for local communities.** The cascading effects of conflict, including reduced productivity, population displacements, movement restrictions, limited humanitarian access, slow relief efforts, ongoing insecurity due to a number of formal and informal security forces, and loss of livelihood assets disrupt the country's economic system. Continued fighting could also impact regional and global supply chains as was the case in the past, including by affecting the essential import and export along the Addis Ababa-Djibouti Road corridor. The fighting could also continue to disrupt domestic transport networks that are essential for agricultural produce to reach domestic and export destinations. These disruptions and the direct risks for productive facilities disincentivize investments. Given the close political, economic, and security linkages between Ethiopia and the surrounding neighbors, there could be spillover effects into other parts of the Horn of Africa.

6. **Public infrastructure in conflict-affected communities has been destroyed or degraded due to the direct effects of conflict or from being used for humanitarian purposes.** This adds to the destructive impacts on public infrastructure from climate-related hazards, such as floods and droughts. In areas affected by conflict, essential economic infrastructure, including coffee pulping plants, livestock breeding centers, agriculture nurseries, and model farmers display centers, have been destroyed, as have health posts, health centers, school buildings, markets, and farmer training centers.^{11,12} Indirect conflict impacts leading to adverse effects on public infrastructure are also related to ad hoc solutions for internally displaced persons (IDPs). In some areas (notably in the Southern Nations, Nationalities and People's Region, Oromia, and Somali regions), schools, market buildings, abattoirs, and parks have been used to temporarily house IDPs, resulting in the degradation of these facilities. In some schools, for instance, benches and tables were used as cooking fuel, leaving these schools non-functional. While Ethiopia has made much progress in extending its provision of water supply, sanitation, and hygiene (WASH) services, decreased availability and/or compromised quality of

⁹ Armed Conflict Location and Event Data Project. 2021. *2021 Conflict Dimensions in Ethiopia*.

¹⁰ According to a November 2021 Report of the EHRC and the Office of the United Nations High Commissioner for Human Rights (OHCHR), the following categories of violations took place: attack on civilians and civilian objects, unlawful killings and extra-judicial executions, torture and other forms of ill-treatment, arbitrary detentions, abduction, and enforced disappearances, sexual and gender-based violence, displacement, restrictions on freedom of movement, freedom of expression and access to information, pillage, looting, and destruction of property, denial of access to humanitarian relief, and severe violations against children, older persons, and persons with disabilities. URL: <https://reliefweb.int/sites/reliefweb.int/files/resources/OHCHR-EHRC-Tigray-Report.pdf>.

¹¹ World Bank. 2020. *Inclusive Development in Local Areas of Violence and IDP Hosting Areas: Risks and Opportunities*. Washington, DC.

¹² Aditya Sarkar, Alfredo Manfredini Böhm, Fasil Mulatu Gessese, Moti Mosisa Gutema. 2021. *Responding to internal displacement to urban areas in Ethiopia: could the urban safety net help?*. Washington, DC.



surface water supply will heighten the vulnerability of populations depending on these sources for daily activities; more intense and frequent storms and flooding may cause storm water flows, which increase the likelihood of water contamination of both surface sources and shallow wells. This is potentially a particularly serious adverse impact as people rely heavily on surface water when wells dry up. Increased temperatures and intense rainfall are putting greater pressure on the water and sanitation sector, with potential to further impact development gains.¹³

7. Conflict, impacts from climate variability and change, and associated humanitarian crises have led to large-scale internal displacement, particularly after 2016.¹⁴ Data from the International Organization for Migration (IOM) from September 2021 (the latest available data) indicate that there are 4.23 million IDPs in Ethiopia, constituting one of the largest IDP populations in the world.¹⁵ Just over 50 percent of IDPs are female, while at least 720,000 children have been displaced.^{16, 17} The vast majority of IDPs (85 percent) have been displaced by conflict, while other main causes of displacement are climate-induced, namely drought (seven percent) and seasonal floods (three percent). More minor causes are also climate-induced, namely flash floods, landslides, swampy lands, and strong winds. Notably, there are regional differences between the proportion of IDPs displaced by conflict and those displaced because of other reasons, including climate-related disasters. Approximately 40 percent of the IDPs in the country are in a state of protracted displacement (displaced for more than five years) and the remaining 60 percent have been displaced within the last five years. Fifty percent of all IDPs (about 2.08 million people) have been displaced within the last six to seven months.¹⁸ Nearly 90 percent of the IDPs in Ethiopia are located in the Tigray Region (over 1.8 million people), the Somali Region (approximately 900,000 people), the Oromia Region (approximately 500,000 people), and the Amhara Region (approximately 350,000 people). These numbers are likely higher as IOM data do not cover IDPs who are not located in identifiable IDP settlements, and some parts of Ethiopia (notably the Tigray, parts of Western Oromia, and Benishangul-Gumuz regions) – among the most affected by conflict – have not been fully accessible for data collection.

8. The primary factors impeding IDP return include the lack of access to basic infrastructure and services.¹⁹ A study commissioned by the World Bank in 2020 on the drivers of internal displacement and its impacts on development projects²⁰ noted critical impacts from conflict and climate-related hazards on water and sanitation services, access to education, and infrastructure. Water sources (including potable water sources) had been destroyed in several conflict-affected Woredas. This is particularly challenging given the drought-prone nature of many districts, with projections indicating that climate change will further increase the frequency and severity of drought. Even though some have since been restored, many post-conflict areas and IDP settlements remain dependent on water supply by mobile tankers, with budgetary impacts on already

¹³ The World Bank Group. 2021. Climate Risk Profile: Ethiopia.

¹⁴ Yearly breakdown of internal displacement trends available at: Ethiopia: Country Information, Internal Displacement Monitoring Centre. URL: <https://www.internal-displacement.org/countries/ethiopia>.

¹⁵ IOM. 2021. Ethiopia National Displacement Report 10 (August-September 2021), published 13 December 2021. URL: <https://displacement.iom.int/reports/ethiopia-national-displacement-report-10-august-september-2021>.

¹⁶ Ibid.

¹⁷ URL: <https://www.unicef.org/press-releases/children-northern-ethiopia-dire-need-protection-and-assistance>.

¹⁸ IOM estimated that there were 2,091,387 IDPs in Ethiopia in December 2020/January 2021 (as reported in its Ethiopia National Displacement Report 7) and noted that there were 4,239,636 IDPs in Ethiopia in September 2021 (as reported in its Ethiopia National Displacement Report 10, which is the most recent data available). Reports are available at <https://displacement.iom.int/ethiopia>.

¹⁹ Ibid.

²⁰ World Bank. 2020. Inclusive Development in Local Areas of Violence and IDP Hosting Areas: Risks and Opportunities. Washington, DC. Mimeo.



stretched local government budgets. These impacts on water and sanitation have affected mostly women and children who bear the disproportionate burden and added insecurity of traveling long distances to fetch water. In the education sector, there has been a disruption to the teaching and learning process in all areas affected by conflict because of destruction of school buildings and associated facilities. Access to basic services and infrastructure are important factors to support the resilience of communities to effectively manage shocks in the present and adapt to changing climatic conditions over time; thus, the lack of access to these services further increases the vulnerability of conflict-affected communities to future shocks and stresses – including, but not limited, to climate change.

9. Recent conditions and compounding risks related to conflict and displacement, worsened by climate change, have exacerbated the incidence of gender-based violence (GBV), including widespread reports of physical and sexual violence. A November 2021 report of EHRC and the Office of United Nations High Commissioner for Human Rights (OHCHR) on human rights violations and abuses extending from the conflict in the Tigray Region found that GBV—including varying forms of physical and sexual assault, such as rape and gang rape, abduction, detention, and intentional transmission of HIV—has been a prominent feature of the recent violence, committed by all parties to the conflict.²¹ The government has since established a task force to address the report’s recommendations. Other reports estimate that more than 100 cases of sexual violence were reported daily between November 2020 and July 2021, while health facilities in the Tigray Region registered nearly 1,300 cases of rape between February and April 2021.^{22,23} Displaced women and girls are further vulnerable to other forms of GBV, including harassment and separation from families; and while conflict-related sexual violence has predominantly affected women and girls, including women and girls with disabilities, men and boys have been targeted as well.²⁴

10. Access to health, social welfare, and judicial services for GBV survivors nationally in conflict-affected regions is a challenge, and quality response services are limited. While government and humanitarian partners have scaled up GBV interventions to respond to the crisis in Northern Ethiopia, the availability of the basic pillars of GBV response services – case management, psychosocial support, medical care, legal support, and safety services—remain limited and quality of care provided across the country varies widely. There are some GBV response services in the country, including 34 One-Stop Centers (OSCs) in several urban centers, which provide multi-sectoral services to survivors (medical, legal, psycho-social, and police support). Reportedly, the functioning of OSCs across regions varies significantly and gaps are common in the capacity of staff and the availability of equipment. OSCs are also only available in urban centers, impeding the ability of survivors in more climate-sensitive rural or remote locations from accessing care. There are legal aid centers around the country, including in several locations where humanitarian work is taking place, which provide legal aid to survivors. Provision of mental health and psychosocial support (MHPSS) has been limited across the country even though it is critically needed by GBV survivors and by conflict-affected communities more broadly. The provision of mobile health services in the Tigray Region by international partners and the regional

²¹ EHRC and OHCHR. 2021. Report of the EHRC/ OHCHR Joint Investigation into Alleged Violations of International Human Rights, Humanitarian and Refugee Law Committed by all Parties. Published 3 November 2021. URL: <https://www.ohchr.org/Documents/Countries/ET/OHCHR-EHRC-Tigray-Report.pdf>.

²² UN-OCHA. 2021. Ethiopia – Tigray Region Humanitarian Update. Published 19 July 2021. URL: <https://reliefweb.int/sites/reliefweb.int/files/resources/Situation%20Report%20-%20Ethiopia%20-%20Tigray%20Region%20Humanitarian%20Update%20-%202019%20Jul%202021.pdf>.

²³ URL: <https://www.amnesty.org/en/latest/news/2021/08/ethiopia-troops-and-militia-rape-abduct-women-and-girls-in-tigray-conflict-new-report/>.

²⁴ UN-OCHA, 2021.



health bureau seems to have provided positive yields in general health support, but in its scope it has not been adequately strong to provide more complex services beyond immediate referral, such as services related to GBV and MHPSS. There are, however, plans to expand these services, including by adding social workers to the mobile clinics.²⁵ See further details on the impacts of conflict and climate in Ethiopia on internal displacement, women, and children in Annex 4.

11. Several ministries and agencies are engaged in addressing the multiple challenges posed by the conflict, albeit with resource, institutional, and data constraints. A Federal multi-sectoral Rehabilitation Secretariat will be established, chaired by the Ministry of Finance (MoF), and encompassing relevant line ministries (education, health, planning, water and energy, women and social affairs, urban and infrastructure, etc.) and other relevant Federal entities. The entity will be mandated to coordinate funding for rehabilitation activities coming from the Federal budget, development partners, the private sector, and individual contributions of Ethiopians living in Ethiopia and the diaspora. This entity will complement the humanitarian actions that are coordinated by the Ministry of Peace (MoP) and the Ethiopian Disaster Risk Management Commission (EDRMC) under the Prime Minister's Office.²⁶ The institutional response to internal displacement has suffered from several challenges, including, most critically, resource constraints, as well as the recurrent institutional restructuring and high turnover of staff. Other challenges are the lack of a dedicated policy framework, varying capacity levels of responsible agencies at all levels, limited information on IDPs beyond the cited IOM data, lacking integration of actions into local planning, and inexperience in the implementation of sustainable solutions for IDPs.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

12. The project development objective (PDO) is to (i) rebuild and improve access to basic services and climate-resilient community infrastructure and (ii) improve access to multi-sectoral response services for GBV survivors; in selected conflict-affected communities in Ethiopia.

Key Results

13. The following PDO-level Indicators will be used to measure the achievement of the PDO:

- a) Beneficiaries with rebuilt and improved access to climate-resilient community infrastructure (Number, disaggregated by gender and displacement status)
- b) Beneficiaries with rebuilt and improved access to basic services²⁷ (Number, disaggregated by gender and displacement status)
- c) Increase in reported GBV cases who receive access to multi-sectoral response services²⁸ (Percent,

²⁵ Latest information is based on World Bank mission discussions with the Tigray Interim Administration in Mekelle in May 2021.

²⁶ The EDRMC is responsible for coordinating humanitarian activities in Ethiopia through the Federal-level DRM – Technical Working Group and by coordinating the work of humanitarian ‘clusters’ - working groups on humanitarian issues.

²⁷ The term ‘basic services’ refers to new or improved education, health, WASH, agriculture, DRM, and other public services, mobile and/or permanent.

²⁸ Multi-sectoral services are defined as at least two of the following: medical, psychosocial, police/security, and legal support. This indicator is calculated as the number of GBV cases that receive at least two services (including referrals) out of the total number of GBV cases that access services. This will be further disaggregated by point of entry for services. At the service provider level and as part of a process evaluation, analysis data from available information management tools will also give a deeper understanding of



disaggregated by gender)

D. Project Description

14. Component 1: Improving Access to Basic Services and Climate-resilient Community Infrastructure (Cost: US\$210.0 million). Component 1 will support improved access to basic services and climate-resilient community infrastructure for conflict-affected communities in selected Woredas. The project will finance the provision of rapid response basic services to address the needs of conflict-affected communities as and when needed to lay foundations for more sustainable support with a focus on health, education, WASH, and other services as needed and feasible. Additional temporary support services, such as psychosocial care and/or support for unaccompanied minors, will be financed under Component 2. This component will also finance longer-term recovery through establishment, restoration, or rehabilitation of basic services and community infrastructure.

15. The component will aim to address climate and Fragility, Conflict, and Violence risks and strengthen drivers of resilience and socioeconomic recovery.²⁹ The project will support response and recovery activities that advance growth and development in the country, and address key risk factors that may exacerbate conflict, for example, climate change and perceived inequities or tensions between host communities and IDPs or between different socioeconomic groups blamed for the conflict and its impacts. Recovery activities will also focus on communities and the strong integration of different local stakeholders to ensure a more inclusive recovery process, thereby addressing some of the institutional and communication gaps between the government and communities and among communities that have contributed to local conflict lines. Finally, the component will allow for targeted additional interventions that may mitigate local-level conflicts, for example conflict sensitivity trainings for local institutions.

16. Component 2: Improving Access to GBV Response Services (Cost: US\$70.0 million). This component will primarily finance the strengthening of short- and medium-term GBV response services for survivors of GBV within the targeted regions. This will be complemented by piloting GBV prevention programming, both as a mechanism to encourage service seeking behavior by GBV survivors, facilitate their longer term recovery, and address underlying norms and dynamics that contribute to violence; and strengthening the institutional capacity for policy coordination and delivery for quality, confidential, and survivor-centered care across the country.

17. The interventions under Component 2 are expected to respond to the multiple needs of GBV survivors to enable short- and medium-term recovery from violence and to strengthen the capacity of vulnerable populations to cope with future shocks and stresses that may contribute to GBV incidence, including, among others, those related to conflict and to the impacts of climate variability and change. By targeting prevention and behavior change, this component also will aim to address drivers and risk factors that contribute to acceptance and perpetration of GBV that may be exacerbated by conflict, climate events, or other related shocks. Addressing drivers and impacts of GBV has important implications not only for the physical and psychosocial well-being of survivors, but also for social cohesion and sustainable development of communities

services available, unavailable, or declined by survivors. As not all survivors need or want to access more than one service, it is not expected to see a percentage increase once approximately 75 percent of survivors are accessing at least two services.

²⁹ This understanding does not neglect the importance of humanitarian and political progress, but rather sees socioeconomic recovery and development as one vital 'piece of the puzzle', in which the World Bank has a comparative advantage.



more generally. The high prevalence rates of GBV in Ethiopia are linked to underlying social and cultural norms and values that perpetuate power imbalances between men and women, as well as between and across communities, exacerbated by the ongoing conflict, which increases the vulnerability of affected populations. Left unaddressed, GBV incidence could contribute to communal instability and result in significant economic costs to families and communities alike, extending from lost productivity, lost earnings, and out of pocket medical expenditures. Prevention activities may unlikely prevent the explicit use of GBV as a targeted weapon of war, but they should support an environment where overall tolerance for GBV is reduced and the communal support for survivors increases.

18. Component 3: Adaptive Project Management (Cost: US\$20.0 million). Component 3 will finance the incremental costs of the various project management aspects associated with the implementation of activities under components 1 and 2 (for example, the costs of coordination and oversight structures and communication costs), as well as learning activities that will help to improve the effectiveness of project-financed activities and adapt them to changed settings.

19. Component 4: Contingent Emergency Response Component (CERC) (Cost: US\$0.0). A CERC is included in the project in accordance with Investment Project Financing (IPF) Policy, paragraphs 12 and 13, for Situations of Urgent Need of Assistance and Capacity Constraints. This will allow for rapid reallocation of credit/grant uncommitted funds in the event of an eligible emergency as defined in OP 8.00.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

20. The project activities are not anticipated to cause conversion natural habitats, or generation of large-scale pollutants given the small-scale nature of the activities. However, there are potential small-scale environment, health and safety risks that may result from mobile clinics; WASH facilities for the displaced people (sub-component 1.1) and reconstruction or construction of community infrastructure, such as damaged schools (sub-component 2.2).

29. The construction of community infrastructure may involve site clearance/removal of vegetation though in small scale. Soil erosion may be caused by exposure of soil surfaces to rain and wind during site clearing, and excavation activities. Construction or rehabilitation of public facilities could cause noise and fugitive dust. Environmental pollution such as air, waste, and water pollution could also result from renovation /construction of public facilities. However, no significant greenhouse gas emission is anticipated from the project activities. There are various potential occupational health and safety risks (such as falls, ergonomic injuries and illnesses) that may result from the project activities especially activities which involve renovation/construction of community infrastructure. The proposed project targets to address the key challenges and problems of conflict-affected communities in Ethiopia by: (i) strengthening access to and utilization of GBV response services, (ii) enabling livelihood and social inclusion support, and (iii) addressing



community infrastructure and service needs in conflict-affected communities. Given that the project will be implemented in conflict-impact areas and IDP hosting regions, the prevailing conflict and tensions will affect the implementation of the proposed project. The current instability and political situation in the country will also have a strong impact the project. In addition, Component 1 of the project will finance either reconstruction of exiting damaged facilities or the construction of new facilities in new settlement areas, depending on community plans through a community-driven approach, which may pose minor risk of land acquisition and small scale displacement.

E. Implementation

Institutional and Implementation Arrangements

21. **The lead Implementing Agency of the project is MoF**, which will host a Federal Project Coordination Unit (FPCU), led by a Project Coordinator, and comprising technical support personnel, and monitoring, financial management (FM), procurement, contract management, and environmental and social (E&S) risk management specialists. It will also comprise technical focal points designated by relevant ministries to ensure coordination with these ministries and provide technical inputs. The FPCU will be responsible for overall project coordination, oversight, conducting project-wide Monitoring and Evaluation (M&E) and reporting, preparing project-wide annual work plans and budgets (AWPBs), conducting procurement for Components 1 and 3, and managing learning, communication, and grievance redress activities under Component 3. The FPCU will also be responsible for citizen engagement aspects, ensuring compliance with, and monitoring implementation of, E&S-related issues, and making sure that due attention is given to gender aspects as per project design. It will establish Mobile Support Teams that are able to support local project structures, based on a model established by the Urban Infrastructure and Institutional Development Program (P163452). The coordination and implementation of activities under Component 2 will be conducted by a Federal Project Implementation Unit (FPIU) that will be set up in the Ministry of Women and Social Affairs (MoWSA), led by a Project Coordinator, and comprising specialists in finance and administration, GBV, health, M&E, procurement, and E&S risk management (additional staffing needs, including within Ministry of Health (MoH) and associated partner ministries, will be determined based on discussion and agreement between MoWSA and the World Bank). The FPIU will be responsible for overall component coordination, consolidation of Component 2 AWPBs, and procurement of component activities. Similar inter-sectoral coordination structures will be established where they do not exist, or strengthened where they exist, within the administration structures of the selected Regional States and Woredas.

22. **A multi-sectoral Federal Steering Committee (FSC)** will provide high-level project oversight and guidance, review AWPBs, and ensure inter-ministerial cooperation and resolution of issues. The FSC will be co-chaired by the MoF and MoWSA and comprise representatives from the EDRMC, MoP, MoH, Ministry of Justice (MoJ), Ministry of Urban Development and Infrastructure, Ministry of Agriculture, Ministry of Education, and representatives from the selected regional states and Woredas (the latter on a needs basis). The FSC will meet on a quarterly basis and receive Secretariat services from the FPCU.

23. The implementation arrangements of components 1 and 2 at the local level (including small-scale procurement) will differ between High Risk of Ongoing Conflict (HROC) and Non-high Risk of Ongoing Conflict (NROC) Woredas:

NROC Woredas



24. Under Component 1, the Federal government, regional governments, respective Woredas, communities, and third-party implementation entities will work together in implementing project activities. Community-based rapid response basic activities will be led by the FPCU. The FPCU will either (i) contract entities to provide full packages of response services to the local level or (ii) procure goods and equipment for implementation by Woredas in cases where a Woreda has sufficient capacity and a readily available response plan. The technical focal points designated by relevant ministries to the FPCU will support the preparation of contracts' technical aspects and make sure they are aligned with the broader programmatic interventions of the respective sectoral ministries. Recovery activities will be implemented using community-driven planning and decision processes led by Neighborhood Relations Committees (NRCs) at the Kebele level. The Woreda will be responsible for sub-projects' procurement, FM, and alignment with the Woreda Development Plan. The Federal Mobile Support Teams will provide technical assistance to communities and Woredas. At the project's mid-term, the World Bank and the GoE will evaluate if there is sufficient capacity for the NRCs to take on procurement roles, contract management, and FM for these activities. Institutional resilience activities will be facilitated by the FPCU from a Federal perspective in coordination with relevant Federal and local stakeholders.

25. Component 2 activities will be implemented by MoWSA, in close technical partnership with relevant line ministries, including MoH, MoJ, and the Federal Police Commission. To streamline implementation arrangements, particularly those related to the delivery of GBV services in OSCs, in health facilities, and at the community level, MoWSA will establish as needed Memoranda of Understanding (MoUs) with the MoH, MoJ, other partner ministries, and with related Regional Bureaus.³⁰ MoWSA will also contract specialized service providers or organizations to implement key activities requiring specialized technical expertise: specialized GBV service providers will be contracted to support expansion and strengthening of GBV service delivery at the community level in areas where government-led services (for example, OSCs and health facilities) are limited or do not exist. To address identified gaps in mental health support for GBV survivors and conflict-affected communities, MoWSA will also contract a specialized organization to improve and expand provision of MHPSS. MoWSA will also contract specialized organizations or actors to lead the development and piloting of GBV prevention interventions. Specialized actors may also be required for the establishment and functioning of Women and Girl Friendly Spaces/Girls Clubs, for any economic empowerment interventions, and for other activities under Component 2 that may require specialized expertise. Where relevant and feasible, and with approval from the World Bank, one specialized service provider may be contracted to implement multiple functions, for example, GBV services delivery and development and roll out of trainings for technical staff. Sub-component 2.3 will be implemented by the MoWSA.

HROC Woredas

26. For component 1, adaptive approaches will be applied. The FPCU will contract entities able to access and operate in selected areas without government support. Under this arrangement, the provision of rapid response basic services will be implemented in a direct and straightforward manner by the contracted third-party entities. Service standards, specifications, and approaches will be harmonized across the different implementation arrangements to ensure consistency and quality. For community-driven recovery

³⁰ Relevant partner ministries responsible for delivering trainings, services, medicines, and/or supplies under sub-component 2.1 (for example, MoH) will develop technical and financial workplans and reports for submission to MoWSA for approval and onward submission to the World Bank for release of funds to their designated accounts.



interventions, the contracted entity will be fully responsible to take over the role of the local government to facilitate the process and enable results. It will organize the NRCs, and after the community recovery plans are established, it will conduct the procurement of sub-projects' goods and services. The role of the NRCs and communities will remain the same as in NROC Woredas. Community-level institutions will continually benefit from the entity's support, strengthening their role in the recovery process. Institutional resilience activities will be carried by the third-party implementation as feasible for community-level institutions only.

27. **For component 2**, implementation will be led by contracted organizations/agencies as agreed upon by the GoE and the World Bank. This implementation approach acknowledges current capacity constraints in providing quality services at the community level, as well as the lack of required equipment and ongoing instability in some of the targeted areas.

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