

INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE

Report No.: ISDSAxxx

Date ISDS Prepared/Updated: 20-Dec-2012

I. BASIC INFORMATION**1. Basic Project Data**

Country:	Yemen, Republic of	Project ID:	P143715
Project Name:	Enterprise Revitalization and Employment Pilot		
Task Team Leader:	Nabila Assaf		
Estimated Appraisal Date:	02-Jan-2013	Estimated Board Date: N/A (to be submitted to MENA Transition Fund Steering Committee January 2013, planned submission for RVP approval March 2013)	
Managing Unit:	MNSF1	Lending Instrument:	Specific Investment Grant
Sector:	Private Sector Development (100%)		
Theme:	Private Sector Development, Micro and Small Finance, Market Access, Innovation		
Financing (in USD Million)			
Financing Source			Amount
Borrower			0.00
International Bank for Reconstruction and Development			0.00
Other			4.15
Total			4.15
Environmental Category:	C		
Is this a Repeater project?	No		

2. Project Objectives

The project development objectives are to improve individual employability and SME capabilities for graduates and firms participating in a pilot scheme and to inform related policies and programs.

3. Project Description

The project aims to inform private sector development policies and programs in Yemen, with a particular emphasis on SME development and employment. This focus on SMEs and employment stems from the conflict-affected nature of the country context and evidence of the importance of SMEs in private sector development and employment generation.

Project Components

Component 1: SME Internship and Upgrading Program (US\$3.72 million)

This component will finance two sub-components, a) internships and b) business development plans an estimated 400 graduates and private enterprises on a cost-sharing basis (typically a 50 percent match is required by the firms). The program would facilitate and support the placement of the interns through a matchmaking process, providing basic skills training to all accepted applicants and basic orientation training to participating interns (work ethics, personal productivity), and a subsidy of 50 percent or more of the internship cost (expected length of 6 months or longer). The program will also provide up to 400 firms, depending on uptake, with a matching grant (typically 50 percent of the cost) for the procurement of business development services (BDS), training and goods (as a minority component) to improve management practices, technology, or products or to reach new markets (domestic or export) as defined in a Business Development Plan submitted by the firm. Firms may apply for an intern, a business development matching grant, or both. These activities would be implemented at firms in two locations, Sana'a and Aden.

This component will finance partial grants for youth internships and partial grants for services (including both consulting and non-consulting services) and minor goods (such as office and IT equipment, measurement and test equipment, spare parts) within the scope of the business development plans. It will also finance goods, services, travel (including international travel), and incremental operating costs incurred by SMEPS in the implementation and management of the project.

Component 2: Bank-executed activities: Impact Evaluation, Technical Assistance, and Support (US\$0.43 million)

This component will include the implementation of an impact evaluation and provision of technical assistance to the GoY to inform policies and programs on SME development and employment based on the outcomes and demonstrated effect of the pilot. The component will finance the costs of the impact evaluation and technical assistance (TA) provided to GoY entities and SMEPS, particularly on monitoring and evaluation.

The rationale for World Bank execution of this component lies primarily in the need to conduct a robust impact evaluation, and SMEPS has requested that the World Bank take responsibility for the implementation of the impact evaluation to ensure its independence. Furthermore, the second element of this component is the provision of technical assistance to the GoY by the World Bank, bringing the results of the impact evaluation as well as lessons learned from this

project and global practices to serve the GoY's policies and programs, which is most effectively undertaken by direct World Bank execution.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in Sana'a and Aden. Implementation will take place mostly within small enterprises (less than 20 employees), operating at a small scale in services and manufacturing. The TA component has no salient location.

5. Environmental and Social Safeguards Specialists on the Team

Alaa Ahmed Sarhan (MNSEN)

Concepcion Esperanza Del Castillo (MNSWA)

6. Safeguard Policies	Triggered ?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Safeguards policies are not expected to be triggered. The expected size of the grants and loans under this project are expected to be very small, in the range of up to \$10,000, but most will be less. The nature of most of the activities will be procurement of services and other intangibles, with possible small scale goods or equipment which are not anticipated to have any major or irreversible environmental impacts.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Indirect impacts are expected to include cumulative impacts of multiple small activities that individually would be negligible.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

No alternatives to the proposed project were considered as the environmental and social negative impacts are negligible.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

Social safeguard policies are not triggered, and the social impacts of this project are expected to be positive. The activities will build confidence of small enterprises and help them recover or grow their activities. The inclusion of unemployed graduates in the program will also provide benefits through the training, job matchmaking, skills and experience gained through the internships, and if successful, long-term employment. The OM will also describe design features to facilitate inclusion of women as beneficiaries of the project. The OM will also describe how internship health and safety will be adequately addressed.

Environmental safeguards policies are not expected to be triggered. The expected size of the grants and loans under this project are very small, in the range of up to US\$10,000, but most will be less. The nature of most of the activities will be procurement of services and other intangibles, with possible small scale goods or equipment which are not anticipated to have any major or irreversible environmental impacts. The OM will include a negative list of activities, the process of screening out any activities with anticipated social or environmental negative impacts, and the principles of giving due consideration to social and environmental implications of technical advice provided.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

N/A

B. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment			
Does the project require a stand-alone EA (including EMP) report?	Yes []	No [X]	NA []
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes []	No []	NA [X]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes []	No []	NA [X]
The World Bank Policy on Disclosure of Information			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes []	No []	NA [X]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes []	No []	NA [X]
All Safeguard Policies			

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Have costs related to safeguard policy measures been included in the project cost?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input checked="" type="checkbox"/>

III. APPROVALS

Task Team Leader:	Name: Nabila Assaf	<i>Nabila Assaf</i>	1/8/2013
<i>Approved By:</i>			
Sector Manager:	Name: Simon C. Bell	<i>Simon C. Bell</i>	Date: 1/8/2013