



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 08/31/2021 | Report No: ESRSC02208



BASIC INFORMATION

A. Basic Project Data

| | | | |
|-------------------------------|---|--------------------------|----------------------------|
| Country | Region | Project ID | Parent Project ID (if any) |
| Lebanon | MIDDLE EAST AND NORTH AFRICA | P176547 | |
| Project Name | Decent Employment Creation for Vulnerable Lebanese Citizens and Syrian Refugees in Livestock Value Chains | | |
| Practice Area (Lead) | Financing Instrument | Estimated Appraisal Date | Estimated Board Date |
| Agriculture and Food | Investment Project Financing | | 11/16/2021 |
| Borrower(s) | Implementing Agency(ies) | | |
| Non-governmental Organization | Non-Governmental Organization | | |

Proposed Development Objective

The project aims to build resilience of poor beneficiary households and diversify incomes through strengthened livestock value chains in project areas.

| Financing (in USD Million) | Amount |
|----------------------------|-------------|
| Total Project Cost | 3.75 |

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 would include three main activities:

- 1) Dairy value chains development. This component would finance activities related to structuring and development of the dairy value chains through demand-driven partnerships between producers and off-takers and increasing access to finance by providing partial grants to eligible beneficiaries. The partial grants would be provided



to support investment (such as small-scale agricultural machinery, small-scale processing equipment, cooling facilities and other equipment) for value addition, marketing, quality enhancement and food safety.

- 2) Poultry value chain input support. This component would finance the distribution of egg-laying chicken and provision of agro-technical advice to refugees and vulnerable Lebanese farmers.
- 3) Supervision and monitoring: This component would finance monitoring and supervision of the World Bank related activities.

The recipient of the grant funds and implementing agency for the grant-financed activities will be an international non-government organization (NGO).

D. Environmental and Social Overview

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

The project will be implemented in rural areas all over Lebanon including predominantly Bekaa Valley (east of Lebanon) and North Lebanon regions. While the specific locations are not determined yet the Bekaa Valley and North Lebanon regions are characterized by their high agricultural productivity and poverty levels.

D. 2. Borrower’s Institutional Capacity

The implementation of this grant fund will be through an international NGO that will be competitively selected. It will be mandatory, in the selection process, that the awarded NGO has the necessary E&S capacity and expertise to manage any potential environmental and social risks. Familiarity with the Bank’s ESS, or similar experience, and availability of internal E&S acceptable procedures will be one of the mandatory selection criteria. Based on the information collected to date, the likely pool of International NGOs who may be interested in this assignment have prior experience in working with other donors, thus likely have some experience and understanding of good social and environmental practices and procedures. The details of this implementation arrangement will be further developed and finalized prior to the appraisal phase. The Ministry of Agriculture, which is considered a key stakeholder, will be kept informed on the E&S risks throughout the project life-cycle.

Public Disclosure

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

A. Environmental and Social Risk Classification (ESRC)

Moderate

Environmental Risk Rating

Moderate

The project activities are focused on two interventions related to: 1) dairy value chain development through demand-driven partnerships between producers and off takers and increasing access to finance by providing partial grants to eligible beneficiaries; 2) Poultry value chain input support which will finance the distribution of egg-laying chicken and related inputs to Syrian refugees as well as Lebanese small farmers. By providing inputs that can quickly improve household food availability and income (backyard poultry breeding), households will benefit from additional income and diversified protein-rich diets. There are few identified environmental and health and safety



risks and impacts: 1) generation of minor quantities of organic wastes; 2) attraction to flies, insects and rodent; and 3) risks related to avian flu due to the household members exposure to chicken. While avian flu viruses do not normally infect humans, sporadic human infections with avian flu viruses have occurred. The last known outbreak of H5N1 took place in Lebanon in 2016. Risks may also include hygiene and health issues associated with living and sanitary conditions in camps/cramped housing of backyard poultry. Other risks are related to expansion or development of vet services; Livestock breeding or trading centers; Small/local dairy and poultry processing and packaging units, or feedstock suppliers. Given the small scale of the proposed interventions and given that MoAg in Lebanon, in coordination and cooperation with Ministry of Health and Population and international organizations (e.g. FAO and WHO) have the knowledge and experience of dealing with even larger scale types of activities at the national level, all the above environmental risks are assessed to be of low to moderate significance. The estimated overall environmental risks are considered "Moderate".

Social Risk Rating

Moderate

The project activities have overall positive social impacts. However the project may have the following social risks: i) exclusion of certain beneficiaries vulnerable farmer groups because of unequal access, limitation faced by potential beneficiaries to provide the necessary and complete set of paperwork and evidence to be eligible for the program; ii) potential social tensions among different groups of the intended beneficiaries if there is lack of transparent eligibility criteria and beneficiary selection process; iii) potential risk of sexual exploitation and abuse/sexual harassment of female beneficiaries- for instance, women and girls may be forced into exchanging sexual favors during project implementation and especially if there is limited oversight over project actors; (iv) potential for child labour and forced labour; (v) discrimination with potential unequal wages. These social risks are considered "Moderate".

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:

There are many significant positive impacts related to the proposed interventions especially in within the dairy value chain. However, there are also some potential risks and impacts which need to be considered and managed.

Poultry production typically result in few negative environmental impacts including generation of organic wastes, poultry manure, emission of bad odors, attraction of flies, rodents and other pests that create local nuisances and carry disease. In order to combat pests and rodents, certain insecticides might be used. Since the project will only finance small farmers and no large-scale production will be financed by this operation, the scale and significance of the aforementioned potential negative impacts are expected to be of low to moderate significance.

In addition, there is a low to moderate health risk among the farmers and their families to contract avian flu (H5N1) due to the exposure to the birds. Also, there could be hygiene and health issues associated with living and sanitary conditions in camps/cramped housing of backyard poultry.

Other impacts, such as indirect and cumulative ones, may also occur since there will be several individual activities such as development of dairy value chains, livestock commercial (up to 10 dairy or equivalent), machinery, cooling facilities, distribution of egg-laying chicken etc. Also a repeat of the same activities spread over the two project areas.



Indirect impacts may include food safety aspects, increase in purchase of feed, increase in energy consumption, generation of air emissions, excessive packaging and wastes...etc.

There is a low probability that there could be Associated Facilities which may expand/be developed (such as vet services; Livestock breeding or trading centers; Small/local dairy and poultry processing and packaging units, or feedstock suppliers).

ESS1 is therefore relevant and applicable to this project.

Possible measures to mitigate the aforementioned risks may include: ensuring proper waste management systems are in place, using natural methods to combat flies and rodents, simple odor emission reduction and control practices and poultry vaccination.

An Environmental and Social Management Framework (ESMF) is going to be prepared in order to determine all potential risks and impacts (direct, indirect and cumulative) throughout the project lifecycle, assess their significance and provide framework for management and mitigation of the identified risks and impacts. Specific instruments (e.g. waste management plan) will be determined as part of the ESMF preparation. In addition, the ESMF will determine the requirements for any associated facility which may be expanded or developed, if such facilities meet the ESF definition in accordance with ESS1-Para 10 and 11.

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

Borrower framework is not considered.

ESS10 Stakeholder Engagement and Information Disclosure

The selected NGO/implementing agency needs to clearly communicate the project activities to all affected parties, including i) project-affected parties (PAPs) who might be positively and adversely affected by the project, ii) other interested parties, and vulnerable groups, through meaningful and inclusive consultation sessions during project preparation as well as active stakeholder engagements throughout the project implementation. PAPs who will be positively affected include among others: vulnerable Lebanese farmers engaged in horticulture and dairy sub-sectors, Syrian refugees working on farms, women farmers with priority being given to female-headed households, and who will represent at least 25% of total beneficiaries. These project-affected persons also fall under the vulnerable group category. Other interested parties include community-based organizations, including local cooperatives and NGOs in the agriculture/ farming/ environment sector as well as NGOs representing vulnerable groups like poor Lebanese and Syrian refugees. Academic institutions, also categorized as other interested parties, may also be interested in the interventions of the project activities. Persons who may be negatively affected may include those who may be excluded from the project benefits including among others, vulnerable and women groups. Active and inclusive engagement with all stakeholder throughout the project life-cycle will be essential to minimize to the extent possible potential social tensions and misperceptions of exclusion.

Specifically, it is recommended that the implementing agency seeks the advice of the identified stakeholders and particularly the Ministry of Agriculture, among others, on the eligibility criteria and other community and health risks associated with the project such as from the minimal quantities of wastes generated and other COVID19 related risks. Stakeholder engagement activities will serve as a platform for all affected persons and other interested parties to engage in discussions about the project preparation and implementation activities. Due to current nationwide general mobility restrictions, virtual inclusive consultations could be another acceptable modality to be adopted by the implementing agency as per the guidelines of the WB technical note in this regard. The implementing agency



needs to clearly communicate the project activities to all affected parties through meaningful and inclusive consultation sessions during project preparation as well as active stakeholder engagements throughout the project implementation.

As part of the SEP, the implementing agency also needs to introduce a feedback mechanism through the development of a functional and robust grievance mechanism (GM) that should be accessible to all. The dedicated staff of the implementing agency will need to monitor closely and address all grievances including anonymous complaints. This project GRM will help close the feedback loop on all citizens' concerns and questions about the project activities and will allow for transparency. It is recommended for the implementing agency to ensure that the E&S specialists follow up closely on this aspect throughout project implementation and to document accordingly. The GRM will also include referral pathways in the event of any sexual exploitation and abuse and sexual harassment (SEA/SH) related complaints with the adoption of the principles of confidentiality and anonymity.

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 will involve direct workers. The direct workers will be the project management unit (PMU) staff who will be following on the day-to-day activities of the project's components which includes the provision of work to vulnerable Lebanese farmers, Syrian refugees, and women farmers.

The project workers may be exposed to some occupational health and safety risks due to the direct exposure to animals which may transmit some diseases to humans as well as COVID19 contagion. Occupational health and safety (OHS) requirements for project workers are set out in ESS2. Other risks include potential for child labor and forced labor, potential for discrimination and unequal wages, as well as the potential for SEA/SH related risks. LMP, which will apply to the Implementing Agency itself and to the project beneficiaries will be prepared. It will include mitigatory and preventive measures in this regard. The LMP, which is a living document, will be prepared by project effectiveness and will be updated as needed throughout project implementation.

ESS3 Resource Efficiency and Pollution Prevention and Management

The project activities are expected to generate small quantities of solid and animal wastes which are classified as "non-hazardous organic wastes".

Activities under component 1 and 2 are expected to generate small quantities of solid wastes and possibly organic wastes. The development of the dairy value chain may result in increasing wastes from packaging of dairy products, waste empty containers...etc. It may also put some pressure on natural resources which will be used in producing packaging materials.

Under component 2, due to the small scale of poultry production under this operation, it is expected that the generated wastes will be part of the household wastes which are normally sorted by waste collectors and recycled according to each waste stream. Awareness raising to the participating farmers to sell clean organic wastes (as a



byproduct) and other recyclable materials may represent an incentive to farmers to practice waste separation at source.

Under component 1, there is an opportunity to consider energy efficiency, to the extent technically and financially feasible for activities under value chain activities, such as collection, cold storage and processing.

While improved hygiene practices imply more cleaning and washing using fresh water resources under both Components, this may put pressure on water resources and increase energy consumption (using hot water). The use of water will result in generation of wastewater, most probably with high BOD levels which if disposed improperly will result in polluting soils and surface water bodies.

Other possible impacts related to ESS-3 include waste generated from processing, packaging etc. of the value chain. In addition, there may be a possibility of use of antibiotics in feed and other medicines and waste from associated facilities (e.g. vet services). Animal carcasses/body parts and their disposal should be also considered when assessing potential risks and impacts and should be included in the waste management plan.

Therefore ESS-3 is relevant and will require the project to consider all potential risks and impacts and determine pollution prevention measures to mitigate any negative impacts. These should all be included in the environmental assessment to be carried out within an Environmental and Social Management Framework (ESMF).

ESS4 Community Health and Safety

Exposure of households to domestic poultry (chicken) may result in infection with avian flu. In addition, the relevance of this ESS also comes from the risks of exposure to COVID-19 contagion.

MoA has an ongoing poultry vaccination program that started since the global outbreak of the avian flu (H5N1) back in 2006. This will ensure that chicken sold in the local market, and hence purchased by the farmers using the project vouchers, are H5N1 vaccinated. In addition, the project may require that participating suppliers in the project should have evidence from the relevant authorities that the sold chicken is H5N1-free/vaccinated.

In addition, the rollout of the COVID-19 national vaccination campaign has started and is supported by another World Bank-financed operation (Lebanon Health Resilience Project). Awareness-raising to farmers about the need to vaccinate the birds and also receive COVID-19 vaccination will significantly reduce the potential health risks associated with this operation.

While the preliminary SEA/SH risk assessment showed a low-risk rating, the project will ensure adoption of minimal respective mitigation measures including the signing of codes of conduct by all project actors, awareness-raising, and a GRM sensitive to SEA/SH complaints with referral pathways and the principles of confidentiality and anonymity.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Project activities are not associated with any land acquisition or resettlement.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

No imported strains of poultry will be financed by the project and will rely on locally available strains. Similarly, the project will not finance importing any breeds of cows which are not locally existing in the market under Component 1



which is aiming to promote better feeding and handling of livestock rather than distributing animals to farmers. This will be done through better feeding, veterinary care and sanitary practices, in addition to improving the handling and processing of dairy value chain elements (better storage, cooling, handling...etc.)

In Lebanon Livestock breeding is intensive (animal stays on the farm) and not extensive (grazing) due to the scarcity of suitable pastures. Therefore, risk of over-grazing is low. We do not expect farmers to extensively invest in high-yielding breeds as maintenance of these animals is expensive.

In case a farmer will procure a Holstein or other high-yielding breed cow (although unlikely due to the small grant size), the Project will have conditions under which the farmer should buy such animals under the project, including ensuring that the farmer has the necessary resources to care for the cow including feed availability, veterinary care, farm condition...etc. to ensure the sustainability of the use of the grant. Since the project may not restrict the procurement of high productivity types of cows (locally available in the market even if they are European breed), then there might be very minor risk to biodiversity due to the fact of not having large grazelands in Lebanon. However, ESS6 is considered relevant just to be able to address such low risk if it ever happened. The ESMF will also address this part and make sure to put necessary risk management measures.

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

No indigenous peoples or groups are present in the project implementation areas.

ESS8 Cultural Heritage

No relevance of the project activities with cultural heritage.

ESS9 Financial Intermediaries

The relevance of ESS9 will be determined during the preparation phase.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

Public Disclosure



Not currently determined.

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

Actions to be completed prior to Bank Board Approval:

- Prepare, consult on, get bank clearance and disclose ESMF
- Prepare, consult on, get bank clearance and disclose SEP
- Preparation, bank clearance and disclosure of ESCP

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

- Collection and disposal of animal wastes.
- Avian flu vaccination program
- Public and occupational health and safety awareness measures
- Awareness on environmentally friendly measures to combat insects and flies
- Labor Management Procedures (LMP) to be prepared before project effectiveness
- Update to Stakeholder Engagement Plan (SEP)

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS

30-Sep-2021

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Non-governmental Organization

Implementing Agency(ies)

Implementing Agency: Non-Governmental Organization

Public Disclosure



The World Bank

Decent Employment Creation for Vulnerable Lebanese Citizens and Syrian Refugees in Livestock Value Chains
(P176547)

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

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