



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

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BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Ethiopia	AFRICA	P172479	
Project Name	Strengthen Ethiopia's Adaptive Safety Net		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing	6/15/2020	11/2/2020
Borrower(s)	Implementing Agency(ies)		
Federal Democratic Republic of Ethiopia	Ministry of Agriculture		

Proposed Development Objective(s)

Expand geographic coverage and enhance service delivery of Ethiopia's adaptive rural safety net to improve the well-being of extremely poor and vulnerable households in drought prone communities

Financing (in USD Million)	Amount
Total Project Cost	2700.00

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 would be an Investment Project Financing with an estimated half of the Bank credit allocated to Disbursement Linked Indicators (DLIs).

The project builds on the experience of previous phases of the Productive Safety Net Program (PSNP), documented through bi-annual impact evaluations and a large number of studies and assessments. It will support the implementation of the fifth phase of PSNP, with focus on improving the shock responsiveness of the program and enhancing service delivery.



The proposed project consists of four components:

Component 1: Adaptive Safety Net. This component would provide labor intensive public work opportunities for selected rural poor households in drought-prone woredas; safety net transfers; and complementary livelihood services for client households through support to crop and livestock production, off-farm income generating activities, and wage employment linkages. The component aims to address environmental degradation, mitigate the negative impacts of climate change, and support poor households' adaptation to climate change.

Component 2: Improved Shock Responsiveness of the Rural Safety Net. This component will support the expansion of PSNP to additional drought-prone woredas, invest in underlying systems to deliver timely and adequate assistance to households affected by drought shocks, and finance vertical and horizontal expansion of transfers in case of emergency (drought).

Component 3: Enhanced Service Delivery. Activities in this component aim to consolidate several important initiatives to build systems under previous phases of the PSNP. This will enhance service delivery in the areas of payments, information for operations, and program dynamism and responsiveness to beneficiaries, including taking advantage of technology to improve the program's efficiency and governance. In addition, this component will support innovations that would take advantage of the PSNP platform to contribute to human capital development for the extremely poor in Ethiopia.

Component 4: Institutional Capacity Building and Project Management Support. This component will provide institutional support to GoE to improve overall program management. It will finance the management budgets at the federal and regional levels. Financing will be provided for planning, implementation, and technical oversight of program activities such as implementation of safeguards requirements and financial, commodity, and procurement management. Support will also be provided for systems assessments, audits, and impact evaluation surveys. The capacity of MoLSA to support Permanent Direct Support beneficiaries would be strengthened. The regional bureaus and woreda offices of Labor and Social Affairs are progressively taking over responsibility for Permanent Direct Support beneficiaries, including preparation of the inputs needed to generate the payroll, monitoring of transfer receipt, and case management including referrals to care services and other social services. It is expected that MoLSA will play a prominent role in addressing GBV, child labor, and OHS. This component will support the strengthening of capacity necessary to carry out these roles as well as participate in other activities related to PSNP (for example in targeting, reassessment, grievance and appeals).

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social] Ethiopia depends principally on agriculture both for its economic growth and food security. Some 80% live in rural areas with agriculture (crop production and animal husbandry) as the main source of livelihood. The government has developed a Climate Resilient Green Economy (CRGE) strategy in support of the GTP. The vision of the CRGE is to achieve middle-income status by 2025 in a climate-resilient green economy.



The services provided by natural resources including agriculture and livestock play a critical role for the livelihood of the majority of Ethiopia's population. Agriculture is the key pillar of the economy and the most important source of growth. Agricultural production is mostly rain-fed and dominated by small-scale farmers and enterprises that contribute some 90% of agricultural production. Although much of the agriculture remains at subsistence level, smallholders provide a large part of traded commodities, including for exports and about 70% of the raw material requirements of agro-based domestic industries.

Agriculture, which is the critical element of economic growth and food security of the country, relies on sustainable management of land and water. The country, however, was experiencing low and declining agricultural productivity, persistent food insecurity, and rural poverty largely attributed to land degradation. It was estimated that by the mid-1980s some 27 million ha or almost 50 percent of the Ethiopian highlands, which makes up about 45 percent of the total land area, was significantly eroded. Of this 14 million ha was seriously eroded and over 2 million ha were beyond reclamation. It was estimated that some 30,000 ha were being lost annually as a result of soil erosion, representing over 1.5 billion tons of soil removed annually by a variety of land degradation processes.

Since 2005 crop yields have been rising steadily, as various government watershed rehabilitation programs - including the PSNP Public Works program - have been implemented, and fertilizer and improved seeds have been made available to farmers. The incidence of food shortages decreased from 31% in 2005 to 10% in 2016. Nonetheless crop yields are still low by continental standards, millions of Ethiopians still face land degradation, and due to the pressure on land many farms are now below the size considered sufficient for sustainable smallholder farming. Thus there is still much to be done to improve the productivity of the natural resource base; many smallholder farmers still need income support.

The PSNP V woredas are located in Tigray, Amhara, Afar, SNNP, Oromiya, Somali regions, and in the rural parts of Dire Dawa and Harage Administrations. The environmental characteristics of these areas in which PSNP V will be implemented are most usefully demarcated by altitude, rather than administrative boundaries.

The rural population of the highlands are for the most part smallholder farmers engaged in mixed settled farming; in the lowlands (principally Afar and Somali regions, and parts of SNNPR and Oromiya) they are principally pastoralists or semi-pastoralists.

In 2016 the drought-prone lowlands, which include the eastern and southern parts of Oromia and the southern parts of SNNPR (but do not include pastoral areas of Afar and Somali), had the highest poverty rate, at 32%. The drought-prone highlands, which include the eastern parts of Tigray and Amhara, had the lowest poverty rates at 21%.

The moisture-reliable highlands (principally weyna dega) accounted for the bulk of the poor (close to 60%), not because they are particularly poor but because the population is concentrated in these highlands. 58% of the ultra-poor were living in the moisture-reliable highlands; 39% were living in Oromia. 24% of the ultra-poor were in SNNPR.

The project beneficiaries and activities will be located in eco-climatic zones ranging from very high elevation areas (>3,200 m) principally in Wello, Gonder and Gojjam dominated by grassland landsc

D. 2. Borrower's Institutional Capacity

The PSNP is implemented through Government systems with relevant line ministries responsible for delivering services related to their mandates. Overall coordination and management of the project is the responsibility of the Food Security Coordination Directorate (FSCD) of the Ministry of Agriculture. Other key stakeholders include:

- Ministry of Labour and Social Affairs
- Public Works Coordination Unit (PWCU) of the Ministry of Agriculture
- Livelihoods Coordination Unit (LCU) in the FSCD



- Ministry of Finance
- National Disaster Risk Management Commission within the Ministry of Peace and Security

Entities responsible for the Public Works Sub-Component

The PWCU currently includes three staff qualified in environmental or social safeguards. Under PSNP Phase IV safeguards compliance is currently rated Moderately Satisfactory, shortcomings being principally in:

- (a) Varying quality of safeguards compliance monitoring, and
- (b) frequently inadequate implementation of safeguards in Afar and Somali regions.

It is expected that by the beginning of PSNP Phase V the monitoring of E&S Standards compliance by the Public Works sub-component will be greatly facilitated by the roll-out of the forthcoming Mapped Public Works Database.

Nonetheless under PSNP V there will be a need for some increase in PWCU capacity to:

- ☐ strengthen the tracking of E&S Standards compliance/non-compliance and ensure that appropriate remedial works are carried out;
- ☐ oversee the roll-out, implementation and monitoring of the expanded range of Social Standards and updated coverage of Environmental Standards;
- ☐ collaborate with the Social Development Unit of the FSCD to ensure that community-level PW-related Social Standards are complied with;
- ☐ ensure that the regional, wereda and kebele staff, including DAs, are trained in the procedural requirements necessary for the achievement of Phase V E&S Standards.

The assessment of E&S Standards capacity-building requirements for the PW sub-component of PSNP V will be conducted in liaison with the World Bank – financed ESPES project, which has been building safeguards capacity at the wereda.

Entities responsible for the Livelihoods Sub-Component

The LCU of the FSCD was responsible under the previous phases of the PSNP for the roll-out and overseeing of safeguards implementation for the Livelihoods sub-component. This responsibility will be continued for the E&S Standards under PSNP V. While no drastic changes to this sub-component are anticipated in Phase V, it will be necessary to undertake a detailed capacity assessment at all levels to ensure that the necessary capacity is in place.

Entities responsible for Social Issues at Community Level

While a Gender and Social Development Technical Assistant in the FSCD was responsible under PSNP IV for overseeing a range of social development issues, the expanded coverage of the Social Standards at community level under PSNP V will increase these responsibilities, for which a Social Development Unit will be required. Several social issues that were addressed under PSNP IV simply by policy guidance will under PSNP V fall under Social Standards. This will require the roll-out of procedures such as risk assessment, mitigating measures as appropriate, and regular reviews, monitoring and reporting on a range of social compliance issues, in conjunction with the PWCU, FSCD and MoLSA. The issues to be addressed by the Social Development Unit will typically include indirect, or community-level, impacts of PW or transfers, such as negative impacts of PW on school attendance, the deployment of child labour, the adequacy of grievance redress mechanisms (GRMs), the incidence of accidents and injuries, and the establishment of effective community-level measures to address emergency events.

There will need to be a capacity assessment to determine capacity-building requirements for these tasks at all levels in both the FSCD and MoLSA.



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

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Moderate

Under the World Bank's Environmental & Social Framework (ESF) the environmental risk of the Project is Moderate, being associated with potential impacts of:

- (i) PW subprojects that are each micro- or small-scale, largely site-specific, reversible, and can be avoided or mitigated with measures that are known, each subproject being either low or moderate risk, in terms of the ESF;
- (ii) Livelihoods household-level activities that are micro-scale and can be managed at wereda level to ensure that any negative cumulative impact can be avoided or mitigated, each activity being low risk.

Social Risk Rating

Substantial

Under the World Bank's Environmental & Social Framework (ESF) the social risk of the Project is assessed as Substantial. While the potential direct social impacts of the PW and Livelihoods components (such as inequitable distribution of benefits, child labour etc) will be generally site-specific and manageable, those associated with entire communities such as targeting problems, the delivery of transfers and reallocation of case-load are less easily addressed, and given the large scale of the project, could prove significant. This assessment of the potential for Substantial negative social impacts takes place within the context of developments in recent years in Ethiopia that have seen an increased level of political turmoil, including a significant rise in social unrest and inter-ethnic conflict.

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 Environmental and Social risks and impacts are summarized below for each of the three sub-components.

Public Works Sub-Component:

Although the subprojects are aimed at enhancing the environment and increasing the productive capacity of the natural resource base, they also have the potential for adverse environmental impacts on human populations or the biophysical environment if their location, design or construction do not follow good environmental practices. Based on the experience of the PW component in the previous phases of the PSNP, these environmental risks could arise principally from site-specific impacts such as (i) disturbance of environmentally sensitive areas, wildlife habitats or downstream ecosystems by soil-and-water conservation (SWC) subprojects, including flood control, which, despite being intended to improve the environment, might be badly designed or sited; (ii) vegetation removal, erosion or pollution caused by poorly designed or located social infrastructure such as community roads or health posts; (iii) salinization, water logging or pollution resulting from small-scale irrigation sub projects including the use of agro-chemicals; (iv) disruption of downstream ecosystems or water flows by water sub projects such as small dams or community ponds.

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The social risks of individual PW sub projects are related principally to direct impacts of the subprojects such as (i) social unrest arising from loss of access to resources under Area Closure arising from soil-and-water conservation (SWC) subprojects; (ii) loss of assets related to social infrastructure such as community roads or health posts; (iii) social conflict or impact on health or safety arising from disruption of downstream water use or inequitable benefits from small-scale irrigation subprojects including the use of agro-chemicals; (iv) loss of assets, social conflict over water allocation, or risk to health and safety arising from subprojects such as small dams and community ponds. There are also wider-ranging potential indirect and community-level risks arising from the PW sub-component, such as (i) children failing to attend school because they are required to carry out tasks that their mothers no longer attend to due to working on PW; (ii) mothers no longer breast-feeding children due to PW labour; (iii) the use of child labour on PW sites; (iv) accidents and injuries arising from lack of operational health & safety procedures on site; (v) gender-based violence arising from PW-related social disruption; (vi) children exposed to harm on site due to lack of child-care centres; (vii) a reduction in farmers' availability to work on their own farms due to excessive or untimely PW workload ; (viii) injuries, ill-health or social disruption due to excessive PW workload on women; (ix) exposure to harm, unfairness, financial, or other distress arising from the absence of adequate grievance redress mechanisms (GRM) related to PW; (x) discrimination or social conflict caused by a local-level perception of the PW work force as a labour pool to be called upon for any labour-intensive non-PW work required in the kebele; and (xi) adverse impacts on historically underserved traditional communities caused by the delivery of inappropriate services such as transfers, PW or behavioural change programs.

Livelihoods Sub-Component:

Based on the experience of the Livelihoods component in the previous phases of the PSNP, the environmental risks of the micro-activities of the household-level Livelihoods sub-component arise principally from the potential cumulative effects of large numbers of households in the same kebele or wereda all undertaking the same activities. These environmental risks are related to impacts such as (i) degradation caused by overgrazing resulting from animal-fattening; (ii) loss of endemic tree species due to tree-cutting for the manufacture of furniture or artefacts; (iii) pollution from poultry keeping using drugs or chemicals; (iv) deforestation and reduction in local energy sources due to trading in fuelwood, poles or charcoal; (v) deforestation due to a reduction in energy resources resulting from the processing of agricultural residues for animal feed production.

The social risks of the micro-activities of the household-level Livelihoods sub-component are related to impacts such as (i) social conflict arising from degradation caused by livestock overgrazing resulting from animal-fattening; (ii) health issues arising from pollution from poultry keeping using drugs or chemicals; (iv) social conflict arising from deforestation and reduction in local energy sources due to trading in fuelwood, poles or charcoal.

Transfers Sub-Component including Reallocation of Caseload:

The Transfers sub-component could also give rise to negative social impacts, such as (i) social hardship due to delayed transfers; (ii) social conflict arising from inequity due to poor performance, or state capture, of the targeting procedure; (iii) social conflict or unrest due to geographic reallocation of, rearrangement of, or reductions in, the case-load; (iv) social conflict due to variations in transfer amounts or food baskets provided by different agencies within the same area; (v) adverse impacts on historically underserved traditional communities caused by the delivery of inappropriate transfers or related services, and (vi) lack of consideration for vulnerable groups in the payment process.

Identify presence of disadvantaged and vulnerable groups

A significant proportion of PSNP V beneficiaries is expected to meet the criteria of ESS7. In mid-2018, based on the assumption that all PSNP weredas in Afar and Somali regions are regarded as meeting the Bank safeguards category



'indigenous peoples', it was estimated that some 2.5 million of PSNP beneficiaries, represented by an estimated 0.5 million households, fell into that category.

ESA instruments to be developed

The client will prepare ESMF which provides: (i) a Screening and mitigation procedure for PW subprojects, to ensure that all subprojects are either low or moderate risk in terms of the ESF, and (ii) a Strategic Environmental & Social Assessment (SESA) procedure for addressing risks and impacts of activities supported by the Livelihoods sub-component, conducted at wereda level.

The ESMF will also include:

- ☐ Procedures to address the requirements of OP 7.50 Projects on International Waterways
- ☐ Procedures to address the requirements of OP 7.60 Projects in Disputed Areas
- ☐ A PW Grievance Redress Mechanism
- ☐ A Voluntary Asset Loss Procedure
- ☐ A Health & Safety Plan for Public Works, based on the WBG Environment, Health and Safety Guidelines
- ☐ A Guide to Integrated Pest Management
- ☐ A Waste Management Guide for Rural Health Clinics
- ☐ A Guide to Safety of Small Dams
- ☐ A Cultural Heritage Chance-Finds Procedure

In addition, a Social Assessment and Consultation (ESAC) will be conducted to identify risks, design mitigating measures and make recommendations for monitoring their implementation for:

- (i) The avoidance or mitigation of indirect and community-level social risks and impacts
- (ii) A Social and Conflict Analysis assessing the extent to which the project might create or exacerbate social tensions or inequalities, and
- (iii) Potential adverse impacts specifically on historically underserved traditional communities, under ESS7.

The Borrower will also develop an Environmental & Social Commitment Plan (ESCP), setting out the measures and actions required for the project to achieve compliance with the Bank's ESF. In order to ensure compliance with the ESSs, the ESCP will include:

- ☐ Commitment by the project to prepare and implement a site-specific Environmental & Social Management Plan (ESMP) for each PW sub-project, which will form part of an Environmental & Social Management Framework (ESMF) procedure,
- ☐ Commitment to implement the Stakeholder Engagement Plan (SEP), and
- ☐ Commitment to ESF capacity building

Areas where "Use of Borrower Framework" is being considered:

Official Guidelines issued by the Environmental Protection Authority exempts small projects from the requirements of Ethiopia's Proclamation on Environmental Impact Assessment. No. 299/2002. However, in the case of PSNP V, the number of PW subprojects is so large (estimated at around 43,000/annum), and the individuals potentially engaged in Livelihoods-supported activities so numerous (estimated at around 850,000/annum), that the cumulative adverse impacts of the program, if not avoided or mitigated, could be very significant. For this reason reliance on the Borrower's E&S framework is not considered appropriate for the project.

ESS10 Stakeholder Engagement and Information Disclosure

There are two types of stakeholders concerned with the project:



- ☐ Project-affected parties: principally the communities targeted as PSNP-beneficiary communities that include vulnerable groups;
- ☐ Other interested parties: these include neighbouring communities, concerned government staff (federal and local), NGOs involved in PSNP implementation support, and Development Partners supporting the project.

During project preparation the Borrower will develop a Stakeholder Engagement Plan (SEP) which will form part of the ESCP, in accordance with the provisions of ESS10.

Taking into account the large-scale directly affected population (approximately 8 million), and the fact that the project will extend support to 'new', currently excluded, weredas as well as re-allocate the caseload geographically, the SEP will capture the views of sample communities in:

- (i) Existing PSNP-supported weredas where no significant caseload changes are planned;
- (ii) Existing PSNP-supported weredas where caseload re-allocation is planned;
- (iii) 'New', currently excluded weredas where the PSNP will be introduced for the first time.

The SEP will pay particular attention to:

- ☐ any historically underserved traditional communities affected, to ensure that services provided will be appropriate;
- ☐ especially vulnerable and disadvantaged groups, including the elderly, persons with disabilities, female-headed households, orphans and vulnerable children;
- ☐ neighbouring communities that might be directly or indirectly affected by the project.

The Development Partners supporting the project, together with concerned GoE staff at all levels, will be actively involved in the project preparation process, through the PSNP Donor Working Group and with the support of the Donor Coordination Team.

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

ESS2 applies to the project principally in respect of able-bodied project beneficiaries who will work on the Public Works program in return for transfers in the form of cash or food. These fall within the ESS2 category of "community workers".

ESS2 also applies to:

- ☐ GoE Development Agents (DAs), who are civil servants allocated to coordinate the Public Works subprojects on site. They fall within the ESS2 category of "direct workers";
- ☐ supervisors or skilled workers who are temporarily contracted by the local government office to support the site works. They are also "direct workers";
- ☐ people employed as primary suppliers, such as those bringing cement and other materials on site. They fall within the ESS2 category of "primary supply workers".
- ☐ "contract workers" engaged on a site in which the labour-intensive work actually constitutes one component of the subproject (rather than the entire subproject). Such a subproject might be a small masonry dam in which the PW labour is employed in clearing the ground or digging canals.



Based on the latest PSNP IV Quarterly Report, each year, the number of community workers involved in the project could be of the order of 1.2 million, and each year an estimated 43,000 subprojects will be implemented, in approximately 12,500 watersheds plus around 800 rangeland kebeles.

The number of DAs (“direct workers”) engaged on site will be approximately one per kebele, estimated at around 5,000. One DA will typically cover several subprojects in the kebele.

The number of supervisors or skilled workers who will be temporarily employed is unknown. Such staff will not always be required on site, as the DA will often be the supervisor. However, for subprojects such as small earth-dams, a trained supervisor may be necessary, and on occasions government technical staff such as engineers may be on site to provide technical support, for example for water projects. If one such worker is on site in 20% of the subprojects, the number would be around 8,600.

The number of primary supply workers who will be on site (for a limited time) is also unknown, and will depend on the type of subprojects selected, i.e. principally masonry dams (including check-dams involving cement, sand and reinforcement bars), and social infrastructure such as health posts and school extensions.

The number of contract workers on site will depend on how many subprojects will fall into this category. They are typically relatively few; a rough estimate would be less than 0.5% of the total number of subprojects.

The overwhelming majority of subprojects will be small, labour-intensive works engaging community workers with hand-tools, working on subprojects such as soil-and-water conservation, afforestation, terracing, and clearing and levelling community roads, without any heavy equipment on site. Most of these subproject sites will be temporary and undemarcated areas of community land, and the community workers traditionally do not wear special protective clothing.

There will be no labour camps; the community workers will walk to the subproject site (within 1 hour’s walk) and return home in the afternoon.

The principal risks are:

- ☒ Minor injuries to workers that can be treated on site or at the nearest health post;
- ☒ Children or other vulnerable community members either inadvertently on site or in the vicinity, who are accidentally struck by falling objects such as boulders during hill-side terracing;
- ☒ Community workers being treated unfairly in terms of workload, work allocation, or exclusion from their work entitlement.

Although relatively few subprojects are involved, accidents could also occur due on sites involving earth-moving equipment carrying out civil works, the carrying or use of heavy materials such as stone, cement and sand, and the carrying of soil during construction of an earth-dam.

Where identified E&S risks and/or impacts coincide with prescriptive ESS requirements, identify assessments, mitigating plans etc and summarize planned actions

The PSNP targeting procedure will ensure that all community workers are engaging in PW voluntarily.

The Borrower will prepare Labour Management Procedures (LMP) proportional to the activities, risks and impacts, setting out detailed procedures to ensure compliance with the standards of ESS2 for all labour categories involved.

The LMP will set out limits to the number of hours in a day that community workers can work, and will limit the number of days overall that are required from an individual and from a household. This is designed to ensure that no community workers are overburdened with PW either in terms of potential damage to health or in terms of having to do PW at the expense of working on their own farms. In addition, the LMP will allocate a workload of 50% for women, in terms of the person-days they are required to work, ie. a woman will be able to achieve her target by working half the number of days that a man would have to work, for the same transfer. The LMP will contain rules



and sanctions to ensure that children under the age of 18 years are not employed on PW, will specify requirements for child-care centres in the vicinity of PW sites to ensure that children, including babies, can be cared for while the mother is working, and will include the requirements of contractual agreements between the local government offices and direct workers, contracted workers and primary supply workers, to ensure that they meet the provisions of ESS2. The LMP will also include requirements for PW-linked grievance-redress procedures, and will further ensure that the Health & Safety Plan for Public Works (see below) is given adequate attention, particularly for women. The ESMF will include a Health & Safety Plan for Public Works, with specific reference to WBG Environment, Health and Safety Guidelines, which will require the DA to ensure that all required measures for health and safety are effective on site, including labour management, the exclusion of child labour, site housekeeping, on boarding of workers, the provision of first-aid boxes and the timely and routine reporting of accidents and injuries. The ESMF will also contain a detailed procedure for the PW Grievance Redress Mechanism, in order to ensure that work-place concerns can be voiced, complaints made about problems arising, and that such issues be expeditiously addressed.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS applies to the project principally in respect of the potential use of agro-chemicals in small-scale irrigation subprojects.

Each year under the PW sub-component an estimated 8,000 small-scale irrigation schemes will be constructed or worked on. Most of these will be micro-scale, but a few will incorporate small dams and will have the potential for the use of agrochemicals, with associated risks of water and soil pollution, and risks to humans arising from mishandling and the absence of protection.

It is expected that each year several hundred health posts will be constructed under the PW sub-component. Although health posts do not normally generate medical waste, there is a possibility in some cases of improper disposal of items such as sharps, or discharge of waste into water sources.

The context of both pesticide use and health post waste generation will be community-level rural areas, often far from the nearest wereda office. Thus the oversight of mitigating measures will be largely the responsibility of the DA, backed up by technical support from the wereda level.

The ESMF will prohibit the use of project funds to purchase pesticides or fertilisers. Nonetheless, some farmers may choose to purchase and use agro-chemicals, so the ESMF will require wereda staff to provide information and training on acceptable and unacceptable pesticides, and will encourage farmers to comply with GoE policy and international standards of use and storage. The ESMF will include the GoE's Guide to Integrated Pest Management, which the ESMF Screening procedure will oblige the DA to invoke. This will ensure that the correct guidance is utilized in all subprojects likely to involve the use of agrochemicals.

The ESMF will provide guidance and analysis of potential impacts from small-scale irrigation (SSI) subprojects, and if it is identified that these subprojects may have significant impacts on water quality and quantity, the project will design the SSI subprojects in a way to avoid or minimize significant adverse impacts for communities and the environment, including technically feasible water conservation measures, the use of alternative water supplies, etc.



The ESMF will contain a Waste Management Guide for Rural Health Clinics, prepared by the GoE, and for each health post there will be prepared a Medical Waste Management Plan, which the DA will trigger during the ESMF Screening procedure.

ESS4 Community Health and Safety

ESS4 applies to the project principally in respect of health and safety arising from the construction and operation of the PW subprojects. While each watershed may have around three to four subprojects implemented annually, each subproject is expected to operate for many years. Thus within a few years there will be many subprojects implemented in a typical watershed (or rangelands unit).

The risks to community health and safety arise principally from:

- (i) Occupational hazards while working as a community worker on a subproject construction site;
- (ii) Risks to community members inadvertently on, or in the vicinity of, a PW construction site;
- (iii) Risks to all and any community members from accidents or failures of a subproject during operations.

The risks to community workers and those in the vicinity will be covered by the Health & Safety Plan for Public Works, supplemented by the provisions of the LMP under ESS2 Labour and Working Conditions, above.

Measures to avoid health risks from agro-chemical pollution and medical waste during subproject operations will be covered by the procedures under ESS3 Resource Efficiency and Pollution Prevention and Management, above.

Risks to community members from accidents or failures of subprojects during operation will arise principally from:

- ☐ Humans and animals falling into community water-harvesting ponds;
- ☐ Humans health being impacted by exposure to polluted water from a PW water project;
- ☐ Humans and animals being drowned or injured, and assets being lost, as a result of failure of a small dam;

The risks from poorly designed or poorly implemented water storage facilities such as water-harvesting ponds, and subprojects supplying water for human consumption, will be addressed by:

- ☐ The incorporation of good safety practice features in the subproject design, as contained in the Community-Based Participatory Watershed Development Guideline (and corresponding Pastoral PW Guideline);
- ☐ Supervision of water subproject implementation by wereda technical staff;
- ☐ Awareness-creation and training by the DA of the community in the management and use of the PW subprojects.

☐ The Health & Safety Plan for Public Works

The risks from small dams will be addressed by:

- ☐ Ensuring that all dams in excess of 10 metres in height or impounding more than 3mn. cu. m. are eliminated during the ESMF Screening procedure. This provision will be strengthened by a requirement for the wereda environmental expert to personally inspect the site and design of all masonry dams before countersigning the ESMF Screening form;
- ☐ Experience of the previous phases of the PSNP shows that dams of the height of around 10 metres are very rare; no more than an estimated 15 such dams, in a total of some 40,000 subprojects per annum are expected. Since such dams consume most, or all, of a wereda's PSNP PW non-labour budget, no more than one such dam would be constructed in any one wereda, and one wereda would typically contain around 35 community watersheds. Thus

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there are no potential cumulative impacts expected from these dams, which would typically be far apart and in fact in different weredas;

☐ Ensuring through the ESMF procedure that all small dams are designed by a qualified engineer, constructed under the supervision of a qualified contractor, and follow the Guide on Safety of Small Dams in the ESMF as well as Good International Industry Practice;

☐ Putting in place an Emergency Preparedness Plan to be followed in the event of dam failure. This will be the responsibility of the wereda Water Office, and will be prepared in line with the requirements set out in the Guide on Safety of Small Dams.

☐ The Health & Safety Plan for Public Works

ESS4 is also relevant to provisions for gender-based violence (GBV). The Borrower will therefore take into consideration outcomes of the recent Bank-funded Ethiopia GBV Portfolio Review, and will deepen understanding of specific GBV risks through the preparation of a GBV Risk Assessment and a GBV Action Plan with a specific focus on the relationship between PW beneficiaries and group leaders, domestic violence, and the role of MoLSA workers. The Borrower will ensure that infrastructure facilities constructed are accessible for all including people with disability. The Borrower will produce a standard design for infrastructure projects which incorporates elements of disability and gender.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 applies to the project in respect of minor land acquisition or loss of access to resources arising from the construction of subprojects such as small dams, community roads, and social infrastructure.

Due to the limited management capacity at kebele level, and the large scale of the PW program, subprojects involving involuntary loss of assets in any form, or any form of resettlement, will be prohibited under the PSNP, and will be eliminated at ESMF Screening stage.

Nonetheless it is possible that some of the micro- and small-scale subprojects will potentially involve minor loss of assets or access to assets.

Address ESS where E&S risks are identified. For each risk, describe facts and context. Where identified E&S risks and/or impacts coincide with prescriptive ESS requirements, identify assessments, mitigating plans etc. and summarize planned actions

Loss of assets will be permitted only on the basis that the loss is voluntary, and limited, in line with ESS5, fn. 10. In this regard there will be a Voluntary Asset Donation Procedure disclosed as part of the ESMF, designed to ensure that:

- a) The donor or donors have been appropriately informed and consulted about the project and the choices available to them;
- b) Potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation;
- c) The amount of land or other asset being donated is minor, and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels;
- d) No household relocation is involved;
- e) The donor is expected to benefit directly from the project;



f) For community or collective land, donation can occur only with the consent of individual using or occupying the land.

In all such cases the wereda office concerned will be required to maintain a transparent record of all consultations and agreements reached.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The PW ESMF procedure is designed to eliminate all subprojects within, or in the vicinity of, sites where ESS6 would apply. However, the relevance of this ESS will be further assessed during project preparation as part of the ESA process, reflecting on the experience of the PW component implementation in the previous phases of the PSNP to avoid and minimize disturbance of environmentally sensitive areas, wildlife habitats or downstream ecosystems by soil-and-water conservation (SWC) subprojects, including flood control, which, despite being intended to improve the environment, might be badly designed or sited.

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

It has been determined that some of the people resident in the project areas meet the criteria of ESS7. In mid-2018, based on the assumption that all PSNP weredas in Afar and Somali regions are regarded as meeting the Bank safeguards category 'indigenous peoples', it was estimated that 2.5 million of PSNP beneficiaries, represented by an estimated 0.5 million households, fell into that category.

Under PSNP IV, in accordance with the agreement between the Bank and the Ethiopian government, an Enhanced Social Assessment and Consultation (ESAC) was undertaken. Since PSNP V involves an expansion in the geographic scope of the project, and a reallocation of the caseload, a new ESAC will need to be conducted, in order to determine needs and develop any recommendations necessary to ensure that services provided to historically underserved traditional local communities will be socially and culturally appropriate.

These potential risks could cover, for example:

- ☒ A mis-match between the targeting system deployed by the PSNP and the social structures of the community;
- ☒ Inappropriate food being delivered to the community under the Transfers sub-component;
- ☒ Inconsistencies between the design of the PW program and the life-style and livelihoods systems of the community;
- ☒ Socially or culturally inappropriate PW subprojects being implemented.

Thus the ESAC to be conducted for the project will combine;

- ☒ The needs of historically underserved traditional local communities (for ESS7), and
- ☒ Potential indirect and community-level negative social impacts of the Public Works, Livelihoods and Transfers components (for ESS1).

Oversight of the roll-out and monitoring of the implementation of the recommendations will be the responsibility of the Social Development Unit to be established in the FSCD.



ESS8 Cultural Heritage

Since the project can involve excavations, movement of earth, flooding or other changes in the physical environment, ESS8 applies to the project.

Having a very ancient civilization that has remained in more or less the same geographic area throughout, Ethiopia is exceptionally rich in tangible cultural heritage, particularly in the form of both natural and human-made religious sites (such as holy waters and Moslem tombs) and undocumented as well as documented archeological sites. There is thus a risk of PW subprojects involving earth-moving (such as dam construction, quarrying and small-scale irrigation subprojects) encountering, disturbing and possibly destroying, cultural heritage.

Where identified E&S risks and/or impacts coincide with prescriptive ESS requirements, identify assessments, mitigating plans etc and summarize planned actions

These risks to cultural heritage will be addressed by the project as follows:

- ☐ Subprojects likely to be implemented within, or in the vicinity of, a known cultural heritage site will be eliminated in the PW ESMF Screening process;
- ☐ Unexpected encounters with cultural heritage during subproject implementation will be addressed by a Cultural Heritage Chance-Finds Procedure requiring the DA to take up the matter with the wereda Office of Tourism & Culture, the procedure depending on the nature of the find. The Cultural Heritage Chance-Finds Procedure will form part of the ESMF.

ESS9 Financial Intermediaries

No financial intermediaries are expected to feature in PSNP V. However, the relevance of this ESS will be further assessed during project preparation as part of the ESA process.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	Yes
OP 7.60 Projects in Disputed Areas	Yes

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? Yes

Financing Partners

A common approach to E&S risk management is planned. The Bank's partners for PSNP V are expected to be as follows:

- USAID
- DFID
- CIDA

Public Disclosure



- Irish Aid
- European Union
- World Food Program
- DANIDA
- Government of the Netherlands
- UNICEF

The Bank will follow the approach employed in previous phases of the PSNP. The Bank will cooperate with these agencies and the GoE through the Donor Working Group (DWG) and the Donor Coordination Team (DCT) to agree a common approach for the assessment and management of environmental and social risks and impacts of the project, while ensuring that the approach will enable the project to achieve objectives materially consistent with the ESSs. The Bank will require the GoE to apply the common approach to the project. The Bank will also coordinate with the partner agencies so that the Bank and the GoE will be able to disclose one set of project-related materials for stakeholder engagement in environmental and social risk management.

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

Actions to be completed prior to Bank Board Approval:

The following E&S Risk Management documents will be prepared and disclosed before Appraisal:

- Environmental and Social Commitment Plan (ESCP)
- Environmental & Social Management Framework (ESMF),
- Stakeholder Engagement Plan (SEP)
- Labour Management Procedures (LMP)
- Enhanced Social Assessment and Consultation (ESAC)

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

☐ Upgrading of the E&S Risk Management System FSCD, NRMD and MoLSA functions at federal, regional and wereda levels to the scope and level indicated in this ESRS, including training of all relevant staff on ESF, the deployment of qualified staff implementation of the necessary training programs, and establishment of the Social Development Unit in FSCD;

☐ Upgrading of the existing E&S Risk Management monitoring and reporting systems to meet the requirements of E&S Standards monitoring, including (a) regular status reports and (b) notifications to the Bank of any significant accidents or incidents;

☐ Adherence during project implementation to the ESMF procedures including site-specific ESMPs for PW subprojects, the ESMF sub-plans and guidelines, and the requirements of the SEP, the LMP, and the ESAC.

C. Timing



Tentative target date for preparing the Appraisal Stage ESRS

05-Jun-2020

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Federal Democratic Republic of Ethiopia

Implementing Agency(ies)

Implementing Agency: Ministry of Agriculture

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VI. APPROVAL

Task Team Leader(s): Lucian Bucur Pop, Abu Yadetta Hateu

Safeguards Advisor ESSA Nathalie S. Munzberg (SAESSA) Cleared on 27-Jan-2020 at 19:57:52 EST