



# 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)
Djibouti	MIDDLE EAST AND NORTH AFRICA	P171777	
Project Name	Economic Management and Statistics Development for Policy Making		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Macroeconomics, Trade and Investment	Investment Project Financing	3/5/2020	4/30/2020
Borrower(s)	Implementing Agency(ies)		
Republic of Djibouti	Ministry of Budget, Ministry of Economy and Finance in charge of Industry		

Proposed Development Objective(s)

To modernize the Government's economic and fiscal management tools and processes and strengthen the National Statistical System (NSS) for evidence-based policy making in Djibouti

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>15.00</b>

**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 project will have two main components:

Statistics and macroeconomic modeling. This component has two subcomponents: statistics and macroeconomic modeling. the subcomponent on statistics will support the new National Statistical Development Strategy (2018-2022) that aims was to develop a coherent statistical system, well organized, with the capacity to produce and disseminate reliable information that meets the growing needs of policy makers and public users. In general, statistical information is not readily available. The National Statistics System (SSN) produces limited data on an irregular basis,



standard surveys are not conducted at regular intervals, and analytical capacity are weak making it difficult to discern major trends and their policy implications. This will include the financing of the third population census that is critical for data quality improvement. The second population census was conducted in 2009, now ten-year old. This subcomponent will also upgrade the working conditions in the INSD with the financing of the construction of a building with modern characteristics and information and communications technology (ICT) system and the upgrading of the HR policy. The subcomponent on modeling will develop macroeconomic modeling capacity for forecasting, macroeconomic and microeconomic simulation, and debt sustainability analysis.

Budget preparation and debt management. This component has two subcomponents: budget preparation and debt management. The subcomponent of budget preparation will support the Government's commitment to transition toward performance budgeting and Medium Term Expenditure Framework (MTEF). This component will building linkages between the country's medium-term development plan (SCAPE) and the budget, which is the country's main policy instrument. A new budget framework, with the revision of the existing legal and regulatory framework, with the revision of a new organic law, its adoption and implementation. The second subcomponent will support public investment planning and debt management. It will support the revision of the existing public investment framework and the development of a medium term debt strategy to finance it. A debt management action plan has already been developed with WBG support. The project will support its full implementation.

#### **D. Environmental and Social Overview**

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

The project will implement nationwide with a potential environmental and social footprint limited in the urbanized area of Djibouti City. The upgrading of working conditions by funding construction activities of a new building with modern characteristics, procurement of office furniture, and enhancement of the electrical and information and communications technology (ICT) system will be the main source of impact and risks of the Project. The piece of land for this new building is not yet formally assigned. As the project will also support the third population census, the risk of road accidents for the census team around the country may need to be considered and also GBV.

Djibouti is characterized by a desert climate with sporadic rainfall. Rainfall rarely exceeds 200 mm per year. The rainy season or cool season often covers the period from October to April and the dry season, very hot where temperatures are generally above 40 ° C in the day, extends from May to September and weighs heavily on the degradation of the environment. Djibouti city has faced extreme precipitation events these last years with flooding of many areas due to a poor functioning of the storm drain drainage system and sewage system specially in the areas localized at the same level of the sea. In addition, the scarcity of water resources and their poor quality particularly in Djibouti city is a severe constraint for the population and its health.

#### **D. 2. Borrower's Institutional Capacity**

INSD will be the implementing agency of this Project. INSD has limited experience and capacity in managing World Bank projects especially for managing Environmental and Social risks linked to construction works and applying WB standards. As Capacity of the INSD is weak, the ESCP will incorporate E&S institutional capacity building measures. The Bank team will also provide training and support during the project preparation.

## **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 is classified as Moderate Risk as no activities to be funded under the project have high potential for harming people or environment. The project is localized in urban area away from sensitive areas. The potential adverse risks and impacts are predictable and expected to be temporary, site specific and easily mitigated in a predictable manner.

The anticipated environmental Risks/impacts are linked to activities to be funded under Subcomponent 1.1: Modernization of the National Institute of Statistics of Djibouti (INSD) by construction activities of a new building with modern characteristics, procurement of office furniture, and enhancement of the electrical and information and communications technology (ICT) system. These risks during construction phase may include Occupational Health and Safety hazards, Community Health and Safety risks and some Environmental risks due to solid waste generation, hazardous material management, noise and vibration, wastewater discharges and air quality. Other Risks/Impacts are related to the third population census activities. These risks are related to road safety following the use of vehicles for the transportation of census agents exposing them as well as the population to road accidents. A road safety plan will be prepared prior the launching of Third population census. Other impacts are related to greenhouse gas emissions during transportation.

**Social Risk Rating**

Moderate

The social risk of this project is deemed moderate. The objective of the Project is to support the modernization of the Government's economic and fiscal management tools and processes and strengthen the National Statistical System (NSS) for evidence-based policy making in Djibouti. Subcomponent 1.1: Modernization of the National Institute of Statistics of Djibouti (INSD) will fund the construction of a new office building for the INSD. The project will rehabilitate some buildings in the fenced compound of the INSD, in Djibouti City. This project activity will induce land acquisition with site specific impacts inside the compound but no involuntary resettlement or economic displacement expected.

**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:**

Impacts/risks under sub component 1.1: Modernization of the National Institute of Statistics of Djibouti (INSD) by construction activities of a new modern building and equipping it with necessary inputs. Construction works generate Risks/impacts that are mainly linked to construction phase and may include Occupational Health and Safety hazards, Community Health and Safety risks and some Environmental risks due to solid waste generation, hazardous material management, noise and vibration, wastewater discharges and air quality. The project will be nationwide due to the third national census but the building construction will be situated in only one geographical area. The land for the construction of the new building will be known during the project preparation. Associated facilities will be more developed when we will have more technical specifications of the building in a more advanced phase during project preparation.

Public Disclosure



As INSD will engage contractors, an ESMP will be prepared before appraisal and sets out all the requirements to be followed by contractors. The ESMP will be incorporated in the bidding documents as part of the contract between INSD and the contractors, together with appropriate monitoring and enforcement provisions. The ESMP will include; mitigation measures, monitoring plan, capacity development and training plan and implementation schedule and cost estimate. The contractor will prepare a detailed work-ESMP before any commencement of works.

The ESMP will also contain provisions, code of conduct, to ensure labor aspects, including child labor, BGBV, labor influx and GRM.

Contractors will prepare construction ESMPs before any commencement of works.

The ESMP will be part of the ESCP. Documents reviewed for this screening include the project CN paper of this project.

Due to the risk of road accidents during the third population census, a road safety plan will be prepared prior the launching of Third population census and a GBV prevention action plan will also be prepared.

The ESMP and the GBV prevention action plan will be part of the Project Operations Manual (OM), which will be prepared at appraisal.

Other potential social risks and impacts related to project investments may include, but not be limited to: social exclusion; poor management of labor in project units and for contractors, exclusion of groups which are economically or socially vulnerable; and poor management of grievances and expectations.

The client will prepare a Stakeholder Engagement Plan (SEP) prior to Appraisal. The SEP will include other interested parties (OIPs), various beneficiaries and directly impacted persons.

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

Use of borrower framework is not being considered

**ESS10 Stakeholder Engagement and Information Disclosure**

The client will prepare a stakeholder engagement plan (SEP), prior to appraisal. The SEP will include both other interested parties (OIPs), various beneficiaries and directly impacted project affected persons (PAPs), including disadvantaged and vulnerable groups. Primary stakeholders include: Ministry of Budget, Ministry of Economy and Finance in charge of Industry ); l' Institut National de la Statistique de Djibouti (INSD)/ the National Institute of Statistics of Djibouti. Additional stakeholders will include: neighbors to the construction site; staff member representatives and unions; representation of enterprises and employees; other CSOs involved in urban planning; NGOs, and directly impacted project affected persons (PAPs) including disadvantaged and vulnerable groups. The PMU will prepare a Stakeholder Engagement Plan (SEP) prior to Appraisal consistent with the requirements of ESS10. The draft SEP will be subject to a meaningful stakeholder consultation and inputs before it's finalized for appraisal. The PMU will put in place, as part of the ESMS, procedures for external communications on environmental and social matters proportionate to the risks and impacts of project activities consistent with the requirements of ESS10. The ESMP include a project-level grievance mechanism to respond to public enquiries and concerns.



## **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**

Environmental and social risks/impacts related to OHS are expected to be low, for the following reasons. The quantification of the labor force to be employed by the project is not possible at this early stage in the project preparation process, but will be estimated at appraisal ESRS. Labor influx, is, however, not expected. The project is likely to use local contractors, and local labor, for the construction activities. The Third Population Census will involve several temporary team in charge to collect data. The type of labor will include: statisticians, data collection agents, manual labor, masons, electricians, painters and plumbers. Direct workers in the project management unit (PMU) will be civil servants, others will include contractors with their manual labor. Risks related to OHS could be induced by civil works. OHS measures will address, identify potential hazards to workers, develop preventive and protective measures, and propose training program.

INSD, will prepare a labor management procedure and contractors will prepare labor management plans.

These procedures will set out the way project workers will be managed in accordance with the requirements of national laws and ESS2. The procedures will include requirements for: working conditions and terms of employment; nondiscrimination and equal opportunity; worker's organizations; child labor and minimum age; forced labor; grievance mechanisms; maintenance of training records and documentation and reporting of occupational accidents, diseases and incidents, emergency prevention and remedies for injuries, disability and disease. INSD will incorporate the requirements of ESS2 into contractual agreements with contractors together with appropriate noncompliance remedies.

The ESMP will assess related OHS risks/impacts and will identify all mitigation measures to be incorporated into labor management procedure.

Work ESMP to be prepared by contractor will assess all related OHS risks/impacts according to specific workstations and will identify all mitigation measures to be incorporated to contractors labor management plan.

Labor management plan to be procedure by INSD prior to appraisal and Labor management plan to be prepared by contractor before any commencement of works will be the key instruments to address all labor issues.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

The project may presents risks/impacts linked to pollution management of wastes generated, dust emission, noise and vibrations during construction and operation phases. Other impacts are related to resources use efficiency and greenhouse gas emission mitigation to take in account in building design and transport during census activities. The ESMP will identify all these risks/impacts and mitigate them though the implementation schedule.

### **ESS4 Community Health and Safety**

Communities health and safety issues are associated to typical risks/impacts of construction sites as, dust, noise and vibrations, wastes and labor influx and those related to human mobility. The Third Population census will involve the mobilisation of data collection teams around the country. The increased number of vehicules for the third population census may increase the risk of road accident. Some risks/impacts are identified concerning public potential



exposure to operational accidents or natural hazards, including extreme weather events. The project will also apply the concept of universal access to the design and construction of such new building where technically and financially feasible to take in account the needs of handicapped or limited mobility people accessing the facilities. The universal access will be also applicable to services such as access to official statistics without discrimination. The ESMP will identify all these risks/impacts and mitigate them through the implementation schedule. The ESMP will include a proportionate contingency response plan. The ESMP will include a road safety plan.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

The project will induce land acquisition through the rehabilitation of the office building of the Institut National de la Statistique de Djibouti (INSD)/National Institute of Statistics of Djibouti. The land acquisition of land is nevertheless expected to be limited in scope and Institut National de la Statistique de Djibouti (INSD) space, as it is about the rehabilitation of buildings within the fenced facilities of the INSD, there are no other private or public structures/properties but the clustered office buildings of the INSD. Project activities are highly unlikely induce involuntary, physical displacement, or economic displacement. An environmental and social screening will nevertheless be carried out. If need be, the implementing agency will prepare a resettlement action plan (RAP) consistent with ESS5 before appraisal.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

This ESS is not expected to be relevant to this project. Project is not making interventions in natural habitats.

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

There are no communities in Djibouti that fulfill ESS definition of indigenous people.

**ESS8 Cultural Heritage**

The building activities are unlikely to affect built heritage, intangible heritage, or natural heritage. The ESMP will develop a chance find procedure to be followed during project implementation.

**ESS9 Financial Intermediaries**

This ESS is not expected to be relevant to this project. The project is unlikely to procure the services of financial intermediaries.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

NA

**OP 7.60 Projects in Disputed Areas** No

Public Disclosure



NA

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?**

No

**Financing Partners**

NA

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

**Actions to be completed prior to Bank Board Approval:**

The borrower will prepare an environment and social commitment plan (ESCP)  
Implementing Agency will prepare a stakeholder engagement plan (SEP) consistent with ESS10 before appraisal.  
Implementing Agency will develop an ESMP for building activities including a contingency response plan and Road safety plan consistent with ESS1, ESS2, ESS3, ESS4 before appraisal.  
Implementing agency will prepare a labor management procedure before appraisal.  
Implementing agency prepares a RP consistent with ESS5 before appraisal.

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

Implementing Agency will incorporate reference to ESMP in all the bidding documents for contractors  
Contractors will prepare detailed work ESMP before any commencement of building works  
Contractors will prepare Labor management plans  
Implementing Agency will designate all necessary staff for the management and the implementation of ESS standards.

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

10-Mar-2020

**IV. CONTACT POINTS**

**World Bank**

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Public Disclosure





**Borrower/Client/Recipient**

Borrower: Republic of Djibouti

**Implementing Agency(ies)**

Implementing Agency: Ministry of Budget

Implementing Agency: Ministry of Economy and Finance in charge of Industry

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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Safeguards Advisor ESSA	Nina Chee (SAESSA) Cleared on 18-Feb-2020 at 17:11:29 EST