



Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 23-Mar-2017 | Report No: PIDISDSA20209



BASIC INFORMATION

A. Basic Project Data

Country Eastern Africa	Project ID P161067	Project Name Development Response to Displacement Impacts Project (DRDIP) in the Horn of Africa	Parent Project ID (if any)
Region AFRICA	Estimated Appraisal Date 06-Mar-2017	Estimated Board Date 26-Apr-2017	Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice
Lending Instrument Investment Project Financing	Borrower(s) Republic of Kenya	Implementing Agency Executive Office of the President, Department for Development of Arid and Semi-Arid Regions	

Proposed Development Objective(s)

The Project Development Objective (PDO) is to improve access to basic social services, expand economic opportunities, and enhance environmental management for communities hosting refugees in the target areas.

Components

- Component 1 – Social and Economic Infrastructure and Services
- Component 2 – Environmental and Natural Resource Management
- Component 3 - Livelihoods Program
- Component 4 - Project Management, Monitoring and Evaluation, and Knowledge Sharing
- Component 5 - : Support to IGAD for Expansion of the Regional Secretariat on Forced Displacement and Mixed Migration

Financing (in USD Million)

Financing Source	Amount
International Development Association (IDA)	100.00
IDA Grant	3.00
Total Project Cost	103.00

Environmental Assessment Category

B - Partial Assessment



Decision

The review did authorize the preparation to continue

Note to Task Teams: End of system generated content, document is editable from here.

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Global forced displacement is arguably the defining humanitarian as well as a developmental challenge of this generation. Extreme poverty is now increasingly concentrated among vulnerable groups, including people who had to flee in the face of conflict and violence, and their protracted presence affects development prospects in the communities that are hosting them notwithstanding some short-term economic gains. Over 65 million are now forcibly displaced because of wars, conflict, and persecution and they include about 24 million refugees and asylum seekers and about 41 million internally displaced persons (IDPs). According to the World Bank Group's November 2015 report,¹ forced displacement remains largely concentrated in low- and middle-income countries, particularly in Africa, and the Middle East which accounted for almost 60 percent of all forcibly displaced persons followed by South Asia, which is also hosting significant numbers.
2. Sub-Saharan Africa hosts more than 26 percent of the world's refugee population of 21.3 million² and nearly 12 million IDPs by December 2016, both numbers reflecting the ongoing conflicts in South Sudan, the Central African Republic, Democratic Republic of Congo, Somalia, Sudan, and Northern Nigeria. The number of refugees from South Sudan breached 1 million following the July 2016 conflict. The Horn of Africa (HOA), a region with an estimated 242 million inhabitants, includes eight countries: Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda, which collectively host more than 6.5 million IDPs and approximately 3.5 million refugees. Displacement has been protracted in the HOA, with refugee arrivals recorded as early as in 1959 in Uganda and in 1991 in Kenya. Migration within and outside the HOA is driven by natural events and human actions; with climate change and environmental degradation acting as threat multipliers, compounding displacement.
3. The Regional Initiative in Support of the HOA, launched by the World Bank on October 23, 2014³ by World Bank President Jim Kim and United Nations (UN) Secretary General Ban Ki Moon, is built on two interrelated pillars: (a) vulnerability and resilience; and (b) economic opportunity and integration to address key drivers of instability and promote development in the HOA. Displacement has emerged as a regional phenomenon with spillover effects in countries neighboring those experiencing conflict and posing major challenges for reducing poverty and achieving sustainable development with peace and security in the region. Despite its rich endowment in human, social, and natural capital, the HOA is

¹ World Bank Group. 2015. "A Response to Global Forced Displacement." Staff Working Paper, World Bank Group, Washington, DC.

² <http://www.unhcr.org/africa.html>.

³ "Leaders Commit Billions in Major New Development Initiative for the Horn of Africa." Press Release (October 27), World Bank, Washington, DC. <http://www.worldbank.org/en/news/press-release/2014/10/27/leaders-commit-billions-major-new-development-initiative-horn-africa>.



plagued by a complex history of marginalization, implementation capacity constraints, pockets of poverty and insecurity, increasing environmental degradation, and a range of other persistent development challenges. Conflict remains endemic, and the complex cultural, social, and political nature of the conflicts is compounded by demographic shifts because of population growth and movement of people; imbalanced service provision; increasing competition for scarce natural resources; and harsh climatic conditions, including frequent droughts and floods.

4. Complementary to the HOA Initiative, a regional study on ‘Forced Displacement and Mixed Migration in the Horn of Africa’ was completed in June 2015. A regional operation on Development Response to Displacement Impacts Project (DRDIP) in the Horn of Africa (P152822) supporting three refugee-hosting countries of Djibouti, Ethiopia, and Uganda; and a regional grant to the Intergovernmental Authority on Development (IGAD) was approved on May 31, 2016. DRDIP addresses the regional spillover effect of conflict and forced displacement, through a development response that seeks to support the host communities in overcoming the shocks and impacts of refugees thus creating a refugee space contributing to a regional “public good”.

5. The proposed operation is being prepared as part of second phase of DRDIP which was designed as a series of projects (SOP). The SOP allows for other countries in the HOA to opt into the program at a later date, according to their needs and specific requirements. It is in this context that Kenya which has been hosting refugees in a protracted situation, is joining the project through IDA financing as Phase II of the SOP. Other potential country includes South Sudan and potentially Somalia, Sudan, and Eritrea if they become eligible for IDA or through trust funds.⁴ The SOP will also allow for Additional Financing for Djibouti, Uganda, Ethiopia and Kenya under the IDA 18 refugee sub-window⁵ for intensification and expansion of interventions.

6. The Kenya Development Response to Displacement Impacts Project (KDRDIP) will be an integral part of the broader ‘North and Northeastern Development Initiative’ (NEDI) for Kenya, specifically focusing on an area-based and progressive-solutions approach to address the impacts of protracted presence of the refugees on the host communities around the Dadaab and Kakuma refugee camps in Garissa, Wajir, and Turkana Counties of Kenya. The protracted presence of refugees has resulted in a complex relationship of interdependence between the refugees and the host communities. While there have been positive impacts on improved access to basic services and economic interactions including employment opportunities for the host communities, this has had significant negative impacts on environment and natural resources including water availability and conflicts over grazing lands and water for the livestock.

7. Kenya can be one of Africa’s success stories. It holds great potential, including from its growing youthful population; dynamic private sector; a platform for change laid down by the new 2010 Constitution and peaceful past elections; and its pivotal role within East Africa as well as the region. Yet poverty and inequality remains high with 4 out of 10 Kenyans living in poverty and the richest 10 percent of the population receiving 40 percent of the nation’s income (Kenya Country Partnership Strategy [CPS] June 2014). Governance concerns persist; and growth, while solid, has been constrained by low investment and low firm-level productivity and has yet to take off at the rapid and sustained rates needed to transform the lives of ordinary citizens.

8. Despite impressive growth and a reported fall in poverty rate, Kenya faces significant

⁴Somalia, Sudan, and Eritrea can participate under the program. But given their current nonaccrual status with IDA, they are not able to receive IDA financing to participate in the project, before a resolution of their arrears situation with IDA and other official creditors. Therefore, for these countries, trust funds through an MDTF would be needed.

⁵ Once they satisfy the criteria for accessing the IDA 18 refugee sub-window



developmental challenges. Inequality is high with significant differences in opportunities and outcomes between women and men, for those living in the remote and most underdeveloped regions in the north and northeast. Ethnicity remains an important factor in societal development. There is a clear recognition that growth must be inclusive and that prosperity should be shared by all. Enhancing the cohesiveness of Kenyan society calls for renewed efforts to include the marginalized and disadvantaged. To curb poverty, growth must take place in sectors where the majority of the poor depend on their livelihoods. Investment must be redirected to services targeting the poor, including improving agricultural productivity in rural areas, expanding and targeting unified social protection programs that keep people from slipping into poverty, attracting private sector investment, and enhancing human capital through improved access to quality education and health services at the local level.

9. Historically, the north and northeast regions in Kenya have experienced significant deficits in service delivery, infrastructure, and economic opportunities. These are also areas that are disproportionately affected by environmental degradation, climate change impacts, and insecurity. The Commission on Revenue Allocation identifies 14 counties as marginalized—Turkana, Mandera, Wajir, Marsabit, Samburu, West Pokot, Tana River, Narok, Kwale, Garissa, Kilifi, Taita Taveta, Isiolo, and Lamu—based on the county development index (Commission on Revenue Allocation 2012) which uses indicators that measure the state of a county's health and education systems, infrastructure, and poverty levels to identify marginalized areas for the allocation of equalization funds. Three of these counties—Garissa, Wajir, and Turkana—have also been hosting refugees for over two decades, with attendant and exacerbated impacts on the environment, natural resources, infrastructure, economy, and service delivery for the hosting communities.

10. As of December 2016,⁶ Kenya hosted the third largest number of refugees in Africa, after Ethiopia and Uganda. Some 494,863 refugees and asylum seekers from Somalia, South Sudan, Ethiopia, and other countries in the region are hosted in Kenya with 272,764 in the Dadaab refugee camps, 154,947 in Kakuma, and 69,261 in Nairobi. These figures include 326,562 Somali refugees in protracted displacement, 27,237 Ethiopians, 29,317 Congolese, and 88,391 South Sudanese refugees. Somali refugees are mainly located in the Dadaab camp while South Sudanese are largely in Kakuma. The Dadaab refugee complex hosts refugees in five camps—Dagahaley, Ifo, Ifo 2, Hagadera, and Kambioos; the first three located in Lagdera (Dadaab) subcounty and the latter two are in Fafi subcounty. It is estimated that about 45,000 are double registrations - 15,000 Kenyans who enrolled as refugees to access food benefits and basic services, 20,000 Somali refugees with Kenyan identity cards, and nearly 10,000 belonging to families of refugee-Kenyan marriages (UNHCR 2016). The Kakuma refugees are in four camps, Kakuma I–IV, and the Kalobeyi settlement—all in Turkana West subcounty of Turkana County.

11. In Kenya, the Department of Refugee Affairs, responsible for refugee management, is part of the Ministry of Interior and Coordination of National Government that is mainly responsible for internal security. Kenya's Refugee Act 2006 supports an encampment policy where, following status determination, refugees are obliged to reside in a camp with their movement outside the camps being restricted. Article 16 of the act gives the minister responsible for refugee affairs the authority to designate areas in Kenya to be refugee camps. Domestic refugee laws of Kenya effectively limit the refugees' right to work by imposing the same restrictions and conditions applicable to aliens and do not have provisions dealing with extending services to refugees.

12. With regard to the host population, the county governments are now responsible for delivering most basic services including early childhood development, health, agriculture extension, water and

⁶ UNHCR Factsheet December 2016.



sanitation, and environmental services. The respective line ministries in the national-level government continue to be responsible for the education and social protection services while the former Ministry for Northern Kenya is now a department under the Ministry of Devolution and Planning.

13. At a regional level, the IGAD, a regional economic community, and its FDMM Regional Secretariat are well equipped to provide capacity and systems development support for member Governments to lead development responses to forced displacement. Under DRDIP, a US\$5 million grant to the IGAD has enabled the establishment of the Regional Secretariat with presence in Nairobi and Djibouti with the necessary capacities to (a) advocate holistic regional responses to FDMM informed by data generated on displacement to influence interventions in both refugee-hosting and refugee-producing member states; (b) support policy dialogue with member states and academic and research institutions on transitional/progressive solutions to displacement; (c) generate evidence on innovative management of the impacts of FDMM through research; (d) build the capacities of countries and institutions in the HOA to innovatively respond to FDMM; (e) undertake knowledge management and focused Monitoring and Evaluation (M&E) of DRDIP implementation; (f) forge partnerships between humanitarian and development actors in the HOA region to rethink the application of durable solutions; and (g) consolidate the capacity of the IGAD to respond to FDMM and be a strong actor, both regionally and internationally, in discussions affecting the HOA. Kenya and Somalia will become members of the Regional Project Steering Committee hosted by the IGAD's FDMM Regional Secretariat along with other DRDIP countries—Ethiopia, Uganda, and Djibouti. The additional US\$3 million grant will help the IGAD to expand the regional platform to cover all member states, particularly for building the capacities of countries and institutions in the HOA to innovatively respond to FDMM as well as the aim of forging partnerships between humanitarian and development actors in the HOA region to rethink the application of durable solutions.

14. For Somalia, the Regional Secretariat will help improve the ability of the Government authorities to define appropriate development responses at the federal, state, and local government levels. In Somalia, increased refugee return from asylum countries, including Kenya and Yemen, is occurring against the backdrop of ongoing conditions of drought, poverty, vulnerability, and displacement. Existing development deficits, poverty and internal displacement in the communities to which refugees will return compound a broader inability by the Government and international partners to provide adequately for returnees in Somalia. The risk is that the pressures posed by refugee return will contribute to further disparities and exclusion which further compromise community resilience. Considerable investment is required to address vulnerabilities within the receiving communities to enable sustainable refugee return. Currently, a number of different agencies and actors are supporting returnees, IDPs, and host communities with shelter, livelihood intervention, and essential social services. There is increasing commitment to enable the Government better lead and coordinate those efforts and to supplement them with longer-term developmental responses. The activities under the proposed Additional Grant to the IGAD will facilitate this.

Sectoral and Institutional Context

15. Kenya, which has been hosting refugees since 1991, has remained relatively peaceful till recent years, unlike Somalia, the Democratic Republic of Congo, and South Sudan which continue to face insecurity and conflict. Both Dadaab and Kakuma refugee camps are located close to the international borders and the host communities in Turkana, Garissa, and Wajir Counties are underdeveloped and face poverty and unemployment, deficits in human capital development and social service delivery, and limited access to basic infrastructure. Investments in these traditionally underserved border areas,



under the proposed operation, are firmly aligned with the national priority for Kenya as reflected in the NEDI which covers the three counties affected by protracted refugee presence.

16. The impact of refugee presence on Kenyan hosts has been positive overall with respect to social and economic impacts, though there have been significant negative impacts on the environment and natural resources. Various World Bank-UNHCR studies and the multistakeholder consultations in both Kakuma and Dadaab, especially with host communities, refugees, and various partner agencies, during preparation, reveal a number of impacts that refugee presence has on hosting areas, including increased competition—direct and indirect—for basic social services such as health, education, and drinking water; a degraded physical and natural environment because of high pressure on biomass to meet energy and construction needs; limited livelihood opportunities; and decreasing water availability evidenced by deeper boreholes and increased costs for water transport; crowded health centers and classrooms; and increased distances, time, or cost for collecting wood for cooking and lighting. Informal economic activities and remittances augment the buying power of refugees and the refugee camps are a major market for livestock, host-produced agricultural products, and fuel wood and charcoal. Competition over the meagre livelihood opportunities and the dwindling natural resources is a driver of latent and potential conflicts between the hosts and the refugees.

17. The capacity of the three refugee-hosting counties, Garissa, Turkana, and Wajir, are relatively weak. However, with the most ambitious and rapid devolution process under way in Kenya, these counties are keen to tackle long-term and deeply entrenched disparities in their regions; shift from a highly centralized, top-down to a more responsive bottom-up form of governance with greater autonomy; reduce unequal access of the population to basic services; and address key drivers of conflict related to environment and natural resource management. In this context, the proposed project is well placed to build on and augment the ongoing efforts by the Government and the World Bank through the Accountable Devolution Program and the NEDI by contributing to capacity enhancement of local authorities and governments, and the active engagement of communities and grassroots institutions in the local planning, decision-making process, and oversight of public services; and in the implementation and operation and maintenance of infrastructure.

18. In Somalia, during the past 20 years, the humanitarian community has been leading the response to the needs and protection of Somali IDPs and refugee returnees. This has helped in life-saving provision but conversely it has also resulted in fragmentation of service provision across sectors and has mostly focused on settlements and camps for displaced persons, with little attention to the broader needs of host communities and receiving communities in the absence of an area-based planning approach and insufficient government leadership. The recent pressures posed by refugee return have galvanized the demand among government authorities, donors, UN agencies, and nongovernmental organizations (NGOs) for a more coordinated and longer-term development response alongside the humanitarian response; with stronger leadership by the Government at federal, state, and local government levels.

C. Proposed Development Objective(s)

Note to Task Teams: The PDO has been pre-populated from the datasheet for the first time for your convenience. Please keep it up to date whenever it is changed in the datasheet.

Development Objective(s) (From PAD)



19. The Project Development Objective (PDO) is to improve access to basic social services, expand economic opportunities, and enhance environmental management for communities hosting refugees in the target areas.

Key Results

20. The following key indicators will be used to track progress toward the PDO:
- (a) Beneficiaries with access to social and economic services and infrastructure (disaggregated by type of service and target group)
 - (b) Beneficiaries of economic development activities that report an increase in income (disaggregated by type of service, gender, and target group)
 - (c) Direct project beneficiaries, of which female
 - (d) Land area where sustainable environmental management practices have been adopted as a result of the project (hectare)
 - (e) Regional Secretariat's capacity assessment plan and annual progress reports reflecting the expanded mandate endorsed by participating countries

D. Project Description

Component 1: Social and Economic Infrastructure and Services (approximately US\$45 million)

21. This component will specifically support improvements in access to quality basic services for the host communities. The key services will include education, primary and secondary health services, water supply, sanitation, and hygiene. The guiding principles will be (a) prioritization based on identified community needs, especially by girls and women; (b) inputs complementary to ongoing support from the county and national governments as well as other development partners and civil society organizations (CSOs); (c) compliance with quality standards and norms of the GOK; and (d) strong accountability to citizens and credible systems for M&E.

22. **Subcomponent 1(a): Community Investment Fund (approximately US\$42.5 million).** This subcomponent seeks to improve community access to basic social services and economic infrastructure by providing investment funds that, together with community contributions, will expand and improve service delivery and build infrastructure for local development. Investments will be identified, prioritized, implemented, and monitored by beneficiary communities. The target community, with guidance from the local government, will identify and prioritize the specific social services and economic infrastructure to be funded under this subcomponent through the CDD approach. Only those subprojects that are currently functioning—that can cover their operating costs and have staff—and those who have a budget for staff and materials provided by their respective administration will be supported, ensuring the sustainability of the interventions. In addition, water supply schemes that are able to shift to solar pumping, thus ensuring reduced Operation and maintenance costs, will also be supported.

23. **Subcomponent 1(b): Capacity Support for Local Planning and Decentralized Service Delivery (approximately US\$2.5 million).** This subcomponent seeks to improve the service-delivery capacity of local-level government authorities. Specifically, it will support capacity building of the local government authorities and local implementing institutions in the areas of community-driven planning process, local development management, service-delivery capacities enhancement, mainstreaming of project interventions with government's development planning and budgeting process, coordination of all development stakeholders at local-level, and community-level development learning. The project will also support technical assistance to reinforce the capacity of specialized implementing agencies, including the recruitment of national and international technical assistance for the planning, engineering design, procurement, construction management, safeguards, and technical monitoring of physical investments.



Component 2: Environmental and Natural Resource Management (approximately US\$20 million)

24. This component aims to decrease environmental impacts of protracted refugee presence which has resulted in deterioration of the natural resource base because of deforestation resulting from the overexploitation of wood and other non-timber forest products for various purposes (shelter, firewood, charcoal, food, medicines, and so on), degradation of grazing lands, loss of wildlife, soil erosion, open disposal of solid waste (especially plastics), and uncontrolled abstraction of groundwater for domestic consumption and livestock. The project will therefore support environmental and natural resource restorative measures that will be executed taking into account community capacity needs and site specificities, including the use of local indigenous knowledge in the host areas. The proposed activities that will enhance environmental management include improving access to energy in the form of environmentally friendly alternative sources of household energy and reducing risks associated with fuel wood supply and demand.

25. **Subcomponent 2(a): Integrated Natural Resources Management (approximately US\$18 million).** The objective of this subcomponent is to undertake targeted at-scale community-based environmental and natural resource restorative measures that will be beneficial for the local communities, environment, livestock, and wildlife resources in the host areas. Key strategies for environmental rehabilitation will include (a) natural regeneration, (b) vegetation (grass and tree) reseeded, (c) tree planting (reforestation/afforestation with appropriate species), (d) rainwater harvesting, and (e) solid waste (especially plastics) and pollution control. Specific indicative activities include establishment of tree nurseries in the target sites, assisted forest regeneration, establishment of community enclosures ('greenbelts') of degraded forest areas to allow natural regeneration of indigenous trees where possible, promotion of drylands non-timber forest products (for example, frankincense, gum arabic, fruits, beekeeping/honey, gums, resins, aloe, and medicines), grassland/rangeland rehabilitation through reseeded and seeding of degraded areas, rainwater harvesting through surface water harvesting works (for example, semicircular contour bunds, diversions, pans, sand dams), and implementation of plastic waste cleanup and recycling plans through community environmental committees. The choice of specific strategy/activity or combination thereof will depend on site specificities and community dynamics (including the use of traditional local knowledge). The primary implementation modality for the component will be LIPWs and specific efforts will be made to integrate women—not only into the labor opportunities but also as beneficiaries of the activities.

26. **Subcomponent 2(b): Access to Energy (approximately US\$2 million).** This subcomponent seeks to improve the host communities' access to energy by promoting the better use of energy resources and increasing access to alternative sources of energy. Support will be given to interventions that address the host communities' energy requirements, such as domestic cooking and lighting; social services, such as schools and health services; and productive activities, including lighting for small shops and businesses and for manufacturing and processing. Household cooking is currently based on firewood and charcoal. To address this concern, improved cooking devices will be introduced with appropriate community consultations about methods of cooking and baking and what types of firewood are locally available for Wajir and Garissa building on lessons from the KOSAP (P160096) that will support cookstoves in Turkana. Training will be provided on the use of the new devices, including the preparation of fuel. Attention will be given to monitoring use, regular maintenance, and repairs. Solar lanterns and lamps are among the options for meeting home and street lighting as well as mobile phone charging needs. The inputs provided by the project will be complementary to the proposed off-grid solar operation.

Component 3: Livelihoods Program (approximately US\$27.5 million)

27. Refugee-hosting communities in the target areas derive their income either from traditional livelihoods including pastoralism, agropastoralism, and small-scale agriculture; and/or non-traditional livelihoods including small businesses, skills-based jobs, and service enterprises. Both forms of livelihoods are characterized by low-level technologies and skills, which are often characterized by inherent low productivity and incomes. The component will support interventions aimed at improving the productivity of traditional and non-traditional livelihoods and strengthening the resilience of communities. The support will include improved access to technology and equipment,



storage and processing infrastructure, and finance. There will be priority attention to building community institutions through mobilization and selection of beneficiary groups, the formation of Common Interest Groups (CIGs), and strengthening capacities of producer cooperatives for accessing input and output markets. The key guiding principles will be (a) emphasis on promoting livelihoods of the most vulnerable, including women and youth; (b) building on experiences and tools developed by the Government and partner agencies in promoting livelihoods, and (c) optimizing the existing infrastructure, including those in the refugee camps. The component will ensure convergence with other livelihood interventions in the target area.

28. Subcomponent 3(a): Support to Traditional and Non-Traditional Livelihoods (approximately US\$25 million).

The objective of this subcomponent is to increase the production and productivity of pastoralism (livestock), agropastoralism (crop and livestock), and agriculture (crops and livestock); and commercialize their livelihood activities for improved incomes, employment, and self-reliance. Support for on-farm activities primarily will aim to improve lives of pastoralists/agropastoralists through enhancing the production and productivity of livestock (goats, camels, cattle, and poultry) and dryland farming with emphasis on rebuilding pastures. The support to off-farm activities will aim at strengthening the value chains for selected commodities and promoting agribusinesses. This, in turn, is envisaged to be achieved through improved access to financial services (through the promotion of grassroots financial institutions) and strengthening technical and advisory services to help host communities identify viable businesses and/or investment opportunities and income-generating activities.

29. Subcomponent 3(b): Capacity Building of Community-Based Organizations for Livelihoods (approximately US\$2.5 million).

The objective of this subcomponent is to improve the service-delivery capacity of pastoral/agropastoral/farmer organizations, including CBOs. The support will include establishing and building the capacity of CBOs, given the CDD approach of the project and primacy of CBOs in inclusive implementation and sustainability of project investments. For livelihoods promotion, CBOs will include pastoralist groups, livestock marketing associations, community disease reporters, farmer organizations, cooperatives, Village Savings and Lending Associations (VSLAs), and CIGs. These CBOs will be trained in group management, savings, financial literacy, and bookkeeping and encouraged to have regular meetings to promote savings, interloaning, timely repayment, and up-to-date books of accounts. These efforts will be coordinated by the County and Subcounty Technical Committees which will have overall responsibility for the capacity building. Both the traditional and non-traditional livelihoods will be implemented through community groups (CGs). The capacity-building efforts of CGs will be coordinated by the respective County Integrated Project Management Units (CIPMU), which will have overall responsibility for the capacity building.

Component 4: Project Management, Monitoring and Evaluation, and Knowledge Sharing (approximately US\$7.5 million)

30. The objectives of this component are to ensure enhanced and effective project management, coordination, and implementation and to support the design of the project's M&E system, which will be described in detail in the M&E manual. The implementation of the proposed operation will follow existing government structures. To ensure robust project management and implementation, Steering Committees (SCs) and Technical Committees (TCs) will be established at national and county levels. While the SCs will provide broader oversight and ensure cross-sector coordination, the TCs will ensure technical guidance and backstopping to project management as well as implementation. The project will build on existing community-level structures, such as community development committees, and will establish new local-level institutions as needed, including community facilitation teams, community project management committees, community procurement committees, and social audit committees (SACs).

31. The component will support the design of the project's management information system (MIS) for monitoring inputs, outputs, and processes; the evaluation of outcome and impacts; environmental and social safeguard monitoring; and participatory M&E and internal learning. M&E activities will include regular monitoring of the progress and performance of implementation; independent process monitoring of the community-level planning and



effectiveness and quality of capacity-building efforts; and undertaking annual thematic studies and outcome as well as impact assessments of the project. The project's Results Framework will be used as a basis for reporting progress against indicators, including progress toward achieving the PDO and implementation progress. The project will consider the use of mobile technologies to increase the reach and frequency of data capturing at the local level and aggregating it in a platform that could serve as a dashboard.

Component 5: Support to IGAD for Expansion of the Regional Secretariat on FDMM (US\$3 million)

32. This component will support the expansion of IGAD's existing Regional Secretariat for FDMM to include Government authorities in Somalia within the existing HOA regional capacity building initiatives being undertaken by the Secretariat. IGAD will contract capacity and systems support for the federal-, regional-, and municipality-level administrations of Somalia to enable them to adopt a development approach that is displacement sensitive, and to better coordinate interventions better in return areas. The component design takes into account the IDA regional guidelines and the Bank's policy on countries with loans in nonaccrual status. IGAD will manage, contract and ensure fiduciary compliance of all component activities.

33. The component will be implemented in two phases. In the first phase, the IGAD FDMM Regional Secretariat will commission a rapid assessment to assess the capacity, processes, and systems building needs of the targeted government authorities and institutions at the national, regional, and municipal levels. This will entail a quick mapping and profiling of key actors in the areas. This assessment will build on capacity diagnostic work under way by other actors. The results of the assessment will enable the IGAD's FDMM Regional Secretariat to define a strategy for bringing Somali authorities into relevant and existing regional capacity building initiatives being undertaken by the Regional Secretariat. This planning exercise will result in an implementation plan to be completed within six months of effectiveness of this grant. The implementation plan will be finalized on the basis of consultation with key stakeholders and endorsement by government authorities and will be reviewed to be acceptable to the World Bank. The component will also enable the existing IGAD FDMM Regional Secretariat based in Nairobi and Djibouti to augment its staffing and operational resources to support the expanded mandate.

E. Implementation

Institutional and Implementation Arrangements

34. The implementation arrangements for the project are guided by four principles that include: (a) align with devolved systems of governance at county, subcounty, and location levels; (b) build on ongoing initiatives especially the Accountable Devolution Program and Regional Pastoralist Livelihoods Resilience Project; (c) promote coordination within the World Bank and with other partners; and (d) ensure swift funds flow and timely reporting.

35. The proposed arrangement will include the engagement with existing community structures at the location level complemented with support for enhancing the voice of the traditionally marginalized social groups for identifying community priorities for service delivery, prepare subproject proposals following the operational guidelines, implement the approved subprojects, and keep required records in a transparent way. A subcounty implementation team headed by a focal point from the county government, assisted by the subcounty staff, and supported by appropriate consultants and CSOs, as required, will facilitate subcounty-level subprojects preparation following established protocols, provide oversight during the implementation of community subprojects including compliance with environmental and social safeguards, and report implementation progress and consolidated expenditures.

36. The proposed County Integrated Project Implementation Unit (CIPIU) will be headed by a dedicated coordinator and will have representation from county and national governments will ensure effective coordination of project activities with other operations supported by the World Bank and other development



partners with the County Integrated Development Plan. A County-Level Steering Committee (CSC) with representation from both levels of Government, CSOs, representatives of beneficiary groups, and key UN partners with strong on the ground presence such as UNHCR, United Nations Children's Fund (UNICEF), and World Food Program (WFP) will also approve and provided oversight for community and sub-county sub projects following established protocols and develop consolidated county work plans and budgets, request funds releases, and track implementation and results as well as expenditure. The CIPIU will also monitor compliance with social and environmental safeguards.

37. At the national level, a National Project Implementation Unit (NPIU) headed by a dedicated Project Coordinator has been established which will have representatives from concerned line-ministries and consultants under the Executive Office of the President to provide broad oversight and promote coordination for the project. The NPIU will prepare consolidated annual work plans and budgets based on inputs received from the three participating CIPIUs and recommend release of funds to counties. This NPIU will also prepare relevant project manuals and reporting formats which will be agreed during project appraisal and provide oversight for social and environmental safeguards. Finally, it will be responsible for coordinating with the World Bank and other key stakeholders and provide timely updates on project performance, funds utilization and audits.

38. A joint project steering committee (JPSC) headed by the Chief of Staff, Executive Office of the President, or his/her nominee with high-level membership from the three participating counties will provide broader strategic oversight. The key members of this committee will include line ministries, the National Treasury (NT) at a senior most level, civil society, and UNHCR. The project SC will approve annual work plans and budgets and ensure effective coordination between counties and different line departments of the National Government.

39. The IGAD component will be implemented by the existing FDMM Regional Secretariat of the IGAD established under DRDIP (P152822). This grant became effective on July 20, 2016. The secretariat operates with a senior program coordinator, accountant, finance officer, and procurement officer; recruitment for other positions is ongoing. For the IGAD component, the FDMM Regional Secretariat will undertake project management, day-to-day planning, implementation and supervision of project activities, administration of procurement and financial management (FM), and M&E. Under the IGAD grant, the FDMM Regional Secretariat will augment capacity with the recruitment of a dedicated coordinator for the Somalia activities. This coordinator will act as an interlocutor with the local administration, IGAD Somalia Support Office, UNHCR Somalia, and the Office of the Deputy Prime Minister (DPM) in Somalia, who leads commitments to durable solutions on displacement under the NDP.

Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in host communities around Dadaab and Kakuma refugee camps in Garissa, Wajir and Turkana counties. As most of the specific locations/sites of the subprojects have not yet been identified, the Client has prepared framework documents in a consultative manner, including (a) an Environmental and Social Management Framework (ESMF) to ensure that a process of identifying, assessing, and mitigating environmental and social impacts is integrated in the development of the specific subprojects; (b) a Resettlement Policy Framework (RPF) to clarify the principles, legal and institutional procedures for resettlement and rehabilitation to be applied to investments; (c) expanded Social



Assessments (SA), specifically for Wajir and Garissa counties, to ensure the project interventions benefit as well as avoid any potential adverse effects on vulnerable and marginalized groups (VMGs); and (d) a Vulnerable and Marginalized Groups Framework (VMGF) as been prepared as the overwhelming majority of the project beneficiaries in Wajir and Garissa Counties are ethnic Somalis and in Turkana people around the Kakuma refugee camp are Turkana who qualify as VMGs according to the Constitution of Kenya and as IPs per OP 4.10. These instruments were finalized and disclosed in accordance with the Bank’s Operational Policy on Safeguards and the requirements of the Kenya National Environment Management Authority (NEMA) and National Land Commission (NLC). The Bank’s environmental and social experts as well as the RSA have reviewed the consulted upon instruments. When new subprojects and their locations/sites are identified under the KDRDIP, the Client will prepare additional supplementary site-specific safeguard instruments including Environmental and Social Impact Assessments/Environmental and Social Management Plans (ESIAs/ESMPs and Resettlement Action Plans/abbreviated Resettlement Action Plans (RAPs/aRAPs) which will be consulted upon, cleared by the World Bank, and then disclosed in-county and at the Bank’s InfoShop prior to commencement of any civil works.

G. Environmental and Social Safeguards Specialists on the Team

Edward Felix Dwumfour,Lilian Wambui Kahindo

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The following project-related activities are likely to result in environmental and social risks: (i) expansion and improvement of service delivery, including small infrastructure; (ii) construction or rehabilitation of physical structures for water catchment management, such as check-dams and water harvesting structures, among others (iii) landscape restorative activities such as restoration/afforestation, eradication of noxious plant species; (iv) land-based livelihood activities, which could have limited adverse environmental and social impacts. Because the specific sites for implementing these activities are not yet known an Environment and Social Management Framework (ESMF) has been prepared and disclosed.
Natural Habitats OP/BP 4.04	No	The ESMF has provided detailed procedures to



		<p>screen program activities/subprojects for potential adverse environmental and social impacts, and to take measures to avoid, minimize and mitigate impacts on forests. Project funds will not finance any activities that could result in adverse risk to ecologically sensitive and fragile ecosystems and natural habitats.</p>
Forests OP/BP 4.36	No	<p>Activities under Component 2 are likely to have a positive impact on forests with the implementation of physical and biological measures for soil and water conservation and afforestation. The ESMF has provided detailed procedures to screen program activities/subprojects for potential adverse environmental and social impacts, and to take measures to avoid, minimize and mitigate impacts on forests. Project funds will not finance any activities that could result in the conversion of naturally-occurring forests into man-made plantations or logging and harvesting of forests of all types.</p>
Pest Management OP 4.09	Yes	<p>The project will support activities under Component 2 and 3 that are likely to be agriculture-based and that may increase the application of agrochemicals (insecticides, herbicides, and fertilizers, among others). Therefore, the ESMF has included guidelines for integrated pest management to address related environmental and social impacts of the project.</p>
Physical Cultural Resources OP/BP 4.11	Yes	<p>Investments may involve excavation activities which can lead to impacts on physical and cultural resources. The project will screen for PCRs and chance finds, and will include in the ESIA/ESMPs appropriate plans and measures that will be put in place during the implementation of the project so as to protect PCRs. The EA that will be prepared for such projects will include a physical cultural resources management plan that includes (a) measures to avoid or mitigate adverse impacts on physical cultural resources; (b) provisions for managing chance finds; (c) any necessary measures for strengthening institutional capacity for the management of PCR; and (d) a monitoring system to track progress of these activities.</p>
Indigenous Peoples OP/BP 4.10	Yes	<p>The project will be implemented in Turkana, Wajir and Garissa which are marginalized counties. The project will be implemented in counties with</p>



		presence of vulnerable and marginalized communities that meet the criteria of IPs per OP 4.10. A social assessment has been undertaken and a social management plan/Vulnerable and Marginalized Groups Framework prepared which includes provision of free prior and informed consultations and a grievance-redress mechanism. The identified mitigating measures have been incorporated into the project design.
Involuntary Resettlement OP/BP 4.12	Yes	The project will involve the construction of small-scale infrastructure that might affect land holdings on community land. While these interventions are yet to be identified, the project has prepared, consulted upon and disclosed a resettlement policy framework (RPF) prior to appraisal to address any issues which might arise from physical and economic displacement and/or restriction of access to communal natural resources.
Safety of Dams OP/BP 4.37	Yes	Component 2 may support small dam construction (less than 4.5 meters) as part of small- and micro-scale irrigation schemes. The project will use the FAO Food and Agriculture Organization of the United Nations' "Manual on Small Earth Dams, A Guide to Siting, Design and Construction" (FAO 2010).
Projects on International Waterways OP/BP 7.50	Yes	The project will finance small-scale irrigation investments that would be through groundwater abstraction of aquifers such as Merti aquifer which serves the project counties of Wajir, and Garissa. Merti aquifer straddles between these counties and Somalia. This policy is triggered under the assumption that water from the Merti aquifer may be abstracted for irrigation purposes. The Government of Kenya has officially notified Somalia about the project, in accordance with Bank policy requirements and no response was received from Somalia by the due date of March 1, 2017.
Projects in Disputed Areas OP/BP 7.60	No	No activities under the project are in disputed areas



KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

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

The project is Category B for the IDA Credit supported activities. Seven out of the ten safeguard policies have been triggered: Environmental Assessment (OP/BP 4.01), Pest Management (OP/BP 4.09), Physical Cultural Resources (OP/BP 4.11), Involuntary Resettlement (OP/BP 4.12), Indigenous Peoples (OP/BP 4.10), Safety of Dams (OP/BP 4.37), and International Waterways (OP/BP 7.50). Overall, the project would have positive environmental impacts through its activities under Component 2 which includes, among others, integrated natural resources management.

Environment: Some of the local-level investment activities under Component 1 and 2 may have limited adverse environmental risks and impacts. These activities could potentially include: (i) expansion/construction of small infrastructure, (ii) construction/rehabilitation of physical structures for water catchment management, etc., and (iii) land-based livelihood activities which could have limited adverse environmental and social impacts. The infrastructure works under component 1 will pose civil works/ construction related impacts including health and safety considerations, vegetation clearance and soil erosion, impacts on PCRs, dust pollution, disposal of construction waste, etc. Component 2 and 3 are expected to be positive through alleviating pressures on the poor that lead to unsustainable exploitation of natural resources and environmental degradation. ESMF has been prepared and is being finalized to avoid or mitigate environmental and social risks from these activities.

Social: The project's anticipated social impacts has triggered OP 4.12 and in line with the Bank's safeguard policies, the project has put in place mitigation mechanisms acceptable to the World Bank. For impact on potential land take and/or restrictions in access to communal natural resources, a Resettlement Policy Framework (RPF) has been prepared, consulted upon and disclosed. The Bank's OP 4.10 is triggered as the project counties are inhabited by Vulnerable and Marginal Groups that meet the characteristics defined under OP 4.10. A Social Assessment (SA) was undertaken and this informed the development of a Vulnerable and Marginalized Group Framework (VMGF). Both the SA and VMGF have been prepared, consulted upon and disclosed. The project includes cost effective and accessible grievance handling mechanism to ensure that any related project issues and concerns are resolved using due process. The IGAD Grant is Environment Category C.

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

It is anticipated that the project will improve access to social services, expand economic opportunities and enhance environmental management for host community in the targeted areas, with no indirect and/or long-term negative impact in these areas. It is anticipated that the project will result in long-term positive safeguard impacts in the project area because of the project's emphasis on ensuring sustainable environmental management of natural resources and reduction in the unsustainable exploitation of natural resources, including mitigation of risks and other challenges faced by affected households. Social divisions could be exacerbated if inclusion and cohesiveness are not carefully promoted and potential conflicts mitigated. Possible indirect or long term impacts include further depletion of the water table if not managed e.g. irrigation projects and fragmentation of the rangeland if sub-projects are not well planned.

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

The "no project" alternative would deprive host communities already impacted negatively by refugee influx, the opportunity to improve access to basic social services, expand economic opportunities, and enhance environmental management. To ensure safeguards due diligence during implementation, more expertise will be deployed at all



levels; and the planning of sub-projects will involve full participation of beneficiary communities; and the project’s activities will avoid land acquisition. Conflict mitigation measures will be planned alongside strong and trusted grievance redress mechanisms. Siting of infrastructure would need to mitigate changes in settlement patterns and other activities that further fragment the rangeland and interfere with migration and marketing routes. Water development would be carried out within a comprehensive water management plan and promote water efficiency and harvesting.

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.

Capacity to manage safeguards issues is low in the National Project Implementation Unit at the Executive Office of the President.. To ensure that environmental and social safeguards issues are given adequate attention during the implementation of the Project, the Bank has recommended that the Client recruits environmental and social safeguards experts at both the national and county levels. In addition, the project will harness synergies and collaborate and cooperate with other complementary projects, including on safeguards implementation, due diligence and monitoring (Off-grid Solar Energy Access Project – P160009; Water and Sanitation Improvement Project – P156634; and Climate Smart Agriculture Project – P154784) supporting the three project counties.

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

The key stakeholders are communities hosting refugees in Dadaab and Kakuma. Thus, people living in areas where civil works and other activities will be undertaken could be impacted by the project, which may result in small scale resettlement or disruption of livelihoods, or which may result in environmental damage. Adverse impacts are believed to be minimal in scope and nature and should be easily mitigated. The Client will carry out consultations with all potentially affected people and explain clearly what they may expect in terms of assistance to ensure that no one is left worse off as a result of the Project.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission to InfoShop	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
31-Jan-2017	03-Mar-2017	

"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission to InfoShop
01-Feb-2017	03-Mar-2017



"In country" Disclosure

Indigenous Peoples Development Plan/Framework

Date of receipt by the Bank	Date of submission to InfoShop
03-Feb-2017	03-Mar-2017

"In country" Disclosure

Pest Management Plan

Was the document disclosed prior to appraisal?	Date of receipt by the Bank	Date of submission to InfoShop
Yes	31-Jan-2017	03-Mar-2017

"In country" Disclosure

Kenya
03-Mar-2017

Comments

ESMF which includes Pest Management Guidelines, RPF and VMGF were disclosed by the GOK at www.mygov.go.ke.

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. 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

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?



Yes

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

OP 4.09 - Pest Management

Does the EA adequately address the pest management issues?

Yes

Is a separate PMP required?

No

If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?

NA

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

OP/BP 4.10 - Indigenous Peoples

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?

Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

OP/BP 4.37 - Safety of Dams

Have dam safety plans been prepared?

NA



Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?

NA

Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?

NA

OP 7.50 - Projects on International Waterways

Have the other riparians been notified of the project?

Yes

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?

NA

Has the RVP approved such an exception?

NA

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop?

Yes

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

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes



CONTACT POINT

World Bank

Varalakshmi Vemuru
Senior Social Development Specialist

Gandham N.V. Ramana
Program Leader

Borrower/Client/Recipient

Republic of Kenya

Implementing Agencies

Executive Office of the President, Department for Development of Arid and Semi-Arid Regions
TBD TBD
TBD
TBD@tbd.com

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>

APPROVAL

Task Team Leader(s):	Varalakshmi Vemuru Gandham N.V. Ramana
----------------------	---

Approved By

Safeguards Advisor:	Nathalie S. Munzberg	28-Mar-2017
Practice Manager/Manager:	Helene Monika Carlsson Rex	29-Mar-2017



Country Director:	Thomas O'Brien	29-Mar-2017
-------------------	----------------	-------------

Note to Task Teams: End of system generated content, document is editable from here.