



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 12/19/2023 | Report No: ESRSC03470



I. BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Lebanon	MIDDLE EAST AND NORTH AFRICA	P180905	
Project Name	Productive Economic Inclusion In Lebanon		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing		7/20/2023
Borrower(s)	Implementing Agency(ies)		

Proposed Development Objective

The objective of the proposed project is to improve the welfare of low-income Lebanese households through productive economic inclusion.

Financing (in USD Million)	Amount
Total Project Cost	2.71

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 Activities

The objective of the pilot is to improve livelihood opportunities for 1,500 households that are current beneficiaries of the ESSNP. Therefore, the PEIL Project complements the ESSNP by improving household welfare and resilience through productive economic inclusion. It strengthens sustainable pathways out of poverty by reducing household dependence on government assistance. To achieve the intended objectives of the pilot, it will be composed of the following three components, based on well-evaluated programs around the world : (1) designing a data-driven economic inclusion program for Lebanon; (2) implementing the pilot program in selected regions; and (3) monitoring and evaluation to quantify the impact and cost-effectiveness of the pilot. Through these activities, the project aims to inform the scale up of an economic inclusion program across Lebanon.



**D. Environmental and Social Overview**

D.1 Overview of Environmental and Social Project Settings

The Productive Economic Inclusion in Lebanon project (PEIL) is a small grant project (\$2.71 million). The pilot does not involve any infrastructure or civil works. It is comprised of three components as mentioned above, and will select 1,500 beneficiaries that are current beneficiaries of the Emergency Social Safety Net Project (ESSN), and that meet specific criteria based on poverty and vulnerability levels, education qualifications and past work experience. The pilot aims to improve the household welfare and resilience of the selected beneficiaries through productive economic inclusion. . The beneficiaries may most likely be selected from Mount Lebanon and Akkar geographic regions of Lebanon based on the high concentration of social safety net beneficiaries in those regions.

Lebanon is divided into four distinct physiographic regions: the coastal plain in the west, the Lebanon mountain range in the middle, the Beqaa valley in the east, and the Anti-Lebanon mountains in far east near the borders with Syria. Large socio-economic disparities exist in the country, with the North and Bekaa governorates having the poorest populations and lowest socioeconomic indicators. According to the multi-dimensional poverty index of Lebanon (World Bank, May 2022), across the eight governorates, Akkar and Bekaa are the poorest, with approximately a third of Lebanon’s MPI-poor residing in Mount Lebanon where about 41% of the population of Lebanon reside. The economic crisis has increased the poverty rate, which reached 82% in 2021, up from 45% in 2019, 30% in 2018, and 27.4% in 2011–2012. Vulnerable Lebanese households face challenges accessing food, healthcare, education, and other basic services. The unemployment rate reached 30% in 2022 – up from 11% in 2019 (ACAPS, 2022) and as a result demand for employment opportunities across the country is high. Lebanon also estimates 1.5 million Syrian refugees and 13,715 refugees of other nationalities where the highest concentration of refugees is found in the Bekaa region (UNHCR, 2022). This has put strains on already fragile services in the Bekaa and Baalback regions and increased the vulnerability of host communities, as they compete over employment, accommodation, access to public services, and infrastructure.

D.2 Overview of Borrower’s Institutional Capacity for Managing Environmental and Social Risks and Impacts

The project is proposed to be implemented by Rene Mouawad Foundation (RMF), through a grant provided by the World Bank Group. The Rene Mouawad Foundation (RMF) is a national Lebanese NGO that has been working since 1991 across Lebanon with the mission to promote social, economic, and rural development in Lebanon and the MENA region. This is RMF’s first WB financing project and the first project under the World Bank’s Environmental and Social Framework (ESF). The RMF team has a safeguards and gender specialist who has limited knowledge and experience on the WB ESF and safeguards requirements and will need support to follow up on the preparation of the ESF instruments and the implementation thereafter of the ESF requirements. The WB team will provide continuous support as needed and throughout the project life-cycle.

**II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Moderate

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### A.1 Environmental Risk Rating

Low

The environmental risk rating is rated low. The project will not have any civil or construction works or operation of machinery that would generate waste, cause environmental nuisance or pose risks to the environment. The project interventions are soft in nature, such as conducting surveys, providing training, mental health support, and child care support that are associated with no or low/negligible impacts on the environment.

### A.2 Social Risk Rating

Moderate

The social risk is rated moderate. The project pilot will select 1,500 beneficiaries from the current Emergency Social Safety Net (ESSN) (P173367) beneficiary households to provide self employment opportunities to one working-age member of 1,500 selected households, most probably from Mount Lebanon and Akkar regions of Lebanon, based on the high concentration of social safety net beneficiaries in those regions. . The current ESSN project is focused predominantly on 160,000 beneficiary Lebanese households (further to the recent second Additional Financing where the coverage was expanded from 105,000 to 160,000 beneficiary households.) and regardless of ethnic/religious sects. All beneficiary households under the ESSN belong to at least one of four vulnerable categories: (1) female-headed household; (2) household has an elderly (aged 65 or more); (3) household has a disabled member; and (4) household has a child (aged under 18). The ESSN targets poor Lebanese households that meet specified criteria and does not include refugee communities. Additional details on the ESSN beneficiaries can be found in the relevant E&S instruments under the second AF which have been cleared and disclosed (April, 2023). The criteria for selection of the beneficiaries under this pilot project will be based on poverty and vulnerability levels, education qualifications, skills and past work experience. Therefore, the PEIL Project complements the ESSN project by improving households welfare and resilience through productive economic inclusion. Thus, the project is associated with predominantly positive social impacts as it will help improve the economic conditions of the selected beneficiaries by providing access to employment, increasing their earnings, reducing consumption poverty and by increasing overall household resilience. In addition, the project will provide a greater emphasis on female headed households among the selected beneficiaries by ensuring that at least 50 percent of program participants are female. In the long-term, it is expected that the program will contribute to a decrease in the number of households living under the extreme poverty line in the country. Moreover, under component 2, the project will provide social care services such as mental health support, and childcare support for children less than 5 years of age which will be identified following the analytical work under Component 1. However, some adverse risks are expected such as the perception of exclusion of certain vulnerable groups from the project benefits, the risk of miscommunication or insufficient communication of the project specificities and the risk of a weak functioning grievance mechanism which has not been adequately and widely disseminated to reach all beneficiaries. These risks will be mitigated through effective communication campaigns, focus group discussions and consultations with the project stakeholders and particularly with vulnerable groups, and the establishment of a robust grievance mechanism which will be widely and effectively disseminated nationwide. It should be mentioned that the risk of exclusion under component 2 is already mitigated by measures under the ESSN project which has a “substantial” social risk rating. The respective instruments of the ESSN project which were cleared and disclosed and respectively recently updated, cleared and disclosed under its second restructuring (April 2023) include the Social Impact Assessment (SIA), Stakeholder Engagement Plan (SEP), Environmental and Social Commitment Plan (ESCP) and Labour Management Procedures (LMP) which are being effectively implemented and monitored by a full-time social safeguards specialist as part of the implementing agency at the Presidency of Council of Ministers. Thus, the remaining potential risk of exclusion under this pilot is expected to be moderate and will be mitigated effectively through through the preparation and implementation of a robust Stakeholder Engagement Plan (



## B. RELEVANCE OF STANDARDS AND POLICIES AT CONCEPT STAGE

### B.1 Relevance of Environmental and Social Standards

#### ESS1 Assessment and Management of Environmental and Social Risks and Impacts

The PEIL Project complements the ESSN project by improving households welfare and resilience through productive economic inclusion. The project is comprised of 3 components with the objective to improve the livelihood opportunities for 1,500 households that are already current beneficiaries of the ESSN project. Component 1 of this pilot involves “Designing a data driven economic inclusion program for Lebanon” where existing data from the ESSN beneficiary households will be leveraged along specific criteria including poverty and vulnerability levels, education qualifications, skills, household characteristics and past work experience. Following the segmentation, program beneficiaries will be randomly selected from among those meeting any education/experience threshold for participation. There will be a greater emphasis on female headed households among the selected beneficiaries. The findings from this analysis will inform the design of the economic inclusion pilot (component 2), to ensure that it is context specific and tailored to the needs and constraints of beneficiaries. Component 2 is the “Piloting of the Economic Inclusion Program for Lebanon” and may include an asset transfer, micro-entrepreneurship tailored training, access to markets, coaching and life-skills training to boost beneficiaries’ self-confidence, and aspirations, financial literacy training for improved income management and savings to help household cope with shocks and social care services (e.g., mental health support, childcare support for children less than 5 years of age). Component 3 is the “Program Evaluation” which will assess the impact and cost-effectiveness of the proposed pilot in Lebanon and will be conducted and embedded in the design of the pilot. This program evaluation will assess whether the package of services provided has a significant impact on household welfare, which will inform potential replication and scale-up decisions.

Thus, the project will not have any civil or construction works or operation of machinery that would generate waste, cause environmental nuisance or pose risks to the environment. The project is associated predominantly with positive social impacts as it will help improve the economic conditions of the selected beneficiaries further segmented from the current pool of beneficiaries under the ESSN project, will contribute to a decrease in the number of households living under the extreme poverty line in the country, will increase and build household resilience, and will provide access to social care services including mental health support, and childcare support.

However, the project activities may be associated with some adverse social risks such as the perception of exclusion of certain vulnerable groups from the project benefits, the risk of miscommunication or insufficient communication of the project specificities and the risk of a weak functioning grievance mechanism which has not been adequately and widely disseminated to reach all beneficiaries. These risks can be effectively mitigated through effective and inclusive consultations with stakeholders including the most vulnerable identified groups to communicate the project details and components to enhance transparency on project related information and selection criteria for job creation opportunities, ensure that a robust GM with multiple uptake channels is established and fully functional and which is widely disseminated to reach all identified stakeholders to ensure a two-way communication.



There will therefore be no need for preparing an environmental and social assessment instrument beyond the already cleared SIA under the ESSN. The RMF PMU will add an addendum to the ESSN SIA to outline the project description of this pilot and will acknowledge the mitigation measures of the ESSN SIA and will commit to it as part of the Environmental and Social Commitment Plan (ESCP). The social risks related to possible perception of exclusion of vulnerable groups and miscommunication under both components 1 and 2 of the project will be managed additionally through the SEP which will be prepared under this pilot project before appraisal and which will include measures for the effective communication of the beneficiary selection criteria and a robust grievance mechanism that will be widely disseminated to reach all stakeholders. Other risks such as SEA/SH will be managed through the establishment of referral pathways outlined in the SEP and the LMP as mentioned below.

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

The Borrower Framework will not be considered

**ESS10 Stakeholder Engagement and Information Disclosure**

As per ESS10, the project stakeholders are divided into 3 categories including the affected persons such as the beneficiaries of the project who will be selected from the current Emergency Social Safety Net (ESSN) cash transfer beneficiary households, other interested parties such relevant NGOs representing the poor Lebanese households, the Presidency of the Council of Ministers (PCM) which is the implementing agency for the ESSN project, child care support service providers and mental health support service providers, and others to be determined during the preparation stage of the project, and the vulnerable groups which include those potential beneficiaries who do not know how to read or write, those who are elderly, those who have no access to the internet or other social media networks, female-headed households, and poor Lebanese households from the DAEM registry. All stakeholders will be identified in the Stakeholder Engagement Plan (SEP) which will be prepared, cleared, and disclosed by the project appraisal. The SEP will be consulted with the stakeholders by appraisal and the various modalities for engagement and information disclosure and any specific needs of stakeholders will be clearly outlined in the instrument. Moreover, the project will establish a robust grievance mechanism which will have multiple uptake channels to ensure and allow accessibility to all stakeholders, and it will be the means for stakeholders to have a two-way communication with the project implementing team. The grievance mechanism will have an appeals process in place in the event that complainants are not satisfied with the resolution of their complaint, and in addition referral pathways will be established in the event of complaints associated with sexual exploitation and abuse/sexual harassment (SEA/SH) which will follow a survivor centric approach and will apply the principles of confidentiality. The GM will be established prior to the appraisal stage and will be outlined in the SEP. The gender and safeguards specialist of the RMF PMU will ensure a survivor centric approach when handling any SEA/SH calls while following the guidance of the World Bank Good Practice Note in Human Development Projects (September, 2022) which will be further outlined in the SEP. The SEP will be implemented and monitored by the RMF implementing agency gender and safeguards who will ensure that the plan of engagement with the identified stakeholders as outlined in the SEP is adhered to at all times and will ensure that focus groups discussions are carried out particularly with identified vulnerable groups to communicate clearly the beneficiary selection procedures. Consultations will be undertaken in a continuous manner throughout the project implementation while ensuring that all grievances are addressed in a timely manner. As the SEP will be the key instrument to address and mitigate the moderate social risks associated

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with the components 1 and 2 of this pilot and detailed above, it will be a robust instrument which will clearly outline the modalities for engagement with the identified stakeholders in a continuous and constructive manner and with effective outreach and engagement in focus group discussions and other means as deemed necessary which will all be detailed in the SEP which will be prepared before appraisal. Finally, the RMF social safeguards specialist will also coordinate with the social safeguards specialist of the ESSN PMU throughout the project implementation as needed.

### **ESS2 Labor and Working Conditions**

The project will include direct workers who will be comprised of the members of the Rene Mouawad Foundation (RMF) which is the project implementing agency. The project may also include contracted workers in case these capacities are not available in-house at RMF and these include coaching and life-skills trainings, financial literacy trainings and social care services such as mental health support, childcare support for children less than 5 years of age) which will be identified following the analytical work under Component 1. The precise number of direct workers and contracted workers is not determined at this time.

The RMF will prepare a stand-alone Labour Management Procedures (LMP) which will be cleared and disclosed by the project appraisal. The LMP will follow the requirements of the ESS2 and will identify the type and number of project identified workers, the OHS and labour related risks which are expected to be nominal based on the description of the project activities, and will detail the relevant labour laws and policies that apply as per the labour law in Lebanon and the World Bank ESS2 where it will comply with those guidelines which are the more stringent of the two, the terms and conditions for work, non-discrimination and prevention of SEA/SH, and the minimum age for labor as per the Lebanon Labor law. A grievance mechanism will be established specifically for the project workers, and this will be clearly outlined in the LMP.

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

This ESS is not currently relevant.

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

This ESS4 is relevant. While the project activities are not associated with infrastructure or civil works that may have an impact on community health and safety, the nature of the project activities may result in a risk of sexual exploitation and abuse and sexual harassment (SEA/SH) due to male and female project workers working in close proximity and with low-level potential of limited supervision. The RMF will prepare minimum mitigation measures and actions to manage the risks of gender-based violence (GBV) and sexual exploitation and abuse and sexual harassment (SEA/SH) such as awareness raising, signing of codes of conduct by all project workers as identified in ESS2 and a GM sensitive to SEA/SH. The project will not include any security forces. These requirements will be incorporated as part of the LMP and in line with the provisions of the ESCP.



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

This ESS is not currently relevant as this project does not require land acquisition, does not impact negatively on assets, or cause loss of assets.

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

This ESS is currently not relevant.

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

ESS7 is not currently relevant for this project because there are no indigenous peoples in Lebanon

**ESS8 Cultural Heritage**

No risks/impacts on tangible or nontangible cultural resources, as there are no physical interventions by the project

**ESS9 Financial Intermediaries**

No FIs will be used to disburse the funds

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

**OP 7.60 Projects in Disputed Areas**

**III. World Bank Environmental and Social Due Diligence**

**A. Use of Common Approach**

No

**Financing Partners**

The common approach is not being considered

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

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

The selected implementing agency will prepare the following instruments prior to appraisal:

- The Stakeholder Engagement Plan (SEP)
  - The Labour Management Procedures (LMP)
  - The Environmental and Social Commitment Plan (ESCP)
  - Annex to the Social Impact Assessment (SIA) of the Emergency Social Safety Net (ESSN) project to describe the project description of this proposed pilot and to acknowledge mitigation measures under the ESSN SIA
- All instruments will be cleared and disclosed prior to the appraisal stage.

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

The implementing agency will ensure that the mitigation measures for SEA/SH are included in the stand-alone LMP. The implementing agency’s safeguards and gender specialist will monitor satisfactory implementation of the cleared and disclosed instruments and will prepare progress reports in line with the provisions of the ESCP. The safeguards and gender specialist will attend relevant trainings, workshops and capacity building on the World Bank’s ESF requirements and the WB team will provide continuous and close support throughout the project life-cycle

**C. Timing**

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

09-Jun-2023

**IV. CONTACT POINTS**

**World Bank**

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**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

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