



Additional Financing Appraisal Environmental and Social Review Summary

Appraisal Stage

(AF ESRS Appraisal Stage)

Date Prepared/Updated: 10/02/2023 | Report No: ESRSAFA619

**I. BASIC INFORMATION****A. Basic Project Data**

| | | | |
|-------------------------------------|--|--------------------------|--------------------------|
| Country | Region | Borrower(s) | Implementing Agency(ies) |
| Myanmar | EAST ASIA AND PACIFIC | | |
| Project ID | Project Name | | |
| P181413 | Myanmar Community Support Project Additional Financing | | |
| Parent Project ID (if any) | Parent Project Name | | |
| P179066 | Myanmar Community Support Project | | |
| Practice Area (Lead) | Financing Instrument | Estimated Appraisal Date | Estimated Board Date |
| Social Sustainability and Inclusion | Investment Project Financing | 10/19/2023 | 11/17/2023 |
| Estimated Decision Review Date | Total Project Cost | | |
| 10/12/2023 | 0 | | |

Proposed Development Objective

To improve food security and livelihoods of vulnerable populations in selected areas of Myanmar

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

Yes

C. Summary Description of Proposed Project Activities

The proposed Additional Financing (AF) to Myanmar Community Support Project will support a scaling up of the original MCSP activities to allow for an increase in the project's development effectiveness, considering the continued crisis in Myanmar and the resulting challenges and risks facing especially vulnerable populations. Specifically, the AF will support an increase in beneficiary coverage by both implementing partners (ICRC and WFP) to an additional estimated 185,900 beneficiaries. The AF would be provided as grants to the two implementing partners roughly in proportion to their current funding under the MCSP through the existing Recipient-Executed Trust Funds (RETF) that each agency currently implements. Project design, including components, activities, and implementation agencies, under the AF will remain the same as for MCSP. No new indicators will be added to the project result framework, but



targets will be updated. The current Operations Manuals will also remain the same for most of the sections, but will be updated to account for the AF scale-up. The main activities are: WFP to provide cash and in-kind food support (Component 1) and specialized nutritious foods to at-risk children and pregnant and lactating women and girls (Component 2), both in Rakhine State. ICRC will continue to provide basic livelihoods support through unconditional cash transfers, cash-for-work wage transfers, and inputs to increase households' agricultural production (Component 3), and to finance the construction of small-scale infrastructures that support access to basic services including renovation of healthcare facilities (Component 4).

WFP will implement Component 1 and 2:

Component 1: Protect Human Capital, will provide food transfers and/or cash-based transfers (CBTs) to populations affected by crisis. The Bank supported activities will target internally displaced people (IDPs) and other vulnerable persons in Rakhine State with cash transfers and/or a basic food basket consisting of rice, pulses, cooking oil and salt. Most of these vulnerable, food-insecure women, men, girls, boys, the elderly and persons with disabilities are reliant on WFP's life-saving assistance given the lack of livelihood opportunities, movement restrictions and security concerns. Exact locations will be decided closer to implementation to ensure the most vulnerable are targeted.

Component 2: Improve Nutrition of Vulnerable Groups: Provide specialized nutritious foods for prevention of acute malnutrition among pregnant and lactating women and adolescent girls (PLW/Gs), and children under 5. The Bank supported activities will provide at-risk children under five and PLW/Gs with specialized nutritious foods (SNFs) to prevent acute malnutrition in Rakhine state. SNFs are Fortified Blended Foods to ensure that the nutritional status of girls, boys and women is protected and improved, contributing to the reduction of morbidity, mortality and nutritional vulnerability among the most at-risk groups.

WFP nutrition interventions are undertaken in collaboration with UNICEF's prevention and treatment of acute malnutrition wherever possible. To complement the provision of SNFs, WFP will also provide cooperating partners with technical support that promotes optimal Infant and Young Child Feeding (IYCF) practices through nutrition promotion sessions and counselling to caregivers (with children 6-59 months) and PLW/Gs. Exact locations will be decided closer to implementation to ensure the most vulnerable are targeted.

WFP will either directly implement Component 1 activities in Northern and Central Rakhine State, or work with and through CPs such as Save the Children, Plan International, World Vision, and others.. Component 2 will be implemented through Cooperating Partners such as Save the Children, Action Contre La Faim, and the Myanmar Health Assistant Association.

ICRC will implement Component 3 and 4:

Component 3: Support Sustainable Livelihoods, will support activities that facilitate medium to long-term recovery via the provision of cash grants, agricultural inputs and productive assets.

- 3.1: Unconditional cash transfers: Delivery of cash grants to populations affected by conflict, violence, or natural disasters.
- 3.2: Cash-for-work: labor-intensive works to construct or repair communal infrastructure such as roads, drainage or irrigation systems that would also have a positive impact on local livelihoods.



- 3.3: Support to farming communities: Provision of seed for staple crops or vegetables, tools and fertilizer to farmers affected by conflict, violence or natural disaster.

Component 4: Ensure Access to Basic Services, will support investments for water, sanitation and hygiene (WASH) for individual families; rural community infrastructure for water, sanitation, shelter and access; and urban and peri-urban infrastructure for water, sanitation, shelter and access.

- 4.1: Short-term response: Repair, upgrade or construction of essential infrastructure (water supply pipelines, water distribution points, latrines, showers, wastewater treatment, solid waste management, temporary or semi-permanent shelter, household solar power units) for displaced households.
- 4.2 Community infrastructure: Repair, upgrade or construction of communal structures (water-supply systems such as ponds and other sources, water treatment or distribution systems, permanent latrines, wastewater treatment, drainage, semi-permanent and permanent shelters, solid waste management (i.e. septic tanks), roads, jetties, bridges, community halls, schools, dormitories) for displaced communities.
- 4.3 Urban and peri-urban infrastructure: Repair, upgrade or construction of communal structures (water-supply systems such as ponds and other sources, water treatment or distribution systems, permanent latrines, wastewater treatment systems, drainage, semi-permanent and permanent shelters, solid waste management systems, roads, jetties, bridges, healthcare facilities, community halls, schools, dormitories) for displaced communities in urban or peri-urban areas.

Most of the works under activities 4.2 and 4.3 (for shelters, wells or simple gravity-flow systems, showers/washing facilities, latrines, small road repair, small buildings, etc.) range in value from \$500 to \$50,000 and would generally be completed within two to three months of identification. Some works under activity 4.3, in the range of \$50,000 to \$150,000 in value, would take up to nine months to implement.

The states and regions targeted for support are Shan, Kachin, Chin, Kayah, Kayin, and Rakhine states as well as Magway, Mandalay, and Sagaing regions, all of which have witnessed significant conflict and displacement. The project will support WFP to provide project support in Rakhine State, while ICRC will retain the flexibility to identify the specific geographic areas based on emerging needs and access. The World Bank has agreed with ICRC on the principles and processes for determining project intervention areas and targeted beneficiaries.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

Myanmar is located in Southeast Asia, bordered by India and Bangladesh to its West, Thailand and Laos to its East, China to its North and Northeast, and the Andaman Sea at its South. It has total of 5,876 km (3,651 mi) perimeter which includes a coastline of 1,930 km (1200 mi) along the Bay of Bengal and the Andaman Sea. Myanmar is rich in natural resources including hydropower energy, forests, fisheries, farmlands and jade and gold deposits which have been central to the country's economy and people livelihoods. Two-thirds of Myanmar's forests are in ethnic States and Regions including Kachin, Shan, Chin, Rakhine States, Tanintharyi and Sagaing Regions. There are onshore and offshore oil and gas production sites along the Rakhine and Tanintharyi coast lines, and in Magway and Sagaing Regions. Kachin State and Sagaing Region are home for major productions of jade and gold. These areas have faced increased conflict and instability since the February 2021 military takeover.



Myanmar is exceptionally biologically diverse. It has 44 nationally designated Protected Areas (PAs) and 132 Key Biodiversity Areas (KBA) for protecting globally important biodiversity and vital habitats for threatened plant and animal species in terrestrial, freshwater and marine ecosystems. In the project target area, there are four existing PAs in Kachin State (13702.77 km² in total), five in Sagaing Region (10,688.63 km² in total), three in Magway Region (470.02 km² in total), six in Shan State (1,110.61 km² in total), two in Chin State (1019.82 km² in total) and one in Rakhine State (1,756 km² in total). These PAs provide critical habitats for several endangered and threatened species such as Myanmar snub-nosed monkey, Eurasian Wild Pig, East Asian Porcupine, Red Muntjac, Hog Badger, Blue Sheep, Himalayan Newt, Burmese roofed turtle, Asian elephant, clouded leopard, gibbon and many globally threatened bird species including White-bellied Heron, White-rumped Vulture, Black-bellied Tern, Jerdon's Babbler. KBAs covers 17% of Myanmar but only 32% of the KBAs in the country are legally protected (i.e., nationally designated PAs). Three-quarters of the KBAs are located in the north, mainly in Kachin State and Sagaing Region, and in the south, Tanintharyi Region encompassing the Myeik Archipelago. Inadequate staffing and very limited budget challenge protected area management. Since the military takeover, the environmental conservation, inspection, and compliance monitoring have rarely taken place due to the security risks. Large-scaled illegal harvesting of timber resources in PAs such as Alaungdaw Kathapa National Park in Sagaing Region, and unregulated gold mining using heavy machinery in sensitive environments and cultural heritage sites such as Myit Sone (i.e. the junction of May Kha and Malikha rivers which is the beginning of Ayeyarwady River) in Kachin State are frequently reported on social media. Although monitoring and formal reporting since the military takeover are scarce, environmental degradation due to intensified resource extractions is likely to have high potential impacts on biodiversity, wildlife habitats and ecosystem services. Nonetheless, project impacts on vulnerable biodiversity and critical habitats are not expected as the screening protocols included in the ESMF exclude activities which could have such impacts.

Myanmar is prone to natural disasters, including in areas already affected by conflict. While coastal regions such as Rakhine State are frequently exposed to cyclones, severe flooding and landslides are common and recurrent in Kachin and Chin States, upper Sagaing Region, and Shan State, particularly during the monsoon-affected rainy season. In July and August 2021, torrential rains caused rivers to overflow and flood many communities in Rakhine, and in south-eastern parts of the country including Shan State; a hundred thousands of people were displaced, and many houses destroyed. Quite different is the climate in the central part of Myanmar which covers lower Sagaing Region, most of Magway Region, and to the west and central parts of Myanmar Region, with very little annual rainfall (less than 1000 mm) and climatic condition ranging from arid in low land areas to semi-humid on mountain ranges. Low agricultural productivity due to drought, subsequent food insecurity, and high level of landlessness farmers hinders development of central Myanmar. In general, rainy season lasts from May to October and hampers transportation and construction activities.

Myanmar is endowed with tremendous inland water resources in the form of rivers, streams and springs. However water or sewage treatment plants and distribution networks only exist in a few urban centres. Where such systems exist elsewhere, water is commonly supplied for only a few hours a day, and directly from the source, with consumers responsible for treating the water. Essential infrastructure is often unmaintained, as service providers lack the resources to ensure reliability and to respond to additional needs from displaced people. Many communities in rural areas rely on ponds, communal wells, springs or rivers for water. These sources are at risk of being exhausted, especially during the dry season, owing to variable rainfall, evaporation, leakages and overuse – particularly where the population has increased owing to influxes of IDPs. Ponds are also usually unprotected and prone to



contamination from flooding or animals. Women and children are often tasked with fetching water and when ponds become empty, they are forced to travel further to get water, increasing their exposure to risks.

Salient social characteristics of the project area include intensifying armed conflict and associated social impacts such as population displacement, malnutrition, decreased access to public services, destruction of social bonds and decreasing social trust, and likely worsening socio-economic well-being. The states and regions targeted for support by the project (Northern Shan, Kachin, Chin, Kayah, Kayin and Rakhine States as well as Magway, Mandalay and Sagaing Regions) were characterized by poor socio-economic indicators before the current political unrest and pandemic (2017 Myanmar Living Conditions Survey). This was especially the case for the conflict affected border areas of Kachin, Rakhine and Shan States, with Rakhine having the worst access to basic sanitation, while Shan State was characterized by the highest percentage of people 15yrs or older reporting being illiterate. Of those townships considered to be conflict-affected before the military takeover, 77 percent fall in the bottom half of the multi-dimensional disadvantage index (MDI-2) recently developed by the World Bank and the Ministry of Labor, Immigration, and Population. Since the February 2021, some development achievements gained over the last decade have been under serious threat due to a combination of economic disruption, the Covid-19 pandemic, conflict and an increasing deterioration of human rights. Armed conflicts have intensified in Rakhine, Kachin, Shan, Kayin, and Chin States, and armed peoples defense forces have formed within communities in Magway and Sagaing Regions. In addition to the direct casualties and fatalities, the intensification of these conflicts will significantly worsen the socio-economic situation through displacing populations, preventing access to livelihood activities and essential public services, as well as the destruction of physical capital and social capital (in the form of social networks and relationships of trust). The worsening situation due to the Pandemic and intensifying conflict will impact socio-economic well-being nationally, with an additional 3.4mn expected to require food aid (on top of the 2.8mn already requiring it), and an additional 12mn people being pushed into poverty.

Myanmar is one of the most ethnically diverse countries in Asia. The 2008 Constitution recognizes 135 distinct ethnic groups as “national races” in which there are eight major ethnic groups: Kachin, Kayah, Kayin, Chin, Bamar, Mon, Rakhine and Shan. These 135 groups are legally recognized based on the 135 languages and races identified by the British Colonial Census 1931. The largest national race is the Bamar that makes up approximately two-thirds of the Myanmar population. Other national races or ethnic groups/minorities account for approximately one third of the population and live mainly within the administrative boundaries of seven States. Aside from the 14 States and Regions and one Union Territory, there are five self-administered zones: Naga (Sagaing Region); Danu (Shan State); Pa-O (Shan State); Pa Laung (Shan State); and Kokang (Shan State). There is also one self-administered division: Wa (Shan State). These six self-administered sub-national units are recognized in the 2008 Constitution (Section 56) and are the result of earlier ceasefire agreements. Myanmar’s ethnic States occupy around 57 per cent of the total land area along most of the country’s international borders.

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

Given the complex political situation and operational challenges for all agencies currently working in Myanmar, the original MCSP project have been implemented through two well-established organizations with long track records in Myanmar. WFP is responsible for Component 1 (Protect Human Capital) and Component 2 (Improve Nutrition of Vulnerable Groups), while ICRC is responsible for Component 3 (Support Sustainable Livelihoods) and Component 4



(Ensure Access to Basic Services). These two agencies have decades of experience implementing similar programs in conflict-affected areas of Myanmar (combined, WFP and ICRC have 65 years of work experience in the country) and have well-established, and at times unique, access to certain geographic areas and affected populations.

ICRC has been carrying out humanitarian protection and assistance activities in Myanmar for more than 35 years, including covering areas where no other development actors have access. ICRC's long-standing operational presence in Myanmar, its partnership with Myanmar Red Cross Society (MRCS), its dialogue with authorities, weapon bearers and other influential actors, and its neutral and impartial approach enable it to access hard-to-reach areas and assist the most vulnerable among those contending with the combined effects of armed conflict and other situations of violence, natural disasters, and the COVID-19 pandemic. In Myanmar, The ICRC currently has approximately 1,000 national and international staff in-country who are responsible for overseeing and managing their estimated CHF 70 million annual budget (2021).

The ICRC Delegation in Yangon and sub-delegations in relevant states and regions remain responsible for managing the implementation of the original project and the AF, including the project's updated E&S instruments. ICRC has its national office (delegation) in Yangon, with sub-delegations and offices in Rakhine, Shan, Kachin States and the Mandalay Region (covering implementation in Chin State, and Magway and Sagaing Regions) from where it will directly oversee implementation of the project. The original project and its AF will be managed through the existing systems and structures of the organization and the environmental and social management measures will be implemented as part of the project cycle.

The Economic Security (EcoSec) department and the Water and Habitat (WatHab) departments, which fall under the Programs and Prevention section, have primary technical responsibility for the project implementation. EcoSec is responsible for Component 3 (livelihoods support through cash assistance and in-kind assistance to farmers) while the WatHab department is responsible for Component 4 (community infrastructure). Both the EcoSec and the WatHab departments have technical teams / ICRC technical field officers at the sub-delegation offices, in the States and Regions. Overall, the ICRC technical field officers at the State and Region level are responsible for initial environmental and social screening, selection and implementation of relevant environmental and social mitigation measures and monitoring for the subproject activities they work on. At the national level, ICRC have assigned an "Environmental and Social Focal Point" in each the EcoSec and the WatHab departments. These E&S Focal Points will coordinate and support the ICRC technical field officers for the implementation of the updated ESMF. They will also provide quality control, review and no objection to documents, aggregate monitoring reports, and report to the World Bank on a quarterly basis.

Myanmar Red Cross Society (MRCS) will provide limited assistance in monitoring the delivery and implementation of project support to beneficiaries for activities under Component 3. MRCS' networks allow them access to hard-to-reach areas in a timely fashion that makes it possible for ICRC to be one of the first responders to large-scale humanitarian needs in the country. ICRC retains responsibility and technical oversight of MRCS' work. MRCS staff and volunteers have been trained by ICRC staff to ensure that they understand and follow the relevant measures under the Project.



Local contractors and implementation partners will be required to comply with the Project's E&S risk management plans and procedures, including the updated ESMP, ECOP, LMP, and local legislation. This provision will be specified in the contractor's agreements. Contractors will be expected to disseminate and create awareness within their workforce of environmental and social E&S risk management compliance and undertake any staff training necessary for their effective implementation. ICRC will continue provision of awareness raising and training for the contractors on the contents of updated E&S instruments. The World Bank conducted prior review of the Screening Forms and ESMPs for four sub-projects; and reviewed quarterly progress reports on implementation of environmental and social risk and impact mitigation measures. The World Bank will continue to provide training, technical support and implementation support to the ICRC in the implementation of environmental and social measures under the original project and its AF.

WFP is the largest operational humanitarian organization in Myanmar, providing life-saving food assistance and livelihoods support to over 2.5 million displaced and other vulnerable populations in conflict-affected areas in Myanmar in 2021, based on its Country Strategic Plan (2018–2022). With more than 290 staff, WFP currently operates from its Country Office in the capital Nay Pyi Taw, a support office in Yangon, and eight field offices strategically located across the country.

The original MCSP project and its AF will continue to support an extension of WFP's current programs in Rakhine State. WFP will both implement directly and work closely with and through a strong pool of local and international NGOs in implementing and monitoring its program. WFP will either directly implement Component 1 activities in Northern and Central Rakhine State, or work with and through CPs such as Save the Children, Plan International, World Vision, and others. Component 2 will be implemented through cooperating partners such as Save the Children, Action Contre La Faim, and the Myanmar Health Assistant Association.

At WFP, the project will be overseen by the Deputy Country Director (Programme) and will be directly managed by the Head of Programme (both based in Nay Pyi Daw). At the national level, the Head of Research, Assessment and Monitoring will be responsible for monitoring and evaluation; and the Head of Protection, Gender and Accountability to Affected Populations will be responsible for community engagement, grievances and feedback management. At the State level, WFP has area and field offices in Rakhine from which the specific activities under the project will be managed. These field offices will have functional E&S Focal Points responsible for the implementation of the ESMF. This responsibility may be given to the already assigned Community Feedback Mechanism (CFM) Focal Points.

Cooperating partners (CPs) will act as implementing partners for some of the activities under Component 1 and all of the activities under Component 2, including implementation of the ESF requirements. CPs have deep knowledge of the country's socio-cultural landscape and are continuously interfacing with its communities. CPs enter into a field level agreement with WFP, especially in circumstances where NGOs (as CPs) handle WFP resources or implement activities on WFP's behalf. The standard legal template includes Special Measures for Protection from Sexual Exploitation and Sexual Abuse. CPs' networks allow them access to hard-to-reach areas in a timely fashion that makes it possible for WFP to be one of the first responders to large-scale humanitarian needs in the country. The CPs will be mobilized to support WFP in assessing, distributing, and monitoring activities of the project. CPs are identified through an expression of interest and selected after a capacity assessment and evaluation process that ensures due



diligence in the process. The assessment considers a range of capacities including gender, protection, accountability to affected populations, and protection from SEA. WFP retains responsibility and technical oversight of CPs work. CP staff and volunteers will be trained by WFP staff to ensure that they understand and follow the environmental and social management measures under the Project.

The Bank reviewed the WFP's quarterly progress reports that covered implementation of environmental and social risk mitigation measures for activities under the original project. The Bank will continue provision of training, technical support and implementation support to the WFP in the implementation of the updated E&S instruments for the activities under the original project and its AF.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Substantial

A.1 Environmental Risk Rating

Substantial

The environmental risk classification remains Substantial. The inherent environmental risks from the nature and scale of activities are considered low to moderate, and arise mostly from community level civil works. However, the current political and conflict situation in Myanmar and potential mismatch between the short project implementation period, time required to implement larger civil works and the climate-driven seasonality of civil works elevate the risks. The project will be implemented by WFP (Component 1 and 2 under both the original project and the AF) and ICRC (Component 3 and 4 under both the original project and the AF). WFP will focus on cash and food transfer activities and that will involve procurement of food commodities, transportation and storage. Food aid commodities in store are particularly vulnerable to rodents' attack which are vectors transmitting diseases to people particularly in human settlements setting. Appropriate use of pest control during storage will be needed. WFP's Food Storage Manual includes provisions to ensure food commodities are procured to quality standards that will enable them to withstand the rigors of transportation and storage. The Manual also includes methods of recommended pest control. ICRC will implement various activities which include: (i) supporting sustainable livelihoods through provision of seed for staple crops or vegetables, tools and fertilizer (compound/organic) and provision of unconditional cash transfers, and (ii) ensuring access to basic services and community infrastructure. Under Component 4, ICRC will identify and select temporary waste disposal site(s) in collaboration with affected beneficiaries/households, and also conduct awareness raising on solid waste management systems. Sustainable livelihood activities may pose potential impacts on health, safety and pollution arising from inappropriate use and handling of agricultural chemicals. Under Component 3, ICRC will provide training and coaching on best practices in integrated pest management practices, the proper use and handling of fertilizers and post-harvesting processing. The potential direct impacts and risks associated with the construction works (on both basic services and community infrastructure) may include disposal of construction waste, management of storm water, workers and community health and safety, lack of drainage in immediate surrounding of water distribution points, and risks to natural resources. Healthcare waste related risks associated with improper management of used sharps, syringes, and other infectious wastes are foreseen as renovation of healthcare centers affected by Cyclone Mocha will be financed under the ICRC's AF activities. The nature and magnitude of these direct



impacts and risks are moderate, temporary, site specific, predictable and reversible if relevant mitigation measures are properly conducted. Temporary and semi-permanent shelters and other community infrastructure, which are relatively small in scale, may be constructed in areas with forest covers and trees/land clearing on construction sites may be needed. ICRC will construct, repair or upgrade temporary/semi-permanent shelters which will utilize locally sourced materials (e.g. bamboo and local wood) in their construction. The shelters will be traditional construction styles and are maximum 30 square meters in size. The construction of shelters and other community infrastructure are not likely to result in extensive use or degradation of forest resources. ICRC will also ensure that construction materials are derived from sustainable sources. ICRC will conduct due diligence and procure locally available seeds certified by the Myanmar Department of Agriculture, and hence the risk of accidental introduction of non-native invasive species is small.

A.2 Social Risk Rating

Substantial

Project activities, including the additional financing activities, are expected to be small in scale, and the associated adverse impacts temporary and predictable. Furthermore, the main social risks arising from the project (e.g. exclusion of vulnerable groups) would only arise if the project activities were poorly designed and delivered, rather than being inherent to the activities themselves. If the activities planned under the project are designed and delivered as planned, then they will contribute to significant positive impacts to the beneficiary population. Also, both of the implementing agencies have a solid track record in successfully delivering the activities to be supported under the project. However, because project activities will be taking place in sensitive locations characterized by a volatile conflict and security situation, the recommended social risk rating is substantial rather than moderate. Potential social risks include the exclusion of vulnerable beneficiaries from project activities, risks to project workers (health and safety, security, SEA/SH), risks to beneficiaries when collecting assistance (security, discrimination, SEA/SH, COVID-19), and the risk of limited or poorly executed stakeholder engagement. Social risks will vary depending on the project component and project affected party. For component 1 (protect human capital), and component 2 (improve nutritional status) vulnerable beneficiaries face the risk of exclusion from project benefits and discrimination (e.g. on the basis of ethnicity) when accessing project benefits, as well as safety and security risks when collecting assistance provided by the project. These risks can be managed through standard operating procedures already in place, the design of operations to minimize risks to beneficiaries, and engagement measures outlined in the stakeholder engagement plan. Project workers will face risks such health (including exposure to COVID19), safety and security, as well as discrimination. Communities hosting beneficiaries (who may be IDPs) also may be exposed to safety and security risks due to the location of project activities in their communities. These risks will be mitigated by measures included in the labor management procedures of WFP and ICRC, which build on their existing human resource policies. The infrastructure activities planned under component 4 (community infrastructure) of the project pose additional risks in terms of the occupational health and safety, stakeholder engagement and grievance redress, as well as the need to use land secured through voluntary donation for project activities. Risks to project workers for this component are addressed by the ICRC's LMP which will cascade down to contractors and subcontractors, engagement risks will be addressed through the SEP, and risks related to voluntary land donation are addressed through a voluntary land donation protocol attached to the ESMF prepared by ICRC.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1 Relevance of Environmental and Social Standards



ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Relevant

This standard is relevant. The Project will support emergency relief assistance, livelihoods support and small-scale infrastructure activities. Nine of ten Environmental and Social Standards remain relevant. The environmental and social risks remain substantial due to the current political and conflict context in Myanmar, the emergency approach taken by the implementing agencies, and potential mismatch between project implementation period, the time required to implement larger civil works and the seasonality of civil works elevated the risks. The inherent environmental risks from the nature and scale of activities are considered moderate.

The environmental and social performance rating for the original project was Satisfactory at the time of requesting additional financing. The rating took into account project progress made by the implementing agencies in terms of capacity building on ESF, awareness raising and stakeholder engagement activities, preparation of required site-specific E&S instruments, some progress in the implementation of environmental and social risk mitigation measures, and submission of quarter reports.

The typology of activities and the general geographic areas for implementation have been determined since the original project preparation. However, the exact locations and nature of activities will be determined during project implementation based on community needs and evolving country context. While WFP has identified the broad geographical areas of project activities (in Rakhine State), ICRC will retain the flexibility to identify the specific geographic areas based on emerging needs and access. Therefore, because the specific sites (and in the case of ICRC even the broader geographical area) will not be known until implementation, a framework approach has been adopted. The project will continue to be implemented by two implementing agencies, and two separate financing agreements have been developed. The original project prepared two sets of E&S instruments (ESMF, SEP and ESCP) with ICRC and WFP. The instruments were updated to reflect the AF and to manage the potential environmental and social risks and impacts associated with the proposed project activities including the additional financing activities (i.e. renovation of healthcare facilities affected by Cyclone Mocha) and propose suitable mitigation measures to manage these risks and impacts. These updated instruments will cover the project activities of ICRC and WFP under both the original project and the AF. The ESMFs mapped out the E&S risk management policies of ICRC and WFP applicable for the project, and described the principles, approaches, implementation arrangements and site-specific environmental and social mitigation measures to be followed. A simplified Labor Management Procedure is included in the ESMF for both implementing agencies, and the ICRC ESMF also includes a protocol for voluntary land donation. The environmental and social risk management procedures will be implemented through the Project's design and subproject selection process.

These instruments have captured the key potential environmental and social risks and impacts which include:

(1) Impacts and risks related to procurement and maintaining contingency stock of food, include transportation and storage: Food aid commodities in store are particularly vulnerable to attack by rodents. Rodents are vectors transmitting diseases to people particularly in human settlements setting. Pest control during storage will be needed, however inappropriate use of which would have impacts on human health and quality of the foods which results in health adverse impacts after consumption. Risk is considered moderate considering the known institutional capacity of WFP in dealing with the issue. WFP's Food Storage Manual includes provisions to ensure food commodities are procured to quality standards that will enable them to withstand the rigors of transportation and storage. The Manual also includes methods of recommended pest control. There are also security, as well as health and safety risks



associated with the transport and delivery of food items, as well as risks of exclusion, discrimination as well as SEA/SH and personal safety to beneficiaries during the collection of food items.

(2) Impacts and risks related to sustainable livelihood activities: Health, safety and pollution arising from inappropriate use and handling of agricultural chemicals. These livelihood activities involve use of pesticides, and thus associated health risk due to inappropriate use and environmental impact due to excessive use of pesticides and disposal of the containers. Risk is considered low considering the known institutional capacity of ICRC in providing supports and training on best practices in integrated pest management practices as well as the proper use and handling of fertilizers and post-harvesting processing. There is also a risk of exclusion and discriminations of vulnerable and ethnic minority beneficiaries seeking access to sustainable livelihood activities.

(3) Impacts and risks associated with the construction and renovation works (on both basic services and community infrastructure): Waste disposal, management of storm water, workers health and safety, community health caused by lack of drainage in the immediate surrounding of water distribution points, and risks to natural resources including extraction of water for water supply systems. The size of any infrastructure intervention is capped by the budgetary allocation of about \$150,000 and simple enough to be implemented during short project period. The nature and magnitude of these direct impacts and risks are moderate. temporary, site specific, predictable and reversible if relevant mitigation measures are properly conducted. Mitigatory measures are readily available and reliable. There are also risks associated with the acquisition of land for community infrastructure, and the potential for voluntary land donation.

(4) Impacts and risks related to construction, repair and upgrade temporary/semi-permanent shelters: The construction of temporary and semi-permanent shelters and other community infrastructure may take place in areas with forest covers and trees/land clearing for construction may be needed. However, the community infrastructures will be relatively in small scale. The shelters are maximum 30 square meters in size and will use local materials, bamboo and wood purchased from local vendors. Hence, it is not likely to result in extensive use or degradation of forest resources. Risk is considered moderate.

(5) There is an accidental introduction of non-native invasive species associated with provision of seeds for staple crops or vegetables. ICRC will conduct due diligence and procure locally available seeds certified by the Myanmar Department of Agriculture, and hence the risk is small.

(6) Impacts and risks related to solar panel units at end of life, for supplying households with electricity: the quantity of solar panels supported under the project is likely to be small. The risk is considered low.

(7) Health and safety impacts and risks associated with wastewater and improper management of healthcare wastes as resulted from renovation of healthcare facilities under operation. Exposure to hazardous healthcare waste (spent vaccines and bottles, sharps, syringes, infectious waste, and hazardous chemical) can result in infection of diseases or injury for those within healthcare facilities or communities outside of these sources. Wastewater from the health care facilities including toxic/ nonbiodegradable/infectious effluents such as from operation rooms and ICU, laboratories etc., are likely to cause pollution to the environment. The healthcare facilities to be supported by the AF are small (township hospitals, station hospitals and rural health centers), and the volume of wastewater from these facilities and impacts on the local water resources and environment are not likely to be significant.



The ESMFs for both IAs include an analysis of WFP and ICRC policies and procedures on protecting the vulnerable (WFP Protection and Accountability Policy and ICRC's Accountability to Affected People Institutional Framework), protecting their workers (WFP People Policy and ICRC's Human Resource Policy), preventing SEA/SH (WFP's SOP on SEA/SH and ICRC's strategy on sexual violence) and discrimination, as well as community engagement. Both ESMFs also include an analysis of the humanitarian and social context, highlighting the risk of severe food insecurity, the effect of the intensifying conflict on displacement, the ongoing effects of COVID 19, and the overall impact of the volatile security situation on the availability of essential services, food and fuel, as well as difficulties in gaining humanitarian access. This contextual analysis includes a summary of the particular challenges in Rakhine, Kachin, Shan and Chin States. Based on the project activities and the social context key social risks identified include the risk of the exclusion of vulnerable beneficiaries, risks to project workers (health and safety, security, SEA/SH), risks to beneficiaries when collecting assistance (security, discrimination, SEA/SH, COVID-19), and the risk of limited or poorly executed stakeholder engagement. Mitigation measures to address these risks will be included in project design, relying on existing WFP and ICRC policies and procedures (e.g. on SEA/SH), as well as the project Stakeholder Engagement Plans, and Labor Management Procedures (which are included as an annexes to the ESMFs, along with operating procedures on COVID19, landmine procedures, procedures for security and safety, and voluntary land donation protocols).

ESS2 Labor and Working Conditions

Relevant

ESS2 is relevant. The project will involve direct workers (employees of ICRC and WFP), contracted workers (employees of contractor or subcontractor organizations, as well as of CPs), and community workers (to be hired for public works under component 3 or for small scale community infrastructure works under component 4). The project will not involve primary suppliers. Labor related risks include (i) occupational health and safety issues in construction sites (including community workers), (ii) security risks to project workers including landmines, (iii) traffic and road safety issues, (iv) inadequate terms and conditions of employment. The ICRC will ensure that contractors follow relevant national legislation and EHS requirements with respect to ambient air quality, noise and wastewater throughout project funded constructions. Operation of the healthcare facilities renovated under the AF project may have the potential risks and impacts on the healthcare workers if healthcare waste from the facilities are not properly managed. In line with the national guidelines and the procedures in the Annex 2 ECOP of updated ESMF, ICRC will raise awareness of Myanmar Healthcare Waste Management Guidelines and the Healthcare Waste Management Procedures among relevant healthcare stakeholders and workers at the facility, and support healthcare facilities to adopt and implement waste management procedures, including waste segregation procedures, on site handling, collection, transport, treatment and disposal, and training of staff. Capacity building and training should involve medical workers, waste management workers, cleaners, and third-party waste management service providers.

The Project ESMF (both original and updated), particularly on the section of Labor Management Procedures (LMP), has included the following provisions for managing potential impacts and risks associated with occupational health and safety (OHS): (i) On procurement for contractors, the implementing agencies will avail the ESMF to the aspiring contractors so that contractors include the budgetary requirements for OHS and community health and safety measures in their respective bids; (ii) The contractor will develop and maintain an OHS management system that is consistent with the scope of work, duration of contract and this LMP; (iii) Contractor will adopt all E&S risk mitigation



measures proposed for the subproject; (iv) Contractor appoints an appropriately qualified and experienced Safety, Health and Environmental Officer whose responsibilities is to advise the employer on OHS related issues; (v) Contractor provides preventive and protective measures, including modification, substitution, or elimination of hazardous conditions or substances informed by assessment and plan; (vi) Contractor provides for appropriate training/induction of project workers and maintenance of training records on OHS subjects; (vii) Contractor documents and reports on occupational accidents, diseases and incidents as per ESMF guidance; (viii) Contractor provides emergency prevention and preparedness and response arrangements to emergency situations including and not limited to workplace accidents, workplace illnesses, flooding, fire outbreak, disease outbreak, labor unrest and security.

ICRC has a Fleet Safety Policy that covers proper maintenance of vehicles, and training of drivers and other users. In line with this, ICRC will raise awareness and provide training to project workers on traffic and road safety. ICRC operates in conflict-affected environments including Myanmar and has a robust security and safety risk management system. Security and safety – field access measures were included in the updated ESMF.

The Myanmar legal framework includes a range of protections for workers which are codified in the constitution (prohibiting discrimination) labor organization law, the settlement of labor disputes law and the the occupational health and safety law. Myanmar has also ratified 3 of ILOs 8 fundamental conventions (on freedom of association and right to organization, forced labor, and the worst forms of child labor). There are however gaps in the enforcement of the protections provided by the legal framework, especially in sectors such as construction, and in conflict affected locations.

There are also risks of the potential violation of workers terms and conditions of employment, work-placed discrimination, use of child labor or forced labor, SEA/SH incidents within the workforce, conflicts between workers and local communities, risks related to the security and safety of workers in a conflict context, and transmission of COVID-19. To address these risks, both ICRC and WFP have prepared labor management procedures which build on their respective human resource policies, and which will also apply to their contractors and sub-contractors. Conditions have been included in the LMPs prohibiting discrimination in relation to all aspects of employment; prohibiting harassment, intimidation and exploitation; guaranteeing transparent employment contracts; prohibitions on child and forced labor, and prioritizing the use of local labor. The LMPs for both IAs include COVID19 procedures, details of institutional arrangements, contractor management procedures, primary supplier procedures, worker codes of conduct, and grievance redress mechanisms. The LMP prepared by ICRC also includes procedures on the management of community workers, including requirements to prepare standard contracts (individual or collective) and make workers aware of the terms of conditions of labor, working times, remuneration systems, a community worker code of conduct, and requirements to consult and train workers on these procedures. Both organizations have codes of conduct aligned with good international practice which will apply to all their employees

Monitoring of LMPs will be conducted by WFP and ICRC E&S Focal Points and HR specialists. Compliance on LMPs will be included in regular reports submitted to the World Bank.



ESS3 is relevant. The project investment and activities will apply measures for efficient usage of resources (energy, water and raw materials) that are consistent with the Environmental, Health and Safety Guidelines (EHSs). Water efficiency and conservation practices will be adopted throughout project implementation.

The potential impacts and risks are limited to the following activities:

(1) Procurement and maintaining contingency stock of food: Food aid commodities in store are vulnerable to attack by pests that could transmit diseases to people particularly in human settlements setting. Use of pest control during storage will be needed. WFP has extensive experiences in handling this issue through the application of their Food Storage Manual.

(2) Sustainable livelihood activities: Health, safety and pollution arising from inappropriate use and handling of agricultural chemicals. As part of project activities, ICRC will provide training and coaching on best practices in integrated pest management practices as well as the proper use and handling of fertilizers and post-harvesting processing.

(3) Construction works (on both basic services and community infrastructure) including renovation of healthcare facilities under the AF: Waste disposal, management of storm water, workers health and safety, community health caused by lack of drainage in the immediate surrounding of water distribution points, risks to natural resources including extraction of water for water supply systems. The nature and magnitude of these direct impacts and risks are moderate, temporary, site specific, predictable and reversible if relevant mitigation measures are properly conducted. Mitigatory measures are readily available and reliable through the application of good engineering designs and good practices for construction by incorporating environmental mitigation measures suggested in the ECOP.

(4) Extraction of water for water supply systems may impact water resources. The ECOPs or ESMP embedded in the ESMF includes guidance on water supply sub-projects: ground water wells, spring use and rainwater harvesting, and Installation / Rehabilitation of pipelines.

(5) The quantity of solar panels to be supported under the project is likely to be small. The risk is considered low.

(6) There are potential impacts and risks associated with improper management of healthcare wastes when the healthcare facilities are under operation. Exposure to hazardous healthcare waste (spent vaccines and bottles, sharps, syringes, infectious waste, and hazardous chemical) can result in infection of diseases or injury for individuals within healthcare facilities or communities outside of these sources. For activities supporting renovation of healthcare facilities, ICRC will conduct an initial assessment during the planning stage on the healthcare waste management practices at the facility, based on the Myanmar Healthcare Waste Management Guidelines and the ICRC Medical Waste Management Guidelines to identify how activities can contribute to ensuring proper implementation of the national guidelines at the facility level. ICRC will raise awareness of Myanmar Healthcare Waste Management Guidelines and the Healthcare Waste Management Procedures in the Annex 2 ECOP of updated ESMF among relevant healthcare stakeholders at the facility. In line with the national guidelines and the procedures in the Annex 2 ECOP, ICRC will support healthcare facilities to adopt and implement waste management procedures, including waste segregation procedures, on site handling, collection, transport, treatment and disposal, and training of staff. Capacity building and training should involve medical workers, waste management workers, cleaners, and third-party waste management service providers.



(7) Wastewater from the health care facilities may also cause pollution to the environment. A proportion of wastewater from the health care facilities under operation contains toxic/ nonbiodegradable/infectious effluents such as from operation rooms and ICU, laboratories etc., and is also likely to cause pollution to the local water sources. The healthcare facilities to be supported by the AF are small (township hospitals, station hospitals and rural health centers), and the impacts of wastewater discharge from these facilities on the local water resources and environment are not likely to be significant. For activities supporting renovation of healthcare facilities, ICRC will conduct an initial assessment during the planning stage on the healthcare wastewater management practices at the facility, based on the Myanmar Healthcare Waste Management Guidelines to identify how activities can contribute to ensuring proper implementation of the national guidelines at the facility level.

ESS4 Community Health and Safety

Relevant

ESS4 is relevant. The project may have some manageable and localized impacts to community health and safety as a result from project activities, including:

(i) Health and safety risks to beneficiary communities relating to the use of agrochemicals. The project will not promote the use or finance procurement of chemical fertilizers or pesticides. However, the increased production of agricultural crops is likely to increase the pest incidence and rise in use of pesticides or agrochemicals. The ICRC will support seed, tool, and fertilizer assistance to farmers. The updated ICRC ESMF includes a Fertilizer and Pest Management Plan for proper labelling, transport, storage, handling and disposal procedures for fertilizers. ICRC will provide training to farmers for proper use of fertilizers, pest and disease management (in line with the Fertilizer and Pest Management Plan) and post-harvest processing.

(ii) Community exposure to health issues such as water-borne and vector-borne diseases through inadequate implementation of water supply system, wastewater, solid waste management practices. Improper construction practices; water logging due to lack of drainage in the immediate surrounding of water distribution points; inadequate technologies/methods and selection of inappropriate sites for wastewater treatment and solid waste management practices may bring risks to community health. The community health and safety risks will be managed through implementation of the ESMP or ECOP as outlined in the updated ESMF, as well as with provisions included in the ICRC ESCP. The ESMP or ECOP provide the measures for water quality and availability and solid and hazardous waste management.

(iii) Community exposure to noise and air pollution from the construction sites. The risks and impacts from the project constructions will be mitigated through contractor management, and measures included in ESMP.

(iv) Risks of COVID-19 transmission from workers to the community, especially if COVID-19 specific precautions are not in place at work sites and worker accommodation site. This risk will be managed through the provision of PPE as needed and line with any measures required in the updated ESMF, including provision of training on COVID-19 prevention to all employees, volunteers and project workers as well as contractors, awareness raising on COVID-19 prevention among beneficiary communities, and for construction works, the implementing agencies will follow the COVID-19 safety measures in the Environmental Codes of Practice (ECOP) outlined in the updated ESMF.

(v) Healthcare waste from healthcare facilities can result in injury and infection of diseases for communities outside of these sources and waste scavengers. The disposal of untreated healthcare wastes in landfills can lead to the



contamination of drinking, surface, and ground waters. Wastewater discharge from healthcare facilities, in a large volume, may cause pollution of local drinking water sources, or contamination of natural resources. The healthcare facilities to be supported by the AF are small (township hospitals, station hospitals and rural health centers), and the volume of hazardous wastewater discharge and consequent impacts on the local water resources and environment are not likely to be significant. For activities supporting renovation of healthcare facilities, ICRC will conduct an initial assessment during the planning stage on the healthcare waste and wastewater management practices at the facility, based on the Myanmar Healthcare Waste Management Guidelines to identify how activities can contribute to ensuring proper implementation of the national guidelines at the facility level.

(vi) Beneficiaries and community members may be at risk of SEA/SH when collecting assistance (food) provided under project financed activities, or during interactions with contracted project workers working on infrastructure activities. This likelihood of SEA/SH incidents occurring is increased due to the inherent vulnerability of the beneficiaries, the potential for exploitation during the delivery of humanitarian aid, as well as the ongoing and intensifying conflict and humanitarian crisis that characterizes the project areas. The measures put in place by both ICRC and WFP reflect their existing commitments and procedures to prevent and respond to SEA/SH in their own programming, and include measures recommended for operations classified as having a substantial/high risk SEA/SH rating included in the World Bank Guidance on addressing SEA/SH in operations involving major civil works. Such measures include commitments to sensitize IA staff and other project stakeholders to SEA/SH, inclusion of SEA/SH risk in the E&S documentations, incorporation of SEA/SH into the stakeholder engagement process, inclusion of special processes in grievance mechanisms when SEA/SH complaints arise, access to a network specialized GBV services providers, access to GBV specialists within the IAs themselves, codes of conduct for staff and contractors, and oversight provided by independent ethics and accountability divisions attached to the IAs. The ICRC already has a robust code of conduct that directly addresses SEA/SH in the delivery of its program, and this has been included in the updated ESMF (annex 4). The ICRC will provide on the CoC to all ICRC workers, volunteers and contractors, will raise awareness of the CoC among beneficiary communities, and ensure that the grievance redress mechanism has a special processes (on respecting, sensitivity and confidentially) when on receiving, managing and referring grievances related to SEA/SH. In addition, the ICRC's strategy on sexual violence requires all delegations to integrate the issue of sexual violence into existing activities, including the potential risks of sexual violence and the needs of survivors. The WFP will continue to comply with its existing procedures SEA/SH (The Standard Operating Procedures on Protection from SEA), which outline the details of how WFP staff in Myanmar manage SEA risks. These SOP includes details on organizational responsibilities, measures to raise awareness among staff/partners/contractors/communities, mitigation measures, SEA complaint management and reporting, and referral pathways. The project grievance mechanism that will be operated by WFP will include processes

(vii) The project will not involve the use of private or public security forces in the delivery of project activities. However, given the dynamic and fluid nature of the conflict and unrest in the project areas, conducting project activities during times of intensifying conflict may pose a risk to project beneficiaries. Therefore, the ICRC and the WFP have included safety and security protocols in respective their updated ESMFs, which build on industry and international good practice in delivering aid and economic assistance to conflict affected communities.

Monitoring of ESMPs and all associated health and safety prevention and mitigation measures will be conducted by the WFP and ICRC Environmental and Social Focal Points through collaboration with CPs and contractors on the ground and site visits where possible, and will be included in regular monitoring reports to the World Bank.



(viii) Climate resilient design is mainstreamed to infrastructure support planning, design and implementation as per the ICRC Framework for Environmental Management in Assistance Programmes (2009) which applies to MCRP as well.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Relevant

ESS5 is relevant as it is possible that infrastructure activities planned under component 4 (Community Infrastructure) may involve voluntary land donation. Sub-projects that would require involuntary land acquisition, restrictions on land use, or resettlement will not be eligible for support under the project and will be excluded as part of the E&S sub-project screening process. Similarly, infrastructure activities on land that have disputed ownership or tenure rights or which may have been abandoned due to prior displacement, are not eligible for financing and are part of the exclusion list, and E&S screening process, included in the updated ESMF. To ensure land donation that does occur is voluntary, the updated ESMF for ICRC includes a set of Voluntary Land Donation Procedures, which have been prepared following ESS5 requirements. These include provisions on informed consent and grievance redress, verification of land tenure status and ownership, requirements on siting (the activity cannot be location specific), impact size, temporary donation, and construction commencement. The procedures also include a voluntary land donation form to be signed by both ICRC representative and the affected person.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

ESS6 is relevant. The broader geographical area for subproject sites will not be known for ICRC until project implementation. The exact locations for community basic services and infrastructure will be determined by ICRC during project implementation based on community needs and evolving country context. The construction of temporary and semi-permanent shelters and other community infrastructure may take place in areas with forest covers and trees/land clearing for construction may be needed given that the project target States and Regions are rich in forest resources.

However, the community infrastructures will be relatively small in scale. The shelters are maximum 30 square meters in size and will use local materials, bamboo, and wood purchased from local vendors. Hence, it is not likely to result in extensive use or degradation of forest resources. ICRC will also ensure access to sustainable sources for such forest resources. Based on the screening procedure included in the updated ESMF, the subproject activities that have potential to cause any significant loss or degradation of critical natural habitats or which would lead to adverse impact on natural habitats will be excluded from the project. ICRC will prepare a site-specific ESMP for the proposed subproject where risks and impacts are identified as significant, and guide contractors to include E&S risk management measures through contract documents. The ESMP template guided not to cut trees or destruct vegetation other than on construction sites.

There is an accidental introduction of non-native invasive species associated with provision of seeds for staple crops or vegetables. ICRC will conduct due diligence and procure locally available seeds certified by the Myanmar Department of Agriculture, and hence the risk is small.



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

Relevant

ESS7 is relevant. Indigenous people who meet the criteria of ESS7 are present in the project areas. There may be risks that ethnic minorities do not have equal and culturally appropriate access to benefits and may not be adequately consulted in decision making. To mitigate these risks, the updated SEPs prepared by both IAs includes measures to ascertain culturally appropriate engagement with these communities. The project will not develop stand-alone IPPF or IPP, as the objectives and requirements of ESS7 (that might otherwise be detailed in an indigenous peoples plan or planning framework), have been incorporated into the updated ESMF and the SEP. Free, Prior and Informed Consent (FPIC) will not be required under the project as there will be no (a) adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation; (b) relocation of members of ethnic minority groups required or (c) significant impacts to cultural heritage that is material to the identity and/or cultural, ceremonial, or spiritual aspects of the affected people. Activities that might result in such adverse impacts will be ineligible for project financing, following the application of an E&S screening process. However, both WFP and ICRC will ensure meaningful culturally sensitive and gender inclusive consultation during implementation.

ESS8 Cultural Heritage

Relevant

ESS8 is relevant. Considering that the exact location of subprojects is unknown, proposed activities could directly or indirectly affect the tangible and intangible cultural heritage or access to them. A Chance Find Procedure has been included in the updated ESMF.

ESS9 Financial Intermediaries

Not Currently Relevant

ESS 9 is considered not relevant. No Financial Intermediaries are financed under the project.

ESS10 Stakeholder Engagement and Information Disclosure

Relevant

WFP has mainstreamed stakeholder engagement in its current operations through its community engagement mechanism, which facilitates beneficiary engagement, feedback and elicits complaints. The identification of activities to be supported by WB funds were based on extensive consultations with multiple stakeholders (local, state/region and national authorities, development partners, communities, national and local NGOs), as well as a comprehensive humanitarian needs assessment conducted by the UN Office for the Coordination of Humanitarian Affairs (UNOCHA). The stakeholder analysis identified beneficiaries (e.g. conflict affected persons, IDPs and returnees, at-risk children and their care givers, IDP host communities), Coordinating partners (e.g., World Vision) and Community based organizations (e.g. community religious leaders) as project affected parties. Other interested parties include other UN agencies, National Authorities, non-state armed groups, ICRC among others. In terms of vulnerable PAPs, WFP focuses on groups at risk of food insecurity, especially unaccompanied children, child/women/elderly/disabled headed households, and households with high dependency ratios and no viable means of generating a livelihood. The SEP includes a comprehensive engagement plan, based on the WFPs CEM, which includes community meetings, focus group discussions, needs assessment, on-site help desks as well as the use of mainstream (radio) and social media as methods of engagement and disclosure with affected parties. For disadvantaged and vulnerable groups priority engagement methods will include targeted focus groups and needs assessments, key informant interviews, working through



community and NGO partners, and working in local ethnic languages. During the implementation phase monitoring surveys, toll free help lines, email updates, and meeting through internet-based platforms will be added as engagement tools. The project grievance mechanism will be the community feedback mechanism used by WFP in their Myanmar operations. This is already an effective mechanism for the prompt resolution of complaints (within a matter of days), with multiple points of access, clear lines of responsibility (CEM focal points), and the possibility of escalation. The mechanism also includes guidelines on handling complaints related to SEA/SH which are aligned with the World Bank's guidelines on managing SEA/SH risks in WB financed operations. WFP conducted consultations, on the management of E&S risks for this project, between August 31st to September 6th 2022. Stakeholders consulted included male and female members of food management committees and people with disabilities groups in Rakhine, Shan and Kayin States. Stakeholder meetings focused on (i) environment, health, safety and security; (ii) inclusion and access; and (iii) community engagement mechanism. Additional details on the conclusions of these meetings are outlined in the SEP. WFP will continue to implement the SEP. Additionally, the updated ESCP, SEP and ESMF linked to the Additional Financing (AF) will be posted online prior to the approval of the Additional Financing. The consultation for Additional Financing will be conducted during the implementation stage through regular community engagement mechanism (CEM) of WFP. This consultations will include engagement on WFP programming and activities, including those supported by the World Bank. The CEM will continue to be promoted as the accessible platform for consultations, feedback and grievance redress by beneficiaries and other affected and interested parties.

With an operational presence in Myanmar since 1986, ICRC is in constant dialogue with key stakeholders, through participatory exchanges with community members and their representatives, as well as regular monthly meetings with local authorities, IDP camp management committees and development partners. For the 2022 program which will include activities to be financed by this project, consultations have already taken place in Yangon, Nay Pyi Taw, Shan, Chin, Kachin and Rakhine states with potentially affected and beneficiary communities, local (village/township) and state/region authorities, civil society, non-state armed groups, as well as development partners and humanitarian actors. These engagements took the form of one-on-one meetings, focus group discussions, as well as formal and informal group presentations which gave due consideration to cultural appropriateness, participation, as well as language and literacy barriers. The stakeholder analysis underpinning the SEP identifies a range of project affected parties including potential beneficiaries (conflict and natural disaster affected persons, persons affected by COVID19, people returning to their communities following displacement, internally displaced persons, communities hosting IDPs), community based organizations (IDP Camp Management Committees and other representatives, communities), and Implementing Agencies and their staff and contractors. Other interested parties identified included UN Agencies, local, State/Region and national authorities, non-state armed groups, community-based organizations, civil society, as well as health and psycho-social services personnel. Disadvantaged and Vulnerable stakeholders identified include women and beneficiaries who are women and adolescent girls, children, older people, people with disabilities, people with pre-existing conditions and health needs, survivors of sexual and gender-based violence, members of ethnic minority groups, people without digital access, and people who are illiterate and/or do not speak Bamar. The stakeholder engagement program described in the SEP is designed to optimize the opportunity to engagement with the most vulnerable and disadvantaged, being underpinned by the principles of openness, inclusiveness and sensitivity, as well free, prior and informed consultation and feedback. A range of engagement mechanisms have been included in the engagement plan (e.g., focus groups and key informant interviews, social media and radio, community facilitators who speak local language, use of loudspeakers, formal meetings, and internet based platform s) depending on the component and the location (national, state/region, community). The grievance mechanism included in the SEP is aligned with ICRC's approach to Accountability to Affected Populations and is designed to provide affected people with



avenues to complain and resolve project related disputes, ensure appropriate and acceptable redress actions are identified and implemented, and minimizes the need to resort to judicial proceedings. The mechanisms include key elements such as grievance intake, sorting and handling, follow up and documentation and reporting. Additional measures and protocols are in place to handle sensitive and confidential complaints, including those related to SEA/SH. ICRC conducted consultations on the E&S risks of this project during October (27th-28th) 2022. Stakeholders consulted included men and women from potential beneficiary communities, local and relevant state/region authorities and departments (agriculture), infrastructure contractors and construction workers. Consultations were conducted in Rakhine, Shan, and Kachin States, and details of the conclusions are outlined in the SEP. ICRC will continue to implement the SEP. Additionally, the updated ESMF, SEP and ESCP for the AF have been disclosed on ICRC's website. Consultations for additional financing activities, particularly for healthcare facilities will be conducted during the implementation stage. ICRC will conduct site-specific consultations during the design of the renovation activities, before any activities begin. Consultations will include a discussion on the potential environmental and social risks and impacts of healthcare facility renovations as well as the proposed mitigation measures to manage these risks and impacts, including healthcare waste management procedures.

B.2 Legal Operational Policies that Apply

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| OP 7.50 Projects on International Waterways | No |
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| OP 7.60 Projects in Disputed Areas | No |
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B.3 Other Salient Features

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| Use of Borrower Framework | No |
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None

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| Use of Common Approach | No |
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Financing partners

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required during implementation?

Site-specific ESMPs during implementation. The bank will prior review five screening forms and five ESMP for sub-projects under the original project and the AF.

III. CONTACT POINTS

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V. APPROVAL

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