



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 09/21/2023 | Report No: ESRSA02906



I. BASIC INFORMATION

A. Basic Operation Data

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P180931	Investment Project Financing (IPF)	EARDIP SOP-II	2024
Operation Name	Eastern Africa Regional Digital Integration Project SOP-II		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Eastern and Southern Africa		EASTERN AND SOUTHERN AFRICA	Digital Development
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Ministre de l’Economie et des Finances, Chargé de l’Industrie (Djibouti) , Ministry of Finance (Ethiopia)	Ministry of Innovation and Technology (Ethiopia) , Ministry of Communications, Posts and Telecommunications (Djibouti)	12-Oct-2023	15-Nov-2023
Estimated Decision Review Date	Total Project Cost		
05-Oct-2023	160,000,000.00		

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Proposed Development Objective

The Series of Projects (SOP) development objective is to promote the expansion of an integrated digital market across Eastern Africa by increasing cross-border broadband connectivity, data flows and digital trade in the region. Phase II development objective of the SOP is to advance digital market integration in the Eastern Africa region by increasing affordable access to regional broadband connectivity, and strengthening the enabling environment for cross-border data flows, and digital skills development.

B. Is the operation 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 proposed project follows EARDIP SOP-I (P176181) (Somalia, South Sudan, the Eastern Africa Community (EAC) and the Intergovernmental Authority of Development (IGAD)) and will include Djibouti and Ethiopia. Together with SOP-I, it will help to advance the integration of digital markets in the Eastern Africa region. The region has made significant strides to enable free movement of goods and services; the next challenge for the region will be enable cross-border flows of digital services. The project takes a holistic approach to supporting simultaneous integration of the connectivity (broadband services), data (enabling of cross-border flows of data), and online (enabling of cross-border digital payments, trade and commerce) markets across the region. Advancement in each distinct market layer is expected to create a virtuous cycle as each segment builds on another, reinforcing the development, expansion and integration of the region's digital market. As part of EARDIP SOP II, the project will not finance the construction of undersea cables and submarine landing stations as Djibouti is already connected with nine submarine cables currently in service which provide plenty of capacity. Thus, there is no requirement to use capacity on any other cables that are planned or under construction in Djibouti, which implies that there are no associated facilities with SOP II. The following components are proposed for the project, which would consist of a menu of activities from which participating countries and entities could choose. Interventions under each component would target both relevant regional bodies and individual countries and would be tailored to the needs of each individual recipient, considering the different stages of development within the region. The trajectory of the participants however would remain the same, e.g. moving towards the creation of a digitally enabled environment for regional integration and development. The project has four components plus a CERC. - Component 1 ("Connectivity Market Development and Integration") will bridge existing network coverage and access gaps through catalytic infrastructure financing and support for an enhanced enabling environment to develop the regional broadband connectivity market. Under Sub-component 1.1, support will be provided to deploy upwards at least 1,500 kms of fiber network in Ethiopia and 300 kms in Djibouti, covering strategic cross-border and national backbone network links as well as their extension into borderland areas. Further, activities to be financed especially under Component 1 could stimulate development of telecommunication facilities/infrastructure by the private or public sector that may adversely affect natural habitats and biodiversity. - Component 2 ("Data market development and integration"), which contains two subcomponents, aims to enable the secure exchange, storage and processing of data across borders to support regional deployment and access to data-driven services, innovation and infrastructure, including reducing regional restrictions on the free flow of data and increasing investments into data infrastructure. - Component 3 ("Online Market Development and Integration"), which contains two subcomponents, aims to support the development and integration of the online market, which would enhance the enabling environment for the cross-border delivery and access of digital goods or services. - Component 4 ("Project Management and Implementation Support") will provide technical assistance (TA) and capacity support for project implementation. - Component 5 ("Contingent Emergency Response Component") will allow for the rapid reallocation of IDA funds in the event of an eligible emergency declared in one of the participating countries.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

The proposed project focuses its physical investments in across border areas between Ethiopia and Djibouti. It follows the Eastern Africa Regional Digital Integration Project (EARDIP) SOP-I (P176181) (Somalia, South Sudan, EAC and IGAD) and will include Djibouti and Ethiopia, bringing the total to five, including Kenya. Ethiopia, a landlocked country with a total area of 1.1 million km², consists of diverse topography including rugged mountains, flat-topped plateaus, deep gorges and river valleys and vast lowland areas. About 45% of the country is highland with an altitude of 1500 m or above, and 55 % is lowlands with an altitude of less than 1500 m. Ethiopia has also diverse ecosystems including national parks, high forest priority areas and protected areas, which are inhabited by a great diversity of animals, plants,



and microbial genetic resources; and this makes Ethiopia one of the biodiversity hotspots of the world. Site-specific information on, among others, ecosystems, areas prone to natural hazards which may affect project activities (flooding, landslides, earthquake, etc.), and cultural heritage sites will be addressed in site specific environmental and social instruments for subprojects during implementation phase. Ethiopia's population is highly diverse, containing over 80 different ethnic groups, including historically underserved regions. Djibouti, with an area of 23,200 km² and a coastline 370 kilometers long, has less than one million population. The majority live in the capital while most parts of the country are sparsely populated and characterized by semi-nomadic pastoralist production systems. Djibouti has a landscape which is largely made up of volcanic formations molded by tectonic plate movements/separation. It is also one of the most water-scarce countries in the world. Limited arable land and potable water, as well as increasing desertification, remain significant challenges for the country. The region is also highly vulnerable to the effects of climate change. The 2019 Notre Dame Global Adaptation Index indicates that most countries in the region have high vulnerability and low readiness to combat the effects of climate change (e.g., Ethiopia is ranked as the 163/182 most vulnerable country to climate change and 151/192 least ready to support needed adaptation). Rising temperatures and unpredictable rain patterns have resulted in both severe flooding and extreme droughts. Lack of climate resilient infrastructure, including digital infrastructure, limits digitally enabled responses to climate events, exacerbating existing vulnerability and limiting adaptation capacity.

The Eastern Africa region includes countries with a history of conflict, fragility, and is characterized by widespread disparities in relation to key socio-economic indicators. Approximately half the countries in the sub-region are categorized as countries afflicted by fragility, conflict and violence (FCV) on account of protracted periods of civil war, the presence of powerful non-state actors and characterized by weak political and governance capacity. Successive shocks and insecurity and onset of natural calamities such as droughts and floods prevalent in the HoA region have led to a record number of internally displaced people (IDPs) and refugees, particularly in borderland areas. The conflict in Ethiopia has also increased GBV risk specially for women and girls. Djibouti graduated from the FCV list in 2020. Persistent security concerns have created a high-risk operating environment, limiting investment in infrastructure development in the absence of de-risking efforts.

GBV in Ethiopia is prevalent where domestic and intimate partner violence (IPV), sexual harassment and assault, and harmful traditional practices such as child and early forced marriage (CEFM) and female genital mutilation/cutting (FGM/C) are some of the most prevalent GBV issues in the country. Estimates range from 34-70% of ever-married women aged 15-49 had experienced physical and/or sexual violence over their lifetime. For never-married women age 15-49 who has experienced physical violence, the most common perpetrators of physical violence are siblings, other relatives, father/step-fathers, and teachers; among ever-married women, perpetrators are most likely to be current or former partners. A culture of GBV acceptance, and rigid norms about women's roles and relation to men, prevail. As is the case globally, levels of GBV reporting are low. Only 23 percent of women reported having sought help after having experienced physical or sexual violence, and 66 percent never sought help or told anyone.

Vulnerable groups include women, girls, non-literate people, persons with disabilities, the elderly, low-income youth and rural population. Affordability of mobile devices and service fees is also a barrier for accessing digital services by low-income households, including single heads of household and those headed by women. Underserved groups in the context of Ethiopia encompass mainly the pastoral and agro-pastoral communities living in the lowlands of Gambella, Benishangul, Somali, Afar, parts of Oromia and Southern Region. Communities living in these underserved regions have less opportunities for education especially for girls while low literacy levels, cultural and linguistic factors may limit access to information.



There is a significant gender gap in literacy, due to lower education enrollment and completion rates for women and girls in both Ethiopia and Djibouti. Based on available data, access to and use of information and communication technology (ICT) is limited for women, resulting in pronounced gender gaps in relation to digital access in both countries.

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

Regional level (supported under SOP-I). Through SOP-I support is being provided to set-up Project Implementation Units (PIUs) and Project Steering Committee (PSC) at the Regional Economic Communities (RECs) level in both EAC and IGAD. A Project Coordination Committee (PCC) will be set up to facilitate interaction, including ESF aspects, between the two RECs, and to encourage coordination between the RECs and the national level PIUs.

National level. In line with implementation arrangements for SOP-I, SOP-II will work with two separate PIUs, hosted by the Ministry of Communications, Charged with Posts and Telecommunications (MCPT) in Djibouti and the Ministry of Innovation and Technology (MInT) in Ethiopia. Both have under two years’ experience in implementing World Bank projects, and they are both rated Satisfactory (S) or Moderately Satisfactory (MS) respectively for both Program Development Objective (PDO) and Implementation Progress (IP). They will also interact with IGAD, at the regional level, as both Djibouti and Ethiopia are IGAD members (though not yet EAC members). At the national level, both MCPT and MInT will play a key role in technical oversight of the project/SOP II including environmental and social risk management activities. In Ethiopia, the PIU will assign a full time environment expert, and a full time social expert. A PIU level assignment of GBV Specialist has also been recommended to guide the implementation of the Sexual Exploitation and Abuse /Sexual Harassment Prevention and Response Action Plan. In Djibouti, the PIU at MCPT will recruit an environmental specialist (with OHS experience), a social specialist, and a SEA/SH consultant who will be responsible for environmental and social risk management and reporting. The environmental and social staffing as well as capacity building requirements for SOP II have been incorporated in relevant Environmental and Social Framework (ESF) documents, including ESCP and ESMF for both countries.

It is expected that the MInT’s (Ethiopia) and MCPT’s (Djibouti) capacities to understand and address ES risks related to digital integration including issues such as data privacy, data protection and security, cyber security and e-waste are likely to be limited. Training will be organized by the environmental and social team on these risks and identified gaps to enable them oversee the environmental and social risk management during the project implementation. The TA also supports reduction of GHG emissions and adaptation to potential climate impacts, for instance through the exploitation of renewable energy.

Regional-national level collaboration at the PIU, PCC and PSC levels. The PIUs will also interact with IGAD, at the regional level, as both Djibouti and Ethiopia are IGAD members. Although neither country is an EAC member, they are nevertheless expected to benefit from work on regional harmonization carried out at the EAC level, for instance through observer status or by incorporating regional protocols into national guidelines, and cross-border fiber crossings and arrangements for ‘no man’s land’. Signing of MoUs may also be envisaged with EAC Member countries.

Under Component 4 of this SOP II phase, support will be provided to enable collaboration between regional and national PIUs to ensure ESF alignment, with a particular emphasis on addressing the high security risks associated with the development of infrastructure and civil works, including stakeholder consultation, an inclusive, participatory and



responsive grievance mechanism, including a process for addressing complaints related to SEA/SH, and development of site-specific assessments and plans.

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 rating at the appraisal stage is Substantial considering the FCV contextual risks (specifically in Ethiopia), the environmental, health and safety (EHS) risks mainly resulting from broadband connectivity infrastructure deployment (Component 1), and limited capacities of the PIUs in both countries to manage EHS risks. Downstream EHS risks can also result from regional regulatory and policy frameworks that may promote investments in new infrastructure for digital integration. Similarly, activities under Components 2 and 3 could stimulate investments in new digital infrastructure in the participating countries that can have various EHS risks during construction and operation phases. Potential EHS impacts to terrestrial and aquatic habitats may be substantial during construction and installation of linear infrastructure such as long-distance fixed line cables (1500 km in Ethiopia and up to 300 km in Djibouti), and access roads to other types of infrastructure along previously undeveloped land. The path of new telecom routes, including in border region between Ethiopia and Djibouti, is most likely to use existing infrastructure or be co-located to it, which will be specified following a technical study. The technical study will consider analysis of alternatives and exclusion criteria to avoid high risk activities and interventions in critical habitats. Telecommunications processes do not usually require the use of significant amounts of hazardous materials. However, the operation of certain types of switching and transmitting equipment may require the use of solar power and backup power systems consisting of a combination of batteries (typically lead-acid batteries). Construction, operation and maintenance, and decommissioning activities may also result in the generation of e-wastes (e.g., nickel cadmium batteries and printed circuit boards from electronic equipment, backup power batteries). Poor E-waste handling and disposal could expose people to non-dioxin-like polychlorinated biphenyls, polycyclic aromatic hydrocarbons, polychlorinated dibenzo-p-dioxins and dibenzofurans, and dioxin-like polychlorinated biphenyls. Most of these compounds are endocrine disrupters and most are neuro-toxic. E-waste-related toxic elements and leaching of heavy metals associated with the use and disposal of lead-acid batteries can enter living organisms through air (e.g., open burning), soil (e.g., disposal) and/or water via ingestion (e.g., food chains contamination) due to disposal and poor recycling processes). E-waste is resistant to biodegradation with a strong tendency to bio-accumulate in agricultural lands and be available for uptake by grazing livestock. The E-Waste Management Plan was prepared as part of the Ethiopia ESMF and a simplified procedure for e-waste management as part of ESMF by Djibouti, along with the regional strategy for e-waste management to be financed under EARDIP SOP-I, could help minimize the risks. Emissions from telecommunications projects may be primarily associated with the use of backup power generators, and the use of cooling and fire suppression systems. Construction of the digital infrastructure may contribute to environmental pollution such as air, construction waste, noise and water pollution. OHS issues in the telecommunications projects include elevated and overhead work, confined space entry, electrical and motor vehicle safety issues. There are community health and safety concerns if e-wastes and lead-acid batteries are not properly managed, as people can be exposed to heavy metal and e-waste-related toxicants through air, soil, water via ingestion, inhalation, and/or dermal absorption. Increased incidence of communicable and vector-borne

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diseases may occur because of construction activities leading to habitat loss. Construction activities may also result in an increase in traffic-related accidents and injuries to workers and local communities.

A.2 Social Risk Rating

Substantial

The social risk rating is deemed Substantial at Appraisal. Social risks may include: (i) exclusion risks of vulnerable groups such as illiterate persons, women including households headed by women, linguistic, cultural and religious minorities, communities which meet the criteria under ESS7, internally displaced persons (IDPs), refugees, the extremely poor without access to devices needed to participate in the digital economy and public life, and landless persons; (ii) risks to privacy and misuse of data for targeting or excluding certain groups including groups which meet the criteria under ESS7; (iii) security and conflict risks especially in Ethiopia as conflicts are not fully resolved; (iv) labor influx risks due to moderate labor influx of direct and contracted workers, the potential use of child and forced labor, especially in relation to construction activities and the supply chain; (v) cultural impacts especially on groups underserved communities such as those who meet the criteria under ESS7 in relation to digital penetration; (vi) limited E and S risk management, monitoring and reporting capacity in both PIUs; (vii) sexual exploitation and abuse/sexual harassment (SEA/SH) risks due to labor influx; and (viii) physical and/or economic displacement due to land acquisition and construction activities. Activities under component 1 (i.e., terrestrial fiber optic backbones as well as mobile networks), are likely to require acquisition of land and potentially entail physical and/or economic displacement. The severity of any such impacts will depend on the existing land uses, the importance of sites for livelihoods, and the ability of landowners to utilize the land where cables are located post construction. The impact of land acquisition, restrictions on land use, and involuntary resettlement could differentially affect traditional local communities (as per ESS7), as well as women, persons living with disabilities, and those with smaller land plots or with informal rights to the land they use. A large part of project investments will take place in a fragile conflict and violence (FCV) country (Ethiopia). Given the potentially remote and geographically distributed nature of activities, as well as security considerations in Ethiopia, supervision may be a challenge, although, to a much lesser extent in Djibouti. The project will ensure that appropriate measures are taken to address these risks, by undertaking initial risk screening and applying relevant environmental and social frameworks developed before Effective Date.

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B. Environment and Social Standards (ESS) 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

Key environmental, health and safety (ESH) risks could result from activities under: Component 1 which will bridge existing network coverage and access gaps through infrastructure financing and support for an enhanced enabling environment to develop the regional broadband connectivity market; Component 2 which will foster the development of a regional data market by enabling more affordable, secure, and seamless data management and sharing across borders; and Component 3 which will build the regional online market by removing barriers to cross-border trade and payments, and investing in key enablers for expanded digital service delivery. Technical assistance and capacity building activities undertaken as part of the three components will be implemented in accordance with ToRs acceptable to the WB and consistent with the World Bank’s Advisory Note on Technical Assistance. In addition, EHS risks could also occur as a result of alteration of terrestrial and aquatic habitats which could have risks if digital infrastructures pass through critical habitats or biodiversity hotspots during construction periods and possibly during maintenance. These will be addressed through an exclusion list, ES screening and scoping for all sub-projects with



potential impacts, and alternative analysis to avoid/minimize significant impacts to sensitive ecosystems). The installation of fixed line components, fiber optic cables, and access roads to transmission towers and other fixed infrastructure, may require construction of corridors crossing aquatic habitats with the potential to disrupt watercourses, wetlands, and riparian vegetation, which will be managed through exclusion list, screening and scoping, and alternative analysis to avoid/minimize interventions in sensitive ecosystems. Other potential risks are related to the construction and electronic wastes, localized greenhouse gas emissions; and an increased demand for resources including water, energy and raw materials due construction activities. Also, power transmission lines, where they exist, may be used for optical fiber ground wire, depending on the outcome of competitive bidding processes; thus, potential EHS risks associated with this activity will be managed in accordance with WBG EHS Guidelines for Telecommunications and other Good International Industry Practices (GIIP). There are also similar downstream EHS risks due to TA activities to be financed by the project such as legal, policy and regulatory frameworks. Potential social risks include: physical and/or economic displacement as a result of land take for the new construction, repair, and upgrade of cross-border terrestrial links and national backbone network infrastructure as well as rehabilitation of cell towers and access to them under Components 1 and 2; Components 1 and 2 may pose community health and safety risks, which include transmission of communicable diseases, social conflict and risks of SEA/SH during construction, maintenance and operation of the facilities; impacts on land used by historically underserved traditional Sub-Saharan African local communities in Ethiopia (depending on siting of infrastructure); and exclusion risks for extremely poor households. In recent years, borderland areas in southwestern Ethiopia have seen an increase in the number of camps for IDPs and refugees, and their communities have increased significantly. Many of these areas remain underserved with digital infrastructure. As borderlands can also be hotspots for cross-border trade, weak access to broadband in these areas hamper prospects for digitally enabled commerce. Potential environmental and social risks and impacts will be carefully considered as part of the decision-making process to identify sub-projects by screening process and implementing exclusion criteria. Screening of sub-projects will be undertaken as early as possible (during feasibility study and design stage) to determine if proposed activities are likely to be environmentally and socially sound and sustainable against pre-defined criteria which will include, but not be limited to, consideration of access to land, livelihoods, impacts on the communities who meet the criteria of of ESS7, and existing land uses. Also, the exclusion list has been prepared as part of the ESMF to avoid high risk sub-projects during implementation phase. Prior to appraisal, Djibouti and Ethiopia have prepared draft Environmental and Social Commitment Plan (ESCP), Stakeholder Engagement Plan (SEP), Environmental and Social Management Framework (ESMF) (including, as annexes, Labor Management Procedures, Sexual Exploitation and Abuse /Sexual Harassment Prevention and Response Action Plan, a Social Assessment (SA) for Ethiopia, E-waste Management Plan, and capacity assessment and relevant action plan); and d) Resettlement Framework (RF). Further, Ethiopia prepared draft Security Risk Assessment and Management Plan (SRAMP) as it is under the list of FCV countries. Ethiopia is required to disclose all the above mentioned ESF instruments prior to appraisal. Djibouti is required to disclose the ESCP and SEP prior to appraisal while the RF, e-waste management plan, and ESMF will be disclosed prior to Effective Date Site-specific instruments (ESIAs/ESMPs) for civil works will be prepared by MInT and MCPT during project implementation once specific sub-projects are defined and before launching the bidding process, following the ESMF, RF and other ESRM instruments. The implementing entities will require civil works contractors to prepare contractors'-ESMPs (C-ESMPs) prior to commencement of construction activities. No facilities which fulfill the ESF definition of associated facilities have been identified. The inclusion of high risk sub-projects is expected to be screened out by applying the negative list in the ESMF. Direct social impacts associated with the project, notably the activities under Component 3 but potentially from TA activities under Components 1 and 2, may relate to data privacy protection and use associated with the establishment of open access, data exchange, big data analytics and use in public and private services online.



Protocols/agreements should be established for the sharing of the data within and between countries recognizing its potential usefulness. The related TA, the development of any legal, regulatory, or operational frameworks as part of the project at national level will need to be undertaken in line with the requirements for the ESSs to protect people from potential harm. Also, the project will finance the development and harmonization of data privacy policies in Component 2

ESS10 - Stakeholder Engagement and Information Disclosure

Relevant

The PIUs in both Ethiopia and Djibouti have prepared SEPs and were disclosed prior to Appraisal. The SEPs include stakeholder mapping, inclusive of their respective interests, roles and responsibilities and is proportional to the nature and scale of the Project and associated risks and impacts. Both PIUs will seek stakeholder feedback and opportunities for proposed future engagement, ensuring that all consultations are inclusive and accessible (both in format, language, and location, and considering the needs of vulnerable persons and groups) and through channels that are suitable in the local context. The implementing entities will engage in meaningful consultations with all stakeholders throughout the Project life cycle, paying attention to the inclusion of historically underserved peoples, women – including women entrepreneurs, vulnerable and disadvantaged groups (including the elderly, persons with disabilities, female headed households and orphans and vulnerable children). The implementing entities (MinT and MCPT) will also conduct sensitization programs among communities and project workers to increase awareness of gender risks and measures in place to address gender gaps in line with Gender Good Practice Note. Primary stakeholders of the project will be the Implementing Agencies, telecom administrations, private telecom companies, ministries/administrations expected to execute sub-projects. Other stakeholders include ministries of foreign affairs, customs administrations in both countries, Chambers of Commerce or similar, labor unions and other Civil Society Organizations (CSOs) involved in representation of enterprises, academic institutions, and environmental protection. The Project will consult Project Affected People (PAPs) in relation to proposed civil works, end-users including vulnerable groups (particularly those with access challenges) in a meaningful way. Key stakeholders have been consulted during preparation which included community elders and women in the four project intervention regions of Djibouti. The Implementing Agencies in Ethiopia and in Djibouti have prepared each, a distinct SEP for each country, consistent with the requirements of ESS10. The SEPs have included a description of a Project Grievance Mechanism which include confidential mechanisms for receiving complaints of sexual exploitation and abuse and sexual harassment. The GMs will address complaints and suggestions coming from both project beneficiaries and other interested parties. Consideration will be given to utilizing or strengthening existing grievance redress mechanisms at local level depending on specific contexts and relevance.

ESS2 - Labor and Working Conditions

Relevant

Project workers will include (i) Direct Workers who will be directly engaged in Ethiopia and Djibouti to work on the project; (ii) contracted workers employed by third parties to undertake activities including construction, provide technical inputs and support the TA activities; and (iii) primary supply workers to provide goods or materials needed for the project. The project is not expected to procure solar panels. Measures to address forced and child labor risks outlined in the Labor Management Procedures (LMP) include enforced prohibitions on child labor, sensitizing all partners and contractors or sub-contractors in prohibition and prevention of both and institute age verification for each worker before engagement. The project Labor Management Procedures (LMP) includes additional measures on management of labor related risks. Specific OHS measures required (including provision of adequate and appropriate personal protective equipment for specific work duties-see also the para on OHS measures below for details) for the

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above-stated project workers will be assessed and reflected in the LMP during the preparation phase. Attention will also be given to training of workers on OHS risks and awareness to minimize the risks. The project implementing entities are required to carry out screening for potential risks of child labor, forced labor, and serious safety for primary supply workers. Suppliers must take (a) steps to remedy any cases of child or forced labor; and (b) introduce procedures and mitigation measures to address serious safety risks. Where remedy is not possible, the implementing entities will, within a reasonable period, shift to suppliers who can demonstrate practices consistent with ESS2. Each PIU will be required to implement a grievance mechanism for project workers, including a process to address complaints related to SEA/SH. In addition, workers may be subject to labor risks including terms and conditions of employment which are not in line with national law and/ or ESS2 including in relation to hours of work, remuneration, living conditions etc. Risks associated with SEA/SH may also occur especially affecting women and girls e.g., in return or maintain employment opportunities. The LMPs for both countries identify the main labor requirements and labor risks associated with the Project was prepared based on the requirements of ESS2 and Ethiopia’s labor law (1156/2019) and Djibouti's labor law, prior to project appraisal. Bidding documents for the digital infrastructure shall include budgets for all OHS provisions as well as other costs associated with labor management e.g., the operation of a grievance redress mechanism, security of project personnel and SEA/SH prevention measures. The Project implementing entities for EARDIP-SOP II will regularly monitor contractor’s performance in implementing the LMP and OHS measures.

ESS3 - Resource Efficiency and Pollution Prevention and Management

Relevant

The project investment activities such as broadband connectivity infrastructure deployment including fiber optic and mobile networks, as well as broadband services can lead to an increase in e-waste stream in East Africa. Operations and maintenance activities may result in the generation of electronic wastes (e.g., nickel-cadmium batteries and printed circuit boards from computers and other electronic equipment). The operation of certain types of switching and transmitting equipment may require the use of backup power systems consisting of a combination of batteries (typically lead-acid batteries) and diesel-fueled backup generators for electricity. The consequences of poor E-waste and lead-acid batteries handling and disposal in landfills and other non-dumping sites could cause serious risks and impacts to people, including future generations, and the environment. When electronics, e-wastes and lead-acid batteries are improperly disposed, toxic chemicals, including leaching of heavy metals from lead-acid batteries, are released into the environment, adversely impacting soil, water and/or air and ultimately, human health. For instance, e-wastes and their leachates impacts heavy metals could expose people to non-dioxin-like polychlorinated biphenyls, polycyclic aromatic hydrocarbons, polychlorinated dibenzo-p-dioxins, polychlorinated dibenzofurans and dioxin-like polychlorinated biphenyls. Most of these compounds are endocrine disrupters and most are neuro-toxic as they can enter living organisms through air (e.g., open burning), soil (e.g., disposal) and/or water via ingestion (e.g., food chains contamination) due to disposal and poor recycling processes. E-waste is also resistant to biodegradation with strong tendency to bio-accumulate in agricultural lands and be available for uptake by grazing livestock. Greenhouse gas (GHG) emissions may result from the use of backup power generators, cooling and fire suppression systems, and vegetation clearing during construction/installation of fiber optic cables, access roads and other infrastructures. Also, construction activities could have potential environmental liabilities related to the excavation works; and they could contribute to environmental pollution such as air, construction waste, noise, and water pollution. There are also risks of inadequate or illegal sourcing of construction materials. The project could lead to an increase in the use of energy resources for the telecommunication facilities which need to be sourced and used following measures described in the Good International Industry Practices. These risks could be minimized with appropriate hazardous material storage, handling and transport, and waste management, including waste disposal in authorized disposal sites in line with ESF

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requirements (e.g. see ESMF for details), and efficient resource management plans have been reflected in the ESMF for each implementing country and will be detailed in site specific environmental and social instruments (such as ESIA/ESMPs) for subprojects. To this end, appropriate pollution prevention and management including e-waste management plan (E-WMP) will be implemented by each participating country as per the ESMF (including E-WMP) for each country. The WBG EHS Guidelines for Telecommunications and General EHS Guidelines will be followed while addressing the potential risks. Further, in relation to GHG emissions, relevant proposed mitigation measures including alternative/feasible sources of clean energy; plantation of 10 seedlings per a removal of one tree species/ revegetation of disturbed areas with native plant species, and/or identification and analysis of feasible alternative routes which avoid or reduce deforestation; and analysis of fire suppression alternatives has been reflected in the ESMF and will be detailed in site specific tools (ESIAs/ESMPs) for subprojects. Construction activities may also account for an increased demand for resources. Relevant resource efficiency measures will be taken into account during infrastructure design/identification of equipment phase and potential resource efficiency measures shall further be investigated during the preparation of site specific environmental and social instruments. To the extent possible, the project implementing entities shall put appropriate measures to ensure resource efficiency (including water, energy, and raw materials) in place during implementation of the project. Also, the clients (MinT and MCPT) shall require civil works contractors to develop C-ESMPs satisfactory to the GoE and the WB as per the ESMF and site specific ESMPs/ESIAs, and enforce their implementation accordingly.

ESS4 - Community Health and Safety

Relevant

ESS4 is relevant as there are potential community health and safety risks and impacts related to the planned construction of digital infrastructures through exposure to pollution such as air, construction waste, noise, water, and solid and liquid wastes, e-wastes, and inappropriate disposal of wastes, as well as impacts related to project workforce interactions with members of project affected local communities. Increased incidence of communicable and vector-borne diseases may occur because of construction activities. Construction activities may also result in an increase in traffic-related accidents and injuries to local communities therefore site-specific road safety and traffic management plans will be developed as part of ESMPs. In addition, labor influx can engender community health and safety risks such as SEA/SH risks, including the transmission of communicable diseases such as HIV/AIDS and other communicable diseases on local communities. Skilled and semi-skilled workers are likely to be sourced from outside the local areas, but it is expected that unskilled workers can be sourced from the community close to the project sites. Based on the assessment during the preparation, the SEA/SH risk is substantial for Ethiopia due to the anticipated labor influx, the context (remoteness and conflict situation in some) of the target areas as well as limited capacity of the implementing entity. In Djibouti, the SEA/SH risk rating is low, however, the MCPT will prepare the SEA/SH Prevention and Response Action Plan (as part of the ESMF for Djibouti), and they will hire a SEA/SH consultant to assist with the implementation of the Action Plan and build capacity of the social specialist in the PIU. All construction/installation companies and each PIU will be required to consult with communities in promoting the understanding, and methods for, the implementation of community health and safety, including HIV/ AIDS, and other communicable diseases prevention, and informing communities about the requirements of workers' Codes of Conduct. Contractors will also provide Project workers with training on respectful relations with communities, including on health and safety practices. If e-waste are not properly managed, they could have considerable impacts on community health, as such, e-waste plans have been prepared as part of the ESMF for each country, and will be included in each ESMP. Security is a key risk given the project implementation locations. In the case of Ethiopia, the project will focus on rehabilitating digital infrastructure in areas that have adversely affected due to the conflict in Tigray region and other parts of the country. Given this context, there will be a need to secure project workers and assets during digital infrastructure construction

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and rehabilitation activities. Deployment of security forces may be required to prevent vandalism, theft or attacks on assets as well as protect workers during project implementation but presents risk to local communities, including SEA/SH and other human rights abuses, including undue use of force. The conflict situation and the use of security personnel along with required mitigation measures has been assessed and included in the Security Risk Assessment and Management Plan (SRAMP) prepared for Ethiopia. On the other hand, infrastructure deployment in post-conflict zones in Ethiopia may also require clearing unexploded ordonnance, which will require a specialized firm. The Project will ensure that appropriate measures are taken to address these risks, by undertaking initial risk screening and applying relevant environmental and social frameworks as reflected in the SRAMP. For Djibouti, planned location for optic link may include the area with security risks, although this risk is deemed low. The risks will be examined and measures were identified as part of ESMF for Djibouti. The a SMP for Djibouti (as part of the ESMF) will be prepared and disclosed before Effective Date Further, all required risk mitigation measures (including those related to infrastructure and equipment design and safety, and emergency preparedness and response as needed) will be detailed in site specific instruments (ESIAs/ESMPs). Also, based on the ESIAs,/ESMPs, the implementing entities shall require civil works contractors to develop C-ESMPs (as deemed necessary, comprising of traffic management plan, waste management plan, OHS Plan, Emergency Preparedness and Response Plan, Code of Conduct, etc.) which will be satisfactory to the WB and the MinT and MCPT, and enforce their implementations accordingly.

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

Relevant

The civil works are likely to induce land acquisition and involuntary resettlement. Project activities in Ethiopia and Djibouti, mainly for components 1 and 2, cross-border, national backbone, backhaul and access network infrastructure as well as last mile connectivity, including in borderland areas as well as the development of data management and hosting infrastructures for a regional data market respectively will likely induce land acquisition, restrictions on land use and temporary and/or permanent economic and physical displacement of people living in or near the proposed Project implementation target areas. Thus, the project may result in loss of agricultural land and grazing land, loss of livelihood due to impacts on sources of earning, impact on natural drainage leading to land use change. While economic displacement is likely, physical resettlement is highly unlikely. Each of the two implementing entities/agencies are required to prepare a Resettlement Framework (RF) in accordance with the requirements of ESS5 and country specific expropriation laws to provide principles and guide the implementation of mitigation measures for land related Project impacts on private/communal land and associated assets, crops, trees, etc. The RF also includes the approach to acquire land including through voluntary land donation if this is expected to occur. Voluntary land donations will be properly documented in line with the provisions of ESS5. The draft Resettlement Framework for Ethiopia has been prepared by MiNT. Once the location and specific land requirements are known, if required, each PIU shall prepare and implement site specific Resettlement Plans (RPs) prior to commencement of any civil works, and associated livelihood restoration activities if required.

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources

Relevant

This standard is relevant as activities to be financed by the Project, especially by Component 1, could stimulate development of telecommunication facilities/infrastructure by the private or public sector that could adversely affect natural habitats and biodiversity. Regarding Djibouti, biodiversity baseline information will be assessed during preparation of site specific ESIAs so that this can be taken into account during the feasibility study to identify the exact route and technology to minimize the impacts. It will be further detailed during implementation with an aim to help



identify the types of habitats (critical, natural, modified) potentially affected and inform the assessment of the potential risks and impacts on the ecological function of the habitats along with feasible mitigation measures. The ESMF has established a clear exclusion list for activities that can have high risk on biodiversity and critical natural habitats. It has also considered analysis of alternative process and screening and scoping to avoid and minimize significant impacts to sensitive/critical ecosystems (areas that have high biodiversity importance/value including parks/protected areas/wetlands/high forest areas and provide many habitat features required by threatened and (critically) endangered plant and animal species, as listed on the International Union for the Conservation of Nature (IUCN) Red List of threatened species or equivalent national approaches), and Biodiversity Management Plans (BMPs). Recommended measures to prevent and control impacts to terrestrial and aquatic habitats, including critical habitats during construction will be realized through a) exclusion list for high risk subprojects, (b) environmental and social screening for potential risks and impacts on biodiversity and living natural resources in line with the ESS6 requirements, (c) use of existing utility and transport corridors whenever possible, (d) use of BMPs when significant impacts are foreseen in line with the mitigation hierarchy consistent with the requirements of ESS6 , (e) avoid construction activities during the breeding season and other sensitive seasons or times of day, (f) revegetate disturbed areas with native plant species (the WBG EHS Guidelines for Telecommunications), and/or (g) indicative list of feasible mitigation measures based on potential risk assessment of the project components/activities including subprojects. There may be also contamination of soil and water and associated fauna and flora due to solid and liquid wastes including e-wastes and other hazardous wastes generated during the construction, operation and maintenance phases of the project. It is also noted that the ground wire, typically placed above transmission lines, can present a higher risk of birds collision than the larger diameter conductor wires below. In case this is relevant, ESMF will mention the Convention on Migratory Species which is applicable in Djibouti and the specific guidelines so that these can be followed during preparation of site-specific ESIA/ESMPs as applicable. Overall, all recommended measures, including e-waste management plans, have been included in the ESMF for Ethiopia, which will be reviewed, cleared and disclosed prior to project appraisal. Djibouti's ESMF will be disclosed prior to effective date. Further, based on the result of E and S screening, site-specific ESSs instruments (ESIAs/ESMPs) for subprojects will be prepared, implemented and monitored during implementation. Also, the clients (MinT and MCPT) shall require civil works contractors to develop C-ESMPs satisfactory to the GoE and the WB as per the ESMF and site specific ESMPs/ESIAs, and enforce their implementation accordingly.

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

Relevant

ESS7 applies in Ethiopia but is not relevant for Djibouti. The EARDIP SOP II for Ethiopia will support digital infrastructure development in locations with the need to expand last mile service provision to underserved rural and borderland areas. Project interventions will be designed in a way to reduce impacts on underserved and vulnerable communities of the nation. Communities in Afar, Somali, Gambella, Benishangul and pastoralists found in Oromia and SNNPR Regional States fulfill the criteria of ESS7. MinT has prepared Social Assessment (SA) for the project. Findings from social assessment will be used in designing digital infrastructure and services to address the demands, cultural concerns and access gaps (including language-specific needs) of underserved and marginalized communities who meet the requirements of ESS7. Underserved communities may be particularly vulnerable if their lands and resources are repurposed. The Project will ensure that these communities are not disproportionately affected by the adverse impacts of the project activities. Selection of Subprojects/Component activities that would otherwise result in significant adverse impacts on land or natural resources traditionally owned or used by Underserved communities, by relocation, or other impacts on their cultural heritage will not be eligible for financing under this project. The Project



will also ensure that the Grievance Mechanism (GM) is culturally appropriate and accessible as per the requirements of ESS10 as well as ESS7.

ESS8 - Cultural Heritage

Relevant

This standard is relevant as the proposed construction of digital infrastructure and access roads to transmission towers and other fixed infrastructure in Djibouti and Ethiopia is likely to cause potential risks to cultural heritage in Djibouti and Ethiopia. Thus, the ESMF for each implementing entity has given special attention to avoiding/minimizing/mitigating impacts on cultural heritage in the intervention areas through exclusion list (for subprojects/activities which have potential high adverse impacts on a known cultural heritage site), environmental and social screening process, analysis of alternatives. If needed as indicated in the ESMF for each country, a cultural heritage management plans will be developed, although this is unlikely. Further, Chance Find Procedures shall be adopted for infrastructure investments to address fortitious finds of archeological/historical remains and objects. This will also be detailed in site-specific ESSs instruments (ESIAs/ESMPs) in line with the ESMF for each country.

ESS9 - Financial Intermediaries

Not Currently Relevant

The project does not involve the use of Financial Intermediaries as such this standard is not relevant.

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

No

Not applicable.

Use of Common Approach

No

NA

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 by implementation?

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