Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 02-Aug-2016 | Report No: PIDISDSC18862

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
West Bank and Gaza	P159337		Finance for Jobs II (P159337)
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
MIDDLE EAST AND NORTH AFRICA	Feb 27, 2017	Apr 27, 2017	Finance & Markets
Lending Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Ministry of Finance and Planning	To be determined / Project Implementing Agency currently being recruited by MOFP	

Financing (in USD Million)

Financing Source	Amount
Special Financing	5.00
Total Project Cost	**15.00**

Environmental Assessment Category	Concept Review Decision
B-Partial Assessment	Track II-The review did authorize the preparation to continue

Other Decision (as needed)

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B. Introduction and Context

Country Context

1. The Palestinian economy is fragile and conflict affected, and has long suffered from the restrictions and political instability that continue to constrain private sector activity. In recent years, the economy has witnessed a sharp deceleration in economic growth, from over 8 percent during 2007-11 to 3 percent during 2012-15. A decline in foreign aid from 32 percent of GDP in 2008 to 6 percent in 2015 has significantly contributed to weak economic growth, which was limited to 3.5 percent overall in 2015. The internal divide between the West Bank and Gaza, which has created a dual regulatory framework, has also negatively impacted economic activity and growth.

2. The Palestinian economy was significantly impacted by the 2014 Gaza war, which pushed the economy into recession due to the devastating impact it had on economic activity and the livelihood of Gazans. From a very low base, economic growth was 6.8 percent in Gaza in 2015 – with the reconstruction, wholesale and retail trade sectors being the main drivers. The growth slowdown in the West Bank from 5.3 percent in 2014 to an anemic 2.5 percent in 2015 was further exacerbated by the liquidity squeeze caused by the Israeli decision to suspend the

transfer of the Palestinian Authority's (PA) taxes during the first four months of 2015 added to. Given that population growth in the Palestinian territories is around 3 percent, economic growth witnessed in 2015 was not enough to increase per capita incomes. [1]

3. The weak growth trajectory also reflects mounting fiscal difficulties. Successful reform efforts and previous strong economic growth helped bring the relative size of the Palestinian overall fiscal deficit down from 24.6 percent of GDP in 2008 to 13 percent in 2010. However, despite these efforts at fiscal consolidation, the deficit to GDP ratio has remained stuck in the 10 to 13 percent range since 2010 -- on the back of a large wage bill and weak revenue performance. The PA also suffers from substantial revenue losses under the current revenue sharing arrangements outlined by the Paris Protocol and other subsequent arrangements. Some of these arrangements have become outdated and others have not been implemented as envisaged, resulting in fiscal losses for the PA.

4. Assuming that the current restrictions remain in place and that the recent surge in violence does not further escalate, the real GDP growth rate of the Palestinian economy is projected to hover around 3.5 percent in the medium term[2]. This sluggish growth implies a stagnation in real per capita income and an increase in unemployment. Notably, downside risks remain significant. First, the pace of reconstruction and recovery in Gaza has been slower than anticipated and despite some acceleration in recent months, additional setbacks are possible. While it is positive that Gaza returned to economic growth, with the current pace of reconstruction, and with a lingering internal divide between Gaza and the West Bank, the Gaza economy is not expected to rebound to prewar levels before 2018. Second, the growth outcome in the West Bank may be worse than expected if tensions continue to escalate. This will result in elevated security risks that may eventually weaken consumer and investor confidence, and hence, negatively impact economic activity.

5. The decline in growth has stifled the economy's ability to create jobs for a growing young population. The Palestine Central Bureau of Statistics (PCBS) labor force data indicates that unemployment amongst Palestinian youth was very high in 2015, particularly in Gaza where more than half of those aged between 15 and 29 were out of work. After skyrocketing to more than 47 percent during the 2014 war, unemployment in Gaza declined to 38 percent by the end of 2015, as the reconstruction process started to pick up and private firms were beginning to rebuild their capacity. Unemployment in Gaza was twice as high as that in the West Bank. However, unemployment and underemployment remains a key challenge for the West Bank. In addition to low labor demand, females continue to face challenges to join the labor force and therefore, female participation rate in the labor market is very low at around 19 percent, with a high unemployment rate of almost 40 percent.

Sectoral and Institutional Context

1. There is a significant shortage of employment opportunities in the West Bank and Gaza. Over a quarter of the population is unemployed and the supply of labor exceeds market demand, particularly amongst youth. For example, while there are more than 30,000 new graduates a year, only 6,000-7,000 new graduate level jobs are estimated to be available per year. Furthermore, much of the private sector job growth over the past several years has been concentrated in retail and non-tradable service sub sectors, which do not generate sufficient quality employment opportunities.

2. The private investment and private sector activity that would be needed to fuel job growth have remained at suboptimal levels, concentrated mainly in low productivity sub sectors with weak employment growth. Private investment has averaged only 15 percent of GDP over the past seven years, while foreign direct investment (FDI) has averaged only 1 percent of GDP. Most formal enterprises are at the micro or small end of the firm size spectrum (only 1 percent of establishments had 20 or more workers in 2013) together with a significant level of informality involving up to an estimated 140,000 workers.

3. Recent World Bank Group analysis of the investment climate in West Bank and Gaza provides further evidence of the very difficult environment facing the private sector:

- The 2016 Doing Business Report recorded a drop in the West Bank and Gaza's overall position within the global rankings from 127 out of 189 economies to 129. The time, cost, and procedures for establishing a business in the West Bank and Gaza are prohibitive to the startup and entrepreneurial activity needed to fuel private sector growth.

- The 2014 Investment Climate Assessment (ICA) "Fragmentation and Uncertainty" lists - as the persistently highest obstacles to private sector investment - political instability, access to electricity, informal sector practices, tax rates and access to finance.

[1] The data and information cited throughout this section are from the most recent Economic Monitoring Report to the Ad Hoc Liaison Committee (April 16, 2016).
[2] IMF projections

Recommendations include obtaining greater access to resource and markets, reducing trends of fragmentation and isolation, mitigating political risk and enhancing the private sector role in the economy, particularly through investment in skills, technology, entrepreneurship and innovation.

4. Limited private investment growth and the resultant suppressed demand for private sector labor have been accompanied also by constraints on the supply side. The “Dialogue for Palestinian Jobs Creation” (DPJC) initiative of 2014 further highlighted not just the need to find innovative ways to mobilize new private investment in the face of a difficult investment climate but, together with the “Systems Approach for Better Education Results” (SABER) Report, also pointed to the skills mismatch in the labor market as a key constraint to employment outcomes, especially for youth and women. Evidence shows that even where there are available job openings, graduates often lack the skills or practical experience demanded by the private sector to effectively compete for and fill these available jobs. In addition to filling current openings, there is also a need to position the young workforce in terms of skills for jobs that will be created from future private sector investments.

5. A key contributing factor for suboptimal outcomes in the Palestinian labor market is that the skills development sector - which includes training providers, Technical and Vocational Training (TVET) schools, universities, the Ministries of Labor and Education, and the donors that fund the skills related interventions - remains insufficiently coordinated, and inadequately linked to the private sector. As the recent SABER Report found, the West Bank and Gaza scores low in terms of “fostering a demand-driven approach,” meaning that there are few opportunities for industry and other private sector actors to play an active role in the planning, oversight, and delivery of workforce training. Despite approximately US$140 million in donor funds invested in the skills development sector since 2001, there continue to be significant mismatches between the training that institutions in the West Bank and Gaza provide and what the private sector needs.

6. Private sector led growth is central to the socio-economic future of the West Bank and Gaza. The analysis conducted on the job/skills market, together with consultations with stakeholders, reconfirms the limited potential for new employment in the absence of new private sector investment. The Palestinian Authority (PA) - constrained by fiscal and other institutional priorities - is also cognizant of the need to foster more private sector participation and move away from the public sector, supply driven and largely donor financed initiatives that have predominated to date. The private sector, on its side, is seeking new modalities to engage in tackling the national economic challenges - both in shaping and financing solutions. The current degrees of separation between the public and private sector in West Bank and Gaza needs to be further narrowed, together with the introduction of more pro-active collaborative, output-based approaches that are private sector led and co-financed.

Relationship to CPF

1. A new Assistance Strategy for the Bank Group’s work program in the West Bank and Gaza was discussed by the Board on October 30, 2014 (Report #89503 GZ). The Strategy, in line with the recently launched Palestine National Development Plan 2014–16, has two Program Pillars one of which is to “support private sector led growth that increases employment opportunities.” This Assistance Strategy pillar directly supports the “Economic Development and Employment” theme of the Palestine National Development Plan. The PA has also endorsed an Integrated Strategic Program for Employment in Palestine which supports three main objectives in order to create more job opportunities: (a) stimulation of investment opportunities; (b) investment in the Palestinian labor force; and (c) improving the enabling environment. The program emphasizes the need to incorporate financial incentives to encourage job creation entrepreneurship ventures and networks.

2. The Finance for Jobs (F4J) Series of Projects (SOP) is also closely aligned with the new Bank Group MENA Regional Strategy which encourages the type of informed, action-oriented risk taking, innovation, and private sector engagement that characterizes the F4J initiative. The F4J is particularly aligned with the pillars of “Renewing the Social Contract” and “Reconstruction and Recovery.” The former focuses on renewing the social contract between government and citizens, and gaining citizen trust through the promotion of social and economic inclusion, greater private sector led jobs, and enhancing the quality of public services.

C. Proposed Development Objective(s)

To enhance employment opportunities and mobilize private investment as a result of testing selected financial interventions in the West Bank and Gaza.

Key Results (From PCN)

1. The F4J II project is proposed as the second project within the F4J Series of Projects (SOP). In a SOP programmatic approach, a series of two or more projects are designed for implementation over time, building on lessons learned and achievements from previous projects in the series.

2. A programmatic framework is proposed as it would allow for a phased approach building on the first mover and demonstration effects of piloted financing instruments. The series commenced with a first project (F4J; P151089) that will undertake the upstream detailed design, capacity building, and testing of selected innovative financial instruments, along with generating initial lessons learned. [3] The F4J II project of the SOP series would, building on the foundational work of the first F4J project, provide for further product testing and potentially scaled-up funding to specific financial products. This second project will provide the actual financing needed to fund the different innovative financial instruments that have been specifically designed to address the different market and government failures arising in the FCS setting that the PA is tackling.

3. Within the SOP framework, the overarching PDO supported by the SOP is "to mobilize private investment financing in high potential sectors and generate job opportunities for the West Bank and Gaza". For the purposes of the SOP, targeted groups include youth in the 18–29 year age bracket, including women (with a minimum share of 30 percent of total project beneficiaries).

4. Building on the expected results of the first F4J project, the key PDO-level results that will be measured in this second project include:

- **Private capital mobilized**: As in the first project, this indicator will also be measured under F4J II as a key PDO level indicator. It will encompass the total private investment mobilized as a result of the three innovative financing instruments launched and piloted under the project. The "four to one" ratio of new private investment to World Bank funding will be targeted.

- **Employment opportunities created**: Job opportunities are expected to be generated as a result of each of the three financing instruments and will also be disaggregated in terms of women and youth. Preliminary job estimates as a result of the project have been Learning and knowledge generation will continue to be a highly important outcome of the F4J SOP and will continue to be generated thanks to the two main innovative jobs measurement tool (CGEs and SCBA) and captured in the Results Framework.

D. Concept Description

1. The F4J project put in place the foundation for the deployment of three innovative financing instruments that seek to address the constraints that have a significant impact on private investment and the generation of job opportunities, both from the demand and the supply sides of the jobs challenge. These instruments include the following:

- A **Development Impact Bond (DIB)** for enhancing skills development and employment outcomes amongst youth and women;

- **Viability Gap Financing (VGF)** to provide grant financing support of job-creating private sector investments that may otherwise not be considered viable from a profitability perspective; and

- An **Entrepreneurship Ecosystem Matching Grant (EE-MG)** instrument in support of early stage finance and startups, particularly to build the pipelines of early stage investment funds.

2. These different instruments target different market entry points for augmenting job outcomes. The DIB is operating on the supply side of the labor market, looking to better position a cohort of the working age population for job uptake. The value add of the impact bond (further described below) is that this innovative results-based modality of financing draws in private sector capital and know-how and realigns incentives around performance The EE-MG is targeting those who have an appetite to start a business and become entrepreneurs. The VGF is more explicitly targeting wage employment opportunities by targeting larger growth investments from the private sector.

- [3] Reference to publically disclosed Project Appraisal Document (PAD) for F4J (P151089): http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/12/08 Companies receiving capacity building/handholding services /090224b083c36f1e/2_0/Rendered/PDF/West0Bank0and00ce0for0Jobs0Project.pdf

3. Due to current market readiness, budget availability, and need for a phased approach, the first F4J project introduced the financing for only the EE-MG instrument, while at the same time preparing the market and institutions for the introduction of the DIB and VGF instruments. This second project will allow for further financial product testing, including potential scaling up of funding for certain products depending on performance and demand. It is anticipated at this stage that F4J II will primarily finance the deployment of the DIB and VGF instruments, while also allowing flexibility for scaling up of the EE-MG depending on performance. Further details on the proposed project components are included below.

Component 1: Development Impact Bond (DIB) for Skills Development for Employment (Approx. $5 million)

4. Rationale: Impact bonds have recently emerged as innovative results-based financing models that leverage private sector investment and focus on achieving results.[4] An impact bond is an instrument whereby investors pay in advance for interventions to achieve agreed results, and work with delivery organizations to ensure that the results are achieved. Outcome funders (typically official donors in DIBs) make payments to investors if the interventions succeed. The proposed DIB will be focused on enhancing the skills of the Palestinian workforce in a more market-driven way in order to foster improved job outcomes. The DIB would target an estimated cohort of approximately 2,000 youth aged 18 to 29 years (including a minimum of 30% women).

5. Implementation Approach: The first F4J project is financing and putting in place the DIB governance and management structure, specific DIB design, raising initial investor commitments, and providing capacity building/technical assistance to prepare the market for the deployment of the DIB. This component under F4J II will finance the actual impact bond – i.e. the output and outcome payments that will be repaid to private investors upon verification of results. Using an illustrative example, if a private sector company is in need of graduates with specific IT skills, training would be designed and delivered to an eligible cohort of youth by pre-designated service providers. The service delivery and training costs would be paid upfront by private investors who would closely monitor its delivery and progress. If the cohort met the agreed outputs and outcomes (completion of training, job placement with an IT company, for example), the World Bank would repay the private investors (contingent upon independent verification), including an appropriate and agreed upon interest payment to further incentivize the private sector to recover its investment.

6. **Key Issues to be Addressed:** Investor appetite is a critical to the success of the DIB. Several have investors indicated their ability and willingness to invest in the DIB, particularly citing that more innovative private sector led approaches are needed to help tackle employment challenges in the West Bank and Gaza. In addition to attracting Palestinian investors to the DIB, initial conversations with international impact investors have begun. There are a number of socially responsible investors at the global level who could potentially see value in adding a DIB in the West Bank and Gaza to their portfolios. This could range from investors more focused on social returns (i.e. foundations, philanthropic organizations) to private equity impact investment funds seeking commercial as well as social returns to multinational corporations that would like to boost their corporate social responsibility (CSR) activities.

7. In addition to securing investor commitment, the monitoring and evaluation arrangements of the DIB is a key area to be finalized during the DIB design phase under the first project (currently targeted for early-mid 2017). A robust system of data collection and reporting on results will be in place through the Project Implementing Agency (PIA). One of its responsibilities, among others, will be the gathering of key data and ongoing monitoring of the DIB including progress reporting. The DIB component will rely heavily on real time data to continually manage performance and adjust as needed throughout the course of its implementation.

Component 2: Viability Gap Financing (Approx. $9 million)

8. **Rationale:** This component will finance a VGF instrument to leverage potential larger private sector investment activity by targeting financing gaps in select private investment projects. Current assessments indicate that a number of fundamentally sound private investments in sectors such as tourism, ITC, agribusiness and light manufacturing, are unable to move forward due to the exceptional risks and limited financing options, including lack of long term debt financing. These are nevertheless investments that are likely to generate significant social and economic benefits through the creation of formal jobs, however may be unviable from a profitability perspective. Given the social externalities of this prospective job creation, there is a public good case to be made for financing support to be provided to enable these private sector investments to proceed.

[4] It is important to note that impact bonds are not "bonds" in the traditional sense (i.e. debt securities that pay a fixed interest rate until maturity). Impact bonds should rather be thought of as equity-like investments that offer repayment to investors only on the basis of results achieved and carry higher levels of risk and return than traditional bonds.

9. **Implementation Approach**: Under this component of the project, private sector investors would be encouraged to submit investment proposals for prospective VGF support. Aside from an essential due diligence of the commercial robustness of the planned investment, the F4J II financing would be conditioned on an assessment of the job creation potential of the investment. To this end, a Social Cost Benefit Analysis (SCBA) methodology will be used to determine the social return of a given investment arising from the anticipated level of jobs created (direct; indirect and possibly induced).

10. The F4J II project will include a an anticipated "first mover" VGF investment that will be fully scoped, structured, and ready to receive investment by the time the project would be presented to the World Bank Board. This will provide an early demonstration effect for the effectiveness of the instrument and provide a strong signal to the market.

11. **Key Issues to be addressed**: Upcoming preparatory work over the next 3 to 9 month period will need, inter alia, to focus on pipeline pre-assessment, further development of the criteria for VGF eligibility and due diligence requirements:

- Additional private investment opportunities will need to be identified to fill the F4J II VGF pipeline in line with available F4J budget. Projects would be assessed for commercial viability and job creation on a "first come - call for proposal" procedure and subject to eligibility criteria and the availability of project funding.
- Consideration of the additional criteria that will need to be applied;
- What measures – if any beyond the core due diligence - need to be taken to mitigate against job inflation estimates in investment proposals?

Component 3: Entrepreneurship-Ecosystem Matching Grants (EE-MG) (Approx. 1 million)

12. Rationale: While there has been an increase in equity financing available to young entrepreneurs and startups at the early growth and growth capital stages in Palestine, these financiers often report weak demand and dry investment pipelines. There are a dearth of viable ideas and entrepreneurs entering the ecosystem and surviving to later stages of the firm lifecycle. This has consequently led to a lost opportunity, as VC and Private Equity funds in this area are not being deployed. One Dubai funded Private Equity fund even exited the market due to the dearth of an investment-ready pipeline. Constraints cited include financing required for the provision of the additional hand-holding and support those prospective entrepreneurs require before investments can be made.

13. Implementation Approach: The first F4J project launched financing ($1.5m) for an Entrepreneurship Ecosystem Matching Grant (EE-MG). The EE-MG is a specialized fund designed to improve the number and quality of investment-ready entrepreneurship initiatives by enhancing the capacity of enterprises to absorb funding from the investment vehicles already in place. The matching grant funds will be used to finance eligible business development services (BDS) for these entrepreneurs.

14. Key Issues to be Addressed: It is anticipated that most of the F4J II project funds would be allocated to finance the DIB and VGF instruments, however the project will be designed in such a way to allow for flexibility and scaling up or down of funds as need be between the three instruments based on performance. Additional funding to this EE-MG instrument may be made at the mid-term evaluation stage depending on disbursement/outcomes to date and progress with the other instruments.

Multi Donor Trust Fund (MDTF) Arrangements

15. It is proposed that additional partner contributions would be sought for F4J II via the establishment of a Multi-Donor Trust Fund (MDTF) to complement the WBG's $5m anchor contribution. The purpose would be primarily to support financing the DIB and VGF instruments, with the possibility for adding additional financing to the EE-MG depending on performance. Current estimates indicate that a minimum of $15 million is needed to support the deployment of the instruments in F4J II (approximately $5m for the DIB; $9m for the VGF; and $1m to add to the EE-MG fund). The MDTF will be particularly relevant and essential in the case of the F4J SOP to build on demonstration effects of first movers within the DIB, EE-MG, and VGF instruments, allowing for the testing and scaling up of the innovative approaches piloted under the SOP. It is also critical to ensure leverage and coordination of donor resources and knowledge in a resource constrained environment. This dimension is important particularly since the West Bank and Gaza Trust Fund budget has remained fixed, while the WBG mandate in Palestine continues to expand. The Bank has been actively engaged with donors with a presence in Palestine and several have expressed an interest in supporting the F4J SOP.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented throughout the West Bank and Gaza Strip. The project will likely be implemented predominantly in the West Bank in Ramallah and other localities where private sector activity is concentrated. However, the project is expected to support the development of one or more private sector investments in the Gaza Strip. Notably, the F4J II project is expected to include a sub-project to finance solar power in the Gaza Strip, for which an appropriate safeguards instrument will be prepared prior to appraisal.

B. Borrower's Institutional Capacity for Safeguard Policies

An environmental and social safeguards officer (ESO) will be hired as part of the PIA to assess and manage safeguards related issues. PIA ESO capacity will be supported by Bank environmental and social safeguards specialists as well as the IFC for the performance standards during the course of the F4J SOP implementation. Safeguards staff will not be needed for implementation of Component 1 (Skills Development Impact Bonds) and Component 3 (Entrepreneurship-Ecosystem Matching Grants) since these components will not trigger any Bank safeguards policies.

The ESMF and OM includes a capacity building plan to train in subject areas including, but not limited to, (i) pre-project screening, monitoring, and reporting; (ii) Palestinian EQA and World Bank environmental and social safeguards standards and IFC performance standards; (iii) stakeholder consultations, grievance mechanisms, and involuntary resettlement policies; and (iv) design and preparation of sub-project ESMPs.

At of the time of the PCN Review Meeting, the PIA is still in the process of being hired by the MOF. Because the PIA and its staff is not yet in place, it is premature to provide a summary of safeguards performance under the first F4J Project. The MOF is currently reviewing PIA proposals and the Implementation Agreement is excepted to be signed no later than the new effectiveness deadline of September 30, 2016. Once the PIA is operational, WB safeguard/ IFC performance standard training will be offered to Ministry of Finance staff, PIA staff, and interested parties from the private sector.

The Appraisal Stage ISDS will be updated to include a summary of developments on safeguards capacity and implementation.

C. Environmental and Social Safeguards Specialists on the Team

Tracy Hart, Hana Salah

D. Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This project is categorized as "B" due to potential adverse environmental and social impacts which are site-specific and reversible; thus easily remediable by applying appropriate mitigation measures. Given

		current information, these potential adverse environmental impacts may include the following: construction-related air, noise, and water quality issues; worker occupational health and safety. Preparation will continue to focus the menu of possible sub-projects. The ESMF offers guidance on the potential breadth of sub-project technical interventions. The ESMF does so through offering environmental and social screening checklists, possible environmental impacts for each of the five possible "high job-creating" sectors, sample environmental and social management plans (ESMPs), institutional arrangements, training activities, and monitoring and report of safeguards compliance. The ESMF for F4J2 is expected to be updated to include reference to and when to make use of IFC Performance Standards in lieu of environmental and social safeguards policies. The relevant sub-project safeguards document for the Gaza Solar Power Project will be disclosed prior to F4J2 appraisal.
Natural Habitats OP/BP 4.04	No	The ESMF sub-project screening excludes any potential sub-project which involves natural habitats.
Forests OP/BP 4.36	No	The ESMF sub-project screening excludes any potential sub-project which involves forests
Pest Management OP 4.09	Yes	The ESMF will screen to determine whether potential sub-projects are likely to include the purchase and/or use of pesticides, herbicides, rodenticides, etc. F4J sub-projects will not be excluded solely on their inclusion of pest management chemicals. A Pest Management Plan (PMP) is included in the ESMF.
Physical Cultural Resources OP/BP 4.11	No	The ESMF sub-project screening excludes any sub-project with potential impact on known physical cultural resources. Chance find procedures will be included in the ESMF in the case that physical cultural resources are discovered during sub-project implementation.
Indigenous Peoples OP/BP 4.10	No	There are no indigenous peoples in the service area.
Involuntary Resettlement OP/BP 4.12	No	The World Bank Policy on Involuntary Resettlement, OP 4.12, does not apply to the Finance for Jobs Project II. Component 1 will finance skills training and component 3 will finance capacity building. Although Component 2 will finance investments, any land requirements (temporary or permanent) for these investments will be met through lands that are under the ownership of government or private sector

		companies (land leased from the government). Investments are excluded that involve relocation of households, temporary or permanent land take, and impacts on livelihoods (including squatters), including those that may occur through restriction of access to resources. To screen out for these exclusions, the project relies on a rigorous sub-project screening detailed in the ESMF prepared in Finance for Jobs 1, which is applicable.
Safety of Dams OP/BP 4.37	No	This policy is not applicable.
Projects on International Waterways OP/BP 7.50	No	This policy is not applicable.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not applicable.

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Feb 27, 2017

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

It is expected that the F4J1 ESMF will be updated in order to include guidance for when use of IFC Performance Standards is suggested, and how to proceed with the application of those Standards. Both the updated ESMF and sub-project specific EMP(s) will prepared in the fall months of 2016.

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APPROVAL

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