

**Sustainable Agriculture Productivity
Improvement Project (SAPIP)**

**DRAFT ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK
(ESMF)**

March 2016

Government of Timor-Leste

ACRONYMS

ARAP	Abbreviated Resettlement Action Plan
CFP	Chance Finds Procedure
DIU	District Implementation Units
EA	Environmental Assessment
ECOP	Environmental Code of Practice
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FPIC	Free prior and informed consent
GAFSF	Global Agriculture and Food Security Program
HMMP	Hazardous Materials Management Plan
ICRD	Inter-Ministerial Committee for the Coordination of Rural Development
IDA	International Development Association
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
LARPF	Land Access and Resettlement Policy Framework
M&E	Monitoring and Evaluation
MTOP	Medium Term Operation Plan
NDPP	National Directorate of Policy and Planning
NGO	Non-Government Organisation
OP	Operational Policy of the World Bank (safeguards)
PAD	Project Appraisal Document
PCR	Physical Cultural Resources
PCRMP	Physical Cultural Resources Management Plan
PIU	Project Implementation Unit
SA	Social Assessment
TA	Technical Assistance
TLAAC	Timor-Leste Agriculture Advisory Council
TLARDI	Timor-Leste Agriculture Research and Development Institute
VLDP	Voluntary Land Donation Protocol of the World Bank
WB	World Bank

Contents

1. Introduction	5
1.1 Purpose and Scope of the ESMF	5
2. Project Description	7
2.1 Local Context	7
2.2 Program Components.....	9
2.3 Institutional Arrangements	9
3. Legal and Policy Framework and Regulatory Requirements	13
3.1 World Bank Safeguard Policies	13
3.2 National Legislative and Regulatory Setting.....	16
4. Procedures to Address Environmental and Social Impacts and Risks.....	19
4.1 Potential Environmental and Social Impacts and Risks.....	19
4.1.1 Component One: Integrated watershed agricultural development planning.....	19
4.1.2 Component Two: Smallholder organization, advisory support and training	20
4.1.3 Component Three: Sustainable watershed management and support to farmers groups	20
4.1.3 Component Four: Strengthening MAF	21
4.2 Applicable Safeguard Instruments	21
4.2 Environmental and Social Safeguard Procedures.....	22
5. Consultation, Participation and Information Disclosure	23
5.1 Consultation to date.....	23
5.2 Safeguards Consultation and Information Disclosure.....	23
5.3 Consultation Framework	24
5.4 Complaints Management	24
6. Institutional Capacity and Responsibilities.....	26
6.1 Capacity	26
6.2 Responsibilities	26
Annex A Eligible Activities and Exclusion List	29
Annex B Safeguards Screening Form	31
Annex C Beneficiaries Participation Framework	35
Part I. Participatory Process for SAPIP	36
Part II. Socialisation Plan	41
Annex D Grievance Redress Mechanism.....	44
Attachment 1 Grievance Form	48
Annex E Land Access and Resettlement Policy Framework Land Access and Resettlement Policy Framework	49
Attachment 1 Voluntary Land Donation Protocol.....	51
Attachment 2 Land Use Agreement.....	58
Annex F Terms of Reference for MAF Safeguards Advisor.....	62
Annex G Safeguard Instruments – Assessments and Plans	64
Table of Contents	66
Annex H Mitigation Measures.....	68

I.	Mitigation Checklist.....	68
	Water (groundwater, surface water run-off, turbidity, contamination)	70
II.	Chance Finds Procedure	74

TABLES

Table 1	Applicable World Bank Safeguard Operational Policies
Table 2	World Bank and National Requirements for EA/EIA
Table 3	Safeguard Instruments
Table 4	Key Responsibilities for Safeguard Implementation

FIGURES

Figure 1	Target Watersheds
Figure 2	National-level MAF Structure
Figure 3	MAF Internal Coordination Structure

1. Introduction

1.1 Purpose and Scope of the ESMF

The Government of Timor-Leste (GOTL) has requested the World Bank (WB) to provide financing to enhance the agricultural productivity via the Global Agriculture and Food Security Program (GAFSP). The GAFSP will support the implementation of the Sustainable Agriculture Productivity Improvement Project (SAPIP) aimed at institutional reform and planning, research and development, and strengthened agriculture extension services.

This Environment and Social Management Framework (ESMF) has been prepared for the SAPIP in Timor-Leste. The ESMF has the following objectives:

- (i) To establish clear procedures and methodologies for the environmental and social planning, screening, review, approval and implementation of subprojects to be financed under the Project;
- (ii) To specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social concerns, including those relating to gender and different sub-groups within the beneficiary communities, that will arise from the subprojects;
- (iii) To determine the training, capacity building and technical assistance needed to successfully implement the provisions of the ESMF;
- (iv) To establish the project funding required to implement the ESMF requirements; and
- (v) To provide safeguard tools and templates for implementing the ESMF.

The purpose of this ESMF is to guide the Implementing Agency (IA) – the Ministry of Agriculture and Fisheries (MAF) -and subproject proponents on the environmental and social screening and subsequent assessment of specific activities during project preparation, design and implementation.

The procedures outlined in the ESMF serve to ensure that potential adverse environmental and social impacts that may be generated as a result of each subproject activity are identified early, and appropriate safeguard instruments are prepared prior to implementation to avoid, minimize, mitigate and, in cases where there are residual impacts, offset or minimize adverse environmental and social impacts. The ESMF also contains safeguard instruments that may be triggered by certain activities, such as an Environmental Assessment (EA, OP4.01).

The scope of this ESMF includes a description of how safeguards issues will be dealt with by outlining:

- (i) Types of activities that will not be supported by the project using the ‘*exclusion list*’ (Annex A);
- (ii) Procedures for safeguard screening and assessment to determine the project category and early identification of potential safeguard issues;
- (iii) Project-specific safeguards instruments and procedures for activities that may trigger adverse environmental and/or social impacts; and
- (iv) Key responsibilities for ESMF implementation;
- (v) Institutional and monitoring arrangements.

The ESMF will ensure a robust approach to consider environmental and social risks and impacts in line with World Bank safeguard policies¹, and to prepare appropriate good practice safeguard instruments for the actual mitigation and management measures identified in final activities plan/s. The document is structured as follows:

- **Section 1** is the Introduction
- **Section 2** of the ESMF gives a summary of the project description and national context
- **Section 3** summarizes the regulatory setting in which the Project will take place, and the World Bank's Safeguard policies that apply to the Project.
- **Section 4** describes the potential environmental and social risks that may eventuate under SAPIP bearing in mind the project is demand-driven and some subprojects will only be identified during implementation. An overview of the safeguard procedures for minimizing adverse impacts.
- **Section 5** summarises consultation and participation with project stakeholders that has occurred to inform the project's design, and ongoing consultation and engagement activities.
- **Section 6** describes the institutional staffing, capacity, training requirements and responsibilities for implementing the ESMF.

Appendices provide guidance for screening of project activities, Beneficiaries Participation Framework, consultation and complaints management, Indigenous Peoples, land and resettlement impacts, and templates for terms of reference, environmental and social management plans, and mitigation measures.

¹ The World Bank safeguard policies are available at www.worldbank.org/safeguards.

2. Project Description

2.1 Local Context

Timor-Leste has made great progress in its 13 years of independence, but its agriculture sector continues to struggle to feed 1.1 million people and sustain the livelihoods of 75% of the population. Despite eight years of stability and fast economic growth, the rural sector does not produce sufficient staple and nutritious food, and is unable to prevent rural-urban drift. Government budget for the agriculture sector is constrained because of the short-term focus on infrastructure development, and controlled withdrawals from the Petroleum Fund. Some indicators of this situation include: (i) declining staple food production, which in 2011 was 144,000 Mt, a decline of 30 percent leading to a deficit of about 100,000 Mt; (ii) seasonal food insecurity with about 90 percent of rural households exhausting their home-grown maize and rice supplies by September of each year; (iii) low scores on the Human Development Index (HDI) which in 2012 was 0.576, a rank of 134 out of 187; and (vi) high rates of malnutrition with stunting in 58 percent of children under five.

The environment in which Timor-Leste's rural population lives is under severe pressure with rain-fed cropped land used for unsustainable small-scale subsistence farming, and large swidden areas on steep slopes with infertile soils. In contrast, irrigated areas are more stable and less prone to degradation. On rain-fed cropped land, there is virtually no return of organic matter into cropping systems because of annual burning and the need to graze increasing numbers of livestock. This "extractive" farming system is unsustainable and will need to change if Timor-Leste is to achieve food and nutrition security. Land degradation will continue to be widespread and destructive without improvements in natural resource management. It is to address this situation and to improve agriculture productivity that the Government has launched an important reform agenda in the agriculture sector.

Socio-cultural Context and Village Governance

The administrative structure (local government) of Timor-Leste is divided into 13 districts, with 65 sub-districts, 442 *sucos* (villages, or suco) and 2,250 *aldeia* (neighborhoods). Currently efforts are being made to decentralize services to Municipality (formerly Districts) levels. The community head (*Xefe Suco*) and *Sucos* Council have a traditional leadership function in Timor-Leste, and they also play a vital role in SAPIP. Suco chiefs and councils lead socialization and encourage participation of men and women, oversee democratic election and assist with resolving complaints fairly.

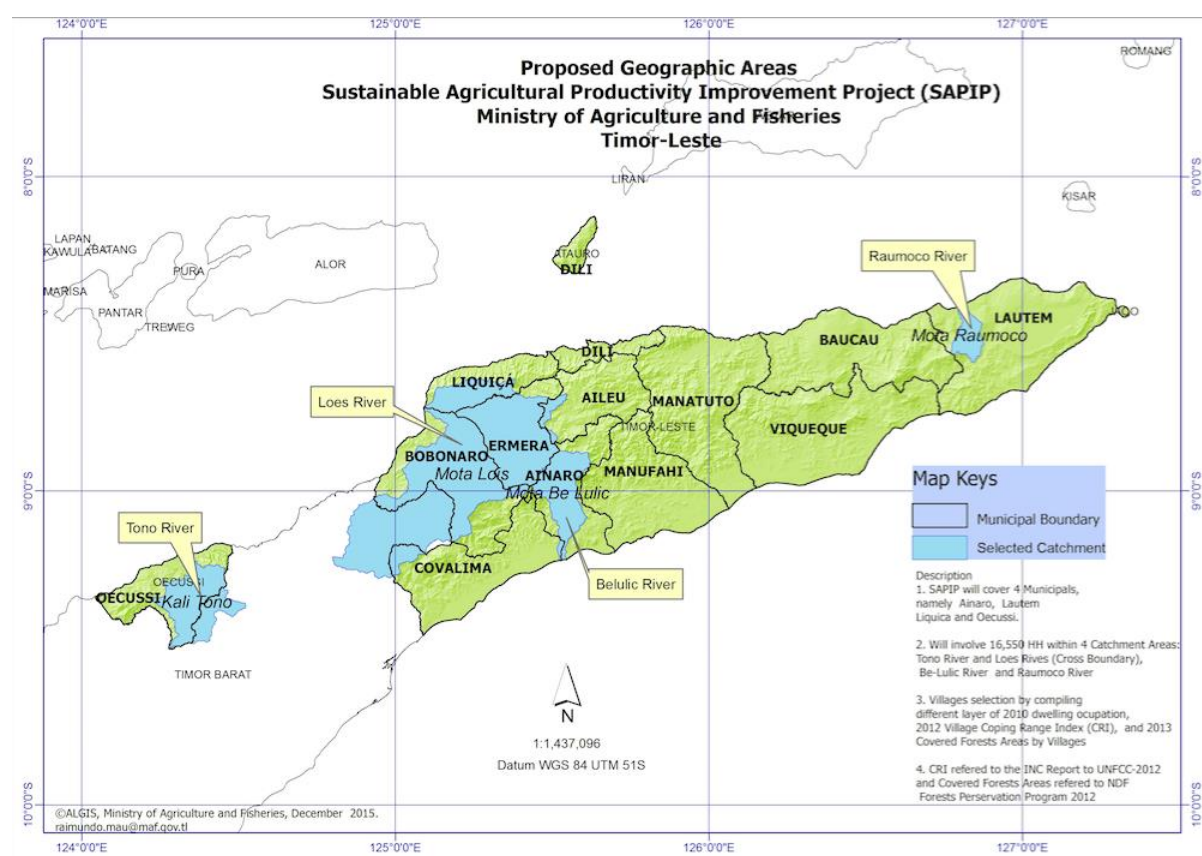
2.1.1 Target Watersheds

The Sustainable Agriculture Productivity Improvement Project (SAPIP) will help the Ministry of Agriculture and Fisheries (MAF) improve the provision of agricultural and environmental support services specifically to boost productivity of agriculture in selected geographical locations of the country.

SAPIP is focused on improved watershed management to enhance livelihoods and reduce climate-related vulnerability by providing better water security. Activities will occur at both the watershed and community level. Four municipalities have been targeted for the Project:

The Project will be implemented in four watersheds, located in the municipalities of Lautem (Raumoco watershed), Ainaro (Belulik watershed), Liquica (North Loes watershed), and Oecusse² (Ekat-Tono watershed). These watersheds have been selected on the basis of: (i) food and nutrition insecurity criteria; (ii) complementarity with other development partners and Government programs; and (iii) potential for small-scale agriculture development.

Figure 1 Targeted Watershed Areas



2.1.2 Target Beneficiaries

The Project will assist approximately 16,500 households in four municipalities. There will be about 100,000 beneficiaries in total. The Project will focus on households that are: (i) willing to participate in the Project activities; (ii) have stable access to land with potential to increase production; and (iii) access to water resources (including rainwater) which can be developed. The main modality of support will be through farmer groups. The target participation rate is 25-30 percent for women and women's production groups, and 10% for youth.

A comprehensive community-driven development (CDD) approach will be carried out, inclusive of all stakeholder groups, with particular attention paid to women, youth, disabled, vulnerable and landless groups (i.e. persons previously displaced by conflict). Consultation and engagement activities will include resource owners within watershed catchment areas, as well as resource users with access rights living outside the watershed catchment area.

² Now a Special Zone of Social Market Economy (ZEEMS). The Minister of MAF has endorsed this selection.

2.2 Program Components

SAPIP's goal is to assist MAF to modernize and reform its system of providing agricultural and environmental support services. The **program development objective** (PDO) is to increase smallholder productivity and marketability in selected geographical locations in Timor-Leste.

The Program will comprise the following:

Component 1: Integrated watershed agricultural development plans
Subcomponent 1.1 Formation and Strengthening of Watershed Management Councils (WSMCs)
Sub-component 1.2: Preparation of Municipal Agricultural Development Plans (MADPs)
Sub-component 1.3: Preparation of Sustainable Community Agriculture Development Plans (SCADPs)
Component 2: Smallholder organization, advisory support and training
Sub-component 2.1: Facilitation of group formation
Sub-component 2.2: Support for farmer group development and capacity building (demonstration plots and business planning)
Component 3: Sustainable watershed management and support to farmer groups
Sub-component 3.1: Post-harvest storage and processing technology for grains
Sub-component 3.2: Support to farmer groups for production, storage, and processing facilities
Sub-component 3.3: Sustainable watershed management
Component 4: Strengthening MAF's services, planning, programming, coordination and monitoring and evaluation function
Sub-component 4.1: Institutional Support (policy reform, research, governance)
Sub-component 4.2: Development of MAF's M&E system
Component 5: Project Management and Monitoring

2.3 Institutional Arrangements

The Ministry of Agriculture and Fisheries (MAF) serves as the Implementing Agency (IA) for the SAPIP. The MAF will manage SAPIP on behalf of project beneficiaries and will be responsible for: (i) procurement of all services, goods and equipment; (ii) financial record keeping, reporting and disbursements; (iii) project monitoring and reporting; and (iv) contractual obligations with IDA.

MAF Structure

Within MAF, the Secretary General will house a Development Partner Support Management Unit (DPSMU) to ensure integration between MAF functions and all donor project activities (Figure 2). The DG Coordination Mechanism (Agriculture and Fisheries Working Group) also helps to improve coordination with NGOs and implementing agencies. The DPSMU will be a multidisciplinary team combining MAF Technical Officers and consultants. Short-term consultants including a Planner and Community-based Natural Resource Management Specialist (CNRM) will be recruited to support specific functions which will inform the participatory model adopted for SAPIP.

Overall, the DPSMU will be responsible for: (i) annual planning and budgeting in compliance with Government's requirements and guidelines, and with SAPIP's final design; (ii) coordination across Components and other Donor-funded projects/programs to drive complementarity; (iii) support for field-level technical and natural resource planning staff; (iv) support for a governance framework to manage the disbursement of grants through current transfer system of the MAF; (v) communications, and knowledge management and distribution; (vi) maintenance of a mapping and planning database in ALGIS to record district-level plans; (vii) oversight on safeguards including screening and a special focus on community participation and broad social inclusion in Project-supported activities; and (viii) progress reporting to MAF and cooperating Development Partners using a SAPIP-specific M&E system.

Figure 2 National-level MAF Structure

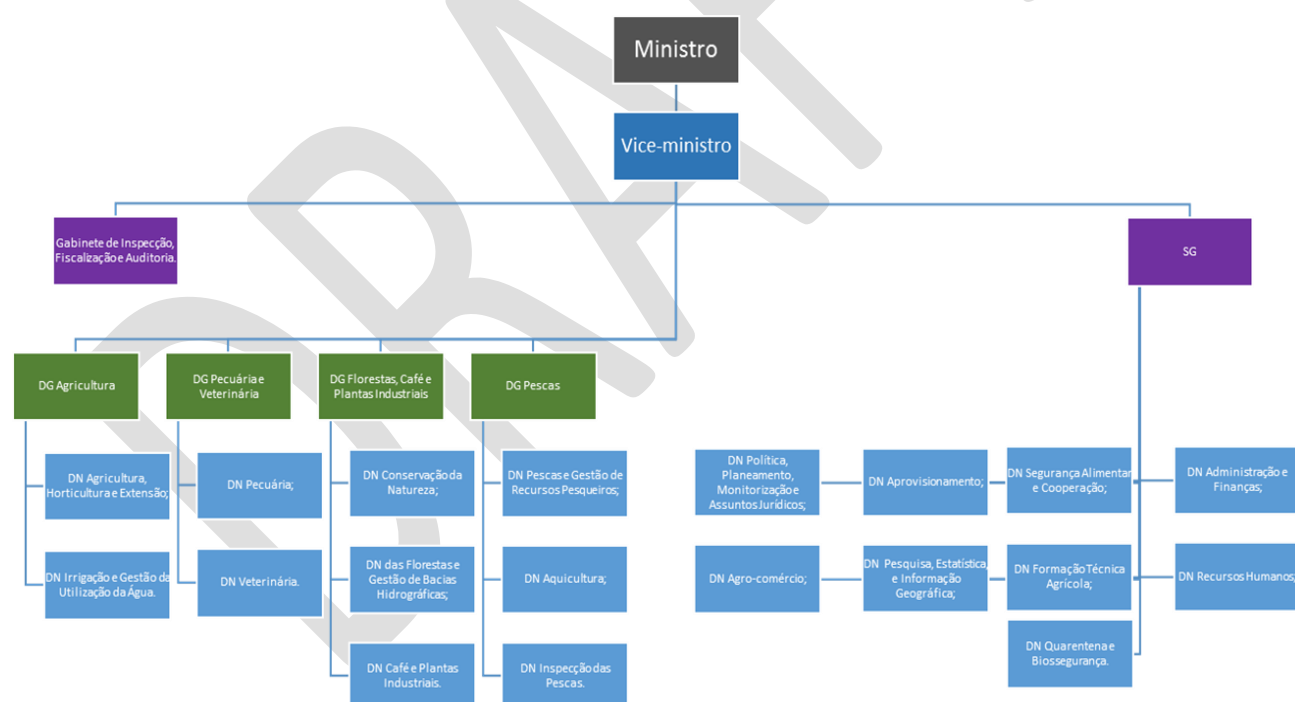
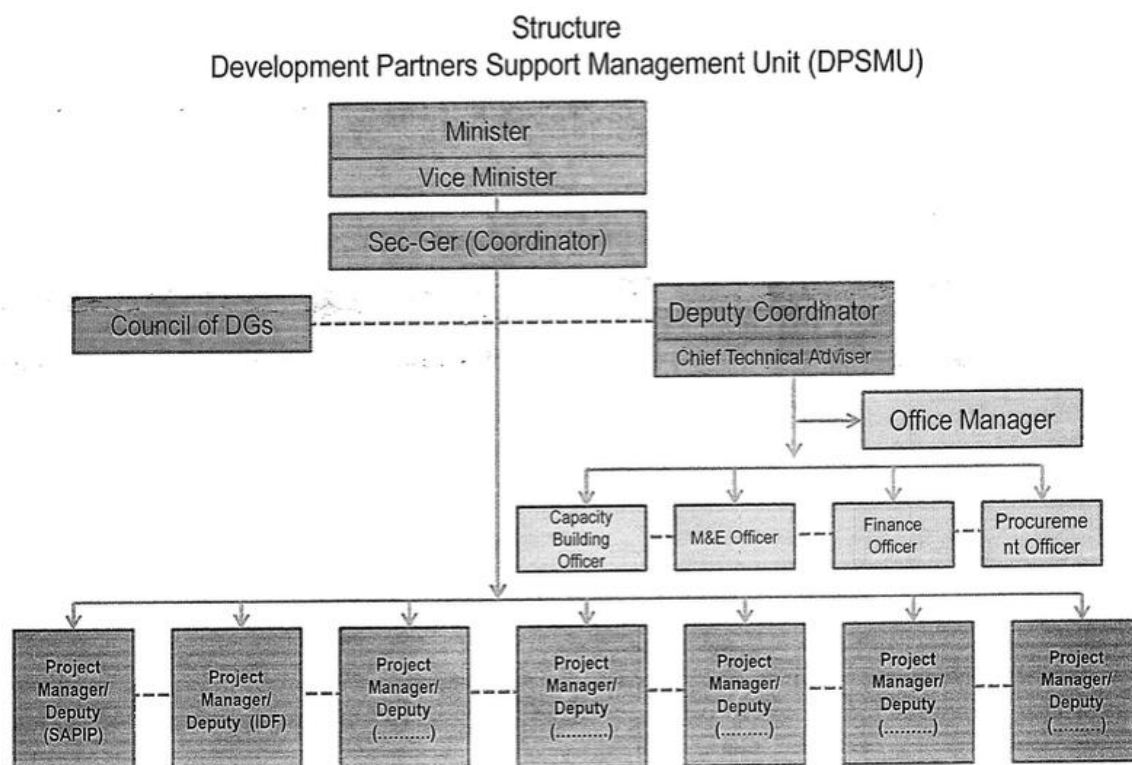


Figure 3 MAF Internal Coordination Structure



The SAPIP PMU will be headed by an appointed MAF officer as a Project Director and will include seconded staff from the National Directorate for Policy and Planning (NDPP), Research and Special Services, and Agriculture and Community Development (Figure 3). MAF's staff assigned to the SAPIP PMU will be supported by a team of technical specialists with skills in: (i) project planning, coordination and management; (ii) institutional reform and capacity building; and (iii) monitoring and evaluation, and impact assessment. These will include a Deputy Project Director, a Monitoring and Evaluation and Compliance Officer, a Finance/Accounts Officer, a Procurement Officer, a Planning/Administrative Officer and an Accountant. A facilitation team recruited as an NGO/consulting service will assist the SAPIP PMU in the training and outreach to farmer groups.

Municipality Structure

MAF Regional Coordinators will be responsible for coordinating the activities at regional levels then the Directors of four Municipalities will support implementation at the local level. It may be necessary to establish Project Implementation Units at the Municipal supported by consultants contracted to the DPSMU.

For Component 1, watershed management planning will occur at the watershed scale and involve multiple sub-districts and Sucos. The Department of Fisheries and Forestry at the Municipal level, as well as the Extension Department will support facilitation of the planning process, in collaboration with Suco Councils and Chiefs.

For Component 2, the Sub-district extension coordinators and suco extension officers under the Extension Department will play a strong role in coordinating activities during implementation. Training will be provided prior to implementation to ensure capacity exists at the Municipal level to support these functions.

Component 3 will be coordinated by the Ministry of Agriculture/SAPIP PMU, using financial management and procurement modalities that will be elaborated on in the Project Implementation Manual. NGOs/facilitation firms will also provide support.

Section 6 outlines responsibilities of key project stakeholders with regard to ESMF implementation and safeguards.

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3. Legal and Policy Framework and Regulatory Requirements

This section describes the applicable World Bank safeguard operational policies (OPs) and country specific policy, legal and administrative frameworks and rules and regulations applicable to the SAPIP. It also provides an overview of current gaps between Bank policies and existing country systems.

3.1 World Bank Safeguard Policies

The World Bank's safeguard policies (also referred to as operational policies) cover environmental, social and legal aspects of proposed projects. Table 1 below contains a brief description of the aim of the safeguard policy, why the policy is triggered for the SAPIP, and the applicable safeguard instruments.

Table 1 Applicable World Bank Safeguard Operational Policies

Safeguard Policies		Description of Policy and Applicability to SAPIP
Environmental Assessment OP/BP 4.01	<i>Purpose</i>	OP 4.01 Environmental Assessment requires the conduct of an environmental assessment (EA ³) of projects/programs proposed for Bank financing to help ensure that they are environmentally and socially sound and sustainable. This is the umbrella policy for the Bank's environmental and social safeguard policies.
	<i>Justification of why this OP is triggered</i>	This Project will finance activities to improve agricultural production and watershed management. This may involve policy reform, formation of management councils, new management strategies and technologies, community grants, etc. A participatory planning process involving key stakeholders at national, municipal and local levels will facilitate an inclusive community-driven development to watershed management. Farmer groups may elect to construct small-scale infrastructure to support agriculture development or water management. Site-specific environmental impacts may result but are expected to be minor/negligible and readily manageable. The Project has been assigned a category "B" consistent with the nature of these impacts and the requirements of OP4.01.
	<i>Safeguard Instrument</i>	This Environmental and Social Management Framework (ESMF) includes the principles, rules, guidelines and procedures for screening and assessment of environmental impacts of project activities once they have been defined with sufficient detail to be specifically evaluated. The Safeguards Screening Form (Annex B) will be used to screen to determine the categorization in accordance with this policy, identify potential environmental and social impacts, and provide guidance on the level of detail required for an EA and EMP in line with national regulatory and OP4.01 requirements. The EA needs to consider natural and social aspects in an integrated way.

³ Environmental assessment and environmental impact assessment are used interchangeably.

Table 1 Applicable World Bank Safeguard Operational Policies

Natural Habitats OP/BP 4.04	<i>Purpose</i>	This policy aims to support the protection, maintenance and rehabilitation of natural habitats and promotes the conservation of natural habitats for long-term sustainable development through a precautionary approach.
	<i>Justification of why this OP is triggered</i>	Program activities are expected to take place in areas already under cultivation, and thus not involve significant loss or degradation of natural habitats. However this policy has been triggered as a precaution since exact subprojects sites are not yet known and could potentially occur in highland forest areas, sensitive riparian areas and other natural habitats.
	<i>Safeguard Instrument</i>	A Safeguards Screening Form (Annex B), EA and environmental management plan (EMP) will be used to identify and manage the risk of any unforeseen adverse environmental impact on natural habitats, and screen out activities that could cause harm to critical natural habitats.
Forests OP/BP 4.36	<i>Purpose</i>	The policy aims to reduce deforestation, enhance the environmental contribution of forested areas, promote afforestation, reduce poverty and encourage economic development.
	<i>Justification of why this OP is triggered</i>	Integrated watershed management will ensure forest areas are protected, and activities will only occur on cultivated lands and non-forested areas as guiding by the screening process. However this policy has been triggered as a precaution since exact subprojects sites are not yet known, and watershed-level planning includes forest areas.
	<i>Safeguard Instrument</i>	A Safeguards Screening Form (Annex B), EA and environmental management plan (EMP) will be used to identify and manage the risk of any unforeseen adverse environmental impact on forested areas, and screen out activities that could cause degradation of forests or deforestation.
Physical Cultural Resources OP/BP 4.11	<i>Purpose</i>	This policy aims to avoid and mitigate adverse impacts from Bank-assisted projects on physical cultural resources. These include resources of archaeological, paleontological, historical, architectural, religious, aesthetic or other cultural significance.
	<i>Justification of why this OP is triggered</i>	Participatory planning process with local communities will ensure sites of archaeological, paleontological, historical, architectural, religious, aesthetic or other cultural significance are avoided. However a Chance Finds Procedure is included in the ESMF as a precaution.
	<i>Safeguard Instrument</i>	Chance Finds Procedure in the ESMF.
Indigenous Peoples OP/BP 4.10	<i>Purpose</i>	To design and implement projects in a way that fosters full respect for Indigenous Peoples' dignity, human rights, and cultural uniqueness and so that they: (a) receive culturally compatible social and economic benefits; and (b) do not suffer adverse effects during the development process if they reside in proximity to the project area.
	<i>Justification of why this OP is triggered</i>	This policy is triggered in Timor-Leste in accordance to the Environment and Social Safeguards Guidelines for Pacific Island Countries (ESSIP). The project is designed to maximize the benefits and opportunities of Indigenous People through a participatory process with communities in target areas of Timor-Leste. It will involve the formation of farmer groups, watershed councils and management plans to guide the management of natural

		resources for resource owners and users under customary tenure arrangements. Communities will also identify priority agricultural activities to enhance livelihoods and have an opportunity to build their capacity on commercialization of produce.
	<i>Safeguard Instrument</i>	Annex C presents Beneficiary Participation Framework that provides guidance on integrating key principles of OP4.10 into overall project design. This policy requires free, prior and informed consultation (FPIC) process with Indigenous People / Ethnic Minorities to ensure broad community support for the Project, a Social Assessment (SA) to identify potential socio-cultural impacts, an inclusive participatory process and benefits are culturally appropriate for the local context.
Involuntary Resettlement OP/BP 4.12	<i>Purpose</i>	This policy aims to restrict the involuntary taking of land or any form of physical or economic displacement of populations affected by projects; and where displacement is unavoidable, to assist persons to improve (or at least restore) their incomes and standards of living; and to identify and accommodate the needs of vulnerable groups.
	<i>Justification of why this OP is triggered</i>	Activities likely to result in physical and economic displacement, will not be funded under SAPIP. Project activities will be undertaken <u>voluntarily</u> on either customary, government or private land (and tenure is difficult to define in Timor), and should not involve involuntary restriction or change of land/natural resource use. However, this policy is triggered to ensure appropriate safeguards are in place as a precautionary approach.
	<i>Safeguard Instrument</i>	The Beneficiary Participation Framework (Annex C) guides a participatory process for activities that require establishing decision-making bodies (cooperatives etc), consensus on assets, access and/or resource restrictions, community-driven development through grants and development of management plans, amongst others. The Land Access and Resettlement Policy Framework (LARPF) (Annex E) guides the process in cases where landowners wish to provide access, change of land use, or donate land for project purposes that are of direct benefit to them and their community.
Projects on International Waterways OP/BP 7.50	<i>Justification of why this OP is triggered</i>	SAPIP will be located in target watersheds, including Oecusse sharing an international boarder with Indonesia. A MoU on watersheds between Timorese and Indonesian Governments was signed regarding watershed management, which will be taken into consideration if activities are to take place in Oecusse.

In project planning the following must be considered:

- 1) *Consideration of Alternatives*: Feasible alternative project designs should be considered to avoid or at least limit physical or economic displacement or environmental damage.
- 2) *Physical Cultural Resources (or Heritage)*: Avoid and mitigate adverse impacts from Bank-assisted projects on physical cultural resources (archaeological, paleontological, historical, architectural, religious, aesthetic or other cultural significance).
- 3) *Loss of assets or livelihood*: Economically displaced persons whose livelihoods or income levels are adversely affected will also be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.
- 4) *Resettlement*: Where physical relocation is necessary displaced persons are provided compensation, transitional assistance and support to enhance or restore livelihoods. Physically displaced persons will

be offered a choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate.

- 5) *Consultation and Public Notification*: Affected persons/communities are provided timely and relevant information, and informed about their options and rights. Consultation with customary landowners and affected persons is essential, and may require their participation in a Social Assessment (SA). Adequate notice is required.
- 6) *Census*: Where involuntary resettlement is unavoidable, either as a result of a negotiated settlement or expropriation, a census will be carried out to collect appropriate socio-economic baseline data to identify the persons who will be displaced by the project, determine who will be eligible for compensation and assistance.
- 7) *Compensation*: Compensation should be sufficient to replace lost land and other assets at full replacement cost in local markets. Compensation in kind should be considered in lieu of cash.
- 8) *Compensation Eligibility* for those:
 - Who have formal legal rights to the land or assets they occupy or use;
 - Who do not have formal legal rights to land or assets, but have a claim to land that is recognized or recognizable under national law;
 - Who have no recognizable legal right or claim to the land or assets they occupy or use.
- 9) *Grievances*: Must establish a grievance mechanism to receive and address specific concerns about compensation and relocation, including a recourse mechanism designed to resolve disputes in an impartial manner.
- 10) *Monitoring & Evaluation*: Requires monitoring and reporting on the effectiveness of implementation of mitigation measures and environmental management plan (EMP).

3.2 National Legislative and Regulatory Setting

This section provides a brief overview of the specific policies, administrative and institutional framework in relation to environmental and social safeguards applicable to the preparation and implementation of SAPIP in Timor-Leste.

The environmental legal and policy framework is still under-development in Timor-Leste. Laws and policies addressing specific issues (fertilizers, pesticides, biodiversity, water) are at various stages of preparation and implementation. Environmental protection is enshrined in the Constitution of Timor-Leste.

Institutional Agencies

The Ministry of Commerce, Industry and Environment (MCIE⁴) coordinate EIA's at the national level and ensure environmental mitigation prevention and control measures are adhered to by project proponents. The MAF deals with resource management including forests, land management, fisheries, and biodiversity conservation.

Relevant National Laws, Policies and Strategies

Relevant policies and strategies include:

- MAF Strategic Plan 2014-2020
- MAF Organic Law
- Forestry Law
- Agriculture Sector Development Medium Term Operational Plan 2014-2018
- Timor-Leste National Aquaculture Development Strategy 2012-2030

⁴ <http://timor-leste.gov.tl/?p=13&lang=en>

- Agriculture Master Plan and Irrigation Development Plan
- Agriculture and Land Use Geographic Information System (ALGIS) Strategic Plan 2015-2018
- National Gender Policy for Agriculture
- National Biodiversity Strategy and Action Plan of Timor-Leste 2011-2020
- Timor-Leste National Nutrition Strategy 2014-2019
- Rural Water Supply Guidelines
- National Water Management
- National Water Resources Policy
- National Water Supply Policy

Environmental Assessment

The key legislative instruments relevant to SAPIP activities and environmental and social safeguards in Timor-Leste include:

- Environmental Licensing Law (No. 5) 2011;
- Environmental Basic Law (No. 26) 2012.⁵

In Timor-Leste the environmental assessment process is established but environmental awareness and capability for implementation of EMP in projects of both the Ministry of Finance (MOF) and the implementation agency (MAF) are not yet developed.

The Environmental Licensing Law (ELL) implements a system of environmental impact assessment (EIA) and licensing. No regulations exist at present. An Environmental Assessment (EA) is required for projects that may impact the environment. Projects are classified as Category A, B or C depending on the requirements, type and scale of development. This includes an Environmental Impact Statement (EIS) for Category A (significant impacts), and Initial Environmental Examination (IEE) for Category B projects (limited impacts) together with an Environmental Management Plan (EMP) in accordance with the ELL provisions (Baines, 2013). These documents are submitted to the National Directorate Environment (NDE) for review.

Table 2 outlines the differences between the World Bank and GOTL project categories.

Table 2 World Bank and National Requirements for EA/EIA

	World Bank	GoTL
Category A	<p><i>Category A</i>⁶ subprojects are those that have potential significant adverse environmental and social impacts that are:</p> <p>(i) sensitive (i.e., a potential impact is considered</p>	<p>Agricultural projects with the following characteristics are determined as Category A under national laws:</p> <ul style="list-style-type: none"> • Irrigation systems $\geq 100\text{Ha}$ • Clearing soil for agricultural conversion $\geq 100\text{Ha}$ • Plantations $\geq 20\text{ Ha}$ • Forests for logging $\geq 25\text{ Ha}$

⁵ http://faolex.fao.org/cgi-bin/faolex.exe?rec_id=119374&database=faolex&search_type=link&table=result&lang=eng&format_name=@ERALL

⁶Under SAPIP, the proposed interventions are highly unlikely to trigger Category A, and most activities are likely to be Category B or C. However, since not all project activities are known there is a possibility for subprojects/activities identified as Category A to eventuate.

	<p>sensitive if it may be irreversible);</p> <p>(ii) diverse, or unprecedented; and/or</p> <p>(iii) affecting an area broader than the sites or facilities subject to physical works (e.g., a dam that may affect downstream communities or road construction that may have induced impacts on nearby forests and natural habitats).</p>	<ul style="list-style-type: none"> • Rice fields development in forest area $\geq 3\text{Ha}$ • Within sensitive or valuable ecosystems • Geographically sensitive areas • Unique and valuable landscape • Archaeological or historic site • Populated areas ≥ 300 persons • Occupied by cultural communities or tribes (ethnic minorities)
<i>Analysis and documentation required:</i>	<i>Environmental and Social Impact Assessment (ESIA)</i>	<i>Environmental Impact Statement (EIS)</i>
Category B	Subprojects that have potential adverse environment and social impacts that are less adverse, site-specific, that can be readily addressed through mitigation measures; and few if any of the impacts are irreversible.	<p>Agricultural projects with the following characteristics are determined as Category B under national laws:</p> <ul style="list-style-type: none"> • Rehabilitation of existing road • Bridge construction $< 300\text{m}$ • Irrigation systems $< 100\text{Ha}$ • Clearing soil for agricultural conversion $< 100\text{Ha}$ • Plantations $< 20\text{ Ha}$ • Forests for logging $< 25\text{ Ha}$ • Rice fields development in forest area $< 3\text{Ha}$ • Pigs $\geq 2,500\text{m}^2$ • Birds $\geq 2,500\text{m}^2$ • Animals (cattle, sheep) $\geq 2,500\text{m}^2$
<i>Analysis and documentation required:</i>	<i>Environmental and Social Impact Assessment (ESIA)</i>	<i>Initial Environmental Examination (IEE)</i>
Category C	Subprojects that have minimal or no adverse environmental and social impacts. Although they may not require formal assessment, their implications needs to be closely monitored	Negligible impacts.
<i>Analysis and documentation required:</i>	<i>Screening form</i>	<i>None</i>

4. Procedures to Address Environmental and Social Impacts and Risks

This section describes the procedures in place to determine: (i) the categorization of the project activity based on potential adverse environmental and social impacts of project activities, and (ii) how potential impacts will be addressed through the selection of appropriate mitigation and management plans. Approved SAPIP activities must be consistent with these procedures. Responsibilities for implementing these procedures are outlined in Section 6 of this ESMF.

4.1 Potential Environmental and Social Impacts and Risks

The overall social and environmental impact of the SAPIP is expected to be positive and it is unlikely for eligible activities to result in *significant* risk or *irreversible* adverse environmental or social impacts if carried out in compliance with this ESMF.

4.1.1 Component One: Integrated watershed agricultural development planning

The first investment type involves strengthening planning and management practices for watersheds, natural resource use and the agricultural sector through decentralization, specifically at the District, Municipality and Suco level. Activities funded this component include assessing current land use and existing infrastructure, identifying agro-zones with better market and productivity advantages, as well as identification and verification of priority agricultural investments for farmers and communities through consultation.

This component also supports the formation and operation of Watershed Management Councils (WMCs) in target watershed areas; updating existing and developing new Watershed Agriculture Development Plans (WADPs) to guide investments and activities at the Municipal level; and the preparation of Sustainable Community Agriculture Development Plans (SCADP) at the community (*aldea*⁷) level using participatory rapid appraisal (PRA) methods. A model for establishing and governing WMCs, and methodology for engagement rural communities on agriculture will be refined in the planning stages under Component One.

Environment and social impacts from these activities are unlikely since the majority of activities will not involve physical works or interventions and in most cases, development plans will be decided *by consensus* amongst target beneficiaries. There are, however, potential risks associated with activities proposed and these are summarized below.

Potential Impacts and Risks

- Exclusion of key stakeholders in focus groups and consultation activities.
- Disagreement on the membership of WMC or content of MADP/SCADP.
- Agriculture and rural infrastructure development priorities are not based on community need as agreed by target beneficiaries.
- Potential land use change for agricultural purposes based on land suitability analysis.
- Insufficient understanding about the customary access rights to land and natural resources.

⁷ Aldeias are hamlets that form part of a suco (village). Kinship relationships between households living in aldeias tend to be strong and communal tenure of land tends to be the dominant form of tenure.

4.1.2 Component Two: Smallholder organization, advisory support and training

Component 2 will focus on interventions at the Suco and farm level. This will build on cohesion developed during the SCADP preparation process, to form new farmer groups and strengthen existing groups formed for other purposes by NGOs and other relevant programs. Farmer groups will be supported by complementary investments in sustainable agricultural production and environmental protection to implement SCADPs, and identifying learning needs (such as business planning, marketing, financial management, grant management, internal governance, administration, environmental management, community participation and governance, nutrition awareness and food safety. Farmer-to-farmer learning exchange through demonstration plots and training will improve understanding of marketing opportunities and how to better access markets.

Environment and social impacts from these activities are unlikely since the focus is placed on needs and priorities identified by target beneficiaries. Introduction of new farming systems, technologies including water and soil management techniques must be suitable to the local environment and include sufficient training.

4.1.3 Component Three: Sustainable watershed management and support to farmers groups

The third investment type relates to small-scale infrastructure for production, processing and storage facilities and watershed management. Subcomponent 3.1 will enable the distribution of subsidized equipment for improved post-harvest storage and processing .

Subcomponent 3.2 will support (i) procurement of seeds and seedlings from community seed production groups and their distribution; (ii) provision of small scale grain drying, storage and processing equipment to add value for human and livestock consumption⁸; (iii) equipment for climate-smart conservation agriculture related activities; (iv) introduce technology on fish raising using bamboo brackets, small ponds (using plastic or drums), or rice – fish mixed farming; and (v) livestock control/management infrastructure (mainly live fences and barbed wire) for controlled grazing, improved livestock feeding and fodder management. This component largely encourages a community-driven development (CDD) modality, whereby farmer groups will make *decisions by consensus* on assets, equipment and infrastructure required to increase productivity and improve processing.

Sub-component 3.3 will support technologies and small-scale works to allow for the implementation of the WADPs – such as investments in water harvesting structures for domestic and agricultural purposes and erosion control and watershed protection works including shelterbelt plantations. There is potential for the Project to finance small-scale works such as irrigation channels, small household water storage structures, water tanks, small-scale terracing to collect prevent erosion, as well as small-scale aquaculture.

Potential Impacts and Risks

- Exclusion of key stakeholders in focus groups and consultation activities.
- Lack of consensus on co-owned assets and their long-term maintenance.
- Poor consideration of upstream or downstream impacts or users.

⁸ A list of equipment which can be co-financed under this sub-component will be provided in the Project Implementation Manual (PIM).

- Impacts to water courses, water quality and quantity (siltation, contamination, up/downstream impacts)
- Unsuitable seed varieties and seedlings or plants for erosion control and buffers.
- Increased fertilizer and pesticide use as a by-product of intensified agricultural activity leading to environmental (e.g. water contamination) and social (e.g. health risks) impacts if used without training and control measures
- Agriculture and rural infrastructure development priorities are not based on community need as agreed by target beneficiaries.
- Localised temporary impacts of civil works for village water supplies, etc.
- Lack of supervision and poor quality of construction for small-scale infrastructure.
- Conflict due to restriction of access to natural resources or infringement of customary rights (e.g. firewood harvesting).

4.1.3 Component Four: Strengthening MAF

The fourth investment type focuses on activities that will enhance MAF's functionality, management capacity and service delivery. This includes support research and policy development through the Timor-Leste Agriculture Advisory Council (TLAAC) to formulate national policies for the sector and oversee their implementation; and Timor-Leste Agriculture Research and Development Institute (TLARDI) to guide investment into research, development and extension for all major agricultural commodities.

4.2 Applicable Safeguard Instruments

Table 3 identifies the safeguard instruments applicable based on the type of subproject.

Table 3 **Safeguard Instruments**

<i>Safeguard Policy</i>	<i>Type of Subproject</i>	<i>Applicable Instrument</i>
OP4.01 Environmental Assessment	All subprojects or activities	Safeguard Screening Form (Annex B)
	Category B (Geographically limited, readily identified impacts that can be mitigated)	A limited ESIA is undertaken for subprojects that require additional information and/or with high to moderate risks or potential impacts, which cannot be supplied by an Environmental Management Plan (EMP), Environmental and Social Management Plan (ESMP) and/or an Environmental Codes of Practice (ECOP). It may also involve an environmental audit, hazard assessment, etc. In all other cases, an EMP or ECOP applies.
	Category C (Negligible or minimal potential impacts that are easily mitigated)	Category C projects do not require any safeguard instrument beyond screening and adhering to relevant Environmental Code of Practice (ECOP) to address environment and social issues.
OP4.11 Physical Cultural Resources	All subprojects or activities	Chance Finds Procedure (CFP) included in all subproject EMPs.
Natural Habitats OP/BP 4.04	All subprojects or activities	Environmental Management Plan (EMP). For subprojects that do not require additional data and analysis, an EMP may be prepared to address construction-related and site-specific environment and social issues.
Forests OP/BP 4.36	All subprojects or activities	As above.

<i>Safeguard Policy</i>	<i>Type of Subproject</i>	<i>Applicable Instrument</i>
OP4.10 Indigenous People	Indigenous People are present in project area	Social Assessment (SA) may be undertaken as a separate exercise or included as part of a broader ESIA. Free, prior and informed consultations (FPIC) will be undertaken to inform the SA. Beneficiaries Participation Framework (BPF) provides guidance on participatory process (Annex C).
OP4.12 Involuntary Resettlement	Land gifted by private or customary landowner/s that directly benefit from the project	Voluntary Land Donation Protocol (VLDP) is a formal agreement with landowners to secure land for project-specific purposes (Annex E).
	Land access required on customary or private land (temporary or permanent)	Land Use Agreement (LUA) is a formal agreement with landowners to secure land access for project-specific purposes (Annex E).

The SAPIP PMU will be responsible for the preparation of safeguard instruments prior to the commencement of activities, and application of safeguard instruments during the implementation/operations phase. The screening process outlined below will identify which activities require further environmental and/or social assessments (EA/SA) and the preparation of an environmental management plan (EMP).

4.2 Environmental and Social Safeguard Procedures

The procedures for identifying and assessing safeguard impacts of project activities and assessing impact mitigation measures is outlined below. These steps aim to ensure that the World Bank's safeguard policies are followed.

Stage	Task	Tool	Responsibility
1. Screening	Determine subproject eligibility	Exclusion List	SAPIP PMU
2. Scoping and Risk Identification	Determine environmental sensitivities (Category B or C); any sites with known or potential cultural, heritage or unique natural values that may involve environmental and social impacts; and safeguard instruments required	Screening Form	SAPIP PMU
3. Assessment and Consultation	Prepare safeguard instruments in parallel with stakeholder consultation	Consultation Strategy, Limited ESIA, ECOP, EMP, etc	SAPIP PMU Seek specialist assistance where required.
4. Implementation and Monitoring	Carry out activities in accordance with safeguard instruments, plans and operating procedures.	Consultation Strategy	Municipal Extension Officers and Community Facilitators
5. Reporting	Progress reporting at regular intervals and sign off by qualified person for infrastructure	Completion Audit	SAPIP PMU

5. Consultation, Participation and Information Disclosure

5.1 Consultation to date

Consultations were undertaken between March 2012 to May 2013 at national, district and village levels during the development of Timor-Leste's GAFSP application. Nine stakeholder consultation events in Dili and five districts were held to inform SAPIP's design.

The participants that attended were from nine out of the 12 rural districts (Viqueque, Covalima and Oecusse were not represented), five Government Ministries, as well as donor organizations; civil society (NGOs and community-based organizations); academia; church; farmer groups including women and youth groups; and the private sector.

Some of the core messages were:

- Policy and institutional environment: It will be important to anchor SAPIP within the Medium Term Operation Plan (MTOP) broad strategy direction, to identify needs/gaps, and to improve human resource capacity;
- Service delivery: There is a need to improve extension through: (i) demonstrations that are located closer to communities, (ii) farmer-focused learning activities to improve productivity, (iii) facilitating market access, and (iv) improving coordination with local NGOs and the private sector; and
- Inclusive community engagement and decision-making: It is vital that farmers, farmer groups, and youth and women groups all have input into identifying locally-adapted solutions to production constraints, can choose from a selection of input supplies (knowledge, equipment and agriculture inputs) and be involved with activity management.

The consultations with local stakeholders (including local and national NGOs and farmer organizations) refined priority areas and service demands, such as the demand for improved extension services, market access, environmental protection and improved infrastructure. These consultations also shed light on implementation constraints and beneficiary needs that were fed into the design of the Medium Term Operation Plan (MTOP).

5.2 Safeguards Consultation and Information Disclosure

The development of the draft ESMF involved discussion with key stakeholders including the Implementing Agency, government ministries, donor partners and civil society with an interest in agricultural. Implementation requirements and responsibilities for safeguards relevant to SAPIP were discussed with key stakeholders and feedback was sought on the draft ESMF (November 2015 – February 2016). A training session on safeguards was held for MAF staff on 27 January 2016. The ESMF was formally disclosed by MAF and on the Bank InfoShop in February 2016.

Information disclosure is mandated by OP4.01, OP4.10, OP4.10 and OP4.36, and the Bank's Disclosure Policy. Dedicated channels for information dissemination will be established to ensure consistent communication at national, sub-national and local levels throughout the Project. Safeguard instruments must be disclosed in a language and format accessible to people, communities and civil society who may be interested in, or affected by, Project activities to ensure sufficient understanding of the project activities, potential impacts and management arrangements, as well as the grievance redress mechanism. Translation of documents (or summary) in Tetum will be required.

Disclosure occurs through:

- Draft safeguard instruments or project concepts are disclosed during the preparation phase to gather feedback and input from local communities and other stakeholders on the proposed activities and safeguard measures.
- Assessment documents (e.g. EA, SA) are disclosed during activities preparation and prior to their final review and approval.
- Final safeguard documents are disclosed to inform local communities of implementation measures and how their concerns have been considered.

With assistance from the World Bank, the MAF are responsible for managing information dissemination, overseeing public consultation and assuring compliance to guidelines and procedures set out by safeguard instruments and ensure relevant personnel are trained.

5.3 Consultation Framework

A Communication Strategy for intra- and inter-organisational communication and information sharing with MAF and key ministries will be developed and detailed in the Project Implementation Manual (PIM).

A Beneficiaries Participation Framework (including Socialization Plan) has been developed for SAPIP (Annex C) to guide the MAF and other agencies on the formal procedures and planning of public consultation and community engagement at the municipal and local levels. The principles of free, prior and informed consultation (FPIC) will be followed. Culturally appropriate methods will be used to inform and involve affected people and other stakeholders on the Project. Information will be delivered in a timely manner and managed in accordance with the Socialization Plan to ensure a consistent and ongoing consultation process. Importantly, each consultation session / meeting will be well documented for reporting purposes.

5.4 Complaints Management

World Bank funded projects are required to implement a Grievance Redress Mechanism (GRM) to receive and facilitate resolution of affected peoples' concerns, complaints, and grievances about the project's performance, including concerning environmental and social impacts and issues.

A GRM will be developed for SAPIP to manage any project-related complaints and detailed in the PIM (Annex D). The GRM is for people seeking satisfactory resolution of their complaints on any aspect of the project, including the environmental and social performance of the project. The mechanism ensures that: (i) the basic rights and interests of every affected person by poor performance, including environmental performance or social management of the project, are protected; and (ii) their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

In the early stages of engagement, project stakeholders and affected communities must be made aware:

- (i) of how they can access the GRM;
- (ii) who to lodge a formal complaint too;
- (iii) timeframes for response;
- (iv) that the process must be confidential, responsive and transparent; and
- (v) alternative avenues where conflicts of interest occur.

The grievance process is based upon the premise that it imposes no cost to those raising the grievances (i.e., Complainants); that concerns arising from project implementation are adequately addressed in a timely manner; and that participation in the grievance process does not preclude pursuit of legal remedies under national law. Local communities and other interested stakeholders may raise a grievance at any time to the MAF or the World Bank's Grievance Redressal Service or Inspection Panel.

6. Institutional Capacity and Responsibilities

This section describes the institutional arrangements to implement the ESMF, from the screening of subprojects for environment and social issues, preparation of subproject safeguard instruments, and review and clearance of subprojects through to the monitoring of implementation. It also details specific tasks and responsibilities of key stakeholders involved in the SAPIP.

6.1 Capacity

Timor-Leste and the MAF have very limited institutional capacity for safeguards. Technical assistance is being provided to the road sector through the establishment of a Project Implementation Unit (PIU) in the MPWTC, which houses an Environmental and Social Unit. Support on safeguards within the agriculture sector will be provided under MIRT prior to implementation of SAPIP.

6.2 Responsibilities

The MAF has the overall responsibility for ensuring that environmental and social issues are adequately addressed throughout the project cycle. These responsibilities are highlighted in Table 4 below:

Table 4 Key Responsibilities for Safeguards Implementation

	Tasks	Responsible party
Scoping	Review and approval of ESMF	WB
	Disclose ESMF	MAF/WB
	Eliminate all activities that are included in the Exclusion List	MAF
	Confirm consultations are adequate	WB
Screening	Screen all proposed activities for adverse environmental and social impacts with Safeguard Screening Form	MAF
	Screening records filed for review	MAF
	Review screening process	WB
Subproject Preparation and Design	Undertake field surveys to inform subproject design and EA/SA as required	MAF
	Design subproject and activities in accordance with project guidelines	MAF/ Beneficiaries
	Approve subproject design and EMP	MAF
	Support review process and documentation	WB
	Disclose draft documents in country	MAF
	Establish grievance focal point and address grievances	MAF
	Undertake consultation with stakeholders and affected peoples as required	MAF
	Incorporate mitigation measures and stakeholder feedback into design	MAF
	Review and approval of design and EMP (and update existing EMPs if necessary)	MAF
	Prepare cost estimates	DPSMU

	Tasks	Responsible party
	Approve budget	MoF
	Review safeguards instruments and confirm consultation process was adequate	WB
	Clearance of safeguard instruments	WB
	Effective implementation of mitigation measures required in EMP etc	MAF
	Update safeguard instruments in consultation with affected people when technical specifications are finalized	MAF
	Disclose final safeguard instruments	MAF
	Prepare progress reports and document the implementation of safeguard measures	MAF
	Periodic supervision of implementation process, safeguards and progress reports	WB

ANNEXES

<i>Annex A</i>	<i>Exclusion List</i>
<i>Annex B</i>	<i>Safeguards Screening Form</i>
<i>Annex C</i>	<i>Beneficiaries Participation Framework</i>
<i>Annex D</i>	<i>Grievance Redress Mechanism</i>
<i>Annex E</i>	<i>Land Access and Resettlement Policy Framework</i>
<i>Annex F</i>	<i>Terms of Reference for MAF Safeguard Advisor</i>
<i>Annex G</i>	<i>Safeguard Instruments</i>
<i>Annex H</i>	<i>Mitigation Measures</i>

Annex A

Eligible Activities and Exclusion List

The table below presents activities that may not be suitable for funding under SAPIP due to safeguards operational policies and national legislation. This list should be used at the outset to provide parameters during scoping and further detailed in the PIM.

This exclusion list has been compiled to exclude certain activities that fulfill one or more of the following criteria: (i) high environmental risk; (ii) may create impacts that require more sophisticated planning and preparation of mitigation measures; (iii) have technical complexities and requirements that would go beyond the capacity normally available in-country; (iv) would trigger additional safeguards policies or change the project's safeguards category; and (v) are not aligned with public interests or do not benefit common goods or public services.

Exclusion List (activities that ARE <u>NOT</u> suitable to be funded under SAPIP)
Located in a gazetted protected area or vulnerable areas (below sea level, subject to frequent flooding or storm surge, steep slopes, etc)
Located in international waterways (unless with notification to riparian neighbors) or disputed territories
Located in sensitive environments (close to waterways, old growth forests, high biodiversity areas etc)
Involve significant ⁹ conversion, clearance or degradation of critical natural habitats, forests, environmentally sensitive areas, significant biodiversity and/or protected conservation zones
May interfere with cultural heritage, sacred sites, graves or archeological sites
Could result in irreversible damage rare or endangered species and/or non-replicable cultural property, irreplaceable cultural relics, historical buildings and/or archaeological sites
Will result in significant ¹⁰ physical or economic displacement of affected communities, loss of main source of livelihood and restriction of access to traditional lands or resources;
Do not meet minimum design standards with poor design or construction quality, particularly if located in vulnerable or unstable areas (e.g. steep slopes)
Construction of large-scale infrastructure such as buildings, large dams, seawalls, large-scale irrigation channels, feeder roads and bridges
Activities that require: <ul style="list-style-type: none"> • Relocation or removal of houses, business or permanent structures • Involuntary land acquisition of customary land where suitable government land is available • Extensive¹¹ land or forest clearing or tree felling • Land reclamation or sand mining • Sourcing materials (sand, gravel) from unregistered quarries without monitoring • Use or storage of hazardous materials or toxic chemicals
Involve any political or religious affiliations
Exacerbates the marginalization of certain religious, social or ethnic groups
Activities that benefit or favour one group in the community more than others, or private interests
Will negatively affect long-term sustainability of water sources or natural resources
Land that has disputed ownership or absentee landowners
More than 10% of landholdings from any one landowner are needed
Private or government housing
Sports facilities, playgrounds, etc

⁹ Defined in Timor-Leste as areas over 200 hectares.

¹⁰ Defined as affecting 200 or more people, however this must be relative to the local context and population size.

¹¹ Greater than 420m², or 30m³ of timber

<p>Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements</p> <p>Purchase of guns; chain saws; large amount of pesticides, insecticides, herbicides and other dangerous chemicals; asbestos, asbestos removal and other investments detrimental to the environment</p> <p>Production or trade in or movement or use of unbounded asbestos fibers</p> <p>Production or trade in pesticides/herbicides subject to international phase outs or bans</p> <p>Fishing using electric shocks and explosive materials</p> <p>Production or activities involving harmful or exploitative forms of forced labour / harmful child labour</p> <p>Trade in wildlife or wildlife products regulated under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)</p> <p>Purchase of logging equipment and commercial logging operations</p> <p>Production or trade in wood or other forestry products from unmanaged forests</p>
<p>Indicative Positive List (activities that ARE suitable to be funded under SAPIP)</p> <p>Plans consistent and aligned to national and provincial legislation, policy and planning</p> <p>Watershed Management and Land Use Plan to improve water and land use measures</p> <p>Small agricultural inputs (HT barbwire for fencing, post-harvest storage and processing technologies, concrete drying areas¹²)</p> <p>Improvements to village water system and storage (rainwater tanks, collection vessels, small concrete ponds with cover, hoses, water pumps, groundwater wells with lid, gravity-fed systems, PVC piping and spring protection)</p> <p>Improvements to drainage and water flows, install culverts, canals, gates, closed pipes, irrigation channels, small concrete ponds with cover <5m²</p> <p>Reduced coastal and riverine erosion through shoreline protection (e.g. mangrove planting)</p> <p>Slope stability measures (tree planting etc)</p> <p>Commercial seed house or small silos</p>

¹² Size of the drying area will depend on number of users and quantity of produce. Ideally, areas of 300m² or less should be sufficient in most cases, however larger areas should be discussed with the SAPIP PMU.

Annex B

Safeguards Screening Form

This form is to be used by the Implementing Agency (IA) to screen potential environmental and social safeguards issues in subprojects, and determine which safeguard instrument/s is to be prepared prior to implementation. It may be modified for the purpose of the PIM, subject to Bank approval.

Questions	Answer		If Yes WB Policy triggered	Documents Required if Yes
	Yes	No		
Are the subproject impacts likely to have significant adverse environmental impacts that are sensitive, ¹³ diverse or unprecedented? ¹⁴ Please provide brief description:			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for funding
Do the impacts affect an area broader than the sites or facilities subject to physical works and are the significant adverse environmental impacts irreversible? Please provide brief description:			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for funding
Is the proposed project likely to have minimal or no adverse environmental impacts? ¹⁵ Please provide brief justification.			<i>OP 4.01 Environmental Assessment Category C</i>	No action needed beyond screening

¹³ Sensitive (i.e., a potential impact is considered sensitive if it may be irreversible, e.g., lead to loss of a major natural habitat, or raise issues covered by OP 4.04, Natural Habitats; OP 4.36, Forests; OP 4.10, Indigenous Peoples; OP 4.11, Physical Cultural Resources; or OP 4.12, Involuntary Resettlement; or in the case of OP 4.09, when a project includes the manufacture, use, or disposal of environmentally significant quantities of pest control products).

¹⁴ Examples of projects where the impacts are likely to have significant adverse environmental impacts that are sensitive, diverse or unprecedented are large scale infrastructure such as construction of new roads, railways, power plants, major urban development, water treatment, waste water treatment plants and solid waste collection and disposal, etc.

¹⁵ Examples of projects likely to have minimal or no adverse environmental impacts are supply of goods and services, technical assistance, simple repair of damaged structures, etc.

Questions	Answer		If Yes WB Policy triggered	Documents Required if Yes
	Yes	No		
Is the project neither a Category A nor Category C as defined above? ¹⁶ Please provide brief justification.			<i>OP 4.01 Environmental Assessment Category B</i>	Limited ESIA or Environmental and Social Management Plan (ESMP)
Are the project impacts likely to have significant adverse social impacts that are sensitive, diverse or unprecedented? ¹⁷ Please provide brief description.			<i>OP 4.01 Environmental Assessment Category A</i>	Not eligible for funding
Will the project adversely impact physical cultural resources? ¹⁸ Please provide brief justification.			<i>OP 4.11 Physical Cultural Resources</i>	EMP with Chance Find Procedures
Will the project involve the conversion or degradation of non-critical natural habitats? Please provide brief justification.			<i>OP 4.04 Natural Habitats</i>	Not eligible for funding
Will the project involve the significant conversion or degradation of critical natural habitats? ¹⁹			<i>OP 4.04 Natural Habitats</i>	Not eligible for financing
Does the subproject construct a new dam or rely on the performance of an existing dam or a dam under construction?			<i>OP 4.37 Dam Safety</i>	Not eligible for funding

¹⁶ Projects that do not fall under Category A or Category C can be considered as Category B. Examples of Category B subprojects include small scale *in-situ* reconstruction of infrastructure projects such as road rehabilitation and rural water supply and sanitation, small schools, rural health clinics, etc.

¹⁷ Generally, subprojects with significant resettlement-related impacts should be classified as Category A. Application of judgment is necessary in assessing the potential significance of resettlement-related impacts, which vary in scope and scale from subproject to subproject. Subprojects that would require physical relocation of residents or businesses, as well as subprojects that would cause any individuals to lose more than 10 percent of their productive land area, often are classified as Category A. Scale may also be a factor, even when the significance of impacts is relatively minor. Subprojects affecting whole communities or relatively large numbers of persons (for example, more than 1,000 in total) may warrant Category A, especially for projects in which implementation capacity is likely to be weak. Subprojects that would require relocation of Indigenous Peoples, that would restrict their access to traditional lands or resources, or that would seek to impose changes to Indigenous Peoples' traditional institutions, are always likely to be classified in Category A.

¹⁸ Examples of physical cultural resources are archaeological or historical sites, including historic urban areas, religious monuments, structures and/or cemeteries, particularly sites recognized by the government.

¹⁹ Subprojects that significantly convert or degrade critical natural habitats such as legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value, or recognized as protected by traditional local communities, are ineligible for Bank financing.

Questions	Answer		If Yes WB Policy triggered	Documents Required if Yes
	Yes	No		
Does the project procure pesticides (either directly through the project, or indirectly through on-lending, co-financing, or government counterpart funding), or will it affect pest management in a way that harm could be done, even though the project is not envisaged to procure pesticides?			<i>OP4.09 Pest Management</i>	EMP with Pest Management Plan
Does the subproject involve involuntary land acquisition, loss of assets or access to assets, or loss of income sources or means of livelihood? Please provide brief justification.			<i>OP 4.12 Involuntary Resettlement</i>	Beneficiaries Participation Framework and Land Access and Resettlement Policy Framework
Are there any Indigenous Peoples' communities present in the subproject area and are they likely to be affected by the proposed subproject negatively or positively? Please provide brief justification.			<i>OP 4.10 Indigenous Peoples</i>	Beneficiaries Participation Framework
Will the project have the potential to have impacts on the health and quality of forests or the rights and welfare of people and their level of dependence upon or interaction with forests; or does it aim to bring about changes in the management, protection or utilization of natural forests or plantations? Please provide brief justification.			<i>OP4.36 Forestry</i>	Address in ESIA
Will the project have the potential to have significant impacts on, or significant conversion or degradation of critical natural forests or other natural habitats?			<i>OP4.36 Forestry</i>	Not eligible for financing
Is there any territorial dispute between two or more countries in the subproject area and in the area of its ancillary aspects and related activities?			<i>OP7.60 Projects in Disputed Areas</i>	Not eligible for funding
Will the subproject and its ancillary aspects and related activities, including detailed design and engineering studies, involve the use or potential pollution of, or be located in international waterways? ²⁰			<i>OP7.50 Projects on International Waterways</i>	Notification (or exceptions)

²⁰ International waterways include any river, canal, lake or similar body of water that forms a boundary between, or any river or surface water that flows through two or more states.

Safeguards Instruments Required

The following safeguard instruments will be followed and/or prepared for the subproject:

Tick all that apply:

- ☐ Environmental Assessment (EA) or Environmental and Social Impact Assessment (ESIA)
- ☐ Limited Environmental Assessment (EA/ESIA)
- ☐ Environmental and Social Management Plan (ESMP) or Environmental Management Plan (EMP)
- ☐ Environmental Codes of Practice (ECOPs) [Category B or C]
- ☐ Chance Find Procedures (CFP)
- ☐ Integrated Pest Management Plan
- ☐ Voluntary Land Donation Protocol (VLDP)
- ☐ Land Use Agreement (LUA)

Annex

C Beneficiaries Participation Framework

Since the majority of activities funded under SAPIP will be delivered through a community-driven development (CDD) modality, a socially inclusive participatory approach is essential. This Beneficiaries Participation Framework (BPF) incorporates key principles and safeguard requirements for Bank-funded projects involving Indigenous Peoples, ethnic minorities and vulnerable groups that meet the objectives of World Bank's Operational Policy OP4.10 Indigenous Peoples and OP4.12 Involuntary Resettlement.

The BPF has been developed in an effort to avoid adverse impacts on Vulnerable / Indigenous Peoples / Ethnic Minorities as a result of project activities and provide them with culturally appropriate benefits. Such impacts may include:

- *Infringement on customary rights:* Particular rights of Indigenous Peoples are recognized in international agreements, national legislation and OP4.10. Project activities would always need to identify and recognize these rights to ensure that activities are not adversely affecting such rights. This is particularly the case for projects that support the development of management plans and other forms of land and natural resource use planning. Projects that support policy development may also affect Indigenous Peoples' rights.
- *Loss of culture and social cohesion:* Given Indigenous Peoples' distinct cultures and identities and their frequent marginalization from the surrounding society, interventions may run the risk of imposing changes to or disruption of their culture and social organization, whether inadvertently or not. While indigenous communities may welcome and seek change, they can be vulnerable when such change is imposed from external forces and when such change is rushed. Moreover, since many indigenous communities' culture and social organization are intertwined with their land and natural resource use practices, changes to these practices may result in unintended and unexpected changes in culture and social organization which may lead to social disruption and conflicts within and between communities and other stakeholders.
- *Dependency on external support:* Interventions supporting alternative livelihoods and new institutional structures may lead to indigenous communities' dependency on continued support. Indigenous Peoples, for instance, may experience difficulties engaging with the market economy through alternative livelihood activities that they may be unable to sustain, at least on an equitable basis, while foregoing traditional practices. They may also become dependent on new livelihoods that are not sustainable environmentally as well as socially, perhaps because they were developed without due consideration of their social and cultural context. New institutional structures may displace existing structures with both positive and negative impacts typically depending on the level of participation in and control over the process.
- *Inequitable participation and benefit sharing:* The costs (e.g. in time and resources) of participating in project activities such as protected area management activities, monitoring and enforcement, even in cases of co-management, may outweigh the benefits to local communities. Participation design may not include appropriate capacity building (when needed) or take into consideration local decision-making structures, demands and processes with the risk of leading to alienation of local communities or even conflicts with and/or between local communities. Participation design may not include appropriate representation of Indigenous Peoples / Ethnic Minorities in decision-making bodies.

Part I. Participatory Process for SAPIP

This Beneficiaries Participation Framework provides guidance to the Implementing Agency on a participatory planning process that will ensure that all project beneficiaries will be sufficiently consulted on proposed activities, *meaningfully participate* in project implementation and that any negative impacts are avoided or adequately mitigated. This framework will be expanded on and the SAPIP PMU will develop detailed Participatory Guidelines for each component based on similar projects in Timor-Leste. These guidelines will be contained in the Project Implementation Manual (PIM) for the implementation phase.

Key Principles of a Participatory Process

A successful participatory process is founded upon consultation and engagement methods that follow these principles:

- At the earliest opportunity, a community should be advised of potential projects and how the community can receive information about, and become involved with, such projects.
- All communities will be approached openly in an effort to collaborate and be made aware of the process to, and option to refuse to, participate in the project.
- The intentions/objectives of the consultation should be clearly and openly stated.
- Consultation is a two-way process, with an exchange of information where both the proponent and the affected communities put forward their points of view and to consider other perspectives.
- All project beneficiaries shall be engaged in a culturally appropriate manner based on free, prior and informed consultation (FPIC)²¹.
- Engagement activities and methods shall consider gender equality, illiteracy, disabilities, ethnicity and social excluded groups to ensure dialogue and activities are inclusive and meet the needs of all segments in society.
- Communication will begin early in the project preparation stage and occur regularly throughout the project cycle and allow for timely disclosure²² of relevant information.
- Consultation will be documented and adequately resources to capture stakeholder views about the project and allow adequate time for community decision-making processes.
- Stakeholders and affected communities should have timely and meaningful inputs to, and

²¹ Since OP4.10 is triggered for SAPIP, consultation must follow the key principles of FPIC which includes: (i) **FREE** – Information should be transparent and free from coercion or bias and conducted in a manner that allows Indigenous Peoples to openly express their preferences or concerns without intimidation or trepidation; (ii) **PRIOR** – Consultation starts as early as possible in the project planning. This includes giving Indigenous Peoples / Ethnic Minorities sufficient time to go through the traditional processes of decision-making, deliberation and consensus-building, such that the preferences or concerns raised by Indigenous Peoples communities may be considered before project design decisions or implementation arrangements are finalized; (iii) **INFORMED** - Indigenous Peoples / Ethnic Minorities must be given enough information, transparent about the project scale, and in such a way that allows them to understand fully the impacts being discussed with them and feed into the decision-making process where appropriate, and had sufficient opportunity to consider relevant information about the project; (iv) **CONSULTATION** – An inclusive process that allows Indigenous Peoples / Ethnic Minorities to participate *meaningfully* in decisions directly affecting them, including proposed management and mitigation measures and benefit sharing or distribution, through methods that enable concerns of women, the elderly, or others who customarily may not be expected or allowed to participate in community meetings to be considered.

²² It is recommended that communities are *notified at least two to four weeks prior* to the commencement of survey activities and adequately briefed on the upcoming activities to build understanding about what is required of them.

participation in, any phases or aspects of projects that directly affect them and all inputs should be treated equitably and with respect.

- All parties do not have to agree to a proposal, however as a result of undertaking consultation at least points of difference will become clearer or more specific.

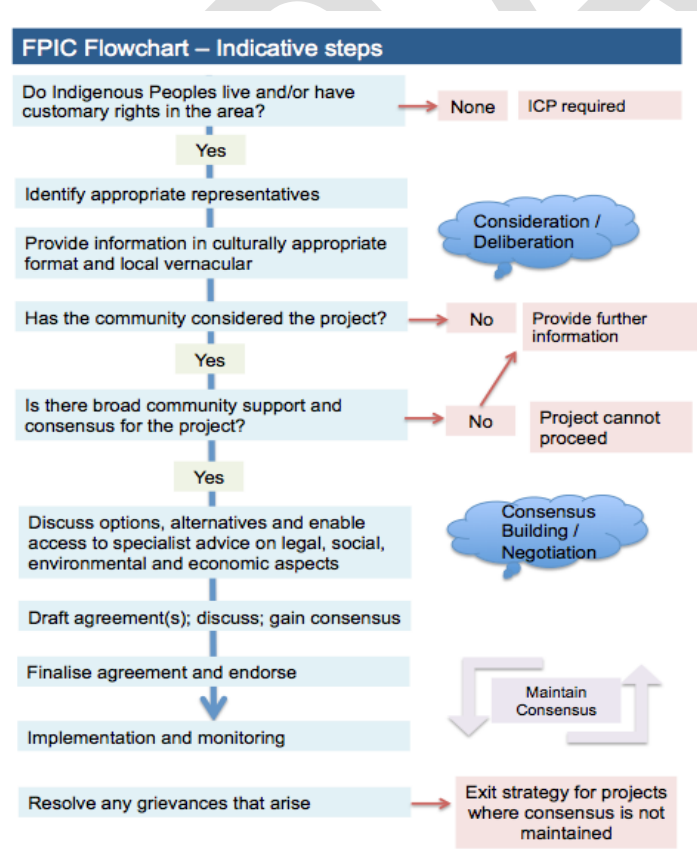
The BPF and OP4.10 policy objectives requires that the Borrower undertake a process of FPIC that results in a collective expression by Indigenous Peoples / Ethnic Minorities / Vulnerable communities of broad community support for the project. The modality, methodology and extent of consultations will be details in a Consultation Strategy to ensure adequate representation, coverage and appropriateness to the local context (Annex C in ESMF). The Bank may determine whether Affected Peoples have provided **broad community support** to a proposed project.

Adequate and respectful consideration of the customary decision-making processes and complex governance systems that exist within Indigenous Peoples / Ethnic Minorities / Vulnerable communities is a key element of FPIC. Early in the process, it will be necessary to identify whether any Indigenous representative bodies exist, and whom may be utilized for information dissemination in the appropriate vernacular.

Attention to **emerging issues** affecting Vulnerable / Indigenous Peoples / Ethnic Minorities, which may include, for example: an action plan for the legal recognition of Indigenous lands and territories, equitable benefits in commercial development of natural resources, or prior agreement to the commercial development of their cultural resources and knowledge.

Figure 1 outlines the process for applying FPIC throughout the life of the project. It also indicates exits points for projects in scenarios whereby broad community support was not established or not maintained.

Figure 1 Flowchart for Establishing FPIConsultation



Enabling Participation

The main activities funded under SAPIP that require a strong focus on community participation include:

- Component 1 involves planning at the watershed-scale. This includes stakeholders who reside inside the watershed area, as well as resource users that have access rights to water/land within the watershed area, but reside outside the catchment.
- Component 2 involves forming farmer groups, cooperatives and equitable distribution of benefits.
- Component 3 involves purchase of assets, installation of infrastructure, and potential co-ownership of assets.

Each component involves natural resource management based on a common understanding of customary access and use rights, as well as consensus on customary land that is used for agriculture purposes.

Broad Community Support

The SAPIP has a strong emphasis on community-driven development (CDD), whereby activities are selected based on community needs and preference and is essentially voluntary in nature. While broad community support from Indigenous Peoples / Ethnic Minorities may be implied in community-driven development (CDD) projects given the participatory and demand-driven approach, this may not necessarily always be the case. Certain groups may be excluded from decision-making processes and project benefits. Broad community support is a requirement when Indigenous Peoples / Ethnic Minorities are involved.

Good practice requires that broad community support be determined on the basis of meaningful consultation with concerned Indigenous Peoples / Ethnic Minorities and be fully documented. The engagement process should include Indigenous Peoples' representative bodies and organizations (such as chieftains, councils of elders or village councils) and where appropriate other community members. Sufficient time should be provided for Indigenous Peoples' decision-making processes. Consultations should allow, as feasible, effective participation of Indigenous Peoples / Ethnic Minorities in the design of project activities and related mitigation and enhancement measures. Broad community support does not require unanimity and may be achieved even when individuals or groups within or among concerned Indigenous Peoples / Ethnic Minorities explicitly disagree (Note on Application of Social Safeguards Policies to Community-Driven Development Projects, World Bank Group, July 2015, p.6).

Based on results of engagement activities and the SA process, the Borrower will determine whether broad community support for the project among relevant Indigenous Peoples / Ethnic Minorities communities exists and document this in a *Summary Judgment Report*. This determination shall explain the basis upon which the determination is made, including but not limited to the collective, informal expression of supportive views regarding project purposes, plans, and implementation arrangements. This determination does not require unanimity; broad community support may exist even when there is internal disagreement within the community or when there is limited opposition to project purposes or proposed arrangements.

Stages of Participatory Process



Selection Criteria

Selection Criteria will have dual purpose: (i) to identify suitable farmer groups, and (ii) for community grants where proposals will be developed.

Selection criteria for participating communities may include:

- A watershed with a distinct geographic boundary suitable for agriculture and/or with agricultural and economic potential;
- Sufficient capacity and resources at the Municipal level with extension officers to support and facilitate the planning process and implementation of activities (without compromising other responsibilities);
- Each watershed will ideally have a cluster of neighbouring sucos that are willing to participate;
- Suco's and farmer group(s) have stable and regular access to land and water resources without compromising the access or use rights of others or conflicting with other groups;
- There is positive local leadership, a good governance structure, the community is socially cohesive²³, and ideally has an association formed that could be recognized with authority to formulate management measures on behalf of stakeholders (or capacity to formulate a representative group);
- There is strong interest and motivation in improving management regimes among farmers, communities and local leaders; and

²³Social cohesion refers to a community which is not deeply divided by factions within the community, where trust amongst members exists and cooperation is relatively easy to establish.

- There is strong local commitment and formal confirmation that farmers in the targeted areas are fully committed to participate in the project (i.e. signed agreements).

This criteria may be modified upon the development of Participation Guidelines in the Project Implementation Manual developed for the implementation phase.

Preparation

Watershed and land suitability mapping will be required to identify possible areas and activities to be targeted.

Raise awareness through *socialization* at sub-district level. Host meetings prior to implementation stage to ensure local project facilitators understand their role and responsibilities.

Deliver training for Suco facilitators and NGO partners on project planning, subproject screening, reporting, social/gender/environmental considerations and financial management.

Implementation

Raise awareness through *socialization* at suco and aldeia level. Facilitators hold meetings with Suco Council and farmer groups to explain the Project, which activities are eligible for funding or support, and decide the process for establishing a farmer group and how activities will be managed at the local level. Suco leaders and farmers group will indicate their interest in participating in the project.

Social mapping may be undertaken to inform the social assessment and stakeholders of user rights throughout the watershed. This should be a transparent activity, involving both local leaders and community members so as to avoid coercion and bias. The participatory planning process must be socially inclusive and gender neutral (i.e. include both men and women, and include stakeholders who may reside outside the watershed but possess access rights). Each farmers group will be responsible for providing in-kind contributions and accountability of such contributions in the process. Participating suco's will decide on their priorities and prepare proposals where necessary in liaison with district staff of relevant ministries. In-kind support, material and transport costs and timeframe for construction (if relevant) should be noted in proposals. If infrastructure is being built, the long-term maintenance responsibilities and costs should also be considered.

Once the proposal is accepted, funds may be disbursed subject to terms and conditions, and the community may proceed with the project.

Monitoring

Facilitators will hold regular meetings with community and farmer groups to report on progress achieved. Reports and meeting minutes should be available to all participants at the local level.

Upon completion, a completion audit and evaluation will be undertaken.

Procurement

MAF will support bulk purchase of goods wherever possible. Local suppliers will be prioritized as much as practical.

Exit Strategy for Problem Projects

An Exit Strategy provides project staff with guidance as to how to deal with subprojects in which disputes emerged preventing implementation, including the following scenarios:

- (i) Where consensus is not maintained
- (ii) Where land is an issue
- (iii) Where co-ownership agreements are not honored

The Strategy will be contained in the Project Implementation Manual and are shared with the communities, when a subproject is deemed to be a “problem” so that they are aware of the steps required to follow to resolve the dispute. If the process does not result in a resolution of the problems faced by the community, the subproject is terminated.

Part II. Socialisation Plan

World Bank safeguard policies require consultation with the stakeholders and communities throughout the life of the project. This section outlines a Consultation Strategy for SAPIP that meets national and World Bank requirements to be followed for the Project.

Objective

The objective is to establish the process and protocols for meaningful participation of stakeholders and affected communities in all aspects of SAPIP projects.

Purpose

The purpose of public consultation and community engagement is to inform stakeholders about the proposed activities, gather feedback on the design and how the proposal may affect them, provide notification prior to construction activities, and to gauge the effectiveness of mitigation measures once implemented.

Implementation

MAF has overall responsibility for ongoing community engagement and public consultation activities and will work with other Ministries on engagement activities as required. The Consultation Strategy for community-level interactions will be detailed in the PIM. This will reflect MAF’s internal Communications Plan for the project.

A transparent and well-planned engagement process will contribute to building broad community support for the SAPIP activities, so long as stakeholder feel informed and their expectations are managed throughout the process regularly (not a ‘one off’). Misguided and unplanned engagement is likely to lead to miscommunication, mistrust, raised community expectations and/or disputes, which could result in the eventual termination of activities. In order to avoid this becoming a project risk, it is expected that the principles for effective participation (above) are followed, and that participatory activities are carried out by suitably qualified or experienced persons.

It is important that the awareness-raising campaign clearly explains the proposed activities and associated responsibilities *without raising stakeholder expectations* about benefits. The campaign will utilize communication channels such as radio, social media, public notices, advertising, information sessions, existing networks (e.g. NGOs) and widespread advocacy through partners and provincial level offices. Targeted communications for community grants will be detailed in the strategy.

Table 1. SAPIP Consultation Strategy

Consultation Lead	Name of person managing the consultation
Organisation	Name of organisation the Consultation Lead represents
Location(s)	
Key Objectives	<p>Consultation activities are multi-tiered and have the following objectives:</p> <ol style="list-style-type: none"> (1) to raise public awareness of the Project, its benefits and how to participate (2) to identify who may be impacted by the project (3) to ensure directly affected persons are adequately consulted prior to implementation (4) to address any project-related concerns or grievances that may arise (5) to initiate community grants and investments
Relevant Statutory provision	
When to Consult	<p>Targeted engagement should occur at the following stages:</p> <ul style="list-style-type: none"> • when considering project concept, feasibility and alternatives; • during the design phase to gather feedback on potential options; • to inform the EIA and social surveys; • upon finalization of project design; • to raise awareness of timing of construction activities; and • project completion. <p>A Work Plan should be developed using the template below.</p>
Who to Consult (Stakeholders)	<p>National</p> <p>District</p> <p>Suco</p>
How to Consult (Methods)	<p>Public Awareness Campaign</p> <p>Suco announcement</p> <p>Public information sessions</p> <p>Village meetings</p> <p>Radio/TV announcements</p> <p>Newspaper article / notice</p> <p>Social media and websites</p> <p>Public forums and meetings</p> <p>Workshops</p> <p>Subcommittees</p> <p>Surveys</p> <p>Focus groups</p> <p>Formal Letters</p> <p>Mobile sms</p>
Key Messages	

Budget and Resources	
Reporting	<p>A written record of consultation undertaken should be kept and detail:</p> <ul style="list-style-type: none"> ▪ When and where consultation was undertaken. ▪ Attendees and participant list (gender disaggregation). ▪ Discussion points and findings from consultation. ▪ Feedback and comments from consultation activities. <p>Reports summarizing consultation activities and meetings will be submitted to the DPSMU on a quarterly basis.</p>

Table 2 Work Plan for Consultation Activities

Resp.	Activity	Timeframe								
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
MAF	Nominate consultation lead									
	Secure budget for consultation activities									
	Brief team on key dates and activities									
	Develop engagement materials									
	Public awareness campaign and media broadcasts									
	Information sessions / village meetings									

Annex

D Grievance Redress Mechanism

This section provides guidance for complaints management for World Bank-funded projects being implemented by the MAF in Timor-Leste. The purpose is to provide a centralized ‘grievance redress mechanism’ (GRM) for the Project which can also be applied to meet the Bank’s safeguard requirements.

The GRM outlines a process for documenting and addressing project grievances (complaints) that may be raised by affected persons or community members regarding specific project activities, environmental and social performance, the engagement process, and/or unanticipated social impacts resulting from project activities. It describes the scope and procedural steps and specifies roles and responsibilities of the parties involved. The GRM is subject to revision based on experience and feedback from stakeholders.

I. World Bank Requirements

The grievance process is based upon the premise that stakeholders are free to raise their concerns to relevant representatives at no cost or threat of any negative repercussions; that concerns arising from project implementation are adequately addressed in a timely and respectful manner; and that participation in the grievance process does not preclude pursuit of legal remedies under the laws of the country.

MAF will manage the GRM, utilizing formal, informal and traditional grievance procedures suitable to the Timorese context. Generally, complaints and disputes will be resolved at the community level as much as possible. Grievances may be firstly referred to customary conflict mediation arrangements where appropriate, so long as they are not directly affiliated with traditional leaders who are party. If the issue cannot be resolved at this level, it will be raised to the next level and so on (Figure 1).

MAF will aim to address all complaints received, regardless of whether they arise from real or perceived issues. Any stakeholder who considers themselves affected by MAF’s activities will have access to this Procedure at no cost or threat of any negative repercussions. The statutory rights of the Complainant to undertake legal proceedings remain unaffected by participation in this process.

Limitations

The GRM does not deal with grievances relating to internal communication or disputes between the project team, Implementing Agency, other agencies; nor intra/inter-community conflicts that are not project-related.

Objectives

The GRM has the following objectives:

1. Establish a prompt, easy to understand, consistent and respectful mechanism appropriate for the Timorese context to support MAF in receiving, investigating and responding to complaints from community stakeholders;
2. Ensure proper documentation of complaints and any corrective actions taken; and
3. Contribute to continuous improvement in performance through the analysis of trends and lessons learned.

II. Institutional Arrangements

The SAPIP PMU will be responsible for managing grievances including updating the grievance database to track the progress of formal grievances for the duration of projects. This involves coordinating between key agencies on a regular basis (i.e. weekly or fortnightly). The SAPIP PMU is responsible for final oversight of community consultation and grievance management. Suco chiefs will be briefed on issues and engaged to support convening community meetings as required.

The SAPIP PMU will administer the grievance database. Nominated MAF staff will regularly update the grievance database in consultation with key agencies where complaints are raised. All project-related grievances should be captured in the database regardless of the agency they were raised with. MAF should be involved in the resolution of all project-related grievances that sit within their key functions, and shall support other key agencies with adequate resources and staffing as necessary to ensure grievances are effectively resolved.

Awareness of GRM

Training on the GRM will be provided to MAF staff, relevant project teams, contractors and key agencies.

Communities and affected persons should be advised of the GRM in the early stages of engagement, and be made aware of:

- How they can access the GRM (i.e. key people and complaint forms);
- Who to speak to and lodge a formal complaint;
- The timeframes for each stage of the process;
- The GRM being confidential, responsive and transparent; and
- Alternative avenues of dispute resolution where conflicts of interest exist.

III. Grievances Procedure

The grievance resolution process includes four key stages – (i) Receive; (ii) Investigate/Enquire; (iii) Respond and (iv) Follow up/Close Out as illustrated in Figure 1.

Relevant personnel will be required to accept formal grievances and ensure avenues for lodging grievances are accessible to the public and affected persons. This may be in verbal or written form. The grievance should be formally documented on the grievance form, assessed on its level of urgency/severity and assigned to the appropriate person who then acknowledges within two days to the Complainant, that the grievance has been received and is under review. Attachment 1 provides a template for lodging grievances.

The severity of each grievance and subsequent course of action shall be determined by MAF. If the issue is easily resolvable, the responsible party should endeavor to address the issue directly on site, and record the details for filing into the **Grievance database** managed by SAPIP PMU. If the grievance is a more complex issue, it may require additional meetings and further investigation. A formal response should be provided within a two-week timeframe or a timeframe that has been agreed to with the Complainant. If additional time is needed, the Complainant will be advised of this in advance.

Figure 1: Stages in the Grievance Resolution Process



Grievances should be closed out within 30 days (Table 1). The response should communicate findings of the investigation and resolution, and seek approval from the Complainant. The Complainant will either accept or appeal the outcome. If the Complainant is satisfied with the outcome then the grievance is closed out and they provide their signature (or fingerprint) on the grievance form as confirmation.

Table 1 below outlines the timeframes for each stage of the grievance process.

Table 1: Grievance timeframes

Timeframe	Stage
1 day	<ul style="list-style-type: none"> Grievance reported and referred to nominated person / project representative
2 days	<ul style="list-style-type: none"> Determine severity of grievance Acknowledge receipt of grievance to Complainant Resolve immediately if possible Grievance report sent to MAF and logged in database
14 days	<ul style="list-style-type: none"> Meeting with relevant parties, suco chief, etc Confirm resolution with Complainant and seek their approval.

30 days	<ul style="list-style-type: none"> • Grievance closed out • Database updated
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If an agreement is not reached between the Complainant and MAF, the grievance will be escalated to the DPSMU or the appropriate authority for review and a final decision. If necessary, further action will be taken to resolve the issue. If the Complainant is still dissatisfied with the outcome, they may be referred to the legal process, however, courts should be the last avenue for addressing grievances.

A grievance is closed out when no further action can be or needs to be taken. Closure status will be entered into the Grievance database as follows:

- *Resolved* – resolution has been agreed and implemented and signed documentation is evidence of this.
- *Unresolved* – it has not been possible to reach an agreed resolution and the case has been authorised for close out by the Minister.
- *Abandoned* – cases where the attempts to contact the Complainant have not been successful for two months following receipt of formal grievance.

GRIEVANCE REPORT FORM**Received by:** _____**Date Received:** _____**Reported by:** _____**Database ID:** _____**Responsible Agency:** _____**Staff Name:** _____**Location:** _____

	Village	First Name, Last Name	Contact Details
Complainant(s)			
Suco Chief			

Acknowledged by: _____**Date Acknowledged:** _____**Description of Concern:**

.....

Category:

Compensation / Land Access / Inadequate Notification/ Disruption to Business or Property / Property Damage / Irrigation / Boundary Dispute / Environmental Damage / Construction Activities / Safety Risk / Traffic / Other

Proposed Resolution or Feedback:

.....

Complainant satisfied with process? Yes ☐ No ☐ Why not?.....Complainant satisfied with outcome? Yes ☐ No ☐ Why not?

Print Name (Complainant): _____

Signed (Complainant): _____ Date:_____

Signed (MAF Officer): _____ Date:_____

Copied to: _____

Annex E

Land Access and Resettlement Policy Framework

Land Access and Resettlement Policy Framework

A. Introduction

The SAPIP triggered social safeguards policy OP4.12 Involuntary Resettlement as a precaution. The objective of this policy is to ensure affected persons living standards are not adversely affected as a result of the Program or its interventions. As such, the Borrower is required to either prepare appropriate social safeguard instruments or conduct adequate due diligence to address all adverse impacts that will be generated as a result of project activities and subprojects.

B. Justification for Preparing a Land Access and Resettlement Policy Framework for the Project

It is envisaged that the land required for project purposes will occur through either voluntary land donation and/or land use agreements. Activities that require physical displacement (relocation or removal of houses, businesses or permanent structures), economic displacement (loss of livelihood, restriction of access to traditional lands or resources), and/or involuntary acquisition of customary land where suitable government land is available are not eligible for funding under SAPIP (refer to Annex A).

This framework guides the process in cases where landowners wish to provide access, change of land use, or donate land for project purposes that are of direct benefit to them and their community. The following may be applied:

- Voluntary land donation (Attachment 1)
- Land use agreements (Attachment 2).

C. Key Principles

- Decisions on land and donations will be made with the informed consent, free of coercion, and will not unduly affect the donor.
- Full consultation with landowners and any non-title affected persons on site selection
- Living standards and livelihoods not adversely affected (i.e. no individual should lost more than 10% of their productive assets)
- Any agreement will be confirmed through written record and verified by an independent third party
- Individuals and communities participating in SAPIP should be made aware of how to access the grievance redress mechanism.

D. Requirements

In cases where land gifted by private or customary landowner/s that directly benefit from the project, the Voluntary Land Donation Protocol (VLDP) set out in Attachment 1 should be followed. This is a formal agreement with landowners to secure land for project-specific purposes.

In cases where land access is required on customary or private land (temporary or permanent), a Land Use Agreement (LUA) shall be applied (Attachment 2). This is a formal agreement with landowners to secure land access for project-specific purposes.

Templates may be modified to suit specific needs of agreements and landowners or property owners and should only be used as a guide.

E. Responsibilities

The SAPIP PMU will be responsible for written agreements, documentation and verification of safeguard

requirements as required by this LARPF.

F. Documentation

All consultation sessions shall be documented and recorded by relevant project staff. All agreements made with land owners shall be verified but shall remain confidential and not for public disclosure.

DRAFT

1. Background

This Voluntary Land Donation Protocol (VLDP) has been prepared by the World Bank for the purpose of due diligence. For cases where communities and/or individual landholders have offered to donate their land for the project because it is of benefit to the broader community, the World Bank's Voluntary Land Donation Protocol (VLDP) should be followed. The project team is to exercise their best judgment where voluntary land is offered and conduct due diligence to avoid adverse impacts and reputational risks. Donations are based on the premise that the project benefit will offset or outweigh the loss of the land donated.

VLD is only suitable for community driven projects where the landowner and/or community wish to 'gift' land parcels or small areas for small-scale community infrastructure that will be of direct benefit the donor's community.

2. When VLD is Applicable

Voluntary donation of land by beneficiary households is acceptable where:

- It has been verified the donation did not result from any form of coercion or manipulation and is offered in good faith;
- The donation does not severely affect the living standards of the community and/or individual landholder responsible for the donation (i.e. impacts are marginal based on percentage of loss and minimum size of remaining assets);
- Alternatives and the viability of other locations or sites have been considered;
- The donation does not result in the displacement of households or cause loss of income or livelihood;
- The landholder/s making the donation will directly benefit from the project;
- Consultation has been conducted in an open and transparent manner and to a degree that the landholder/s can make an informed choice;
- The land is free from disputes regarding ownership or tenure;
- Land transactions are supported through the transfer of titles;
- Full and proper documentation of all consultations, meetings, grievances and actions taken to address grievances has been reviewed and made available;
- Where impacts are minor and other alternative sites are not viable.

3. When VLD is NOT Applicable

VLD is not applicable under the following scenarios:

- Medium/large-scale infrastructure particularly in cases where a government agency or entity that has a statutory obligation to provide the infrastructure and/or services for which the land is required
- Where inadequate consultation with donors results in lack of understanding about the terms and conditions of the donation;
- In lieu of formal procedures for land acquisition where these do not exist;
- Where donor property owners, landowners or customary rights holders do not support, or will not directly benefit from, the Project;
- Where conflicts over land exist, including customary collective ownership;
- Conflicting land titling that make it difficult to establish with certainty who has a right to own, donate and use a specific parcel of land;

- Where donors did not provide their informed consent and were subject to political or social pressure and coerced into making the donation.

4. Process for Voluntary Donation

This section provides guidance on the process for VLD, namely on how to:

- Determine and document the appropriateness of VLD in the project context;
- Verify the requirements of the donation and the formalization of the donation;
- Carry out due diligence on the owners and users of land donated;
- Ensure appropriate consultation and disclosure;
- Establish informed consent of the person donating the land; and
- Establish grievance redress mechanism.

This section outlines the process that should be followed once the threshold considerations set out in Section 1 have been considered, and it has been determined that it is appropriate for the land to be provided to the project by voluntary donation.

It is necessary to follow a clear process for the donation, and to prepare and maintain documents that demonstrate such process. Each step set out below should be addressed in the context of the specific project, and fully documented.

(i) Determine and document that VLD is appropriate in the circumstances of the project.

The team should record the reasons why it thinks that the donation of land is appropriate for the project. In certain cases, only some of the land the project requires will be donated or alternatives to land donation exist. The project team should identify (in as much detail as possible):

- What the land will be used for;
- How much land the project will require on both a permanent and temporary basis;
- How much of the land will be donated;
- What alternatives to donation exist (e.g., right of use, right of way);
- The terms of the donation;
- The identities of the parties who intend to donate;
- The beneficiary of the donation; and
- Any details that are relevant to why donation may be appropriate.

(ii) Verify the requirements to transfer, and formalize the transfer of, the land

It is important to understand the process that should be followed to transfer the land, and appropriate ways to formalize the transfer so as to achieve certainty for both the transferee of the land and the project. In many countries this will require consideration of the legal and administrative requirements but also, particularly in the case of customary land, local and community processes. In some cases these will constitute two different but parallel (and overlapping) systems and a process will have to be established to ensure that the requirements of each system are satisfied. An important consideration will be how transparent the process and the decision making process actually is, and what can be done to enhance the process.

(iii) Conduct due diligence on who owns and uses the land

Given the specific issues surrounding land ownership and use in the PICs, it is important that the project team carries out careful due diligence to understand the type of land rights that exist in the project area, and to identify any particular issues relating to land ownership and use. Thereafter, a more specific due diligence must be conducted on each parcel of land proposed for donation to identify:

- The owner or owners of the land;
- The users of the land, or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
- Any competing claims of ownership or use;
- Structures and assets on the land;
- Any encumbrances on the land.

It is important to: (a) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the transferee actually has the right s/he claims to have. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at a later stage when another party claims that they have the same or a competing right. In some circumstances – but not all – the transferee will have documentary evidence of such right. Where no such evidence exists, the due diligence can establish rights by speaking with local community officials and neighbors.

(iv) Disclosure and Consultation

The decision to donate must be taken on the basis of a full understanding of the project and the consequences of agreeing to donate the land. Accordingly, the parties that will be affected by the donation (the owners and users of the land) must be provided with accurate and accessible information regarding what the land will be used for, for how long, and the impact the donation will have on them and their families. It is important that prior written notification indicating the location and amount of land that is sought be provided and that its intended use for the project is disclosed.

Where the intention is to deprive the parties affected by the donation of the land permanently, or for a significant length of time, this must be made clear. It should be noted that in many communities the concept of alienation of land is uncommon and difficult to understand, and care needs to be taken to ensure that the implications of this are fully understood. It is also important to decide who else should be consulted about the proposed donation; for example, spouses and older children.

There should be a clear agreement as to which party will pay the costs associated with the donated land. This could include measurement costs, documentation and notarial fees, transfer taxes, registration fees. It should also include the costs of re-measuring/re-titling the transferee's remaining land and any new documentation relating to it.

(v) Establishing Informed Consent

It is crucial that the project team is confident that the decision to donate was taken in circumstances of *informed consent or power of choice*. As discussed earlier, this means being confident that the owner(s) or user(s) of the land understand:

- What the land is going to be used for, by whom and for how long;
- That they will be deprived of the ownership or right to use the land, and what this really means;
- That they have a right to refuse to donate the land;
- Whether there are alternatives to using this land;
- What they will need to do to donate the land (e.g., execute documents, get spousal consents, pay taxes);

- The effect of the donation on their family, and what they can do if they (or their family or heirs) want the land back.
- The exact demarcation of land boundary for the project's use;
- Whether there are proposals which would allow other land to be used;
- What they will need to do to donate the land;
- The intergenerational effect of the donation on their family, what they can do if they (or their family or heirs) want the land back.

The terms and conditions of the land donation must be mutually agreed upon and detailing in a written agreement.

(vi) Documentation

It is necessary to distinguish between: (a) the agreement to donate the land; and (b) the document that carries out and evidences the legal transfer of the land. While it is important to have evidence of an intention and agreement to donate the land, it is equally important to ensure, where required and appropriate, that the land is legally transferred. While the process relating to the legal transfer of the land is frequently complicated and time consuming, it must be addressed. [In specific circumstances, for example where the land is being transferred to the community, it may not be necessary to legally transfer the land. However, experience indicates that lack of formal transfer can create significant uncertainty in the future, which impacts on the sustainability of the infrastructure and services, and can have a negative effect on community relations.]

To ensure that any land provided for the siting of subprojects is contributed voluntarily, in accordance with the requirements of the ESMF, two representatives of the landowners (family or clan) are asked to sign a Land Commitment Letter (see below). This certifies that the land is voluntarily donated for the purposes of the subproject and for the benefit of the community. The signature of the Letter is witnessed (as attested by their signature) by a suitable project representative.

The project team should:

- Identify the appropriate documentation, including the agreement to make the transfer and any legal documentation that may be required;
- Ensure that the agreement:
 - Refers to the consultation has taken place;
 - Sets out the terms of the transfer;
 - Confirms that the decision to transfer was freely made, and was not subject to coercion, manipulation, or any form of pressure;
 - Attaches an accurate map of the land being transferred (boundaries, coordinates);
 - Sets out who will bear the costs of the transfer (e.g., notarial fees, taxes, title issues) and documenting the residual land rights.
- Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
- Ensure that the transfer and title is registered or recorded; and
- Ensure that the land remaining after the donated land is excised is properly titled, registered or recorded.

It is also important to maintain a record of the process that has been followed. Such documents could include the following:

- The notification indicating the location and amount of land that is sought and its intended use for the project, with a record of when and where this was made public;
- Records of the consultations that were held and what was discussed;
- A copy of the due diligence that was conducted;
- Copies of each of the formal statements of donation, establishing informed consent as described above, and signed by each owner or user involved;
- Copies of all documents, registrations or records evidencing the legal transfer of the land; and
- A map, showing each parcel of land.

The Project implementing agency should maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

(vii) Grievance Arrangements

Grievances may be referred to customary conflict mediation arrangements where they are not directly affiliated with traditional leaders who are a party to the donation process. Refer to Grievance Redress Mechanism (GRM) in Annex D of the ESMF.

5. Exit Process for Problem Subprojects

Refer to Beneficiary Participation Framework in Annex C of the ESMF.

LAND DONATION COMMITMENT LETTER TEMPLATE

Date: _____

Village, Province: _____

I/We _____ [name(s)] acknowledge, I
am/we are the rightful representative(s) of the land located at
_____.

I/we confirm, I/we have the right under custom law, with agreement of community leaders, to *gift* this land
for the purpose of _____ and sign this letter as a commitment of our
voluntary donation that will benefit our whole community.

I/we declare that:

I/we have the right to transfer rights to use or access this land;

I/we understand that all residents will have access to this site and in order to maintain the
asset/infrastructure;

I/we commit ourselves in upholding the contents and spirit of this agreement for so long as it
remains in force;

I/we understand this donation is a gift that will benefit our whole community and understand no
compensation payments will be made now or in the future;

I/we understand that dishonoring this agreement could result in project termination.

Details of the land (size in sqm, location in village, structures, Type – unused, bush, garden)

For the purpose of: (specify activity)

For the duration of: (specify commencement date and duration)

**Natural Resources Donation (optional) [This may require a separate agreement form depending on the
context, quantity being donated, and number of resource owners]*

I/We _____ are the rightful resource owner(s) of natural resources (e.g.
sand, gravel, rocks, timber) located at _____ that are also being donated to the project.

I/We commit to donating _____ as a contribution for the project.

Signed:

Position	Signature	Name
Male Household head		
Female Household head		
Landowner^		
Clan or landowner representative (if applicable)		
Resource Owner (1)*		
Resource Owner (2)*		
Suco Chief		
Farmer Group Representative or Committee Member		
Govt/Project Representative		
Witness		

^(append list of all custom owners if relevant)

A Land Use Agreement (LUA) may be required where (i) subprojects or activities require access on a permanent or temporary basis to certain sites on customary land; (ii) no suitable alternative sites exist; (iii) customary landowners have agreed for the land to be used for a specific purpose for the benefit of the whole community; and/or (iv) any other situation where it may be deemed the most appropriate instrument for the local context.

The LUA does not apply when state- or privately-owned land will be utilized or needs to be acquired or leased (ARAP or national process to be followed in these circumstances). However, where formal land use or leasing agreement are being delayed due to circumstances outside the MAF control, the LUA may provide a 'stop-gap' or temporary safeguard instrument, subject to approval by the Bank.

It is important that absentee landowners are engaged, and that a suitable witness (non-clan member) signs the agreement.

The process used to enter into the LUA is as follows:

- Share the rationale for the subproject and its proposed siting, and seek the granting of access of the necessary land by the landowning clan or household;
- Village representatives of the community, organize a meeting with the representatives of the specific clan/s who have customary ownership of the proposed land or access-way;
- Any persons with fixed physical assets on the land/proposed site, but not considered a landowner, is involved in meetings and their rights are taken into consideration;
- The meeting would discuss the proposed subproject with the landowning clan or household to reach an understanding that the subproject is for the benefit of the whole community and access of land (either permanent or temporarily) is required;
- The payment of access fees should be discussed and agreed in writing (if applicable);
- The landowners would be clearly notified that the agreement to allow land access should be completely voluntary and the specific timeframe should be mutually agreed too;
- If agreement to proceed is reached, then a LUA will be entered into between the clan, the other clans and the leader of the community;
- The LUA should be endorsed by the Suco Chief or equivalent;
- The signed LUA will be submitted as part of the subproject proposal.
- The LUA is submitted to the local magistrate or equivalent for certification.

Exit Strategy and Grievances

If all landowner parties are in disagreement about the land or conditions of LUA, or if landowners are excluded from initial discussions then the subproject will not proceed and the grievance process must be followed where relevant.

LAND USE AGREEMENT TEMPLATE

Project: _____

District: _____

Location

Land Parcel

Land Title Reference or GPS Coordinates

Dear Sir/Madam,

- 1) We, the undersigned being the representatives of the hereby acknowledge that..... have the right under the customary law to make decisions on the land known as for the purpose of with the rights to the receive the proceeds of any development or other conducted on the said land. We certify that all members of the village agree to the truth of this certificate and that we are the persons authorized to sign it.

.....

- 2) We, the undersigned being the representatives of clan of Village,

District, hereby declare that;

- (1) We have the right under customary law to allow access or use of the land for the purpose of (project name) and agree to allow access to to support this project (entity);
- (2) That we undertake not to interfere in any manner on any activities or developments undertaken by our on the said parcel of land;
- (3) That we understand the use of natural resources located on the said land (edible or non edible plants/shrubs, sand, gravel, rocks, timber, water sources, bush materials and other organic matters) will be used for the purpose of the project;
- (4) That we understand rental payment of will be made by for right of access to the said parcel of land (put nil if no rent is expected);
- (5) We commit ourselves in upholding the contents and the spirit of this agreement for so long as it remains in force;
- (6) We will undertake efforts to convey the contents of this agreement to members of the village/s or clan/s and to ensure that they so honour it.

Sketch of land parcel (including assets, structures, crops, etc):



Infrastructure

Details of infrastructure *funded by Govt*:

.....

.....

Ongoing Maintenance

Responsibility of landowner (detail of specific infrastructure)

.....

.....

Responsibility of MAF (detail of specific infrastructure)

.....

.....

Timeframe / scheduling arrangements

.....

.....

3) SIGNATORIES

I / we hereby sign confirming that the above is true and correct:

Party	Name	Signature	Date
Landowner			
Suco Chief / Village Representative			

Project Representative			
------------------------	--	--	--

4) WITNESSES

We, the undersigned being representatives of clan (who share the land boundary with clan) hereby declare that by Customary Law, we are rightful owners of the land known as “” located at Village District and that it has the right by customary law to transfer/ lease the said parcel of land.

Project Partner	Name	Organisation
PMU Representative		
District Officer		
Local Representative		

Made under our hands these agreements:

This _____ day of _____ 20__ at _____
village _____ District _____ in _____.

Submitted to:

On this _____ day of _____ 20__ at _____.

Annex F

Terms of Reference for MAF Safeguards Advisor

Ministry Institutional Reform and Transformation Project (MIRT)

Terms of Reference for an International Safeguards Specialist (ISGS)

BACKGROUND

The Ministry of Agriculture and Fisheries (MAF) intends to establish an umbrella management unit called Development Partners Support Management Unit (DPSMU)) within the Secretary General for ensuring the effectiveness of development assistance to the Ministry of Agriculture and Fisheries. Then under the DPSMU, MAF is creating a sub unit for coordinating and managing different project and one of the sub units is tasked to manage and coordinate the Ministry Institutional Reform and Transition Project (MIRT).

MIRT is a \$0.50 million grant from the World Bank's Institutional Development Fund (IDF) and its Development Objective is to support MAF in its efforts to de-concentrate and reorganize its service delivery model so that the Ministry is better-aligned and responsive to the needs of farming and fishing communities. This will be achieved by: (i) developing and piloting operational procedures at the Municipal and watershed level for bottom-up planning involving farming communities; (ii) strengthening MAF's program implementation capacity through enhanced coordination, MIS, financial management and M&E systems which are aligned to national regulations and systems; and (iii) supporting MAF's National Directorate of Policy and Planning, Monitoring and Legal Affairs (NDPPMLA) and the National Directorate of Food Security and Cooperation (NDSC) which are tasked with the identification, preparation and implementation of major investment projects and the coordination and supervision of Development Partner (DP) funded interventions respectively.

MIRT will be implemented at a time when GoTL is devolving services to the Municipal level (formally Districts). Therefore MAF will be required to adjust the way it plans and engages with its constituent farmers and fishers, with a greater focus on Municipal- and community-level planning, with the later focussing at the Suco and watershed levels. At the same time, MAF will need to transform the way the central Ministry coordinates, supports, monitors and reports on development impacts at the District level in terms of increasing farmers' incomes and improving staple food production. MAF's previous centralized planning role will, in future, be devolved down to the regional and District level and therefore MAF central will transfer its responsibility for development planning slowly to the Regional and Municipal level.

MIRT is precursor for a much larger (\$21 million) Sustainable Agriculture Productivity Improvement Project (SAPIP) which will be implemented directly by MAF and is expected to commence in mid-2016. This is why MIRT focuses on institutional reform and farm-level planning - with the objective of preparing operational manuals for these two levels of activity which will form the basis of SAPIP. It is expected that MIRT will commence its community-level planning and development support in Raumoco watershed in Lautem District, where a good start has been made in terms of forming a Watershed Management Council and agriculture development and environmental protection plans have been drafted.

MAF's annual planning process is guided by: (i) Timor-Leste's national objectives which are outlined in the Strategic Development Plan (SDP); (ii) MAF's Strategic Plan (MASP); and (iii) MAF's Mid-Term Operations and Investment Plans (MTOP and MTIP). In addition, all major DPs have their sector-specific strategic plans. MAF organic law has been approved and promulgated in 2015 which has resulted in some reorganization of National Directorates (NDs) and their staff.

ASSIGNMENT DESCRIPTION

Specific Tasks

Detailed duties of the ISGS include:

- (i) The provision of guidance to MAF for the preparation and implementation of social safeguards in projects so that social considerations are effectively mainstreamed into MIRT.
- (ii) Carry-out awareness rising and capacity building within MAF and local planning and implementation agencies, on the World Bank's social safeguard requirements and procedures in general, and on the World Bank -supported activities in particular.
- (iii) Provide guidance to and supervision of local planning and implementation agencies on implementation of social safeguard issues and requirements following the World Bank's and MIRT's policy frameworks.
- (iv) Review documents to confirm that MAF has the required standards of safe guards reporting by staff and consultants.
- (v) Assist MAF to prepare corrective measures in terms of compliance with safe guard requirements which may be identified by due diligence and monitoring reports, and mission findings and others sources.
- (vi) Advising MAF when social impacts created by the project are not being effectively managed.
- (vii) Providing a coordinated approach to social impact management for MIRT.
- (viii) Supervising the implementation of MIRT's social safeguard policies for local planning and implementation agencies in general, and of corrective action plans for MAF in particular.
- (ix) Prepare progress reports for MAF, and a manual on safeguards for Timor-Leste's agriculture sector.

Language

- The working language of the assignment will be English. National MAF counterparts will assist the selected expert to prepare documents in Tetum.

Qualifications

The ISGS will have qualifications in social sciences and a minimum of 10 years' experience in social assessment and/or resettlement, particularly for resettlement in World Bank-funded projects.

LOCATION AND DURATION

The ISGS will be based in Dili, Timor-Leste and is expected to commence work in 2016. The assignment will be for months (renewable).

REPORTING

The ISGS will submit the following reports in English:

- A short inception report to describe the mission's activities one week after start-up.
- A validation workshop report describing the workshop results.
- A validation training report for each training event.
- An end-of-mission draft final report one week prior to the end of the assignment.
- A final end-of mission report no later than one week after completion of the assignment.

Annex G Safeguard Instruments – Assessments and Plans

Environmental and Social Assessment

An initial assessment should include a sound understanding of the existing environment and socio-cultural context developed through conducting baseline environmental conditions includes land use, water and air quality, biodiversity, soils, geology, topography, pollution, climate, physical cultural resources, and socio-economic (census) baseline surveys. It should also take into account the local context, regulatory setting, institutional capabilities and country obligations under international treaties and conventions.

The assessment must be undertaken by an appropriately qualified person, in consultation with affected persons or communities, and in consideration of requirements for Bank safeguard policies (OP4.01, OP4.10 and OP4.12), national legislation on EIA and development consent regulations. The level of detail in the assessment will depend on the nature and scale of the proposed sub project.

Environmental and Social Management Plan (ESMP)

The need for an EMP/ESMP will be determined through subproject screening. The plan should detail **mitigation measures** for identified environmental and social impacts (Annex H). The EMP/ESMP will provide practical and relevant means to mitigate risks and impacts that are locally appropriate and cost-effective. The SAPIP PMU will prepare an EMP and associated plans for initial approval prior to implementation. The EMP will contain:

- Description of the proposed subproject;
- Analysis of anticipated impacts including location, duration and magnitude;
- Detailed mitigation measures including drawings and costs; and
- Statement of responsibilities for implementing mitigation measures and overall EMP compliance.

Responsibilities as allocated in the EMP are to be understood and agreed to by all parties involved (including contractors where relevant).

Mitigation measures will be developed in accordance with national legislation, design standards and technical specifications where relevant to help prevent potential environmental impacts. Standardized mitigation measures are included in Annex H of this ESMF and may be modified or expanded on to be fit-for-purpose.

Assessments and proposed mitigation measure may have an inequitable impact on women or disadvantaged groups that need careful consideration. The proposed design must consider viable alternatives and the overall inclusivity with regard to gender and the needs of vulnerable groups or persons where applicable.

Environmental Codes of Practice (ECOPs)

Where it has been identified that the subprojects with very low risk with manageable impacts, Environmental Codes of Practice (ECOPs) can be applied. These will be included in the Project Implementation Manual.

Consultation

The Consultation Strategy outlines a participatory process with communities and affected persons that is transparent, culturally appropriate and respectful of traditional protocols and decision-making processes (Annex C). The participation of various stakeholder groups at national and local levels will inform details regarding the likelihood and magnitude of impacts (geographic, socioeconomic, gender-related) and appropriateness of mitigation activities and interventions. The process will allow for concerns to be raised and integrated into decision-making. A transparent process will likely facilitate establishing broad community support for the Project and subproject(s).

Social Assessment (SA)

Under OP4.10 and OP4.12, a Social Assessment (SA) is required for Category B subprojects where communities or individuals may be adversely impacted. The SA will determine the degree to which communities and identified Vulnerable / Indigenous Peoples / Ethnic Minorities could be adversely affected by project activities (often related to security of tenure, land access, livelihood sources and subsistence dependency).

The SA will look at the socio-cultural setting, governance structures, cultural heritage, and livelihood aspects of the local context. The assessment should provide detail on:

- Socio-cultural aspects of the community or cluster of communities;
- Detail on livelihoods, local economy and subsistence activities;
- Level of dependency on resources and current threats or degradation issues;
- Local governance structures including decision-making on natural resources;
- Customary tenure, boundaries, access rights and authoritative powers;
- Sites and/or resources that may hold cultural/spiritual significance; and
- Territories and/or resources under dispute.

The potential magnitude of impact will be determined through stakeholder consultations, sites visits and previous experience. Consultation activities should be planned to minimize disruption and avoid consultation fatigue (see Annex C).

Where it has been identified that the subproject may cause restriction of access to customary land or natural resources, the Beneficiary Participation Framework (Annex C) will be followed.

Where it has been identified that the subproject may cause some degree of physical or economic displacement or loss of assets or access to assets, the Land Access and Resettlement Policy Framework (LARPF) (Annex F) will be followed. The MAF will validate the impacts of land acquisition (if any) in coordination and consideration of all stakeholder groups.

Disclosure and Reporting

All safeguard instruments must be disclosed publically on MAF's website, Bank's InfoShop, and hard copies available at relevant Municipal Offices with summary in Tetum.

All consultation activities must be documented with meeting minutes, list of attendees (male/female), issues raised and outcomes, being mindful of the sensitivity and confidentiality of such records.

ESMP Template

Table of Contents

Glossary and Abbreviations

Executive Summary

- 1.0 Introduction
- 1.1 Background
- 1.2 Objectives and Scope
- 1.3 ESIA Methodology

- 2.0 Project Description and Construction Schedule
- 2.1 Site Plan
- 2.2 Alternatives Considered

- 3.0 Policy, Legal and Administration Framework
- 3.1 National Requirements²⁴
- 3.2 Regional Requirements
- 3.3 International Obligations
- 3.4 World Bank Safeguards Policy

- 4.0 Environmental and Social Environment
- 4.1 Physical Environment
 - 4.1.1 Location and Geography
 - 4.1.2 Climate and Coastal Processes
 - 4.1.3 Soil and Geology
 - 4.1.4 Water Catchment and Resources
 - 4.1.5 Land Use
- 4.2 Biological Environment
 - 4.2.1 Marine and Terrestrial Biodiversity
 - 4.2.2 Conservation or Protected Areas
 - 4.2.3 Rare or Endangered Species
- 4.3 Socio-Economic Conditions
 - 4.3.1 Community Profile, Population and Demographics
 - 4.3.2 Socio-Cultural Context and Governance Structure²⁵
 - 4.3.3 Community Infrastructure, Education and Health
 - 4.3.4 Economic and Livelihood Activities
 - 4.3.5 Land Tenure, Access and Rights
 - 4.3.6 Cultural Heritage and Sensitive Sites
- 4.4 Projected Climate Changes and Impacts

- 5.0 Consultation and Stakeholder Engagement

- 6.0 Environmental and Social Impact
- 6.1 Overview of Impacts
- 6.2 Environmental Impact
 - 6.2.1 Secondary and Cumulative Impacts
 - 6.2.2 Downstream and Upstream Impacts
- 6.3 Social Impact
 - 6.3.1 Land Use Change and Property Access
 - 6.3.2 Public Safety
 - 6.3.3 Land and Resource Ownership and Governance
 - 6.3.4 Cultural Heritage and Sensitive Sites

²⁴This should provide an outline of EIA legislation and regulations, development applications, land acquisition process and community and landowner consultation requirements

²⁵This should capture vulnerable groups, persons, gender aspects and community decision-making processes

7.0	Mitigation Measures
7.1	Public, Traffic and Occupational Health and Safety
7.2	Environmental
7.3	Socio-Economic
8.0	Roles and Responsibilities
8.1	Institutional Capacity
8.2	Grievance Redress Mechanism
9.0	Compliance and Monitoring Plan
9.1	Monitoring Plan
9.2	Reporting
10.0	Contingency Planning
Appendix A	ESMP Monitoring Plan Inspection Checklist
Appendix B	Consultation Plan and Report
Appendix C	VLD or Land Access Agreements

Annex H

Mitigation Measures

I. Mitigation Checklist

Mitigation measures are required to minimize environmental and social risks and impacts related to subproject activities. Table 1 provides a list of *standard* mitigation measures that may be developed as part of the EMP, and modified or applied as appropriate.

Selected mitigation measures are to be included in contract documentation for civil works (and storage of emergency supplies), and these measures will form the minimum performance requirements. Depending on the nature of the subproject, additional protection measures may be necessary to prevent or further mitigate negative impacts. It is the duty of the PMU to ensure that these additional protection measures are included in contract documentation.

Table 1 Potential Mitigation Measures

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
01.	Site clearance and land disturbance	0101	Minimise the removal of trees and plants.		
		0102	Community consensus is reached on site selection site with whole community to ensure subproject activity does not conflict with or remove a persons livelihood and sensitive / disputed / taboo sites are avoided		
		0103	Site is away from steep slopes, rainforest, wetland, rivers, sensitive ecosystems and other critical habitats such as animal feeding and nesting grounds		
		0104	Use of heavy machinery conducted by trained persons only		
		0105	No disturbance of land until confirmation that land is able to be used for subproject by completing Land Use Agreement (LUA), and that it is less than 5% of landholdings		
		0106	Stop any activity if ecologically sensitive areas are disturbed		
		0107	Replant any plants, fruits trees or medical herbs that were cut during site clearance.		
		0108	Stop any activity if cultural heritage sites are uncovered, follow Chance Find Procedures and contact relevant authorities		

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
02.	Noise disturbance	0201	Consult community regarding appropriate timing of noisy activities and avoid noisy activities at night		
		0202	Use noise-control methods (barriers/ shelter/ muffling devices) and maintain a buffer zone if possible		
		0203	Minimise project transportation, particularly heavy vehicles, through residential areas		
03.	Air quality	0301	Do not burning of debris or waste materials in proximity to village or site		
		0302	Reduce dust generation through application of water where practical		
		0303	Cover stockpiled materials and secure debris with tarpaulins		
		0304	Limit heavy vehicle movements and idling		
		0305	Identify asbestos risk and hazardous materials to be handle only by qualified or appropriately trained persons		
04.	Soil erosion and contamination	0401	Limit ground disturbance to small areas and minimize removal of trees and plants.		
		0402	Complete construction works during dry season and avoid wet season		
		0403	Construct temporary/permanent structures / barriers to control erosion		
		0404	Stabilize sloping or cleared area before construction with gabions (walls / stones), ditches and/or terraces as appropriate		
		0405	Construct retaining walls to hold back loose sediments and use mulch, grasses or compacted soil to stabilize exposed area		
		0406	Avoid construction on unstable soils, steep slopes and near riverbanks		
		0407	Minimize length and steepness of slopes for bridges		
		0408	Re-plant trees and re-vegetate cleared areas immediately after construction		

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
		0409	Confine construction site with trench or bund (mound) to avoid surface runoffs from entering surrounding environments.		
		0410	Do not discharge water in areas that are steep and unstable.		
		0411	Construct proper drainage systems to divert water away from activity site and other sensitive environment including ditches for water flows to carry surfaces run-off away from erodible areas and slopes, and line steep channels/slopes with palm fronds, mulch, rocks etc to reduce run-off.		
		0412	Drain storm-water through a single filtered outlet by passing the water over gravel/sand sieve, then over vegetated surface to remove organic pollutants before discharging on to any drainage system.		
		0413	Stop any activity that is causing excessive erosion and turbidity		
05.	Water (groundwater, surface water run- off, turbidity, contamination)	0501	Select sites away from riverbanks and creeks, with a buffer of approximately 20m		
		0502	Natural water flows should not be altered or changed		
		0503	Construct proper drainage systems		
		0504	Keep waste and hazardous materials away from water bodies and do not dispose of waste in creeks or rivers		
		0505	Manage site safety to avoid contamination of drinking water from waste materials and pollutants		
		0506	Wells should always be located upstream of any septic tank soak-away. Minimum 15 m distance from septic tank is recommended to avoid contamination		
		0507	Do not discharge solid or liquid wastes in waterways or on coastal environment		
		0508	Avoid sedimentation of waterways and coastal areas through erosion control methods (see section 4 on erosion)		

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
		0509	Protect water sources from overuse and salt intrusion through the use of buffer zones and barriers where necessary		
		0510	Dispose of waste water in soak pits		
		0511	Construct culvert around well and cover well with lid		
		0512	Avoid logging, large-scale animal farming/aquaculture and major construction activities in the water catchment area		
06.	Waste (solid and hazardous)	0601	Collect and transport construction waste to appropriately designated/controlled dump sites, far from villages		
		0602	Keep waste sites at least 300 meters away from water bodies and wetlands		
		0603	Hazardous materials handled with protective equipment by trained persons only (including asbestos), and securely stored		
		0604	Proper disposal of contaminated waste materials in designated/approved sites by license contractors		
		0605	Protocol of accidental spills is in place (emergency response)		
		0606	Indicate hazards through signs, pictures and labels		
		0607	Do not use or store chemicals, pesticides or fertilizers		
07.	Visual	0701	Avoid construction works that will significantly alter the landscape		
		0702	Revegetation areas as soon as possible		
08.	Extraction of materials	0801	Seek permission of environmental authority for permitting and approval of material use (sand, gravel, etc).		
		0802	Limit extraction of sand or gravel		
		0803	Source sand, rocks and gravel from approved quarry		
09.	Natural Hazards	0901	Build appropriately-designed infrastructure to relevant specifications		

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
		0902	Avoid areas prone to natural hazard events (flooding, spring tides etc), steep slopes and vulnerable to erosion, landslides, etc.		
		0903	Consider long-term climatic affects and seasonal extremes on location and materials		
10.	Community and worker safety	1001	Limit use of heavy machinery by trained persons only		
		1002	Proper management of hazardous materials and waste, and disposal in designated areas		
		1003	Awareness of dangers on site and occupational, health & safety requirements		
		1004	Storage of medicines consistent with Ministry of Health standards		
		1005	Facilities upgraded in consultation with Ministry of Health in reference to RWSS sanitation manual		
		1006	Locked storage of fuels, paints and chemicals (cool, dry shed)		
		1007	Contain mixing area for concrete / bitumen to avoid spillage and contamination of surrounding environment.		
		1008	Encourage skilled villagers to participate in and supervise construction works		
		1009	Keep extra materials stockpiled in a safe place undercover, away from walkways		
11.	Social Impact	1101	Ensure outside workers respect the code of conduct of construction activities in the community through briefing session		
		1102	Subproject activity does not conflict with or remove a persons livelihood (e.g. purchase of solar panels does not remove a persons phone-recharging enterprise)		
		1103	Identify community members with key responsibilities for project implementation		
		1104	Grievances resolved using the grievance redress mechanism		

	Environmental / Social Issues	ID	Mitigation actions to prevent negative impacts	Applicable? (Y/N)	Completed? (Y/N)
		1105	Discontinuation of project if conflict arises and exit strategy followed		
		1202	Develop environmental management plan specific to farming activities and techniques, detailing monitoring frequency, in consultation with the Department of Primary Industries		
		1203	Ensure a buffer zone of at least 20m between gardens/plots and waterways		
		1204	Minimize application of pesticides and fertilizer use by using organic options where viable, and store pesticides and fertilizer in a dry place away from water ways or wet areas that is not accessible to children		
		1205	Conduct soil testing or trial plots in different areas to ensure best site with most fertile soil for food production is selected		

II. Chance Finds Procedure

There is a possibility that project activities may result in damage to physical cultural resources (PCR) unless identified early. A Chance Finds Procedure (CFP) will be detailed in EMPs. Activities that may occur in areas with possible PCR will specify procedures for identifying and avoiding impacts on this, including:

- Consultation with the appropriate authorities and local residents and communities to identify known or possible sites during the design of project activities;
- Siting of proposed activities to avoid identified sites (including protected areas and zones);
- The cessation of work until the significance of a 'find' has been determined by authorities or relevant experts; and
- Mitigation and management measures (e.g. buffer zones) for CFP in contracts.

Cultural property include monuments, structures, works of art, or sites of significance points of view, and are defined as sites and structures having archaeological, historical, architectural, or religious significance, and natural sites with cultural values. This includes cemeteries, graveyards and graves.

The list of negative subproject attributes which would make a subproject ineligible for support includes any activity that would adversely impact cultural property. In the event that during reconstruction or construction sites of cultural value are found, the following procedures for identification, protection from theft, and treatment of discovered artifacts should be followed and included in standard bidding documents.

Chance find procedures will be used as follows:

- (a) Stop the construction activities in the area of the chance find;
- (b) Delineate the discovered site or area;
- (c) Secure the site to prevent any damage or loss of removable objects.
- (d) Notify project representative and suco chief who in turn will notify the responsible local authorities;
- (e) Responsible local authorities and the relevant Ministry would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures.
- (f) Decisions on how to handle the finding shall be taken by the responsible authorities and the relevant Ministry. This could include changes in the layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage.
- (g) Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the relevant Ministry.
- (h) Construction work could resume only after permission is given from the responsible local authorities and the relevant Ministry concerning safeguard of the heritage.

These procedures must be referred to as standard provisions in construction contracts.

During project supervision, the DPSMU shall monitor the above regulations relating to the treatment of any chance find encountered are observed. Relevant findings will be recorded in World Bank Supervision Reports and Implementation Completion Reports will assess the overall effectiveness of the project's cultural property mitigation, management, and activities, as appropriate.