



Additional Financing Appraisal Environmental and
Social Review Summary
Appraisal Stage
(AF ESRS Appraisal Stage)

Date Prepared/Updated: 03/16/2022 | Report No: ESRSAFA340



BASIC INFORMATION

A. Basic Project Data

Country	Region	Borrower(s)	Implementing Agency(ies)
Ethiopia	AFRICA EAST	FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA	Ministry of Women and Social Affairs, Ministry of Urban Development and Infrastructure, Ministry of Labor and Skills
Project ID	Project Name		
P177654	Additional Financing-The Urban Productive Safety Net and Jobs Project		
Parent Project ID (if any)	Parent Project Name		
P169943	Urban Productive Safety Net and Jobs Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing	4/8/2022	4/29/2022

Proposed Development Objective

The project will support the Government of Ethiopia (GoE) in improving the incomes of the urban poor and the labor market inclusion of disadvantaged urban youth.

Financing (in USD Million)	Amount
Current Financing	550.00
Proposed Additional Financing	100.00
Total Proposed Financing	650.00

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

No



C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

Ethiopia has been one of the world’s fastest-growing economies over the past ten years, making important strides in poverty reduction, but significant progress remains to be made. Gross domestic product (GDP) grew at an average annual rate of approximately 10 percent between 2007 and 2019, and this strong growth translated into substantial poverty reduction. However, despite the progress made, Ethiopia remains among the world’s poorest countries with an annual per capita income of US\$740 in 2017, with low human development, reflected in a score of 0.38 on the World Bank’s Human Capital Index. The Coronavirus disease 2019 (COVID-19) pandemic has had severe economic impacts, threatening Ethiopia’s gains in growth and poverty reduction, with urban areas affected the most. Employment rates plunged in the early days of the pandemic, particularly in urban areas. Though employment levels have been recovering, vulnerability is expected to increase, resulting from many Ethiopians moving to more vulnerable types of employment, such as self-employment, casual employment, and family work.

The ongoing national political transition has opened space within Ethiopia’s political system, but also created the space for the re-emergence of various underlying conflict drivers, and the emergence of some new ones. The incidence of violent conflict has increased sharply in the last five years and the conflicts have led to destruction of socioeconomic infrastructure, disruption of supply chains, and general barriers to investments. The most significant recent manifestation of conflict is the Northern Ethiopian Crisis, which began with the outbreak of conflict in November 2020 and has since spilled over to the adjoining regional states of Amhara and Afar. The current wave of conflict has been led by a complex web of drivers and grievances, including political rivalries, contestation over localized resources, and perceptions of regional and historical inequalities. These have been exacerbated by unfulfilled employment expectations among youth, shrinking availability of land for the younger generation, and the impacts of climate change.

Despite some of the above setbacks, social protection has played a key role in Ethiopia’s reduction in poverty in recent years and is a critical component of the country’s long-term development strategy, as articulated in the GoE’s Ten Years Development Plan for 2021-2030. The GoE recognizes the contribution of social protection to the development goals of the country and commits substantial human and financial resources to maximize the reach of such programs to its poorest and most vulnerable citizens. Social protection is a priority sector for the Government, as demonstrated by the country’s extensive landscape of safety net programs in both rural and urban areas. The Urban Productive Safety Net Program (UPSNP) was created in 2016 and is serving over 600,000 urban poor and destitute in 11 cities including Addis Ababa. The follow-on project, the UPSNJP, will expand the urban safety net to 83 medium and large cities between 2021 and 2025 focusing on livelihood support and labor market integration (particularly of youth). Based on the success of UPSNP, the Parent Project (UPSNJP) of this proposed Additional Financing (AF) aims to consolidate and expand the urban safety net to additional cities. The AF will retain the Parent Project’s (UPSNJP) four original components. The AF will respond to the pressing need by expanding safety net to more people in current UPSNJP cities. The key additional element of the AF is coverage of Internally Displaced People(IDPs) as beneficiaries of cash payment under component 1. Proposed changes to the original components’ design are described below:

- Component 1 - The Additional Financing (AF) will scale up the safety net by providing public works and livelihood supports (US\$72.5 million). The scale up will cover up to 128,000 additional beneficiaries in 42 cities among the 83 cities selected for the Parent Project (UPSNJP). It will also include adjusting the delivery mechanisms to cover IDPs in a sub-selection of UPSNJP cities where the IDPs caseload is particularly high. IDPs will not engage in the public work activities.



- Component 2 – The Additional Financing (AF) will scale up to cover additional disadvantaged youth in the Apprenticeship Program (US\$ 9.5 million). An additional 10,000 beneficiaries will be reached through Component 2.1 through which disadvantaged urban youth will be offered a first work experience in the form of six-month apprenticeships, along with training in life skills, digital skills, and job search skills. This sub-component will be scaled up in the 11 selected cities where the Apprenticeship Program is planning implementation. In addition, the AF will be utilized towards strengthening the gender inclusiveness of this program through improvements in specific design elements.
- Component 3 - The Additional Financing (AF) will expand cash payments to permanent direct support beneficiaries, i.e., people with no labor to engage in public works activities (US\$10.0 million)
- Component 4 - The Additional Financing (AF) will strengthen the gender inclusiveness of the overall Parent Project (US\$8.0 million)
- Component 5 (CERC) - There will be no change from the Parent Project (UPSNJP).

Similar to the Parent Project (UPSNJP), the AF contributes to the Country Partnership Framework's (CPF) goal of forging a growth path that is more inclusive. It focuses on the poor urban population, on unemployed youth, as well as urban destitute, including children in street situations. It also supports the CPF's objective of making greater investments in secondary cities to create employment opportunities. The CPF also emphasizes activities that boost productivity, increase private sector-led growth and job creation (especially for youth); promote gender inclusion (including economic and social gaps between men and women), and strengthen citizen engagement, all of which the AF will contribute to. More specifically, the AF will directly implement the CPF's Focus Area 2 for Building Resilience and Inclusiveness, and more specifically the Objective 2.1, improved sustainability and effectiveness of safety nets. Within this focus area, the AF will support (i) efforts to build a sustainable and harmonized nationwide social protection system for poor and vulnerable groups by extending current safety nets; (ii) improving effectiveness of the Government's safety net programs in rural and urban areas; and (iii) implementation of the urban productive safety net program, given the high rates of youth and female unemployment and poverty in urban areas.

Further to the above and in line with the Parent Project (UPSNJP), the AF is consistent with several of the Government of Ethiopia's higher-level objectives. The GoE's Ten Years Development Plan for 2021-2030, replaces the GTP and outlines the country's development pathway for the coming 10 years. In particular, the AF is aligned with Strategic Pillar 5 (Equitable Participation of Women and Children) to ensure gender equity in economic and social sectors. The AF is aligned with the objective of the Durable Solutions Initiative (DSI), and its objective of designing and implementing durable solutions in support of IDP in Ethiopia and host communities/communities at locations of return, relocation, or local integration. The DSI's Institutional and Operational support levels are to be implemented by strengthening the coordination and operations of the federal and regional level working groups on durable solutions and implementing area-based, comprehensive, government-led and community driven programs in areas of voluntary return, relocation, or local integration, including support to internally displaced households to find individual solutions.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]



The proposed Additional Financing (AF) will be used to support the GoE's vision to scale up the urban social safety net through the UPSNJP. The proposed AF will enhance the development impact of the Parent Project via several complementary pathways: (a) scaling up the existing safety net (public works and livelihoods interventions) to cover additional beneficiary households, including IDPs by adjusting the delivery mechanisms; (b) strengthening the urban youth employment component by scaling up the Apprenticeship Program to cover additional disadvantaged youth; (c) strengthening the impact on gender equity and empowerment by reinforcing gender sensitive interventions, building on lessons learned from UPSNP and UPSNJP implementation so far. In addition, some of the indicators and targets in the results framework will be updated to reflect the Additional Financing. The proposed AF will scale up the public works (PW) under the Parent Project which will be identified and planned by city governments through a participatory process involving local communities. PW would encompass 5 areas of (i) urban greenery, (ii) waste management, (iii) watershed management and disaster prevention, (iv) small community infrastructure, and (v) urban agriculture.

The AF activities planning and implementation would remain the same as the Parent Project (UPSNJP) except inclusion of IDPs. Though the additional financing will support additional urban poor households in 42 cities out of 83 cities where the safety net is implemented under UPSNJP (except Tigray), the specific target cities for the AF are yet to be selected. Under component 1, the Project will scale up the safety net and livelihood services. This component scales up public works and livelihood program for poor and vulnerable households in UPSNP cities. The scale up will cover up to 105,304 additional beneficiaries in 42 cities among the 83 cities selected for the Parent Project. The selection and prioritization will be based on a clear set of criteria that consider greatest need based on urban poverty levels, population and capacity. In addition, under component 1, the Project will adjust delivery mechanisms to cover conflict-affected households living in selected UPSNJP cities. The inclusion of conflict-affected households in the urban safety net will be piloted in a few cities where the urban safety net is planning implementation, in order to enhance the capacity of the national social protection system to respond to conflict and displacement with about 40,000 IDPs to be supported. The cities that will be implementing this pilot will be limited to 3-5 cities to be selected based on specific criteria including cities with large number of IDPs. If available resources can cover all IDPs in the IDP shelters in the selected cities, there will be blanket coverage. When available resources are less than the need, a combination of administrative selection of the sites and a lottery system will be implemented to identify the project beneficiaries. The project will support the income and consumption needs of targeted displaced households, through unconditional cash support.

Under Component 2, the Project will scale up to cover additional disadvantaged youth in the Apprenticeship Program. This sub-component will be scaled up in the 11 selected cities where the Apprenticeship Program will be implemented. Under Component 3, the Project will scale up income support to people with no labor in up to 42 cities.

Implementation will be through the existing arrangements with Ministry of Urban Development and infrastructure (MoUDI), the federal agency implementing the UPSNJP, and in consultation and co-ordination with Ministry of Women and Social Affairs (MoWSA) the implementing partner for direct support and the Ethiopian Disaster Risk Management Commission (EDRMC), the institution mandated with IDP policy in Ethiopia.. Procurement of necessary goods and material will be carried out at the city level. To address the challenges of the urban poor and also take advantages of the economic opportunities in cities, the proposed AF would scale up the urban productive safety net, income support for the destitute, and provide young men and women with opportunities to enter the labor market. To this end, the proposed AF would retain the Parent Project's four components: Component 1: Expand the Urban Productive Safety Net to Improve the Urban Environment, Component 2: Foster Urban Youth Employment, Component 3: Strengthen Social Assistance and Services for the Urban Poor and Destitute, and Component 4:



Institutional Strengthening, Project Management and Monitoring and Evaluation. There will be no change on the Parent Project's Component 5 which is a Contingency Emergency Response Component (CERC), a zero-dollar component that will be activated and funded in case of a declared emergency that affects urban populations.

D. 2. Borrower's Institutional Capacity

The Second Joint Review and Implementation Support (JRIS) mission and the Ethiopian Fiscal Year (EFY) 2014 1st Quarter Report of the Parent Project (UPSNJP) indicates that the borrower has implemented environmental and social risk management measures. Among other things, environmental and social safeguards focal experts were assigned for 77 beneficiary cities with exception of cities in Tigray currently not accessible; technical trainings were given to the 72 cities environmental and social risk management experts by the Federal PCU on public work subprojects planning, reporting, environmental and social safeguard instruments, and overall management of environmental and social risks and impacts; awareness creation campaigns were conducted for public work beneficiaries in nine cities on occupational health and safety (OHS); community consultations, screening and preparation of site specific environmental and social risk management tools such as ESMPs based on the ESMF, and getting approval from the concerned authorities were completed for 66 subprojects; and federal PCU safeguards team has prepared PPE specifications which is shared with cities and regions for their subsequent actions. However, there are also gaps which were identified during the implementation of the Parent Project. These include financial limitations in assigning environmental and social experts for the regional hubs, challenges to conduct awareness creation campaigns for public works as well as preparing appropriate environmental and social instruments for some of the screened subprojects due to accessibility problem in conflict affected areas. The federal PCO has been following up with cities and provided TA support with accessible sites.

Following the October 2021 restructuring, The JOBSA (Jobs Creation and Food Security Agency) under Ministry of Urban Development and Infrastructure (MoUDI) has been dissolved and the roles and responsibilities carried by the agency has been transferred to newly established Urban Food Security Department under MoUDI. The federal project coordination office (the previous project coordination unit) for the project will continue to have key staff positions for citizen engagement, safeguards and gender among others. Thus the existing E & S staffing arrangement will continue to be applied for the AF. Assessment of the institutional capacity of the client was conducted while preparing the Parent Project's Environmental and Social Management Framework (ESMF). The measures that need to be taken to address capacity gaps have also been included in the ESMF. Based on the experience with UPSNP and UPSNJP, the implementing agency has developed some capacity in environmental and social risk management. There are two dedicated E&S specialists at the federal Project Coordination Office (PCO) level coordinating and supporting the overall implementation of environment and social risk management. The PCO is also in the process of recruiting the Gender and Citizen Engagement specialists. Given the limited risk management capacity at city level, the federal PCU provided capacity building training on environmental and social risk management.

The federal PCO environmental and social staff will continue to provide support and training on environmental and social risk management to enhance the cities implementation capacity. The PCO shall continue organizing trainings on: Environmental and Social Management Framework (ESMF), Occupational Health and Safety (OHS) risk management, preparation and implementation of site specific environmental and social risk management instruments, stakeholder mapping and engagement, GBV and community health and safety during the Parent Project and the proposed AF implementation to address capacity gaps. Apart from its commitment to provide appropriate preventive and protective measures to avoid or minimize potential occupational health and safety incidents, the client has prepared a guideline which is helpful to properly report, respond and follow up occupational health safety (OHS)



incidents that may occur at public work sites. These could help ensure compliance with the OHS requirements of the Parent Project and the Additional Financing (AF).

Finally, the switch from the WB’s Operational Policies to the Environmental and Social Framework (ESF) for the Parent Project and AF requires ongoing familiarization with the new standards as well as extension of attention and monitoring to new focus areas such as stakeholder engagement, labor, and gender-based violence (GBV). The Federal PCU and MoLS project teams will have the overall responsibility for monitoring compliance with the agreed mitigation measures and actions as per the Environmental and Social Commitment Plan (ESCP) and respective E&S risk management instruments of the Parent Project and this Additional Financing. The federal PCU environmental and social safeguard staff in coordination with the MoLS project team will continue to provide support and training on environmental and social risk management to enhance the cities implementation capacity and all participating cities will assign qualified social and environment staff.

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

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Moderate

Similar to the Parent Project, the Additional Financing (AF) will have considerable beneficial environmental impacts because of the anticipated public works namely solid waste management (waste collection in river banks, along the roads but does not involve construction or rehabilitation of landfills.), small community infrastructure such as construction and operation of communal toilets, watershed management on the adjacent hills of the cities to prevent flooding (through terracing, digging channels, gullies, etc. and improve environmental protection of existing landscapes, including intensive reforestation), urban greenery (rehabilitation of public parks, street side or median planting of trees, scrubs and flowers etc.) and urban agriculture (in those areas cleaned of waste, growing produce – no pesticides). The beneficial impacts among others include reduction in flooding events because of cleaning of drainage ditches; cleaner air and aesthetics in the beneficiary cities/towns; reduction in prevalence of diseases that can be caused by poor environmental sanitation; improvements in environmental health of the urban centers of Ethiopia. The AF greenery activities should effectively use green space for water conservation, biodiversity improvement, pollution management (natural filters) and flood control. However, public workers handling solid waste can be exposed to occupational health and accident risks related to the content of the materials they are handling, emissions from those materials, and the equipment being used. People living and working near solid waste disposal facilities also are exposed to environmental health and accident risks. Injury issues in solid waste management include back and joint injuries from lifting heavy waste-filled containers and driving heavy landfill and loading equipment. There are also risks associated with the handling of waste (e.g., working in traffic, shoveling, lifting, accidents). Respective mitigation measures are relevant for the Public Works (PW) component, but also for all other components involving works by beneficiaries, e.g. via apprenticeships. The open burning of waste can have serious consequences on the health of people as burning of household waste result in exposure to fine particles, dioxins, volatile organic compounds, polycyclic aromatic hydrocarbon, and polychlorinated biphenyls, which have been linked to heart disease, cancer, skin diseases, asthma, and respiratory illnesses. The AF should give serious consideration to the species to be selected for greening activities in terms of their biodiversity value by planting a wide variety of indigenous species rather than a limited number of exotic species. Special attention should be given to avoid accidental introduction or propagation of invasive species. The public work activities such as watershed

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management and disaster prevention, small community infrastructure (as part of a larger plan such as the riverside initiative in Addis Ababa) and urban agriculture can also have unintended environmental risks. The risks include pollution of ground and surface water (if wastes are not properly disposed of and infrastructure such as toilets are not properly located), emission of GHGs (though emissions attributable to this AF activities may not be significant as the public workers are a very small fraction of the municipal waste), soil erosion, and solid waste may provide a food chain path for transmitting animal and human diseases. Given that these activities will be implemented in small scale, the potential adverse risks and impacts on the environment are not likely to be significant. The AF does not involve activities that have a high potential for harming the environment, the ESMF for the ongoing Parent Project has been used to screen out activities with potential high environmental risk. Hence, the environmental risk of the AF is Moderate.

Social Risk Rating

Substantial

Similar to the Parent Project, social risks of the AF are related to: (i) land acquisition for PW, (ii) social exclusion and elite capture for targeting (Assessments conducted in the country indicate that young people and women are at a significant disadvantaged position in the urban labor market). (iii) insufficient community engagement, and (iv) lack of GBV related awareness among beneficiaries and implementers as well as capacity gap in prevention and response among implementers. Other potential risks may be related to under-age participation in PW. An additional item to consider are population movements, above all in relation to forced displacement and related grievances by displaced beneficiaries and/or host communities. If interventions for conflict affected people are not carefully designed and there is inadequate engagement on the interventions the following risk could emanate, (i) internally displaced people (IDPs) would get unconditional payments while the host communities are required to do PWs under the UPSNJP and this might raise grievance among host communities, (ii) if IDPs go back to their original community with perceived large sums of money, this may inadvertently attract more people to flee to the cities and to IDP centers in the hope of getting registered, (iii) weak consultation and participation of the IDPs and host communities, these will affect the social cohesion between IDPs and host communities. The social risk of the proposed AF is, therefore, rated as Substantial. The rating is based on the inherent risks associated with this type of project stated above (including the Parent Project) and client’s limited capacity to address the risks. The new towns included in the Parent Project which are also the AF towns are expected to have even weaker capacity to address the risks. The Parent Project prepared the following E&S risk management documents: (i) an Environmental and Social Management Framework (ESMF), (ii) an updated Resettlement Policy Framework (RPF), (iii) a GBV risk assessment and action plan, and (iv) Labor Management Procedures. These documents are applicable for the proposed AF. The parent project SEP has been updated to properly address specific issues of the additional financing.

Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Rating

Moderate

The SEA/SH risk continues to be moderate as the parent project, the GBV action plan prepared for the parent project applies to the AF and will be implemented to address the risks.

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

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

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The Additional Financing (AF) activities such as solid waste management and construction of small community infrastructure including toilets, can have considerable environmental and social risks such as pollution of ground and surface water (if wastes are not properly disposed of and if community infrastructure sites are not appropriately located), small scale emission of GHGs from waste disposal sites, soil erosion, and solid waste may provide a food chain path for transmitting animal and human diseases, if the impacts are not properly assessed and mitigated. Even more so, provision of benefits to vulnerable households and individuals encompasses specific social risks as outlined above; including targeting, intra-community conflicts, GBV and protection, etc.

While beneficiaries of UPSNJP are vulnerable by definition as criteria for inclusion into the project (via a targeting approach involving community participation with a strong focus on poverty), additional dimensions of vulnerability may require special attention as they may interlink with the core activities of the AF (same as the Parent Project), e.g. female headed households, minor-headed households, elderly, people-with-disabilities, etc. While the parent project ES instruments will apply for the additional financing, the SEP for the additional financing has been updated to include engagement of IDPs and have accessible GRM in place to address complaints by IDPs. Furthermore, with the potential implementation areas in conflict affected communities, security assessment and management plan will be prepared prior to disbursements and commencement of activities on the ground.

To avoid/mitigate the risks associated with the AF, the client will prepare and implement appropriate environmental and social risk management instruments at the subproject level following the requirements of the Parent Project's ESMF as is and other E&S risk management instruments as the activities to be financed remain the same). The AF stakeholders should be actively engaged in the course of implementation of the AF. A labor management procedure has been prepared for the Parent Project (UPSNJP) proportional to the AF risks; this will be relevant for the PW component as much as the apprenticeship component. ESS1 is, therefore, relevant for activities under all components, such as: a) the scaled up safety net and public works components including screening and Environmental and Social Assessment (ESA) process of subprojects (Component I); b) the scaled up apprentice-subcomponent including screening of partner Small and Medium Enterprises, SMEs (Component II); and (c) the expanded cash payments to permanent direct support beneficiaries (people with no labor to engage in public works activities (Component III). The client has prepared and will implement appropriate environmental and social risk management instruments for the Parent Project which are also applicable for the AF. Core activities are also outlined in the ESCP of the Parent Project (UPSNJP) in support of compliance with the ESF. As the specific sites for the implementation of the AF activities have not been identified at this stage, an ESMF of the Parent Project has been chosen as a risk management tool. However, during implementation stage, based on the screening presented in the ESMF, the site specific risk management instruments (ESMPs, ESIA) will be prepared to mitigate risks associated with the AF activities proportional to the respective risk level. Also, the AF will need to review regularly monitor E&S performance and adapt to developments as much as to the context of the AF.

The client shall provide appropriate protective and preventive measures to avoid or minimize the occurrence of occupation and health safety (OHS) incidents at public work sites. If any OHS incidents occur, the client will report to the Bank within the timeline specified in the Parent Project's environmental and social commitment plan; investigate the incident, properly respond to the incident (including compensation for injuries) and follow up the implementation of remedial measures.



Since the AF will not change the CERC, requirements set in the Parent Project's with regards to the CERC shall be applied.

ESS10 Stakeholder Engagement and Information Disclosure

Similar to the Parent Project, the AF focuses on urban poor households and communities, and urban destitute; they will be the primary stakeholders. Other key stakeholders include all participating cities, MoLS, Ministry of Women and Social Affairs, Ministry of Urban Development and Infrastructure, Chamber of Commerce as well as CSOs, and Development Partners that will be actively involved in the design and implementation of the program. Therefore, ESS 10 is relevant.

A Stakeholder Engagement Plan has been developed for the Parent Project with specific provisions for the different project components. The SEP outlines the characteristics and interests of the relevant stakeholder groups and timing and methods of engagement throughout the life of the Parent Project. This is especially important for vulnerable households and individuals as well as urban destitute, which are the primary stakeholders as noted above. The AF will ensure that the needs and voices vulnerable groups including IDPs and people with disability are heard and benefit from the AF through inclusive consultation and introduction of standardized designs for accessible facilities such as public toilets, training of officials, and key stakeholders including firms that offer apprenticeships, on disability issues and their specific needs.

So far different stakeholders engagement activities including awareness creation workshops and UPSNJP project launch meetings with federal, regional and city level project implementers as well as with development partners were held. Furthermore, awareness creation training has been carried out with communities and the project has been announced with national broadcast media and information leaflets, and brochures distributions as part of the parent project. The GRM established during the parent project is also functional . Most of the grievances reported were on targeting , inclusion and exclusion. Application of the standard will continue to be monitored and reported through the parent and additional financing project life-cycle. As part of the additional financing, GRM committee will be formed at the IDP hosting camps with representation from PAPs, host communities and social support committee. Consultation meetings will also be organized among IDPs and host communities with the support of host community local administration . In this connection, the parent project SEP has been updated as part of the preparation for the Additional Financing.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

Next to project staff, key labor will be provided in the PW component by community workers, by apprentices in component 2.1, and by civil servants in component 3.1 (expanding permanent direct support). The client has prepared Labor Management Procedures (LMP) for the Parent Project (which will be applied to the AF) proportional to the activities, risks and impacts which provide detailed information on the work terms and conditions including explicit prohibition of child labor. Differentiated provisions are provided to the different workers under the Parent Project that also apply to the AF, i.e. civil servants, specific PCU staff and consultants, contracted workers, and



community workers. The addressed risks encompass standard provisions on child and forced labor, all the way to non-discriminatory working conditions for community labor to codes of conduct and occupational health and safety. In more detail, in line with ESS2, the LMP includes, amongst others, measures to ensure that community labor is provided on a voluntary basis, has established work hours, paid as agreed and in a timely manner, and to further ensure that the occupational health and safety of the community workers are given adequate attention. The LMP also identifies and provides the type of work that the apprentices will and can be engaged in, as well as the hazardous jobs that both the public work beneficiaries and apprentices will not be involved in.

Health and safety risks to which community workers may be exposed from each type of the proposed subprojects has been assessed during planning and design stages of the Parent Project to identify and mitigate respective risks. Potential risks may include handling of solid waste which can have risks related to the content of the materials they are handling which may include unsegregated wastes, hazardous wastes, and Volatile Organic Carbons (VOCs); risk from emissions from those materials including hazardous wastes; risks due to excavations (pits/trenches) including falling into open excavations, collapse of excavations, plants/equipment and construction materials falling into excavations, striking existing services (power, water supply, and data), and weakening adjacent structures; risk from work-at-heights; risk due to collapse of formwork in public works that involve concrete casting (such as pit latrines and septic tanks); risk from handling cementitious materials including risk of dermatitis; risk due to confined spaces during construction of pit latrines and septic tanks; risk due to moving objects for public works that involve use of equipment; risk of electrocution and fire in public works that involve hot work; risk from slip/trip/fall due to poor housekeeping of work areas, risk due to inhalation of dust; risk of eye injury due to flying debris; risk from prolonged exposure to heat for public works done outdoors; and risks due to manual handling including cuts and abrasions from hand tools and equipment used. The AF will address these potential occupational health and safety risks by training the public workers and providing safety equipment (such as proper scaffolds, fall arrest equipment, respirators), other personal protective equipment (PPE), and first aid kits to PW workers and apprentices (as needed, depending on the risks identified).

The workers on the public works program are mostly community labor only unless certain sub-projects under Small Community Infrastructure involve hiring specialized contractors and their workforce. And hence labor influx and associated risks are not expected. The LMP provides differentiated provisions also for the supported apprentices in SMEs; including the requirement of adequate health and safety systems from the businesses involved. All requirements of ESS2, also applies to contracted workers under the destitute component, including provisions on occupational health and safety, regular employment contracts, etc. Finally, the LMP also outlines the establishment and availability throughout the project-life cycle of labor-specific grievance redress mechanisms accessible to the different range of workers. The GRM is functioning, so far no issue reported specific to labor.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 will be applicable for this AF as there can be environmental issues associated with solid waste management. For example, contaminated leachate and surface runoff from land disposal can affect soil and down-gradient ground and surface water quality. Though large-scale emission of greenhouse gases is not anticipated from this AF activities, the municipal solid wastes result in methane and carbon dioxide air emissions from landfills and disposal sites which accounts for global warming. However, the scale of GHGs emission from the solid waste management activities of the AF is expected to be small as the public workers usually collect a small fraction of the municipal wastes (the vast



majority of the municipal wastes in Ethiopia are collected by other small enterprises). The potential for emission of GHGs could be minimized with proper management of the municipal solid wastes.

The client will ensure that municipal wastes will be collected, transported, segregated and disposed of in such a way that the potential risks to public health, safety and environmental quality could be avoided or minimized. To this end, site specific waste management tools will be prepared as part of the ESMPs and implemented following the procedure set forth in the Parent Project's ESMF in cases where the public work activities involve solid waste management.

The urban greenery and watershed management activities of the AF could help in sequestration of carbon dioxide. Besides, the client will introduce an appropriate solid waste disposal approach (including compositing of solid wastes) at the final site so that emissions could be reduced. The client will follow measures specified in the WBG General EHSs and relevant GIIP as per the ESS3 requirements to abate risks from using resources such as energy, water, raw construction materials, etc. Specific provisions relevant to this ESS were included in the Parent Project's ESMF. Given the small nature of the urban agriculture activities in the AF, reliance on application of pesticides is not expected and hence pest management activities are not relevant.

ESS4 Community Health and Safety

Some of the public work activities will pose risks to the community workers and the nearby communities. Animals feeding on solid waste may provide a food chain path for transmitting animal and human diseases. In general, if the wastes collected from the urban centers are not properly disposed of, there could impacts on ecological services such as pollution of water sources. If communal toilets constructed by the AF are not well managed, it poses risks to the community and users. Other anticipated community health and safety risks include vector-borne diseases and pathogen transmission from waste sites; risk of traffic accidents on community workers particularly during urban greenery works on street side and road medians, maintenance of existing internal roads and road drainages; contamination of surface and groundwater resources from improper location of pit latrines, waste transfer, hauling, and disposal activities.

However, most of the AF activities due to the nature and scope of the subprojects that includes urban greenery, solid waste management, watershed management, urban agriculture and small-scale community infrastructure, the risks and impacts to the community workers and local communities are moderate. These risks will be managed through the Parent Project's ESMF (and subsequent subprojects level ESMPs), and labor management procedures. ESS4 is also relevant regarding provisions for GBV. The Parent Project (UPSNJP) has conducted GBV risk assessment and prepared GBV action plan that includes the destitute component, the relation between PW beneficiaries and group leaders, domestic violence, and the role of MoLS workers. The risk rating for UPSNJP and AF SEA/SH is moderate, the related action plan includes providing training on prevention from, and response to GBV to project implementers and beneficiaries; put in place a GRM; put in place a safety plan whenever receiving complaints of GBV to avoid more harm to GBV survivors; cascade the package of GBV prevention and response initiatives at community level; provide shelter for direct support who are at the same time destitute groups; work with community level GBV response machineries to prevent GBV against the marginalized; imbed special personnel (focal persons) to address GBV/SH in grievance handling committee; strengthen coordination and referrals with key stakeholders; support National Coordinating Body (NBC) for GBV prevention and response. GBV specific GRM procedure has been developed during



the parent project which also applies for the AF. To strengthen the capacity, PCO is in the process of onboarding Gender/GBV specialist. The Bank has also hired UPSNJP gender/GBV specialist to provide hands-on support to the PCO to ensure effective systems and communications are in place to enhance the program’s impact on prevention of broader GBV . Similar to the parent project, the AF will continue to ensure that infrastructure facilities constructed are accessible for all including people with disability. As a continuation of the parent project, the AF will produce a standard design for infrastructure subprojects which incorporates elements of disability and gender.

No major involvement of security personnel is foreseen under the additional financing same as the parent project. The specific 42 implementation cities for the additional financing are unknown at this stage. Once the AF cities are identified and in cases of implementation in conflict-affected cities, A Security Risk Assessment (SRA) and related Security Management Plan (SMP) will to be carried out by the client to minimize the risk of conflict and insecurity situation. The Security Risk Assessment and Management Plan will be prepared during implementation stage of the AF, prior to disbursements and commencement of activities on the ground to the affected areas. This requirement has been included in the AF ESCP.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Generally, involuntary loss of assets and properties are expected to be limited. The AF will follow the mitigation hierarchy, i.e. avoid, minimize, mitigate and/or compensate potential impacts from the design to the implementation. Subproject sites will be selected with a view to avoid private land take and, where unavoidable, to minimize and compensate adverse impacts on local communities and households. Assessment for the UPSNP and the Parent Project (UPSNJP) has indicated that some project activities such as small infrastructure constructions have been implemented on government land with no encumbrancers and there was no private land acquisition.

However, to preclude any land acquisition risks, and to guide voluntary land acquisitions (if any), the Borrower has prepared the RPF of the Parent Project which will also be applied to the proposed AF activities and has provided guidance on development of the appropriate safeguard instruments such as Resettlement Action Plans (RAPs) proportionate to the risk. The RPF provides the overall principles and objectives of ESS5 and provide guidance on how to manage land acquisition or potential restriction of access and the process to be followed in the case of voluntary land donation including key principles such as informed decision making, the right to reject, the strict avoidance of significant impacts on livelihoods, and clear documentation. So far there has not been land acquisition related adverse impact, no private land acquisition or voluntary land donation been facilitated as part of the parent project. The AF is not expected to result in physical displacement of people.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Given that the AF will be implemented in urban centers of Ethiopia, it is not expected to cause any direct harm on biodiversity as well as on natural, critical and modified habitats. Also, it will not harm the livelihoods of local communities who depend on the biodiversity and the associated resources. The AF activities should give serious consideration to the species to be selected for urban greening activities in terms of their biodiversity value by planting a wide variety of indigenous species rather than a limited number of exotic species. If appropriate care is not taken in species selection in greenery activities of the AF, it may foster monoculture. City-level Environment, Forestry, and Climate Change Offices (or other equivalent offices) are included in the Parent Project’s SEP to be



involved in the design and implementation of project activities, including advising on the selection of species for revegetation. The ESMF will be used to screen out the sites with potential to cause harm on the natural habitats.

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

Similar with the parent project, the AF will be implemented in urban areas, and there are no identified vulnerable or marginalized groups with identities and aspirations that are distinct from mainstream groups as defined under the ESF’s Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities standard in the Parent Project and the AF area of influence. Therefore, this Standard is not currently relevant to the AF activities.

ESS8 Cultural Heritage

The AF will implement community based public works that may have impacts on cultural heritage, mainly through chance finds. The Parent Project’s ESMF outlines the procedures on chance finds in Ethiopia and in line with ESS8.

ESS9 Financial Intermediaries

Financial Intermediaries (FIs) are not involved in this AF.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways	No
OP 7.60 Projects in Disputed Areas	No

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework? No

Areas where “Use of Borrower Framework” is being considered:
none

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

Implementing Agency(ies)

Implementing Agency: Ministry of Women and Social Affairs

Implementing Agency: Ministry of Urban Development and Infrastructure

Implementing Agency: Ministry of Labor and Skills

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s): Ayuba Sani Hussein, Andrea Vermehren
Practice Manager (ENR/Social) Helene Monika Carlsson Rex Cleared on 16-Mar-2022 at 03:02:53 GMT-04:00

Public Disclosure