

**INTEGRATED SAFEGUARDS DATA SHEET  
CONCEPT STAGE**

Report No.: 103462

**Date ISDS Updated: December 2, 2015**

**I. BASIC INFORMATION**

**A. Basic Project Data**

Country: Sudan	Project ID: P158066	
	Additional Project ID (if any):	
Project Name: Sustainable livelihoods for displaced and vulnerable communities in Eastern Sudan: Phase 2		
Task Team Leader: Abderrahim Fraiji		
Estimated Appraisal Date: February 5, 2016	Estimated Board Date: March 4, 2016	
Managing Unit: GSURR	Lending Instrument: State and Peace-building Fund grant	
Sector: Social Development, Fragile States, Crops, Animal Production,		
Theme: Social Inclusion (40%), Gender (20%), Rural Services and Infrastructure (20%), Participation and Civic Engagement (15%), Other Social Development (5%)		
IBRD Amount (US\$m.):		
IDA Amount (US\$m.):		
GEF Amount (US\$m.):		
PCF Amount (US\$m.):		
Other financing amounts by source:		
SPF: US\$ 4.435m		
Environmental Category: B – Partial Assessment		
Simplified Processing	Simple [ X ]	Repeater [ ]
Is this a transferred project	Yes [ ]	No [ X ]

**B. Project Objectives [from section 2 of PCN]:**

The Project Development Objective is to strengthen the capacity of (local) stakeholders to plan and deliver services and sustainable livelihoods for displaced populations and vulnerable host communities.

**C. Project Description [from section 3 of PCN]:**

Component 1: Development of Local Government Structures and Capacities (US\$0.66 million)

As in phase 1, the Kassala State Ministry of Finance, Economy, and Labor will be responsible for implementing SLDP2. One grant agreement will be signed for the implementation of components 1, 3 and 4 with the federal Ministry of Finance and Economic Planning (MoFEP), which is the Bank's counterpart in Sudan. MoFEP would then sign a Subsidiary Agreement (SA) with the Ministry of Finance, Economy and Labor (MFEL), State of Kassala. MFEL will be the principal responsible institution for overall project execution and coordination through an East Sudan TSI Coordination Agency (ESTSI) which has been established and staffed during phase 1 of the project.

The composition and cost of the East Sudan TSI Coordination Agency reflects the need to closely accompany MFEL during project implementation, ensuring the effectiveness of the learning by the national counterparts while implementing the project, and guaranteeing the application of management and fiduciary practices compatible with World Bank procedures. The East Sudan TSI Coordination Agency will continue to hold regular briefings with development partners and national government agencies to share strategies and plans, share lessons learned on new approaches, analytical findings, capacity, and resource needs etc. Thus, the project would contribute to overall knowledge generation and management as well as serve as a platform that promotes and increases the project's ability to leverage other resources.

It can be said that phase 1 provided substantive, positive hands-on experience for the ESTSI and state government in the area of livelihoods in rural communities affected by displacement. It has also garnered the interest of the state government in adopting new approaches to service delivery (such as the implementation of GIS systems to track basic service provision). However, there remains critical gaps in terms of in-depth analysis of development needs and, in some cases, basic computational skills. For this reason, emphasis in phase 2 will be placed on strengthening the technical capacity of the ESTSI as well as local government stakeholders responsible for development planning in Kassala.

Under this component, the East Sudan TSI Coordination Agency will also be responsible for covering the following project costs:

- Capacity building programs
- Project Management (operations costs)
- Communications
- Project Evaluations

#### Component 2: Research and Design (US\$0.24 million) – Bank executed

Livelihoods activities and cultural/social dynamics in Kassala state, and across Sudan, vary widely based on local conditions. Phase 1 has successfully employed the conduction of in-depth studies in directly informing, and laterally adjusting, design and implementation methodology of SLDP. In recognition of the heterogeneity in the area, phase 2 will host a smaller provision (approximately 50%) for the continuation of research studies exclusively in new areas of project expansion. Project studies will include assessments of local market conditions, value chain analysis, informal systems and markets, the existing skills and capacities, the formal and informal decision-making processes, and the role of women in the communities.

In addition, Bank supervision in design and guidance of the project will be increased at key intervals given the increased coverage and reliance on community driven planning in the phase 2 project. This approach requires sufficient oversight as communities can be easily derailed from the project objectives without proper and timely supervision of progress.

Under this component, the World Bank will be responsible for covering the following project costs:

- Research Studies on New Communities
- Design of 3-state project

- Component 3: Community Small Works Support (US\$0.4 million) – recipient executed  
As described above, communities will first be mobilized to plan and implement a portfolio of small works within their communities for the benefit of all in the community (displaced and host). Examples of these works may include: forestation campaigns, maintenance of irrigation systems, livestock route demarcation, small-scale infrastructure, soil conservation, establishing granaries, basic services improvement, etc. It should be noted that economically productive works that serve to increase livelihood potential or households' income of target communities will be given strong preference.

Exceptional performers in the community will have the opportunity to participate in a “Community Champions” program wherein they are trained to be more involved, such as serving as civic leaders, ambassadors, and trainers to other target communities.

Under this component, the East Sudan TSI Coordination Agency will also be responsible for covering the following project costs,

- Support to Small Works
- Community Champions Program

Component 4: Economic Livelihoods and Benefit Trans-passing (US\$3.135 million) – recipient executed

Component 4 will seek to employ the livelihood grant mechanisms established in the first phase, however as an ex-post economic incentive to mobilize communities towards effective development planning and implementation of small works. Communities will be organized to select beneficiaries, identify livelihood priorities, vet their proposals through technical experts, and receive training in their chosen area of income generation.

Given the gains achieved in community cohesion through application of the trans-passing system, the phase 2 project will aim to consolidate this approach. The benefit trans-passing system will be retained from phase 1, however strengthened to ensure larger, more sustainable investments from communities. The possibility of linking the trans-passing system with local state structures to oversee successful functioning will also be explored.

The use of a tripartite procurement committee including a community representative, ESTSI project member, and technical expert to purchase livelihood assets for households via pre-

established procurement criteria will also be retained. However, a key change in phase 2 will be the move from in-kind grant delivery to cash delivery; communities will be transferred the livelihood grant amounts in their cooperative bank account for further disbursement to households. With the capacitation of the ESTSI over the pilot phase and establishment of the local procurement committee mechanisms, there are now reasonable assurances in place to ensure that communities will be able to responsibly manage cash grants. By directly managing project funds, communities will be further empowered, and capacitated, to form trusting relationships and act autonomously. The feasibility of this proposal (i.e. readiness amongst communities) will be revisited during project appraisal.

Also encompassed in component 4 is a participatory M&E system which will employ community leaders to be the first line of data collectors for the project. They will be equipped with data collection tools and trained to collect key information within their communities for further transmission to a local NGO or consultant. This local NGO or consultant will verify and consolidate the information for ESTSI. ESTSI, at intervals, will also verify this information directly within target communities to ensure data accuracy.

Under this component, the East Sudan TSI Coordination Agency will also be responsible for covering the following project costs:

- Livelihoods Training
- Livelihoods Credits and Benefit Trans-passing
- Participatory M&E System

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

The project activities will be undertaken at existing IDP settlements and host communities within Kassala state (see table below), however appraisal mission results and consultation with local stakeholders will ultimately determine the target location of SLDP2 intervention.

Sub-region in relation to Kassala town	IDP camp area
<b>Southeast</b>	Fedaieb Adman Goulsa
<b>Southwest</b>	Fatoo Fireneage Teshotiai Amara Eid Gloub
<b>Northeast</b>	Deblaweit
<b>Northwest</b>	Hadalia Metateib Togly

The project is expected to be implemented in rural areas outside major cities. The activities within the project scope that will have a physical footprint and thus may have adverse environmental or social impacts are described under components 3 and 4. They relate to (i) small scale civil works (e.g. irrigation infrastructure rehabilitation, construction of granaries); (ii) soil conservation, erosion control and afforestation; (iii) various community driven small scale projects in the agriculture and livestock sectors, and pertaining to rehabilitation and upgrading of community assets and infrastructure.

The community-driven activities will be governed by a set of selection criteria that includes E&S risks and benefits, as well as a negative list to exclude activities, which are too risky or not manageable within the project's technical capacities.

#### **E. Borrower's Institutional Capacity for Safeguard Policies:**

The Grant Recipient has been exposed to the WBG's environmental and social standards, and to good international practice in environmental and social management, through the first phase of this project. During the first phase the Recipient produced and implemented, to the satisfaction of the Bank, an ESMF with respective management instruments and mechanisms.

The Ministry of Finance, Economy and Labor (MFEL) of the State Government of Kassala is the recipient institution. In order to offset/minimize the anticipated environmental and social impacts that may result from the proposed project, the Recipient will undertake the following actions:

- i) MFEL is responsible for the coordination of overall development planning in the State, including issues related to environmental sustainability and the management of natural resources. MFEL has no competence or capacity to directly intervene on the implementation or supervision of activities in these areas. This competence rests with several sectoral institutions responsible for aspects of sustainability, as, among others, agriculture, land uses, water resources management, irrigation, forestry and energy.
- ii) The MFEL/East Sudan TSI Coordination Agency will prepare an updated ESMF with guidelines and procedures to be used as guidance for environmental and social management issues during implementation period; for the actual management of impacts caused by subproject activities the use of a simplified, checklist-type ESMP is envisaged. This would be the default instrument to manage the expected low-risk, low-impact activities (such as small scale civil and construction works), and would be produced, and attached to the tender package and works contracts for every identified sub-project with potential E&S impacts.
- iii) The institutional capacity to manage environmental and social safeguards and implementation of EA recommendations is still limited. To implement the project in a socially acceptable and environmentally sound manner, it is required to further strengthen the implementing institutions' capacity in the application of the EA recommendations and other environmental/social safeguard instrument during project implementation period. The project will also ensure responsibilities of implementing and monitoring the environmental and social safeguard aspects of the Project, provide training and technical support to the MFEL, East Sudan TSI Coordination Agency and other line ministries staffs and create awareness

among communities and relevant stakeholders on sound environmental management practices and implementation of the ESMF recommendations.

iv) The project will ensure relevant safeguard expertise within the implementation team (East Sudan TSI Coordination Agency) by recruiting a safeguard specialist for the state office. She/ he will be expected to prepare all E&S management plans for subprojects and ensure due implementation their provisions. Moreover, the E&S specialist will provide training and help to build the capacity of the staff in the MFEL, East Sudan TSI Coordination Agency and other line ministries, conduct regular supervision, prepare progress reports, and be the focal person on environmental and social safeguard issues.

**F. Environmental and Social Safeguards Specialists on the Team:**

Wolfhart Pohl

Samuel Lule Demsash, (GENDR), Social Development Specialist

**II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies Triggered</b> <i>(please explain why)</i>	<b>Yes</b>	<b>No</b>	<b>TBD</b>
<b>Environmental Assessment (OP/BP 4.01)</b>	<b>X</b>		
<p>The main focus of the project lies on studies, capacity building, and livelihood support initiatives in IDP settlements and host communities in Kassala State. These activities have been addressed by the ESMF prepared in phase 1 of the project. While phase 2 is largely similar, there is more emphasis on community-driven small works initiatives. While the exact nature of the small works will be determined via community consultations, it is expected that these works may include construction or renovation of water supply and irrigation systems, community farming initiatives, construction or renovation of multi-purpose development centers, renovation of schools, and other minor civil works activities.</p> <p>Considering the above described activities the team recognized OP4.01 as triggered, and proposes the E&amp;S safeguards category B for the project. The Project will thus prepare an updated Environmental Management Framework (ESMF) with guidance and procedures for environmental and social management issues during implementation period. For the management of impacts caused by subproject activities, the use of a simplified, checklist-type ESMP is envisaged. This would be the default instrument to manage the expected low-risk, low-impact activities (such as small scale civil and construction works), and would be produced, and attached to the tender package and works contracts for every identified sub-project with potential E&amp;S impacts.</p>			
<b>Natural Habitats (OP/BP 4.04)</b>		<b>X</b>	
<p>The project will not involve significant conversion, or degradation, of critical or non-critical natural habitats, or protected areas, as it will take place within existing communities and established land use patterns.</p>			
<b>Forests (OP/BP 4.36)</b>		<b>X</b>	
<p>While some small scale afforestation activities may be included into project financing, they are not expected to affect existing natural forest, or have impacts on the health and quality of forests; or affect the rights and welfare of people and their level of dependence upon or interaction with forests. Afforestation is not expected to take place on commercial scale; the main purpose of afforestation activities will be erosion control and combatting land degradation. Afforestation activities will be governed by the E&amp;S</p>			

<b>Safeguard Policies Triggered</b> ( <i>please explain why</i> )	<b>Yes</b>	<b>No</b>	<b>TBD</b>
principles laid out in the ESMF.			
<b>Pest Management (OP 4.09)</b>		<b>X</b>	
While some agricultural livelihood activities may be supported by the project, pesticides will not be financed or their use supported. Phase 1 experience supports this, as the communities do not traditionally use chemicals in their farming activities. Improved seed varieties and tolerant crop varieties may be explored, without the use of pesticides.			
<b>Physical Cultural Resources (OP/BP 4.11)</b>		<b>X</b>	
The project is not expected to adversely affect physical cultural resources in target communities. Possible civil works encompassed in the project are not of a significant scale. Deep excavation and large-scale movement of earth will not be undertaken. Still so, mitigation measures shall be identified through the ESMF on a cautionary basis to be prepared for ‘chance finds’ of physical cultural resources. These measures would not contravene either the borrower’s national legislation, or its obligations under relevant international environmental treaties and agreements.			
<b>Indigenous Peoples (OP/BP 4.10)</b>		<b>X</b>	
No stakeholders qualifying as indigenous peoples under this policy are present in the project area.			
<b>Involuntary Resettlement (OP/BP 4.12)</b>	<b>X</b>		
<p>Project activities are not envisioned to result in involuntary resettlement. The project addresses involuntary resettlement insofar as the target beneficiaries have been previously affected by involuntary resettlement due to previous conflicts, whether the beneficiary is an IDP or host community member. These populations are by and large in protracted displacement situations extending from the 2006 Peace Agreement signed with the Eastern Front and beforehand. The project seeks to support durable solutions to these protracted displacement situations in order to alleviate socioeconomic stresses and mitigate possible reversion into conflict. .</p> <p>The proposed SLDP project as designed might not undertake involuntary displacement of people. But, small scale civil works activities requires land for construction or renovation of water supply and irrigation systems, community farming initiatives, construction or renovation of multi-purpose development centers, renovation of schools, and other minor civil works construction of community centers might result in economic and or physical displacement. While the specific location for the sub projects are not known, it is not possible to determine the nature of ownership of land at this stage (whether private and/or public). Therefore, as a precautionary measure to preclude the risks of land acquisition the policy will be triggered and a resettlement policy framework will be prepared to identify and address potential land acquisition or restriction to access and use of natural resources.</p>			
<b>Safety of Dams (OP/BP 4.37)</b>		<b>X</b>	
While the rehabilitation of irrigation infrastructure may be financed by the project, no dams will be built, rehabilitated, or otherwise affected over the course of this project. No physical components of the project will depend on the functioning of existing large dams.			
<b>Projects on International Waterways (OP/BP 7.50)</b>		<b>X</b>	
The project will not affect any international waterways or groundwater bodies.			
<b>Projects in Disputed Areas (OP/BP 7.60)</b>		<b>X</b>	
The project is not located in a disputed area.			

### III. SAFEGUARD PREPARATION PLAN

A. Target date for the Quality Enhancement Review (QER), at which time the PAD-stage ISDS would be prepared:

N/A

B. For simple projects that will not require a QER, the target date for preparing the PAD-stage ISDS:

February 6, 2016

C. Time frame for launching and completing the safeguard-related studies that may be needed. The project's key E&S instrument, an ESMF, is currently under preparation and will be finalized in [February 2016]. The specific subproject-ESMPs and their timing will be determined during implementation. A resettlement policy framework will be prepared, consulted upon and disclosed to ensure that appropriate measures are in place to address any issues which might arise from potential land acquisition and or restriction to access and use of natural resources.

### IV. APPROVALS

<i>Signed and submitted by:</i>		
<b>Task Team Leader:</b>	<b>Name: Abderrahim Fraiji</b>	<b>Date: November 6, 2015</b>
<i>Approved by:</i>		
<b>Regional Safeguards Coordinator: Hanneke Van Tilburg</b>	<b>Name: Hanneke Van Tilburg</b>	<b>Date February 14, 2016</b>
<b>Comments:</b>		
<b>Practice Manager:</b>	<b>Name: Robin Mearns</b>	<b>Date</b>
<b>Comments:</b>		

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