



The World Bank

Emergency Social Protection Enhancement and COVID-19 Response Project - Third Additional Financing
(P181468)

Additional Financing Appraisal Environmental and Social Review Summary

Appraisal Stage

(AF ESRS Appraisal Stage)

Date Prepared/Updated: 02/14/2024 | Report No: ESRSAFA680



I. BASIC INFORMATION

A. Basic Project Data

Country	Region	Borrower(s)	Implementing Agency(ies)
Yemen, Republic of	MIDDLE EAST AND NORTH AFRICA		
Project ID	Project Name		
P181468	Emergency Social Protection Enhancement And Covid-19 Response Project - Third Additional Financing		
Parent Project ID (if any)	Parent Project Name		
P173582	Emergency Social Protection Enhancement and COVID-19 Response Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing	1/29/2024	3/20/2024
Estimated Decision Review Date	Total Project Cost		
12/11/2023	600,000,000		

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Proposed Development Objective

The project development objective is to provide cash transfers, temporary employment, and increased access to basic services and economic opportunities to food-insecure populations affected by COVID-19, the conflict and climate-related shocks, as well as to strengthen the capacity of national institutions.

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

Yes

C. Summary Description of Proposed Project Activities

The US\$600 million project is designed to support activities that Yemen will need to address the ongoing crisis, with a scope of support informed by both available and future financing over the immediate- and short term. The project has



been designed and appraised for the full US\$600 million under the framework approach, including results that correspond to this envelope. The design outlines project activities that will be implemented with an initial funding envelope of US\$150 million which will be utilized out of Yemen’s Performance Based Allocation. This amount will be fully allocated to Component 1, which UNICEF implements in partnership with SFD. This “framework” approach provides improved clarity for the World Bank and its development partners involved in project implementation on the full extent of urgent needs in the sector while introducing a mechanism for longer-range planning. It also reflects the importance of acting with agility in this exceptional, prolonged conflict, by simplifying the process for moving from available financing (US\$150 million) to the US\$600 million financing target. With the project designed and appraised to accommodate the latter (US\$600 million), incorporating funds beyond the currently available envelope (US\$150 million) will not require changes to the design and thus may be processed more efficiently and expeditiously.

The initial proposed allocation of US\$150 million equivalent IDA Grant will be allocated to the project's Component 1 (UCT). The proposed AF3 would continue to be implemented by UNICEF in partnership with the Social Fund for Development.

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

The conflict and social fragility in Yemen continues to make Yemen one of the poorest and most food insecure countries in the world. Widespread conflict, severe economic decline, food insecurity and collapse of essential services continue to take a toll on the population, exacerbating an already vulnerable situation. With a collapsed economy and diverging currency, along with surging increases in prices of basic needs, fewer people can meet their basic needs, and many are increasingly dependent on humanitarian assistance. The effects of the Russia/Ukraine war, which have worsened global food shortages, have impacted many households in Yemen as prices of food become unaffordable for vulnerable households. The conflict has also pushed basic services towards the brink of collapse, making it more difficult for people to access healthcare, education, clean water, sanitation, or social protection services.

In terms of environmental challenges, Yemen is a country poorly endowed with water resources. The climate is largely semi-arid or arid. Rainfall is abundant only in the southern uplands and is characterized by seasonally intense and short-lived heavy storms that often lead to flash floods with implications for soil erosion and degradation of agricultural terraces. Heavy rainfall is frequently followed by long dry periods that result in a widespread drought, desertification and land degradation. High year-to-year variability makes it difficult to detect a trend in precipitation. There are no perennial rivers: water comes from rainfall, springs, seasonal spate flows, runoff and groundwater.

The Third Additional Financing (AF3) scales up the parent project's four main components. The AF3 covers the same 333 districts of the 22 governorates, and in particular those with high levels of distress index and poorest communities, including malnourished children.

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



The project will continue to be implemented by UNDP and UNICEF in partnership with local implementation agencies i.e. SFD and (and its affiliated institutions: SMEPS, SMED, YLG), as well as PWP. This approach builds on the successful partnership between UNICEF and SFD for SFD to carry out UCT-related functions previously undertaken by UNICEF either directly or through third party vendors.

SFD. Contracting SFD to carry out UCT-related activities is being done gradually, in a way that minimizes any disruption to the program, and in consultation with national authorities. This is part of a broader Bank approach, further articulated in the Country Engagement Note (CEN) for Yemen (FY22-23), to gradually increase the role of local institutions in project implementation. This partnership will be strengthened under the AF3. SFD has demonstrated a strong performance in implementing environmental and social mitigation measures to date and has sufficient capacity to continue to manage E&S risks as its role increases in the implementation of Component 1. Established in Yemen by law No. 10/1997, SFD is working under a Board of Directors headed by the Prime Minister, and comprising members from government, NGOs, Private, and Financial sectors. A Managing Director leads the SFD's executive body in the Main Office and the SFD's nine branches, which cover all the governorates of Yemen. SFD's central office in Sana'a will provide overall support in implementing the project's components. SFD has experience managing environmental and social aspects as part of implementing the ongoing World Bank-supported parent operation and AF1 as well as the ongoing Yemen Food Security Response and Resilience Project (P176129) and other operations which are already closed i.e the Emergency Crisis Response Project (P159053) and its additional financings. Furthermore, SFD is the local implementation partner of the Yemen Desert Locust Response Project (P174170). SFD has significantly enhanced their environmental and social capacities through these and the ongoing parent project. SFD maintains adequate institutional arrangements for the implementation, monitoring, and reporting on safeguards aspect. The Environmental and Social Officer in the Head Office is in charge of supervising SFD's 10 E&S focal points at regional/governorate level, who cover E&S aspects as well as OHS. SFD also employs Community Officers at each of SFD's 30 branches who are also responsible for training and awareness on, among others, gender-based violence. SFD developed an ESMF in 2014 for all operations which SFD implements as well as an OHS Policy in 2018. Both instrument and policies were updated in 2020. Furthermore, there is a Management Information System (MIS) which is used in subprojects' screening, classification and reporting.

PWP. The Public Works Project (PWP) has developed an adequate environmental and social institutional structure with support from World Bank projects, including the parent project and AF1, the Integrated Urban Services Emergency Project (P164190), and the Yemen Food Security Response and Resilience Project (P176129) as well as the Emergency Crisis Response Project (P159053) which is already closed. This structure includes an E&S Safeguards' Unit which was formally established in August 2018 with environment, social and gender specialists as well as an OHS sub-unit to provide overall support, monitoring and coordination on OHS aspects. At the branch level, PWP maintains E&S focal points to ensure compliance with OHS measures. Furthermore, site technicians are deployed at each site to monitor and report on the technical compliance of subprojects including E&S aspects. In terms of policies and frameworks, PWP has updated its ESMF to be in line with the World Bank Environmental and Social Framework (ESF). New OHS Guidelines/procedures were prepared including screening tools that are required at site level, e.g. monitoring and reporting checklists and templates. Since 2018, SFD and PWP have embarked on a capacity building program on E&S aspects including OHS. Under these programs, over 4000 individuals including staff, site engineers, consultants, contractors and site workers have received training on E&S safeguards as relevant to their roles. This has



significantly contributed to the satisfactory performance of both SFD and PWP under the ongoing project. Under the proposed AF2, the implementation of project activities will be carried out through national institutions (as implementing partners (IPs), namely SFD and PWP—under the oversight of UNDP and UNICEF as implementing agencies and IDA grant recipients. The AF3 will also continue to provide capacity building to SFD and PWP, and will enhance its engagement with, and capacity of Social Welfare Fund (SWF) to support the implementation of UCT.

UNDP in Yemen has their main office in Sana’a under the leadership of the Country Director and is supported by the sub-office in Aden, the regional hubs in Saada, Hodeidah, and Ibb, and project offices in Socotra and Hajja. Their main office in Sana'a is staffed with an Environmental and Social Safeguards' Officer as well as an OHS Officer. These are supported by an International E&S Specialist based in Amman. The regional hubs are staffed with hub coordinators, M&E officers, and support staff, and the support is extended to cover all governorates. UNDP in Yemen has previous experience with World Bank projects through the Yemen Food Security Response and Resilience Project (P176129); the Emergency Crisis Response Project (159053) and the parent project, AF1&AF2. UNICEF has its main office in Sana’a with five field offices in Sana’a, Aden, Al Hodeida, Ibb and Sa’ada governorates. The Sana’a office has a dedicated PMU equipped with E&S Unit which was established at the end of 2022 including E&S officer, gender mainstreaming and GM focal point. The Sana’a office is backed up by Amman office with an international Gender/GBV specialist. UNICEF has been implementing the Unconditional Cash Transfer (UCT) with SFD under the ongoing parent project. As mentioned above, UNICEF entered into a subsidiary agreement with SFD for the implementation of this component and the AF3 will continue to strengthen the successful partnership between UNICEF and SFD for SFD to carry out UCT-related activities previously undertaken by UNICEF. As the IDA recipient, UNICEF will continue to manage the TPM, MIS, capacity building and external communications. It is mentionable that TPM agencies will be hired by UNICEF and UNDP for monitoring and evaluation of the project including environmental and social safeguards’ aspects of such projects.

The agencies will maintain the current institutional arrangements and capacity for implementing AF3.

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

A. Environmental and Social Risk Classification (ESRC)

High

A.1 Environmental Risk Rating

Substantial

The Environmental Risk Rating is "Substantial" as the AF3 project will support activities that may result in risks and impacts on workers and community health and safety, as well as on the environment, if the project’s activities are not managed adequately. Nonetheless, environmental risks and impacts are expected to be site-specific, reversible and generally of low magnitude that can be mitigated following appropriate measures. There is a risk for serious injuries or fatal incidents to occur under the project, particularly under the labor intensive community subprojects under Component 2. To date, under componen 1, one fatality OHS-related incident has been recorded, with 12 other E&S incidents that have taken place between December 2023 and January 2024. Under component 2, around 49 incidents were reported, including 44 minor and five moderate incidents. These are mostly a result of failing to follow health and safety measures by project staff. No severe incidents have been recorded under this component. Nonetheless,

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these risks still exist since the project will provide temporary work opportunities to a large number of local community members who are unskilled, largely illiterate, and with little or no knowledge or experience in applying OHS measures. These specific risks would be present in subsequent AFs when financing for Component 2 becomes available. Furthermore, there is a risk of injuries due to explosion of remnants of war (ERW). Given the nature and scale of the immediate interventions to be supported under the AF3 – namely the UCT program, it is not anticipated that activities supported under the AF3 Project will significantly generate pollution. The implementation of subcomponent 1.3 ‘Microwork for Youth Pilot’ is not expected to result in substantial environmental impacts. The only environmental risk related to this sub-component is the procurement and distribution of computer tablets. Improper disposal of tablets, including batteries, could result in e-waste which might pollute the environment. Under the Framework Approach, and once financing is available for supporting Component 2, the production of construction waste will be limited. Furthermore, the project is not expected to increase the pesticides as it will scale up the support for the rehabilitation of existing damaged terraces as well as growing vegetables at households’ gardens.

A.2 Social Risk Rating

High

The project’s social risk rating is high primarily due to the Unconditional Cash Transfer (UTC), Cash for Nutrition (CfN) and Cash for Work (CfW) activities, which present security and safety risks for the workforce, the risk of elite capture, as well as the potential for social conflict or the exclusion of vulnerable and disadvantage individuals, including women, as a result of inadequate/poor targeting of project beneficiaries and restriction of movement of women (including women project workers). These activities may also lead to an increased Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) risk. Potential social risks under Component 1 could be related to community health and safety related to security/conflict risks and exposure to intimidation, harassment, and exploitation, including those related to SEA/SH (especially at payment sites by financial service provider (FSP) payment agents). Exclusion risks especially of poor and vulnerable households (i.e. households headed by women, have a higher proportion of elderly, children, persons with disabilities) who are not included in the SWF list, reaching beneficiaries with limited or no physical mobility; improper management of grievances especially those related to payments and potential delays of payments due to security risks. In line with the ongoing project, the type of activities under AF3 will not involve acquisition of land or physical and/or economic displacement. Only community infrastructures developed on public land or on land provided through voluntary land donations will be eligible for project financing. These small land needs are expected to be met with community contributions, which is a common practice locally, accepted and practiced under the ongoing project. Moreover, the project has developed a negative list of activities that will not be supported under the project, including the financing of infrastructures that require significant land needs or lead to physical resettlement. Moreover, there may be social risks related to labor and working conditions, such as OHS, poor working conditions, as well as child or forced labor. Community health and safety risks include the risk of being exposed to SEA/SH, which screening has been rated as High, Substantial particularly in activities that involve cash transfers and the new subcomponent 1.3 (Microwork for Youth) which aims to provide income-generating opportunities for youth in UCT beneficiary households, increasing the potential for sexually exploitative and opportunistic behaviors of project workers in exchange for project benefits (digital technology, microwork) which may increase household conflict and distribution of household dynamics (with distribution of digital technology and new opportunities for work). It may also lead to increased crime with the provision of electronic devices. Other risks include dangerous road conditions and transportation to collect cash benefits. The SME subcomponent could also face social risks as above, but these risks are expected to be low given the small size of investments expected. These would be further assessed when the investment activities are identified during implementation. Finally, given that the

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project will be implemented in a conflict setting, security risks are anticipated, particularly for project staff, especially women, and targeted beneficiaries. However, once the additional financing for Component 2 is available, the project will extend its investment in capacity building of local IPs and the informal community structures being established under the geo-bundling approach with the aim of incrementally enhancing existing community participatory mechanisms under the project via a suite of capacity-building and citizen engagement activities aiming to improve local transparency and accountability, social cohesion, and resilience to community and project-based conflict.

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

B.1 Relevance of Environmental and Social Standards

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Relevant

ESS1 is relevant as there are potential environmental and social risks and impacts associated with the project’s interventions. The project’s combined E&S risk rating is high primarily due to the significant social risks associated with the UTC program, Cash for Nutrition (CfN) and Cash for Work (CfW) activities, which present security and safety risks for the workforce, SEA/SH risks, the risk of elite capture, as well as the potential for social conflict or the exclusion of vulnerable and disadvantage individuals, as a result of inadequate/poor targeting of project beneficiaries. The expansion of digital payments (subcomponent 1.2) will only be extended to beneficiaries who have the capacity to access their benefits through digital payments, while other households will continue collecting benefits at physical payment sites.

To mitigate potential risks and impacts, UNICEF and UNDP will update and implement the ESMFs of the ongoing project, including the provisions on OHS Framework and Toolkit in line with relevant OHS policies. The updated ESMFs will address potential risks of social exclusion, security concerns and elite capture that have been integrated into the beneficiary selection criteria at household and community level under Component 2, the project operational manual and in the monitoring and evaluation arrangements.

Furthermore, UNICEF will update the ESMF to include an Environmental and Social Code of Practice (ESCP) providing measures for the proper management of tablets, including instructions on safety, preventing misuse, and proper disposal and mitigation of exploitation and social exclusion and ethical conduct related to access to digital technology. The updated instruments for AF3 will be adopted within two months of project effectiveness; however, UNDP’s ESMF will be updated once the AF becomes available to support Component 2. The project is being prepared under emergency procedures given the urgent need of assistance due to the ongoing conflict coupled with insecurity exacerbated by political instability, high food price inflation, along with the effects of the Russia/Ukraine war and Conflict in the Middle East, which have all led to a situation of severe economic distress. While the updated Stakeholder Engagement Plan (SEP) and Environmental and Social Commitment Plan (ESCP) will be adopted prior to the end of appraisal, all other ESF instruments, including the ESMF, will be updated within two months of project effectiveness.

The ESMFs of the ongoing project will be updated to incorporate activities under AF3 and will include provisions and planning requirements to (i) screen and assess potential E&S risks and impacts of the project activities – including the



screening against a negative list of activities, (ii) outline the objective and principles to be followed in addressing E&S risks and impacts, (iii) propose mitigation measures to address identified environmental social risks and impacts under all components of the project, including activities to be supported under the Contingent Emergency Response Component (CERC), and (iv) implementation arrangements, including organizational setups, staffing and responsibilities, as well as monitoring mechanisms. Furthermore, subprojects – including those that might be supported by the Contingent Emergency Response Component (CERC)– will be screened against E&S criteria that will be included in the ESMF, and subsequent site-specific environmental social assessment instruments and mitigation plans will be prepared -if needed- during the implementation phase and will be implemented before the commencement of any physical activities.

Under the ongoing project, and following the approved ESMFs, UNDP, UNICEF, SFD and PWP have established an E&S management system with adequate policies, procedures, capacity and resources, focusing on OHS aspects. Furthermore, the current ESMFs includes a capacity building program which the implementing agencies have been implementing since the beginning of the project. Under the proposed AF3, the agencies will continue to implement the capacity building programs targeting different groups (senior managers and officials of implementation and monitoring agencies, project managers, supervisors, consultants and contractors) and identified areas (ESMF,OHS Framework; OHS tools and their application in field). According to progress reports and TPM reports, the implementation of the ESMF is deemed to be satisfactory, considering the high security risk in which the project will be implemented in, UNDP and UNICEF will use their security management plans that define how project workers and equipment are secured. Community officers will provide training and close supervision in implementing the above, particularly on OHS.

The ESMF, LMP, SEA/SH Prevention and Response Action Plan and the Security Management Plan (SMP) (under Component 1, implemented by UNICEF) will be updated and disclosed within two months of the Effective Date of the AF3 and prior to any implementation of project activities. The update of these instruments is deferred as the project is prepared under emergency procedures as defined by the Bank Policy on Investment Project Financing, paragraph 12. The deferral will allow sufficient time for the implementing agency to update the required instruments.

Under component 2.4, once IDA financing becomes available in subsequent AFs, the project will provide financial assistance ‘partial guarantee’ to eight Micro Finance Institutions (MFI). The project currently supports six MFIs, and subsequent financing will seek to add two additional MFIs, bringing the total MFI’s to be supported by the project to eight. The project’s support will increase commercial financing access for SMEs. To mitigate any potential risk and impact which might be associated with supporting SMEs, and prior to implementation of the activities under this subcomponent, the implementing agency will conduct an ESMS assessment of the potential eligible MFIs. Where MFIs’ ESMS are not available or inadequate, an ESMS shall be developed in compliance with ESS9 requirements. UNDP will ensure that MFIs remain in compliance with the existing ESMS. MFIs shall appoint a representative from senior management to manage and monitor E&S risks in subprojects. The project LMP, in compliance with ESS2, will also apply to MFI personnel.

The CERC allows UNDP and UNICEF to receive support by reallocating funds from other project components to mitigate, respond and recover from the potentially harmful consequences arising from the emergency situation. Disbursements under this component will be subject to the declaration of emergency and the preparation of an



“Emergency Response Operational Manual” (EROM) by UNDP and UNICEF, agreed upon by the Bank. The ESMF includes requirements for managing the E&S risks and impacts by following the World Bank ESF.

To date, UNICEF and UNDP already updated the ESCP and SEP for their respective component. Considering that the proposed AF3 applies paragraph 12 of Section III of the IPF Policy 'Projects in Situations of Urgent Need of Assistance or Capacity Constraints' and the limited timeline for preparing AF3, UNICEF will update and disclose other environmental and social instruments within two months after the Effective Date of AF3 and prior to any implementation of component 1 activities. Similarly, UNDP will update and disclose other environmental and social instruments within two months after the Effective Date of the additional financing once available for component 2.

ESS2 Labor and Working Conditions

Relevant

Similar to the ongoing project, AF3 will involve the use of direct workers, contracted workers and community workers. Direct workers will include staff of the two implementing agencies i) UNICEF and ii) UNDP. The contracted workers will include staff already in the employment of or additional staff to be recruited by SFD and PWP for their respective subcomponents, including private contractor workers as well as MFI employees. The community workers will involve community members from the selected communities under the CfW subcomponent as temporary employment opportunities to vulnerable populations to restore agricultural land and access to water, sanitation and markets. There could also be primary supplier worker from major contractors under the project. Key labor risks under the project include OHS, including those associated with minor civil works, such as physical injuries, falls, accidents, and heat exhaustion. Other key risks include security and safety risks of project workers involved in the cash payment process, such as risks of physical aggression, threat, kidnapping, and road accidents. Moreover, labor-related risks include possible child labor or forced labor, discrimination, gender discrimination, Sexual Exploitation and Abuse (SEA/SH), working conditions risks, and risks associated with Sexual Harassment (SH) and safety issues. A labor-management procedure (LMP) has been developed by the implementing agencies under the ongoing project and has clearly identified the terms and conditions of all workers the worker categories highlighted above, including the amount and method of payment and hours of work.

The LMP also specifies the way through which workers can raise grievances in relation to the project. The ongoing project’s LMP (under Component 1 – UCT) will be updated and adopted for AF3, while the LMP for Component 2 will be updated and adopted upon the availability of additional financing to support this Component. The two implementing agencies will comply with OHS and EHSs. Required measures relating to OHS will be applied to the project, as described in the LMP. These OHS measures will take into account the requirements of the General Environmental Health and Safety Guidelines (EHSs). Worksites will be assessed and cleared of ERW before any commencement of works and earth movement. Training and supervision will be provided through project community officer. These will be set out in the legal agreements and the ESCP.

In the past three years, under the UCT component, UNICEF has reported over 13 reported incidents of verbal threats, physical aggression, some involving armed individuals or groups of people, towards payment agents at payment sites during the distribution of cash to beneficiaries. Most of these incidents did not result in serious physical injuries. There is a proposal to enhance safety protocols and measures at the payment sites. As of January 2024, there was one fatality involving a project worker in a road accident.

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Under the UCT component under AF2, UNICEF and SFD trained around 9,000 project workers. Additionally, trainings on SEA/SH were conducted for 25 members of the Facilitation Teams, 47 Call Centre Agents and 40 Case Management Team. The TPMO also conducted SEA/SH training which included 62 female enumerators.

Similarly, under the ongoing project, UNDP organized several workshops with the IPs to clarify gender requirements under Component 2 and discuss ways to mainstream gender and SEA/SH into project activities. UNDP and the IPs partners have recruited gender specialists and some technical support was provided by UNDP for IPs to integrate gender and SEA/SH into the Grievance Mechanism (GM) and to improve their capacities in gender sensitivity reporting. SFD under the CFN activities organized online awareness trainings on the SFD platform on the main principles of gender awareness for its field.

ESS3 Resource Efficiency and Pollution Prevention and Management

Relevant

The project intervention will entail community access to water and road rehabilitation. However, given the nature and scale of the physical interventions foreseen under the project, it is not expected to make significant use of resources such as water, energy and raw materials. It is not anticipated that activities supported under the project will significantly generate pollution. The production of construction waste will be limited. Furthermore, the project is not expected to increase the use of pesticides as it will scale up the support for the rehabilitation of existing damaged terraces as well as growing vegetables at households' gardens.

Under Component 1, the implementation of subcomponent 1.3, 'Microwork for Youth Pilot', is not expected to result in substantial environmental impacts. The only environmental risk related to this sub-component is the procurement and distribution of tablets. Improper disposal of tablets, including batteries, could result in e-waste. To mitigate this risk, the ESMF will include an Environmental Code of Practice (ECOP) providing measures for the proper management of tablets, including instructions on safety, preventing misuse, and proper disposal. Furthermore, the ESMF will ensure that any potential impacts will be addressed by taking into account to the extent possible Good International Industry Practice (GIIP) and the Environmental, Health and Safety Guidelines (EHSGs) of the WB Group.

ESS4 Community Health and Safety

Relevant

The implementing agencies will avoid and mitigate any potential adverse impacts on the health and safety of communities under the AF3. Associated social risks, as assessed under the ongoing project, include potential corruption, elite capture and conflict for accessing project benefits, and opportunistic and exploitative sexual relations. These will be mitigated through an open, transparent, and inclusive stakeholder engagement and by a robust GM, as outlined in the SEP, and implementation of the SEA/SH Prevention and Response Action Plan (which will be updated to incorporate all new project activities). Other risks are associated with working in a conflict environment, including the risk of injuries due explosion of remnant of war (ERW). UNDP and UNICEF have each prepared and adopted a stand-alone SMP which will be updated for AF3. If there is a need to deploy security personnel, this would be done in compliance with the requirements of ESS4 and an indicative procedure for this will be provided in the updated SMP that will be adopted within two months of Project Effective Date.



The AF3 was screened for SEA/SH risks and the rating remains as Substantial. Under the AF3, there are risks that female community workers, including female consultants employed by SFD and PWP and the implementing agencies, as well as female beneficiaries could face SEA/SH risks, and sexual harassment. There is also risk under sub-component 1.3 of opportunistic sexual relations/exchange of sexual favors for project benefits. Given the conflict environment, the urgent need for cash transfers and temporary job opportunities to be delivered under the project, as well as the weak governance conditions, this risk requires close monitoring and implementation of mitigation measures.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Relevant

As demonstrated through the implementing experiences of the ongoing project, the type of interventions under this project are not expected to generate physical and/or economic displacement. Nonetheless, there might be a potential need for private or community land contribution under the community asset activities (i.e. subcomponents 2.2 and 2.3). Given the minor scale of the civil works expected to be rehabilitated or built, the possible needs for land are expected to be minimal and would be met through community contributions, which is a common practice in Yemen and also accepted and practiced under ongoing World Bank projects. This will be done in line with ESS5. In this case, the voluntary land donation document would be prepared, signed by the community and endorsed by the local council for verification purposes. These requirements are included in the ESMF.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Not Currently Relevant

The project's physical interventions will be limited to the existing inhabited rural and urban centers and will not intervene in areas of biological importance. This has been the experience under the project. However, while the ESMF includes relevant measures that may improve the landscape where cash-for-work activities will be undertaken, it is not expected to impact biodiversity and habitats and therefore this standard is not currently relevant.

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

Not Currently Relevant

There are no known communities who meet the criteria of IP/SSAHTLCs under ESS7.

ESS8 Cultural Heritage

Relevant

While no tangible or intangible cultural heritage will be impacted by the project activities, the ESMF includes chance finds procedures.

ESS9 Financial Intermediaries

Relevant

The project will provide financial assistance 'partial guarantee' to eight (8) microfinance institutions (MFIs). The ongoing project currently supports six MFIs and with subsequent financing under the Framework Approach, two additional MFI's will be included bringing the total MFI's to eight. Under the ongoing project, the Yemen Loan Guarantee Program (YLG) prepared an Environmental and Social Management System (ESMS) including MFIs Environmental and Social Performance Criteria. YLG has been implementing the ESMS satisfactorily with no mentionable negative impacts or areas of noncompliance recorded. Once the additional financing becomes available, and prior to the start of

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implementation of activities under this subcomponent, the YLG will update its existing ESMS as needed to introduce any enhancements to the existing ESMS to ensure adequate implementation of the environmental and social requirements and based on the lessons learned from the ongoing operation. For new participating MFIs, and where MFIs' ESMS were not available or inadequate, an ESMS shall be developed in compliance with ESS9 requirements. UNDP will ensure that MFIs comply with their own ESMSs. The LMP, in compliance with ESS2, will apply to the MFI personnel. Each MFI will assign a representative from the MFI's executives for the management of E&S risks. Each MFI will have an acceptable ESMS and will be in place and operational prior to disbursing funds provided through the project.

ESS10 Stakeholder Engagement and Information Disclosure

Relevant

The stakeholders under the project remain the same except for new activities under subcomponent 1.3 (Microwork for youth), with affected stakeholders including youth beneficiaries and non-beneficiaries of project activities (UTC, Cash for Work, and Cash for Nutrition beneficiaries, Small and Medium Enterprises (SMEs, community assets), project workers, including those from the UN agencies (UNICEF/UNDP), local implementing partners (PWP, SFD, SMEPs) and their contractors (commercial banks conducting the payments, facilitation organization), community workers and the two third party monitors. Concerned stakeholders include local governmental, tribal representatives and non-governmental organizations. Vulnerable stakeholders include Internally Displaced People (IDPs), beneficiaries with disabilities, youth, persons with disabilities, elderly, families with pregnant, lactating women and young children. The parent project has established a structured approach to engage with stakeholders that is based upon meaningful consultations and disclosure of appropriate information, considering its specific challenges. UNICEF had updated the SEP to include new project activities and identification of stakeholders and vulnerable groups. This advanced draft will be further updated to include consultation summaries for new activities under AF3 within two months of the project Effective Date. UNDP will update the SEP within two months of receiving additional financing for its activities. In the interim, the SEP prepared under the parent project and updated for the first and second additional financing shall continue to be implemented throughout. A grievance mechanism was designed based on existing systems within UNDP, UNICEF, SFD, and PWP, and has been operational since the start of the implementation of the parent project. UNICEF and UNDP have been assuming overall responsibility for managing and handling complaints for the project. Its operating performance has been satisfactory in resolving grievances during the project implementation. The same system will be used under the AF3. Implementation of the SEP under the AF1 and parent project, including gender-inclusive approaches in the grievance and stakeholder engagement process (i.e. 49 female Facilitation Assistants have been recruited to support the implementation of the SEP and a female-only WhatsApp was set up with approximately 32,187 members.

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B.2 Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No



B.3 Other Salient Features

Use of Borrower Framework

No

Use of Borrower Framework is not considered under this operation

Use of Common Approach

No

Use of Common Approach is not considered under this operation

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required during implementation?

- Update the ESMF for UNICEF including the ESCOP and OHS Framework within 2 months after project Effective Date
- Update the ESMF for UNDP within two months once the financing under the Additional Financing is available
- Update the LMPs for UNICEF and UNDP within 2 months after project Effective Date
- Update the SEP (UNICEF) – advanced draft to be updated within two months after project Effective
- Update the SEP (UNDP) within two months of the project receiving Additional Financing
- Update the SEA/SH Prevention and Response Action Plan within 2 months after project Effective Date
- Update the ESMS, if needed as deemed by the Bank, within 2 months after project Effective Date

Public Disclosure

III. CONTACT POINTS

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IV. FOR MORE INFORMATION CONTACT



The World Bank

Emergency Social Protection Enhancement and COVID-19 Response Project - Third Additional Financing
(P181468)

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V. APPROVAL

Task Team Leader(s):	Andras Bodor
ADM Environmental Specialist:	Amer Abdulwahab Ali Al-Ghorbany
ADM Social Specialist:	Gina Cosentino
Practice Manager (ENV/SOC)	Senait Nigiru Assefa Cleared on 14-Feb-2024 at 21:59:31 GMT-05:00
Safeguards Advisor ESSA	Gael Gregoire (SAESSA) Concurred on 15-Feb-2024 at 17:41:30 GMT-05:00