

### **The World Bank**NE\_INVESTMENT CLIMATE, COMPETITIVENESS SUPPORT AND COVID-19 RESPONSE (P176074)

# Concept Environmental and Social Review Summary Concept Stage (ESRS Concept Stage)

Date Prepared/Updated: 12/07/2020 | Report No: ESRSC01750

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## **Public Disclosure**

#### **BASIC INFORMATION**

#### A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Niger	AFRICA WEST	P176074	
Project Name	NE_ INVESTMENT CLIMATE, COMPETITIVENESS SUPPORT AND COVID-19 RESPONSE		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Finance, Competitiveness and Innovation	Investment Project Financing		1/28/2021
Borrower(s)	Implementing Agency(ies)		
Republic of Niger	Ministry of Planning, Land Management and Community Development, MOP-PIU		

Proposed Development Objective

Financing (in USD Million)

Total Project Cost

3.00

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]

#### D. Environmental and Social Overview

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

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The project has a national coverage, but the number of direct beneficiaries is limited. The component on direct cash transfers to small eligible micro and small and medium formal or informal enterprises in the agricultural sector has a target of 2820 beneficiaries. The second component, on enhancing productive capabilities, aims to reach 800 eligible operators. In terms of the social and environmental context, the footprint of the project will be very small and highly localized with very little if any impact on environment. There is no physical footprint in the project given the nature of the activities.

#### D. 2. Borrower's Institutional Capacity

Generally, in terms of environmental and social risks management, the Borrower has mixed capacity for managing social and environmental risks and impacts. The experience of the Borrower in managing environmental and social risks is moderate. The project can build on the capacity of ongoing projects like projects as the COVID-19 emergency project, the REDISSE project and the like to enhance management of environmental and social impacts.

#### II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

#### A. Environmental and Social Risk Classification (ESRC)

Moderate

#### **Environmental Risk Rating**

Moderate

Environmental risk rating is considered moderate due the cumulative environmental impacts of the sub-projects that will be supported to benefit of small enterprises and agribusiness/agroindustry producers.

Social Risk Rating Moderate

Social risk rating is considered moderate because the project has no physical footprint given the nature of the activities. However, there are limited risks of social exclusion in accessing the project benefits. This element is addressed through project design: targeting vulnerable small businesses is a core part of the design, and there will be specific measures to ensure for instance that female-led small businesses are included where eligible as project beneficiaries.

#### 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:

The project builds on the experience of a previous project and the technical concept as well as its implementation with the same implementing agencies has been successful. On the social aspects, the project does not have a physical footprint given the nature of the project activities. In terms of social risks, the inclusion of vulnerable firms, including those that are informal or female-led, are likely to have most difficulties in applying for inclusion in the project and proving eligibility. The project is addressing these risks through design features explained below. The eligibility criteria and limited project funds may lead to some firms being excluded, which may in turn raise complaints. Therefore the project needs to ensure a clear and transparent communication and consultation strategy to raise awareness among the target firms regarding eligibility as well as put in place a measure to manage grievances.

#### Areas where "Use of Borrower Framework" is being considered:

not applicable here.

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#### **ESS10 Stakeholder Engagement and Information Disclosure**

The Project implementation will involve several parties, including • Chamber of Commerce; Ministry of Finance; Ministry of Commerce; SAHFI, a local Guarantee Fund; Bagri, Commercial Agricultural Bank; RECA, Agricultural chamber of commerce; and Danish Cooperation, as well as the targeted beneficiaries of small vulnerable enterprises. The implementing entities will put in place and implement a comprehensive communications outreach strategy campaign to ensure wide knowledge of the program and enrolment of all eligible firms. Given that often femaleowned microenterprises may lack skills related to decision making and digital skills, there may be risks of these firms not having the knowledge or skills to apply for project benefits since beneficiary selection is on online platforms. To mitigate this risk, outreach by the implementing entity will entail an engagement with non-governmental organizations (NGOs) that can support female-owned micro and small enterprises to apply to be included as beneficiaries. The strategy will also entail targeted outreach to other vulnerable groups such as informal businesses. The communications campaign will inform firms about the rapid verification protocol to confirm their existence and level of employment, the probability of being audited (between 10-20 percent), and penalties in case of misdeclaration to prevent leakages and inclusion errors in the project. A plan to manage stakeholder engagement throughout the project will be prepared by the Borrower. A grievance management procedure will be developed and implemented to address any complaints that may arise in the project, including those regarding eligibility criteria.

#### **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**

The project will involve direct and indirect workers. Direct workers include both full and part-time workers assigned to the PIU and consultants hired based on project needs. PIU staff, primary supply workers and, potentially, contract workers and civil servants. Civil servants working with the project full-time or part-time will remain subject to the terms and conditions governing their existing public sector terms of employment or agreements, unless there has been a valid legal transfer of their employment or engagement to the project. The indirect workers include the contractors and sub-contractors hired for the anticipated activities. Community workers will be also included but this remains to be confirmed. The terms and conditions of the contracts for any workers involved will be consistent with national labor law to ensure that working conditions are acceptable (terms and conditions of employment, nondiscrimination and equality of opportunity, workers' organizations).

Based on the project design and pre-identified activities, Labor Management Procedures (LMP) will be developed by the Borrower and include: Working conditions, grievance mechanism for all workers and laborers within the supply chains, non-discrimination and equal opportunity, worker's organizations, working conditions for community workers, occupational, health and safety measures required, and the inclusion of and enforcement measures for Code of

Conducts (CoCs) forbidding and sanctioning GBV/SEA/SH, training for workers and awareness raising for communities on the CoCs, as well as the prohibition of child and forced labor.

Given experience in the agricultural sector in the country, there is a potential risk of child labor being used in community employment.

The LMP will be implemented by the PIU, with the support of the Bank's specialists and informed by the provisions of relevant national laws, as applicable for the

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country.

#### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Waste management: The CP2 activities may be concerned by solid waste management but likely not in large quantities. Nevertheless, waste coming from phytosanitary products is expected. Safeguards documents will include adequate measures to minimize production upstream and encourage recycling where possible.

The project agricultural activities would lead to fostering agricultural productivity, including the probable use of chemical products, namely pesticides and fertilizers. Knowing that the misuse of pesticides could lead to pollution, the need for the development of a Pest Management Plan (PMP) will be further assessed during preparation depending on proposed project activities. The ESMF

will include screening for Pest management issues and potential pesticide and fertilizer use.

#### **ESS4 Community Health and Safety**

Under subprojects, in case civil works are envisioned, they will have overall risks and impacts to community health and safety. The mitigation measures, including the enforcement of the Code of Conduct (CoC), for the civil works will be clearly stipulated in the contractor's ESMP (C-ESMP) based on the subproject's ESMP, for which the contractor will be fully responsible to implement.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

Not relevant

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

Not relevant

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities The relevance of ESS7 will be further assessed during preparation.

**ESS8 Cultural Heritage** 

Not Relevant for this project

**ESS9 Financial Intermediaries** 

Not relevant for this project.

#### C. Legal Operational Policies that Apply

#### **OP 7.50 Projects on International Waterways**

No

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#### **OP 7.60 Projects in Disputed Areas**

No

#### III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

#### A. Is a common approach being considered?

No

#### **Financing Partners**

No financial partner at this stage

#### B. Proposed Measures, Actions and Timing (Borrower's commitments)

Actions to be completed prior to Bank Board Approval:

Developing ESMF, LMP, SEP and ESCP including a grievance management system that is accessible.

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

Implementing and monitoring the instruments developed under ESF

#### C. Timing

#### Tentative target date for preparing the Appraisal Stage ESRS

07-Jan-2021

#### **IV. CONTACT POINTS**

**World Bank** 

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**Borrower/Client/Recipient** 

Borrower: Republic of Niger

Implementing Agency(ies)

Implementing Agency: Ministry of Planning, Land Management and Community Development

Implementing Agency: MOP-PIU

#### V. FOR MORE INFORMATION CONTACT

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#### **The World Bank**

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#### **VI. APPROVAL**

Task Team Leader(s): Martin Maxwell Norman

Practice Manager (ENR/Social) Maria Sarraf Recommended on 07-Dec-2020 at 11:59:1 GMT-05:00

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