

 Early Warning System

WB-P501662

Somalia productive, resilient, and inclusive growth (SPRING) project



### Quick Facts

Countries	Somalia
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	A
Voting Date	2025-05-07
Borrower	Government of Somalia - Ministry of Finance
Sectors	Industry and Trade
Investment Type(s)	Grant
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 100.00 million



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### Project Description

According to the Bank's website, the objective of this project is to promote private sector-led growth and job creation by improving the business-enabling environment, strengthening the financial system, and enhancing access to finance.

The proposed activities closely align with the CPSD's main recommendations to address critical constraints on private sector-led economic development in the country. These include (i) establishing legitimate, effective, and equitable formal institutional and regulatory frameworks; (ii) reforming and promoting private sector participation in key enabling sectors (e.g., financial and energy sectors) to facilitate economic transformation in the medium to long term; and (iii) improving growth and productivity of selected value chains for short-to medium-term dividends.



### Early Warning System Project Analysis

**Environmental Risk Rating -Moderate:** The project involves financial services and is not expected to generate significant indirect or induced environmental impacts. Its primary objectives are to enhance the enabling environment for the private sector, advance financial sector reforms, and bolster the resilience of MSME clusters in key economic sectors. Key activities include implementing Somalia's ID system and providing technical assistance to develop policies, programs, plans, strategies, and legal frameworks. Since no infrastructural works are proposed, these activities are not expected to cause significant environmental impacts. However, there are environmental impacts associated with the disposal of e-waste, particularly obsolete electronic devices used in ID registration and payment systems, as well as contextual occupational health and safety (OHS) risks to workers and the community may arise during ID registration exercises.

**Social Risk Rating - Substantial:** The Social risk is assessed as Substantial. Whereas project activities are expected to have substantial positive impacts, key social risks associated with the project are the following: a) security and occupational health and safety risks: there are significant concerns related to the safety of project workers, project stations, equipment and beneficiaries during ID registration activities in both urban and remote locations. Additionally, the presence of security personnel accompanying project implementers may pose risks to community safety; b) exclusion of vulnerable groups: vulnerable, marginalized, and minority community members may be excluded from project benefits – such as financing and training – due to limited inclusivity in project implementation and challenges in accessing hard-to-reach areas, due to security reasons or lifestyle of the communities; c) selection bias and elite capture: there is a risk of selection bias, leading to elite capture where only a select few gain access to project benefits, including credit and financing, resulting in unequal distribution of resources; d) challenges in stakeholder engagement: accessing beneficiaries poses challenges for meaningful stakeholder engagement, community participation, and effective grievance redress mechanisms; e) capacity challenges: the PIU has systemic weaknesses in its ability to identify, understand, and mitigate adverse social impacts associated with the project.; e) gender-based violence (GBV) risks: there are significant risks of GBV, including sexual exploitation and abuse/harassment (SEAH) that must be proactively managed. In addition, a good portion of the project interventions relate to technical assistance mostly of type 2 (which covers drafting of policies, programs, plans, strategies, laws and/or regulations) and type 3 (which include capacity building activities) that have substantial downstream risks and impacts.



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### Investment Description

- World Bank (WB)

IDA Grant: US\$ 100.00 million (According to the Project Information Document)



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### Contact Information

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#### ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

#### ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing [ipanel@worldbank.org](mailto:ipanel@worldbank.org). Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



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## Bank Documents

- [Concept Environmental and Social Review Summary \(ESRS\) - Somalia productive resilient and inclusive](#)
- [Concept Project Information Document \(PID\) \(English\)](#)