



# Appraisal Environmental and Social Review Summary

## Appraisal Stage

### **(ESRS Appraisal Stage)**

Date Prepared/Updated: 04/25/2022 | Report No: ESRSA02114



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Eastern Africa	AFRICA EAST	P178566	
Project Name	Food Systems Resilience Program for Eastern and Southern Africa		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Agriculture and Food	Investment Project Financing	4/23/2022	6/16/2022
Borrower(s)	Implementing Agency(ies)		
Ministry of Finance, Ethiopia, Intergovernmental Authority on Development (IGAD), Ministry of Economy and Finance, Madagascar, Center for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA)	Ministry of Agriculture, Ethiopia, Ministry of Agriculture and Livestock, Madagascar, IGAD Agriculture and Environmental Division, Center for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA)		

Public Disclosure

Proposed Development Objective

To increase the resilience of food systems and preparedness for food insecurity in project areas.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>1029.10</b>

**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]

The project is the first phase of a horizontal Multi-Phase Programmatic Approach (MPA). This MPA (referred to as 'the Program') provides a flexible menu of interventions aimed at increasing the resilience of food systems and preparedness against food insecurity in participating countries. The Program aims to tackle both the underlying structural challenges of food insecurity and reduce beneficiaries' sensitivity to unpredictable climate, crisis and conflict events. The Program consists of six components: (i) (Re-)building Resilient Agriculture Production Capacity, (ii) Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes, (iii) Getting to Markets, (iv) Promoting a Greater Focus on Food Systems Resilience in National and Regional Policymaking, (v) CERC and (vi) Project Management.

This first phase of the MPA covers: Ethiopia, Madagascar, the Intergovernmental Development Agency (IGAD) and the Center for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA). Other countries, both IDA and IBRD, yet to be identified, would access the MPA depending on their readiness.

#### Ethiopia

The Food Systems Resilience Program (FSRP) would be implemented in eight National Regional states: Oromia, Amhara, Southern Nations, Nationalities, and Peoples' Region (SNNPR), Tigray, Sidama, Benishangul-Gumuz, Gambella, Harari and Dire Dawa and Addis Ababa City Administrations. The project would include 4 major components.

Component 1: "Transforming Agricultural Services and Innovation Systems" (under Component 1 of the MPA) promotes the adoption of improved agricultural practices, key to ensuring resilience of food production and food security through farmer-led actions. The component would focus on the entire ecosystem of agricultural services to enable the adoption of improved technologies and sustainable agricultural practices on-farm and post-harvest/production. The component consists of three sub-components: (i) "Promoting Efficiency, Outreach and Efficacy in Agricultural Services" which would strengthen agricultural extension services, support agricultural training services, support plant protection and animal health services, and support public agricultural regulatory services; (ii) "Commercialized Agricultural Technology Generation and Research Systems" would provide support to research activities within both public and private institutions to increase productivity of crop and livestock production and (iii) support the delivery of digital agricultural services (such as agro-meteorology or soil health).

Component 2: "Resilient Small-Scale Irrigation Development and Management" (under Component 2 of the MPA) would support the development of irrigation, through small scale irrigation (SSI) schemes and micro-scale irrigation technologies (MSIT). This would include alongside irrigation infrastructure development in SSI, water harvesting structures to enhance water storage at field and watershed level, investments in support of the farmer-led process of accessing, investing, and adopting MSIT. It would consist of two components: (i) Small-Scale and Household Irrigation Development which would develop irrigation infrastructure through the rehabilitation of existing SSI schemes and construction of new irrigation schemes which includes water storage infrastructures such as small dams, ponds/tanks and other relevant community and household water harvesting structures and (ii) Water Management and Infrastructure Governance which would support the establishment of Irrigation Water Users' Associations (IWUAs) and targeted capacity building to enable them to become effective organizations, capable of managing and maintaining the irrigation systems they are assigned to.



Component 3: “Food Market Development” (under Component 3 of the MPA) would improve the competitiveness of strategic agricultural value chains in Ethiopia. It would comprise three sub-components: (i) “Improved Market Services”, which would provide support to strengthen market-related services including digital platforms for facilitating transactions and innovation by value chain actors, ensuring food safety, rehabilitation of feeder roads, improving traceability, trade facilitation, export promotion, and agribusiness regulation and build including financial systems; (ii) “Enterprise Development” which would provide business development, skills training, and incubation support to enterprises (defined broadly as group based (such as Common Interest Groups (CIGs) or cooperatives) or private (sole or partnership proprietorships) and training/awareness on the need to conserve the environment and use of risk-reducing practices/actions to improve resilience to climate change and (iii) “Strengthening value chains” which would, through an analytical approach, identify value chain bottlenecks, coordinate amongst stakeholders, and provide strategic investments to overcome these bottlenecks. This would be through competitive, matching grant to enterprises for the construction of cooling facilities or warehouses, for example.

Component 4: “Improving Enabling Environment for Food Systems Transformation, and Project Management” (under Components 4 and 6 of the MPA) would support the creation of an enabling environment for food system as well as provide support to the implementation and monitoring of the Policy. It would also support project management (including fiduciary, procurement and environment and social risk management) and ensure that the Project’s performance and impact are carefully tracked for informed decisions for better project management and result.

#### Madagascar

This project is being prepared in the context of a declining performance of agriculture systems, a major threat to Madagascar’s food security. In 2021, Madagascar for the first time joined Haiti, Nigeria, South Sudan, Yemen, and 23 other food security “hot-spot” countries around the globe that are struggling to feed themselves. Among this list, Madagascar stands alone as the one country in which conflict is not among key drivers of food insecurity. Madagascar’s acute and increasing vulnerability to climate change and extreme weather events—especially cyclones, flooding, and drought, amplified by accelerating loss of ecosystems and natural resource depletion, are undermining the country’s agriculture and food systems and threatening the lives and livelihoods of millions.

Component 1: “(Re-)building Resilient Agricultural Production Capacity.” This component will support improved research and innovations development and the strengthening service, information, and technology delivery systems. It will finance agricultural R&D and the deployment of climate-smart agriculture (CSA) innovations as well as the development of pluralistic and farmer-responsive delivery mechanisms. This component will finance infrastructure (e.g. storage facilities, sheds and barns), goods (seed, fertilizer, etc) and equipment (machinery etc), capacity building, and technical assistance for public or semi-public goods and services such as agricultural research and information systems, extension and advisory services, and risk management tools. To enhance service delivery, the Project will pilot or scale up the use of public-private approaches including aggregation and input voucher schemes, and agribusiness centers (CABIZ). Component 1 will also provide matching and innovation grants and leverage other financing mechanisms (microcredit, credit guarantees) to incentivize the use and delivery of resilience-boosting goods and services at the farm level.

Component 2: “Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes.” The project will promote participatory planning and more sustainable, community-led natural resources and irrigation



infrastructure management. Component activities will facilitate the improved use of water, soils, and forests and the restoration of degraded resources to enhance the natural functions and natural capital base that underpin more productive and resilient food systems. Component 2 will contribute to: (i) protecting watersheds by reducing erosion and sedimentation and increasing water infiltration; (ii) increasing the productivity and sustainability of agricultural production based on the adoption of agroecological and improved agroforestry practices and irrigation; and (iii) building the capacity of communities to implement landscape or watershed upgrades, and the capacity of water users' associations (WUAs) to sustainably manage irrigation infrastructure. The Project will also rehabilitate and improve existing gravity-fed irrigation sites. It will prioritize the introduction of new and innovative approaches to help the government sustainably manage key infrastructure such as dams and dykes that are highly vulnerable to climate shocks and performance deterioration from a lack of regular maintenance and upkeep.

Component 3: "Improving Market Connectivity and Access for Smallholders". The Project will promote the inclusion of smallholder farmers and rural communities in value chains and food markets. Using training, matching grants, and other approaches, this subcomponent will enhance the business skills and entrepreneurial capacity of CIGs and support their participation in agricultural value chains. It will develop, adapt, and deliver agroprocessing technologies that enhance the availability and quality of healthy food products, and related income opportunities. It will finance the rehabilitation of infrastructure to facilitate the transportation of agricultural products to markets, and rural producers' access to market opportunities. The Project will also support the construction and/or rehabilitation of public laboratories as well as their procurement of equipment to improve quality and Sanitary and Phytosanitary (SPS) standard controls, epidemio-surveillance, seed certification, fertilizer and pesticide quality control, and other agrifood value chain support functions.

Component 4: "Project Coordination and Knowledge Management". This component will support studies and TA to strengthen the policy environment and institutional capacity to manage food security risks. It will also support project management (including fiduciary, procurement and environment and social risk management) and M&E activities to ensure that the implementation of activities and results are comprehensively tracked and inform downstream investments.

#### IGAD/CCARDESA

IGAD's member states are Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and Uganda and aims to promote regional cooperation and integration efforts. Centre for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA) was founded by Southern African Development Community (SADC) member states to harmonize the implementation of agricultural research and development (R&D) in the SADC region including Madagascar. The technical assistance (TA) activities include strengthening the national and regional public policies and systems' response capacity to various shocks and stressors, thus enabling them to contribute to greater food system resilience. The MPA will specifically support capacity building of both IGAD and CCARDESA. Under each component of the MPA, Phase I will strengthen the capacity of IGAD and CCARDESA to provide regional coordination and knowledge sharing among participating countries. It will also increase the capacity of these institutions to do analytical work on topics such as assessment of market intelligence or epidemio-surveillance systems, or to coordinate knowledge sharing and experience exchange among participating countries through facilitating training, networking, exchange visits, etc. The project will primarily finance consulting, training/workshop and travel-related expenses.



## 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 MPA aims to implement national and regional approaches to increase food systems resilience. The first phase of the MPA will include Ethiopia and Madagascar as well as the IGAD and CCARDESA as Regional Entities. Other countries and regional entities will join in subsequent phases.

In Ethiopia, the Project will be implemented in 8 Regional states and two city administrations covering various agro-ecological zones which are characterized by different biophysical and socioeconomic environments. The Project will be implemented in agricultural lands but priority forest areas, plantation forests, bushes and shrubs in regional states which will be beneficiaries. Lowland regions experience high temperature and low precipitation, whereas highlands experience amiable temperature and ample rainfall. Mean annual temperature in the regions varies from less than 100c in high altitudes to over 300c in tropical lowlands. The amount, duration and intensity of rainfall in the regions varies considerably. It is estimated that Ethiopia will lose more than 6% of each year's agricultural output if the current decline in average annual rainfall levels for primary agricultural zones continues to mid-century. Rising temperatures and shifting rainfall patterns may increase soil erosion and increase growing difficulties for many crops as well as shorten growing seasons. These scenarios are likely to also alter the occurrence and distribution of pests. Rising temperatures are expected to increase suitable condition for crop diseases and pest infestations (Climate Risk Profile: Ethiopia (2021): The World Bank Group). The regional states have different surface water resources, large areas of the regions are drained by major rivers, streams and lake basins. The historical and contextual ethnic tensions and inter-tribal conflicts prevalent in the lowland areas and the recent security situation in the country have become a challenge that may affect operations mainly in Tigray region and some woredas of Oromiya, Amhara, Gambella and Somali regional states. The violent conflict in Tigray Regional State since November 2020 has led to destruction of infrastructure, displacement of people, adverse impacts on livelihood systems, dysfunctional institutions, and decreased social cohesion. In March 2022 a humanitarian truce was declared in Tigray which was accepted by both the federal and regional governments.

In Madagascar, regions considered in the Project constitute areas with high agricultural potential including the Alaotra Mangoro and Atsinanana regions. The wet zone Alaotra consists of the largest lake of Madagascar with about 20,000 ha of open water and up to 23,000 ha of marshes. Various anthropological pressures such as burning of vegetation, overfishing, pollution of the lake through the use of weed killers, and sedimentation of the watersheds due to heavy erosion of the surrounding hills, negatively impact on this ecosystem. The north-west of Madagascar (Sofia Region) has a less rugged relief than that of the center, and allows more extensive cultivation, also because of the low demography. The Lake Sofia catchment, one of twenty Ramsar Sites in north-western Madagascar, is home to a wealth of threatened biodiversity and supports the livelihoods of local people, who rely heavily on the natural resources and ecosystem services provided by the lake. Project activities will be outside the influence zones of this lake.

IGAD is located in Djibouti and its member states (MS) are Djibouti, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, Sudan and Uganda and aims to promote regional cooperation and integration efforts. CCARDESA (head office located in Gaborone, Botswana) was founded by SADC member states to harmonize the implementation of agricultural



research and development (R&D) in the SADC region including Madagascar. Under the MPA, both regional organizations will implement activities including technical assistance consisting of regional knowledge exchange, capacity building and training, etc., which are not anticipated to have direct environmental and social footprints.

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

**ETHIOPIA:** The Ministry of Agriculture (MOA) and the regional agriculture offices will be the implementing agencies of the Project. MOA has experience in implementation of Bank financed Projects including Sustainable Land Management (P133133), the Second Agricultural Growth Project (P148591), Resilient Land and Livelihoods Management (P163383, P172462) and Development Response to Displacement Impacts (P152822). The Ministry is familiar with the E&S requirements of the Bank and has gained experience in the preparation, implementation and monitoring of E&S risk management tools as evidenced on the Agricultural Growth Project II (AGPII). Qualified staff from federal to operational level have been assigned in the course of implementation of the ongoing Project. Furthermore, training on E&S risk management (as per the safeguards policies) has been given to experts during the implementation of AGPII. However, the Ministry staff has limited experience in preparing and implementing Projects based on the Bank's ESF. It is expected that the MoA will use the E&S risk management arrangement (including the existing staff) established for AGP II and will recruit additional E&S specialists to support at the Federal, Regional, Woreda and Kebele level. Research centers will assign qualified E&S focal persons. The recruited and assigned E&S experts will be trained on the ESF soon after the effectiveness of the Project. The establishment of a functioning E&S risk management implementation arrangements is included in the ESCP. Quarterly and annual environmental and social monitoring reports will be prepared by the PIU and shared with the Bank. There will be independent annual environmental and social audits. The Regional/Woreda Environment Protection Authority (EPA) will review and endorse site specific E&S risk management instruments and will also monitor compliance with the regulatory requirements. A detailed capacity assessment and capacity building action plan will be prepared during implementation (the timeline for which is specified in the ESCP) and is captured in the ESCP. In sum, MoA has an existing E&S risk management structure from federal to operational level; has a good track record in management environmental, social and H&S risks and hence has the basic capacity to manage the E&S risks of the proposed Project and remedial measures have been included in the ESCP. For any activities to be implemented in Tigray Region of Ethiopia, a third party implementation agency (TPIA) will need to be engaged as this regional state is not under the control of the federal government because of the conflict that broke out in November 2020 in the region. Currently, there is a humanitarian truce in Tigray which was accepted by both the federal and regional governments. Given the evolving nature of the conflict, the TPIA may only be needed for a limited duration and geographic locations. The ToR and contract for the TPIA shall include a commitment to implement Project activities as per the requirements of the ESF and associated E&S instruments. Once the TPIA is identified, its capacity to assess and address/manage E&S risks and impacts of the Project will be assessed and capacity development plan will be prepared accordingly.

**MADAGASCAR:** The Ministry of Agriculture and Livestock (MAL) has satisfactory experience in implementing the ongoing bank financed Projects but under the Bank safeguard policies such as the Madagascar Agriculture Rural Growth and Land Management Project (P151469) and Sustainable Landscape Management Project (P154698). The MAL also has experience with the ESF through the preparation of current Projects: the Adapting Rice Systems for Enhanced Food and Nutrition Security (P175269) and the Support for Resilient Livelihoods in the South of Madagascar (P171056). The capacity of the MAL in monitoring E&S measures in compliance with the ESF will be further enhanced through the recruitment of qualified E&S specialists. Relevant technical staff on Social, Environmental and GBV risk management should be recruited by the PIU to oversee the implementation of risk management aspects. Specific E&S training capacity building have been included into the E&S instruments (ESCP, SEP, ESMF, RF, LMP, IPMP, SDM) to



address capacity needs, or additional training, necessary for Project implementation. The N-PIU is based at Antananarivo (the capital city) with the Regional-PIU (RPIU) being established in each relevant region.

IGAD has previous experience, in providing regional coordination on Bank Projects under the safeguards such as Development Response to Displacement Impacts Project (P152822) and has experience in preparing Projects under the ESF. IGAD have experienced environmental and social specialists in house but will appoint an Environmental and Social Safeguards Expert for this project. CCARDESA has also participated in previous Bank Projects but has limited experience of the ESF. CCARDESA will appoint an Environmental and Social Safeguards Officer to support Project activities. The activities to be financed by the Regional Entities are technical assistance activities classified as ‘Type 2 Supporting the formulation of policies, programs, plans, strategies or legal frameworks’ and ‘Type 3 capacity building activities’. Capacity gaps to implement the technical assistance activities were identified during preparation and remedial measures included in the ESCP including training on the ESF for the PIUs, noting the need for the regional entities to include ESF requirements in TA activities to manage downstream risks especially those associated with Type 2 activities.

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

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

High

**Environmental Risk Rating**

Substantial

The Project will have a positive environmental outcome as it involves resilient food production, increasing the productivity and sustainability of agricultural production and management of water sources for sustainable supply for productive food system and water and soil moisture conservation. In Ethiopia, Component 1 could lead to increased demand for agrochemicals and will require management of wastes generated from animal healthcare services. The Project will finance rehabilitation and construction of SSI schemes and rural water supply and sanitation infrastructure (Component 2); and market infrastructure (Component 3) investments for value addition, food safety and reduced food loss and waste can result in EHS impacts including: 1) inappropriate use and disposal of agrochemicals including pesticides and agricultural research lab chemicals (Component 1); 2) H&S risks during construction and agricultural research lab activities; 3) over-use of water and agrochemical contamination affecting quantity and quality (Component 2); 4) physical and chemical degradation of soils from unsuitable land management techniques (Component 1); 5) agricultural activities can impact biodiversity and ecosystems due to water use, pollution and introduction of invasive species; 6) cumulative impacts due to SSI activities; and 7) though site specific and small in scale, construction of infrastructure such as storage facilities and SSI schemes can contribute to environmental pollution e.g. air, waste, noise and water pollution (Component 3). Agricultural activities produce GHG emissions e.g. methane, nitrous oxide and carbon dioxide however, the activities are community driven so no significant emission is expected. SSI schemes, especially small dams, will be designed and implemented in compliance with ESS4. The Project will be implemented in agricultural land and will not lead to conversion of natural habitats. The PIU in Ethiopia has the basic capacity to manage EHS risks. Activities involving Regional Entities through TA (Type 2&3 as per OESRC Advisory Note), capacity building, and institutional strengthening will enhance ability of selected entities and communities to develop food systems resilience, as such there are low environment risks as they do not involve feasibility or design study for agricultural infrastructure that can have significant downstream risks. The TA shall be in compliance with Bank guidance. National TA will consider E&S issues consistent with the ESF.

Public Disclosure





Activities in Madagascar have several risks under the sustainable investments in watersheds. Appraisal has not identified any activities that could generate irreversible environmental impacts. Investments in strategic anti-erosion works (through, among others, biological methods and technologies); and interventions, through matching grants, on communally owned land to improve plant cover, reforestation and pastures through strengthened technologies, establishment of community-managed nurseries and training, and restoration and improved community-led management of natural resources will have positive effects on erosion reduction and negative impacts will be low and site-specific. Construction and rehabilitation of feeder roads and irrigation infrastructure could generate environmental pollution (air, noise, soil and water). Generation of wastes is anticipated from activities such as construction, lab research, crops and veterinary agrochemical, machineries, empty packages etc. Other EHS risks and impacts include: 1) inappropriate use and disposal of contaminated material by agrochemicals including pesticides and agricultural research lab chemical reagent; 2) H&S risks and impacts during construction and agricultural research and dissemination; 3) over-use of water and agrochemical contamination affecting quantity and quality; 4) physical and chemical degradation of soils from unsuitable land management techniques; and 5) agricultural activities can impact on biodiversity and ecosystems.

**Social Risk Rating**

High

Beneficiaries are expected to benefit through the creation of job opportunities (for youth and women) as a result of enhanced resilience of farmers, increased agricultural yields, increased access to diverse food and nutrition, and improved livelihoods, access to finance and skills base. The social risk is high due to the scope of the proposed operations including the TA activities and proposed civil works which may include resettlement, land take or restrictions of access to land use as well as the potential for activities to be implemented in locations where ESS7 communities are present which may require Free Prior and Informed Consent and associated complexities, as well as contextual risks in the participating countries (conflict, social tensions and client capacity to manage E&S risks). In Ethiopia, the Project will result in land acquisition and involuntary resettlement. Social risks related to land acquisition include, loss of land or other assets, loss of livelihoods, social and gender exclusion, inadequate consultations and engagement, lack of compensation at replacement cost, lack of access to grievance mechanisms, etc. Investments will also be implemented in areas where Sub-Saharan African Historically Underserved Traditional Local Communities (SSAHUTLC) are present seasonally or occupy lands and natural resources. Project activities may also create or exacerbate existing tension and conflicts, social discrimination or exclusion and vulnerability of SSAHUTLC as well as other disadvantaged and vulnerable groups in the Project areas. Other potential social risks relate to: 1) insufficient community and other stakeholder engagement; 2) social tensions/conflicts induced by competition over agricultural resources including access to irrigation water resources and due to the ongoing contextual security risks in conflict-affected areas in Tigray, Afar, Amhara and some parts of Oromiya region; potential cultural identity losses for some communities concerned by progressive abandonment of agricultural negative practices in addition to temporary or permanent economic losses depending on local context; 3) labor influx and associated risks including risks on community health and safety, sexual exploitation and abuse and sexual harassment and other forms of gender-based violence; 4) operational concerns due to remoteness and insecurity, including monitoring and supervising social risks including grievance management; 5) weak implementation capacity especially at grassroots level with limited functional structures and trained manpower; and 6) risks associated with the use of child labor as child work is present in the agricultural sector. In Madagascar, risks and impacts include the potential for elite capture and/or the exclusion of vulnerable groups and individuals from Program benefits due to poorly designed and/or disseminated or non-transparent beneficiary selection process or eligibility. Other social risks include 1) failure to comply with labor standards, especially when it comes to the subprojects financed by the matching grant, in particular forced and child labor; 2) propagation of COVID-19 during the implementation of

Public Disclosure



activities has also been identified as a transversal risk; 3) risks associated with the use of security personnel; 4) interventions, funded through matching grants, rehabilitation of feeder road, and SSI dam may induce land acquisition and economic displacement, however, physical displacement is not expected. TA activities in participating countries are to build resilience through capacity building and institutional strengthening activities that will allow selected entities and communities to prepare for, respond and develop food systems resilience, as such there are limited social risks associated with these activities. Regional Entities will focus on regional dialogue and coordination on activities, including cross-sectoral policies and institutional coordination with low direct social risks.

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

## **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:***

Overall, the Project will bring about positive benefits such as increasing rural employment opportunities and improving rural livelihoods through improved agricultural productivity. Its positive environmental outcomes include resilient and sustainable water supply for productive food system and water and soil moisture conservation investments. The Project recognizes that building resilience is a long-term process that requires linkages across levels (regional, national, sub-national and local). The TA activities include strengthening the national and regional public policies and systems' response capacity to various shocks and stressors, thus enabling them to contribute to greater food system resilience.

The role of Regional Entities will be to increase capacity in the resilience of food systems and cooperation. The regional organizations will implement activities including technical assistance (type 2 associated with the formulation of policies, programs, plans, strategies and legal frameworks and type 3 capacity building activities as defined in the OESRC Advisory Note on Technical Assistance and the ESF), consisting of regional knowledge exchange, capacity building and training, etc. As such, direct environmental and social risks in a defined physical footprint are not expected as TA is not anticipated to support feasibility or technical design studies. Induced impacts may occur, although given the nature of the proposed TA, these are not expected to be significant. The Project will ensure that consultancies, studies, capacity building, training and any other TA activities are carried out in accordance with the relevant requirements of the ESF. Any outputs from the TA activities, shall also be consistent with the ESF. Risks associated with the implementation of the TA by participating regional entities and countries relate to inclusion in engagement, ensuring the requirements of the ESF are fully reflected in TA activities, access to information, consideration of vulnerable groups; contextual issues (e.g. drought, climate change or overexploitation of natural resources) and cumulative impacts. These requirements have been captured in the Environmental and Social Commitment Plan (ESCP) as well as requirements to be build the capacity of the regional institutions on the ESF.

In Ethiopia, there are a variety of EHS risks and impacts that could result from the proposed activities. These include H&S risks and impacts during construction or rehabilitation of small scale irrigation schemes, storage, cold chain, processing, marketing facilities and agricultural research lab activities; operational phase including risks that may result from inappropriate use, handling and disposal of agrochemicals including pesticides as well as agricultural



research laboratory chemicals; overuse of water and water contamination by agrochemicals; degradation of soils; direct and indirect impacts on biodiversity and ecosystems; local environmental pollution e.g. air, waste, noise, and water pollution as a result of the construction activities; and GHG emissions though not anticipated to be significant. The small irrigation schemes, especially small dams, will be designed and implemented in compliance the requirements of ESS4. This Project will be implemented in the existing agricultural lands and will not lead to conversion of natural habitats. The PIU in Ethiopia has the capacity and the experience to manage the EHS risks though there are security concerns in some parts of the country.

To identify and manage potential EHS risks, the Ministry of Agriculture Ethiopia (MoA) has prepared an Environmental and Social Management Framework (ESMF) and an Integrated Pest Management Plan (IPMP) to mitigate potential risks and impacts associated with the application of pesticides. The ESMF has been prepared and includes among others screening, risk assessment (including cumulative and downstream impacts), general mitigation measures, guidance for site-specific instrument preparation, exclusion/eligibility criteria, a checklist to monitor implementation of mitigation measures (i.e., review of bidding and contractual documents, considerations for TA, field supervision mission) etc. The MoA has conducted a security risks assessment and included mitigation measures as part of the ESMF; and it will be reviewed and updated, as needed, before effectiveness. An ESCP has been prepared (outlining measures to be implemented including implementation arrangements and monitoring and reporting on the implementation of E&S risk management tools and plans in line with the ESF). These draft documents shall be disclosed prior to the appraisal. The MoA will adopt technically and financially feasible measures to avoid or minimize water usage so that the Project's water use does not have significant adverse impacts on communities following the Bank's Good Practice/Guidance Note. The small dams to be financed in this Project shall be designed and implemented in compliance with ESS4 and other good international industry practices.

The Ethiopian highlands are home to nearly 84% of the population are characterized by high rates of poverty. The largest group of poor people in Ethiopia is composed of small-scale farmers who face acute poverty due to multidimensional challenges including low productivity, vulnerability to drought and other adverse natural conditions. Other vulnerable groups include women and men who depend on herding and forests for their livelihood including the historically underserved communities, female headed households, unemployed youths, children, and persons living with disabilities. Such vulnerable groups are at risks of being excluded from stakeholder engagement and potentially from Project benefits due to, lack of information, land allocation decisions and condition or availability of collateral to access finance. The Project will also have potential risks and impacts related to land acquisition or restriction of access to land, water and other resources for rural infrastructure development and other construction of civil works. To address these risks the MOA has prepared a Social Assessment Including a Social Development Plan to address impacts on the ESS7 communities based on the requirements of the ESS7 and the Bank's Directive on addressing risks and impacts to disadvantaged and vulnerable individuals and groups. A Resettlement Framework as per the requirements of national law and ESS5, was prepared prior to appraisal to clarify resettlement approaches and guide the development of Resettlement Plans (RPs) for sub-Projects. Other social risks will be related to labor and working conditions; and labor influx is likely to be moderate as most workers are expected to be contracted locally. Issues related to labor conditions have been captured in the Labor Management Procedures (LMP). The SEA/SH risk has been assessed as part of the ESMF and rated as substantial.

For any activities to be implemented in Tigray Region of Ethiopia, a third party implementation agency (TPIA) will need to be engaged. Once the TPIA is identified, its capacity to assess and address/manage E&S risks and impacts of



the Project in line with the instruments prepared will be assessed and capacity development plan will be prepared accordingly.

Furthermore, site-specific risks management instruments and plans (including ESMPs, ESIAAs, RPs depending on the nature and scope of the subprojects) will be prepared during Project implementation and prior to commencement of activities on subproject sites, following the requirements of the ESF. A subproject screening tool has been included in the ESMF of the Project.

In Madagascar, the E&S risks include generic risks associated with minor civil works (i.e. risks associated with poor labor conditions, OHS, waste generation, hazardous material management, noise and vibration, wastewater discharges and air quality as well as community H&S). Given that the civil works are expected to be minor (small irrigated perimeter or short feeder road) and rely exclusively on national contractors, the Project is not expected to lead to induce significant labor influx. Other risks/impacts include those associated with the operational phase of these improvements/new construction/rehabilitation as well as with the subprojects of the matching grant program: beneficiary selection, child and forced labor, poor labor conditions, occupational health and safety, water and energy consumption, hygiene and food requirements, land and water management, the use of pesticides, manure and veterinary waste management, the use of security personnel (which may include the involvement of the police and gendarmerie through establishment of MoUs) to ensure security of workers and materials because of the increase of insecurity in some location. COVID-19 has also been identified as a transversal risk, and in addition for Madagascar a potential for land acquisition, and economic displacement mainly linked to the rehabilitation of small irrigated perimeter and short feeder road.

In order to manage these risks, the implementing unit at MAL in Madagascar has prepared an Environmental and Social Commitment Plan (ESCP) and a Stakeholder Engagement Plan (SEP). The final version of LMP, RF and ESMF including the GBV action plan will be finalized with the IPMP and Small Dam Safety Manual (SDSM) as disbursement conditions.

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

Stakeholder engagement and information disclosure are at the heart of the Project and are envisaged as a continuous, ongoing process throughout its lifecycle. This approach ensures participation, inclusiveness and transparency. Details of the stakeholder engagement activities are outlined in the Stakeholder Engagement Plans (SEPs) prepared by the participating countries and Regional Entities and will be disclosed prior to Project appraisal.

The main stakeholders of the program, depending on the components being implemented, may include: (i) Project-affected parties (PAPs) - those individuals or groups who are directly affected or likely to be affected by the Program. PAPs include positively affected beneficiaries, mainly smallholder and commercial farmers; formal registered farmer cooperatives and associations; informal farmer organizations or producer interest groups including groups of women and youth who are involved in agro-processing, marketing and service provision activities. (ii) other interested parties (OIPs) - those individuals or groups who may have an interest in the Program or support subproject selection and / or the identification of potential risks and impacts including cumulative impacts. The OIPs are likely to include regional entities, national and local government ministries and associated line departments, water authorities, national



environmental authorities, businesses providing agricultural services or inputs; private sector agricultural and related service providers; agro-processors and input dealers; and public agricultural service providers, civil society who have an interest in food security in the regions; etc. (iii) disadvantaged and vulnerable groups - those individuals or groups highly vulnerable to potential Project impacts and often do not have a voice to express their concerns or understand the impact and risk of the Project. The vulnerable groups may include landless and marginal farmers, female headed households, persons living with disabilities, households designated below the poverty line, unemployed rural youth and ESS7 communities.

The SEPs have presented the engagement methods to be undertaken with relevant stakeholders and ensure that the techniques are culturally appropriate and those relevant local languages are used to ensure meaningful engagement. The engagement activities at the national level include community meetings, focus group discussions as well as one to one meetings as needed, learnings, training, demonstration sessions, and sharing workshop. The needs of vulnerable groups have been taken into account in designing the engagement processes including factors such as timing, location, accessibility and use of written materials. The SEPs also clearly outlined and defined approaches to disseminate beneficiary eligibility criteria and the selection processes.

The SEP for Ethiopia as well as for Madagascar have been prepared by the respective MoA in accordance with the requirements of ESS10 and taking into considerations the COVID-19 related restrictions during community and stakeholders' consultations. Several stakeholder consultations have been conducted with relevant stakeholders including PAPs, government and non-government stakeholders, community members including of historically underserved people and vulnerable groups and other interested parties as identified by SEP during the preparation of the ESMF, RF, SA, SEP and other instruments. The SEP will serve as planning tool that guides the Project implementing agencies stakeholder engagements, incorporate stakeholder's views and concerns during Project design and implementation and set feedback through Project monitoring. For Ethiopia, all E&S instruments will be made accessible to Project stakeholders and will be publicly disclosed prior to the Project appraisal. For Madagascar, advanced drafts of the ESMF with GBV action plan, RF, and LMP will be disclosed prior end of appraisal in the country and the potential Project areas, their respective final versions with the IPMP and DSMM will be disclosed as Project disbursement conditions. The two regional entities, IGAD and CCARDESA, have developed respective SEPs that will be disclosed prior to the Project appraisal. The SEPs include engagement undertaken to date to help inform the scope of the TA activities for each entity and need for ongoing engagement on environmental and social risks as well as the TA including outputs.

The SEPs include a description of a Grievance Mechanism (GM) which includes provision for confidential mechanisms for receiving complaints of sexual exploitation and abuse and sexual harassment, as well as other forms of GBV and establish a protocol to enable survivor-centered responses. The GM has been designed to address complaints and suggestions coming from both beneficiaries and other interested parties. The SEP for Ethiopia outlines principles and procedures for the establishment of accessible and effective Project level GRM structure at all levels i.e. federal, regional, woreda and kebele levels building on the existing GRM structure established for the Agricultural Growth Program-II. The GRM will be expected to address any issues related to the Project activities, including risks or incidents related to GBV, and also risk linked to the use of security personnel. For Madagascar the GM should be established, in national level no later than two months after the effective date and will be scale up into targeted region before implementation of Project activities in these regions, and thereafter maintained and operate



throughout Project implementation. For the regional entities, grievances can be submitted through a range of channels to the respective institution and will be addressed by the Project staff.

The SEPs serve as planning tool that guides the Project implementing agencies stakeholder engagements, incorporate stakeholder's views and concerns during Project/ subproject design and implementation and elicit feedback through monitoring. All E&S documents/reports will be made accessible to stakeholders and will be publicly disclosed prior to the Project/ subproject approval. The SEPs have been prepared in accordance with the requirements of ESS10 and taking into account the COVID-19 related restrictions during community and stakeholders' consultations.

## **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**

ESS2 is relevant due to potential risks to labor and working conditions for applicable workers including direct and contracted workers as well as the voluntary use of community labor (associated with civil works in especially those associated with the activities to be financed under Component 3 such as feeder roads, storage facilities, and other small infrastructure). It is anticipated that workers under the four categories: direct, contracted, community and primary supply workers will be engaged for the proposed Project activities in Ethiopia. While more than 586 workers are estimated to be hired under the coordination units of each implementing agencies as direct workers, at this stage, it is very difficult to estimate the number of workers to be engaged as contract, community, and primary supply workers and thus will be determined during Project implementation.

For Ethiopia, Labor Management Procedures (LMP) have been prepared to identify the main labor requirements and labor risks associated with the Project based on the requirements of ESS2 and national labor laws and disclosed prior to appraisal. The LMP summarizes procedures to address labor issues including, but not limited to: (i) child labor and forced labor; (ii) Contracts of employment and terms and conditions of employment, (iii) protection of wages including fair treatment, non-discrimination and equal opportunity of Project workers, (iv) occupational, health and safety issues which will be applicable to all Project workers, (v) labor influx and associated risks including GBV; (vi) security provisions for workers involved in the distribution of innovative technologies and different agricultural inputs; and (vii) grievance mechanism for workers with accessible means to raise workplace concerns. OHS measures will be designed and implemented to address: (a) identification of potential hazards to Project workers during construction and operational phases; (b) provision of preventive and protective measures, including elimination of hazardous conditions or substances; (c) training of Project workers and maintenance of training records; (d) documentation and reporting of occupational accidents, diseases and incidents; (e) emergency prevention and preparedness and response arrangements to emergency situations; (f) remedies for adverse impacts such as occupational injuries, disability and disease; and (e) risks of COVID-19 propagation. Contractors will be required to prepare and implement Occupational Health & Safety Plans (OHSP) following the World Bank Group General Environment, Health and Safety (EHS) Guidelines, adopt a code of conduct for all workers and establish a worker-specific GM (accessible for direct and contracted workers) before commencement of the civil works. General



guidance on OHS risks was included in the Ethiopia ESMF. Bidding documents for the small infrastructure activities shall include budget provisions for management of labor issues including all OHS provisions.

In Madagascar there are risks associated under ESS2 at two levels: (i) the risks associated with direct workers (implementing agencies), contracted workers (i.e. contractors, consultants recruited to provide technical assistance and training) and primary supplier workers (seeds, digital technology, civil works suppliers, etc.); (ii) the risks associated with workers recruited by the beneficiaries for the implementation of the subprojects under the matching grant Project, which may include community labor depending on the final design. ESS2 risks include poor working conditions, occupational health and safety issues induced by civil works and during operational phase of the Project, the risk of COVID-19 propagation, as well as the exploitation of agricultural labor, including vulnerable migrants, and child labor. Labor Management Procedures will be developed as a disbursement condition.

Given the nature of the activities by Regional Entities it is expected that Program workers will mainly be direct workers and potentially contracted workers to provide technical inputs. Community workers and supply chain workers are not expected to form part of the workforce. While there is still the potential for OHS concerns and Sexual Exploitation and Abuse/Sexual Harassment these risks are expected to be low. The ESCP includes the measures that will be implemented to manage labor risks and impacts in line with national law and the requirements of ESS2. CCARDESA have a HR Manual which outlines the organizations response to terms and conditions of employment, non-discrimination and equal opportunities, child labor, OHS, SEA/SH and grievance redress as well as whistle blowing policies. While IGAD has similar policies in place including codes of conduct and whistleblowing policies. Supporting documentation have been included in the SEP.

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

ESS3 is relevant as activities to be financed under Component 1 and 2 (Ethiopia) can lead to the increase in application of pesticides and other agrochemicals that can account for environmental pollution due to pesticide containers, waste pesticides, and packaging. Though activities under Components 2 and 3 (on Ethiopia side) are site specific and small in scale, construction of the community infrastructure such as small-scale irrigation schemes, feeder roads, storage, cold chain, processing, and marketing facilities schemes can contribute to environmental pollution such as air, soil, noise and water pollution.

In Ethiopia, chemical degradation of soils may result from unsuitable land management techniques. Chemical degradation of soil may result from insufficient or inappropriate use of mineral fertilizers, failure to recycle nutrients contained in crop residues, and failure to correct changes in soil pH that result from long-term use of nitrogen fertilizers and excessive use of poor-quality water, resulting in salinization. The Project is not expected to result in significant emission of greenhouse gases due to the CDD nature of the Project activities. There are also potential risks associated with overuse of limited water resources for irrigation activities, cumulative impacts of small-scale water use and waterlogging.

The MoA Ethiopia has prepared an Integrated Pest Management Plan (IPMP) which will be implemented to mitigate potential risks associated with the transport, storage, handling and disposals of agrochemicals including packaging materials. Similarly, Madagascar will prepare an IPMP (as a disbursement condition).



In Madagascar, the Project may present risks/impacts linked to waste, dust emission, noise and vibrations during civil works. The development of irrigation activities, rationalization measures need to be determined for the use of water resources. The use of machineries may induce environmental pollution as well from exhaust, used oil and spare parts, or washing operation. The Project will mainly finance the rehabilitation of existing irrigation systems with water availability problems in the rice fields to improve crop productivity. Social conflicts may arise between water users if there is inadequate management of water availability. Improper waste and sanitation management, noise, vibration, dust, and fumes can lead to environmental pollution. The risks and mitigation measures related to ESS3 will be further addressed in the ESMF to be developed.

In both Ethiopia and Madagascar, pests should be managed through a process of IPM which combines chemical and non-chemical approaches to minimize the impacts of pests and to minimize the impact of pesticides on the environment. Pesticides should be used only to the extent necessary under an IPMP. Where pesticide use is warranted, they should be stored, handled, and applied in a manner consistent with the recommendations for hazardous materials management in order to prevent, reduce, or control the potential contamination of soils, wildlife, groundwater, or surface water resources caused by accidental spills during the transfer, mixing, storage, and application of pesticides. Due to the CDD nature of the Project, no significant GHG emission is anticipated from the activities to be financed by the Project. The ESMFs should address resource efficiency, pollution prevention and other environmental risk management responsibilities which be implemented by the agricultural research laboratories, contractors and sub-contractors.

The ESMFs and ESCPs include requirements for training on safe use and handling of all agrochemicals, including pesticides, chemical fertilizers, or soil amendments and lab chemicals. Water resources to be used for irrigation should be managed in accordance with the principles of Integrated Resource Water Management.

The MoA and each Project implementing entity will adopt technically and financially feasible measures to avoid or minimize water usage so that the Project's water use does not have significant adverse impacts on communities, other users, and the environment using the Bank's Guidance/Good Practice Note. These measures will among others include the use of additional technically feasible water conservation measures within the Project operations, the use of alternative water supplies, water consumption offsets to maintain total demand for water resources within the available supply and evaluation of alternative locations. If there will be high water demand that can have potentially significant adverse impacts on communities, other users or the environment, the implementing agencies will:

- develop, maintain, monitor, and periodically report on a detailed water balance.
- identify and implement opportunities for improvement in water use efficiency
- assess specific water use (measured by volume of water used per unit production); and operations must be benchmarked to available industry standards of water use efficiency.

Resource efficiency measures shall also be considered in other Project activities such construction of small dams, feeder roads and storage infrastructure. No major GHG emission is anticipated from the CDD activities to be financed by this Project.

The implementing agencies will also assess (as part of ESMF and subsequent subproject screening) the potential cumulative impacts of water use upon communities, other users and the environment one year or six months after effectiveness and will identify and implement appropriate mitigation measures.





Waste from phytosanitary and veterinary products is also expected. The Project will include agricultural activities that would lead to the non-negligible use of chemical products, namely veterinary medicine, pesticides and fertilizers. The ESMFs will include screening for Pest management issues and potential pesticide and fertilizer use. Pest Management Plans will be developed once specific subprojects are identified, consulted, and disclosed.

Activities by regional entities are not anticipated to lead to a direct or indirect increase in consumption of resources and will not lead to generation of pollutants.

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

Within Ethiopia, as the Project will involve support to the development of rural infrastructure which may traverse through or in the vicinity of community areas and public places, ESS4 is relevant. Risks related to community health and safety include community exposure to health issues such as water-borne and vector-borne diseases from irrigation activities (Component 2); communicable diseases like COVID-19, HIV/AIDS and other STDs; and exposure to increased traffic fleets transporting construction materials and equipment for the sub-Projects in rural sites (Component 2 and 3). Furthermore, small-scale irrigation dams (Component 2) should be designed and implemented following the requirements of ESS4 and other international good practices so that potential risks to the community health and safety could be avoided. The small irrigation schemes to be financed by the Program will meet the Bank's requirements for small dams. The small dams to be financed in this Project shall be designed and implemented in compliance with ESS4 and other good international industry practices. Other potential community health and safety risks, including local conflict, and security risks have been assessed and proposed mitigation measures included in the ESMFs in line with the requirements of ESS4 and the World Bank Group Environment, Health and Safety Guidelines (EHSG) (Component 1-3). A Security Management Plan has been prepared in compliance with the requirements of ESS1 and ESS4 as part of the ESMF and a detailed and more specific SMP will be developed, reviewed and updated, as needed, during the preparation of ESMPs.

Specific mitigation measures related to COVID-19 have been included in the ESMF such as a handwashing/sanitizing system, the wearing of masks, social distancing and awareness sensitization, etc. Prevention measures associated with SEA/SH have also been included in the ESMF for Ethiopia. With interventions on natural resource management, some ecosystem services could be affected through water use, restriction of access to natural resources etc., and have been considered in the ESMF.

In Madagascar, no high dams in potential irrigation areas were selected by the Project. A Small Dam Safety Manual (SDSM) shall be designed and implemented in compliance with ESS4 and other good international industry practices prior to launch the activities. The community health and safety issues are associated to risks/impacts during construction of minor civil works, such as dust, noise and vibrations, solid waste and traffic safety issues. Furthermore, during construction and operation there are increased risks of communicable diseases as well as water and vector-borne diseases from irrigation activities and safety risk from small dams. There are also potential risks associated with the operation of the agricultural production or processing activities, such as pollution, waste generation, and risks associated with the use of pesticide and fertilizers. Finally, the propagation of COVID-19 as a result of Project activities has been identified as a transversal risk. The E&S procedures in the ESMF will further



identify all these risks/impacts and mitigate them through mitigation measures that will be included in the Project Operational Manual (POM), and ESMPs/ESIAs as needed.

For Regional Entities impacts on community health and safety are likely to be limited given that these entities will mainly be implementing technical assistance activities which are unlikely to involve interactions with communities. However, the ToR and outputs for any consultancies, studies, capacity building, training and any other technical assistance activities under the Program will be prepared in line with ESS4 as outlined in the ESCP.

The SEA/SH risks are associated with the limited access to quality and safe services for survivors of GBV, conflict-induced by competition over agricultural resources for example productive land, agricultural inputs and water resources for irrigation; inadequate community participation; and elite capture. Moreover, the Program components that support civil works may lead to an influx of labor (skilled, semi-skilled) into the Project areas that may in turn induce or increase risks related to SEA/SH and other forms of Gender-Based Violence (GBV) in the rural community. Within Ethiopia, parts of the Project are being implemented in areas of the country with active humanitarian and emergency situation which has resulted in a higher-risk environment for women and girls in general, which also has led to heightened GBV, and specifically Sexual Exploitation and Abuse (SEA). As such, a SEA/SH Action Plan has been prepared for Ethiopia as part of the ESMF. For Madagascar SEA/SH Action Plan will be included and captured in the ESMF.

Indeed, given the significant importance and the persistence in certain regions of Madagascar of negative cultural practices that are detrimental to the management of the high biodiversity of ecosystems, an active involvement of security personnel in the management of natural resources is required in the implementation of component 2 for the provision of security to Project workers, sites, and assets. Security personnel may involve either be i) private security or ii) the national police and gendarmerie (depending on where activities are located). There are no permanent nor significant local conflicts in the Project locations. However, the need for use of personnel is mainly linked to the increase of insecurity (because of poverty) in some location to ensure workers and material protection. Thus, a Security Management Plan (SMP) will be included in the ESMF and subsequent ESMPs. The SMP shall consider (a) assessment and measures to manage the security risks of engaging security personnel; (b) adoption and implementation of standards, protocols, and codes of conduct for the selection and assignment of security personnel to the Project, including related to the past unlawful or abusive behavior, such as sexual exploitation and abuse (SEA), sexual harassment (SH) or excessive use of force; (c) introducing into memorandum of understanding (MoU) with authority including the arrangements for the engagement of the security personnel ; (d) planning of adequate instruction and training to the security personnel; (e) Stakeholder Engagement Plan (SEP) shall also include communication on the involvement of security personnel in the Project; and the Project shall ensure that any concerns or grievances regarding the conduct of security personnel forces are adequately managed through the Project's grievance mechanism.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

ESS5 is relevant for the Project support rural infrastructure as well as market and enterprise development activities in Ethiopia including construction of agro-processing centers, animal health posts and clinics, livestock quarantine stations, livestock genetic-improvement centers, and pre-extension on-farm demonstration activities; construction of



small-scale and household irrigations, rural bridges, market infrastructure, and rural feeder roads which may result in involuntary resettlement, restriction of access to resources and loss of livelihoods due to physical and/or economic displacement. The Project does not include land administration, certification and regularization of agricultural land. For lands that are seasonally used by pastoralists, the Project will avoid establishing agricultural activities that are incompatible with that seasonal use. In cases where avoidance is not feasible, a RAP will be developed in accordance with the RF. For pastoralists meeting the ESS7 criteria, ESS7 and FPIC will also apply.

As infrastructure sites are yet to be determined, a Resettlement Framework (RF) has been prepared for Ethiopia prior to appraisal in line with the requirements of ESS5 and applicable national legislation. The RF will provide resettlement principles and procedures including for setting eligibility criteria for resettlement entitlements, organizational arrangements, and the establishment of a Grievance Mechanism (GM) to be used during the preparation of site-specific instruments to address potential land acquisition issues. In addition, the RF will establish procedures to address any impact due to restrictions/loss of access to natural resources by the Project activities in line with the requirements of ESS5. Rural infrastructure development sub-Projects will be screened for resettlement impacts, and proportionate Resettlement Plans (RPs) will be prepared and implemented where applicable before the commencement of any subproject activities that involve private land acquisition. In addition, for the livelihood losses due to land acquisition, the subproject will develop and implement livelihood restoration plans (LRPs) to address any economic losses due to land use change/displacement of land users/workers because of sub-Project activities as part of the RPs.

In the case of small-scale land acquisition through voluntary land donation (VLD), as the experience in the ongoing agricultural Projects in Ethiopia like AGP2, RLLP2, and LFSDP, the client will strictly adopt and implement voluntary land donation procedures to ensuring adherence to the principles and VLD protocol outlined in in the RF.

In Madagascar, subprojects under the matching grant program, rehabilitation of feeder road and small irrigated perimeter may induce land acquisition, economic displacement, however physical displacement is not expected. In the case of small-scale land acquisition through voluntary land donation (VLD), the client will strictly adopt and implement voluntary land donation procedures to ensuring adherence to the principles and VLD protocol outlined in ESS5 satisfactory to the Bank. However, the full extent of land acquisition, and disruption of livelihoods will be known after a socio-economic impact assessment of subprojects has been conducted as part of the related ESIA which will be developed under implementation in addition to the ESMPs. A preliminary assessment of such risks will be provided in the draft ESMF. To avoid, minimize and to manage any land acquisition issues, and in compliance with ESS5 (and EES10 for consultation and mobilization) the Project will develop a draft Resettlement Framework (RF) as a condition of disbursement against relevant component(s). Subsequent Resettlement Plans (RP) or Livelihood Restoration plan (LRPs) will be required during the implementation for all subprojects that will induce such impacts.

For Regional Entities land acquisition, restrictions on land use and involuntary resettlement are not expected to occur. However, the ToR and outputs for any consultancies, studies, capacity building, training and any other technical assistance activities under the Program will be prepared in line with ESS5 as outlined in the ESCP.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**



For both Ethiopia and Madagascar, the Project activities will not be implemented in locations which have high biodiversity conservation value or in ecologically sensitive habitats. All investments related to improvement of the food systems will take place in the existing agricultural lands and hence it will not lead to conversion of natural habitats to agricultural lands. Activities to be financed under Component 2 will have a positive natural resource management outcome. However, though this Project is not anticipated to invest in conversion of natural or critical habitats, agricultural activities can have impacts on biodiversity and ecosystems because of pollution and introduction of invasive species. The ESMFs and the ESCPs exclusion criteria therefore covers any activities that may involve alien species and any significant risks to biodiversity, animal welfare, land conversion or legally protected natural resources. Inappropriate use of pesticides or waste disposal can result in contamination of air, soil and water resources that in turn could cause loss of biodiversity including destroying beneficial insect populations which act as natural enemies for some pests. The IPMP will help to mitigate potential risks to biodiversity by reducing reliance on chemical methods that can have direct or indirect impacts on biodiversity.

For Madagascar, in some cases, activities under the Component 2 (NRM) may lead to positive impacts on biodiversity through agroecology, reforestation, watershed protection or use of fast-growing species for fuelwood. The potential Project sites are composed of modified habitats without any species in UICN list. Therefore, a Biodiversity Management Plan is not relevant, as the appropriate choice of plant engineering will manage potential invasive alien species.

The Project will follow measures outlined in the IFC Good Practice Note on Improving Animal Welfare in Livestock Operations. This would entail among others that genetic selection should always take into account the health and welfare of animals; animals chosen for introduction into new environments should be suited to the local climate and able to adapt to local diseases, parasites and nutrition; the physical environment should allow comfortable resting, safe and comfortable movement, including normal postural changes, and the opportunity to perform types of natural behavior that animals are motivated to perform; etc. Further details are available in the Good Practice Note, which will be used for the purposes of ESMFs. The Project will not finance any activity that could lead to conversion of critical habitats. No risks to biodiversity and living natural resources is anticipated as a result of Regional Entities activities as they focus on technical assistances that are not anticipated to have downstream E&S risks.

Most of the construction/rehabilitation works under the subcomponents 1.4, 2.3 and 3.2 of the Project in Madagascar, related to feeder road rehabilitation or water management and irrigation services improvement, will take place in highly modified agricultural areas as it is the case for Ethiopia. So, it is not anticipated that those constructions will impact negatively natural habitats or modified habitats of biodiversity significance. Only, the rehabilitation of rural feeder road networks might induce the clearance and loss of areas of vegetation and faunal habitat when it comes to widen the right-of-way of those road-sections. In that case, a very little vegetation will be destroyed or damaged along the feeder roads. The overall environmental risk for ESS6 is therefore deemed moderate to low. Based on that, the risk will be managed by applying known mitigation measures to be included in the ESIA and ESMPs. The natural resource management intervention could generate impacts on watershed, biodiversity, and ecologically sensitive areas. The profile of natural habitat will be assessed following their classification to IUCN list and ecosystems in the site-specific ESIA and ESMP to be prepared before the financing of these activities.



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

ESS7 is relevant in Ethiopia as the intervention focuses on high potential woredas in all regional states, the proposed activities may potentially impact the historically underserved communities who meet the criteria of ESS7 in the emerging regions like Gambella, Benishangul, and areas where there are pastoralists and agro-pastoralists in Oromia and SNNP regional states. The Ethiopian Constitution recognizes the presence of different socio-cultural groups, including historically underserved communities (HUCs) and disadvantaged groups, as well as their rights to their identity, culture, language, customary livelihoods, socio-economic equity, etc. The MOA will ensure respect to human rights, dignity, aspirations, identity, culture and livelihoods of historically underserved communities if any, and avoid, minimize, or mitigate adverse impacts. To this end, the social risks and impacts relating to ESS7 has been assessed through a Social Assessment (SA) including a Social Development Plan (SDP) prior to the appraisal based on an extensive engagement process with potential beneficiaries including those who will be identified as vulnerable groups and historically underserved communities. Where relevant, Free, Prior and Informed Consent (FPIC) will apply to historically underserved communities that may be impacted by the Project interventions under the circumstances specified in the ESS7 of the ESF. The SEP will assure the participation of these groups in the benefits and development process, via the communication and outreach strategy as outlined under ESS10.

In Madagascar, there are no Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities that meet the criteria of IP/SSHAUTLCs, per the requirements of this Standard, in the Project areas.

For Regional Entities, while Indigenous Peoples/ SSAHUTLC are present in several member states impacts on ESS7 communities associated with their activities are not expected. However, the ToR and outputs for any consultancies, studies, capacity building, training and any other technical assistance activities under the Project will need to be undertaken in line with ESS7 to ensure that the needs of these groups in relation to food security are considered and this has been reflected in the ESCP. Requirements to engage with representatives of IP/SSAHUTLC have been included in the SEP as relevant.

### **ESS8 Cultural Heritage**

In Ethiopia, no adverse impacts on cultural heritage are anticipated at this stage. However, Chance Find Procedures shall be adopted for precautionary reasons for infrastructure investments to address unknown archeological or historical remains and objects and procedure have clearly been described in the ESMF.

In Madagascar, based on preliminary information, the sites that could be potentially affected by the Project do not include any cultural heritage. Guidance on “Chance Find Procedures” will be included in the ESMF and a chance find clause will be included in works contracts requiring contractors to stop construction if cultural heritage is encountered during construction and to closely coordinate with the relevant mandated Government authority for the salvaging and restoration of such cultural heritage.

For Regional Entities, activities, impacts on cultural heritage are not expected. However, the ToR and outputs for any consultancies, studies, capacity building, training and any other technical assistance activities under the Program will need to be prepared in line with ESS8 as outlined in the ESCPs.



**ESS9 Financial Intermediaries**

N/A

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

Yes

The project triggers OP/BP 7.50 because some of the proposed investments will take place the Tekeze, Abay, Baro-Akobo, Omo-Ghibe, Genale-Dawa, Wabi-Shebelle, Awash and Rift Valley Lakes basins, shared by Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Somalia, South Sudan, and Sudan and which are international waterway in accordance with the Policy. All riparian countries were notified on August 21, 2021 and no objections were received. The requirements of the World Bank Policy OP/BP 7.50 (Projects on International Waterways) of notifying the riparian states have therefore been met. The process has been approved by the Regional Vice President on March 7, 2022.

**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:**

The use of borrower frameworks is not being considered for this Program.

**IV. CONTACT POINTS**

**World Bank**

Contact:	Pierre Olivier Colleye	Title:	Sr Agricultural Spec.
Telephone No:	+1-202-473-5039	Email:	pcolleye@worldbank.org
Contact:	Laura Bonzanigo	Title:	Senior Water Specialist
Telephone No:	5241+4106 / 233-030-2214106	Email:	lbonzanigo@worldbank.org
Contact:	Tahira Syed	Title:	Senior Rural Development Specialist
Telephone No:	+1-202-473-3100	Email:	tsyed@worldbank.org
Contact:	Stephen Paul D'Alessandro	Title:	Sr Agricultural Spec.
Telephone No:		Email:	sdalessandro@worldbank.org

Public Disclosure



Contact:	Vikas Choudhary	Title:	Senior Agriculture Specialist
Telephone No:	5781+6057 / 251-115-176057	Email:	vchoudhary@worldbank.org

**Borrower/Client/Recipient**

Borrower: Ministry of Finance, Ethiopia

Borrower: Intergovernmental Authority on Development (IGAD)

Borrower: Ministry of Economy and Finance, Madagascar

Borrower: Center for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA)

**Implementing Agency(ies)**

Implementing Agency: Ministry of Agriculture, Ethiopia

Implementing Agency: Ministry of Agriculture and Livestock, Madagascar

Implementing Agency: IGAD Agriculture and Environmental Division

Implementing Agency: Center for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA)

**V. FOR MORE INFORMATION CONTACT**

The World Bank  
 1818 H Street, NW  
 Washington, D.C. 20433  
 Telephone: (202) 473-1000  
 Web: <http://www.worldbank.org/projects>

**VI. APPROVAL**

Task Team Leader(s): Laura Bonzanigo, Tahira Syed, Pierre Olivier Colleye, Stephen Paul D'Alessandro, Vikas Choudhary

Practice Manager (ENR/Social): Helene Monika Carlsson Rex Cleared on 25-Apr-2022 at 06:25:56 GMT-04:00

Safeguards Advisor ESSA: Peter Leonard (SAESSA) Concurred on 25-Apr-2022 at 11:45:5 GMT-04:00

Public Disclosure