



ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF) UPDATE
WOMEN ENTREPRENEURSHIP DEVELOPMENT PROJECT ADDITIONAL FINANCING



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Acronyms

CBO	Community Based Organization
CGD	Central Grievance Desk
CSA	Central Statistical Agency
DBE	Development Bank of Ethiopia
EFCCC	Environment, Forest and Climate Change Commission
EIA	Environmental Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FDRE	Federal Democratic Republic of Ethiopia
FUJCFSA	Federal Urban Job Creation and Food Security Agency
GBV	Gender Based Violence
GoE	Government of Ethiopia
GRM	Grievance Redress Mechanisms
ILO	International Labour Organization
KGRC	Kebele Grievance Redress Council
LARAP	Land Acquisition and Resettlement Action Plan
LARPF	Land Acquisition and Resettlement Policy Framework
MFIs	Micro Finance Institutions
MoF	Ministry of Finance
MOH	Ministry of Health
MoLSA	Ministry of Labour and Social Affairs
MSEs	Micro and Small Enterprises
NTA	National TVET Agency
OHS	Occupational Health and Safety
OP	Operational Policy
OSS	One Stop Shops
PFI	Participating Financial Institution
PGRM	Public Grievance Redress Mechanisms
PIU	Project Implementation Unit
PMF	Participating Micro Finance
PMFIs	Participating Micro Finance Institutions
PMT	Project Management Team
PPE	Personal Protective Equipment
ReUJCFSA	Regional Urban Job Creation and Food Security Agency
SEA	Sexual Exploitation and Abuse

SH	Sexual Harassment
TVET	Technical and Vocational Educational Training
WEDP	Women Entrepreneurship Development Project
WEDP AF	Women Entrepreneurship Development Project Additional Financing
WGRO	Wereda Grievance Redress Office
WHO	World Health Organization

Executive Summary

Launched in 2012, WEDP provides loans and business training to increase earnings and employment of growth-oriented women entrepreneurs in Ethiopia. As of September 2020, more than 16,000 business owners have been able to access loans and more than 22,000 have completed business training. WEDP AF has three components, namely; access to finance, business development services, and project management.

Activities supported by the Additional Financing is built on the WEDP's current project objective, increasing women owned businesses earnings and employment, and activities while introducing a new emphasis on COVID-19 response. Within the scope of the existing project components, the additional financing includes three adaptations of the WEDP activities to respond to the impacts of COVID-19. First, the project will introduce a COVID-19 'rescue facility' as well as a window for uncollateralized growth capital under Component 1: Access to Finance. Second, the project will introduce new e-learning options under Component 2: Entrepreneurial Skills and Technology Development. Third, the project will scale up service delivery to additional cities.

Objective

The main objective WEDP's ESMF Update is to avoid, minimize and mitigate the environmental and social risks and impacts that are likely to arise during the planning, design and implementation of sub-projects. The specific objectives the ESMF Update include

- ✓ to assess the potential environmental and social impacts of the Micro & Small Enterprises (MSEs);
- ✓ to make provision for mitigation measures which will effectively address identified negative impacts;
- ✓ to specify appropriate roles and responsibilities, and outline the necessary reporting procedures for managing and monitoring environmental and social concerns related to the project components; and
- ✓ to determine the training and technical assistance needed to successfully implement the provisions of the ESMF
- ✓ to respond for the risks of COVID-19 over the subprojects and to mitigate the perils that will be emanated from expansion of the project to additional cities;
- ✓ to analyze the potential risks management process in compliance with the relevant National Legislation, the applicable World Bank's Safeguards Policies and other requirements for the implementation of sub-projects under the WEDP AF in a coherent manner;
- ✓ To have a clear, comprehensive and practical guidance to the Client (FUJCFSA and DBE) on integrating an environmental/social due diligence process into the WEDP AF implementation;
- ✓ to establish a clear procedures and methodologies for the environmental and social planning, review, approval and implementation of subprojects to be financed under the proposed project;

Methodology

The social assessment finding for WEDP AF is used as the main source of data to update the ESMF. Accordingly, the findings from WEDP AF social assessment about child labour, sexual exploitation and abuse (SEA), sexual harassment (SH), gender-based violence (GBV), social conflict, etc. are used for ESMF update. However, additional data about occupational health and safety (OHS), environmental and social risks and impacts were also collected from the field for the purpose of ESMF Update. Field data were collected through interview, observation, and community consultation.

Operational arrangement

The PIU is responsible to follow up the proper implementation of the social and environmental risks mitigation strategies which are proposed in ESMF in accordance with Ethiopian legislations, World Bank guidelines, and international conventions. PIU also monitor the implementation of COVID-19 prevention strategies in line with MOH and World Bank protocols which in turn is coherent with the WHO protocol. Similarly, the PIU will assess the implementation of workplace COVID-19 response issued by Ministry of Social and Labour Affairs, the Ethiopian Employers Confederation, and Confederation of Ethiopian Trade Unions.

Besides dealing on financial matters, the PMT like that of PIU is responsible for the proper implementation of the social and environmental risk mitigation strategies documented in this ESMF. PMT in collaboration with MFIs will evaluate the implementation of COVID-19 prevention guidelines by subprojects in accordance with the World Bank, and MOH protocols which in turn are adopted from WHO. PMT will also monitor the implementation of workplace response to COVID-19. The occupational health and safety issues including the use of PPE by subprojects will be monitored by PMT in association with MFIs.

Environmental and social baseline

Environment is broadly defined to include the biophysical, cultural, social, and economic systems and their interrelations. The term “baseline” refers to the existing conditions before interventions against which subsequent changes can be referenced. The environmental and social baseline is based on the WEDP AF social assessment and covers both the parent project cities and the new AF cities.

ESMF Screening procedures

The subproject application which will be submitted to MFIs should contain the environmental and social screening checklist, and the occupation health and safety checklist. Proposed subprojects will be approved by MFIs considering the social and environmental safeguard issues, and the necessary occupational and safety measures. The DBE safeguard specialists will be responsible to occasionally review sample loan applications submitted by the MSEs and accordingly advise on the environmental and social requirements. The MFIs, with the support from the specialists will also make spot checks to verify compliance with the environmental health and safety (EHS) legal requirements stipulated.

Public consultation and Disclosure Plan

For the successful identification and assessment of project specific environmental and social impacts, implementation and monitoring of the respective mitigation or enhancement measures and a continuous consultative process is required. The overall purpose of public consultation plan is to provide a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues so that the project will be carried out effectively within project period to the satisfaction of all concerned parties.

The provision of access to relevant information for communities and other stakeholders helps them to understand risks, impacts and opportunities of WEDP AF. The potential social and environmental adverse effects of the project should be disclosed in the WEDP website through local languages , as appropriate. The disclosure in World Bank website will be made in English language. Besides, public disclosure will be made through billboard, banners, flyers, magazines, local FM radios, regional television channels etc. In compliance with the World Bank’s Public Consultation and Disclosure Policy, WEDP AF will make available copies of the ESMF at accessible places to the public to allow the public and other stakeholders to express their views and comment on the possible environmental and social impacts of the projects and the respective safeguards management to minimize or avoid the anticipated impacts.

Anticipated Environmental and Social risks and Impacts of WEDP AF Subprojects

Despite differences in scale, any macro, meso or micro level projects have their own potential social and environmental impacts. WEDP AF is aspiring to give technology-based services instead of the traditional paperwork to the clients wherever they are located, without the need to physically visit administrative premises, resulting in less vehicle driving and less pollution. For instance, the project intends to give business training for WEDP AF clients through e-learning, and MFIs are also encouraged to shift their system of work from manual to automation using innovative technology for their loan procedures. Reduced consumption of paper leads to preservation of natural resources and reduction of waste generation. The other positive impact is social conflict due to WEDP funded businesses is very rare although there is a possibility. Instead, enterprises that got loan from WEDP have created job opportunities for family members and others. Data from WEDP AF social assessment indicate that no WEDP client's enterprise is found working against the basic values and norms of the society.

Due to the nature of subprojects under WEDP AF, the anticipated environmental and social risks and impacts are not likely to be significant. The project does not involve activities that have a high potential for harming the environment and the people. However, subprojects could have social and environmental risks and impacts including impacts on soil and agricultural land, water pollution, air pollution, noise pollution, pollution on flora and fauna, impacts on settlements and population, impacts on cultural and historic heritage, social exclusion, social conflict, GBV/SEA/SH, and child labour.

Environmental and Social Management Plan (ESMP)

An Environmental and Social Management Plan (ESMP) is focused on identification of impacts and the respective measures to be implemented over the project implementation phase. The ESMP ensures the project impacts are minimized to an acceptable level during the implementation of the subprojects under the WEDP AF. ESMP identifies feasible and cost-effective mitigation measures that may reduce potentially significant adverse environmental and social impacts.

Environmental and social monitoring included under ESMP provides information about key environmental and social impacts of the project and the effectiveness of mitigation measures during the project implementation. Such information enables the implementing agency and the Bank to evaluate the success of mitigation as part of project supervision and allows corrective actions to be taken when needed.

COVID-19 is a highly infectious disease that spread most commonly through respiratory droplets and particles produced when an infected person exhales, talks, vocalizes, sneezes, or coughs. WEDP clients have engaged in different trading sectors such as, service, manufacturing industry, textile and garment, beauty and fashion, etc. Those clients who have involved in the service sectors like hotel and merchandise should encourage their customers to use masks, sanitizer, alcohol and to maintain social distance to get services. For instance, they should post the common COVID-19 prevention motto, "No Mask, No Services" in different location of their business house. Besides, MSEs should also make available water and sanitary material for their customers. Workers who have been working in service giving sector are liable to the risks of COVID because of their frequent contacts with different people in a day. Hence MSEs should protect their workers through providing PPE (masks, sanitizer, alcohol, water and other sanitary materials). Hence, MSEs should submit their COVID-19 prevention strategies in accordance with WHO and MOH protocols. This should be taken as one of the criteria for the screening of the subprojects and it will be part of the monitoring and evaluation.

Grievance Redress Mechanisms

A grievance redress mechanism (GRM) is a set of arrangements that enable local communities, employees, and other affected stakeholders to raise grievances on WEDP AF and seek redress when they perceive a negative impact arising from the project activities. The WEDP AF GRM will be

strengthened and expanded to better serve communities by leveraging the existing public grievance management system. The GRM will be more accessible to local communities, subproject workers and other stakeholders to allow for a clear communication channel for any individual or group of people who believe that they have been adversely impacted by the activities of WEDP AF businesses.

The PMT and PIU, in collaboration with ReUJCFSA, MSEs, MFIs and TVETs will ensure the effective use of the national GRM that allows any person to submit complaints or concerns regarding the activities of the WEDP AF subprojects. Consequently, the reception of complaints should be acknowledged, and resolutions and feedback will be followed should be provided. Multiple levels of structures include: Kebele Grievance Redressing Council (KGRC), Woreda Grievance Redressing Office (WGRO), Regional Grievance Redressing Mechanism (RGRM), and the different levels of court system as last resort. The GRM procedures at all level of structures shall follow at least six procedures: uptake, screening and assessment, resolution process, response, implementation, and monitoring.

The grievance handling process shall also consider the customary conflict resolution mechanisms that are widely practiced within the communities of respective WEDP AF project cities. In the existing WEDP, grievance is collected and redressed through the hotline system, OSS, and Public Grievance Redressing Mechanisms (PGRM) organs. However, it is a matter of debate to what extent grievances are collected and redressed through these mechanisms. During the social assessment fieldwork for WEDP AF, it is observed that clients and other stakeholders are blaming WEDP for different reasons. Therefore, besides the existing GRMs, WEDP AF should establish Central Grievance Desk (CGD) at federal level composed of PMT, PIU, and WEDP project office to monitor the performance of the grievance redressing mechanisms.

1. Introduction

1.1. Project Description

Launched in 2012, WEDP provides loans and business training to increase earnings and employment of growth-oriented women entrepreneurs in Ethiopia. As of May 2021, more than 18,000 business owners have been able to access loans (Component 1 – Access to Finance) and more than 22,000 have completed business training (Component 2 - Entrepreneurial Skills and Technology Development). WEDP is implemented in collaboration with the Development Bank of Ethiopia (DBE) and the Federal Urban Job Creation and Food Security Agency (FUJCFSA). The project's line of credit is disbursed through 12 participating MFIs, while business training is offered through a network of public and private service providers. Outreach to beneficiaries is ensured by the WEDP city coordinators and the 'one-stop shop' (OSS) offices in participating locations. The project currently serves a network of more than 38,000 entrepreneurs in ten major cities and 89 satellite towns across the country.

Between April and September 2020, the Government of Ethiopia (GoE) issued a state of emergency under Article 93 of the constitution. Despite these measures, the spread of COVID-19 accelerated, and negative economic impacts increased rapidly during this time. As of the end of September 2020, the country continues to hit daily highs in reported COVID-19 cases. The economic and social impact of COVID-19 in Ethiopia is expected to be significant and prolonged, and authorities are facing an unanticipated financing gap of 1.5 percent of GDP (about US\$1.5 billion) in FY21. More than half of households surveyed in the recent Living Standards Measurement Study reported their incomes were either reduced or had totally disappeared. Small businesses – particularly those in female-dominated sectors – have also seen their revenues dwindle as a result of the pandemic. There are additional challenges of unemployment, as more people, particularly in urban areas, are losing jobs. While Ethiopia seems to have avoided the worst-scenario health outcomes for now, the economic devastation is real.

Therefore, the additional financing is requested to leverage WEDP's proven project infrastructure to scale up the provision of financing and business services to viable, women-owned micro- and small enterprises (MSEs) that have now been adversely affected by the COVID-19 pandemic. The additional financing will leverage additional counterpart financing of approximately US\$30 million, in the form of contributions from Ethiopian microfinance institutions. As a key part of the World Bank's crisis response strategy for Ethiopia as well as its commitment to women's economic empowerment, the additional financing seeks to both secure the impressive gains made by WEDP-supported firms prior to the pandemic and to realize the potential for renewed employment growth once the crisis abates. Hence, the WEDP project is entering a new phase with an additional USD \$100 million recently approved as Additional Financing to implement activities through December 2024.

WEDP AF's project description, project development objectives (PDO), project components and implementation arrangements are the same as that of the parent WEDP. The additional financing activities will expand the reach but not the nature of the existing WEDP services and are not expected to have significant environmental or social risks or impacts. While the operation will retain the existing Environmental and Social Management Framework (ESMF), the task team (PMT and PIU) will work closely with environmental and social safeguards specialists to upgrade key elements of the ESMF, such as expanding the existing grievance mechanism complaint hotline to firm employees, bolstering occupational health and safety requirements in participating enterprises, and improving consumer protection disclosures for borrowers.

1.2. Project Components

WEDP AF will retain the same component structures that have been followed by the parent WEDP. Component 1 and 2 will continue to provide eligible firms with access to finance and business

development services, respectively. Component 3 will cover project management, including the longstanding research collaboration with the World Bank’s Africa Gender Innovation Lab. The details of each component are outlined below.

Activities supported by the additional financing is built on the WEDP’s current project objective, increasing women owned businesses earnings and employment, and activities while introducing a new emphasis on COVID-19 response. Within the scope of the parent project components, the additional financing includes three adaptations of the WEDP activities to respond to the impacts of COVID-19. As it has been discussed in WEDP AF social assessment report, the project will scale up service delivery to additional cities. An expansion of the WEDP to additional cities has been requested by the GoE and by Ethiopia’s House of People’s Representatives. While a full national scale-up of the project is not feasible at present, the project has explored and monitored options for expansion over the past year and found conditions promising in several cities. Additional locations may be added based on local demand and the presence of a reliable project infrastructure. The project will provide support to training providers and PFIs in the new cities, and WEDP services will be introduced gradually as local conditions allow. The parent WEDP project cities include Addis Ababa, Adama, Asella, Axum, Bahir Dar, Dilla, Dire Dawa, Gondar, Hawassa, and Mekelle together with 89 satellite towns within 50 km radius. Besides these project cities, the new project cities to be included by WEDP AF are Shashemene, Jimma, Nekemit, Wolaita Sodo, Arbaminch, Debremarkos, Dessie, and Shire alongside with 59 satellite towns located within 50 km radius of the new project cities. A capacity building intervention will commence soon in the towns of the emerging regions Assossa (Benishangul), Gambella (Gambella), Semera (Afar) and Jijiga (Somali) .

Component 1 (Access to Finance): The aim of the component is to strengthen existing structures to facilitate access to finance for female growth-oriented entrepreneurs with experience in operating a Micro and Small-Scale Enterprise (MSE). The component is based on a two-tier structure where a wholesaler under the Development Bank of Ethiopia (DBE) will engage in lending to, and arranging technical support for Participating Microfinance Institutions (PFIs) that will engage in retail operations by on-lending funds to female-led MSEs and providing them with tailored financial products. The on-lending triggers the World Bank operation policy, Financial Intermediate Lending (OP 8.30), subsequently triggering the operational policy on Environmental Assessment (OP 4.01). The component will also expand on the previous introduction of innovative financial instruments to surmount collateral constraints which disproportionately affect female borrowers.

Under Component 1 (Access to Finance), the project will introduce a COVID-19 ‘rescue facility’ as well as a window for uncollateralized growth capital. Leveraging the WEDP line of credit, the rescue facility will compensate the PFIs to restructure qualifying loans in their existing WEDP portfolio and extend new credit on concessional terms to the WEDP borrowers. In addition, the PFIs will be able to access a dedicated on-lending window, ‘innovative finance facility’ if they use financial innovations—such as data-driven credit scoring, revenue-based financing and the new movable collateral registry—to provide growth capital to firms unable to surmount traditional collateral constraints. Moreover, the project will expand its PFIs to include private commercial banks. This will allow growth-oriented women entrepreneurs who have larger financing needs to be served by banks.

Component 2 (Business Development Services): The aim of this component is to develop growth-oriented women entrepreneurs’ skills and facilitate provision of entrepreneurship training and mentoring that can raise their incomes. This will be achieved through designing and implementing a capacity building technical assistance program to strengthen the capacity of the institutions that will provide direct services to the WEDP participants, such as the One Stop Shops and TVETs, and supporting/coordinating institutions. Component 2 will support the delivery of ancillary business development services, including training, to women entrepreneurs. Business training will leverage the

current network of public as well as private providers and combine technical as well as mind-set oriented skills. In the context of COVID-19, a new focus will be on skills and services that strengthen resilience in a time of crisis, and on the delivery of business training via digital channels (mobile applications, interactive voice recordings, etc.).

WEDP AF will introduce new e-learning options under Component 2 (Entrepreneurial Skills and Technology Development). Demand for business training tends to increase during economic downturns, yet the COVID-19 pandemic has made classroom-based learning unattractive for the foreseeable future. Despite the commencement of face-to-face teaching-learning in schools and universities, still the risk of COVID-19 pandemic is far from over. Many universities in the country are delivering their teaching through both online and face to face¹ system. However, to minimize the risk of susceptibility for the pandemic, WEDP AF has been developing or adapting several new e-learning initiatives for the Ethiopian market. These innovations include an app-based 'mini-MBA' program built around a mobile-first pedagogy, a phone-based training for retail entrepreneurs, a mobile mentoring, training on digital finance and digital literacy, support for MSEs to access e-commerce platforms and digital sales channels, and the delivery of a traditional entrepreneurship curriculum through broadcast media (TV and radio) and online.

Component 3 (Project Management): Component 3 will support project management and coordination. This includes outreach to potential women entrepreneurs, registration of participating entrepreneurs in an online Management Information System (MIS), monitoring service delivery, and client follow-up. Building on existing structures, outreach to women entrepreneurs will be conducted through a network of One Stop Shops (OSS) located in project cities. These activities will be overseen by the Project Implementation Unit (PIU), housed in the Federal Urban Job Creation and Food Security Agency. A Project Management Team (PMT) housed in the Development Bank of Ethiopia will manage the line of credit component of the project.

2. Objectives of WEDP ESMF Update

The main objective WEDP's ESMF Update is to avoid, minimize and mitigate the environmental and social risks and impacts that are likely to arise during the planning, design and implementation of sub-projects. The specific objectives the ESMF Update include

- ✓ to assess the potential environmental and social impacts of the Micro & Small Enterprises (MSEs);
- ✓ to make provision for mitigation measures which will effectively address identified negative impacts;
- ✓ to specify appropriate roles and responsibilities, and outline the necessary reporting procedures for managing and monitoring environmental and social concerns related to the project components; and
- ✓ to determine the training and technical assistance needed to successfully implement the provisions of the ESMF
- ✓ to respond for the risks of COVID-19 over the subprojects and to mitigate the perils that will be emanated from expansion of the project to additional cities;
- ✓ to analyze the potential risks management process in compliance with the relevant National Legislation, the applicable World Bank's Safeguards Policies and other requirements for the implementation of sub-projects under the WEDP AF in a coherent manner;
- ✓ To have a clear, comprehensive and practical guidance to the Client (FUJCFSA and DBE) on integrating an environmental/social due diligence process into the WEDP AF implementation;

¹ The number of students in a classroom of standard size should not be exceeded more than 25 according to MOH COVID-19 protocol

- ✓ to establish a clear procedures and methodologies for the environmental and social planning, review, approval and implementation of subprojects to be financed under the proposed project;

3. Scope of WEDP AF ESMF Update

, The following tasks were undertaken in the preparation of the ESMF Updtae:

- *Review the parent project background information:*
- *Review the parent project ESMF:* evaluate risks and approaches in the parent project ESMF tailored to operating in the COVID-19 context, including risks and mitigation measures applicable to SEA/SH or GBV, occupational health and safety, child and forced labor, social inclusion, local conflicts, and stakeholder engagement and make recommendations for additions and improvements.
- *Review relevant policy, legislative and administrative frameworks:* relevant national level policies, legislative, regulatory and administrative frameworks, State level legislative and administrative frameworks and WB environment and social operation policies .
- *Collecting/generating data:* The data needs to be used to establish a project baseline and help to identify potential impacts and propose mitigation and enhancement measures.
- *Identifying and assessing environmental and social impacts and mitigation measures:* Updating the environmental and social impacts (both positive and negative) of the project interventions/ activities with potential assessment of cumulative impacts if appropriate. Update the ESMF on whether the project area contains any socially and environmentally sensitive areas (including SEA/SH or GBV, occupational health and safety, child and forced labor, social inclusion, local conflicts, tensions and security issues, and stakeholder engagement) that need to be considered during project implementation.
- *Information Disclosure, Consultation and Participation:* Point out the consultation and participation mechanisms employed and the activities to be considered for the dissemination of the project's, environmental and social management interventions and identify issues that need to be disclosed
- *Institutional and capacity building related aspects:* Outline appropriate roles and responsibilities of various institutions/actors in different tiers, DBE, FUJCFSA, WB, community groups and other bodies for the successful realization of the project in general and environmental and social risks management specifically. As part of sustaining the environmental and social risk management process, capacity building components (including training, specific technical assistance with suggested resource requirement) at various phases of the project cycle should be outlined in the ESMF.
- *Indicate implementation strategies:* In order to materialize the major issues outlined in the updated ESMF, implementation strategies have considerable importance. Implementation strategies will cover components to be implemented, implementing bodies, coordination and integration of the implementing bodies, priority areas process.
- *Grievance Redress Mechanism:* assess, indicate and update community grievance handling methods so as to devise mechanisms for resolving project related complaints.
- *Monitoring, Evaluation and Reporting Procedures:* update the ways of monitoring, evaluation and reporting procedures and mechanisms for managing environmental and social concerns related to the project and along with its components.

4. The Rationale of WEDP'S ESMF Update

The ESMF update is built on the existing WEDP ESMF and benefit from the information gathered through social assessment in the existing and new cities proposed to be covered under WEDP AF. The inclusion of new project cities under WEDP AF and the COVID-19 impacts on the subprojects financed by WEDP are the major rationales for WEDP's ESMF Update. The specific rationales of WEDP's ESMF update include:

- To update all relevant potential environmental and social risks, including risks related to COVID-19 response; occupational health and safety as well as community health concerns that may arise as a result of the project activities, and frame guidelines how to address these risks and impacts;
- To update the description of relevant legal, regulatory and institutional frameworks that will allow an environmental and social risks identification, designing, implementation and monitoring of appropriate environmental and social risk management instruments;
- To update the likely positive and negative environmental impacts including cumulative impacts of the project activities and propose appropriate mitigation measures;
- To update the established general procedures and processes in conducting environmental and social screening and preparation of site-specific safeguards instruments;
- To update guidance for appropriate roles and responsibilities of the various institutions/actors in different tiers, and outline reporting procedures and mechanisms for managing and monitoring environmental and social concerns related to the sub-projects;
- To update guidance for the training, capacity building and technical assistance needed to successfully and effectively identify, develop, implement, monitor and evaluate the relevant safeguards instruments of the project;
- To update methodologies and procedures for environmental and social screening and review, approval and implementation of project activities;
- To provide recommended updates for project arrangements for the preparation and implementation of project interventions in order to adequately address the National and World Bank operational policies;
- To update the budget required to build capacities for the implementation of the updated ESMF; and
- To update implementation strategies of the major issues outlined in the ESMF; outlining the required procedures for managing, monitoring and evaluating environmental and social risks related to the project.

5. Approaches and Methodology for the ESMF Update

Both primary and secondary data were used to update the existing WEDP's ESMF. The social assessment finding for WEDP AF is used as the main source of data to update the ESMF. Accordingly, the findings from WEDP AF social assessment about the existence of child labour, sexual exploitation and abuse (SEA), sexual harassment (SH), gender-based violence (GBV), social conflict, etc. are used for ESMF update. However, additional data about subprojects occupational health and safety (OHS), environmental risks, and social impacts were collected from the field for the purpose of the ESMF Update. Key informant interview, observation, and community consultation methods were used to collect field data. On the other hand, secondary data resources such as, project appraisal document (PAD), operational manual (OM), and WEDP'S ESMF were reviewed to update the ESMF.

Participants of the community consultation including the vulnerable groups were selected in consultation with WEDP coordinators and OSS staffs. Usually, people living around WEDP clients' enterprises were selected for the consultation purpose. However, the vulnerable groups were brought by OSS staff from different corners of the project cities to participate in community consultation sessions. The participants were informed and get prepared by the WEDP coordinator and OSS staff in advance which made the consultation sessions productive. Besides community consultation session, a one-to-one interviews were also made with some members of the vulnerable groups particularly with people living with disability and the youth.

As it is explained above first-hand data were collected from the existing and the upcoming project cities using key informant interview, observation, and community consultation. The field data collection was done in accordance with WHO protocols and MOH of the GoE guidelines for COVID-19 pandemic prevention. The detail of the methodology are discussed below.

5.1. Desk Review

Documents on WEPD development, implementation, outcomes and challenges were thoroughly reviewed. Project manual, project implementation document, and different reports of the WEPD project were assessed. Besides, the relevant WB documents, other scholarly written literature were examined to understand the nature of social phenomena in and around the project target areas. These include socio-cultural, institutional, historical and political contexts of the existing and the upcoming WEDP project target cities.

5.2. Key Informant Interviews

Key informant interview (KII) was one of the basic data collection methods used to collect first-hand information from different stakeholders. KIIs were made with resourceful informants who are supposed to have in-depth knowledge and understandings about the existing WEDP and the intended WEDP Additional Financing Project. Accordingly, key-informant interviews were conducted at the federal and regional level with different stakeholders who are part and parcel of the project from inception, implementation to monitoring and evaluation of the WEDP. As indicated in Table 1, at the federal level, KIIs were made with FUJCFSA, TVET Agency, and MSEs Development Agency. From each institution, two key informants who are knowledgeable enough about the WEDP and WEDP AF were interviewed. KIIs were first conducted at the federal level before the project cities to have full pictures of the WEDP and the new AF projects. This was found very helpful to identify the focus areas during data collection in the project cities which in turn contributed to collect as much data as possible on the Social Assessment of AF which is helpful for WEDP AF ESMF Update.

Stakeholders for KIIs at the Federal Level

Stakeholders at the Federal Level for KIIs	Number of KIIs
Federal Urban Job Creation and Food Security Agency (FUJCFSA)	2
TVET Agency	2
MSEs Development Agency	2
Total	8

Following the completion of the data collection at federal level, data were collected through KIIs and other data collection methods from different stakeholders at the project cities/regional level. As shown in Table 2, at the regional/project cities level, key informants were selected from TVET training institutions, REUJCFSA, cities MSEs, PMFIs, OSS, women from WEDP, and community elders.

List of Stakeholders for KIIs at Regional/ Project Cities Level

Stakeholders at project cities	Number of KIIs
Regional Urban Job Creation and Food Security Agency (REFUJCFSA)	1
City Micro and Small Enterprises (MSEs) Development Agencies	1
Technical and Vocational Educational Training (TVET) Agencies	1
TVET Training Institutions	1
Micro Finance Institutions (MFIs)	1
One Stop Shops (OSS)	1
Woreda Office Social and Labour Affairs (WOLSA)**	1
Community elders	2
WEDP beneficiaries*	1
Total	10

*WEDP beneficiaries were interviewed only the existing WEDP target cities

** WOLSA can be an important source of information with issues regarding the vulnerable groups

The livelihood strategies of the community, vulnerable groups and the extent of vulnerability, ethnic relationships, social institutions, etc., are explored using KIIs as data collection method. A thorough

examination was also made about the disadvantaged groups, the social inclusion and exclusion criteria, the extent of social conflicts, and the impact of COVID 19 at the target project cities. Moreover, the nature of sexual exploitation and abuse/sexual harassment (SEA/SH), occupation health and safety, and social conflicts were examined through KIIs.

5.3. Observation

Observation is one of the data collection methods used to have the general pictures of the social environments of the project cities. Besides key informant interview, focus group discussion, and document analysis/desk review, observation was an important method to understand the living environment of the vulnerable groups and the existence of forced child labour in the project cities. It also helps to understand OHS and the health aspects of the WEDP projects. Accordingly, observations were made on environmental pollution, and occupation health and safety issues. For instance, the waste management practices of WEDP clients were observed during the fieldwork.

5.4. Community Consultation/Focus Group Discussion

Community consultation is an important data collection method for WEDP social assessment. Through consultation, the community in the project area raised their concerns about the implementation of the new project. In each sample project cities, at least one community consultation session was organized to explore the concerns of the community on the project. Participants for community consultation were adult male, adult female, youth (male and female), and vulnerable groups.

By its nature community consultation requires the coming together of a group of people. However, this is a dangerous move in the face COVID-19 pandemic threat. Therefore, data were collected through community consultation in accordance with the directives of WHO and MOE in consultation with WEDP coordinators at the project cities.

In this regard, the following measures were taken in accordance with WHO and MOH protocols to prevent COVID-19. First, a small group not more than ten individuals attended the community consultation at a time. Second, all participants were informed to come for discussion covering their mouths and noses with masks. If participants did not have access to preventive masks, they were provided with masks before they entered the discussion room. Third, the hands of each participant were sprayed with disinfectant while they were entering to the discussion room. Fourth, the participants were made to sit far apart, a minimum of two meters' space between individuals. Furthermore, often the community consultations were made in open air space.

5.5. Sampling Procedure

There are 10 existing WEDP cities, and WEDP AF envisaged to include additional 8 major cities and 59 satellite towns within the range of 50 km from these cities. Since it is difficult to cover the entire WEDP existing project cities and the upcoming project cities, purposive sampling was used to select cities for the assessment. Accordingly, excluding Tigray regional state for the existing project crises in the region, one sample city is selected from each participating region for both the existing WEDP and the upcoming WEDP AF. This is intentionally done to get diverse views on the social assessments from different regions. From the existing cities, Addis Ababa, Dire Dawa, Hawasa, Bahir Dar, and Adama are selected for the social assessment. From the new WEDP AF cities, Shashemene, Wolaita Sodo, Debremarkos, Harar, and Jijiga were included in the social assessment.

In consultation with the WEDP contact persons, in each project cities, ten knowledgeable informants were selected from the list of stakeholders mentioned above. At the federal level, the number of informants for KIIs were eight from four major stakeholders to the project. Concerning community consultation/FGDs/, there were at least one session in each project city. In general, adequate data

were collected from each project city to maximize the quality of the social assessment findings for WEDP AF.

5.6. Data Analysis

Field data for Social Assessment of WEDP AF were collected through key informant interviews, community consultations/FGDs, observations, and desk reviews. Data through KIIs and community consultation were collected using digital voice recorder. This helped to grasp the points raised by the informants instead of getting busy in taking field notes. Through taking field notes the informant may lose the eye contact of the interviewer and he/she may feel as less important to the issue under discussion. In so doing, the informant might be reluctant to explain pertinent information. However, as it is explained in the ethical consideration section, voice recorder was used with the consent of the informants or the participants.

Primary data from KIIs, community consultation/FGDs, and observation were transcribed, coded, and categorized in theme. Consequently, data were analysed and interpreted section by section in accordance with their themes. Similarly, data obtained from secondary sources were reviewed and analysed in themes side by side with the primary data acquired from the field.

6. Review of the National Legislative Frameworks

6.1. FDRE Constitution

Article 25 of the FDRE Constitution guarantees all persons' equality before the law, and prohibits any discrimination on grounds of gender, language, religion, race, and political opinion. Similarly, Article 35 of the Constitution provides that women are entitled to equal rights with men. Article 35 (3) states that in recognition of the history of inequality and discrimination suffered by women in Ethiopia, women are entitled to remodel and take affirmative measures. The purpose of such measures shall be to enable women to compete and participate on the basis of equality with men in political, economic and social life, and to gain access to opportunities and positions in public and private institutions

The Constitution also gives due attentions for environmental protection and management. The concept of sustainable development and environmental rights are enshrined in article 43, 44 and 92 of the Constitution of GOE. By the provision of article 43 of the constitution citizens have the right to improved living standards and to sustainable development, and to participate in national development, and in particular, to be consulted with respect to policies and projects affecting their community. The environmental objectives of the Ethiopian government have been clearly stated by the provision of Article 92 of the constitution. It states that government shall endeavour to ensure that all Ethiopians live in a clean and healthy environment. The design and implementation of programs shall not damage or destroy the environment. People have the right to full consultation and to the expression of views in the planning and implementation of environmental policies and projects that affect them directly. Government and citizens shall have the duty to protect the environment.

6.2. Environmental Policy of Ethiopia

In April 1997, the Council of Ministers approved the Environmental Policy of Ethiopia. It has 10 sectoral and 10 cross-sectoral components one of which addresses "Human Settlements, Urban Environment and Environmental Health", and was based on the findings and recommendations of the National Conservation Strategy of Ethiopia. The policy document contains elements that emphasize the importance of mainstreaming socioecological dimensions in development programs and projects.

The purpose of the Environmental Policy of Ethiopia is to improve and enhance the health and quality of life of all Ethiopians through promoting sustainable social and economic development. This shall be achieved through sound management and use of resources and the environment as a whole so as to meet the needs of the present generation without compromising the ability of future generations to meet their own needs. With the intention of having sustainable environmental management, the

Environmental Policy of Ethiopia encourages the creation of organizational and institutional frameworks from federal to community levels. The Environmental Policy of Ethiopia provides a number of guiding principles that require adherence to principles of sustainable development; in particular, the need to ensure that Environmental Impact Assessment:

- considers impacts on human and natural environments;
- provides for early consideration of environmental impacts in projects and programs design;
- recognizes public consultation;
- includes mitigation and contingency plans;
- provides for auditing and monitoring; and
- is a legally binding requirement.

6.3. National Policy of Women

With the announcement of the National Policy of Women in 1993 and the promulgation of the new Constitution in 1995, the Ethiopian Government declared its commitment to the equitable socio-economic development of women. The National Policy on Ethiopian Women aims to institutionalize the political, economic and social rights of women by creating appropriate structures in government offices and institutions so that public policies and interventions become gender-responsive in order to ensure equitable development for all Ethiopians.

The policy has the following major objectives:

- Laws, regulations, systems, policies and development plans issued by the Government should ensure the equality of men and women, special emphasis should be given to the participation of rural women;
- Economic, social and political policies and programs, as well as cultural and traditional practices and activities should ensure equal access of men and women to the country's resources and to the decision making process;
- The central government and regional administrations should ensure that women participate in and benefit fully from all activities carried out by central and regional institutions; and
- Development institutions, programs and projects should ensure women's access to and involvement in all interventions and activities.

The proclamation no 377/2003 provided women with a special attention. This proclamation is aware of the fact that women are marginalized historically and hence genuine equality will not be maintained only by the principle of non-discrimination on the basis of sex rather women should also be given with a special treatment, affirmative action.

In 2005, the Women 's Affairs Ministry was established to coordinate women's activities and translate the policy objectives. In 2006, the Ministry of Women's Affairs issued the National Plan of Action for Gender Equality (NAPGE) for the period 2006 – 2010. Its goal is "to contribute to the attainment of equality between men and women in social, political and economic development".

6.4. The National Social Protection Policy (NSPP) and Strategy (NSPS)

The GoE has put in place a strong policy foundation for the social protection sector, with the approval of the National Social Protection Policy (NSPP) 2014 and National Social Protection Strategy 2016. This policy envisions "to see all Ethiopians enjoy social and economic wellbeing, security and social justice "and recognizes the contribution of social protection to the development goals of the country. It further indicates that the Government will commit human and financial resources to reducing poverty and provide social protection to its poorest and most vulnerable citizens. The Social Protection Policy has a broad objective of providing an overall Social Protection system and creating an enabling environment in which Ethiopian citizens have equitable access to SP services that will enhance inclusive growth and development. Overall, the policy commits the government to move beyond the

partial, and fragmented, provision of Social Protection to establish a comprehensive Social Protection system (MoLSA 2014).

The policy has five integrated focus areas, which includes 1) Promote Productive safety nets, 2) Promote employment opportunities and improve livelihood, 3) Promote social Insurance, 4) Enhancing equitable access to and use of basic services, 5) Providing legal protection and support services for those vulnerable to violence and abuse. Across these areas, both the policy and strategy seek to bring together a variety of existing programs into a national social protection system for supporting vulnerable Ethiopians. The fourth area of focus that aimed to enhance access to health, education and other social services introduced specific strategies among others: 'health fee waivers and health insurance subsidies, services for the elderly and labour-constrained, establishing a social work system and school feeding (MoLSA 2014; 2016). The policy serves as a framework for collaboration and coordination system of social protection in order to provide different services by different organizations at all level.

6.5. Proclamations

Ethiopia has enacted a number of proclamations and supporting regulations for the protection and management of the environment that put into effect the principles of the Constitution and the Environmental Policy. For instance, **Environmental Impact Assessment Proclamation No. 299/2002** contains provisions intended to ensure sustainable development. This Proclamation has made environmental impact assessment mandatory not only for development projects but also for policies, plans and programs.

This Proclamation can be used as a tool to harmonize and integrate environmental, economic, cultural, and social considerations for decision making processes in a manner that promotes sustainable development. By the content of this Proclamation, the need to prepare EIA, how to prepare, and to whom the EIA report is submitted clearly explained. It also clearly explicated:

- a) why there is a need to prepare EIAs;
- b) what procedure is to be followed by the MSE in order to implement EIA of the project;
- c) the depth of environmental impact studies;
- d) which projects require full EIA reports;
- e) which projects need partial or no EIA report; and
- f) to whom the report has to be submitted.

Proclamation No.295/2002 deals with the establishment of environmental protection organs. The proclamation asserted the organizational requirements and the need to establish system that enables coordination but with different responsibilities of environmental protection agencies at federal and regional levels. The Proclamation indicates the duties of different administrative levels which are responsible for applying the federal law.

In 2002, the Federal Democratic Republic of Ethiopia made a proclamation to control environmental pollution. This proclamation is known as **Environmental Pollution Control Proclamation No. 300/2002**. The Proclamation seems complementary to Proclamation No. 299/2002 and requires pollution controlling mechanisms of any development projects before it is being established and operational. The Pollution Control Proclamation requires development projects to execute continuous activities that would potentially mitigate the degree of environmental pollution. Thus, by the provision of this Proclamation, environmental audit or inspection will be made regularly on the activities of development projects to evaluate the compliance of their pollution mitigation strategy with the standards and regulations of the country.

Another proclamation related to the safety of environment was made by Ethiopian government in 2007. This proclamation is known as **Solid Waste Management Proclamation No. 513/2007**. The

Proclamation intends to promote community participation in order to overcome the adverse effects and enhance benefits resulting from solid waste. The provision of this Proclamation requires the preparation of solid waste management action plans by respective urban local governments.

In 2008, the Councils of Ministers issued a proclamation on the adverse impacts of industries. The proclamation is known as **Prevention of Industrial Pollution Proclamation No. 159/2008**. It is a follow up proclamation to the Proclamation No. 300/2002, to ensure the compatibility of industrial development with environmental conservation. This proclamation (Proclamation no. 159/2008) also includes comprehensive industrial pollution standards for a range of industrial and mining activities.

Similarly, **the Public Health Proclamation No.200/2000** forbids the discharge of untreated liquid waste generated from septic tanks, seepage pits and industries into water bodies, or water convergences. It also prohibits the disposal of solid or liquid or any other waste in a way which contaminates the environment or affects public health.

With the intention of creating conducive working environments for the labourers/workers, in 2019, Ethiopia issued a proclamation This proclamation is known as the **Labour Proclamation No. 1156/2019**. The Proclamation bestowed responsibility upon the employer for the creation of good working environment for the employees. By the content of the proclamation, the employer will take all the necessary measures to safeguard the health and safety of the workers. The new Labour Proclamation also intends to form durable industrial peace, sustainable productivity and competitiveness that will contribute to the overall development of the country.

6.6. The Federal Democratic Republic of Ethiopian Ministry of Health Protocol for COVID-19

This protocol will be used by health care providers, professionals working in isolation unit and treatment centre, rumour verification and investigating professionals, laboratory professionals, supportive staff (ambulance drivers, cleaners and laundry personnel) and the public in general and will help in preventing the transmission of infection with in isolation units, treatment centres and the general public. This infection prevention and control (IPC) protocols are based on WHO infection prevention and control during health care SARS CoV-2 infection interim guidance, Ethiopian National Infection Prevention and Control Guideline, WHO guideline on hand hygiene in health care and WHO putting on and taking off PPE.

a. General Precautions

This part of the protocol will be applicable if and only if the infection is confirmed in country. Once the outbreak is declared:

- ✓ Cough hygiene should be implemented by the general public including covering mouth during coughing and sneezing with tissue or flexed elbow.
- ✓ All personnel should wear surgical masks.
- ✓ Do not shake hands, and if you do Apply ABHR or wash hands thoroughly with soap and water
- ✓ Avoid contact with a patient who is suspected or conformed for nCoV
- ✓ Limit movement to essential purpose only
- ✓ Ensure adequate ventilation at homes
- ✓ Avoid thirst of throat, maintain rehydration

b. List of IPC Materials Required

- ✓ N95 mask
- ✓ Long sleeved disposable gown
- ✓ Disposable glove
- ✓ Temperature monitoring device
- ✓ Alcohol Based Hand Rub (ABHR)/ Sanitizer

- ✓ 70% Alcohol
- ✓ Leak-proof biohazard bag
- ✓ 0.5% Chlorine Solution

c. Hand Hygiene Procedures

Staffs and customers should perform consistent and appropriate hand hygiene procedures:

- Hand hygiene is the process of removing soil, debris, and microbes by cleansing hands using soap and water, ABHR, antiseptic agents, or antimicrobial soap.
- Hand washing is the process of mechanically removing soil, debris, and transient flora from hands using soap and clean water.
- Alcohol-Based Hand Rub (ABHR) is a fast-acting, antiseptic hand rub that does not require water to reduce resident flora, kills transient flora on the hands, and has the potential to protect the skin (depending on the ingredients)

d. Environmental Cleaning

- All contaminated surfaces should be cleaned with 0.5% chlorine solution, prior to cleaning with water and detergent
- Or correctly follow the usual procedures to clean the facility environment
- Clean all linens or the similar supplies using existing laundry or forms of cleaning in Precautionary manner
- Do not share items among patients before cleaning them properly
- All disposable wastes should be managed as if they are infectious
- Clean ambulance and stretchers, wheel chairs with 0.5% chlorine after infected patient transported

e. Waste Management

- All medical and non-medical wastes should be collected, sealed and secured in leak proof biohazard bag and be transported in a manner that poses minimum risk to health care provider, patients and community
- All leftover foods/items from patients should be managed as other medical wastes
- Wastes should be disposed in an incinerator designed for medical waste disposal

6.7. Protocol on Workplace Response to COVID-19 (Ethiopia)

On 27 March 2020, Ethiopia adopted a tripartite protocol that outlines workplace response to coronavirus COVID-19. The Ministry of Labor and Social Affairs (MoLSA), the Ethiopian Employers Confederation, and Confederation of Ethiopian Trade Unions jointly issued the protocol which aims at prevention of coronavirus COVID-19 in the workplace and mitigating the socio-economic impacts of the pandemic on workers, employers and the overall economy of the country. The following is a brief summary of the protocol.

The protocol emphasises the importance of prevention as the most important tool in the fight against coronavirus COVID-19 and lists precautionary measures specific to the pandemic that have to be taken by employers, employees, and safety officers. The preventive measures to be taken by employers are, for the most part, incorporated in the Legal Guidance for Employers, which can be accessed [our website](#) and the [DLA Piper Coronavirus Resource Centre](#). The protocol requires employers to take the following preventive and protective measures:

- ✓ Providing employees with protective materials such as face masks and gloves and training them on how to use them;
- ✓ Setting up a committee dedicated to the prevention of coronavirus COVID-19 in the workplace led by the manager of the business and made up of trade union and/or employee representatives;
- ✓ Creating a work space that allows employees to practice social distancing while working;

- ✓ Avoiding a congested environment inside employee transportation services and ensuring windows are open during travel;
- ✓ Creating awareness around coronavirus COVID-19 and its prevention among employees using different channels in different languages;
- ✓ Allocating longer meal breaks to avoid crowds in cafeterias and canteens;
- ✓ Avoiding gatherings, meetings as well as work situations exposing employees to contracting the disease;
- ✓ Avoiding meetings and encouraging communication via internet or telephone;
- ✓ Preparing a space where employees displaying coronavirus COVID-19 symptoms can stay until they are transferred to health centres; and
- ✓ Preparing regular reports on coronavirus COVID-19 in collaboration with labor unions and/or employee representatives.

Under the labor proclamation, employers have the overall responsibility of taking the necessary measures to adequately safeguard the health and safety of employees. It follows from this general obligation that employers must comply with the above listed specific precautionary measures. While the above recommended measures might not be legally binding, they certainly provide useful guidance on what should be done in terms of responding to the crisis. It is also important to note that the protocol, a result of a tripartite consultation, calls on all stakeholders but mainly workers and employers to commit to the implementation of these necessary policy measures.

6.8. Guidelines

The EIA Guideline document was published in July 2000 and provides essential information about:

- ✓ Environmental Assessment and Management in Ethiopia
- ✓ The Environmental Impact Assessment Process
- ✓ Standards and Guidelines
- ✓ Issues for sectoral environmental impact assessment in Ethiopia include agriculture, industry, transport, mining, dams and reservoirs, tanneries, textiles, hydropower generation, irrigation projects and resettlement projects.
- ✓ The guideline also contains annexes on:
 - identify activities requiring a full EIA, partial measure or no action contain sample forms for application, and
 - provide standards and guidelines for water and air.

The EIA procedural guideline of November 2003 outlines the screening, review and approval process for development projects in Ethiopia and defines the criteria for undertaking an EIA. Similarly, the draft guideline for Environmental Management Plan (EMP) drafted in May 2004 outlines the necessary measures for preparation of an Environmental Management Plan (EMP) for proposed developments in Ethiopia and the institutional arrangements for implementation of EMPs.

The GoE has adopted the waste handling and disposal guideline in 1997 which is being used by health facilities since 1997. The guideline is also helpful to industry and local authority to deal with the waste management at the local level. Likewise, the Ministry of Health has developed a National Sanitation Protocol which is designed to follow the national strategy for hygiene and sanitation improvement with its focus on universal access (100% hygienic and sanitized households) in rural or peri-urban environments.

6.9. International Conventions

Ethiopia has ratified several environment related international conventions, agreements and protocols, which are to be enforced nationally with appropriate regulations. These include:

- ✓ The Rotterdam Convention on Prior Informed Consent Procedure for Certain Hazardous

- Chemicals and Pesticides in International Trade
- ✓ The Bamako Convention on the Ban of the Import into Africa and the Control of Transboundary Movement and Management of Hazardous Wastes within Africa
- ✓ Basel Convention on the Control of the Trans-Boundary Movements of Hazardous Wastes and their Disposal
- ✓ Convention on Biological Diversity (CBD) and the Cartagena Protocol on biosafety, and
- ✓ Convention to Combat Desertification

6.10. **World Bank Safeguard Policies**

WEDP AF has triggered the World Bank's OP 8.30 on Financial Intermediary Lending (FIL). The provisions of this operational policy deals with financial sector context and objectives, coordination between the Bank and IFC, policy framework for FILs, eligibility criteria for FILs, appraisal, use of Bank funds, onlending terms, and monitoring.

6.11. **World Bank COVID-19 Responses in Workplace**

The COVID-19 pandemic presents governments with unprecedented challenges. Addressing COVID-19 related issues in both existing and new operations starts with recognizing that this is not business as usual and that circumstances require a highly adaptive responsive management design to avoid, minimize and manage what may be a rapidly evolving situation. In many cases, borrowers are required to use reasonable efforts in the circumstances, recognizing that what may be possible today may be different next week (both positively, because more supplies and guidance may be available, and negatively, because the spread of the virus may have accelerated).

The discussion for COVID-19 workplace response is based on the **Interim Guidance on COVID-19 version 1** designed for construction or civil work projects, however, it can be adoptable for other projects or subprojects including WEDP AF. By the very notion of the Interim Guidance, projects/subprojects should identify measures to address the COVID-19 situation. What will be possible will depend on the context of the subproject: the location, existing project resources, availability of supplies, capacity of local emergency/health services, the extent to which the virus already exist in the area. A systematic approach to planning, recognizing the challenges associated with rapidly changing circumstances, will help the subproject put in place the best measures possible to address the situation.

Addressing COVID-19 at a project site goes beyond occupational health and safety, and is a broader project issue which will require the involvement of different members of a project management team. In many cases, the most effective approach will be to establish procedures to address the issues, and then to ensure that these procedures are implemented systematically. The issues set out below include the expected good workplace management but are especially pertinent in preparing the project response to COVID-19.

a. **Assessing workforce characteristics**

Workers are coming from different parts of the country where the prevalence of COVID-19 cases is high. In some instances, experts will come from abroad particularly in the construction and manufacturing industry sectors. Many construction sites will have a mix of workers e.g. workers from the local communities; workers from a different part of the country; workers from another country. Workers will be employed under different terms and conditions and be accommodated in different ways. Assessing these different aspects of the workforce will help in identifying appropriate mitigation measures:

- ✓ The borrowers should prepare a detailed profile of the project work force, key work activities, schedule for carrying out such activities, different durations of contract and rotations (e.g. 4 weeks on, 4 weeks off).

- ✓ This should include a breakdown of workers who reside at home (i.e. workers from the community), workers who lodge within the local community and workers in on-site accommodation. Where possible, it should also identify workers that may be more at risk from COVID-19, those with underlying health issues or who may be otherwise at risk.
- ✓ Consideration should be given to ways in which to minimize movement in and out of site. This could include lengthening the term of existing contracts, to avoid workers returning home to affected areas, or returning to site from affected areas.
- ✓ Workers accommodated on site should be required to minimize contact with people near the site, and in certain cases be prohibited from leaving the site for the duration of their contract, so that contact with local communities is avoided.
- ✓ Consideration should be given to requiring workers lodging in the local community to move to site accommodation (subject to availability) where they would be subject to the same restrictions.
- ✓ Workers from local communities, who return home daily, weekly or monthly, will be more difficult to manage. They should be subject to health checks at entry to the site (as set out above) and at some point, circumstances may make it necessary to require them to either use accommodation on site or not to come to work.

b. Entry/exit to the work site and checks on commencement of work

Entry/exit to the work site should be controlled and documented for both workers and other parties, including support staff and suppliers. Possible measures may include:

- ✓ Establishing a system for controlling entry/exit to the site, securing the boundaries of the site, and establishing designating entry/exit points (if they do not already exist). Entry/exit to the site should be documented.
- ✓ Training security staff on the (enhanced) system that has been put in place for securing the site and controlling entry and exit, the behaviors required of them in enforcing such system and any COVID -19 specific considerations.
- ✓ Training staff who will be monitoring entry to the site, providing them with the resources they need to document entry of workers, conducting temperature checks and recording details of any worker that is denied entry.
- ✓ Confirming that workers are fit for work before they enter the site or start work. While procedures should already be in place for this, special attention should be paid to workers with underlying health issues or who may be otherwise at risk. Consideration should be given to demobilization of staff with underlying health issues.
- ✓ Checking and recording temperatures of workers and other people entering the site or requiring self-reporting prior to or on entering the site.
- ✓ Providing daily briefings to workers prior to commencing work, focusing on COVID-19 specific considerations including cough etiquette, hand hygiene and distancing measures, using demonstrations and participatory methods.
- ✓ During the daily briefings, reminding workers to self-monitor for possible symptoms (fever, cough) and to report to their supervisor or the COVID-19 focal point if they have symptoms or are feeling unwell. Preventing a worker from an affected area or who has been in contact with an infected person from returning to the site for 14 days or (if that is not possible) isolating such worker for 14 days.
- ✓ Preventing a sick worker from entering the site, referring them to local health facilities if necessary or requiring them to isolate at home for 14 days

c. General hygiene

Requirements on general hygiene should be communicated and monitored, to include:

- ✓ Training workers and staff on site on the signs and symptoms of COVID-19, how it is spread, how to protect themselves (including regular handwashing and social distancing) and what to do if they or other people have symptoms (for further information see [WHO COVID-19 advice for the public](#)).

- ✓ Placing posters and signs around the site, with images and text in local languages.
- ✓ Ensuring handwashing facilities supplied with soap, disposable paper towels and closed waste bins exist at key places throughout site, including at entrances/exits to work areas; where there is a toilet, canteen or food distribution, or provision of drinking water; in worker accommodation; at waste stations; at stores; and in common spaces. Where handwashing facilities do not exist or are not adequate, arrangements should be made to set them up. Alcohol based sanitizer (if available, 60-95% alcohol) can also be used.
- ✓ Review worker accommodations, and assess them in light of the requirements set out in IFC/EBRD guidance on Workers' Accommodation: processes and standards, which provides valuable guidance as to good practice for accommodation.
- ✓ Setting aside part of worker accommodation for precautionary self-quarantine as well as more formal isolation of staff who may be infected.

d. Cleaning and waste disposal

Conduct regular and thorough cleaning of all facilities, including offices, accommodation, canteens, common spaces. Review cleaning protocols for key construction equipment (particularly if it is being operated by different workers). This should include:

- ✓ Providing cleaning staff with adequate cleaning equipment, materials and disinfectant.
- ✓ Review general cleaning systems, training cleaning staff on appropriate cleaning procedures and appropriate frequency in high use or high-risk areas.
- ✓ Where it is anticipated that cleaners will be required to clean areas that have been or are suspected to have been contaminated with COVID-19, providing them with appropriate PPE: gowns or aprons, gloves, eye protection (masks, goggles or face screens) and boots or closed work shoes. If appropriate PPE is not available, cleaners should be provided with best available alternatives.
- ✓ Training cleaners in proper hygiene (including handwashing) prior to, during and after conducting cleaning activities; how to safely use PPE (where required); in waste control (including for used PPE and cleaning materials).
- ✓ Any medical waste produced during the care of ill workers should be collected safely in designated containers or bags and treated and disposed of following relevant requirements (e.g., national, WHO). If open burning and incineration of medical wastes is necessary, this should be for as limited a duration as possible. Waste should be reduced and segregated, so that only the smallest amount of waste is incinerated (for further information [see WHO interim guidance on water, sanitation and waste management for COVID-19](#)).

e. Adjusting work practices

Consider changes to work processes and timings to reduce or minimize contact between workers, recognizing that this is likely to impact the project schedule. Such measures could include:

- ✓ Decreasing the size of work teams.
- ✓ Limiting the number of workers on site at any one time.
- ✓ Changing to a 24-hour work rotation if applicable.
- ✓ Adapting or redesigning work processes for specific work activities and tasks to enable social distancing, and training workers on these processes.
- ✓ Continuing with the usual safety trainings, adding COVID-19 specific considerations. Training should include proper use of normal PPE (for further information [WHO interim guidance on rational use of personal protective equipment \(PPE\) for COVID-19](#)).
- ✓ Reviewing work methods to reduce use of PPE, in case supplies become scarce or the PPE is needed for medical workers or cleaners. This could include, e.g. trying to reduce the need for dust masks by checking that water sprinkling systems are in good working order and are maintained or reducing the speed limit for haul trucks.
- ✓ Arranging (where possible) for work breaks to be taken in outdoor areas within the site.

- ✓ Consider changing canteen layouts and phasing meal times to allow for social distancing and phasing access to and/or temporarily restricting access to leisure facilities that may exist on site, including gyms.
- ✓ At some point, it may be necessary to review the overall project schedule, to assess the extent to which it needs to be adjusted (or work stopped completely) to reflect prudent work practices, potential exposure of both workers and the community and availability of supplies, taking into account Government advice and instructions.

f. Local medical and other services

Given the limited scope of project medical services, the project may need to refer sick workers to local medical services. Preparation for this includes:

- ✓ Obtaining information as to the resources and capacity of local medical services (e.g. number of beds, availability of trained staff and essential supplies). Conducting preliminary discussions with specific medical facilities, to agree what should be done in the event of ill workers needing to be referred. Considering ways in which the project may be able to support local medical services in preparing for members of the community becoming ill, recognizing that the elderly or those with pre-existing medical conditions require additional support to access appropriate treatment if they become ill. Clarifying the way in which an ill worker will be transported to the medical facility, and checking availability of such transportation. Establishing an agreed protocol for communications with local emergency/medical services.
- ✓ Agreeing with the local medical services/specific medical facilities the scope of services to be provided, the procedure for in-take of patients and (where relevant) any costs or payments that may be involved.
- ✓ A procedure should also be prepared so that project management knows what to do in the unfortunate event that a worker ill with COVID-19 dies. While normal project procedures will continue to apply, COVID-19 may raise other issues because of the infectious nature of the disease. The project should liaise with the relevant local authorities to coordinate what should be done, including any reporting or other requirements under national law.

g. Instances or spread of the virus

WHO provides detailed advice on what should be done to treat a person who becomes sick or displays symptoms that could be associated with the COVID-19 virus (for further information see [WHO interim guidance on infection prevention and control during health care when novel coronavirus \(nCoV\) infection is suspected](#)). The project should set out risk-based procedures to be followed, with differentiated approaches based on case severity (mild, moderate, severe, critical) and risk factors (such as age, hypertension, diabetes) (for further information see [WHO interim guidance on operational considerations for case management of COVID-19 in health facility and community](#)). These may include the following:

- ✓ If a worker has symptoms of COVID-19 (e.g. fever, dry cough, fatigue) the worker should be removed immediately from work activities and isolated on site.
- ✓ If testing is available on site, the worker should be tested on site. If a test is not available at site, the worker should be transported to the local health facilities to be tested (if testing is available). If the test is positive for COVID-19 or no testing is available, the worker should continue to be isolated. This will either be at the work site or at home. If at home, the worker should be transported to their home in transportation provided by the project.
- ✓ Extensive cleaning procedures with high-alcohol content disinfectant should be undertaken in the area where the worker was present, prior to any further work being undertaken in that area. Tools used by the worker should be cleaned using disinfectant and PPE disposed of.
- ✓ Co-workers (i.e. workers with whom the sick worker was in close contact) should be required to stop work, and be required to quarantine themselves for 14 days, even if they have no symptoms.

- ✓ Family and other close contacts of the worker should be required to quarantine themselves for 14 days, even if they have no symptoms.
- ✓ If a case of COVID-19 is confirmed in a worker on the site, visitors should be restricted from entering the site and worker groups should be isolated from each other as much as possible.
- ✓ If workers live at home and has a family member who has a confirmed or suspected case of COVID-19, the worker should quarantine themselves and not be allowed on the project site for 14 days, even if they have no symptoms.
- ✓ Workers should continue to be paid throughout periods of illness, isolation or quarantine, or if they are required to stop work, in accordance with national law.
- ✓ Medical care (whether on site or in a local hospital or clinic) required by a worker should be paid for by the employer.

h. Training and communication with workers

Workers need to be provided with regular opportunities to understand their situation, and how they can best protect themselves, their families and the community. They should be made aware of the procedures that have been put in place by the project, and their own responsibilities in implementing them.

- ✓ It is important to be aware that in communities close to the site and amongst workers without access to project management, social media is likely to be a major source of information. This raises the importance of regular information and engagement with workers (e.g. through training, town halls, tool boxes) that emphasizes what management is doing to deal with the risks of COVID-19. Allaying fear is an important aspect of work force peace of mind and business continuity. Workers should be given an opportunity to ask questions, express their concerns, and make suggestions.
- ✓ Training of workers should be conducted regularly, as discussed in the sections above, providing workers with a clear understanding of how they are expected to behave and carry out their work duties.
- ✓ Training should address issues of discrimination or prejudice if a worker becomes ill and provide an understanding of the trajectory of the virus, where workers return to work.
- ✓ Training should cover all issues that would normally be required on the work site, including use of safety procedures, use of PPE, occupational health and safety issues, and code of conduct, taking into account that work practices may have been adjusted.
- ✓ Communications should be clear, based on fact and designed to be easily understood by workers, for example by displaying posters on handwashing and social distancing, and what to do if a worker displays symptoms.

i. Communication and contact with the community

Relations with the community should be carefully managed, with a focus on measures that are being implemented to safeguard both workers and the community. The community may be concerned about the presence of non-local workers, or the risks posed to the community by local workers' presence on the project site. The project should set out risk-based procedures to be followed, which may reflect WHO guidance (for further information see [WHO Risk Communication and Community Engagement \(RCCE\) Action Plan Guidance COVID-19 Preparedness and Response](#)). The following good practice should be considered:

- ✓ Communications should be clear, regular, based on fact and designed to be easily understood by community members.
- ✓ Communications should utilize available means. In most cases, face-to-face meetings with the community or community representatives will not be possible. Other forms of communication should be used; posters, pamphlets, radio, text message, electronic meetings. The means used should take into account the ability of different members of the community to access them, to make sure that communication reaches these groups.

- ✓ The community should be made aware of procedures put in place at site to address issues related to COVID-19. This should include all measures being implemented to limit or prohibit contact between workers and the community. These need to be communicated clearly, as some measures will have financial implications for the community (e.g. if workers are paying for lodging or using local facilities). The community should be made aware of the procedure for entry/exit to the site, the training being given to workers and the procedure that will be followed by the project if a worker becomes sick.
- ✓ If project representatives, contractors or workers are interacting with the community, they should practice social distancing and follow other COVID-19 guidance issued by relevant authorities, both national and international (e.g. WHO).

7. Institutional Arrangements

7.1. The Federal Urban Job Creation and Food Security Agency (FUJCFSA)

FUJCFSA under MoUDC (as delegated by the MoF) will be responsible for the overall implementation of WEDP AF and coordination of participating agencies at all levels - at federal, regional, woreda and kebele levels. The project implementation unit (PIU) under FUJCFSA will coordinate the day-to-day management the Project. FUJCFSA will work in close cooperation with the DBE, which is responsible for the day-to-day implementation of Component 1, and with the National TVET Agency (NTA) and TVET colleges for the implementation of Component 2. WEDP AF will use the current M&E system and will fine-tune it to ensure data integration, collection and reporting. The project will make use of existing structures, institutions and processes, in particular relying on the Government institutions for MSE support (ReUJCFSA, TVET colleges, city MSE development offices, and One Stop Shops) and the existing MFIs.

The PIU is responsible to follow up the proper implementation of the social and environmental risks mitigation strategies which are proposed in ESMP in accordance with Ethiopian legislations, World Bank guidelines, and international conventions. It also monitors the implementation of COVID-19 prevention strategies in line with MOH and World Bank protocols which in turn is coherent with the WHO protocol. Similarly, the PIU assess the implementation of workplace COVID-19 response issued by Ministry of Labour and Social Affairs, the Ethiopian Employers Confederation, and Confederation of Ethiopian Trade Unions. The OHS measures taken by each subproject are also scrutinized by PIU. The details of the roles of PIU and PMT are discussed under section 13.3 ESMP Implementation Arrangements and Responsibilities. **ReUJCFSA:** For the purpose of WEDP AF, ReUJCFSA's role will be limited to coordinating and communicating the information received from the City Agencies to the FUJCFSA PIU.

City Agencies and MSE Unit

The MSE units within the City Agencies will be the main implementing agencies in all the AF cities. The MSE units will oversee the day to day functioning of the One-Stop-Shops, which are now mainly in charge of formalization of the enterprises, legal support services, linkages to TVETs and MFIs and providing other relevant information to the entrepreneurs. One-Stop-Shops will provide an initial assessment of what Business Development and technology development services could be useful to entrepreneurs and inform about the available sources of finance in their area. TVET institutes will be responsible for the basic and advanced business management skills training, offered as a package, as well as technical training and other services which will be customized and tailored to each entrepreneur's needs.

One Stop Shops (OSS)

One Stop Shops (OSS) are the entry or first contact points for the MSE's and will provide packaged services that incorporate all the activities from receipt of applications or business plans to the

provision of handholding services for general awareness, screening of applicants, mentoring on the preparation and refinement of the business plans. The OSS will direct the applicant with the business plans to the MFI representative, the Credit Officer(s) located at the OSS. The Credit Officer will review the business plan for soundness of the financial assumptions, environmental and social safeguards concern, collateral requirements and other credit related features.

7.2. Technical and Vocational Education and Training (TVET)

The TVET colleges will be supported by the ECPB – Engineering Capacity Building Program of GIZ - and WEDP will complement this program by adding a component to build capacity of the TVET Institutions in line with the WEDP requirements. This ECBP component will ensure that the implementing structures of entrepreneurial skills development component will have sufficient capacity and knowledge to serve the target group suited to their needs, but also that the technical support provided through the Cluster, Market and Product Development Component (Component 2) will be delivered to ensure that any adverse environmental and social concerns posed by these activities are either avoided or appropriately mitigated as per the guidelines in the ESMF.

7.3. Development Bank of Ethiopia (DBE)

The Development Bank of Ethiopia has been selected as the wholesale institution based on its track record of managing lines of credit and on its management commitment to the project. To carry out the component, DBE established a dedicated Project Management Team (PMT). The PMT will be regularly reporting to the Director of the External Fund and Credit Management Directorate of the DBE, which in turn will report once a year to the Federal MSE Development Council and MoF. Participating Financial Institutions (PFIs), when seeking advances, would submit to the Development Bank of Ethiopia information on the total number of sub-borrowers and total amounts of sub-credits expected over the next 3 months. Based on the submission, DBE would assess the PFI request before submitting to IDA. DBE would compile this information and present a summary to IDA, indicating the amounts forecast for each PFI. The PMT has two environmental and social safeguard specialists capable of satisfactorily implementing all aspects of the component. Its responsibilities will include: (i) on-lending to PFIs; (ii) ensuring effective functioning of the on-lending facility to final borrowers through PFIs; (iii) on-going monitoring of the PFIs to ensure compliance with project criteria; (iv) adherence to all fiduciary (legal) and safeguard requirements of the World Bank; (v) monitoring and evaluation based on key project development indicators. (vi) keeping MoF and FUJCFSA informed about project implementation progress through periodic reports.

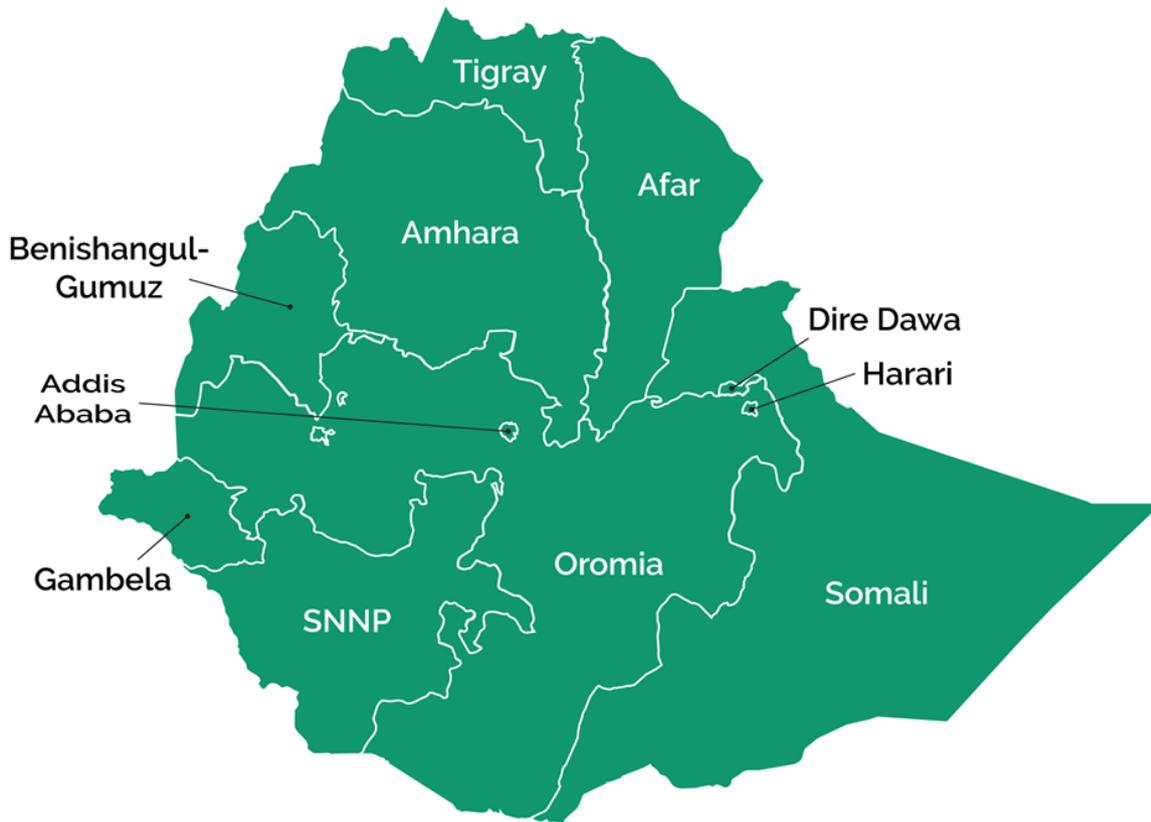
Besides dealing on financial matters, the PMT like that of PIU is responsible for the proper implementation of the social and environmental risk mitigation strategies documented in this ESMF Update. It will also give technical assistance to the MFIs in screening subprojects which qualify for WEDP AF loan. PMT in collaboration with MFIs will evaluate the implementation of COVID-19 prevention guidelines by subprojects in accordance with the World Bank, and MOH protocols which in turn are adopted from WHO. It also follows whether the workplace response for COVID-19 is implemented or not. The occupational health and safety issues including the required PPE of each subproject will be examined by PMT in association with MFIs.

7.4. Environment, Forest and Climate Change Commission (EFCCC)

MFIs will conduct the environmental and social screening of the subprojects in consultation with the Environment, Forest and Climate Change Commission (EFCCC) or with local Environmental Protection Authority in each project city.. Based on the screening of subprojects, the local Environmental Protection Authority can decide whether a full environmental and social impact assessment (ESIA) is required or not.

8. Environmental and Social Baseline

The below map shows the regional states of Ethiopia



The following section provides a brief environmental and social baseline of the existing WEDP cities and the WEDP AF expansion cities.

Addis Ababa

Addis Ababa, Ethiopia's political capital as well as the country's most important commercial and cultural center, is situated at 9o2'N latitude and 38o45'E longitude. It is 2,400 meters above sea level on average, with the maximum altitudes reaching 3,200 meters on Entoto Hill to the north. Addis Ababa is one of Ethiopia's two self-governing chartered cities (with Dire Dawa) with a population of over four million people, or about a quarter of the country's total urban population (MoUDHC 2015). Female residents are slightly more numerous than male. The significant population growth rate seen in recent years is attributable to a large influx of people seeking jobs and higher education in the city. The working-age population is quite large; 72 percent of Addis Ababa's population is between the ages of 15 and 65. The average family size is 3.9. At birth, the average life expectancy is 65.7 years, and the infant mortality rate is 50.3 per 1000 live births (CSA 2013).

The service sector, which generated 75% of Addis Ababa's GDP in 2014, is the city's most important economic sector. The industry sector, which accounted for 24.3 percent of GDP, is followed by the service sector. In 2014, the city's per capita GDP was 649.43 USD (AABoFED, 2015), whereas the city's real total consumption expenditure per capita was 538.92 USD in 2015 (IDPR, 2015). The city employed 46.6 percent of the total workforce in 2012 and 21.7 percent of the whole workforce (IDPR, 2015). Addis Ababa, on the other hand, has a high level of unemployment. In 2015, the city had a

14.96 percent unemployment rate. Women were found to be unemployed at a substantially higher rate (19.1%) than men, who were unemployed at 10% in the same year (IDPR, 2015). However, the trend shows that unemployment has decreased from 18.77 percent in 2011 to 14.96 percent in 2015. Unemployment among the youth remains high.

Micro and Small-Scale Enterprises (MSEs) have emerged as one of the city's most important job creators. MSEs contributed to the creation of around 250,000 jobs in 2014 (AABoFED, 2015). Overall, the private sector is responsible for the most job creation. In the city, particularly among the urban poor, informal income creation is common. CSA (2015) estimates that 24% of Addis Ababa citizens are poor. Poverty had a greater impact on women than on men.

Adama

According to the 2007 CSA, Adama town had a total population of 431,202. Around 71 percent of the population is under 30. The city's population growth rate is above 4.8 percent on an annual basis. The population of the city is split 50-50 between men and women.

Adama is one of the busiest commercial entrepot in the country. The town is located 90Km away from Addis Ababa to the south-east, situated on the junction of the highway leading to the Port of Djibuti and on the road to extensive crop growing of Arsi and Bale. Adama is home to one of the country's prominent public universities, the Adama Science and Technology University and a private Rift Valley University, and nine TVET colleges. Adama city is currently experiencing the expansion of industrial development and private investments in different sectors. The recently inaugurated Adama Industrial Park is one of the industrial parks of the country which established with a view to contribute to the growth of the manufacturing sector of the country. When the park is fully operational, it is anticipated to carry out technological transformation and create employment opportunity for 80,000 citizens.

Hawassa

According to the CSA (2015), Hawassa has a total population of 417,368 people, with 208,697 women. The city's size was 157.21 square kilometre, with a population density of 2,654.8 people per square kilometre. The unemployment rate in Hawassa city is 6.8%, according to the HCSP (2020) report, when compared to the productive population. According to the research, women have a higher unemployment rate than men (71% vs. 28%). Hawassa is one of the most beautiful and booming cities in the country. The city is the centre of industry and tourism with a huge potential for growth, partly because of Lake Hawasa which is adjacent to the city.

Shashmene

Shashemene is located in East Shewa Zone of the Oromia National Regional State, approximately 250 km south of Addis Ababa. Geographically, the town is located at 7-degree North Latitude and 38-degree East Longitude. The town is economically important and expanding quite rapidly compared to other towns. This is perhaps due to its location as a crossroad and a junction point for most towns located in the southern part of the country. It serves as an international highway route connecting Ethiopia with Kenya. The town also lies within the Ethiopian Rift Valley and is close to the lakes and holiday resorts of Hawassa, Langano and the Shala-Abiyata park. The urban land of Shashemene stretches over 1,858 hectares of land.

Shashemene's has a population of around 250, 000 people, with a 4.5 percent annual growth rate. Small businesses, informal trade, civil service jobs, brokers, and handcrafts are the town's primary sources of income. Shashemene has a young population, with 65 percent of residents under the age of 25.

Wolayta Sodo

Wolayta Sodo is the administrative center of the Wolaita Zone of the Southern Nations, Nationalities, and Peoples Region, with latitude and longitude of 6°54'N 37°45'E and an elevation of 1,600 to 2,100 meters (5,200 to 6,900 feet) above sea level. According to the CSA's 2018 Population Projection, the town has a total population of 254,294, of which 125,855 are men and 128,439 are women.

Bahir Dar

Bahir Dar is one of the beautiful and flourishing cities in the country. It is located on the highway that connects the country with Sudan. Bahir Dar is the city of industry and tourism. The Blue Nile Fall, Lake Tana, and the monasteries in Lake Tana are tourist attraction sites. Bahir Dar is a fast-growing city in terms of both economic activity and population size. The city has a total population of 329,323 people, according to the CSA (2015) report. According to the same study, the city's total area is 213.43 square kilometers, with a population density of 1.543 per square kilometer. In the year 2019, 70 percent of the total 373,074 inhabitants are of working age.

Debre Markos

Debre Markos, capital of east Gojjam zone, is located at latitude and longitude of 10°20'N 37°43'E and has an elevation of 2,446 meters. Debre Markos had an estimated population of 262,497 people in 2012, according to the Central Statistical Agency of Ethiopia's (CSA) national census, with 129,921 males and 132,576 women.

Dire Dawa

According to a structural report (Integrated Urban Economic Development, 2019), the total population of Dire Dawa City Administration was 479, 000 in 2018, with males accounting for 50.1 percent (240,000) and females accounting for 49.9%. (239,000). During the same time period, the urban and rural populations were estimated to be around 303,000 and 176,000, respectively (Demography study, DDMRP, 2019).

In the last four years, the City Administration's yearly average regional GDP growth has been 13%, greater than the national average of 11%. The industrial sector's average annual growth rate of 15% is higher than the service and agriculture sectors' average annual growth rates of 12% and 6%, respectively, throughout the same time period. By contributing 53 percent of GDP, the service sector has the biggest average proportion of labor force and output.

Harar

For centuries, Harar was a centre of Islamic civilization. After Harar, incorporated within the Ethiopian Empire in 1887, many Christian highlanders settled in the city. Since then, Harar has become the home of nations and nationalities. For more than one hundred years, the people in the city are living in peaceful coexistence. For this, in 2002, UNESCO awarded Harar the cities for Peace Prize, in recognition of its outstanding contribution to the promotion of peace, tolerance, and solidarity in everyday life.

Jijiga

Jijiga City, the capital of Somali region, was established during the era of Emperor Menelik II as a military garrison. Since then, different highlanders began to settle in the town. People were living peacefully in Jijiga until the recent conflict. Peace is now restored throughout the entire Somali region, and it is relatively the most peaceful region in Ethiopia. Accordingly, in relative term, Jijiga is one of the peaceful cities in the country

Mekelle

Mekelle, the capital of Tigray Regional State, is located 783 kilometers north of Addis Abeba, at an altitude and longitude of 13029'N 39028'E, with an elevation of 2084 meters above sea level. Mekelle

had a population of 96, 938 in 1994. By 2007, it had risen to 215,914, a 122 percent increase (CSA, 2013). By 2013, it had risen by 45 percent to 313,332 people. In 2013, the Tigray Bureau of Urban Development estimated that Mekelle's population would grow at a rate of 5.5 percent per year. Mekelle city has a much higher productive-age population, with 55.4 percent in 2001 and 62.8 percent in 2007, compared to the regional average of 49.5 percent in 2007.

The city is home to a number of livestock-related industries and is well-known for leather produced from local sheep and goats. It also has one of Ethiopia's largest cement plants. High-quality honey and spices are also potential export products that use local resources. Mekelle's main sources of income are trade, manufacturing, salary, and urban agriculture. Dairy, fattening, silkworm, goat and sheep rearing, apiculture, poultry, and vegetables are the main activities in urban agriculture.

Aksum

Aksum is a town in the Tigray Region's central Zone, near the base of the Adwa mountains. It is surrounded by La'ilay Maychew and has an elevation of 2,131 m. It is the site of the Aksumite Empire's historic capital. From around 400 BC to the 10th century, the Aksumite Empire ruled the region as a naval and trading power. Due to their historic significance, UNESCO inscribed Aksum's archaeological sites, including the monumental obelisk, on its list of World Heritage Sites in 1980. According to the 2007 national census, the town had a population of 44,647 people, with 20,741 men and 23,906 women.

Arbaminch

Arba Minch town is located in the Gamo Goffa zone of Ethiopia's Southern Nations, Nationalities, and Peoples Regional State, approximately 505 kilometers south of Addis Abeba and 275 kilometers from Hawassa, the regional capital (Arba Minch Municipality (AMM) 2006). Arba Minch is located at 6°04' North Latitude and 36°40' East Longitude, with an elevation of 1285 meters above sea level. According to the CSA's 2007 Census, the town has a total population of 74,879 people, of which 39,208 are men and 35,671 are women. It is surrounded by Arba Minch Zuria woreda and the most resourceful zone in the southern region, which includes two large lakes (Abaya and Chamo), more than 40 springs, and Nechisar National Park, which is famous for its crocodile market.

Assela

Asella is a town in the Oromia Region's Arsi Zone, 159 kilometers from Addis Abeba. The latitude and longitude of the town are 7°57'N 39°7'E, and it is situated at an elevation of 2,430 meters. On a high plateau overlooking Lake Ziway in the Great Rift Valley, it is located west of Mount Chilalo. It is linked to Nazret to the north via an all-weather road. According to the 2007 national census, Asella had a total population of 67,269 people, with 33,826 men and 33,443 women.

Dessie

Dessie is one of the country's oldest cities, dating back over a century. Dessie is the administrative center of the South Wollo Administrative Zone. Geographically, the town is located about 400 kilometers from Addis Abeba along the road to Mekele. Dessie is located between 11°13' N latitude and 39°05' E longitude. It is surrounded by a chain of mountains, which is said to be the main factor influencing its growth and development, with the highest altitude being about 3037 meters above sea level in the nearby Tossa mountain ridges. According to the 2007 CSA, the town's total population for 2016 was estimated to be 201,274, with 96,837 men and 104,437 women.

Gondar

The city of Gondar is located in North-western Ethiopia, Amhara Regional State. It is at 12°03'N latitude and 37°28'E longitude, 727 km from Addis Ababa. Gondar has a total area of 192.3 km² with undulating mountainous topography. Gondar has one of the largest urban populations in Ethiopia.

Gondar is a major tourist destination and business hub in North-West Ethiopia due to its various tourist attraction and World's Heritage Sites, including the Fasiledes Castles and the Semen National Park. According to the Central Statistics Agency's (CSA) population prediction (2013), Gondar's population would reach 323,875 by 2015, and 360,600 by 2017. Because Gondar is a popular destination for urban-rural migrants in North West Ethiopia, migration has aided the city's population increase. Trade, in addition to tourism, is a significant economic activity in Gondar. The adjacent areas, such as Metema and Humera, grow cotton and sesame, providing jobs for thousands of people.

Jimma

Jimma is located 350 kilometers southwest of Addis Ababa, at 7°40'N 36°50'E latitude and longitude. It is located at a height of 1,750 meters above sea level in a forested area known for coffee plantations. The population of Jimma in 2007 was 120,600, according to the Ethiopian Population and Housing Census, with males accounting for 50.24 percent and females for 49.76 percent. Commerce and small-scale manufacturing businesses are the town's primary economic activities. Jimma is home to a lot of cultural and economic landmarks and artifacts. The 'Aba Jifar Palace' and the 'Mesgida Afurtema' are two prominent cultural heritage sites in and near the town.

Nekemtie

Nekemte is located at 9°5'N 36°33'E and is 2,088 meters above sea level. It has a total population of 75,219 people according to the 2007 national census, with 38,385 men and 36,834 women. The town and its environs are endowed with a diverse range of agro-ecological zones, ranging from warm weather in low altitude areas to cool weather in higher altitude areas, resulting in a favorable environment for the production of a wide range of crops, including cereals (maize, sorghum, Teff), oil seeds (niger seed and sesame), and a variety of other crops.

Shire Endesilase

Shire Endaselassie is located in Tigray's Northwest Zone. It is the region's third-most populous town, located 1087 kilometers north of Addis Ababa and 304 kilometres northwest of Mekelle, Tigray's capital. It is located at 14°6'N 38°17'E latitude and longitude. Shire Endaselassie has a population of 47,284, with 21,867 males and 25,417 women, according to the 2007 national census (CSA). Manufacturing, wholesale, retail, and service trade are among the city's most important economic activities.

9. ESMF Screening Procedures

This section deals with the screening process of WEDP AF which lead to review, approval or exclusion of activities to be financed under the project. It provides tools and procedures to the implementing agencies in screening subprojects for potential impacts. The screening process intends to:

- ✓ Determine potential impacts of activities and their likelihood to cause negative environmental and social impacts;
- ✓ Propose appropriate mitigation measures for activities with adverse impacts;
- ✓ Incorporate mitigation measures into project design;
- ✓ Review and approve subprojects proposals; and
- ✓ Monitor environmental and social parameters during project implementation.

The screening process will utilize an environmental and social screening checklist (Annex II), and the occupational health and safety checklist (annex II) to identify activities eligible for funding under WEDP AF. This process will also utilize the ESMP matrix (Annex I), prepared to assist potential beneficiaries in preparing mitigation plans.

The subproject application which will be submitted to MFIs should contain the environmental and social screening checklist, and the occupation health and safety checklist (Annex II and III). MSEs are

expected to complete the screening checklist with the support of MFIs agents. Proposed subprojects will be approved by MFIs experts taking into account the social and environmental safeguard issues, and the necessary occupational and safety measures. The DBE safeguard specialists will be responsible to occasionally review sample checklist submitted by the MSEs and accordingly advise on the subsequent actions (automatic approval, approval pending when the subproject required for mitigation plan, or non- approval) to be undertaken by MFIs. The MFIs, with the support from the specialists will also undertake spot checks to verify compliance with the environmental health and safety (EHS) legal requirements stipulated.

In cases where mitigation actions are required, the MSEs will be supported by MFIs in preparing mitigation plans using the ESMP matrix (Annex I), which contains information on typical mitigation measures. If it is required, MSEs will also be helped by the staff at the One Stop Shops to find service providers who can prepare appropriate mitigation plans. These plans will be evaluated and approved when appropriate by the DBE specialists.

Before the final approval of the loan for subprojects, the names of the proposed MSEs should be posted in notice boards of different locations and the community should be invited to forward their complaints, grievances, and conflict of interests on them. The community should be given different alternative mechanisms to put comments (telephone, text message, email, and in person). The other disclosure mechanism is that after the proposed subprojects are shortlisted for the loan, the MFIs experts should go to the location where the MSEs are found and discuss with the people living around about any possible conflict of interests and any environmental and social risks associated with the proposed subprojects.

9.1. Capacity of the Implementing Organizations

Capacity of the Development Bank of Ethiopia: DBE has a successful track record of managing credit lines. The existing PMT, which is housed at DBE, has developed and proven adequate capacity to manage WEDP and other credit lines such as SME Finance Project. The PMT will be supplemented with additional capacity as needed to manage the new project. Safeguards Specialist and a M&E Specialist have been added to the team to ensure compliance with the World Bank's updated safeguard procedures and increased demands for timely and updated loan data.

Capacity of the Federal Urban Job Creation and Food Security Agency: FUJCFSA has proven its ability to act as the implementing agency for WEDP and has the necessary capacity to coordinate implementation of the new program phase. The PIU is adequately staffed with a project coordinator and experts in finance, procurement, information technology, communication, and other support staff. During additional financing, the PIU will deploy an E&S expert who coordinates with the DBE safeguards staff and oversee the overall safeguards (ESMF) implementation, monitoring and reporting. The PIU has been operating a management information system (MIS) that collects, organizes and maintains information in a centralized database, and this practice will continue under WEDP additional financing. The PIU coordinates closely with City MSE Development Offices, MFIs, TVET Colleges and private training providers across WEDP implementing cities to ensure smooth implementation of the project.

9.2. Subproject Environmental and Social Assessment/ screening, review and approval

The environmental and social screening of the subprojects should be made by MFIs in consultation with the counterparts of the Environment, Forest and Climate Change Commission (EFCCC) in each project city, when available. Based on the screening of subprojects, the local Environmental Protection Authority can decide whether a full environmental and social impact assessment (ESIA) is required or not.

The WEDP-supported activities are not likely to generate significant negative environmental and social impacts because the project does not involve activities that have a high potential for harming people and the environment. Similarly, due to the nature of WEDP, the anticipated environmental and social risks and impacts of the AF activities are not likely to be significant. The potential impacts that could be generated from the proposed project activities are expected to be temporary, reversible, low in magnitude, and site specific.

The environmental and social screening procedures can lead to one of the following decisions:

- ✓ For activities classified as category B, it will be required that the appropriate level of environmental and social impact assessment be carried out, and Environmental and Social Management Plan be prepared. The ESMP will be required to be approved by implementing agency - Environmental and Social Specialist of PMT under DBE.
- ✓ For activities classified as category C, no further environmental and social assessment will be required.
- ✓ Equally with the social and environmental impact assessments results, the proposed occupational health and safety (OHS) measures can also lead to the approval or non-approval of the sub projects for both categories

***The environmental and social screening checklists are annexed in Annex II.

9.3. Exclusion Criteria of Subprojects from WEDP AF Loan

In accordance with Ethiopian legislations, World Bank operational policies, and international agreements and protocols, subprojects are ineligible for WEDP AF loan if they meet the exclusion criteria below.

Exclusion Criteria

- If the project will substantially use natural resources in a way that pre-empts use, or potential use of that resource for any other purpose.
- If the project will have potential residual impacts on the environment and difficult to mitigate.
- If the environmental impacts of the project and its mitigation measures are not evident.
- If the project will displace significant number of people, families or communities.
- If the project is located in, and will affect, environmentally-sensitive areas such as:
 - ✓ National parks
 - ✓ Wetlands
 - ✓ Productive agricultural land
 - ✓ Important archaeological, historical and cultural sites
 - ✓ Areas protected under legislation
 - ✓ Areas containing rare or endangered flora or fauna
 - ✓ Areas containing unique or outstanding scenery
 - ✓ Mountains or developments on or near steep hill slopes
 - ✓ Forests
 - ✓ Lakes or their shores
 - ✓ Areas important for vulnerable groups such as fishing communities
 - ✓ Areas near high population concentrations or industrial activities where further development could create significant cumulative environmental problems
 - ✓ Groundwater recharge areas or drainage basins
- If the project will result in and/or:
 - ✓ Policy initiatives which may affect the environment
 - ✓ Major changes in land tenure
 - ✓ Changes in water use through irrigation, drainage promotion or dams, changes in fishing practices.
- If the project will cause:
 - ✓ Adverse socioeconomic impact
 - ✓ Land degradation
 - ✓ Water pollution
 - ✓ Air pollution
 - ✓ Damage to wildlife and habitats
 - ✓ Adverse impact on climate and hydrological cycle
 - ✓ Creation of by-products, residual or waste materials which require handling and disposal in a manner that is not regulated by existing authorities.
- If the project will cause significant public concern because of potential environmental changes. The following are guiding principles:
 - ✓ Is the impact positive, or harmful?
 - ✓ What is the scale of the impact in terms of area, numbers of people or wildlife affected?
 - ✓ What is the intensity of the impact?
 - ✓ What will be the duration of the impact?
 - ✓ Will there be cumulative effects from the impact?
 - ✓ Are the effects politically controversial?
 - ✓ Have the main economic, ecological and social costs been quantified?
 - ✓ Will the impact vary by social group or gender?
- Any project activity with the potential for significant conversion or degradation of natural habitats without appropriate mitigation of anticipated impacts. This includes, but is not limited to, any activity:
 - ✓ emitting pollutants to water, air and land,
 - ✓ degrading forests,

- Any project situated within green area designated by each municipality,
- Any project or activity that will be implemented in disputed land,
- Any project that would result in the displacement of people or requires resettlement,
- Any project with the potential for significant damages to cultural property,
- Any project that is not consistent with the project description at time of project negotiations, unless subsequently agreed to with the Project Management Team (PMT) at DBE, along with the development of an appropriate level of environmental and social management.
- Any project or activity involving the procurement of pesticides not allowable under Bank guidelines,
- Any project or activity that does not meet the legal requirement of the country, including gazetted environment, health and safety legal requirements,
- Any project or activity that is not compliant with the international convention that Ethiopia has ratified,
- If the project will necessitate further development activity, which is likely to have a significant impact on the environment.
- Any project or activity, where children under 18 years of age are employed.
- Any project which does not follow the WHO and MOH CODID-19 protocol
- Any MSEs which do not have occupational health and safety/OHS)

9.4. Occupational Health and Safety

Occupational health and safety are the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations. To achieve this objective, a safe and healthy working environment and access to occupational health services should be ensured for all workers as provided for in ILO Convention (No. Dec. 16, 2014). Similarly, according to WHO (1995), occupational safety and health can be defined as a multidisciplinary activity aiming at:

- Protection and promotion of the health of workers by eliminating occupational factors and conditions hazardous to health and safety at work,
- Enhancement of physical, mental and social well-being of workers and support for the development and maintenance of their working capacity, as well as professional and social development at work, and
- Development and promotion of sustainable work environments and work organizations.

With the essence of ILO and WHO definitions, each subproject should submit its OHS strategy alongside business proposal to qualify for WEDP AF loan. Different enterprises will require different safety measures and personal protective equipment (PPE). The health impacts of the enterprises are not uniform and accordingly, the subproject business proposals should include the mechanisms they will follow to minimize health risks. The screening checklist concerning OHS is annexed in Annex IV. The other crucial issue about OHS is the COVID-19 pandemic. As it is discussed latter in this document, this global pandemic is a serious health risks that claims the lives of millions throughout the world. Therefore, in order to prevent the pandemic, enterprises are required to include their prevention

strategies in their business proposals. The inclusion of COVID-19 prevention in the business proposal of enterprises should be taken as one of the mandatory screening requirements to get WEDP AF loan. The prevention mechanisms should be in line of WHO and the Federal Ministry of Health (MOH) guidelines. Besides, the prevention strategy should include the workplace response for COVID-19 adopted by Ministry of Labour and Social Affairs (MOLSA).

9.5. Occupational Health and Safety Management System for Subprojects

Applying the necessary occupational health and safety measures in compliance with the national laws and World Bank guidelines should be the responsibility and duty of the employers or owners of MSEs. WEDP AF clients will be expected to show strong leadership and commitment to OHS activities in their respective organizations and make essential arrangements for implementation. Each subproject should submit their OHS management system to the MFIs simultaneously with their business plans in line with the following outlines. This outline is adopted from ILO's OHS management system issued in 2001.

Occupational Health and Safety Policy

- The employer, in consultation with workers and their representatives, should set out in writing an OHS policy, which should be:
 - ✓ specific to the organization and appropriate to its size and the nature of its activities;
 - ✓ concise, clearly written, dated and made effective by the signature or endorsement of the employer or the most senior accountable person in the organization;
 - ✓ communicated and readily accessible to all persons at their place of work;
 - ✓ reviewed for continuing suitability; and
 - ✓ made available to relevant external interested parties, as appropriate.
- The OHS policy should include, as a minimum, the following key principles and objectives to which the organization is committed:
 - ✓ protecting the safety and health of all members of the organization by preventing work-related injuries, ill health, diseases and incidents;
 - ✓ complying with relevant national laws and regulations, voluntary programmes, collective agreements on OHS and other requirements to which the organization subscribes;
 - ✓ ensuring that workers and their representatives are consulted and encouraged to participate actively in all elements of the OHS management system; and
 - ✓ continually improving the performance of the OHS management system.
 - ✓ The OHS management system should be compatible with or integrated in other management systems in the organization.

Worker participation

- Worker participation is an essential element of the OHS management system in the organization.
- The employer should ensure that workers and their safety and health representatives are consulted, informed and trained on all aspects of OHS, including emergency arrangements, associated with their work.
- The employer should make arrangements for workers and their safety and health representatives to have the time and resources to participate actively in the processes of organizing, planning and implementation, evaluation and action for improvement of the OHS management system.
- The employer should ensure the establishment and efficient functioning of a safety and health committee and the recognition of workers' safety and health representatives, in accordance with national laws and practice.

Responsibility and accountability

- The employer should have overall responsibility for the protection of workers' safety and health, and provide leadership for OSH activities in the organization.
- The employer and senior management should allocate responsibility, accountability and authority for the development, implementation and performance of the OHS management system and the achievement of the relevant OHS objectives. Structures and processes should be established which:
 - ✓ ensure that OHS is a line-management responsibility which is known and accepted at all levels;
 - ✓ define and communicate to the members of the organization the responsibility, accountability and authority of persons who identify, evaluate or control OHS hazards and risks;
 - ✓ provide effective supervision, as necessary, to ensure the protection of workers' safety and health;
 - ✓ promote cooperation and communication among members of the organization, including workers and their representatives, to implement the elements of the organization's OHS management system;

- ✓ fulfil the principles of OHS management systems contained in relevant national guidelines, tailored guidelines or voluntary programmes, as appropriate, to which the organization subscribes;
 - ✓ establish and implement a clear OHS policy and measurable objectives;
 - ✓ establish effective arrangements to identify and eliminate or control work-related hazards and risks, and promote health at work;
 - ✓ establish prevention and health promotion programmes;
 - ✓ ensure effective arrangements for the full participation of workers and their representatives in the fulfilment of the OHS policy;
 - ✓ provide appropriate resources to ensure that persons responsible for OHS, including the safety and health committee, can perform their functions properly; and
 - ✓ ensure effective arrangements for the full participation of workers and their representatives in safety and health committees, where they exist.
- A person or persons at the senior management level should be appointed, where appropriate, with responsibility, accountability and authority for:
 - ✓ the development, implementation, periodic review and evaluation of the OHS management system;
 - ✓ periodic reporting to the senior management on the performance of the OHS management system; and
 - ✓ promoting the participation of all members of the organization.

Competence and training

- The necessary OHS competence requirements should be defined by the employer, and arrangements established and maintained to ensure that all persons are competent to carry out the safety and health aspects of their duties and responsibilities.
- The employer should have, or should have access to, sufficient OHS competence to identify and eliminate or control work-related hazards and risks, and to implement the OHS management system.
- Training programmes should:
 - ✓ cover all members of the organization, as appropriate;
 - ✓ be conducted by competent persons;
 - ✓ provide effective and timely initial and refresher training at appropriate intervals;
 - ✓ include participants' evaluation of their comprehension and retention of the training;
 - ✓ be reviewed periodically. The review should include the safety and health committee, where it exists, and the training programmes, modified as necessary to ensure their relevance and effectiveness; and
 - ✓ be documented, as appropriate and according to the size and nature of activity of the organization.

Occupational safety and health management system documentation

- According to the size and nature of activity of the organization, OHS management system documentation should be established and maintained, and may cover:
 - ✓ the OHS policy and objectives of the organization;
 - ✓ the allocated key OHS management roles and responsibilities for the implementation of the OHS management system;
 - ✓ the significant OHS hazards/risks arising from the organization's activities, and the arrangements for their prevention and control; and
 - ✓ arrangements, procedures, instructions or other internal documents used within the framework of the OHS management system.

- The OHS management system documentation should be:
 - ✓ clearly written and presented in a way that is understood by those who have to use it; and
 - ✓ periodically reviewed, revised as necessary, communicated and readily accessible to all appropriate or affected members of the organization.
- OHS records should be established, managed and maintained locally and according to the needs of the organization. They should be identifiable and traceable, and their retention times should be specified.
- Workers should have the right to access records relevant to their working environment and health, while respecting the need for confidentiality.
- OHS records may include:
 - ✓ records arising from the implementation of the OHS management system;
 - ✓ records of work-related injuries, ill health, diseases and incidents;
 - ✓ records arising from national laws or regulations dealing with OHS;
 - ✓ records of workers' exposures, surveillance of the working environment and workers' health; and
 - ✓ the results of both active and reactive monitoring.

10. Public consultation and Disclosure Plan

10.1. Introduction

For the successful identification and assessment of project specific environmental and social impacts, implementation and monitoring of the respective mitigation or enhancement measures and a continuous consultative process is required. FUJCFSA and DBE has the responsibility to ensure sound stakeholders consultation are conducted by WEDP AF with all relevant parties to achieve the project development objectives that benefit the clients and other stakeholders. Through consultations, WEDP AF will create a bridge of communication between the Public, Private sector, and the Government, which will improve the efficiency and transparency for the execution of the project. The public consultation will include stakeholders such as local community, different NGOs, city administration, community-based organization, Environment, Forest and Climate Change Commission (EFCCC), local Environmental Protection Authority, Religious institutions, WEDP beneficiaries, Women Entrepreneurs Association, kebele administration, and woreda Trade Office

10.2. Public Consultation Plan

As it is mentioned above, for the identification and assessment of project specific environmental and social impacts, implementation, and monitoring of the respective mitigation measures, a continuous consultative process is required.

Accordingly, WEDP AF project will incorporate a citizen engagement mechanism to enhance voice and participation. A beneficiaries' survey will be carried out at project mid-term and the feedback will be integrated into the project interventions to close the feedback loop. On the other hand, as indicated in the PAD of WEDP AF, a citizen engagement survey will be conducted annually on a sub-set of beneficiaries and designed to assess overall satisfaction of services (including ease of access, quality, process, disclosure, responsiveness of needs, etc.). The results of the survey will be analyzed and reported, which will also contain proposed recommendations for project adjustments informed by citizen feedback. The survey results and the report will be shared by the project implementation unit and financial institutions and will inform the overall project implementation.

10.3. Objectives of the Public Consultation Plan

The overall purpose of public consultation plan is to provide a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues so that the project will be carried out effectively within project period to the satisfaction of all concerned parties. Generally, the objectives of public and stakeholders' consultation are:

- ✓ Develop and maintain avenues of communication between the project and stakeholders to ensure that their views and concerns are incorporated into WEDP AF design, implementation, and monitoring with the objectives of reducing negative impacts to enhance benefits;
 - ✓ Inform and discuss about the nature and scale of adverse impacts and to identify priorities of remedial measures for the impacts in a more transparent and participatory manner;
 - ✓ Include the attitudes of the community and officials who will be affected by the project so that their views and proposals are mainstreamed to formulate mitigation and benefit enhancement measures;
 - ✓ Understand the priorities and aspirations of stakeholders when implementing the proposed mitigation measures;
 - ✓ Increase public awareness and understanding of WEDP AF to ensure its acceptance; and
 - ✓ Inform to the concerned authorities about the impacts of the project, solicit their views, and discuss their share of responsibility for a smooth functioning of the overall projects activities.
 - ✓ Create common understanding on COVID-19 prevention in accordance with WHO and MOH protocols, and World Bank guidelines.

The environmental and social impact assessment reports of subprojects should be made available to the community affected by the subprojects activities, local NGOs, and will be publicly available in the borrowing country. In this regard, the FUJCFSA and DBE will be responsible in making the environmental and social impact assessment reports of subprojects of WEDP AF available to the community, local NGOs and other stakeholders.

The Ethiopian legislations and guidelines also address public consultation and disclosure. The Constitution itself specifies that "People have the right to full consultation and to the expression of their views in the planning and implementation of environmental policies and projects that affect them directly." However, these legislations and guidelines include neither clear requirements nor arrangements for consultation and disclosure, but rather recommendations. Moreover, Ethiopian legislations tend to be less stringent than World Bank policies with regard to consultation and disclosure.

Consultation will be conducted with key stakeholders as relevant throughout the life cycle the project. In the existing WEDP project cities, different stakeholders have been made alert about how to provide their concerns and grievances through the project GRM system. Similarly, in the upcoming new project cities, the project will introduce its GRM and the mechanisms how to submit grievances and concerns about subprojects financed by WEDP AF. Continued communications activities and community engagement through bazaars, and outreach services through TVETs, MFIs, and OSS will ensure the engagement of all stakeholders in project implementation.

From WEDP experience, the consultation process starts from developing a business plan for the MSE; which should also continue for WEDP AF subprojects. A participatory approach will be adopted as an on-going strategy throughout the entire planning and implementation of subprojects. Public participation and consultations will take place through community meetings and all aspects of the subproject including the anticipated environmental and social implications and mitigations will be presented publicly. The business planning and the community consultation will be held in accordance with the legal frameworks of the country and international agreements and protocols. Groups for community participation will be selected taking into account different variables, such as educational

status, cultural differences, ethnic differences, social classes, vulnerability and other. As indicated earlier, PIU, PMT, MFIs, and OSS are responsible for community consultations.

10.4. Checklist for Consultation and Participation during WEDP AF Implementation

In accordance with the purpose and objectives of the public consultation plan, checklists are used to solicit the views of different social groups and stakeholders on the implementation of WEDP AF. The checklists for public consultation include:

Identify and involve all stakeholders particularly those affected by the project in participatory consultative meeting.
Develop a participatory strategy for projects activities planning, implementation, and M&E.
List out detail of requirements for information dissemination and develop procedures.
Workout on the way of information dissemination Newspapers, posters, radio, television; Information centres and exhibitions or other visual displays; Brochures, leaflets, posters, nontechnical summary documents and reports; Official correspondence, meetings; Website, social media.
Involve stakeholders in decision-making at all stages of projects implementation.
Use and support Community Based Organizations (CBOs), and be sensitive to issues concerning community consultation and participation.
Establish procedures for grievance redress.
validate objectives and problem definition with participants;
describe the level and type of participation and consultation process to participants;
share expectations for the consultation process with participants and encourage participants to share their expectations;
determine the potential for a satisfactory resolution of the problem;
let participants express their points, without telling them what they think, know or feel (e.g., do not say “I know how you feel”, but rather say “I can see this is something that concerns you”);
understand how important the issue is for participants, and whether the conflict needs to be resolved or can be set aside momentarily;
separate the problem into components and develop solutions for each;
determine whether the implementing organizations are commitment to work with the other authorities on the issue; and
Determine whether participants are willing to explore alternative solutions.

10.5. Public Disclosure

The provision of access to relevant information for communities and other stakeholders helps them to understand risks, impacts and opportunities of WEDP AF. The ESMF Update will be disclosed in country and in the World Bank website. Besides, public disclosure will be made through billboard, banners, flyers, magazines, local FM radios, regional television channels etc. In compliance with the World Bank’s Public Consultation and Disclosure Policy, WEDP AF will make available copies of the ESMF at accessible places to the public to allow the public and other stakeholders to express their views and comment on the possible environmental and social impacts of the projects and the respective safeguards management to minimize or avoid the anticipated impacts. In this ESMF document, all comments and suggestions will be analysed by PMT and PIU, which shall prepare a final report for the WEDP AF and the World Bank. The report will be published and made available to the concerned groups and to interested bodies upon request.

11. Anticipated Environmental and Social Impact Assessment of WEDP AF Subprojects

Despite differences in scale, any macro, meso or micro level projects have their own potential social and environmental impacts. With this notion, the anticipated environmental and social impacts of

WEDP AF will be discussed hereafter in this section. An overview of the potential positive and negative environmental and social impacts of the Project will be examined to have a thorough understanding over risks in the implementation phase. These impacts alongside mitigation strategies will be discussed in the environmental and social management plan (ESMP) section.

11.1. Positive environmental and social impacts

WEDP AF is aspiring to give technology-based services instead of the traditional paperwork to the clients wherever they are located without the need to physically visit administrative premises, resulting in less vehicle driving and less pollution. For instance, the project intends to give business training for WEDP AF clients through e-learning, and MFIs are also encouraged to shift their system of work from manual to automation using innovative technology for their loan procedures. Reduced consumption of paper leads to preservation of natural resources and reduction of waste generation. Moreover, integration of environmental enhancements in the design of the Project can also result in environmental benefits. Potential environmental enhancements may include:

- ✓ Environmental health is part of the screening criteria;
- ✓ Clients will get training on waste management;
- ✓ Those clients who engage in animal husbandry will be encouraged to use animal manures for the production of energy through biogas technology;
- ✓ Clients will be encouraged to plant seedlings;
- ✓ Some solid wastes from subprojects are used as fuel which in turn reduce cutting trees for energy purpose; and
- ✓ Most of the subprojects hardly emit any GHG to the atmosphere.

On the basis of social assessment for WEDP AF, social conflict due to WEDP funded businesses is very rare although there is a possibility. Instead, enterprises that got loan from WEDP have created job opportunities for family members and others. According to WEDP National Project Coordinator, clients' enterprises created job opportunities on the average for three individuals. Particularly, those youths who are without job after graduation are now engaged in their families' business. Thus, the social conflict is minimal as compared with its job creation for those who were unemployed. Several WEDP clients have been successful in their businesses. This in turn encouraged more women to aspire for change and development.

Data from WEDP AF social assessment indicate that no WEDP client's enterprise is found working against the basic values and norms of the society. This will give assurance and confidence for WEDP AF to do more for Ethiopian women. On the other hand, WEDP AF is not only benefiting clients but there are also thousands who are providing inputs/ raw materials for the clients. This will lead to more employment on both the supplier and the WEDP clients side.

In many instances, WEDP has achieved its objective of making successful businesswomen who enhance their income and create job opportunities for several individuals. This contributed to women economic empowerment which may result in their improved social and political inclusion.

11.2. Potential negative environmental and social impacts

Due to the nature of subprojects under WEDP AF, the anticipated negative environmental and social impacts are not likely to be significant. The project does not involve activities that have a high potential for harming the environment and the people. The potential impacts from the subproject activities are expected to be temporary, reversible, low in magnitude, and site specific.

The anticipated environmental and social impacts of subprojects are mainly caused by the activities of the enterprises to scale up their performances using the loan from WEDP AF. Often, the scale up activities require the construction of workshop and display/sales rooms in new sites, or it might require the demolition and restructuring of the existing enterprises' workshops or selling rooms.

Hence, environmental and social impacts which will occur during the project implementation are a direct consequence of human presence and construction machines, as well as the execution of civil engineering, assembly, and construction works at a location. Pollutions that occur in the phase of reconstruction, rehabilitation, repair are temporary in their scope and limited in intensity although they can cause serious consequences in some cases. The anticipated environmental and social impacts of WEDP AF subprojects are briefly presented as follows.

a. Impact on soil and agricultural land

The activities of construction, repair or demolition to expand workshops or selling rooms of WEDP AF clients' enterprises may have impacts on soil and agricultural land. The impacts on soil and agricultural land are because of

- ✓ Physical damages to soil,
- ✓ Soil degradation,
- ✓ The emission of gases, dust, heavy metals, from construction machines and vehicles leading to the contamination of surrounding soil,
- ✓ Using land to dispose waste, and as temporary construction sites and temporary roads

b. Possible Water pollution

Water pollution is one of the anticipated environmental impacts of WEDP AF subprojects from the activities of construction or demolition to scale up the performances of their businesses. The water pollution can occur due to:

- ✓ Filling of riverbeds with construction material due to contractor's negligence, water contamination, water level rise or even complete clogging of the water course.
- ✓ Discharging diverse waste products (liquids, particles and solid waste) from construction site directly into riverbeds leading to water pollution spreading along the watercourse.
- ✓ Discharging used waters from the construction site into watercourses.
- ✓ Waste material, mechanical oil, fuel etc. can be disseminated by malfunctioning construction machines and vehicles or negligent personnel.

c. Air Pollution

An increased concentration of polluting substances, primarily dust and exhaust gases from vehicles is expected as a consequence of construction works. Dust, as a consequence of transport and execution of works (excavation, loading and unloading of material), exhaust gases emitted by construction machines and motor vehicles can cause a decrease in air quality in the zone of construction works during the works. Impact on air is expected in the area that is several hundred metres away from the location of works. However, a significant impact on local population is not expected. Thus, all impacts are closely related to the location of works and they are temporary with tendency to restore into original condition upon the termination of works.

d. Noise Pollution

It is evident that there will be noise pollution due to construction or reconstruction activities of WEDP AF subprojects respective sites. Noise and vibrations can occur as a consequence of:

- ✓ execution of works at the location,
- ✓ activity of construction workers, and
- ✓ movement of vehicles and heavy construction machines.

e. Impacts on Flora and fauna

The natural settings of the flora and fauna which exist around the construction sites will be affected by different pollutants that comes out of the construction activities. The flora and fauna can be impacted because of:

- ✓ Emissions from trucks and construction machines have negative impacts on vegetation around the construction site;
- ✓ Disturbance of wildlife and other animals due to increased noise and human presence.

f. Community Health and safety

The construction and the demolition activities can disturb the nearby community in different ways. The dust that comes out of the excavation and demolition activities will affect the neighbouring community. If the construction is during the rainy season, the mud from excavation activity will potentially impact the local community. The uncontrolled positioning of the construction materials near residential units can also lead to disruption of communication roads. Moreover, there will be a deterioration of quality of life during the construction works through increased noise and vibrations.

g. Solid and liquid waste

During the social assessment fieldwork, different WEDP businesses such as hotels, garments, woodwork, retailers, boutiques, pension, pizzeria, coffee houses, restaurants, beauty Salon and others are critically reviewed about their waste management system. Accordingly, most of the WEDP clients' enterprises are found discharging the solid and liquid waste in accordance with the Ethiopian legal frameworks and World Bank Operational Policies. They discharge liquid waste to the septic tanks and from there the municipality removed the waste to the areas prepared for this purpose. Similarly, solid wastes are collected and removed by the enterprises that are working on sanitation in each project city and satellite towns. The solid wastes are removed or damped in the area where the municipality prepared to serve this purpose. However, although the magnitude of the environmental pollution is assumed to be low, few enterprises were found discharging their liquid wastes to open fields and ditch that finally end up to the rivers. Despite the limited scope of the discharge, the liquid wastes which come out of these MSEs may have adverse effect on the flora and fauna of the area. Similarly, there are few clients who carelessly throwaway solid wastes like plastic bottles and bags to open fields. These plastic materials would potentially pollute the environment.

h. Impacts on cultural and historic heritage

If cultural and historic values are located in the zone of works, they can be jeopardised with construction works. If during the works the contractor finds archaeological sites or archaeological objects or natural goods of geological and paleontological or mineral-petrographic origin, which are assumed to have a capacity of natural monument, the contractor is obliged to immediately disrupt works and notify to the concerned local or regional officials.

i. Inaccessible loan schemes for the poor

The main beneficiaries of the WEDP loan are those women who came from the middle class. The upper class are the well to do and they do not need this loan. The middle class are beneficiaries because they lack the financial capital for their business but they have the required property as collateral or can have the opportunity to get guarantors. However, women from the lower class (the poor and the poorest of the poor) are in need of the loan but they do not have properties for collateral and they also lack access to get guarantor.

j. Conflict because of WEDP businesses

From the social assessment fieldwork, it is observed that social conflict is less likely because of WEDP clients' enterprises. However, in rare cases there appeared social conflict because of WEDP financed business. For instance, in Dire Dawa, a woman who engaged in woodwork was in conflict with the neighbours. Accordingly, the neighbours accused of her business being disturbing and polluting the environment with noise, chemicals odour used for production, and the dust that comes out of the woodwork. Finally, the issue was settled in the court and the WEDP client was forced to relocate her business to another site. Although social conflict is less likely because of WEDP clients' enterprises,

however, their businesses are greatly affected by the social unrest occurred in WEDP project cities. These unrests seriously damaged the businesses of the WEDP clients.

k. Sexual exploitation and abuse, sexual harassment, and gender-based violence

Data from field observation and interview indicate that women and girls who are employed in WEDP clients' enterprises are subjected to sexual exploitations and harassments. Girls who are working in WEDP clients' enterprises explained that their monthly salary is too small which ranges from 1000 to 2000 ETB before tax although they are working more than eight hours a day and those who are employed in service giving enterprises like hotel and cafeteria are working for the entire weekdays.

Besides the exploitation of their labour with small salary, they are also insulted and warned by their respective bosses for minor faults. For instance, waiters whom the boss thought is not properly handling customers will be insulted and warned. Moreover, if a tea or coffee cups are broken accidentally from the hands of the waiters, the cost will be deducted from their salary. But with all these odds, the women and girls continue to work in the enterprises.

l. Child labour

Officials of MSEs agents, WEDP coordinators, and WEDP clients explained that often women are running small businesses that require family labour. Accordingly, there is a tendency of using child labour in WEDP clients' enterprises. During the fieldwork, under eighteen teenage girls were found working in beauty salon, boutique, and pizzeria at Mojo, Dire Dawa, and Bahir Dar, respectively.

m. Occupation health and safety conditions

Although, WEDP clearly stipulates that there is a need to comply with occupational health and safety (OHS) requirements of the country, the prevalent OHS conditions in some MSEs is inadequate. Lack of sufficient lighting and working space, appropriate ergonomic conditions and inadequate proper safety equipment are some of the challenges that can be cited in this regard. Access to safe drinking water and sanitation conditions can also be limited in some MSEs.

National requirements on health and safety for workers are covered under the WEDP ESMF which covers the identification of potential hazards, provision of preventive and protective measures, documentation and reporting of occupational accidents, diseases and emergency prevention and preparedness and response arrangements. Health and safety requirements will be assessed and bolstered as needed to address COVID-19 specific considerations.

n. COVID-19

There is a risk of exposure to COVID-19 for WEDP clients through their interactions with MFI staffs and group training contexts. The project provides measures to minimize the risk of COVID-19 in financing and training activities for project beneficiaries and the project management structures. All WEDP businesses are encouraged to comply with GoE social distancing policies and procedures in place. The project team has conducted two waves of surveys to evaluate the impact of COVID-19 on project beneficiaries.

The project team will continue to conduct survey rounds to provide ongoing feedback on the WEDP businesses and support needed. While exposure to COVID-19 or other diseases as a result of project activities is not expected to be significant, the interim guidance on COVID-19 will be incorporated in the project operations planning and activities to the extent feasible, in an evolving situation.

All workers to be hired under the subproject will operate under the provisions of the national law relating to Covid-19 protocols. To mitigate the risk of contracting COVID-19 the project has strongly emphasized the importance of complying with OHS requirements as set out by the GoE and WHO

guidelines.

11.3. Environmental and Social Impacts Mitigation Strategy

The Environmental & Social Management Plan (ESMP) identifies feasible and cost-effective mitigation measures that reduce potential adverse environmental and social impacts to acceptable levels. The plan includes compensatory measures if mitigation measures are not feasible, cost-effective, or sufficient. Specifically, the ESMP (a) identifies and summarizes all anticipated adverse environmental and social impacts; (b) describes with technical details each mitigation measure, including the type of impact to which it relates and the conditions under which it is required (e.g., continuously or in the event of contingencies), together with designs, equipment descriptions, and operating procedures, as appropriate; (c) estimates any potential environmental and social impacts of these measures; and (d) provides linkage with any other mitigation plans (e.g., for involuntary resettlement, indigenous peoples, or cultural property) required for the project.

Summary of potential WEDP AF subprojects' environmental and social impacts mitigation strategy

Impact	Level of impact	Mitigation strategy	Responsible agencies	Remark
Soil and agricultural land	Low	Damp the soil and stones excavated during construction in the area where the municipality prepared for this purpose Use the formal route of the vehicle to damp excavated soil and other wastes of the construction	PIU PMT MFIs MSEs	The impact on soil and land is low because the construction or reconstruction activities will be completed in short period of time
Water pollution	Medium	Construction wastes should not be damped to riverbeds waste products (liquids, particles and solid waste) should be damped to the area where the municipality arranged for this purpose	PIU PMT MFIs MSEs	
Air pollution	Low	sprinkling the ground with water to minimize the dust that comes out during the construction avoid construction during rush hour avoid using machines for minor activities that can be done with human labour	PIU PMT MFIs MSEs	
Noise pollution	Low	avoid using machines for minor activities that can be done with human labour Reduce the movement of vehicles	PIU PMT MFIs MSEs	
flora and fauna	Low	Reduce the gas emission be reducing the movement of vehicles and the use of machines Mange sounds from the machines, vehicles, and wage labourers	PIU PMT MFIs MSEs	
Settlements and population	Low	sprinkling the ground with water to minimize dusts if the construction is underway in dry season Minimize mud if the construction is going on during rainy season Manage sounds from vehicles, machines and wage labourers	PIU PMT MFIs MSEs	
Solid and liquid waste	Medium	Collect liquid waste in septic tanks and then remove to a place where the municipality prepared for this purpose Damp solid waste to a place prepared for this purpose	PIU PMT MFIs	

			MSEs	
Cultural and historic heritage	Low	Collect information from the local community about the nature of the site Use more of human labour instead of machines Reduce the movement of vehicles	PIU PMT MFIs MSEs	
Inaccessible loan for the poor	High	WEDP AF should come with new loan schemes to reach to the lower-class women Special loan with minimum threshold should be arranged for the poor and the poorest of the poor women	PIU PMT MFIs	WEDP AF should discuss with DBE to reach to the lower-class women
Conflict due to WEDP funded subproject	Medium	MFIs should critically examine subprojects social and environmental impacts before loan approval	PIU PMT MFIs	
Sexual exploitation and abuse, sexual harassment, and gender-based violence	Medium	The entrepreneurship training of WEDP AF should include SEA, SH and GBV Spot check should be made by DBE safeguard experts together with MFIs and project cities officials of MSEs agents	PIU PMT MFIs	
Child labour	low	WEDP clients should be trained about the illegality of the use of child labour and World Bank standards	PIU PMT MFIs	
OHS	High	Awareness creation for WEDP clients Regular supervisions on OHS	PIU PMT MFIs	
COVID-19	Medium	Making COVID-19 protection plan as one screening criteria of subprojects loan Include COVID-19 prevention on WEDP clients training	PIU PMT MFIs	

12. Environmental and Social Management Plan (ESMP)

The Environmental and Social Management Plan (ESMP) will provide basic guidelines to implement technically and economically feasible subprojects alongside with the required measures that could reduce or avoid their possible negative environmental and social impacts. The environmental and social management planning and implementation under WEDP AF will be guided by the following principles:

- The subproject planning process will be made in consultation with communities to avoid or minimize negative social and environmental impacts;
- The Project Implementation Unit (PIU) under FUJCFSA and Project Management Team (PMT) under DBE will ensure the implementation of the ESMP;
- Awareness creation training on social and environmental safeguard should be given to the city MSEs agents, OSS, local EFCCC, and other stakeholders in the upcoming WEDP AF cities upon the immediate commencement of project. Depending on the availability of budget, the training can be delivered two times for the duration of the project: at the beginning and in the midterm. However, the training at the commencement of the project in the new cities should be made mandatory. of the PIU is responsible for coordinating and organizing the training.
- Project planning and implementation should integrate appropriate Environmental and Social Management Principles;
- The MFIs are responsible for the social and environmental safeguard assessment and approval of sub-projects. However, if MFIs are unsure of the environmental risk of a certain subproject, they can consult EFCCC counterparts at the city or regional level;
- Sub-projects with little or no significant social and environmental risks should be selected for WEDP AF. and
- Project implementation will be supervised and monitored at the city levels. MFIs in collaboration with the MSEs agents will ensure that the specified mitigation measures are implemented.
- An Environmental and Social Management Plan (ESMP) is focused on identification of impacts and the respective measures to be implemented over the project implementation phase. The ESMP ensures the project impacts are minimized to an acceptable level during the implementation of the subprojects under the WEDP AF. The ESMP includes the following elements:
 - Screening mechanism, which provides the basis for screening eligible activities for funding,
 - Management system, which reflects the implementation mechanism of ESMP and the mitigation plan,
 - Roles and responsibilities, which assigns for the realization of measures on impact reduction and monitoring,
 - Environmental and social management plan that includes the list of mitigation measures and monitoring, and
 - Monitoring mechanism which stipulates parameters subject to measurement, monitoring methods to be applied, places of supervision, frequency of measurements, if required.

12.1. Environmental and Social Monitoring Plan

Environmental and social monitoring during the project implementation provides information about key environmental and social aspects of the project, particularly the environmental and social impacts of the project and the effectiveness of mitigation measures. Such information enables the Implementing Agencies (DBE and FUJCFSA) and the Bank to evaluate the success of mitigation as part of project supervision, and allows corrective actions to be taken when needed. Hence, the objectives of Environmental and Social Monitoring are:

- i. To alert project authorities by providing timely information about the success or otherwise of the environmental and social management process outlined in this ESMP in such a manner

that changes can be made as required to ensure continuous improvement to WEDP AF environmental and social management process (even beyond the project life).

- ii. To make evaluation in order to determine whether the mitigation measures incorporated in the technical designs and the ESMP have been successful in such a way that the pre-project environmental and social condition has been restored, improved upon or is worse than before and to determine what further mitigation measures may be required.

The social and environmental monitoring will be carried out in accordance with the ESMP and other safeguard instruments prepared by each subproject. WEDP AF monitoring will investigate:

- ✓ whether different safeguard instruments are prepared, reviewed, and approved;
- ✓ the quality of the safeguard instruments prepared;
- ✓ the implementation of the mitigation measures identified and planned in the safeguard instruments;
- ✓ the participation of the community and other stakeholders in all these process;
- ✓ the capacity building process;
- ✓ the reporting process; and
- ✓ the effectiveness of GRM; and others.

The FUJCFSA and DBE, are responsible to monitor and ensure the implementation of all requirements set forth in the ESMP. To ensure compliance each subprojects with the Environmental and Social Management Plan, a Safeguard Monitoring Team composed of World Bank Environmental and Social Safeguard Specialists, DBE's Safeguards Specialists, and M&E Specialist from Federal Urban Job Creation and Food Security Agency will conduct supervision on subprojects twice a year. The Safeguards Monitoring Team will supervise sample MFIs and WEDP AF clients. The team will audit the screening procedures and checklists of the MFIs that are used to screen WEDP AF subprojects for their environmental and social impacts. The team also makes spot checks in the clients' enterprises to examine the status of occupational health and safety measures, and their mitigation strategies for social and environmental impacts of the subprojects. The Safeguard Monitoring Team will prepare monitoring report based on field data biannually.

The monitoring reports will contain details on supervision of potential environmental and social impacts and report on implementation of ESMPs for the sample subprojects that are required to prepare ESMPs. Through this report the Safeguard Monitoring Team will verify whether or not environmental and social requirements have been met. If the requirements have not been met, the monitoring team will provide recommendations for further action to ensure compliance.

12.2. Environmental and Social Monitoring Indicators

Various environmental and social monitoring indicators and parameters can be used to track the performance of the ESMF of WEDP AF. The indicators to be used to monitor WEDP AF ESMF implementation include the following, but not limited to:

- ✓ Number of field appraisals conducted;
- ✓ Number of ESMPs developed;
- ✓ Number of written warnings of violations of ESMPs issued to subprojects;
- ✓ Number of recommendations provided from the WB missions, annual review and monitoring and those recommendations that have been successfully implemented by the beginning of the following year;
- ✓ Number of subproject staffs, by sex, trained regarding the implementation of this ESMF and other safeguards instruments;
- ✓ Number and percentage of subprojects for which environmental and social issues are integrated into the project cycle;
- ✓ Environmental and social screening checklist filled or not;

- ✓ Environmental enhancement and adverse impact mitigation measures mentioned in Environmental and Social Management Plan have been incorporated and considered during project planning, design and site selection;
- ✓ Implementation of the mitigation measures identified and planned in the ESMP;
- ✓ Places for collection of construction materials (quarry sites, borrow pits), collection/operation method and its environmental consequences;
- ✓ Disposal method, site of spoil and construction wastes disposal and its environmental and social consequences;
- ✓ landslide, soil erosion and slope instability due to construction activities;
- ✓ Impact on water quality and disruption of natural water courses, drainage work and its consequences;
- ✓ Provision of appropriate compensation for land acquisition and property losses, and their proper documentation; and
- ✓ Impact on aquatic life in downstream of the water source from which water is diverted for irrigation purpose.

12.3. ESMP Implementation Arrangements and Responsibilities

For all WEDP AF subprojects, a PIU under the FUJCFSA and PMT under DBE are responsible to carry out planning, implementation and monitoring activities. WEDP AF, under its Access to Finance Component will train environmental and social safeguards specialists from members of the Project Management Team (PMT) under DBE to enhance the project's capacities. These specialists are responsible for ensuring the implementation of WEDP AF according to the environmental and social safeguard policies of Ethiopia and the World Bank. The safeguard specialist from DBE is also responsible in analyzing ESMF checklists and monitoring the compliance of subprojects. The PIU will also work with MFIs and MSEs and:

- Deliver safeguards awareness training;
- Ensure screening checklists are properly completed and documented;
- Confirm that enterprise activity designs and specifications contain environmental and social safeguards checks and considerations;
- Confirm subproject proposals to include mitigation actions where needed and monitoring responsibilities are clarified; and
- Organize on job training for WEDP clients, PMT, PIU, and MFIs about safeguards, monitoring, inspection, and information analysis.

The effective implementation of the Environmental and Social Safeguards requires the commitment and ownership of various actors. The existing WEDP project has more or less a committed project implementation unit and robust strategies, structures and tools in place to implement the Environmental and Social Management Framework. These good practices will continue in WEDP AF. Through this system, MFIs, under the supervision of the Development Bank of Ethiopia (DBE), are responsible for ensuring that all subproject activities are screened at the time of loan application using a checklist to determine compliance with ESMF requirements, and to exclude subprojects which have significant adverse environmental and social risks and impacts. The PIU has developed and disseminated a brochure on ESMF guidelines, translated into Amharic, to create awareness for clients and partners. To further strengthen the screening of subprojects, the PIU will consult the regional Environment, Forest and Climate Change Bureau on the project's existing screening processes and will involve it in training and monitoring visits to ensure sustainable social and environmental management and assessment.

12.4. Environmental and Social Audit

An independently commissioned environmental and social audit will be carried out by the end of each fiscal year. Annual Audit of the ESMF implementation will be undertaken by independent external

consultants. The Audit, amongst other things, will assess the performance of the project activities against safeguards procedures described in this ESMF, the need for future training, and existing status of implementation of environmental and social safeguards measures to address the corresponding impacts due to implementation of WEDP AF.

The Annual Audit provides a strong feedback for FUJCFSA, DBE, and World Bank whether the project ESMF including the ESMP and other safeguards instruments are implemented as recommended. An Annual Audit Report will include a summary of the environmental and social safeguards performance of WEDP AF based on the project ESMP and measures indicated in the ESMF; the compliance and progress in the implementation of the project ESMP; and a synopsis of the environmental and social monitoring results from subproject monitoring measures.

The main tasks of the audit are, but not limited to:

- Description of the project, Objective, Scope and Criteria of the Audit;
- Verify the level of compliance by the proponent with the conditions of the environmental social management plan;
- Evaluate the proponent's knowledge and awareness of and responsibility for the application of relevant legislation;
- Review existing project documentation related to all project facilities and designs under WEDP AF;
- Examine monitoring programs, parameters and procedures in place for control and corrective actions in case of emergencies;
- Examine records of incidents and accidents and the likelihood of future occurrence of the incidents and accidents;
- Inspect areas where subprojects equipment and materials are stored and disposed and give a record of all significant environmental and social risks associated with such activities;
- Examine and seek views on health and safety issues from the subproject staffs, the local and other potentially affected communities; and
- Prepare a list of health, safety, environmental and social including gender concerns of past and on-going activities.

12.5. Capacity Development and Training Needs

For the effective implementation of the contents of the ESMF, WEDP AF will focus on training and capacity building for implementers and beneficiaries. The project should conduct annual awareness trainings on the ESMF for the relevant stakeholders such as, MFIs, FUJCFSA, DBE, local EFCCC and participating training institutions. The WEDP team has designed a module based on the content of the ESMF with a focus on occupational health and safety that is included in the existing WEDP entrepreneurship training for clients, and has been delivered for about 22,000 entrepreneurs to date. The same module with minor modification will be used for WEDP AF entrepreneurship training. The training program of environmental and social assessment of MSEs will be included in the Technical Assistance component under the Access to finance Component. In order to make the credit facility effective, participating micro finance institutions (PFIs) will receive a mandatory, specific, high-quality, technical assistance by an international consulting firm to help build capacity in Business Plan assessment, and individual lending/financial services to female-run MSEs before any credit is given. The technical assistance facility will help the PMFIs in developing and executing a plan for absorbing and applying international best practices and credit technologies. This capacity building will enable MFIs officials and staff to serve female MSEs owners effectively. The training will include assessing MSEs business proposals, environmental and social impacts, individual lending provision, gender-sensitive customer care, and developing suitable financial products for the target group.

Capacity building intervention in the form of training and facilities are essential for OSS and TVETs/polytechnic colleges. WEDP has made capacity building interventions for participating training institutions and OSS centers where WEDP is active. However, data from the WEDP AF social

assessment indicate that both the existing and the upcoming projects are looking for capacity building interventions. OSS centres and TVETs/polytechnic colleges from the existing project cities claimed material support stating the facilities they got from WEDP have already worn out. Thus, they are looking for a second time material support in the form of computers, laptops, printers, photocopy machines, motorcycles, etc. Similarly, they explained the need for refreshment training asserting that they took the training eight years ago. Equally, in the upcoming project cities the OSS, training institutions, and MFIs claimed capacity building intervention in the form facilities and training. Although capacity building interventions are relevant for both the existing and upcoming project cities, priority should be given to the WEDP AF new projects cities. Capacity building interventions in the form of facilities and training are also important for the emerging regions. Nevertheless, the entire scope of the capacity building intervention should depend on the financial capability of WEDP AF. The capacity building intervention should be made by WEDP PIU, DBE, and FUJCFSA.

The training for OSS should include how to make the outreach service, and data management. Similarly, the training institutions should get training on how to treat female trainees and also the contents of the modules. WEDP AF clients should also be trained about environmental and social safeguards by the training institutions.

12.6. COVID-19 Specific Risk Considerations.

COVID-19 is a highly infectious disease that is spread mostly through respiratory droplets and particles produced when an infected person exhales, talks, vocalizes, sneezes, or coughs. COVID-19 is highly transmissible and can be spread by people who have no symptoms. Particles containing the virus can travel more than 6 feet, especially indoors, and can be spread by individuals who do not know they are infected.

WEDP clients have engaged in different trading sectors such as, service, manufacturing industry, textile and garment, beauty and fashion, etc. Those clients who have involved in the service sectors like hotel and merchandise should encourage their customers to use masks, sanitizer, alcohol and to maintain social distance to get services. For instance, they should post the common COVID-19 prevention motto, “No Mask, No Services” in different location of their business house. Besides, MSEs should also make available water and sanitary materials for their customers. Workers who have been working in service giving sectors are liable to the risks of COVID because of their frequent contacts with different people. Hence MSEs should protect their workers through providing PPE (masks, sanitizer, alcohol, water and other sanitary materials).

Employers should implement COVID-19 Prevention Programs in the workplace. The most effective program engages workers and their union/representatives in the program's development, and include the following key elements: conducting a hazard assessment; identifying a combination of measures that limit the spread of COVID-19 in the workplace; adopting measures to ensure that workers who are infected or potentially infected are separated and sent home from the workplace; and implementing protections from retaliation for workers who raise COVID-19 related concerns.

Hence, MSEs should submit their COVID-19 prevention strategies in accordance with WHO and MOH protocols. The template for OHS include section for COVID-19 mitigation measures which will be filled by the proposed subprojects. This should be taken as one of the criteria for the screening of the subprojects and it will be part of the monitoring and evaluation. Accordingly, each of WEDP AF client's enterprise should follow strictly the workplace response of COVID-19 adopted by MOLSA. The COVID-19 workplace responses protocol adopted by MOLSA include:

- Ensure availability of water and sanitary materials
- Provide adequately protecting masks with the necessary training how to use them

- Establish a taskforce led by the head of the enterprise to follow up and monitor COVID-19 prevention and mitigation
- Identify rooms where workers are in close contact and take measures to stop or change the practice.
- Eliminate congestion in workers' transportation services, take the necessary hygiene precaution and make sure that windows are opened during travel
- Provide information about COVID-19 safety measures in writing, pictures or audio/video in languages that workers understand
- Reduce the number of workers using cafeteria at a time to maintain physical distancing, by extending the service time.
- Avoid face to face meetings but conduct communication by means of internet/email or telephone

Similarly, in response to COVID-19, WEDP AF should resort to e-learning in building the capacity of MFIs, WEDP AF clients, OSS centers, training institutions, and city MSEs officials. If e-learning is not applicable for WEDP AF clients, small number of trainees not more than twenty in standard classroom should take their training.

12.7. Impacts of COVID-19 on MFIs

As stated in the PAD, MFIs that are disbursing funds from the WEDP line of credit are also struggling because of the effects of COVID-19. A study commissioned by the task team found that all MFIs except one reported a significant deterioration in portfolio health, with the average portfolio in arrears (PAR90) rising from 4.2% in February to 6.3% in August. Since a large number of MFI clients are from rural areas that have been largely spared by the pandemic to date, the impact on the MFI's WEDP portfolio (which serves urban borrowers with larger loans) is more dramatic still, rising from 2% to 5.6% over the same period. An earlier study by the Association of Ethiopian MFIs (AEMFI) comes to similar results. These findings also align with the WEDP survey cited above, which found that only 40% of firms with outstanding loans were able to make their most recent payment on time. Lastly, the challenges facing Ethiopia's MFIs mirror broader concerns expressed by CGAP and industry experts regarding the threat COVID-19 poses to the global microfinance industry, and to smaller MFIs in particular.

On the other hand, COVID-19 might have far reaching consequences on the MFIs. Most MFIs have given a three-month grace period of payment for WEDP clients and few extend it up to six months. However, most of the MFIs claimed their loan immediately with the lift of the three months' state of emergency declared by the government. Some of the clients complained that the MFIs did not give them enough time to recover their business from the pandemic. These will result in the loss of clients' confidence on the MFIs. For instance, data from the fieldwork for WEDP AF social assessment indicate that in a sample phone survey conducted in two sub cities of Addis Ababa (Gulele and Kirkos), about 122 WEDP financed businesses are either fully or partially closed. Of which, 45 of them were totally closed and 77 of them are partially closed during the lockdown. Day-cares, schools, hotel, cafés, fast food shops, beauty salons, garment and textiles etc. are businesses seriously affected by the pandemic. However, the MFIs, did not take any measures to make these business on track, rather, they claimed their loan while these businesses were struggling for survival. In some instance, they also claimed the collaterals of the clients provided for the MFIs to get loan. Therefore, these clients lost their confidence on the MFIs; and some clients bitterly uttered that they will not take any loan from the MFIs. Hence, in collaboration with WED AF project office, DBE, and FUJCFSA, the MFIs (their association) should work once again to rebuild the confidences of the clients. The project management team (PMT) under DBE should coordinate the promotion activities to rebuild clients' confidences. Taking lesson from the COVID-19 pandemic, MFIs should have a contingency plan to rescue their clients from loss of businesses.

12.8. Implementation plan

The implementation plan is a tool that facilitates the execution of major activities which should be effected on the given period of time for the effective and timely implantation of the entire project. It is the details of the implementation process into smaller steps, while defining the timeline, the teams and the resources that will be needed for execution. The WEDP AF will phase out by 2024. Therefore, to facilitate, the implementation of the project in the given period, major activities of WEDP AF will be executed as indicted in the table below. Besides the timeline of execution, the implementation table also show the implementers and the indicative budget for executions.

Implementation Plan

No.	Major Issues of ESMF	Implementation period/Duration	Implementers/response	Budget ²	Source of budget
	Public consultation	Throughout the project implementation	DBE, FUJCFSA(PIU & PMT)	2 million USD	Component 3
	Training on ESMF	August to September, 2021	PIU, PTM & WEDP	3 million USD	Component 2
	WEDP-OSS guideline training (including GBV/SEA/OHS)	August to September, 2021	DBE & WEDP	3 million USD	Component 2
	Awareness creation training	August 2021	DBE, FUJCFSA, & WEDP	2 million USD	Component 3
	Screening WEDP AF clients	Throughout the project implementation	DBE & MFIs	n/a	
	Capacity building trainings	September to November, 2021	WB, DBE, FUJCFSA,& WEDP	3 million USD	Component 2
	Social and environmental audit	Annually in December as of 2022,	Consultants	2 million USD	Component 3
	GRM review	Quarterly review from January, 2022 to December, 2024	DBE, FUJCFSA, & WEDP	2 Million USD	Component 3
	Public disclosure	Throughout the project implementation	DBE & FUJCFSA	2 million USD	Component 3
	Monitoring and evaluation	Biannually on June and December as of 2022	DBE, FUJCFSA, & WB	2 million USD	Component 3

² Preliminary estimate to be adjusted as required

13. Grievance Redress Mechanism

A grievance redress mechanism (GRM) is a set of arrangements that enable local communities, employees, and other affected stakeholders to raise grievances on WEDP AF and seek redress when they perceive a negative impact arising from the project activities. It helps to mitigate, manage, and resolve potential or realized negative impacts, as well as fulfil obligations under international human rights law and contribute to positive relations with communities and employees. GRMs have been operated with varying degrees of success.

Under the WEDP AF, the GRM will be strengthened and expanded to better serve communities by leveraging the existing public grievance management system. The GRM will be more accessible to local communities, subproject workers and other stakeholders to allow for a clear communication channel for any individual or group of people who believe that they have been adversely impacted by the activities of WEDP AF businesses. The PMT and PIU in collaboration with concerned Regional Urban Food Security Agency (ReUJCFSA), city MSEs agencies, MFIs and TVET agents will make the public aware of the GRM through different awareness creation forums and outreach services. Contact details in support of the mechanism will be publicly disclosed and posted in the enterprises and participating financial institutions. These will also be incorporated in the WEDP AF information materials (e.g. reports, magazines, brochures, flyers and posters). All grievances will be monitored and reported on a quarterly basis.

13.1. Gender Based Violence (GBV)

PIU will provide periodic training to ensure all workplace concerns are being addressed effectively through the GRM. The project team (PIU and PMT) will suggest the incorporation of a code of conduct to be signed between workers and the MSEs' to govern the behaviour of workers through standard requirements, including addressing risks of GBV, or SEA/SH.

The project team will work with the Bank's GBV experts on designing an appropriate SEA/SH statement and GRM response mechanism. The project will bolster the current GRM process to include specific responses in relation to SEA/SH and train staff accordingly. The public GRM will be leveraged to better reach the WEDP communities and cover gender issues and sensitivities. The WEDP GRM will be expanded to cover gender issues and sensitivities and staff working to monitor and address reported issues will be trained to deal these issues. The project will identify GBV service providers to effectively respond in case of incidents of SEA/SH and build this into the existing GRM.

13.2. Guiding Principles of GRM

The core guiding principles of GRM include:

- ✓ **Legitimacy and objectiveness:** its governance system is widely perceived as independent of the conflicting parties.
- ✓ **Accessibility:** the grievance provision mechanisms should be easily accessible for any person or organization that have complaints on WEDP AF subprojects. Individuals who have wish to submit grievance, complaints or concern should not be deterred because of barriers such as language, cost, fear of reprisal, being illiterate, etc.
- ✓ **Predictability:** it offers a clear procedure with time frames for each stage and clarity on the types of resolutions/verdicts.
- ✓ **Fairness:** its procedures are widely perceived as fair, equitable and unbiased, especially in terms of access to information and opportunities for meaningful participation in the final decision.
- ✓ **Responsiveness:** Complaints are acknowledged in a timely manner, addressed promptly and according to order of urgency, and the complainant is kept informed throughout the process with an opportunity to appeal against the final order if he/she is unsatisfied
- ✓ **Rights compatibility:** its outcomes consistent with applicable national and international standards;

- ✓ **Cultural appropriateness:** the design and operation of the grievance mechanism should consider cultural differences, and the broader social and institutional environment while adhering to legal and constitutional obligations
- ✓ **Social Inclusion:** a multiple channel modality promotes an equitable participation of all, particularly inclusion of the poor and marginalized. There must be multiple platforms available to citizens to submit grievances either orally, electronically or in written form in their native language.
- ✓ **Transparency:** its procedures and outcomes should be transparent enough to win the public trust.
- ✓ **Confidentiality:** privacy for complainants should be honoured i.e. the personal information of the complainant should be kept confidential and only used for the purposes of addressing the complaint and follow up actions.
- ✓ **Capability:** implemented with adequate technical, human, and financial resources to deal with the issues at stake or regularly review and act upon grievances data, trends and systemic issues; and
- ✓ **Feedback:** serves as a means to channel citizen feedback to improve project design, implementation, and outcomes.

13.3. Procedures of GRM

The PMT and PIU, in collaboration with ReUJCFSA, MSEs agencies, MFIs and TVETs will ensure the effective use of the national GRM that allows any person to submit his/her complaints or concerns regarding the activities of the WEDP AF subprojects. Consequently, the reception of complaints should be acknowledged and resolutions and feedback will be followed accordingly. Multiple levels of structures include: Kebele Grievance Redressing Council (KGRC), Woreda Grievance Redressing Office (WGRO), Regional Grievance Redressing Mechanism (RGRM), and the different levels of court system as last resort.

The grievance handling process shall also consider the customary conflict resolution mechanisms that are widely practiced within the communities of respective WEDP AF project cities. The customary institutions will play pivotal role in resolving disputes that can be occurred because the activities of WEDP AF subprojects by realizing the historical and existing societal realities.

When informal dispute resolution as well as the OSS and hotline system has not sufficiently delivered a resolution, the complainants may submit grievances to KGRC. The KGRC is composed of five individuals from elderly people, women, youth and religious leaders. The representative of the kebele administration council will serve as a focal point for receiving and recording grievances. If the appellant is not satisfied with the verdict of the KGRC, he/she will take the case to WGRO. The wereda level office either approve the verdict given by KGRC or nullify and give new decision. However, if still the complainant is not yet satisfied to the resolution, he/she can take the issue at regional level and beyond, particularly to the court system. The GRM procedures at all level of structures shall follow at least six procedures: uptake, screening and assessment, resolution process, response, implementation, and monitoring.

i. Up-take

Receiving and registering grievances is the first stage which is performed by the grievance officers or focal persons, as appropriate. Multiple uptake-channels of entry should be available, including face-to-face meetings, written complaints, telephone conversations, hotline system, SMS, and e-mail to avoid risks of stigmatization, rejection and reprisals particularly against the vulnerable and survivors of GBV, and SEA/SH. The GRM should assist GBV survivors by referring them to GBV Services Provider(s) for support immediately after receiving a complaint directly from a particular survivor. The complainant has the right to remain anonymous. The grievance officer/focal point shall provide a complainant with a written testimony on the spot acknowledging the receipt and detailing the next step it will take. Complaints should be submitted free of charge or with negligible amount of cost in

the form of charge incurred for telephone/cell phone, email or SMS and this should be made clear to the local community through different channels of communication.

ii. Screening

Screening of complaints encompasses determining of the illegibility of complaint such as, whether the matter is within the competence of Public Grievance Redressing Mechanisms (PGRM) organs or not. It also includes checking exhaustively the available resolutions including referring the matter to higher level PGRM structures.

iii. Resolution Process

The grievance officer sets forth a resolution approach based on the outcome of the independent assessment or screening results. A resolution approach is the proposal in which the complainant and subproject or other WEDP AF structure come together to discuss on the proposed resolution from the independent assessment. Upon discussion between the conflicting parties, the resolution should be moulded into an acceptable solution for both parties. This process should be minute and will be made available upon request.

iv. Response

Following the investigation, the grievance officer or focal person formulates a written response on the decision and resolution process. A response will include: a) the complaint and issues that are taking into consideration in the response, b) the view of each party about the issues, c) the rationale for the decision, d) the decision and approach to resolution. All responses are reviewed and approved by the head of the grievance offices, as the highest responsible officer for grievance in the respective PGRMs. Either party may appeal against any final judgment rendered by the subordinate PGRM structures.

v. Implement

The PGRMs will work with the public to find a positive way forward and to take ownership of the issue and the solution. If unacceptable solution is found, the grievance officer makes an outcome report of the proposed resolution and the report will be conveyed to the complainant and all other parties. Then, complainant can choose submitting an appeal to the higher level.

vi. Monitor

Monitoring and evaluation is a process that helps to improve performance and achieve results. Monitoring and evaluation are used for measuring the effectiveness of the GRM and the efficient use of resources. Monitoring helps to identify recurrent claims that may require structural solutions and enables the project to capture lessons learned in addressing grievances. Monitoring and reporting also create a base level of information that can be used by the project to give information back to communities.

The Project Implementing Agencies at the federal, regional, kebele, and woreda levels shall form a monitoring team and conduct periodical monitoring mission to track the implementation of GRM. It is imperative to establish clear indicators while evaluating the performances of the PGRM. Some of the possible indicators include:

- number of established functional PGRMs at different levels;
- number of complaints registered;
- number or percentage of complaints resolved;
- percentage of grievances addressed in set time frame;
- percentage of grievances handled with OSS/hotline/formal PGRMs;
- number of GBV, or SEA/SH related cases referred to the service providers.
- times taken to redress grievances (disaggregated by different types of cases);
- percentage of complainants satisfied with the response and the GRM process;

- percentage of grievances appealed to higher levels in the GRM structure (such, courts)

13.4. Free Hotline Grievance Redressing Mechanisms

The project has set up a free hotline number that is housed within the project office. The calls are registered by WEDP staff and problems resolved in collaboration with the specific institution. The calls received are reported monthly on the regular project management meeting. The free hotline number has been printed on all WEDP communication and printed materials. In addition, all implementing partners will be tasked to share the GRM hotline information within their communities. The hotline system that has been used by WEDP can also be adopted by WEDP AF.

The grievance registered through hotline system should be handed for OSS and PIU for actions. Accordingly, the OSS and the PIU work to give solution for the complaints raised through hotline system. However, if complainant is not satisfied with the decision given at OSS level, he/she will take the issue to the lowest structure Public Grievance Redressing Mechanisms (PGRM) organ.

13.5. Grievance Resolution Process at the OSS Level

OSS centres are the first entry point of the clients for WEDP loan. The OSS staff are provided with orientation and training on the project objectives and operational modalities. The training mainly focuses on familiarization of the WEDP- OSS guideline and operating the Management Information System. WEDP-OSS guideline emphasizes the need to ensure the availability and functionality of complaint mechanisms for stakeholders in submitting and receiving responses to their grievances or concerns. The guideline clearly sets out the steps to submit a complaint to the MSE offices at the project cities level. The guideline also provides direction on the need to manage the expectation of potential clients by explaining the project objectives and the services provided. Clients are given a format to provide their feedback about the relevance of the project, and the quality and usefulness of services rendered. At the OSS centres, there are also GRM format that will be filled and submitted to the office by complainants. The complaint mechanism is integrated as part of the project introductory briefing to make alert clients about ways of submitting their concerns or grievances. The institutional system has been linked with the government grievance redressing systems.

OSS centres in collaboration with PIU should make the grievance redressing mechanisms of WEDP AF public. Clients and the general public should be aware that there are different ways of submitting complaints. Complaints submitted to OSS should be registered, reviewed, and resolution given within five working days since the receipt of the complaints. The grievance registry form for all levels of GRM structures is annexed under annex V. If the appellant doesn't get response within the allotted working days or if the complainant is not satisfied with the given resolution, he/she will appeal to KGRC.

13.6. Structure, Steps and Timeframe of Public Grievance Redress Mechanisms (PGRM)

There are three public grievance redressing structures which are usually employed to resolve disputes caused by the activities of WEDP. The three public organs are the kebele grievance redressing council, the wereda grievance redressing office, and the zonal/regional level grievance redressing bureau.

13.6.1. Grievance Resolution Process at the Kebele Grievance Redress Council (KGRC) Level

The grievance redressing mechanisms at kebele level has three steps. First grievance or appeal form will be completed by any complainant and submitted to KGRC focal person in any of the convenient channels (in person, through telephone or email). The GRM focal person will acknowledge the receipt of the appeal with details of the next step immediately on the spot.

Second, the grievance submitted by the complainant will be reviewed and investigated by the KGRC. Copies of decision made by OSS or hotline system on the issue of the complainant will be sent to KGRC and Wereda Grievance Redress Office (WGRO). Accordingly, if the decision given at OSS and/or hotline level is appropriate, the KGRC will approve it; otherwise if the appeal is valid, the team will resolve the

issue within seven days from the date the application was received. The decision will be provided in written form to the applicants and copies will be sent to WGRO.

Third, if the complainant is not satisfied by the response given by KGRC or if no response is received within seven days after the registration of complaint, the complainant can appeal to the WGRO.

13.6.2. Grievance Resolution Process at the WGRO level

Three basic steps will be followed by WGRO to give a workable solution for any grievance appealed by complainant. First, appeal form will be completed by complainant and submitted to grievance focal person at WGRO. The GRM officer will acknowledge the receipt of the grievance and will inform to the complainant with details of the next step immediately on the spot.

Second, the WGRO focal person will record the issues in the registry, assess the appeal, and organize meeting with wereda level committee. The wereda level committee members will review the decision given at KGRC level and endorse it if it is appropriate; otherwise if the appeal is valid, the WGRO will resolve the issue and give final decision within 10 working days since the receipt the appeal. The decision should be provided to the applicant in written form. All meetings will be recorded, and copies of the minutes will be provided to all concerned stakeholders.

Third, if the complainant is not satisfied by the verdict of WGRO or if no response is received within 10 days after the registration of complaint, the complainant can appeal to the Zonal/Regional PGRM.

13.6.3. Grievance Resolution Process at the Zonal/Regional level

Like the above two public grievance redressing mechanisms (PGRM), the grievance resolution at Zonal/ Regional level has three basic procedures. First, the appeal form will be completed by complainant and submitted to grievance focal person at Zonal/Regional. The GRM officer will acknowledge the receipt of the grievance with details of the next step immediately on the spot.

Second, the Zonal/Regional grievance officer will record the issues in the registry, assess the appeal, and organize meeting with zonal/regional level committee. The respective zonal/regional level committee members will review the decision given at WGRO level and endorse it if it is appropriate; otherwise, if the appeal is valid, the Zonal/Regional PGRM bureaus will resolve the issue and give final decision within 10 working days since the receipt the compliant. The decision should be provided to the applicant in written form. All meetings will be recorded, and copies of the minutes will be provided to all concerned stakeholders.

Third, if the complainant is still unsatisfied by the decision provided at the Zonal/Regional level, he/she can appeal the matter to the higher level in the hierarchy including the ombudsman and courts.

13.7. New Insight on GRM

In the parent WEDP, grievance is collected and redressed through the hotline system, OSS, and Public Grievance Redressing Mechanisms (PGRM) organs. However, it is a matter of debate to what extent grievances are collected and redressed through the mechanisms mentioned above. During the social assessment fieldwork for WEDP AF, it is observed that clients and other stakeholders are blaming WEDP for different reasons. Therefore, besides the existing GRMs, WEDP AF should establish Central Grievance Desk (CGD) at federal level composed of PMT, PIU, and WEDP project office to monitor the performance of the grievance redressing mechanisms. The CGD will be compose of five members two from each PMT and PIU, and one from WEDP project office. The CGD will be headed by the representative of WEDP project office and will evaluate the performances of the GRMs on quarterly and provide feedback for the GRMs and to the public.

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Annexes

Annex I: Environmental and Social Management Plan (ESMP) Matrix

Issue or component	Mitigation/remediation measures	Location	Implementation timeframe	Mitigation cost ³	Institutional responsibilities		Remarks
					Implementation	Supervision	
Design Stage							
Location of MSE	Clearly show the location MSE and present proof that the MSE is legally leasing or renting the premise	-	-	To be included in design cost	MSEs	FUJCFSA (PIU), DBE (PMT)	The project does not support activities with legally contested premise.
Water Contamination and Usage, Proximity of Water Bodies & Sources	Only processed water/treated water, as per the EPA sector specific standards (Proc. No. 159/2008), is allowed to be disposed in water channels and streams. Regular soil/water testing against particular contaminants, as per EPA.	-	-	To be included in design cost	MSEs	FUJCFSA (PIU), DBE (PMT), MFIs	-
Removal of Trees	Design adjustments to reduce the removal of trees. Plan for tree planting & landscaping.	-	-	To be included in design cost	MSEs	FUJCFSA (PIU), DBE (PMT), MFIs	-
Processed & Unprocessed Waste	Waste recycling plans. Safe disposal, as per recommendations of EPA and Environmental, Health and Safety (EHS) Guidelines of the World Bank	-	-	To be included in design cost	MSEs	FUJCFSA (PIU), DBE (PMT), MFIs	-
Construction Stage							

³ Where indicated, it is a preliminary estimate

Water Contamination and Usage	Processed water should be discharged in line with the EPA sector specific standards (Proc. No. 159/2008) and Bank EHS Guidelines.			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT), MFIs	
Quarry Areas	All quarry materials should be obtained from sites with proper licenses and environmental clearances.			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT), MFIs	
Construction site Sanitation & Waste Disposal	Construction site should be served with sanitation facilities and waste disposal should be in accordance with the EPA legislation (Proc. No. 513/2007) and Bank EHS Guidelines.			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT)), MFIs	
Emission from Construction machines & Vehicles	All static plants will be downwind of human habitats.			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT), MFIs	
Noise from Vehicles, Plants & Equipment	All construction equipment & plants will strictly conform to EPA noise standards as stipulated in proclamation (159/2008) and Bank EHS Guidelines.			To be included in the construction cost	MSEs, Contractor	FuJCFSA (PIU), DBE (PMT), MFIs	
Vegetation Losses	All removed trees will be replanted or compensated for through a re-planting program.			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT)	
Construction Activities & Accident Risks	Workers should wear necessary personal protective equipment Safety signals should be installed on all hazard related works			To be included in the construction cost	MSEs, Contractor	FUJCFSA (PIU), DBE (PMT), MFIs	

	during construction						
Health Issues	Drainage, sanitation, & waste disposal facilities will be provided at work places.			To be included in the construction cost	MSEs, Contractor	FuJCFSA (PIU), DBE (PMT), MFIs	
Operation Phase							
Contamination from Spills	An accident clearance contingency plan should be prepared & sites will be cleared immediately.	-	-	To be determined and by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Air Pollution	Controls should be made against all types of toxic emissions.	-	-	To be determined by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Water Contamination	Untreated, raw & contaminated water should not be allowed to be disposed in perennial, non-perennial water channels or close to any water source & reservoirs. Processed water should be discharges in accordance with the EPA sector specific standards (Proc. No. 159/2008) and Bank EHS Guidelines..	-	-	To be determined by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Dust Generation	Maintenance of plantations, which will act as live screens, should be ensured.	-	-	To be determined by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Flora & Fauna	MSE plantations should be strictly monitored & maintained.	-	-	To be determined born by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Accidents	Establish and adopt SOPs, slack controls & other related procedures,	-	-	To be determined born by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	

	which must be controlled through						
Hazardous Materials	Use, handling and disposal of hazardous substances must be in line with the dictated of the EPA legislation (Proc. No. 300/2002) and Bank EHS Guidelines.	-	-	To be determined by MSEs	MSEs	FUJCFSA (PIU), DBE (PMT), MFIs	
Safety Measures	Development of coordinated SME safety management plan, drawing on EHS Guidelines..	-	-	To be determined by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
Health Issues	Sufficient drainage, sanitation, & waste disposal facilities should be provided at work places with protocols for handling toxic and hazardous waste.			To be determined by MSEs	MSEs	FuJCFSA (PIU), DBE (PMT), MFIs	
COVID-19 Pandemic	WHO, and FMOE COVID-19 protocols Workplace response to COVID-19 adopted by MOLSA Make COVID-19 prevention plan as screening criteria Include COVID-19 on modules for WEDP clients training			To be determined by MSEs	MSEs	FUJCFSA (PIU), DBE (PMT), MFIs	
Clients' loss of confidences on MFIs because of COVID-19 Impacts	Promote on mainstream medias to regain clients' confidence			3 million USD	WB	PIU, PMT, MFIs	Component 2
	Enhance their outreach services			2 million USD	WB	PIU, PMT, MFIs	Component 3
SEA/SH/GBV	The entrepreneurship training of WEDP AF should include SEA, SH and GBV			3 million USD	WB	PIU, PMT	Component 2

	Spot check should be made by DBE safeguard experts together with MFIs and project cities officials of MSEs agents			2 million USD		PIU, PMT, MFIs	Component 3
Inaccessible loan for the poor	WEDP AF should come with new loan schemes to reach to the lower class women Special loan with minimum threshold should be arranged for the poor and the poorest of the poor women			80 million USD	WB	PIU, PMT, MFIs	Component 1a
Conflict due to WEDP financed businesses	MFIs should critically examined subprojects social and environmental impacts before loan approval			2 million USD	WB	PIU, PMT, MFIs	Component 3
Child labour	WEDP clients should be trained about the illegality of the use of child labour and World Bank standards			3 million USD	WB	WEDP FUJCFSA	Component 3
Less attention for Occupational Health and Safety	Awareness creation for WEDP clients Regular supervisions on OHS The training module need to include contents on OHS			3 million USD	WB	WEDP FUJCFSA OSS	Component 3

Annex II: Environmental and Social Screening Checklist

Name of the subproject		
City		
Name of applicant		
Contact:		
Environmental and Social checklist must be filled out and filed for every application		
Criteria	Yes	No
Does the proposed activity require a FULL Environmental Impact Assessment as per the Ethiopian Law on Environmental Impact Assessment? If yes, this activity cannot be financed.		
Will the works financed include construction, reconstruction or demolition works? If yes, an ESMP needs to be prepared!		
Does the existing enterprise have valid operating permit, licenses, approvals etc.? If not, please explain. Permits to screen should include: construction permit, operational/use permit, urban permit, water management permit... If not, will the financing be used to correct this condition?		
Does the existing enterprises have a valid environmental permit (or is in the procedure of obtaining an environmental permit as per the Ethiopian laws) and does the proposed activity fall under those for which this permit was issued?		
Does the existing enterprise have a valid water management permit that calls for special investments or measures for the enterprise's wastewater releases (or is in the procedure of obtaining this permit as per the Ethiopian laws)?		
Does the existing enterprise need to follow specific Ethiopian environmental regulations regarding air emissions, water use or wastewater discharge and solid waste management?		
Are there any significant outstanding environmental fees, fines or penalties or any other environmental liabilities (e.g. pending legal proceedings involving environmental issues etc.) If so, will the financing be used to correct this condition and please explain?		
Have there been any complaints raised by local affected people or groups or NGOs regarding conditions the enterprise? If so, will the financing be used to remedy these complaints?		
Will the proposed activity require acquisition of land, e.g.? Encroachment on private property Relocation of Project affected persons Loss of private lands or assets Impacts on livelihood incomes If yes, a site-specific Resettlement/Livelihood restoration Action Plan should be prepared		
Will the proposed activity disrupt access to education?		
Will the proposed activity disrupt access to health services?		
Will the proposed activity result in loss of livelihood?		
Will the project affect vulnerable groups by any of impacts identified above?		

Will the proposed activity has negative impact to informal side road shops, traders or any nomadic type of commercial activity?		
Will the proposed activity impact community Health & Safety?		
Will the activity impact internally displaced persons or refugees?		
Will the proposed activity result in the temporary or permanent loss of crops, fruit trees or household infrastructure?		
Will the activity generate water effluents (wastewater) that may require special treatment, control or the water management permit?		
Will the activity generate air emissions which would require special controls in order to ensure compliance with the Ethiopian standards?		
Will the activity generate noise levels that would require control measures to ensure compliance with the Ethiopian standards?		
Will the noise levels impact particularly sensitive receptors (natural habitats, hospitals, schools, local population centres)?		
Will the activity consume, use or store, produce hazardous materials that: require special permits or licenses require licensed or trained personnel are outlawed, banned or are difficult, expensive, or hard to manage in Ethiopia may cause soil and water pollution or health hazards if adequate control measures are not in place		
Will the activity generate solid waste that may be considered hazardous, difficult to manage, or may be beyond the scope of regular household waste? (This may include, but not be limited too, animal carcasses, toxic materials, pesticides, medical waste, cleaning materials, flammables etc.)		
Will the activity be located within or close to natural habitats or areas under consideration by the Government for official protection status? Will the activity potentially impact areas of known significance to local, regional or national cultural heritage?		
Will the activity involve import of living organisms, e.g. saplings, insects, animals, etc. or works that can impact sensitive environmental receptors?		
Has the local population or any NGOs expressed concern about the proposed activity's environmental aspects or expressed opposition?		
Is there any other aspect of the activity that would – through normal operations or under special conditions – cause a risk or have an impact on the environment, the population or could be considered as a nuisance (e.g. use of pesticides)?		

Annex III: Occupational Health and Safety (OHS)

Occupational and Safety Issues	Yes	No	Remarks
The nature of enterprise			
Highly labour intensive			
Emit dangerous gases to health			
Produce chemical wastes as its by-product			
Are workers consulted, informed and trained on all aspects of OHS?			
Do workers participate in OHS management?			
Anticipated Occupational Health and Safety Issues at the enterprise			
Fire protection equipment			
Personal protective equipment			
Sufficient lighting			
Sufficient workspace/workshop			
Personal protective equipment (PPE)			
What do you intend to do to reduce OHS issues at your enterprise?			
Do you have mitigation strategies			
Do you have workers who are working in the same room?			
Do workers have comfortable space between them while working?			
The availability of WASH (water, sanitation, and hygiene) including latrines and shower			
The existence of a drainage system for waste			
Describe the COVID-19 prevention			
The availability of water and sanitation materials			
Provision of personal protection equipment (masks, sanitizers/alcohols)			
Social distancing in workplace			
Violence and exploitation			
Gender based violence available			
Sexual exploitation and abuse			
Sexual harassment			
Child labour exploitation			

Annex IV: Approval/Certification Form

The applicant, in signing this form, confirms that the subproject activity will not involve land acquisition or will not implement any activities on the exclusion list. In addition, the applicant is aware of the ESIA requirements as per the Ethiopian Law and certifies that there are no Full Environmental and Social Impact Assessment reports required. We hereby certify that we have thoroughly examined all the potential adverse effects of this subproject. To the best of our knowledge, the subproject does not avoid all adverse social and environmental impacts but aspires to mitigate the risks.

Form filled by applicant	
Date	
Name	
Title	
Signature	
Stamp	

Form checked by (Environmental and Social expert)	
Date	
Name	
Title	
Signature	

Annex V: Grievance redressing mechanism form

Reference No:

<p>Full Name: <i>(You can rename anonymous if you prefer or request not to disclose your identity to the third parties without your consent)</i></p>	<p>First Name: _____ Last Name: _____ I wish to raise my grievance anonymously I request not to disclose my identity without my consent</p>
<p>Contact information <i>Please mark how you wish to be contacted (post, telephone, email)</i></p>	<p>By post: please provide mailing address: ----- ----- ----- By telephone _____ By email _____</p>
<p>Preferred language for communication</p>	<p>Amharic Afan Oromo Sidaamu Afoo Wolayta Harari Somali</p>
<p>Description of incident or grievance: (what happen? Where did it happen? Who did it happen to? What is the result of the problem?) ----- ----- ----- ----- -----</p>	
<p>Date of incident/grievance</p>	<p>One-time grievance (date _____) Happened more than once (how many times _____) Ongoing (currently experiencing the problem)</p>
<p>What do like to see happen to resolve the problem? ----- ----- ----- ----- -----</p>	
<p>Signature</p>	
<p>Date:</p>	
<p>Please return this form to [name], head of WEDP AF Central Grievance Desk</p>	
<p>Address: _____ Tel.: _____,</p>	
<p>Email: _____</p>	