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

Date Prepared/Updated: 10/16/2019 | Report No: ESRSC00747
BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benin</td>
<td>AFRICA</td>
<td>P170425</td>
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Project Name
Youth Inclusion Project

Practice Area (Lead)
Social Protection & Jobs

Financing Instrument
Investment Project Financing

Estimated Appraisal Date
4/6/2020

Estimated Board Date
7/2/2020

Borrower(s)
Republic of Benin

Implementing Agency(ies)
Ministry of Small and Medium Enterprises and Employment Promotion

Proposed Development Objective(s)
The Development objective is to increase the economic and social inclusion of vulnerable youth in selected zones in Benin

For the purpose of this PDO, “vulnerable” is defined as living in an area threatened by destabilization, or being underemployed with low levels of education.

Financing (in USD Million)

<table>
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<tr>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Project Cost</td>
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B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?
No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]
The proposed project will support the Government’s efforts to increase the economic and social inclusion of vulnerable youths by supporting the development of technical, non-cognitive and behavioral skills as well as providing access to social and financial capital. It will aim to enhance the youth’s participation in the economic and social interactions within their communities. The project will place a particular emphasis on the regions that are particularly
exposed to threats of destabilization and directly contribute to conflict prevention efforts in these areas. This project will contribute to conflict prevention efforts in this area. An emphasis will be made to facilitate the insertion of vulnerable youths in the six priority sectors identified by the Government Action Plan (Plan d’Action du Gouvernement – PAG).

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]
The project will have a national coverage and will be implemented in each commune of the country. However, most of the activities are technical assistance. For that reason, there are not many activities associated with salient physical characteristics relevant to ESS assessment.

D. 2. Borrower’s Institutional Capacity

In Benin, the Ministry of Living Conditions and Sustainable Development (MCVDD) is responsible for setting policy guidelines on environmental issues and ensuring compliance with national environmental standards. It has different departments among which the Beninese Environment Agency (ABE, Agence Beninoise de l’Environnement) is in charge of safeguards compliance for all projects in the country. The unit is understaffed and its capacities are considered as moderate. With regard to the PIU, capacity building efforts to support project implementation will be done by implementing recommendations contained in the safeguards instruments to be prepared for the project. The PIU will also receive guidance from the Bank’s environmental and social specialists.

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

A. Environmental and Social Risk Classification (ESRC) Moderate

Environmental Risk Rating Moderate

The project will mainly support improving the quality of apprenticeships and short-term technical training through (i) equipping training centers and technical high schools in the necessary equipment to offer the trainings in the new trades, and (ii) supporting training to update the technical and pedagogical skills of master artisans. Additionally, the component 2 will focus on (i) increasing access of vulnerable youths to existing programs to develop life skills and business skills through formal trainings; (ii) increasing access of vulnerable youths to social and professional networks and (iii) developing activities to increase non-cognitive skills through sports and social cohesion activities. However, under the component 3, the project aims at opening a grant window which will provide non-reimbursable start-up funds for individuals and groups for the initial phase of their activities; and providing a link to a loan window funded by the Government through the Fonds National de Micro-Finance (FNM) to provide larger amounts than under the grant window at a below market interest rate. Technical support will be provided to the FNM to develop a financial product adapted to the target group. Activities to be supported under component 3 might be associated to potential environmental adverse impacts. Based on the nature and magnitude of impacts usually associated with such activities, it is anticipated that these will be moderate, site specific and reversible.

Social Risk Rating Moderate

The proposed project aims to increase the economic and social inclusion of vulnerable youths through capacity-building to improve the employability of young people and their participation in decision-making in the community. The planned activities will contribute to the socio-economic integration and empowerment of the targeted vulnerable youths, mainly those living within marginalized or excluded groups coming from the northern regions of the country.
currently exposed to the risk of the manipulations of the violent armed groups. Although the expected social impacts of the proposed project will be overall positive, the risk of social exclusion, including within the target group, needs to be monitored and managed during the implementation of the project. Project activities could involve land acquisition issues which would lead to economic displacement (e.g. loss of property, loss or disruption of sources of income or livelihood for individuals or groups). It is also possible that some activities carried out by these funds could lead to risks of exclusion, possible gender-based violence (GBV) and/or sexual exploitation and abuse (SEA), social conflicts, etc. As this proposed project is among the first projects that the client is preparing under the World Bank's Environmental and Social Framework (ESF), the potential weakness of institutional capacity would be considered as a risk likely to affect the implementation of the project. Therefore, the environmental and social due diligence will include a social risk assessment of the proposed project. The social risk classification may be revised accordingly based on the results of this social assessment and mitigation measures to properly manage the assessed social risks will be included in the project’s environmental and social instruments. In addition to the ESMF, the project will prepare, consult upon and disclose a Resettlement Policy Framework (RPF) and a Stakeholder Engagement Plan.

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

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

*Overview of the relevance of the Standard for the Project:*
Activities to be supported under component 3 might be associated with potential environmental adverse impacts, including minor waste management, dust, noise and occupational health and safety (OHS). Social risks and impacts are related to the challenges of engaging vulnerable youth, especially girls, GBV/SEA, exclusion, lack of communication and possible physical and/or economic displacement. The ESMF will outline the environmental and social risks and impacts, as well as mitigation measures.

*Areas where “Use of Borrower Framework” is being considered:*
This operation will not use the Borrower’s E&S Framework in the assessment, development and implementation of the project. However, it will comply with relevant national legal and regulatory requirements.

ESS10 Stakeholder Engagement and Information Disclosure

AA Stakeholder Engagement Plan (SEP) consistent with ESS10 requirements will be developed by the Borrower and disclosed both within the country and on the World Bank’s web site prior to project appraisal. Key stakeholders would include national and local government representatives, local business organizations, youth representatives (from youth organizations or nominated by local communities, beneficiaries of the Benin Youth Employment project (P132667), etc.), social workers, teachers, religious authorities and other members of civil society. Key concerns would be related to eligibility requirements, OHS protections, governance arrangements, opportunities to enter local labor markets, wide dispersal and low skill-set of youth participants. The SEP aims to have an overview of project stakeholders and establish a systematic approach for their engagement in the project, maintain a constructive relationship with them, provide stakeholders interest on the project and take into account their concerns and views, promote and provide means for effective and inclusive engagement with project-affected parties throughout the project life-cycle, and ensure that appropriate program information is disclosed to stakeholders in a timely,
understandable, accessible and appropriate manner. This plan will address specific risks identified by stakeholders and it will be updated as and when necessary.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The project aims to support the government efforts to increase the economic and social inclusion of vulnerable youths by supporting the development of marketable, non-cognitive and behavioral skills as well as social, professional and financial capital. While the proposed project’s institutional and implementation arrangements have not yet been finalized, it is likely that the PIU would include civil servants and direct workers. Indirect workers, such as representatives from local sports association and, possibly, community workers may also provide support for the project via contracts or collaboration protocols. In addition to the PIU staff and those supporting them, persons receiving grants to establish economic enterprises would likely be contractors as they would be engaging youth to work in the enterprises. For direct workers and contractors, key principles in ESS 2 relate to ensuring that working conditions are acceptable (terms and conditions of employment, nondiscrimination and equality of opportunity, workers’ organizations), that there is no child or forced labor engaged in the project, that there are adequate OHS measures and that a labor GRM is established, taking into account national labor law and regulations. A key principle in this project is to ensure that the requirements regarding youth employment conform with ESS 2, which sets out the employment requirements for youth between the ages of 14 and 18. Following a careful assessment of the labor requirements and types of employees engaged in the project, a labor management plan (LMP) following ESS2 standards will be developed and disclosed by the Borrower prior to the project decision meeting. As most of the activities will be small businesses, the LMP will reflect appropriate proportionality in terms of requirements and working arrangements.

ESS3 Resource Efficiency and Pollution Prevention and Management

The proposed project is not expected to involve extensive use of resources or significant pollution or waste generation. Hence, potential environmental risks and impacts associated with this ESS are minimal at this stage. However, relevance of this ESS will be further reviewed during project preparation as part of the environmental and social assessment process.

ESS4 Community Health and Safety

The project involves very few civil works/construction activities. While significant adverse impacts on local communities are unlikely, project activities could be hazardous for individuals, nor will it induce significant labor influx. The ESMF will make use of the general and sector-specific EHSGs for those activities to be identify and financed by the start-up funds. Social risk management measures will also be part of the eligibility criteria for the selection of the beneficiaries of the proposed funds. Finally, the ESMF will include measures to address GBV/SEA risks, as necessary.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
The planned activities of the proposed project are not expected to involve land acquisition leading to involuntary resettlement. However, component 3 will provide opportunities for individuals and groups to access funds for undertaking private activities that could include construction activities which economically displace people. Given sensitivity about land issues in rural areas (i.e. customary land rights) and ongoing conflicts in certain parts of the country affecting agricultural or livestock activities (some of which could benefit from the project), the project proposes to prepare a Resettlement Policy Framework (RPF), based on consultations with local communities. The RPF will include provisions to manage any displacement related to land acquisition that may take place while the project is being implemented. The RPF will be consulted upon and disclosed in-country and at the Bank’s external website.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The application of this ESS seeks to ensure that all precautions are taken in the project to protect biodiversity and the sustainable management of living natural resources, as some activities to be financed by the start-up funds could have potential adverse impacts on natural habitats. The ESMF will provide guidance on applying the mitigation hierarchy and the precautionary principles in the design and implementation of such activities to promote the sustainable management of natural resources.

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

There are no known Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities in the project area.

ESS8 Cultural Heritage

It is not anticipated that the project activities will have an impact on cultural heritage. However, the start-up funds could finance investments that will induce excavation during construction phase. The environmental and social assessment process will confirm the existence of tangible or intangible cultural heritage. The ESMF will include a section on “Chance Finds” procedures that will be included in any construction contracts. It will require contractors to stop construction in the event that cultural property sites are encountered during civil works.

ESS9 Financial Intermediaries

The project involves grant and loan windows are being managed by the government, not FIs.

C. Legal Operational Policies that Apply

<table>
<thead>
<tr>
<th>OP 7.50 Projects on International Waterways</th>
<th>No</th>
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<tbody>
<tr>
<td>The project will not impact any international waterways or its tributaries.</td>
<td></td>
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<table>
<thead>
<tr>
<th>OP 7.60 Projects in Disputed Areas</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>The project will not be implemented in disputed areas.</td>
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III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE
A. Is a common approach being considered?

No

Financing Partners

N/A

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

Actions to be completed prior to Bank Board Approval:

- Draft Environmental and Social Management Framework (ESMF)
- Draft Environmental and Social Commitment Plan (ESCP)
- Draft Resettlement Policy Framework (RPF)
- Draft Labor Management Procedures (LMP)
- Draft Stakeholders Engagement Plan (SEP) including a Grievance Redress Mechanism (GRM)

The ESCP and SEP will be finalized and disclosed before Board approval.

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

The ESIA and, where necessary, RAP would be prepared and implemented during project implementation once sites and works have been finalized.

C. Timing

Tentative target date for preparing the Appraisal Stage ESRS 18-Nov-2019

IV. CONTACT POINTS

World Bank

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Borrower/Client/Recipient

Borrower: Republic of Benin

Implementing Agency(ies)

Implementing Agency: Ministry of Small and Medium Enterprises and Employment Promotion

V. FOR MORE INFORMATION CONTACT
VI. APPROVAL

Task Team Leader(s): Thomas Bossuroy, Solene Marie Paule Rougeaux