



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 04/19/2021 | Report No: ESRSC01966



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Indonesia	EAST ASIA AND PACIFIC	P174902	
Project Name	Indonesia Inclusive Livelihoods for Poor Rural Communities in Eastern Indonesia Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Sustainability & Inclusion	Investment Project Financing		6/15/2021
Borrower(s)	Implementing Agency(ies)		
BaKTI	BaKTI		

Proposed Development Objective

Increased access to livelihoods opportunities for target vulnerable and female community members in target villages in Maluku and East Nusa Tenggara provinces in Eastern Indonesia.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>2.73</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

This project development objective (PDO) aims increase access to livelihoods opportunities for target vulnerable and female community members in target villages in Maluku and East Nusa Tenggara provinces in Eastern Indonesia. It seeks to achieve the PDO through inclusive development planning, paired with strengthening local linkages to support community-led livelihoods initiatives. The project defines livelihoods as a broad range of activities and assets people utilize to support themselves. In target villages, communities rely heavily on a limited set of livelihoods options focused on food and commodity production from natural resources. Improving livelihoods in these areas require support to local food systems, access to and management of natural resources, and increases in social capital of the poorest. Working with BaKTI (an established NGO in Eastern Indonesia) as an implementing agency, and their partnerships with district and village governments, the project will design and implement a model for poorly



connected and marginal areas that takes an inclusive, whole-of-community approach to strengthening village economies and food systems. The project will (i) support villages to develop livelihoods plans and directly support community groups and the poorest households, and (ii) strengthen institutional linkages between community groups and village government, district government and other local actors, to provide sustained, local support to livelihoods initiatives and sustainable landscape management practices, including through the village fund.

#### D. Environmental and Social Overview

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

The project will target approximately 100 villages in Seram Bagian Timur District in Maluku province and Sumba Barat Daya District in East Nusa Tenggara province in Eastern Indonesia. Target districts were selected based on high levels of vulnerability to climate hazards, high levels of poverty, low levels of resilience/adaptive capacity, and no significant limitations in terms of accessibility related to conflict.

Seram Bagian Timur comprises of 15 sub-districts and 198 villages, with poverty rate of 24.29 percent from a total population of 114,677 people. The project will target 50 villages (25 percent of total). Geographically, 75 percent of Seram Bagian Timur District area is comprised of sea and only 25 percent land. The climate is a monsoon and tropical with high rainfall throughout the year. The district, like most of Maluku province, is rich in flora, fauna and marine species, with a relatively high proportion of endemic species. Sumba Barat Daya comprises of 11 sub-districts and 173 villages, with poverty rate of 28.06 percent from a total population of 338,430 people. The project will target 50 villages (29 percent of total). The livelihoods activities are mostly agriculture and plantation, and also in mining and industry.

Based on IBAT reports, there may be critical and endangered species and sites of biodiversity importance found within the selected districts. Like many other parts of Indonesia, there are threats to biodiversity due to habitat degradation and landscape changes, overexploitation of fisheries, and from future impacts of climate change. The livelihoods activities are mostly on fishery and marine, and there are several agricultural, plantation and mining.

There are Indigenous Peoples residing in coastal and remote areas in both targeted districts. In Seram Bagian Timur, remote indigenous communities spread over Bula and Tutuktolu Sub-Districts; while in Sumba Barat Daya, there are several adat villages in Wewewa and Kodi Bangendo Sub-Districts, and Tambolaka City. These communities are likely to be more heavily depend on customary and communal practices of natural resource use for their livelihoods and at a greater cultural and physical distance from public services

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

BaKTI is the proposed Implementing Agency and Grant Recipient for this Project. BaKTI is a national non-government organization based in Makassar with a vision to improve effectiveness of development through capacity building and knowledge management of accountable and responsive governance practices at the district level, and community empowerment activities at the grass root level. BaKTI has the capacity to provide management, operational, and fiduciary oversights for technical support and implementation of activities at the national, district, and village levels. It will procure and manage technical support for all activities, including workshops with stakeholders, capacity building trainings, monitoring and evaluation activities, and production and distribution of communication materials. BaKTI has a strong network with local governments, technical experts and community facilitators in Eastern Indonesia. BaKTI



has a strong track record in implementation of large-scale activities, including procurements and management of human resources, field activities, services, and assets. BaKTI has experience in managing grants to implement several activities on behalf of the World Bank (KIAT Guru Phase 1 and Phase 2, MELAYANI, PEACH and Barefoot Engineer Training - PNPM Respek), DFAT Australia (AIPD, Landasan Transisi, MAMPU, Knowledge Sector Initiative), DFATD Canada, USAID KINERJA, Millenium Challenge Account Indonesia, The Asia Foundation, UNICEF, and GIZ. BaKTI has experience engaging with indigenous peoples when implementing WB-Barefoot Engineer project and DFAT-Landasan Transisi project in Papua.

BaKTI understand the important of managing environmental and social risk in implementing activities and/or program, specifically the programs that received funding from World Bank. In implementing recent projects KIAT Guru Phase 1 and 2, BaKTI included guidelines on safeguards for managing environmental and social risk in the Project Implementation Manual (PIM) and provided in-house training to the project consultants. BaKTI will develop similar manual for this project that will include section on E&S risk management, and this manual will be reviewed and approved by the World Bank team to ensure adherence to the Bank’s ESF policies.

In addition to the developed PIM, the project will also use Implementation Guidelines for Social and Environmental Safeguards (IGSES), from 2013 Indonesia PNPM Rural Program (Indonesia National Program for Community Empowerment in Rural Areas) that were issued by the Ministry of Home Affairs through the Directorate General of Ministry of Home Affairs letter no 414.2/411/PMD/2013 as a reference in developing the E&S check list and mitigation measures for this project as part of the PIM to meet relevant ESSs requirements. A practical guideline in the form of safeguards comic book had also been produced by PNPM Support Facility.

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

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

Moderate

#### Environmental Risk Rating

Moderate

The environmental risks are rated as moderate. The project will aim to support community-driven livelihood planning and initiatives in lagging villages in order to strengthen their food systems and local economy through introducing an innovative participatory mapping tool, provide financing support for selected livelihood initiatives, and support capacity building of communities and village governments. An innovative participatory planning tool will be developed under the project as a mean to assist communities in developing various VLPs. The tool will be utilized to map village and household economies, social dynamics, livelihoods strategies, disaster risks, biodiversity values and natural resource management patterns, at the hamlet and village-level. Project facilitators will work with communities to analyze environmental carrying capacity, map exposure to natural disasters, identify sustainable and unsustainable natural resource access and its management patterns, as well as ecosystem services and biodiversity values to help develop a collective understanding of some of the environmental challenges faced. This will ensure that livelihood plans are well informed on the environmental considerations and will be able to promote the



protection of environmental components, efficient use of resources in livelihood activities, protection of biodiversity values and ecosystem services, and stimulate environmental benefits overall. Activities under this project will not invest in any large-scale civil works that may potentially cause environmental disturbances. However, the development of VLPs will result in a list of feasible livelihoods enhancing actions or small-scale activities as well as investments related to disaster risk protection that may generate environmental impacts. Where needed, the project will support the launch of livelihood initiatives in the first year of project implementation. The project will limit its support to small-scale works, such as procurement of stationaries, handcarts and storage vehicles for small businesses, or development of a demonstration plot for a community-managed vegetable garden with focus on community foods system and the village level's economic development. Therefore, potential associated risks and impacts on human populations and/or the environment are likely to be minimal or negligible, mostly are related to waste management from products or small-scale facilities' development or protective infrastructure and can be easily mitigated in a predictable manner using the readily available mitigation measures such as code of practices, guide book (Do and Don'ts during construction) from the previous PNPM Rural guidelines and other CDD type projects, which are materially consistent with the ESF and relevant ESSs. In addition, the project will apply an exclusion list that would screen livelihood activities that may have significant adverse environmental impacts such as large civil works, procurement of hazardous substances in large quantities, and other activities involving higher risks activities (e.g., traditional mining, industrial-based livelihood, large scale commercial plantation, or excessive use of timber, water, and energy). The exclusion list will be developed as part of the PIM and implemented by the implementing agency. Risks and impacts of supported livelihood activities will be further lowered by the application of an environmental and social checklist), which will provide guidance on how to identify potential E&S risk from selected small scale livelihood activities during project implementation and to manage the potential impacts by referring to the available mitigation measures explained above. The ToR for the Village Livelihood plan will also be reviewed by the E&S specialist to incorporate ES guidance for preparation of VLP and the Facilitation Manual will include the chapter on how to use the E&S checklist and implementing relevant mitigation measures.

**Social Risk Rating**

Moderate

The overall social risk rating is moderate. Project activities consist entirely of participatory planning focusing on improving existing food systems and livelihood economic activities and will be designed to be inclusive of and target vulnerable and disadvantaged groups within communities. There may be some site-specific risk that the project fails to ensure participation of and address the needs of the targeted vulnerable groups due to a lack of local government capacity. This is particularly the case for subprojects that engage with indigenous communities that have less familiarity with local government programs and greater cultural distance. To the extent possible, this risk has been anticipated in the design of the components. It would only materialize if project activities were poorly implemented using top-down or ill-informed approaches, which although unintended, may pose risks to the sustainability of project activities. The project activities comprise of participatory mapping, development of Village Livelihoods Plans (VLP), and design of training and capacity building for local governments to utilize village funds to support livelihoods initiatives. These planning and TA activities do not include financing for feasibility or design studies. They do involve financing for technical experts to provide advice on livelihoods, village-to-village exchange and provision of small non-capital expenditures for communities to develop livelihoods initiatives. The social risks and impacts associated with these activities are minor. The project aims to develop an innovative model for community-driven livelihoods development in remote and lagging areas. The project will undertake participatory survey to map village and household economies, social dynamics, livelihoods strategies and natural resource management patterns at the hamlet and village level. The result will be used to develop the village livelihoods plans and reference for collective actions taken by villagers, community groups and village government. The project, through the implementing

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agency, will mobilize facilitators to identify local champions at the hamlet and village levels, then strengthen their capacities by providing training to use the participatory mapping tools and assist the development of VLP independently. Implemented activities will require close engagement with community and marginalized groups, including women and poor households, and with local governments – districts, sub-districts and village governments/hamlets. The project covers approximately 100 participating communities in Seram Bagian Timur District in Maluku province and Sumba Barat Daya District in East Nusa Tenggara province in Eastern Indonesia including remote isolated communities with distinct cultures and vulnerable livelihoods dependent on natural resources of the islands. Many of these communities would likely considered to be indigenous peoples for the purposes of ESS7. The process for engagement built into the design of the project includes measures to ensure that assessment, planning and implementation of project activities is carried out with the participation and decision-making of the communities themselves, including vulnerable and marginal groups. Intended project outcomes are participatory community development activities that will improve livelihoods of the poorest.

## **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:***

Provisions under ESS1 will be an integral part of livelihood development planning and preparatory work of prioritized livelihood initiatives, and will continue during its implementation. Component 1 of the project will introduce a participatory mapping tool to assess the existing and potential constraints and opportunities to village-led livelihoods development. The tool will integrate concerns and interests of vulnerable and disadvantaged groups within target communities, including women, poor households, ethnic and other minorities, as well as risks of environmental degradation and inform prioritization of livelihood enhancing activities. Detailed environmental and social considerations necessary for planning will be clearly defined in participatory planning tool modules to help this process. This will include, but not limited to, access of different community groups to public and natural resources and intra-village leadership/ exclusion, land use changes, sustainable and unsustainable resource access and use patterns, presence of sensitive/protected areas, biodiversity values and ecosystem services, and exposure to natural disasters. During implementation of livelihood activities, these considerations will be periodically assessed to identify new, or were missed opportunities and constraints, in which results will be incorporated in the updating of VLPs.

The project may also provide technical support to community groups to launch selected livelihood initiatives in the first year of the project. Supported activities will be limited to small scale works (not exceeding USD 750 per village) and will be screened through the project’s exclusion list, which will be developed as part of the PIM, to determine its eligibility. The exclusion list aims to minimize project impacts by screening activities that may lead to significant adverse environmental and social impacts such as large civil works, procurement hazardous substances in large quantities, land acquisition and resettlements, and other activities involving higher risks (e.g., traditional mining, industrial-based livelihood, large scale commercial plantation or excessive use of resources). Examples of potential supported expenditures may include stationary packages to support small businesses, shared handcarts or storage vehicles to transport goods to local markets, or agricultural inputs to support development of a demonstration plot for a community-managed vegetable garden that is not envisaged to cause significant negative environmental and social impacts.



As part of the preparation of selected initiatives, an Environmental and Social Checklist will be applied to provide guidance in identifying potential environmental and social risks and impacts from livelihood activities and the potential downstream E&S impacts from the village planning and properly mitigating them by referring to relevant mitigation measures. These measures will address specific issues on waste management, construction related impacts, environmental pollution control aspects, sustainability of natural resources, and community worker's health and safety of natural resource-based livelihood activities (e.g., agriculture and fisheries). Precautionary measures will also help to regulate the interactions between consultants and staff and vulnerable groups, to ensure prevention of spread and impacts of COVID-19, and manage green procurement, and to conduct capacity development training for project facilitators and staff. The environmental and social checklist will be developed as part of the PIM and project facilitation manual, but disclosed as a stand-alone document, prior to participatory planning and community livelihood initiatives implementation.

The project design has been informed by prior assessment of the social impacts of a range of social protection and livelihoods programs in Indonesia described in the Project Paper. Lessons from past livelihoods programs in lagging areas affirm the need for tailored strategies which can simultaneously address the challenges of poverty and natural resource exploitation, in the context of constrained access to services and economic linkages. When the governance and market institutions are weak, interventions dependent on improving governance and market institutions flounder. In addition, programs targeting entrepreneurs and small businesses can deepen the cash dependency of some households and the broader village, but do not address the impacts on local food systems the poorest households rely upon. Rather than rely on market-driven incentives that do not always promote the livelihoods or target the poorest and most vulnerable within villages, the approach is a participatory engagement with these groups to identify livelihood initiatives. This inclusive participatory planning approach is assessed to involve minimal environmental and social risks and impacts.

The target beneficiaries are ten percent of village populations, estimated to be 7,000 people, with fifty percent gender split. The villages will be selected from Indonesia's lagging villages, which cover 13,232 villages, or around one fifth of total villages nation-wide (BPS, 2018). The project, together with district governments and implementing agency will conduct the selection of participating villages based on the Bank's criteria, which will include: (i) limited livelihoods opportunities and highest levels of poverty and exclusion; (ii) villages with limited linkages to other programs/ donors/ private-sector investments; and (iii) high levels of vulnerability to climate-related changes. Within villages, the project will prioritize inclusive, participatory approaches to livelihoods development which catalyze investments targeting poor and marginalized groups within target villages, including unemployed/ underemployed youth and rural women. A Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM) will guide this engagement and ensure vulnerable segments of the population are included. These measures along with labor management procedures will be integrated with the project's implementation manual and described in the Environmental and Social Commitment Plan (ESCP).

**Areas where “Use of Borrower Framework” is being considered:**

The project will not replace application of the ESF with aspects of the Borrower's framework.



### ESS10 Stakeholder Engagement and Information Disclosure

Stakeholder engagement is built into the design of the project activities and the implementing agency has conducted preparation consultations with 45 (25% female) representatives from district governments, village governments, village livelihood groups, and community members from both target districts. The consultations with district governments were attended by relevant agencies such as planning, agriculture, fisheries, and village development. The villagers who attended the consultations were the representatives of the main livelihoods in the villages such as farmers and fishermen, women farmers, collectors, village facilitators, and village leaders. Key topics of consultation included the main livelihoods in the districts and villages and the key constraints, food security and key challenges, climate change and other environmental issues such as changes in rainfall and frequency of natural disasters, roles of local governments for livelihoods, lessons learned from any past development programs, village planning development process and village fund allocation and its use. Representatives from customary communities and those located farther away from district centers are to be engaged in future consultations and during early participatory mapping exercises. Participatory identification of specific village-level environmental challenges will be undertaken within villages as part of project implementation, as part of VLP development.

In the first year of implementation, the project will build the social and analytical platform to improve village livelihoods. The activities include conducting participatory mapping and deployment of planning tools to help the village to develop village livelihoods plan (VLP) and rollout livelihoods initiatives with the support from around thirty mobilized facilitators to the targeted 100 villages by the implementing agency. The facilitators will disseminate information and mobilize community member and social and economic groups to participate in the planning, implementation and monitoring of the VLP. In the second year, village is expected to be able to review and improve the VLP and implement livelihoods initiatives, obtain support from village government and technical support from sub-district and district governments, and conduct inter-villages knowledge exchange. To support these activities, the project facilitators will identify local champions at the village and hamlet levels, from the supply and demand sides, and strengthen their capacities through training and on-the-job coaching and mentoring to use various participatory mapping tools and facilitate meetings and dialogues at village level. The project facilitators will also work with the community to engage village governments and support village officials to link the results of the mapping with village funds allocation.

Stakeholder engagement in this project will be in the form of survey for analysis of participatory mapping, training and capacity building activities, development of VLP and joint agreement that set the roles and obligations of the stakeholder, inter-local governments coordination, and create a system to solicit public participation in policy and regulatory making to support the implementation of community livelihoods initiatives. Given the importance of engaging vulnerable and disadvantaged groups, including with indigenous people and customary communities, to participate in the project activities, key principles for meaningful engagement will be included in a Stakeholder Engagement Plan (SEP) and a Grievance Redress Mechanism (GRM) will be outlined in the ESCP. The SEP will then be prepared prior to implementation of component 1, in preparation for participatory mapping activities and integrated into the project implementation manual, disclosed as a stand-alone document and used to monitor the effectiveness of project participatory planning activities, promote inclusive participation, transparency and equitable access to project benefits.

The COVID-19 pandemic may result in travel restrictions and application of requisite Infection Prevention and Control (IPC) measures. These measures will be described in the project's SEP. The implementing agency will be required to



implement good practices to minimize COVID-19 transmission for stakeholder engagement activities, in line with GOI and World Health Organization’s (WHO) health protocols.

## **B.2. Specific Risks and Impacts**

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

### **ESS2 Labor and Working Conditions**

The project will involve staffing and hiring of 4 consultants, 30 facilitators and 4 trainers, who are considered as project workers. Capacity building activities will be delivered by facilitators and trainers recruited by BaKTI, the implementing agency, and will be based in the districts/sub-districts. BaKTI Office is located in Makassar, South Sulawesi, where staff and recruited key project specialists will be based. Additional recruited consultants will also be based in the two pilot districts to coordinate much more closely with district governments. Risks associated with the interaction between project consultants and vulnerable communities are minor given the participatory planning activities. Government officials participating in the project activities will be covered by their existing terms and conditions. Labor management procedures for consultants, facilitators and trainers will be prepared before appraisal and included in the Project Implementation Manual (PIM) developed by BaKTI during implementation, prior to launch of the participatory mapping activities. They will set the guidance on management of consultants and personnel, including personal safety measures and other provisions in compliance with ESS2 and the national law where relevant and/or equivalent, such as fair and equal opportunity for hiring process and pay, a worker grievance redress mechanism, and codes of conduct pertaining to Gender Based Violence (GBV)/Sexual Exploitation and Abuse/Violence Against Children (GBV/SEA/VAC). The project activities will be implemented in 100 villages in Seram Bagian Timur and Sumbar Barat Daya Districts, which categorized as lagging villages and several of them located in remote areas. Learning from similar project, KIAT Guru (P176216), which operated in remote areas and managed by BaKTI, the project will anticipate the potential safety risks during travels within project locations (air, water and land travel) for all project facilitators and trainers. The guidance on management of consultant and personnel in PIM will set a requirement for safety and accident-related matters during travels.

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

Livelihood initiatives supported by the project will most likely be small scale and would not significantly contribute to environmental pollution. Nevertheless, eligible livelihood activities such as small business operations and community vegetable garden may contribute to the generation of domestic waste and also construction waste from the construction of protective infrastructure for disaster risk. Furthermore, activities involving crop management may lead to the use of pesticides in small quantities which can cause harm to the environment if not properly handled.

The environmental and social checklist will provide a screening mechanism to identify these potential harms and outline clear mitigation measures based on the readily available code of practice or guidelines to prevent or minimize them. Additionally, any indication of environmental degradation will be identified early in the VLPs and considered in the prioritization of livelihood activities as to prevent any further environmental contamination.

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



Engagement between consultants and communities in the planning process is not expected to pose any significant risk to these communities. However preventative measures will be described under labor management procedures described under ESS2 and the provision of an accessible grievance redress mechanism.

The COVID-19 pandemic may likely result in travel restrictions and application of requisite Infection Prevention and Control (IPC) measures. These measures will be described in the project's SEP. The implementing agency will be required to implement good practices to minimize COVID-19 transmission for stakeholder engagement activities, in line with GOI and World Health Organization's (WHO) health protocols.

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

ESS5 is not relevant as the project activities will not require land or result in any access restrictions. No physical investments are envisaged under the project and no feasibility studies or technical designs will be financed that would lead to land taking requirements.

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

At this stage, locations of target villages are unknown in the selected district of Seram Bagian Timur and Sumba Barat Daya. Based on the initial screening by IBAT in the two districts, there are no protection forests or national parks in the districts. However, there are likely to be critical habitats within the selected regions. There is a possibility that selected villages are located in or near natural habitats or areas with high biodiversity values, both marine and terrestrial, and important ecosystem services. Additionally, the VLPs developed under the project may lead to livelihood enhancing activities that involves the use of natural resources which may lead to disturbances to biodiversity and ecosystem services.

These issues will later be assessed further during project implementation through the participatory planning tool, where there will be a plan for biodiversity and natural resources mapping. The assessment would include analyzing existing access to natural resources and its management patterns, and indication of existing critical habitat and/or endemic/endangered species in the area. Further discussion will also be required if there are any threats to critical habitats and species due to the current and ongoing livelihood practices. The result of environmental analysis through the participatory planning tool will feed information to the VLPs, allowing it to avoid potential negative impacts to biodiversity, ecosystem services, and access to natural resources and instead will further improve natural resource dependent livelihoods and its sustainability, promote the discontinue of any existing informal practices, conserve biodiversity values, prevent environmental degradation as well as disruption of natural habitats and ecosystem services from the overuse of natural resources in livelihood initiatives.

Any activities involving major degradation to natural habitats will not be supported by the project and will be screened through the exclusion list in the Project Implementation Manual. Measures and good practices on sustainable use of natural resources will be provided by the environmental and social checklist and will be referred to during the preparation of supported livelihood initiatives. If relevant, experience in implementing safeguards from the community-based projects in natural habitats area (PNPM Green) will be included in the E&S checklist and code of practices. The project will not facilitate a large scale commercial plantation as defined in ESS6.



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

The target populations of Seram Bagian Timur District in Maluku province and Sumba Barat Daya District in East Nusa Tenggara province include distinct ethnic cultures with vulnerable traditional relationships to the natural resources of the islands upon which they rely for their livelihoods. Data on the geographical distribution of indigenous peoples and/or customary communities, including their population size and livelihoods activities, are very limited. However it is likely that a number of communities benefiting from the project would be considered indigenous for the purposes of ESS7. The screening process will be described in the SEP in the PIM and results will be verified by the task team prior to the launch of participatory mapping activities. The project will not specifically targeted indigenous peoples and/or customary communities, however, the engagement with community will involve culturally appropriate methods emphasising open, transparent and inclusive participation during participatory planning and community livelihood initiatives implementation. The process of culturally informed engagement acceptable to the participating communities should be integrated into the design of activities and will be described in the project SEP. These activities do not involve land taking, requirement for relocation, are not expected to alter land use areas or tenure arrangement or to involve impacts on indigenous cultural heritage that would necessitate the provision of Free Prior and Informed Consent. Enhanced consultation and development opportunity for indigenous groups is built into the design of the project activities themselves as they involve participatory community planning and capacity building targeting the most disadvantaged and vulnerable. The project outcomes are intended to provide livelihoods development for the most vulnerable communities.

**ESS8 Cultural Heritage**

ESS8 is not currently relevant. The project does not finance any physical investments which may affect cultural tangible or intangible cultural heritage. The project will not finance feasibility and design studies with downstream impacts on cultural heritage. Since the project activities are largely planning and capacity building there is not expected to be any direct or significant risk or impact to the cultural heritage values of the participating communities. However, the project activities take place in remote communities of the Lesser Sumba islands. These communities have distinct rich tangible and intangible cultural heritage that should be taken into account in the stakeholder engagement process to ensure that livelihoods planning processes are truly participatory.

**ESS9 Financial Intermediaries**

ESS9 is not applicable since the project does not involve financial intermediation activities.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

**OP 7.60 Projects in Disputed Areas** No

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III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered?

No

Financing Partners

NA

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

Actions to be completed prior to Bank Board Approval:

- a) Environmental and Social Commitment Plan (ESCP), including principles and description of the Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM) for disclosure before appraisal.
- b) Draft Environmental and Social screening checklist and exclusion list to be developed prior to appraisal.
- c) A simple Labor Management Plan (LMP) shall be prepared prior to Appraisal

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

- a) Stakeholder Engagement Plan (SEP) with measures to promote participation of vulnerable and disadvantaged groups and a Grievance Redress Mechanism (GRM) to be prepared and included in Project Implementation Manual prior to the participatory planning activities.
- b) Environmental and social checklist and exclusion list included in the Project Implementation Manual (PIM) and Project Facilitation Manual prior to participatory planning and community livelihood initiatives implementation
- c) Labor Management Procedures (LMP) for consultants and personnel included in Project Implementation Manual (PIM) prior to recruitment of project personnel (i.e. consultants and expert staff)
- d) Disclosure of the environmental and social checklist, SEP, LMP as annexes to the Project Implementation Manual (PIM)
- e) SEP implementation reports during project implementation.
- f) Training for the implementing agency (BaKTI), facilitators, communities in using the environmental and social checklist and its relevant mitigation measures and code of practices.

IV. CONTACT POINTS

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**Borrower/Client/Recipient**

Borrower: BaKTI

**Implementing Agency(ies)**

Implementing Agency: BaKTI

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s): Kate Anna Shanahan, Dewi Susanti, Anna Charlotte O'Donnell

Practice Manager (ENR/Social) Ann Jeannette Glauber Recommended on 14-Apr-2021 at 22:18:52 GMT-04:00