BASIC INFORMATION

A. Basic Project Data

Country  Project ID  Project Name  Parent Project ID (if any)
Ethiopia  P164336  Lowlands Livelihood Resilience Project

Region  Estimated Appraisal Date  Estimated Board Date  Practice Area (Lead)
AFRICA  14-Mar-2019  20-May-2019  Agriculture

Financing Instrument  Borrower(s)  Implementing Agency
Investment Project Financing  Federal Democratic Republic of Ethiopia (FDRE)  Ministry of Peace

Proposed Development Objective(s)

To Improve Livelihood Resilience of Pastoral and Agro-Pastoral Communities in Ethiopia

Components

Integrated Rangeland Development and Management
Livelihood Improvement and Diversification
Improving Basic Services and Capacity Building
Project Management, Monitoring and Evaluation

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

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<th>Description</th>
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DETAILS

World Bank Group Financing

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B. Introduction and Context

Country Context

1. **With a predicted growth rate for 2018 of 8.5 percent, Ethiopia is one of the world’s fastest-growing economies.** Ethiopia, with an estimated population of 102.4 million (2016), is Africa’s second most populous country and the third-largest economy in Eastern and Southern Africa. National per capita income rose from US$350 in 2010 to US$993 in 2017, and extreme poverty fell from 55 percent in 2000 to 34 percent in 2011 and then to 24 percent in 2016.\(^1\) Under the new government led by Prime Minister Dr. Abiy Ahmed, appointed in April 2018, the country has embarked on macroeconomic reforms. There are signs that the economy is opening, and private sector integration is growing.

2. **These impressive gains coincide with imposing challenges.** Ethiopia remains one of the world’s poorest countries and ranks 174 of 186 on the Human Development Index.\(^2\) Average annual growth in gross domestic product over 2010-16, at 10.1 percent,\(^3\) has not generated the 1.7 million jobs required

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1 Growth rate for 2018 from IMF World Economic Outlook (April 2018); all other data cited here from World Development Indicators, World Bank.
3 World Development Indicators, World Bank.
each year by new workforce entrants, and more jobs will be needed, because 70 percent of the population is under 30. The lack of economic opportunity and political representation has caused civil unrest since 2016, placing jobs and political justice at the top of the agenda for the new cabinet.

3. Throughout Ethiopia, climate change—particularly in the form of more frequent and severe droughts and floods—is a serious concern and it is quite literally shifting the landscape for the already vulnerable and rapidly growing lowland population. Ethiopia has seen 8 major droughts in the past 15 years, with significant adverse consequences for the economy and livelihoods. The three years in which growth dipped below 10 percent (2009, 2012, and 2016) were all associated with severe droughts. Long-term climate change predictions are mixed, but the overall consensus is that drought will continue to be a major stress factor over the next few decades.

4. Ethiopia's arid and semi-arid lowlands present some of the most exacting challenges. Vulnerability is very high in the lowlands, where the high-risk environment exposes livelihoods to multiple shocks. Whereas highland areas—with 40 percent of the land area and over 85 percent of the population—have been the epicenter of economic growth and political power for centuries, the arid and semiarid lowlands stand at the margins of political and economic engagement. With 60 percent of the land area and 12–14 percent of the population—mostly pastoral and agro-pastoral communities—the lowlands lag the rest of Ethiopia in terms of most social and economic indicators. Literacy rates, access to formal education, and access to water and sanitation are all well below national averages in the six lowland areas of Ethiopia: Afar Regional State, the Benishangul-Gumuz Region, parts of Oromia Region, Somali Regional State, Gambella Region, and the Southern Nations, Nationalities, and Peoples' Region (SNNPR). Pastoral lowland areas have the lowest maternal and child health indicators and highest fertility rates (7.2 births per woman in Somali Regional State and 5.5 in Afar Regional State). Except for SNNPR, the average population growth rate in pastoral areas of the five other lowland regions surpasses 2.5 percent. The Multidimensional Poverty Index in the lowlands is quite high—for instance, it is 80.1 in Somali Regional State compared to 56.5 in the highland Tigray Region. Perhaps more important, the share of the lowland population that is vulnerable is more than twice the share of the population that is poor.

Sectoral and Institutional Context

5. The great majority of the population in Ethiopia's arid and semiarid lowlands has relied on pastoralism and agro-pastoralism, based on the seasonal movement of livestock and traditional rangeland management, as the most suitable way to use the scarce resources in these areas. Rangelands are defined as areas of shrubs and/or grasses receiving less than about 750 millimeters of rainfall each year, and the movement of livestock between wet-season rangeland grazing areas and dry-season grazing areas is vital to pastoral and agro-pastoral (PAP) livelihoods. Among pastoralists, extensive herding is the dominant economic activity; agro-pastoralists engage in mixed farming and livestock rearing. Within these broad parameters, PAP production and marketing systems can vary widely. For example, Afar and Somali Regional States are dry areas, whereas Gambella Region and SNNPR are humid. Somali Regional

4 National Planning Commission, GoE.
5 Central Statistical Agency, GoE.
6 A small minority of producers depend almost entirely on sedentary farming along river-banks, near water points, and in peri-urban areas.
State has a more diversified economy and market-integration; in contrast, Gambella Region is poorly connected to markets, and has less diversified economy.

6. **Important trends are reshaping livelihood systems throughout the arid and semiarid lowlands.** More severe and frequent droughts are leading to more animal death and sickness, rendering PAP systems more fragile. Herd size continues its long-term decline, while herd composition continues to shift away from cattle to favor browsers such as goats and camels. Invasive plant species such as *Prosopis juliflora* are rapidly degrading rangelands by displacing native plants used for grazing and forage; *P. juliflora* now covers about 1.2 million hectares (12.33 percent) in Afar Region. Private enclosures of pastures, the spread of small- and large-scale commercial agriculture and urbanization, and the development of mega-projects such as sugarcane plantations, are fragmenting rangelands, reducing the accessibility and availability of pasture land, and limiting livestock mobility. A volatile geopolitical environment, insecurity in some regions, and local conflicts add to the challenge of sustaining PAP livelihoods.7

7. **Rangeland is one of the most contested assets in Ethiopian lowlands and access to pastures and water in rangeland could be one of the sources of conflict.** Conflicts have adversely affected pastoral areas for centuries, but they have increased in recent years, variously attributed to rising pressure on resources, reduced resource availability, a proliferation of arms, and the decline of traditional conflict management mechanisms. Conflict disproportionately affects women and children and places additional limits on animal mobility. Projects and programs taking a participative and community driven process to improve access to resources (pastures, water, cattle routes etc.) can help address some of the drivers of conflicts. Nonetheless, there is still a residual risk that access to some of these resources might create conflict within and between communities. The design of programs to improve PAP livelihoods must take into account the high-risk environment and accordingly put a strong emphasis on conflict management.

8. **The traditional social systems and economic arrangements that supported PAP communities are in transition.** A cash-based market economy and livestock marketing are growing in importance to meet rising domestic and export demand for live animals and livestock products. Some large-scale herd owners have successfully moved into commercial livestock production. Other herders have been pushed out of pastoralism by successive droughts and other stresses, or they have been pulled toward alternative market opportunities. Some have moved into agro-pastoral systems, generally where water is available to produce animal feed and other crops.

9. **In this dynamic context, significant economic opportunities are emerging.** Major drivers of growth in these areas include:

   - Demand for animal protein is expected to double by 2030, creating commercial opportunities for PAP production systems.8 Upward trends in prices for animal products and livestock indicate incentives to invest in the livestock sector.9 Ethiopia’s geographical location offers substantial

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7 Whether this emerging demand can be met sustainably is another concern. Ethiopia’s agricultural sector accounts for more than 60 percent of Ethiopia’s greenhouse gas (GHG) emissions. The National Adaptation Plan and Climate Resilient Green Economy strategy strongly emphasizes that climate-smart agriculture is an essential strategy for meeting climate change mitigation and adaptation goals.

prospects to export live animals and animal products (especially red meat) to Arabian Gulf countries and within Africa. These prospects could be enhanced by introducing a practical, affordable animal identification and traceability system.

- Opportunities exist to expand rainfed, water conservation, and irrigated agriculture in the lowlands to meet market demand. Managed well, they can be leveraged without interfering with the mobility of PAP communities.
- Other opportunities to create local employment include off-grid energy (including solar, wind, and biodigesters), mining, tourism, trade, manufacturing, and other services.
- As improvements in physical connectivity (roads, railways) and digital connectivity (mobile phones) spread, producers gain options to reach markets and commercialize crop and livestock production.

10. Although investments in past decades tended to emphasize humanitarian assistance, food aid, and cash-for-work in pastoral areas, more recent investments have emphasized community and livelihood development. In particular, over the last 15 years, the World Bank and International Fund for Agricultural Development (IFAD) have invested US$452 million in three phases of the Pastoral Community Development Project (PCDP). Through a community-driven development (CDD) approach, this foundational project strengthened the capacity of community institutions to devise inclusive community development plans (CDPs) and deliver basic social services at the kebele, woreda, and regional levels. Other recent investments have focused on livelihoods with positive results, including the Regional Pastoral Livelihood Resilience Project (RPLRP) (World Bank), Drought Resilience and Sustainable Livelihoods Program (DRSLP) (African Development Bank), the Pastoralist Areas Resilience Improvement through Market Expansion (PRIME) project (USAID), and the Afar Soil Rehabilitation Project in Afar (German Corporation for International Cooperation). These projects all had a relatively limited geographical scope, however, and their successful approaches merit scaling up.

11. As part of preparing this project, the GoE requested the World Bank to commission two studies to develop a better understanding of past and future dynamics in the Ethiopian lowlands. These studies (one conducted by the World Bank with IFAD and the other by the World bank and the Department for International Development)\(^\text{10}\) identify four major binding constraints to livelihoods in the lowlands:

12. **Low productivity and limited market links.** The current productivity of livestock (for meat and dairy) raised by pastoral communities and of dryland agriculture as practiced by agro-pastoral communities is very low compared to national and regional standards. At the same time, poor public infrastructure in the lowlands—for example, roads, market facilities, and cell phone and internet connectivity—makes it difficult for producers to connect to lucrative national, regional, and international markets. To meet emerging market demand and increase household incomes, productivity and commercialization must be enhanced.

13. **High vulnerability and fragility of prevailing livelihoods.** PAP livelihoods are highly vulnerable to

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climatic shocks (primarily drought), conflict, insecurity, and animal pests and diseases. The deterioration of rangelands, encroachment of human activity and invasive species on pasture land, increase in human and livestock populations, and limitations on mobility are creating an urgent need to increase resilience in PAP production systems and livelihoods.

14. **Limited capacity to benefit from opportunities to diversify livelihoods.** While a large share of the PAP population wants to engage in another form of livelihood, the limited skill base, minimal market opportunities, and poor access to assets and financing severely limit options for diversifying livelihoods. Low population density, limited infrastructure, and geographical remoteness from services and markets imply that economic diversification should center upon PAP value chains and emerging market opportunities as the key to develop a critical mass for diversification to occur.

15. **Limited delivery of social and economic services.** The fact that PAP communities have the lowest socioeconomic indicators in Ethiopia has serious implications for livelihoods and overall human development and well-being. The PCDP greatly enhanced the delivery of social and economic services over the course of 15 years, yet it reached only 60 percent of kebeles, and resource limitations prevented priority demands from being met in some kebeles. Many PAP areas still have no access to basic social and economic services.

16. **In a strong push for development in PAP areas, the Government of Ethiopia (GoE) is finalizing a new policy for pastoral development.** The policy recognizes pastoralism as a viable economic activity that is suitable and adapted to vast rangelands, and it emphasizes that pastoral mobility is a key mechanism for ensuring the sustainability of PAP livelihoods. These views and goals are aligned with the strategy of the IGAD Drought Disaster Resilience Sustainable Initiative (IDDRSI). The government has designated the Ministry of Peace (MoP)—formerly the Ministry of Federal and Pastoral Development Affairs (MoFPDA)—to lead the design and implementation of a new flagship investment aimed at building more resilient livelihoods in the PAP areas of Ethiopia. MoP successfully implemented all three phases of the PCDP.

17. **In sum, an integrated intervention and investments at scale are required to achieve drought-resilient, transformed, and sustainable PAP livelihoods, ecosystems, and institutions.** The proposed Lowland Livelihood Resilience Project recognizes that an integrated, comprehensive approach is essential to address multiple livelihood challenges in a complex, fragile, and conflict-prone environment. To that end, the design of the proposed project reflects six strategic pillars identified in the World Bank–IFAD study commissioned by the GoE: (1) livelihood support; (2) integrated rangeland and water development and secure access to key resources; (3) transformation and commercialization of the livestock industry in PAP areas; (4) enhanced access to and use of basic social and economic services; (5) enhanced social protection and disaster risk management; and (6) institutional capacity building and other cross-cutting issues. The geographical coverage of the proposed project includes PAP areas in six regions: Afar Regional State, Benishangul-Gumuz Region, Gambella Region, Oromia Region, SNNPR, and Somali Regional State. Within these six regions, the project will intervene in approximately 100 woredas. It will adopt a woreda-clustering approach to spatially cover the rangelands.

18. **The introduction of a fundamentally new, coherent, and participatory approach to rangeland management lies at the heart of this project to mobilize the resources of the Ethiopian lowlands for...**

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11 IGAD is the Intergovernmental Authority on Development.
more resilient livelihoods. In other words, unlike earlier approaches to pastoral development, the proposed project will actively engage with the dynamic nature of the lowlands, recognizing that many livelihoods are in transition, that mobility is a key feature of that transition, and that these trends will continue. This is a relatively new approach in Ethiopian context driven by assumption that development of rangelands is a better mechanism to efficient natural resource allocation in Ethiopian lowland compared to alternate usages. Furthermore, the project is focused on private sector engagement for proving more sustainable and longer-term solutions for delivery of goods and services with an assumption that there is appetite from private sector for engagement in this geography. These are relatively newer approaches in a high-risk environment which warrants a more adaptive, flexible and learning approach for course correction during the project implementation. Figure 1 depicts the pathways of livelihood change that will contribute to increased resilience under the proposed project.

19. Figure 1: Pathways of livelihood change to increase resilience

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)
To Improve Livelihood Resilience of Pastoral and Agro-Pastoral Communities in Ethiopia

Key Results
20. The PDO-level indicators include:

1. Increased land area (in hectares) under sustainable landscape management practices.
2. Percentage increase in yield of selected crop and livestock commodities.

3. Number of people with improved access to economic and social services (disaggregated by service type and gender).

4. Farmers\textsuperscript{12} reached with agricultural assets or services (disaggregated by gender).

**D. Project Description**

**Component 1: Integrated Rangeland Development and Management (Total: US$228 million of which US$ 177.24 million from IDA, US$47.76 million from IFAD and US$3.4 million beneficiary’s contribution)**

21. Pastoralism is an efficient and sustainable use of key rangeland resources in the arid and semi-arid lowlands that are not well suited to other forms of practices such as farming. Thus, component one will support the overall management of rangelands where PAP production systems operate. It will ensure that pastoralists have secure access to and use of key natural resources in several ways, including through conflict management. Efforts will encompass all rangeland resources, such as dry-season grazing, wet-season grazing, and grazing land intended to act as drought reserves; cattle corridors; wetlands; forests and woodlands; water sources for livestock, crops, and humans; settlements; and areas reserved for crop and fodder production. Component 1 has three subcomponents.

22. **Subcomponent 1.1: Integrated Rangeland Management Planning (Total: US$ 16.8 million of which US$ 13.46 million from IDA and US$3.33 million from IFAD)**. This subcomponent will finance five sets of activities: (1) conducting regional assessments of rangelands and associated PAP communities, institutions, and governance structures; (2) developing an inventory of existing investment and strategic plans (such as disaster preparedness strategic investment plans and woreda-level investment plans) to ensure that any subsequent work undertaken by the project is aligned with and does not duplicate those efforts; (3) formulating participatory Rangeland Management and Investment Plans (RMIPs); (4) setting up a rangeland monitoring system; and (5) building stakeholders’ capacity to plan and implement RMIPs.

23. The RMIPs will have five components: (1) natural resource and pasture development; (2) water resource development; (3) small-scale irrigation scheme development; (4) market infrastructure development; and (5) development of other economic infrastructure. The planning process will employ both a gender lens and a conflict lens to ensure that the RMIPs adequately address these two concerns. The project will provide the support required for technical assistance, capacity building, and facilitation.

24. **Subcomponent 1.2: Supporting Strategic Investments (Total: US$ 207.6 million of which US$ 160.66 million from IDA, US$43.42 million from IFAD, and US$ 3.4 million beneficiary's contribution)**. Guided by the RMIPs, this subcomponent will finance investments with strategic relevance for sustainable management of rangelands, improved productivity of PAP systems and enhancing livelihoods resilience. More specifically the sub component will finance two types of Strategic Investments (SIs) identified and

\textsuperscript{12} “Farmers” are defined here as people engaged in agricultural activities or members of an agriculture-related business which includes crops, livestock, capture fisheries, agroforestry, and so on. Based on that definition, pastoralists and agro-pastoralists are a subset of farmers.
prioritized in the RMIPs. The first type of investments will consist of initiatives in **rangeland management and pasture improvement**, based on approved RMIPs. These initiatives have more of a natural resource management objective, such as pasture development, water resources development, and soil and water conservation. They will be implemented through a participatory community approach that incorporates elements of the Community Driven Development (CDD) approach that has been used under the PCDP. The second type of investments consists of **public economic infrastructure**—larger strategic infrastructure spanning several communities, which the private sector cannot finance. An indicative list of eligible investments includes livestock water provision along livestock routes and in a wider rangeland area; spot improvements to public infrastructure, such as bridges and tertiary roads; economic facilities such as secondary and primary livestock markets; investments aimed at facilitating public-private-producer partnerships; the establishment or upgrading of small-scale irrigation schemes; rehabilitation and equipping of veterinary facilities such as laboratories; and water harvesting and conservation schemes, which aim either to support household food security or to diversify and commercialize cash crop and forage/fodder production.

25. **Planning and preparation for SIs** will entail consultation with all social actors (50 percent women), and 30 percent of the representatives on decision-making committees will be female. The rangeland improvement or public infrastructure investments selected for financing will demonstrate direct relevance for productive PAP activities in which women are engaged.

26. **Subcomponent 1.3: Conflict Management and Secure Access to Key Resources (Total: US$ 4 million of which US$ 3 million from IDA and US$1 million from IFAD).** Conflict in the pastoral areas of Ethiopia are caused by many factors, including rising pressure on resources, reduced resource availability, a proliferation of arms, and the decline of traditional conflict management mechanisms. This subcomponent will finance five sets of activities that will help to properly understand the root causes of conflict in the project areas, facilitate knowledge management and conflict resolution platforms and more importantly to ensure a conflict sensitive planning and implementation of activities across the components. It will also finance activities towards ensuring pastoralists access to key natural resources such as seasonal grazing lands and water points. The activities include: 1) it will provide support for conducting area-specific conflict analyses and conflict mapping to inform planning for RMIPs and other investments under Components 1, 2, and 3. 2) it will support identification, recognition, and capacity building of customary institutions and traditional conflict resolution practices as the basis for supporting innovative and durable conflict resolution initiatives. 3) it will support conflict resolution, social cohesion, and peace-building platforms (inter-community, inter-woreda, inter-regional, and cross-border platforms, as appropriate), and it will establish or strengthen linkages with existing platforms and initiatives, such as the Conflict Early Warning and Response Mechanism and other similar initiatives. 4) it will identify/understand critical challenges constraining pastoralists’ access to key natural resources, initiate studies (through Component 3), and facilitate policy dialogues between communities, local and federal governments, civil society organizations (CSOs), and other relevant stakeholders with an objective of ensuring secure access to key resources by pastoralists and 5) it will encompass capacity building and

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13 This activity includes supporting alternative mechanisms that operate through local/customary institutions, markets, communication, or basic services that offer common ground for reciprocity and mutual dependence.

14 These studies will consist of thematic action research that focuses on understanding the underlying drivers of conflict (spatial mapping, identifying the drivers and actors, and identifying alternative resolution mechanisms), as well as on understanding the lowland political economy (the changing livelihood pattern) and institutions involved in natural resource management and use.
local and cross-border visits for relevant staff of the MoP, other institutions and sector ministries, relevant CSOs, and other implementing agencies for the project to share experiences with traditional and modern conflict management approaches.

**Component 2: Livelihood Improvement and Diversification (Total: US$110 million of which US$ 87.32 million from IDA and $US22.45 million from IFAD)**

27. This component will finance activities that will support three categories of communities, namely those who want to pursue the pastoral system, those who opt to diversify the pastoral system including to agro-pastoralism and others who have moved out of the pastoral and agropastoral systems and are looking for alternative livelihoods options. This component will deliver the proposed support through the exiting extension and veterinary systems at woreda and community levels. The component will also benefit from other projects (such as AGP and LFSDP) institutional capacity building support being provided to the extension and veterinary systems at federal and regional levels.

28. **Subcomponent 2.1: Enhancing Pastoral and Agro-Pastoral Production Systems (Total: US$ 54.3 million of which US$ 43.19 million from IDA and US$ 11.10 million from IFAD).** The current outreach of agricultural extension services in lowland area is much limited in comparison to the highlands. There are certain aspects, namely a) geographical dispersion of population over wide geographical area; b) mobility of population along cattle corridors; and c) harsh living condition and limited social and economic services contributing to higher attrition rates of development agents, which makes it challenging to deliver agricultural extension services\(^\text{15}\) in Ethiopian lowlands. This subcomponent aims at improving the productivity of PAP production systems (cattle, camels, small ruminants, and poultry, as well as crops including maize, sorghum, and vegetables) in the targeted project areas. The nature of agricultural extension need in Ethiopian lowlands warrants a multi-pronged strategy relying on improving the ability of extension agents to deliver services by upgrading pastoral and farmer training centers; pastoral field schools aimed at delivering these services to mobile population; and deploying ICT tools to deliver geographically dispersed population. The project will enhance the delivery of livestock and crop production extension services and animal health services in the targeted woredas, complementing the SIs under Component 1 and help support a fit for purpose extension service for pastoralist and agro-pastoralists.

29. More specifically, Subcomponent 2.1 will finance three kinds of activities to enhance the existing woreda and kebele level agricultural extension and veterinary service delivery capacities. First, it will strengthen the service delivery capacities of woreda level extension systems through organizational and human resource capacity building supports and by upgrading Pastoral Training Centers (PTCs) or Farmer Training Centers (FTCs). Second, it will strengthen the outreach of the extension system through PAP Field Schools, and third, it will support research through PAP Research and Extension Groups, managed by universities and research centers.

\(^\text{15}\) The World Bank is supporting the agricultural extension though ESPES project which contributes to the salaries of the development agents and AGP2 which is helping improve the delivery of agricultural extension by providing resources for upgradation of farmer training centers and demonstration facilities. This project is building upon the successful agricultural extension support from the bank financed projects in Ethiopian highlands through projects such as AGP2 and LFSDP and customizing it to the needs of pastoral and agro-pastoral communities in Ethiopian lowlands.
30. To foster improvements in livelihoods, this subcomponent will support the extension system to promote a number of technologies and pursue different types of training and demonstration activities, including: technologies that improve animal productivity in terms of parameters such as milk and meat production, growth rate, and reproductive performance; crop productivity technologies such as improved and drought-tolerant seed and market-oriented crop varieties; feed and forage technologies; community-based breed improvement for cattle, camels, and small ruminants (mainly through community-based breed improvement initiatives); on-farm/pasture land demonstrations of good pastoral practices; and on-farm demonstrations of improved crop husbandry practices for dryland agriculture, irrigation, and water conservation schemes. Nutrition will be incorporated into the efforts of PAP Field Schools through a nutrition curriculum and the provision of inputs, including seed of high-value vegetables and biofortified varieties. Under this subcomponent, the extension system will help to promote gender equality by ensuring equal participation of women and men in extension activities and to improve production and the productivity of their activities. Women’s training modules may include components on non-cognitive skills such as perseverance and optimism, which are positively linked to the adoption of higher-value crops by female farmers in other countries, even in patrilocal communities.

31. Under this subcomponent, the proposed project will also strengthen the availability of animal health services in the selected communities, as well as outreach by the animal health system. For instance, it will help to upgrade and equip animal health posts; support, establish, and/or strengthen networks of animal health services and/or public-private partnership (PPP) arrangements to make animal drugs, vaccines, and treatments available; and train and equip Community Animal Health Workers (CAHWs).

32. **Subcomponent 2.2: Promoting Livelihood Diversification and Market Access (Total: US$ 55.5 million of which US$44.12 million from IDA and US$11.34 million from IFAD).** This subcomponent will support livelihood diversification, strengthen market linkages and commercialization, and improve access to financial services. To support multiple avenues of **livelihood diversification**, this subcomponent will finance the following activities: (1) selected technical and vocational education and training (TVET) centers and other relevant institutions to develop and deliver customized technical vocational training and entrepreneurship training to individuals and groups in rural areas to improve their skill base; (2) recruitment of competent technical providers of business development services, to support individuals and groups to successfully develop and manage business ventures; and (3) development of common interest groups (CIGs) and financing of their business plans through matching grants. Two distinct types of CIGs will be supported. One will be productive alliance CIGs (discussed next), which will link producers in a CIG to a private enterprise such as a processor. A second type will be open-market CIGs, formed to provide particular goods and services (such as inputs or transport) to large numbers of consumers. These activities are expected to target mostly women as well as young men and women with no productive assets. To measure the project achievements towards diversification and alternative income generating livelihoods activities, as well as the level of the private sector engagement, the project will use appropriate indicators such as the number of project beneficiaries engaged on viable alternative income generating livelihoods activities and the number of productive partnerships established between the producers and the potential buyers.

33. To strengthen **market linkage and commercialization**, under Subcomponent 2.2 the project will finance five sets of activities. First, it will provide support to facilitate the development of partnerships (formal or informal contractual arrangements) between private companies and groups of producers in a CIG. These productive partnerships will help connect producers to markets, and the development of
business plans for these partnerships will be financed through productive alliance CIG matching grants. Second, market linkages and commercialization will be strengthened by the development of a rangeland value chain platform to ensure private sector constraints are addressed through RMIPs. A third set of activities to be supported includes the piloting of innovative market arrangements such as livestock auctions; the development of product standards, traceability, and certification systems; the use of mobile phones to aggregate demand and conduct other commercial transactions; and scaling up the Livestock Market Information System.

34. **To improve access to financial services,** under Subcomponent 2.2 the project will provide technical assistance for the development of strong unions of rural savings and credit cooperatives (RUSACCOs). Weak and intermediate RUSACCOs will receive technical assistance to improve their financial performance and sustainability. New RUSACCOs will be developed in communities where they do not exist, and they will receive savings leverage grants to kickstart financial inclusion. In addition, microfinance institutions (MFIs) will receive technical assistance to enhance digital financial services and offer products tailored to PAP communities.

35. The value chains prioritized for the proposed project include (1) beef; (2) dairy; (3) small ruminants (sheep and goats); (4) animal feed and fodder; (5) camels; (6) vegetables and high-value horticulture, and (7) crops (maize, sorghum, possibly others). Other activities that may be considered for diversifying livelihoods include beekeeping, poultry production, handicrafts, natural gum, and tourism. These value chains and activities were selected based on their current spread and potential in project areas, opportunities for value chain integration, and opportunities for youth and women to participate.

**Component 3: Improving Basic Services and Capacity Building (Total: US$76 million of which $US 55.92 million from IDA, $US 12.20 million from IFAD and $US 7.6 million beneficiary’s contribution)**

36. **Subcomponent 3.1: Provision of Basic Social Services and Infrastructure (Total: US$ 53.2 million of which $US 38 million from IDA, US$7.6 million from IFAD, and US$ 7.6 million beneficiary’s contribution).** This subcomponent will use a CDD approach to support better access to and use of basic social and economic services among the target communities, through a Community Investment Fund (CIF). Infrastructure development will adopt a spatial orientation and finance investment at the inter-community, kebele, and woreda levels. This subcomponent builds on the PCDP experience but will work only in woredas and kebeles that did not benefit from the PCDP. Similar to PCDP, each community will receive support only for a maximum of three subprojects, after which they will graduate from CIF support. The proposed project will use a full-fledged CDD approach to give priority to investments (identified through a participatory community process) that directly benefit women.

37. **Subcomponent 3.2: Institutional Capacity Building (Total: US$ 6 million of which US$ 4.8 million from IDA and US$ 1.24 million from IFAD).** Subcomponent 3.2 is designed to improve the capacity of public institutions to deliver services. Considering the weak institutional environment and limited implementation capacity in the lowland areas covered by the proposed project, a significant investment in capacity building will be made at federal, regional, woreda, kebele, and community levels. The process will start by identifying key institutions and partners, including research and academic institutions, followed by a capacity needs assessment, the development of a capacity-building plan, and financing of the capacity-building plan. Stakeholder institutions will be strengthened to engage meaningfully with public and private partners to offer market access, disease control, and other services for their members.
Capacity building will involve physical, human, and system capacity building.

38. **Subcomponent 3.3: Knowledge Management, Research, and Policy Support (Total: US$ 16.5 million of which US$ 13.1 million from IDA, US$ 3.36 million from IFAD).** A weak link in past programs and projects was that little information on lessons and best practices was documented or disseminated. To enable adaptive management, integrate changes at the local level, and benefit from the feedback of beneficiaries, the proposed project will support continuous learning, adaptable knowledge management, and communication on innovative tools and approaches. This subcomponent will also identify the indigenous knowledge and customary institutions that are expected to play pivotal roles in strengthening various development activities among PAP communities. The project will also support research and capacity building in thematic priority areas of PAP systems. Memorandums of Understanding (MoUs) will be signed with research, academic, and higher learning institutions to conduct research on such topics as rangeland management, breed improvement, rainfed and irrigated agriculture in arid and semiarid areas, and socioeconomic research in pastoral areas.

39. In addition, Subcomponent 3.3 will introduce digital technologies and pilot other innovations to solve critical bottlenecks in PAP value chains. Such technologies could include, for example, an integrated pastoral decision support system (rainfall, pasture, water availability, market price, conflict early warning etc), certification and traceability systems for livestock products, and geospatial monitoring, among others. Priority will be given to innovative technologies that not only enhance the competitiveness and sustainability of rangeland management but also (1) provide low-cost, climate-proof solutions and (2) are adapted to the needs of women and young people.

40. Considering the need to strengthen policies on land use, pastoral mobility, community land certificates, and community ownership of rangeland, this subcomponent will also finance technical assistance for evidence-based policy-making and community engagement in policy dialogue. This activity will provide evidence to the GoE to inform pastoral-friendly policies, consistent with the constitution, that can support resilient PAP livelihoods.


41. Component 4 will ensure that the proposed project is managed and implemented efficiently, on time, and in accordance with the PDO and Financing Agreement, and that its performance and effectiveness are tracked. As part of the Grievance Redress Mechanism (GRM), Component 4 will also explore and support the development of innovative grievance collection and feedback mechanisms, including support by mobile phone and other forms of information and communication technology (ICT), taking the specific local context into account.

**E. Implementation**

**Institutional and Implementation Arrangements**

42. The borrower has implemented a number of Bank projects and has moderate institutional capacity for implementing safeguard policies. The project implementation arrangements will largely follow the
existing mechanisms for the ongoing PCDP III with slight modifications to capture recent developments.

43. While implementing various World Bank Financed infrastructure projects (PCDP I-PCDP III), the Borrower has gained experiences in preparing safeguards instruments (ESMF, RPF, ESS and ESMP documents) to identify and address potential environmental and social risks, took the responsibility of the Ministry of Federal and Pastoral Development Affairs (MoFPDA), now part of Ministry of Peace (MoP) has implemented three successive phases of Pastoral Community Development Project (PCDP) under an Adaptable Program Lending (APL) spanning 15 years, which has been jointly supported by the World Bank and IFAD. It is, therefore, proposed that this new RCLRP will utilize the existing experience that has been built up with the ongoing PCDP III safeguard implementation arrangements. The LLRP will build on lessons learnt through implementation of the PCDP. The PCDP implementing entities and their staff at all levels are generally trained and aware of the WB safeguards requirements for CDD type projects; local institutions in Gambella and Benishangul-Gumz, while not part of PCDP, have been trained along other WB funded projects, including DRDIP, AGP-2, SLMP-2. MoP has the responsibility for overall coordination, monitoring and evaluation of the RCLRP. Currently, there are safeguards specialists dedicated for PCDP III at federal and the four regional bureau levels. However, given that Gambella and Benishangul regions are new for the World Bank’s safeguards procedures and requirements under the PCDP interventions, the existing capacity for the safeguard’s implementation is expected to be low. Hence, they are required to deploy safeguards experts followed by capacity building training before commencement of the project. Overall, the client will use systems and experiences of other projects and the structures developed in the LLRP ESMF, RPF and SA. The details of operational steps for the implementation of the safeguard’s instruments will be worked out in the Project Implementation Manual.

44. Experiences revealed that proper implementation and documentation of safeguards related matters remains a challenge that needs to be further strengthened, through ensuring adequate personnel and capacity at the ministerial and local levels, to ensure environmental and social safeguards compliance.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in 100 Pastoral and agro-pastoral Woredas of Ethiopia. The geographical coverage of the project would include regions of Afar, Ethio-Somali, Gambella, Benishangul-Gumuz and parts of Oromia and SNNP. Components 1 and 2 would be implemented in clusters encompassing one and more woredas, while component 3 would focus on interventions on village level.
### SAFEGUARD POLICIES THAT MIGHT APPLY

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
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</thead>
</table>
| Environmental Assessment OP/BP 4.01                    | Yes        | The Lowland Livelihood Resilience Project (LLRP) is expected to finance the following activities:  
- physical interventions like pasture development, supporting area enclosures, Prosopis and other invasive species control, water resource development along cattle corridors, soil and water conservation measures, afforestation activities, small dams, flood control, rain water harvesting, catchment management improvements;  
- construction of demand-driven social and economic infrastructure development which may include schools, health posts, veterinary posts, small water supply and irrigation, small feeder roads;  
- service improvement including breed improvement, feed/forage improvement and management, animal health services, rain-fed agriculture.  
Given that most of the aforementioned activities could result in some environmental and social related risks that requires an environmental assessment, OP/BP 4.01 has been triggered. The client has consulted up on and prepared an ESMF and submitted for the WB review and clearance. The ESMF outlines the potential environmental and social risks, impacts, and mitigation measures. The ESMF will be disclosed in country and at the World Bank External Website prior to appraisal. |
| Performance Standards for Private Sector Activities OP/BP 4.03 | No         | The project is not expected to fund Private Sector interventions.                                                                                                                                                                                                                                                                                                               |
| Natural Habitats OP/BP 4.04                            | Yes        | Pastoral areas cover some natural habitats which are protected by law, such as the Awash and Yangudi Rasa National Parks (Afar), Yabello Sanctuary (Borena) and the Babile Wildlife Sanctuary (Somali). However, LLRP is not expected to be operated within |
such areas or other areas that qualify as critical natural habitats under OP. 4.04 or include any sub-projects that have a bearing on protected areas. Therefore, OP/BP 4.04 will be triggered as precautionary measures to protect even those non-critical natural habitats form an anticipated damage. Some of the Project intervention areas may include natural habitats. To ensure that sub-projects are screened, and impacts are avoided on natural habitats, appropriate preventive and mitigation measures are included in the ESMF of the Project.

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<thead>
<tr>
<th>Topic</th>
<th>Triggered</th>
<th>Action</th>
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<tbody>
<tr>
<td>Forests OP/BP 4.36</td>
<td>Yes</td>
<td>OP/BP 4.36 is triggered to avoid any anticipated potential impacts that may affect the natural forests found in Gambella and Benishangul Gumuz regions. Project activities will not be undertaken in forests. The proposed ESMF would have screening criteria for screening sub-projects so that natural or plantation forests will not be affected.</td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>Yes</td>
<td>Promotion of rain fed and/or irrigated farming where feasible and profitable is part of promoting sustainable livelihoods and may indirectly involve use of agrochemicals including fertilizers and pesticides for both crop and livestock improvements. The ESMF includes a section on Pesticide Management Guidelines and Integrated Pesticides Management Plans (PMPs) that would elaborate on what actions need to be undertaken to minimize environmental and public health impacts.</td>
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<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>Yes</td>
<td>There are few areas in the Ethiopian lowlands that may constitute physical cultural resources in the sense described in BP/OP. 4.11. Although the nature and scope of the LLRP sub-projects is not known now, they are unlikely to involve any major excavation work or inundation of areas with water, and are thus not likely to affect any physical cultural resources. Furthermore, subprojects will be carried out only in areas selected, through a broader consultative process that includes prior informed consent, by local citizens who would normally give great importance to safeguarding their cultural resources. Nonetheless, the policy is triggered, predicated on the assumption that there could be “chance find”. No sub-project that might have negative impacts on cultural property will be funded without acceptable mitigation measures prepared</td>
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prior to execution of any such sub-project. There are national procedures and guidelines for reporting chance finds to be followed, and a national entity for coordinating and facilitating the archiving, safekeeping and documentation of physical cultural resources. The Project would work closely with the national authority, should any chance find issues arise. A set of procedures for ensuring that PCRs are considered in the designing process of LLRP sub-projects are included in the ESMF.

| Indigenous Peoples OP/BP 4.10 | Yes |

The Project triggered OP 4.10 as the vast majority of people in Afar, Ethio-Somali, Gambella, Benishangul-Gumuz and parts of Oromia and SNNP meet the criteria for OP 4.10, with the project explicitly targeting lowlands in emerging regions. While the Project therefore will benefit specifically these areas, assessing culturally appropriate interventions as well as ensuring equal access to project benefits, a related enhanced consultation was conducted and a Social Assessment prepared and respective results integrated into the Project design. The client has consulted up on and prepared an SA and submitted for the WB review and clearance. The SA in its Social Development Plan has outlined the potential social risks and impacts with proposed mitigation measures. They encompass amongst others enhanced (inter-)community engagement throughout the project cycle on all components of the project, an explicit conflict management component including capacity development, the use of specialized social officers on cluster level, pilot opportunities, and cooperation with universities, CSOs, or firms to ensure continuing community-based monitoring and adaptive management on project- and subproject-level. The respective TORs will include focus on inter-community conflicts, intra-community conflicts, vulnerable groups, GBV, etc. These TORs will be used for capacity development, the use of specialized social officers on cluster level, pilot opportunities, and cooperation with universities, CSOs, or firms to ensure continuing community-based monitoring and adaptive management on project- and subproject-level site specific adaptive risk assessments. These TORs will be prepared by the PIU, reviewed and cleared by the Bank Task Team. The Social Development Plan is
<table>
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<tr>
<th>Involuntary Resettlement OP/BP 4.12</th>
<th>Yes</th>
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<tr>
<td>LLRP interventions may involve acquisition of land and/or restriction of access to communal natural resources. Therefore, an RPF has been prepared to ensure that appropriate measures are in place to address any issues which might arise from potential land acquisition and/or restriction of access to communal natural resources under the Project. The RPF includes the principles for conducting consultation and preparing appropriate tools to address potential impacts of sub-projects. It also outlines procedures for different forms of land acquisition, including involuntary land acquisition and voluntary land donations from private and collective land use. The RPF includes also a section on key processes to be followed during range land development and restriction of access and use to natural resources.</td>
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<tr>
<th>Safety of Dams OP/BP 4.37</th>
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<tr>
<td>LLRP is not expected to finance any investments aimed at rehabilitating or constructing large dams. Although there could possibly be construction of small dams under LLRP, particularly for small scale irrigation, they may not be large (more than 4.5 meters high) and therefore may not require special procedures that are normally applied for large dams to follow. This notwithstanding, the Project will trigger OP 4.37 (Safety of Dams). In cases of small dams construction (less than 4.5 meters), the Project will use the FAO ‘Manual on Small Earth Dams, A Guide to Siting, Design and Construction’. In addition, the guideline for small dam construction prepared by the MoA will be used to ensure safety of small dams.</td>
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<tr>
<th>Projects on International Waterways OP/BP 7.50</th>
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<td>LLRP will extract very small amounts of water from any of the shared rivers or drainage systems. This notwithstanding, the Project has, in accordance with the requirements of the policy, send renewal notification of intended water use to the relevant riparian countries.</td>
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<tr>
<th>Projects in Disputed Areas OP/BP 7.60</th>
<th>No</th>
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<tr>
<td>The project is not expected to be implemented in any disputed areas.</td>
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KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

LLRP is assigned as EA Category “B” and has triggered eight out of the ten safeguard polices. The overall environmental impact of the project is positive as it is expected that LLRP will benefit the low land communities and the environment through intervention of environmentally and socially sound natural resource management activities (including rangeland), small scale and micro irrigation water resource development and management, water development for rural water supply and for livestock, market center development, livelihood development, pasture rehabilitation and incorporation of forage crops into pastures; development and compliance with grazing land management.

Notwithstanding to its positive impacts, LLRP can also entail potential negative impacts, mostly site-specific and reversible in nature. These impacts will be minimized by incorporating mitigation measures. Some of the anticipated environmental concerns include: (i) water source development in arid and semi-arid areas, in the case of Afar and Somali regions, may result in-flux of livestock that can cause overgrazing with irreversible ecological consequences. Moreover, because of the critical water supply shortage, development of a new water supply scheme could be the source of conflict among the water users, (ii) water quality could also be an issue because of possible anthropogenic and natural contamination of drinking water sources, (iii) possible over discharging coupled with the recurrent drought in most of the project areas could cause possible groundwater depletion and malfunctioning of pumps, (iv) invasion of the rangeland by invasive plant species called Prosopis juliflora in some project participating regions, and (v) chemical management in animal laboratories, veterinary and health posts.

Construction of project infrastructure will generate dust, potentially creating health problems on workers and neighboring communities if not treated appropriately. Animal slaughter facilities during construction may create health impacts on the nearby communities possibly due to poor sanitation management practices. Animal markets that will be constructed by the project will generate huge volume of solid and liquid wastes.

Besides, safety issues due to increased use of livestock pesticides, drugs, vaccines & other chemicals, ex. disposal of animal drugs, pesticides, and their packing materials may have adverse and significant environmental impacts; OHS hazards such as disease transmission during animal dips, competition over land, water and pasture (intra and inter woredas), antibiotic resistance from poor management of livestock drugs; use of hazardous laboratory chemicals in animal health services; handling and disposal of obsolete chemicals, medical wastes, etc. are also among the potential environmental and social concerns as part of implementation of the LLRP.

While recognizing the positive impacts of sustainable empowerment of pastoralist and agro-pastoralist communities, global experiences on development approaches for pastoralist communities have highlighted the social challenges of socioeconomic transformation within communities as well as in the relation between communities, including interactions with markets and wider institutions. Traditional community structures will be complemented and influenced by government institutions, but also changing livelihood and income models, as well as cultures. To note a few, development is likely to lead to stronger income disparities between households and between communities, changing resource control structures, different prioritization of skills and expertise, etc. Such social change is likely to happen also without the project, but it may be expedited by its intervention.
Specific social risks encompass land requirements and respective impacts on livelihoods, access to resources, elite capturing, inter-communal conflicts over resources (including seasonal use of natural resources), intra-communal conflicts (between young and old, rich and poor, exclusion of vulnerable households, men and women, etc.), neglect of cultural requirements to enable benefit sharing, and impacts by wider violent conflicts and unrest. The project also identified GBV, above all in form of domestic violence, as a risk to be addressed by the project. Livelihoods interventions at household level could fuel instances of domestic violence between woman and men or husband and wives in relation to resource use and ownership of land and properties. A further challenge is forceful resources and properties grabbing by men from women to meet their individual needs.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
The project is expected to positively enhance long-term social and environmental development of pastoralist and semi-pastoralist areas as well as inclusion of communities into the wider development process of Ethiopia. The project aims thereby to positively contribute to ongoing social processes, which will on the long term change the project area to a more integrated and sustainable environment, including value chains, market structures, and Ethiopian/regional/global society. Enhanced stakeholder engagement needs to ensure that such integration and development processes are formed based on the needs and wishes of the targeted communities by all involved stakeholders.

The possible adverse environmental impacts could be environmental pollution by pesticides, drugs, vaccines and other chemicals, biodiversity threats, etc. Woreda experts and Kebele members will receive training in environmental and social safeguard management during implementation of LFSDP and if any potential long-term or cumulative impacts are anticipated it is believed that these could be detected early enough through the screening process so that they can easily be avoided or mitigated. In view of this, there is no anticipation of any indirect and/or long-term negative impact in the areas where the project will be operating.

The project is not expected to lead to long-term negative impacts, while short-term risks are outlined above, which need to be mitigated to avoid indirect long-term effects on social cohesion and functioning ecosystems.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Lowland Livelihood Resilience Project is aimed to enhance livelihood resilience to external shocks with particular focus on the pastoral and agro-pastoral communities by implementing community investment and rural livelihood subprojects.

The alternative of not implementing the project will not of course have impacts on the biophysical and socio-environment. But then, this option will not enhance the livelihood resilience of the pastoralist and agro-pastoralist community of Ethiopia. Since this project will enhance the livelihood resilience of the pastoral and agro pastoralist while at the same time protecting the socio-economic and biophysical environment, hence it is the most preferred option. Meaningful alternative analysis will commonly will be produced as applicable in ESIA.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
The borrower has prepared 3 safeguard instruments (ESMF, SA, and RFP) which have been submitted for the WB review and clearance. The WB reviewed and cleared documents will be disclosed in country and at the WB external
The preparation of the LLRP safeguards instruments benefited from predecessor projects financed by the WB and other development partners, including PCDP, AGP, DRDIP, etc. Currently, there are safeguards specialists dedicated for PCDP III at federal and the four regional bureau levels. However, given that Gambella and Benishangul regions are new for the World Bank’s safeguards procedures and requirements as part of implementation of the PCDP, the existing capacity for the safeguards implementation is expected to be low. Equally, existing staff needs to be aware of the changes to PCDP III, with an increased focus on geographically larger interventions, encompassing several communities within rangelands and economic value chains. Hence, they are required to deploy safeguards experts followed by capacity building training before commencement of the project. The potential risk and impact mitigation measures for LLRP will be based on adaptive risk management through institutions, procedures and human resources. The client has taken measures to prepare the safeguards instruments to understand the potential risks and impacts, which will be operational steps in the project implementation manual, placement of human resources.

Land Acquisition. The prepared RPF ensures that appropriate measures are in place to address any issues which might arise from potential land acquisition and or restriction of access to communal natural resources under the Project. The RPF includes the principles for conducting consultation and preparing appropriate tools to address potential impacts of sub-projects. It also outlines procedures for different forms of land acquisition, including involuntary land acquisition and voluntary land donations from private and collective land use. The RPF includes also a section on key processes to be followed during range land development and restriction of access and use to natural resources.

Labor and Working Conditions: While one third of the resources will go to the CDD component of the LLRP, two third will go to Strategic Investments to finance subprojects that are bigger in scale than the conventional CDD subprojects. Risks of the influx of external labor on the community encompass amongst others (a) unfair wages paid by contractors, (b) increased living costs and food prices in local markets, (c) risk of cultural misunderstanding or exploitation, and (d) risk of sexual exploitation due to workers’ relations with local women or girls. The LLRP will ensure adequate risk mitigation measures based on the scope of the civil works to be supported, through (a) ensuring equitable project benefits for women and girls; (b) promoting prevention, mitigation and referral services to address risks of GBV, sexual exploitation and abuse; (c) promotion of fair treatment, non-discrimination and equal pay for equal work for all workers; and (d) having a code of conduct on relationships with the local community incorporated into bidding documents, including labor management procedures to prevent and address sexual harassment, unwanted pregnancies, and intimidation or exploitation of members of the local community.

The Commune Development Program (CDP): The LLRP will be implemented in emerging regional states with the existence of vulnerable groups and underserved peoples. The CDP has been under implementation solely by the FDRE in the emerging regions and closed in 2015. While the LLRP will not contribute to, or participate in, the ‘Commune Development Program’, it does recognize the need to ensure a strategic approach to risk management. In 2014-15, to address the above potential issue, a procedure for proactively managing the interface between the Government of Ethiopia’s Commune Development Program (CDP) and Bank-financed projects was developed and agreed with Government of Ethiopia. The ‘Supporting Results and Alignment of Operations in Ethiopia’s Rural Areas Screening Checklist’ is included in the project’s ESMF for managing the operational interface. The Bank will verify the Client’s screening, where there is confirmed interface, for identification of time bound gap filling measures.

Gender-based violence (GBV). GBV is a continuing challenge for Ethiopia, engrained in patriarchal structures. It is being addressed by the country’s legal system and institutional initiatives, including by the Ministry of Women, and Children Affairs, respective directorates in the line ministries and regional and local government institutions; as well as development initiatives. The LLRP project outcome targets a more equitable society and thus will provide a positive contribution to the reduction of GBV. Respective GBV indicators show a positive trend, while domestic violence and FGM/C continue to be challenges, above all in rural areas. Additional risks result from the ongoing rapid
Conflict Prevention and mitigation: As noted above, loss of key grazing lands and water resources, restricted access to key natural resources, and finally violent conflicts are among the key factors that undermine the resilience capacity of the pastoral systems in Ethiopia. Conflict in pastoral areas is caused and perpetuated by a range of interrelated factors, such as insecure tenure rights, restrictions on mobility that limits access to water and pasture, competition for dwindling natural resources, cattle rustling (historical enmity over generations, outcome of marriage practice), child abduction and adultery, group politics, spread of small arms, lack of public investment, and lacking inclusion of pastoralists from decision-making process, etc. Conflict can cause loss of or physically and psychologically damage to human lives, loss of properties (torching houses, raiding livestock), displacement, gender-based violence, restrict movement of people and livestock, disrupt markets, jeopardize public services delivery including education and health services, enhance localized land degradation as animals are concentrated in a limited area, and consequently constrains socioeconomic development and erodes achieved development gains. All these add up to increased vulnerability of pastoralists and agro-pastoralists and degrade the resilience capacity of the pastoral and agro-pastoral livelihoods. Accordingly, conflict management is an essential part of the project. Measures encompass amongst others enhanced (inter-)community engagement throughout the project cycle on all components of the project, an explicit conflict management component including capacity development, the use of specialized social officers on cluster level, pilot opportunities, and cooperation with universities, CSOs, or firms to ensure continuing community-based monitoring and adaptive management on project- and subproject-level. The respective TORs will include focus on inter-community conflicts, intra-community conflicts, vulnerable groups, GBV, etc.

LLRP Grievance Redress Mechanism (GRM). The LLRP will establish a GRM system to address grievances (information requests and provide feedback on the project implementation) by project stakeholders including communities in an amicable way. It follows principles of transparency, accessibility, due diligence, responsiveness, and solution-orientation. The project will recognize customary and/or traditional conflict resolution mechanism and the Social Audit Committee as a first layer of grievance redress on community level; with capacity support by the project. Where no solution can be found, grievances will be addressed on Woreda-level, with the inclusion of local government units, project representatives, elders (religious and/or clan leaders), beneficiaries and other stakeholders; the latter where feasible. A third layer will be installed on regional and federal level. The project will provide the necessary resources to ensure the functioning of the GRM system. The Project will equally ensure that grievances related to GBV are recognized and referred to respective service providers based on a survivor-centered approach, i.e. based on the demands of survivors and ensuring confidentiality always as outlined above. Such grievances shall not be handled according to standard GRM procedures, but by the Woreda Women Affairs Office or a female GBV focal points to be selected and trained to provide basic referral tasks. GRM procedures are outlined in the ESMF, RPF, SA and respective...
trainings for grievance committees and awareness campaigns for communities will be conducted at the project onset. The project will deploy a cell phone-based system for soliciting feedback, ensuring citizen engagement and redressing grievance.

Environmental and Social Safeguard Institutional Capacity: The team has undertaken rapid institutional capacity assessments. For the LLRP, the client will use systems and experiences of other projects and the structures developed in ESMF, RPF and SA. The details of operational steps for the implementation of the safeguards instruments will be outlined in the Project Implementation Manual. Further, the client will recruit/assign qualified environmental (one) and social development expert (one, including gender) at the Federal level, while at the regional level an environmental and social development (including gender) expert will be responsible for E&S matters. At the regional level, the project focal person will serve as a liaison on E&S matters, while on the Cluster level a social development officer will be integrated into the RCSTs. At the Woreda level, the woreda focal person will be responsible for coordination and seeking support on E&S issues, such as the Woreda Environment, forest and climate change office. The Development Agent is the front line responsible person for screening of LLRP sub project activities at the local level. The PCU is committed to increase staff if necessary based on regular project progress monitoring.

Safeguard Management Approach and Capacity: The LLRP will build on lessons learnt through implementation of related projects such as RPLRP, PCDP etc. The PCDP implementing entities and their staff at all levels are generally trained and aware of the WB safeguards requirements for CDD type projects; local institutions in Gambella and Benishangul-Gumz, while not part of PCDP, have been trained along other WB funded projects, including DRDIP, AGP-2, SLMP-2. Environmental and Social Development (Safeguards and gender) officers will oversee preparation of the required site-specific safeguards instruments, monitor safeguards due diligence and provide quarterly reports during implementation. The LLRP will ensure sufficient resourcing of such officers, including office equipment and transportation. Each officer on the regional, Cluster, and Woreda level shall be responsible only for a limited volume of subprojects; the PIM will outline a formula, defining a threshold following which additional officers would need to be assigned. The Bank will provide the required technical support for the designated counterpart staff during project implementation, including annual trainings. Lastly, the project will link its E&S officers with the TA components and respective experts to be integrated via universities or consultancies to ensure close interaction leading to the adaptive approach noted elsewhere.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

For the success of the project, meaningful consultations with project communities, households, and individuals throughout the project lifecycle is essential. Different techniques, from informant and household interviews, to focus group discussions, to village consultations, shall ensure that different groups of beneficiaries are being addressed and their voices heard, including those of the most vulnerable. In such consultations, regular information disclosure shall be done in relevant local languages and in a manner that is accessible and culturally appropriate, considering any specific needs of groups that may be differentially or disproportionately affected by the project or groups of the population with specific information needs (such as, different forms of disability, literacy, gender, mobility, differences in language or accessibility). Meanwhile, meaningful consultation goes beyond information disclosure and is a two-way process, designed to receive feedback from project beneficiaries, informing (sub) project design and implementation in an adaptive manner. With LLRP leading to social transformation, this is even more important, as social change will become visible and understandable to local communities throughout the implementation phase. Feedback shall also help ensure continuous identification and mitigation of environmental and social risks and impacts, including via a Grievance Redress Mechanism (see below). The stakes in LLRP are expected to be higher compared to the PCDP projects, as components 1 and 2 will go beyond CDD approaches and require communication.
between project, government, communities, and households, but also between different communities. The latter is a key element in risk mitigation of social conflicts and will need pro-active planning and facilitation by the project. Stakeholder engagement will be facilitated and reported on by Project staff and respective extension works, but will be accompanied by expert institutions, such as universities, CSOs or firms, to ensure analysis of and adaptation to the expected social changes.

### B. Disclosure Requirements

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<th>Environmental Assessment/Audit/Management Plan/Other</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
<th>For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors</th>
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<td></td>
<td>03-Jan-2019</td>
<td>20-Mar-2019</td>
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**"In country" Disclosure**
Ethiopia
19-Mar-2019

**Comments**
The document disclosure is at the Ministry of Peace external website

<table>
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<th>Resettlement Action Plan/Framework/Policy Process</th>
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**"In country" Disclosure**
Ethiopia
19-Mar-2019

**Comments**
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**"In country" Disclosure**
Ethiopia
19-Mar-2019
Comments
Since the overwhelming majority of people in the project area is considered to meet the criteria of OP 4.10, a Social Assessment was prepared and disclosed by the client.

Pest Management Plan

Was the document disclosed prior to appraisal? | Date of receipt by the Bank | Date of submission for disclosure
---|---|---
NA | | |

"In country" Disclosure

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.
If in-country disclosure of any of the above documents is not expected, please explain why:
The extent of increase use of pesticides/vectors can’t be known in advance. Hence, the ESMF contains a section for a generic Integrated Pest/Vector and Pesticide Management Plan (IPMP/ IVMP) to identify the potential risks, along with stakeholder consultations, and look for ways to adequately mitigate them.

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?
No

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?
No
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?
No

OP 4.09 - Pest Management
Does the EA adequately address the pest management issues?
Yes

Is a separate PMP required?
No

If yes, has the PMP been reviewed and approved by a safeguards specialist or PM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist?
NA

**OP/BP 4.11 - Physical Cultural Resources**

Does the EA include adequate measures related to cultural property?
Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?
Yes

**OP/BP 4.10 - Indigenous Peoples**

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?
Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?
Yes

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?
Yes

**OP/BP 4.12 - Involuntary Resettlement**

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?
Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?
Yes

**OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out?
NA

Does the project design include satisfactory measures to overcome these constraints?
NA

Does the project finance commercial harvesting, and if so, does it include provisions for certification system?
NA
### OP/BP 4.37 - Safety of Dams

Have dam safety plans been prepared?  
**NA**

Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?  
**NA**

Has an Emergency Preparedness Plan (EPP) been prepared and arrangements been made for public awareness and training?  
**NA**

### OP 7.50 - Projects on International Waterways

Have the other riparians been notified of the project?  
**Yes**

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo to the RVP prepared and sent?  
**NA**

Has the RVP approved such an exception?  
**NA**

### The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?  
**Yes**

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?  
**Yes**
All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?
Yes

Have costs related to safeguard policy measures been included in the project cost?
Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?
Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?
Yes

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