

Environment and Social Management Framework

*MALDIVES COVID-19 EMERGENCY INCOME
SUPPORT PROJECT (P174014)*

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Ministry of
Economic Development
Republic of Maldives

LIST OF ABBREVIATIONS

API	Application Programming Interface
ATM	Automatic Teller Machine
BML	Bank of Maldives
BRF	Benefit Request Form
CERC	Contingency Emergency Response Component
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
ERP	Economic Relief Program
ERP	Economic Relief Program
ESF	Environment and Social Framework
ESCP	Environment and Social Commitment Plan
ESRS	Environment and Social Review Summary
FM	Financial Management
FY	Financial Year
G2P	Government to Person Payment
GDP	Gross Domestic Product
GNI	Gross National Income
GoM	Government of Maldives
GRS	Grievance Redress Service
HDI	Human Development Index
IDA	International Development Association
IUFR	Interim Unaudited Financial Report
M&E	Monitoring & Evaluation
MMA	Maldives Monetary Authority
MoED	Ministry of Economic Development
MoF	Ministry of Finance
MoGFSS	Ministry of Gender, Family and Social Services
MOU	Memorandum of Understanding
MPAO	Maldives Pension Administration Office
MRPS	Maldives Retirement Pension Scheme
MVR	Maldivian Rufiya
NSPA	National Social Protection Agency
PAD	Project Appraisal Document
PDO	Project Development Objectives
PMU	Project Management Unit
PoS	Point of Sale
PSC	Project Steering Committee
SAP	Strategic Action Plan
SDFC	SME Development Financing Corporation
SDR	Special Drawing Rights
SEP	Stakeholder Engagement Plan
SLA	Service Level Agreement
SMS	Short Messaging Service
SP	Social Protection
SPIS	Social Protection Information System
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
TOR	Terms of Reference
USD	United States Dollars
WB	World Bank
WBG	World Bank Group

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1.0 INTRODUCTION

1.1 Country Context

Maldives economy and the labor market has been significantly impacted as a result of the COVID-19 pandemic. Maldives real GDP grew by 5.3 percent in 2019, but is estimated to have contracted sharply in 2020 as a result of the COVID-19 pandemic. Following an outbreak of the disease at a resort in March, the Government of Maldives (GoM) prohibited visitors from COVID-19 affected countries, ceased issuing visas on arrival, and banned travel between resort and local islands and lockdown measures were enforced. Vaccinations have also been conducted swiftly, allowing the country to begin reopening in late 2021.

The pandemic impacted many workers, disproportionately the self-employed, freelancers and contractors. Women were disproportionately more impacted than men. Although the GoM has announced support packages for the private sector that incentivize firms to retain their workers, many firms have laid off their casual staff and asking contract staff to take leave without pay or significant temporary pay cuts. Informal sector workers have also suffered sharp falls in their income – either because they depend directly on the tourism sector, or because demand has dried up as a result of social distancing measures. Widespread job and income losses that have occurred is expected to continue in Maldives as a result of the COVID-19 pandemic. According to the Spring 2020 South without government assistance, many Maldivians would fall into poverty, threatening human capital and social stability. The GoM has requested urgent external assistance to finance its policy response, which is being provided by the World Bank under this project. The World Bank has had a 40 year long development assistance partnership with the Government of Maldives particularly in the area of sustainable human development and environmental management starting from 1978 when Maldives became a member.

1.2 Project Description

The Project Development Objective (PDO) is to mitigate the economic impact of the COVID-19 crisis on workers and their families, and to increase the capacity of social protection programs to respond to future emergencies. The project would achieve the PDO by (i) providing emergency cash transfers to individuals who have lost their jobs or income sources as a result of the COVID-19 pandemic, to help them survive and protect their and their families' human capital; and (ii) building the capacity of NSPA and its delivery systems to ensure that the government can respond with assistance more quickly in future emergencies. The Project will be implemented by the MoED, in collaboration with the Ministry of Finance, National Social Protection Agency and other stakeholders.

The Income Support allowance program was extended from the initial phase 1 (April, May, June) to Phase 2 (July, August, September); and subsequently to Phase 3 (October, November, December) in 2020. A total of US\$27.3 million dollars was utilised as cash transfers under Component 1. During Project Approval, the amount approved was USD\$ 12 million dollars. Given there was a requirement for additional funding for the Income Support Project reflecting the additional phases and increase volume of applications, additional funding was approved by the World Bank Board for US\$21.6 million in February 2021.

The AF allocated to the program exceeded the amount used by approximately \$8.2 million, leaving these resources available for additional project activities. On May 25 and June 6, 2021, the

government submitted requests to the World Bank to restructure the Project to allow these funds to be used for more targeted support to the long-term unemployed, aimed at reskilling and re-employment. Considering the need for 12 months to carry out these activities, on September 30, 2021 the government subsequently also requested a six-month extension of the project closing date to December 21, 2022.

The Project components include:

Component 1. Emergency income support for those affected by the COVID-19 pandemic (\$12 million)

This component has financed temporary income support to 22,940 individuals for a period of 3 months. The support was a top-up of any existing income to a maximum of MVR 5,000 per month. This assistance was offered to anyone applying through the Jobcenter (online or in person at local island council offices) and demonstrating that either they have lost a job since the onset of the crisis or are suffering a total loss of income as a result of the crisis. Documentation to substantiate eligibility was required as part of the application. Anyone requiring assistance preparing the application or opening a bank account was provided with support by NSPA through their partners in the local island councils. Applications were reviewed individually by the MoED team, following clear criteria, and the final list of beneficiaries were sent to NSPA for payment. Beneficiary data were collected and stored electronically in NSPA's Social Protection Information System (SPIS) to facilitate follow-up and future support. A program of media outreach was implemented to inform the public of the program and eligibility conditions, and a hotline was provided to assist people with applications, receive complaints, etc.

Component 2. Strengthening social protection delivery systems and institutions (\$0.8 million)

This sub-component will equip the social protection system to better respond to future crises and disasters. The following activities will be conducted to achieve these goals:

- *Strengthening NSPA's Delivery and Targeting Systems:* Expanding and improving the SPIS run by NSPA, including development of an online and mobile application portal, online and mobile complaint submission, and linkages to island council offices to facilitate regular updates of data on beneficiaries. A review of programs and eligibility criteria will also be conducted, moving to consolidate antipoverty programs and facilitate replacement of existing energy and food subsidies with targeted cash transfers. The project will also finance testing and rollout of the new systems in major population centers in each atoll.
- *Developing a Fiscally Sustainable Unemployment Insurance Program:* Under this subcomponent, the GoM will design and implement a fiscally sustainable unemployment insurance program which is financed in part through employer/employee contributions and covers both formal and informal sector workers. An international consultant will be hired to advise the government on design and rollout of the program, drawing on international best practice.
- *Reforming Pension Programs.* This subcomponent will develop a plan to improve the fiscal sustainability, coverage and benefits of the Maldives Retirement Pension Scheme (MRPS) and address other issues impeding the effectiveness, fiscal sustainability and coverage of retirement pension programs in the Maldives. A consultant will be hired to review the MRPS and recommend changes to legislation and implementation arrangements that will improve benefit adequacy and reduce the long-run fiscal burden of the programs.
- *Developing a National Social Protection Framework.* This activity will support the development of a comprehensive social protection framework in Maldives. The process will include a

gender gap analysis to ensure that adequate actions are taken to strengthen gender-sensitive programming. This work will be led by the MoED in close collaboration with the MoF and key social protection agencies (Ministry of Gender, Family and Social Services, NSPA and MPAO) and consultation with a broad range of government and non-government stakeholders, community members and sector specialists.

Project Management and Monitoring. This will finance incremental operating costs, project implementation staff and consultants, monitoring and evaluation, communication and relevant trainings.

Component 3. Contingent Emergency Response Component (CERC) (US\$0 million).

In the event of an Eligible Crisis or Emergency, the project will contribute to providing immediate and effective response to said crisis or emergency. The allocation to this component is to minimize time spent on a reallocation of funds from programmed activities. The unused amount can be reallocated to other components if the CERC component is not triggered a year prior to project closing.

1.3 Details of Components to be restructured

The proposed plan is to utilise the excess funding **under the Component 1** for an upskilling program to enhance skill development, training and outreach programs in order to ensure workers affected due to Covid-19 are reintegrated back into the workforce. A special focus would be to ensure women and youth are fully engaged in the program. The areas selected for skill development are priority areas of the Government.

- **Component 1:** Program Targeting Employment based job skill training

Due to the COVID-19 pandemic, majority of the local workforce was impacted and especially the young workers took a heavy toll on their income. There is growing concern over increasing number of employment opportunities being outsourced to foreign nationals which could be mostly associated with the lack of the required skills and training. Hence, the current component is targeted to bridge the skill gap observed in the local labour force and could possibly be the solution to address the skill shortage issue.

The training programs are aimed at providing short-term upskilling opportunities for displaced workers and ensure these participants are given the ability to return to employment and at the same time, improve prospectus for better paying jobs. The program is designed as such, training institutes will register at the Job Center to provide skills development and training programs. The project will bear the cost of fees for the training programs and provide an allowance to the trainees based on a qualifying criterion.

Additionally, an apprenticeship program is set up with State Owned Enterprises (SOEs) to ensure that the applicants are equipped with the necessary skill set to survive the job market.

- **Component 2:** Support program for the self-employed workers

This component is aimed at addressing the self-employed workers categorised as sole proprietorships. Income Support Program noted that 48% of the beneficiaries were self-employed workers. Thus, the component will ensure the following:

- A training program specifically designed for Self-employed workers affected during COVID-19, focusing on more practical and hands– on skills that could enhance their business operations,

optimise efficiency and enable maintaining proper records of their business activities. This program will provide the necessary assistance and support for the COVID-19 recovery process and arrange for formalization of work in the future.

- A grant assistance program for self-employed workers aimed at providing financial assistance to these individuals to strengthen and possibly scale up their operations. This is not solely a one-off relief grant but rather an injection to their working capital to enable expansion of their scope of economic activities, ultimately ensuring greater income security by making their activities more sustainable.

1.4 Objective of the ESMF

Projects and Programs financed with World Bank's resources need to comply with the Environmental and Social Policy for Investment Project Financing. Therefore, components and related activities under this project will be required to satisfy the World Bank's Environmental and Social Framework (ESF) in addition to conformity with environmental and social legislation of the GOM and the also the WHO's Environment Health and Safety Guidelines to respond to COVID issues.

The proposed project does not involve any sub-projects and hence does not require site-specific screening or preparation of environment and social instruments during implementation. However, the ESMF is prepared in order to provide overall guidance to the borrower on the ESF requirements, mitigation measures, and procedures to comply with during the planning, implementation and monitoring of the project, especially if there is activation of CERC during the project period. If in case the CERC is activated, the ESMF will be updated as soon as the scope of the contingency component is defined.

In this context, the objectives of this Environmental and Social Management Framework (ESMF) are:

1. To establish clear procedures and methodologies for environmental and social planning for the overall project.
2. To carry out a preliminary assessment of environmental and social impacts from project investments and propose generic mitigation measures.
3. To specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social concerns related to the project.
4. To determine the training, capacity building and technical assistance needed to successfully implement the provisions of the ESMF.
5. To provide practical resources for implementing the ESMF, including if CERC is activated.

2.0 POLICY, LEGAL AND REGULATORY FRAMEWORK

This Chapter presents a review of the policy, legal and administrative framework of the Government of Maldives to establish procedures regarding environmental and social screening, document requirements and content for social and environmental assessments, review and approval procedures and requirements for consultation and social disclosure.

2.1 National Laws and Regulations

In terms of management of social and environmental risks and impacts, there are several laws and policies in the Maldives that have been enacted to govern and regulate such issues. In the case of environmental impacts, the Ministry of Environment holds the mandate for protection and preservation of environment in the Maldives, and the Environmental Protection Agency (EPA) established under the Ministry is responsible for implementation and enforcement of all laws and regulations relevant for environment protection. However, given the nature of the project, no environmental impacts are foreseen under the project. On the contrary, social risks and impacts are assessed to be significant under the project. However, there is no single ministry responsible overall for social wellbeing. Laws and regulations relating to social issues are by a number of different agencies and ministries. Some of the key ones relevant to the project include:

Environmental, Energy and Social Legislation, Regulatory and Institutional Framework in The Republic of Maldives

Environmental Policies and Legislation

The Ministry of Environment holds the mandate for protection and preservation of environment. The Environmental Protection Agency (EPA) established under Minister of Environment, is responsible for implementation and enforcement of all laws and regulations relevant for environment protection.

All development projects and programs are required to comply with the national environmental legislation, that are relating to protected areas, EIA for all civil works, compensation for loss of land and the cutting down of trees. The key aspects of the policies, legislations and regulations are described in the following sections.

The Environment Protection and Preservation Act (4/93)

The basic environment law, Law No.4/93 Environment Protection and Preservation Act (EPPA) was enacted in April 1993 as an umbrella law to protect and preserve the environment of the country. The main elements of the EPPA are as follows:

Introduction: The natural environment and its resources are a national heritage that needs to be protected and preserved for the benefit of future generations. The protection and preservation of the country's land and water resources, flora and fauna as well as the beaches, reefs and lagoons and all-natural habitats are important for the sustainable development of the country.

Environmental Guidance: The concerned government authority shall provide the necessary guidelines and advise on environmental protection in accordance with the prevailing conditions and needs of the country. All concerned parties shall take due considerations of the guidelines provided by the government authorities.

Environmental Protection and Conservation: The Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] shall be responsible for formulating policies, as well as rules

and regulations regarding the environment in areas that do not already have a designated government authority already carrying out such functions.

Protected Areas and Natural Reserves: The Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] shall be responsible for identifying protected areas and natural reserves and for drawing up the necessary rules and regulations for their protection and preservation. Anyone wishing to establish any such area as mentioned in (a) of this clause, as a protected area or a reserve shall register as such at the ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] and abide by the rules and regulations laid by the Ministry.

Environmental Impact Assessment (EIA): An impact assessment study shall be submitted to the Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] before implementing any development project that may have a potential impact on the environment. The Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] shall formulate the guidelines for EIA and shall determine the projects that need such assessment as mentioned in paragraph (a) of this clause.

The Termination of Projects: The Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] has the authority to terminate any project that has any undesirable impact on the environment. A project so terminated shall not receive any compensation.

Waste Disposal, Oil and Poisonous Substances: Any type of waste, oil, poisonous gases or any substance that may have harmful effect on the environment shall not be disposed within the territory of the Maldives. In case where the disposal of the substance stated in paragraph (a) of this clause becomes absolutely necessary, they shall be disposed only within the areas designated for the purpose by the government. If such waste is to be incinerated, appropriate precautions shall be taken to avoid any harm to the health of the population.

Hazardous/ Toxic or Nuclear Wastes: Hazardous/Toxic or Nuclear Wastes that is harmful to human health and the environment shall not be disposed anywhere within the territory of the country. Permission shall be obtained from the relevant government authority at least 3 months in advance for any trans-boundary movement of such wastes through the territory of the Maldives.

The Penalty for Breaking the Law and Damaging the Environment: The penalty for minor offenses in breach of this law or any regulations made under this law shall be a fine ranging between MVR 5.00 (five Rufiyaa) and MVR 500.00 (five hundred Rufiyaa) depending on the actual gravity of the offence. The fine shall be levied by the Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy] or by any other government authority designated by the ministry. Except for those offenses that are stated in (a) of this clause, all major offenses, under this law shall carry a fine of not more than Rf 100,000,000.00 (one hundred million Rufiyaa) depending on the seriousness of the offense. The fine shall be levied by the Ministry of Environment, Energy and Water [now the Ministry of Environment and Energy].

Compensation: The Government of Maldives reserves the right to claim compensation for all the damages that are caused by the activities that are detrimental to the environment. This include all the activities that are mentioned in clause 7 of this law as well as those activities that take place outside the projects that are identified here as environmentally damaging.¹

¹ **Definitions:** Under this Law: (a) The “environment” means all the living and non-living things that surround and effects the lives of human beings; and (b) A “project” is any activity that is carried out with the purpose of achieving a certain social or economic objective.

The Regulation on Environmental Liabilities (Regulation No. 2011/R-9)

The objective of this regulation is to prevent actions violating the Environmental Protection and Preservation Act 4/93 and to ensure compensations for all the damages that are caused by activities that are detrimental to the environment. According to this regulation the Government of Maldives reserves the right to claim compensation for all the activities which have breached the Environmental Protection and Preservation Act 4/93. The regulation sets mechanisms and standards for different types of environmental liabilities and equal standards that shall be followed by the implementing agency while implementing the regulation.

The Employment Act (see below) – this act has relevance for worker occupational health and safety and has been covered in the section below.

Local Governance and Accountability

Decentralization Act, 2010 has provisioned for Island Councils with the responsibility of providing democratic and accountable governance; foster the social and economic well-being and development of the community; and establish safe, healthy and ecologically diverse environment.

The Act gives island councils specific powers and responsibility for, amongst other things:

- Administering and developing the island in accordance with the Constitution and statutes and providing municipal services as prescribed in this Act;
- Preparing island development plans in consultation with the community, and submitting the plan to the Atoll Council;
- Implementing development projects planned and assigned by the government in line with the island development plans formulated by islands and submitted to the Atoll Councils;
- Assisting Government Ministries and Atoll Councils in monitoring the progress of various development projects;
- Formulate island level policies necessary to discharge the powers and responsibilities conferred to the island council by this Act and formulate and implement required regulations for the purpose.

Gender and Vulnerability

Promoting and protecting the rights of vulnerable groups have been among the most important policy agenda for GoM in recent years.

- The **2008 Constitution** bans discrimination on grounds of sex except as prescribed by the Islamic Sharia laws. The Maldives is also signatory to several international instruments addressing gender equality including the Convention on the Elimination of All Forms of Discrimination (CEDAW), 1993, CEDAW Optional Protocol in 2006 (with reservations on Articles 7 (a) and 16), Commonwealth Action Plans on Gender Equality.
- The **Domestic Violence Prevention Act, the Prevention of Sexual Harassment and Abuse Act, and Sexual Offences Act** have strengthened the legal framework to protect women, children, and migrants from violence and sexual abuse.
- The **Gender Equality Act** seeks to ensure to eliminate discrimination between genders and establishes the role of government and other agencies in the implementation of the Act.
- The **Child Rights Protection Act (19/2019)**, upholds the core values of acting in the best interests of the child, right of life, child participation and non-discrimination; and prohibits marrying any child below the age of 18 and prohibits child labour. It identifies vulnerable groups of children and provides frameworks to ensure their protection while criminalizing certain acts such as grooming and failure to report incidents of harm to a child.

- Vulnerable groups are also protected via the **Social Protection Act (2/2014)**, which is aimed at reducing the socioeconomic inequalities, ensuring equal access to resources and protecting and aiding the most vulnerable to access basic necessities. Under this Act, the State provides financial assistance to several socioeconomically disadvantaged groups such as single parents, foster parents, food subsidy for those living below the national poverty line, and persons with disabilities.
- The **Disability Act, 2010**, enhanced the protection and rights afforded to persons with disabilities. Now, persons with disabilities have access to financial assistance provided by the government amounting to MVR 2000 per month, there are regulations on minimum standards and identification of persons with disabilities, and room for affirmative action including access to gainful employment. It was constituted to promote inclusivity and access to a regular life, protect the rights and safety of, direct government policies in relation to and ensure equal opportunities without any form of discrimination for persons with disabilities. The Act came into effect on 8th July 2010. The Act allowed the legal formation of a Disability Council to direct policies and govern various aspects of protection and empowerment of persons with disabilities.
- Further, the development of the **National Mental Health Policy 2015-2025** marks a milestone in mental health awareness and treatment in the Maldives. The objectives of this policy include creating a robust governance structure for mental health with adequate financing for implementation of strategies, developing a comprehensive, responsive, quality network of community-based mental health services which are integrated to the general health services, preventing mental disorders and promoting mental health across the life course in collaboration with other relevant stakeholder sectors, and promoting advocacy for better mental health and human rights of people with mental disorders at all levels of society and enshrine this in legislation, policies and plans.
- Another key vulnerable group in the Maldives is the foreign worker community. The rights of migrant workers are set out in several national laws and international commitments, including the **Immigration Act, Regulation on Employment of foreign workers in the Maldives, and the Work Visa Regulation**.

Human Rights

- The President's **Human Rights Policy** is guided by the belief, that human rights are not just about international instruments or pieces of law. The **Human Rights Commission Act (Act No. 6/2006)** paved the way for the establishment of the Human Rights Commission as an independent legal entity mandated to protect, promote and sustain human rights in the Maldives, and to assist NGOs. The aim of the Commission is to lead the promotion and protection of Human Rights under the Maldives Constitution, Islamic Sharia's and regional and international Human Rights Conventions ratified by the Maldives. Although the Human Rights Commission currently focuses mainly on the public sector, the Commission also works with the private sector, specifically in creating awareness on human rights issues.
- In addition to the Human Rights Commission Act, there are several regulations and policies in place to enhance and promote human rights in the country. The Chapter 2 of the 2008 **Maldivian Constitution** outlines the various fundamental rights and freedoms available to the citizens of the Maldives including, but not limited to, freedom from restraint, right to life, economic and social rights, right to vote and run for public office, freedom of expression, freedom of acquiring and imparting knowledge, right to work and right to education.
- Furthermore, the Maldives has several commitments to **international agreements on human rights** such as the Convention on the Elimination of all forms of Racial Discrimination, Convention on the Rights of the Child, Convention on the Elimination of all forms of

Discrimination Against Women, Convention Against Torture, International Covenant on Economic, Social and Cultural Rights, International Covenant on Civil and Political Rights, and the Convention on the Rights of Persons with Disabilities.

Stakeholder Engagement and Information Disclosure

- The **Right to Information Act (Act No. 1/2014)** was enacted on 12th January 2014, which ensures access to information as fundamental human right for every citizen. The Act outlines the nature of rights available to citizens in accessing information and works to promote government accountability and transparency. Under Article 4, everyone who requests for information is entitled to the access of such information in accordance with the law. Article 07 of the law specifies the procedures for requesting for and disclosure of information from and by State institutes. Information must be disclosed within 21 days of request. However, as per Article 22, the state is not required to disclose information which, if disclosed would amount to an offense under law, or information if disclosed could cause legal action against the government for breach of confidence or which could prevent the government from receiving similar information in the future.
- As per Article 68 of the **Decentralization Act**, for any development project undertaken in an island, consultation needs to be undertaken with the council and other relevant authorities established in the island. As per article 107-1 of the act the council should hold meetings with the public regarding any important development activities undertaken in the island. The same article also specifies that the time and location of the public meeting should be announced 05 days prior to the meeting. As per article 56-6 of the act a Women's Development Committee should be established.

Labor and Occupational Health and Safety

- The labor laws applicable to the project, including the **Employment Act**, has been described in Labor Management Procedure prepared under the project. Besides these provisions, the Project will ensure the application of OHS measures as outlined in **WHO guidelines** such as the procedures for protection of workers in relation to infection control precautions; provision of immediate and ongoing training on the procedures to all categories of workers. Additionally, the Project will post signage in all public spaces mandating hand hygiene and personal protective equipment (PPE); ensuring adequate supplies of PPE (particularly facemask, gowns, gloves, handwashing soap and sanitizer); and overall ensuring adequate OHS protections in accordance with the measures prescribed by GoM, and the latest guidance by WHO as it develops over time and experience addressing COVID-19 globally.

2.2 World Bank Environmental and Social Standards (ESSs)

The Environmental and Social Standards (ESSs) set the requirements to be met by Borrowers with respect to the identification and evaluation of social and environmental risks and impacts associated with projects supported by the Bank through Financing Investment Projects. These 10 standards include:

- ESS1 Assessment and Risk Management and Socio-environmental Impacts;
- ESS2 Labor and Working Conditions
- ESS3 Resource Efficiency and Pollution Prevention and Management.
- ESS4 Community Health and Safety;
- ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement
- ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources;
- ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

- ESS8 Cultural Heritage.
- ESS9 Financial Intermediaries; and
- ESS10 Stakeholder Engagement and Disclosure of Information.

In addition to the above, the World Bank Group General Environment, Health and Safety Guidelines also apply to the project.

However, for the purposes of the project, the ESS applicable for this project are:

- ESS1 Assessment and Risk Management and Socio-environmental Impacts.
- ESS2 Labor and Working Conditions
- ESS4 – Community Health and Safety
- ESS10 Stakeholder Engagement and Disclosure of Information.

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts

ESS1 sets out the Borrower's responsibilities for assessing, managing and monitoring environmental and social risks and impacts associated with each stage of a project supported by the Bank in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs). The ESSs are designed to help Borrowers manage the risks and impacts of a project, and improve their environmental and social performance, through a risk and outcomes-based approach. The environmental and social assessment will be proportionate to the risks and impacts of the project. It will inform the design of the project and be used to identify mitigation measures and actions and to improve decision making. Borrowers will manage environmental and social risks and impacts of the project throughout the project lifecycle in a systematic manner, proportionate to the nature and scale of the project and the potential risks and impacts. The specific objectives of this ESS are:

- To identify, evaluate and manage the environment and social risks and impacts of the project in a manner consistent with the ESSs.
- To adopt a mitigation hierarchy approach to:
 - Anticipate and avoid risks and impacts;
 - Where avoidance is not possible, minimize or reduce risks and impacts to acceptable levels;
 - Once risks and impacts have been minimized or reduced, mitigate; and
 - Where significant residual impacts remain, compensate for or offset them, where technically and financially feasible.
- To adopt differentiated measures so that adverse impacts do not fall disproportionately on the disadvantaged or vulnerable, and they are not disadvantaged in sharing development benefits and opportunities resulting from the project.
- To utilize national environmental and social institutions, systems, laws, regulations and procedures in the assessment, development and implementation of projects, whenever appropriate.
- To promote improved environmental and social performance, in ways which recognize and enhance Borrower capacity.

ESS1 applies to all projects supported by the Bank through Investment Project Financing.

ESS2 – Labor and Working Conditions

ESS2 recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. Borrowers can promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. The Borrower will develop and implement written labor management procedures (LMP) applicable to the project. The LMP will set

out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS.

ESS 4 – Community Health and Safety

This ESS recognises the importance of ensuring community health and safety during the delivery of the project and inform project delivery methods to incorporate necessary Health and Safety measures. At the Island level, the staff of island councils, MED and other agencies, including members of community organizations, would be interacting with communities to inform them about the programme and support them to prepare the applications. These interactions would increase the risk of exposure to the virus for these workers and also pose a similar risk for the communities, especially the vulnerable groups.

The LMP developed for the project will set out the minimum required in order to protect workers and communities from the threat of spreading the corona virus. In addition, the project will ensure that it will comply with WHO standards in averting community spread of the disease and any national circulars/guidelines.

ESS10 – Stakeholder Engagement and Information Disclosure

This ESS recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. A stakeholder engagement plan is prepared to meet the requirements of this standard.

2.3 World Bank’s EHS Guidelines

The World Bank Groups Environmental, Health, and Safety (EHS) Guidelines are technical reference documents with general and industry specific examples of Good International Industry Practice (GIIP). The EHS Guidelines contain the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable costs. Application of the EHS Guidelines to existing facilities may involve the establishment of site-specific targets, with an appropriate timetable for achieving them. The applicability of specific technical recommendations is based on the professional opinion of qualified and experienced persons.

2.4 WHO Guidelines

To help countries navigate through these challenges, the World Health Organization (WHO) has updated operational planning guidelines in balancing the demands of responding directly to COVID-19 while maintaining essential health service delivery and mitigating the risk of system collapse. This includes a set of targeted immediate actions that countries should consider at national, regional, and local level to reorganize and maintain access to high-quality essential health services for all. The WHO is maintaining a website specific to the COVID-19 pandemic with up-to-date country and technical guidance. As the situation remains fluid it is critical that those managing both the national response as well as specific health care facilities and programs keep abreast of guidance provided by the WHO and other international best practice.

3.0 ENVIRONMENT AND SOCIAL BASELINE

3.1 Environmental Profile

Maldives is an island nation in the Indian Ocean oriented north-south off India's Lakshadweep Islands. The Maldives consists of 1,192 coral islands grouped in a double chain of 26 atolls. The country's atolls encompass a territory spread over roughly 90,000 km², making it one of the world's most geographically dispersed countries. Over 200 of its 1,192 islands are habituated by the country's population, with an average of 5-10 islands in each atoll being inhabited islands that have infrastructure such as housing, roads and other facilities built in. The country's total land area is estimated to approximately 300 Km², with islands varying in size from 0.5 km² to 5.0 km². A significant number of uninhabited islands in each atoll have also been converted to resorts and tourism facilities as well as house infrastructure such as industrial facilities and airports.

The atolls are composed of live coral reefs and sand bars, situated atop a submerged ridge 960 km long that rises abruptly from the depths of the Indian Ocean. Maldives is noted as the country placed at the lowest elevation in the world, with maximum and average natural ground levels of only 2.4 m and 1.5 m above sea level, respectively. More than 80 per cent of the country's land is composed of coral islands which rise less than one meter above sea level. The islands consist of coral, sea grass, seaweed, mangrove and sand dune ecosystems which are of great ecological and socio-economic significance. Maldives is home to a number ecologically sensitive marine habitats in shallow and intertidal zones which have been designated as protected areas by the Ministry of Environment and Energy (MEE) and access and any activities in their vicinity are stringently monitored and managed.

Climate: Climatic conditions in the Maldives belong to the tropical-monsoon category with temperatures ranging between 24°C and 33°C throughout the year. Two seasons dominate Maldives' weather: the dry season associated with the winter northeastern monsoon and the rainy season which brings strong winds and storms. The temperature of Maldives varies little throughout the year with a mean daily maximum temperature of about 32°C and mean low of 26°C.

Ecology: Despite the poor and infertile soils, and lack of different habitats, the Maldives has a relatively diverse vegetation cover. The plant communities in the islands grow as per the physiographic morphology of the Islands. According to the Fifth National Report to the United Nations Convention on Biological Diversity, the flora of the country consists of 583 vascular plants of which 323 (55%) are cultivated plant species, while 260 are native and naturalized plants. Of the 260 native or naturalized plant species, fewer than 100 are truly indigenous. There are at least 75 islands with wetland or mangroves in the Maldives. The wetland or mangrove areas cover a total area of approximately 8.01 km². In the Maldives, marine biological diversity shows an outstanding richness, especially in the coral reefs. Indeed, the marine biodiversity of the archipelago is among the richest in the entire region, and the Maldives' has been recognized as having one of the world's most diverse marine ecosystems.

3.2 Social Profile – Demographic factors

Population

Maldives is one of the world's most geographically dispersed countries and poses wide range of development constraints. The current population of the Maldives according to the Census 2014 is 341,256. During the census period 2000-2006, the population growth rate was 1.8 per annum while in the 2006-2014 period the population growth rate has declined to 1.56 per annum.

Population Distribution

Sex ratio of the Maldives in 2014 is 103 males per 100 females. The sex ratio remained the same since 2000. According to the 2014 Census, more than 129,381 people who accounted for 38% of the population live in the capital Male', in a land area of 193 hectares. From 2006 to 2014, the resident population in Male', excluding expatriates increased by 27.3%. There are only three islands that have a population greater than 5,000 namely, Hithadhoo (Seenu Atoll) with 9,894 Fuvahmulah (Gnaviyani Atoll) with 8,055, and Kulhudhufushi (Thiladhunmathi) with 8,011 persons.

Male' population has increased rapidly over the past decades. Male' remained as the country's fastest growing and most populated island. The development of tourism within Male' Atoll, rapidly expanding government and private sector, and establishment of major health and educational facilities in Male', have created significant disparities between Male' and the Atolls. In addition, developments in Male' attracts migration from all parts of the country. It passed the threshold of 100,000 population in 2006, making it one of the most densely populated cities in the world. Today, with the resident population, this rate stands as 65,201 per km² (population density of Male' exclude Hulhumale' and Villinmale').

Age Structure

The general shape of the pyramid has slightly changed in 2014, the increasing fertility rate has led to a broad base. The age and sex composition of the Maldives in 2014 continued to resemble that a developing country with a broad base, a relatively large proportion of people in the adult age categories (below 30 years of age), and relatively small proportion of people in the older age categories (above 60 years). Even though adult groups still comprised a relatively large proportion of the population, the base of the pyramid took on a more rectangular look in 2014. The increased proportion of the population in older age groups results from the decline in mortality rate at older ages in the recent decades.

3.3 Socio-Economic Conditions

Structure of the Economy

The Maldivian economy observed rapid expansion over the years, experiencing an average economic growth of 6.9% in 2018 (Asian Development Bank, 2019). The gross domestic product (GDP) per capita rose from just \$200 in 1978 to \$11,890 in 2018. The breakdown of the contributions to the GDP by sector in 2018 was as follows. The largest percentage was contributed by the tourism sector (19.9%), followed by transport (11.6%), government administration (11%), communication (11%), construction (8.9%), real estate (8%), wholesale and retail trade (4%), manufacturing (4%), education (4%), and several other relatively small sectors (World Bank, 2019). Average inflation also fell from 2.8% to only -0.1% in 2018 (Asian Development Bank, 2019). Given the limited number of available resources, the Maldives is heavily dependent on the tourism sector, which is seen as both a strength and a challenge. The rapid economic growth and improved standard of living over the last several decades are largely a result of the quick expansion of the tourism industry. However, this also means that the Maldivian economy remains highly vulnerable to fluctuations in global social and economic conditions.

Despite enjoying rapid economic growth over the years, real GDP growth decelerated to an estimated 5.2% in 2019, mostly owing to the slowdown in construction and retail trade (World Bank, 2020). The COVID-19 outbreak has had a major impact on visitor arrivals, with a 14% decline in 2020 compared to the arrivals figure in February 2019, and a 95% drop in visitors from the People's Republic of China (PRC). This, in turn, is expected to severely affect the tourism sector, which directly and indirectly accounts for almost two-thirds of the GDP (Asian Development Bank, 2020). Revenues plummeted by approximately 23.4% in the first quarter of 2020 alone, whereas spending grew by 10.2%. Central

government debt increased from 58.5% of GDP in 2018 to an estimated 61.8% in 2019. Economic growth is expected to further plunge in 2020 but bounce back strongly in 2021 as the tourism sector begins to recover (World Bank, 2020).

Income Levels, Poverty and Inequality

While there have been substantial developments in health, education, infrastructure and wellbeing over the years in the Maldives, not everyone has benefited equally. Large disparities in welfare and socioeconomic outcomes across regions are of concern. HIES 2016 results shows that in Maldives, average monthly household income is MVR 26,395 per household with approximately 8.2% of the total population living below the poverty line (National Bureau of Statistics, 2016). Poverty rates and the level of inequalities seem to vary by region, with locals in southern atolls more likely to be affected by poverty. In 2016, the poverty ratio for the atolls was 12.8% in comparison to 1.7% in Malé. As of 2019, it is estimated that over 10,000 children are still living in poverty across the Maldives (UNICEF, 2020). Huge income gaps are also evident between the capital city Malé and the atolls. In the outer atolls, youth and children in particular, lack access to quality essential services which are often heavily concentrated around Malé city.

The drop-in tourism revenues due to the COVID-19 outbreak is expected to further affect employment and household earnings, especially in the outer regions where a large percentage of the population are employed in tourism related jobs. Furthermore, lower income households that depend on fisheries and agriculture are also adversely affected as exports tumble due to weak demand. In turn, the national poverty rate is likely to increase as households close to the poverty line are at risk of falling into poverty as a result of income loss. A larger impact is expected in the atolls, as there is greater dependence on fisheries and the poverty rate was already higher (World Bank, 2020).

Labor Markets

The geographical vulnerability of the small island nation not only poses a threat to the communities, but to the economy as well. The geographical isolation of the islands means a dispersed population across many small islands which significantly limits opportunities for job creation and economic diversification. Combined with various inclusion issues, this has resulted in relatively elevated levels of youth unemployment (15.3%) and low rates of women participation in the workforce (World Bank, 2020).

Several aspects of the country's recent development pattern pinpoint towards the imbalance between labor demand and supply. Public sector jobs are primarily in the civil service. However, as living standards continue to increase, the labor market has become more challenging for Maldivians in general. The rapid growth in low skilled jobs in the tourism and construction sector is not in line with the increasing educational attainment and expectations amongst the younger generations of workers, leading to a mismatch in skills supply and demand.

This has further highlighted the various challenges faced by the labor market. There is a need for greater inclusion and productive employment for youth, especially for those from the most vulnerable segments of the population or those who simply cannot rely on public sector jobs, whether it is due to the competitive nature of such jobs, or the lack of access to these jobs. This is particularly true for individuals who live away from the capital city Male', where such jobs are concentrated in. Additionally, the increasing reliance on foreign labor in key sectors such as tourism and construction, and the limited opportunities for women in these sectors are identified as major hurdles for the economic prosperity of the Maldives. According to the National Bureau of Statistics, the grand total of expatriates employed in Maldives was 114,981 (104,753 male and 10,228 female) in 2018 of which

the majority were registered in the construction sector with 37.6% (43,264) expatriate employees, followed by the tourism sector with 21.2% (24,420) employees of which 15.2% were women (National Bureau of Statistics, 2019b).

With the tourism sector contributing directly to about one-fifth of total employment in the country in 2017, only 55 percent of the 34,500 jobs created were filled by Maldivian staff. The lack of participation in tourism jobs is particularly limited among Maldivian women, who account for only 7% of labor in the industry (World Bank, 2019).

Further, while public sector jobs account for approximately 40% of total employment, public-private wage differentials and other benefits associated with public employment often disincentivize job seekers from taking up private sector employment (World Bank, 2020). As a result, many Maldivian youths are discouraged workers who have effectively exited the labor force and are best characterized as not in employment, education, or training (NEETs). About 22% of working-age Maldivian youths fall into this category (World Bank, 2019).

Migrants and Foreign Expatriate Workers

Out of the 126,080 usual residents of Male', 43 percent are registered in Male', while the majority (55%) are registered in other islands. Among the population residing in Male' who are registered in other islands, highest number of people are those registered in Addu (S) at 7 percent. This is followed by those registered in South Huvadhu Atoll (GDh) at 5% and North Thiladhunmathi (HA), South Thiladhunmathi (HDh), North Huvadhu Atoll (GA), Kolhumadulu (Th) and North Maalhosmadulu (R) each at 4 percent.

Besides the internal migrants, expatriate workers represent roughly 25% of the Maldivian population and 80% of the workforce (Gossman, 2020). In 2017, the IOM report estimated 63,000 undocumented workers working in primarily tourism, construction, health and education sectors. In 2019, the Government of the Maldives initiated a regularization program aimed at providing a pathway for acquiring documentation and inclusion of these workers in the system. By early 2020, at the time of COVID-19 crisis, around 30,000 workers have registered and enrolled themselves in the program. However, excessive recruitment fees, inaccurate information and misconceptions about working and living conditions, lack of pre-departure employment information, unlawful subcontracting of workers, unsafe working conditions, ineffective monitoring of recruitment and employment practices and weak sanctions for labor law violations put migrant workers at extreme risk (IOM, 2018). Further, in the current context of COVID-19, several migrants engage in miscellaneous tasks like cleaning, cooking, etc., from house to house, which they are unable to do so during this lockdown period. These migrants have absolutely no means of gaining an income and the governments' proposed severance packages do not include this large group that makes up the Maldivian population.

Gender

Maldives has made significant progress on gender equity and equality in recent years. This has been reflected in the country's development indicators, such as high literacy rates for both men and women, and gender parity in enrolment and attainment in primary and secondary education. The literacy rates among the population aged 15 years and older in 2016 were 98.11% for females and 97.3% for males. Gross enrolment ratio in primary education was just as promising, with a 98.09% GER for females and 96.2% GER for males in 2017 (UNESCO, 2020). The Maldives is committed to the principle of gender equality through numerous national and international commitments. Maldives also ratified the Convention on the Elimination of all forms of Discrimination Against Women in 1993, and has since made major strides in achieving the MDGs and the SDGs (UNDP, 2011). Nevertheless,

the country still has a significant way to go in achieving gender equality and women's empowerment, particularly in the areas of participation and leadership in public life.

The 2017 Gender Gap Report stated a 77% unemployment rate among young Maldivian women in comparison to 33% for young men. The overall female labor force participation remains low, at only 44.2%. There are several reasons for this large gap. For one, attitudinal and cultural factors relating to public perceptions on what is considered a 'good' job for young women, particularly in the tourism sector, prevents women from taking up employment opportunities other than of administrative nature. There is also negative stereotyping of working women, societal expectations that women should prioritize family life and household chores, the absence of strong female role models to engage and encourage young women to participate in formal labor workforce, lack of enabling and safe working environments for women and the growing gap in digital literacy between young women and men (UNDP, 2011).

Major work has also been done towards ensuring safety and the healthy development of children. While the country's social protection systems place heavy emphasis on children, more needs to be done to reach every child. There is a lack of awareness on social protection and the benefits available to families, especially those struggling to secure opportunities for employment and education. There is an urgent need to further strengthen social protection systems and monitoring mechanisms to help decision makers address its shortfalls.

The disparities between the capital and the outer regions in service delivery and access to socioeconomic opportunities are further worsened for children living with disabilities. While the number of schools that provide special education, programs have increased with the implementation of an inclusive education policy in 2013, widespread social norms continue to create high barriers for disabled children. There is a public perception that those with a disability do not belong in a classroom that needs to be addressed (UNICEF, 2020). Additionally, vulnerable groups remain disadvantaged due to corruption, education, drugs, unemployment, lack of access to housing, gangs and extremism (UNDP, 2019).

According to the 2016/2017 Maldives Gender and Health Survey report, approximately 1 in 5 women aged 15-49 (17%), reported experiencing physical violence while more than 1 in 10 women (11%) has experienced sexual abuse. It was also reported that approximately 1 in 4 ever-partnered women aged 15-49 (24%) had experienced physical, sexual, or emotional violence from their current or most recent husband/partner. Out of this, only 41% of women sought help from relevant authorities, indicating that most of the gender-based violence cases go unreported even though the country has established avenues to report such incidents. The survey also showed that sexual violence is most often committed by former husbands or partners (27%) or by a close relative (25%). Spousal abuse shows a tendency to decline as wealth quintile increases, suggesting that there is a weak correlation between wealth and violence.

The Country has one of the highest divorce rates in the world. According to the UN, the Maldives has 10.97 per 1000 inhabitants per year. Divorce is widely accepted in Maldivian society.

3.4 Sectoral Context

Maldives has a well-developed but narrowly targeted social protection system. It comprises social assistance (cash and food transfers to the poor and vulnerable), social insurance (health insurance and pensions) and social empowerment programs (such as training and job placement). The *Aasandha*

program provides free public healthcare, covering the cost of treatment in public and many private facilities, as well as the cost of most prescription medications. This is supplemented by the *Medical Welfare* program, which covers residual health costs for the poorest. The pension system is also well developed, with a national defined-contribution pension scheme run by the Maldives Pension Administration Office (MPAO), and a social pension that tops up the incomes of those over 70 years of age to a minimum of MVR 5,000 (about US\$330) per month. Social assistance programs are provided by the National Social Protection Agency (NSPA) and targeted to a few vulnerable groups: people with disabilities, single and foster parents, and the elderly. There are also various subsidies, for food, electricity, fuel and housing, that help defray the costs of living. However, the country has no broad-based means tested cash safety net for the poor outside these categories, and no unemployment insurance program.

Despite the limited scope of its programs, NSPA has strong capacity and well-developed delivery systems relative to other countries in the region. NSPA operates a modern customer service centre in Male to receive applications and handle matters relating to beneficiaries. Given a limited administrative budget and staff, NSPA has been limited to date in its capacity to conduct monitoring and outreach visits beyond Male. It compensates for this by drawing on support from island council offices to receive applications and update beneficiary information. NSPA maintains a robust beneficiary registry system called the Social Protection Information System (SPIS), that securely collects and maintains data provided by applicants, determines eligibility, and records subsequent beneficiary transactions. NSPA also accesses other government information systems, such as the courts registry, to cross-check the validity of claims made on applications. NSPA benefits are paid electronically to beneficiary bank accounts at the Bank of Maldives, and funds can be accessed through branches, ATMs and point-of-sale devices available in shops on most islands. In areas where electronic access to funds is not available, a mobile ATM visits islands to enable beneficiaries to withdraw funds. With recent refinements to the payment system, payments are made monthly with no reported delays.

A new Job Center has recently been set up to improve matching between employers and jobseekers. Run by the Ministry of Economic Development (MoED), the Job Center (<https://jobcenter.mv>) publishes job advertisements and general information about participating employers. The online platform enables registered job seekers to be notified through SMS and e-mail whenever a new job offering appropriate to their skills and experience is posted. Since the start of the crisis, the MoED has used the Job Center to register terminated and furloughed workers, and receive complaints about contract violations and unfair dismissal, which are investigated by the Labor Relations Authority (an independent body that enforces the Employment Act in Maldives).

The government has announced measures to encourage businesses to retain employees and help those affected by the pandemic. The MoED and Ministry of Finance (MoF) have launched an Economic Relief Program (ERP) for businesses. Businesses with annual revenue above MVR 10 million are expected to apply for relief packages through the Bank of Maldives, while those with revenues below MVR 10 million will be eligible for relief packages through the SME Development Financing Corporation (SDFC). Relief will only be provided on the condition that firms do not dismiss any of their workers prior to or during the period of support. The MoED plays a key role in verifying applications for the ERP, using its data on employment contracts, in consultation with other actors such as the MPAO, to ensure that firms do not violate the conditions on retaining workers.

While it is expected that the ERP will reduce the pressure on firms to lay off workers, it is expected that up to 20,000 workers may temporarily lose income or be laid off. Some employers are unable to continue to pay wages and have either reduced or stopped wage payments even for those under a continuing contract. There are also reports of casual workers being laid off, while the self-employed

are likely to see a significant drop in their revenues. Accordingly, the GoM has introduced a temporary *COVID-19 Support Allowance* for employees and the self-employed whose income has been affected by the crisis. The program will be offered to all Maldivian adults of working age (18-64), who were employed until March 15, 2020, and whose incomes are now below MVR 5,000 (or US\$330) per month. The allowance will be provided as a top-up to any income received, to a level of MVR 5,000 per month. The program is initially authorized until June 2020 but was extended till the end of December 2020.

3.5 COVID-19 Situation

Almost two years into the Pandemic, the Maldives has currently recorded over 86,000 thousand cases, with a mortality rate of 0.27%. A total of 355 thousand individuals has been vaccinated, representing 66% of the population fully vaccinated.

As part of the response to the COVID-19 pandemic, the Income Support Program was fully wrapped up at the start of 2021. In total, over 22,900 individuals have been provided income support over the program impact duration from April-2020 to December-2020. With improved sentiment as a result of high vaccination rates, improving global outlook and opening of international markets, it is expected that the economy of Maldives will energize and continue momentum through 2021 and in to 2022. Initial studies by the Ministry of Economic Development² has indicated that employment impact is reverting gradually. However, given the existing unemployment and skill gaps existing prior to the COVID-19 crisis, the pandemic crisis and impact has further exacerbated the situation of the already vulnerable workers, especially the self-employed.

The proposed additional project activities do not foresee in adding any additional risks or impacts to the COVID pandemic, especially since most of the country's resident population is vaccinated and most restrictions are being lifted as the vaccine status progresses. Despite the high rate of vaccination, social distancing and safe measures are still in place and will continue to do so into the foreseeable future.

Since 66% of the population is fully vaccinated, there are limited risks of COVID-19 contagion to Project workers, especially while carrying out tasks requiring interactions with other workers and community members. Nevertheless, during the project preparation, potential risks and impacts have been identified and accordingly relevant mitigations measures have been planned which are explicitly described in the ESMF (Section 4), SEP & LMP.

Performance of ESF Implementation to date:

The project performance in terms of E&S compliance has been rated as 'Satisfactory.' At the time of the last mission in March 2021, the staffing at the PMU in terms of assignment of E&S specialists, including focal persons responsible for consultations, communications and awareness, GRM and labor management, has been completed. The GRM for the project has been functioning well with 45,728 grievances received so far of which 45,698 had been resolved. All of the cases had been addressed within a two-week period. In terms of the nature of grievances, 65 percent of the grievances were related to enquires requesting guidance on the application process and the status of the applications submitted, and the remainder were related to delays in payments or expressing dissatisfaction in the application process including the amounts received. The beneficiary satisfaction survey which was completed also provided useful findings to understand areas to improve the project design. Accordingly, the project took measures to reduce the processing time for applications by simplifying processes and improving the time taken for depositing & communicating with the applicants etc.

² Labour market report, Q1-2-21. <https://trade.gov.mv/uploads/14/newweb/reports-and-publications/q1-labour-market-report-final.pdf>22

Island Councils reached out to vulnerable groups to support in the application process and business associations reached out to encourage women in self-employment to apply for ISA. Given these additional measures taken, application approval rate increased from 66 percent in phase 1 to 93 percent in phase 2 and the percentage of female applicants also increased from 23 percent in phase 1 to 45 percent in phase 3. Furthermore, campaigns and awareness raising was done through social and traditional media channels, and over 100 rounds of consultations were held with local government authorities and island councils, media, and civil society groups to disseminate information about the ISA program including the application process. Going forward, areas the project could further strengthen include ensuring that beneficiary satisfaction/feedback surveys analyze the findings by gender, ensuring that adequate consultations are carried out during the design of the new unemployment insurance program and ensuring that all key requirements under the LMP is effectively implemented including the Labor GRM.

4.0 ASSESSMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS AND MITIGATION MEASURES

4.1 Project Benefits

The project will directly benefit 15,000-20,000 individuals (about 10% of the workforce) who have lost their incomes as a result of the COVID-19 health and economic crisis. This scheme will financially support the workers and their families with a decent allowance for them to meet their monthly spending requirements. By replacing the loss of income, it provides an additional support for them to maintain consumption level, reduce poverty and improve the well-being of the vulnerable population.

Furthermore, the project's technical assistance activities under Component 2 would contribute to strengthening of social protection delivery systems and institutions, which would primarily benefit around 10,000 poorer and vulnerable households who receive regular social assistance. These investments would also indirectly benefit all Maldivians to the extent that they would improve the capacity of the social protection system to respond rapidly to future emergencies.

In addition, the proposed restructuring activities is estimated to benefit over 2,800 individuals through the support program to employed and self-employed.

4.2 Environmental and Social Risk Classification as per World Bank's ESF

The project has provided cash support to about 22,940 individuals who have lost their jobs or income sources as a result of the COVID-19 pandemic at the time of restructuring; and technical assistance for strengthening of social protection delivery systems and institutions. In addition, the proposed restructuring activities is estimated to benefit over 2,800 individuals through the support program to employed and self-employed.

Environmental Risk Rating: Low

The proposed restructuring of the project will not create any risks or impacts since it is mainly supporting soft interventions such as skills trainings. OHS risks would also be minimum especially since most of the country's resident population is vaccinated and most restrictions are being lifted as the vaccine status progresses. Despite the high rate of vaccination, social distancing and safe measures are still in place and will continue to do so into the foreseeable future. Since 66% of the population is fully vaccinated, there are limited risks of COVID-19 contagion to Project workers, especially while carrying out tasks requiring interactions with other workers and community members.

The project will neither support the procurement of any materials or equipment nor rehabilitation or construction activities or civil works. Therefore, interventions under this project will not result in any negative environmental impacts.

However, Component 3 of the project is the Contingent Emergency Response Component (CERC). In case of activation of the CERC, the project ESMF will be updated as soon as the scope of the contingency component becomes better defined. In addition, a CERC Operations Manual will be prepared during project implementation to govern the operation of the CERC. The manual will be aligned with the ESMF at the time of preparation and will include provisions to ensure environmental and social due diligence in line with the requirements of the ESF.

Social Risk Rating: Moderate

The proposed restructuring will not change the existing social risk rating of the project. Though new activities on upskilling of jobseekers in priority trades, entrepreneurship and apprenticeship programs are added, the types of E&S risks will remain the same as with the COVID-19 Income Support Allowance program. Hence, the social risk rating will remain as 'moderate' due to the potential risks associated with: (i) full inclusion of eligible beneficiaries, particularly vulnerable groups who have limited access to information about the income support program, skills training and project benefits; (ii) inadequate consultations with relevant stakeholders during the preparation and finalization of the National Social Protection Framework, pension program, unemployment insurance program, targeting systems, support to entrepreneurship etc., under Component 2; (iii) occupational health and safety risks to project workers over potential infections as they interact with other staff and community members associated with the project; (iv) potential risks of gender-based violence linked to registration, participating in on-site trainings (including residential ones) and increase in domestic violence due to financial strains on households and the receipt of financial transfer ; these risks are however assessed to be 'low'; and v) social tension between project beneficiaries and non-project beneficiaries, especially if there is lack of transparency in the application and decision-making process.

These risks are expected to be avoided or mitigated by ensuring the project design, beneficiary selection processes etc. is carried out in an inclusive and equitable manner, including thorough specific outreach activities to ensure that vulnerable and marginalized groups, gender minorities, elders, people with disabilities, etc, are able to access information and application processing facilities. In addition, the project will have measures for meaningful consultations and engagement as well as mitigation of adverse impacts, specifically the community health and safety risks associated with the COVID pandemic as well as address potential risks associated with GBV/SEA/SH. There will be a GRM for stakeholders and beneficiaries) as well as for project workers. The skill-based training programs and apprenticeship programs will be conducted face to face. Although the COVID-19 situation is under control, the service providers (education institutions and SOEs) will ensure to the regulations of Health Protection Agency (HPA) to ensure applicants are fully vaccinated with both doses and furthermore maintaining social distancing. All service providers will also adhere to Code of Conduct as part of their contractual obligations. The project will continue to ensure the implementation of the LMP, SEP and ESMF prepared as per the ESF guidelines and government regulations.

ESS 1 - ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

Though new activities such as providing skills training are added under the restructuring, the types of E&S risks will remain the same as with the Income Support program. Hence the same risk mitigation measures will apply for new activities included under the restructuring as well.

The interventions supported under this project has provided cash support to poor and vulnerable households affected by the COVID-19 crisis and will provide skills trainings for self-employed individuals who were affected by the COVID-19 crisis. The project will neither procure materials or equipment, nor support rehabilitation or construction activities or civil works, and therefore, is not expected to have any negative environmental risks or impacts. As there are no activities with a physical footprint identified, nor are there activities that could lead to specific actions that could have associated environmental impacts, no environmental assessment is required. However, given the current situation associated with the COVID-19 pandemic, occupational health and safety risks for project workers (i.e. PMU staff, workers engaged with the Job Center, Island Councils and Community workers who will directly engage with the public), is a concern. To mitigate these risks, the project workers will follow proper hygiene, social distancing measures and other safety precautions as detailed in the ESMF, the WHO standards and other Government guidelines.

The key social risks are related to issues of exclusion and access to information and services specifically for vulnerable and marginalized groups. For example, the risk associated with the eligibility criteria and beneficiary selection processes not being designed in an equitable and a transparent manner thereby excluding key vulnerable groups. In addition, disadvantaged and vulnerable groups face challenges in terms of accessing information and facilities to apply for the income support grants and skills training, undermining the central objectives of the project. While the project has mobilized Island Councils and community groups to support these vulnerable groups, there is an added risk of exposing these groups to the virus during interactions with Island councils, other community members and skills training providers. Risks of GBV, SEA and SH may also may persist as a result of abuse of authority especially during selection of beneficiaries, attending onsite trainings especially during residential programs and increases risk of domestic violence due to economic hardships in homes. Further, social tensions could arise due to concerns about infection being spread to the communities during interactions or due to community groups or individuals being dissatisfied about the selection process of the project due to exclusion issues.

The project does not involve any sub-projects, and hence, will not require preparation of site-specific environment and social management plans during implementation. However, the ESMF has been prepared to provide an overall assessment of the risks and impacts, as well as to serve as a guidance to the borrower on the ESF requirements and procedures that needs to be complied with during the planning and implementation of project activities. The ESMF will also help ensure environment and social due diligence, if the CERC is activated; though the ESMF may have to be updated depending on the scope of the activities included in the CERC component.

Thus, the project will continue to implement mitigation measures in accordance with the Environmental and Social Management Framework (ESMF), SEP and LMP prepared for the Project, including measures to ensure that individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable, have access to the development benefits resulting from the Project. The project will prepare other instruments, as required, for the respective Project activities including for contracts for consultant firms and/or individuals based on the assessment process, the ESSs, the ESMF, the EHSs, and other relevant Good International Industry Practice (GIIP) including the WHO guidelines on COVID-19, in a manner acceptable to the Association.

ESS 2 – LABOR AND WORKING CONDITIONS

The project workforce includes: (i) direct workers, mainly the staff of PMU, MoED and NSPA, (ii) contracted workers, mainly the staff at the Job Centres, skills training providers and at the Island Councils who will support the project activities; and iii) community workers who will support the Island Councils to reach and support vulnerable groups. The LMP details the procedures to establish and

maintain a safe working environment; covering terms and condition of employment; non-discrimination and equal opportunities; prohibition of forced labor & child labor; and workers' rights for project workers and contracted workers, in a manner consistent with ESS2. The scope of the PMU is expected to expand to accommodate the additional workload and all new staff hired will comply with the LMP.

The MoED and NSPA will continue to collaborate and consult with project workers in promoting understanding, and methods for, implementation of OHS requirements, especially in relation to COVID risks, as well as in providing information and training to project workers on occupational health and safety and infection control strategies based on administrative controls, safe work practices such as provision of personal protective equipment (PPE) comprising masks, gloves and hand sanitizers, without expense to the project workers. Further, measures will be taken to assure work life balance and a stress-free work environment, especially for staff at Call Centres, PMU, MoED & NSPA given the high volume of applications to be processed during a short time frame. A separate grievance mechanism system is set up for all workers to raise and resolve workplace-related concerns including those that are related to GBV, SEA and SH.

ESS 3 – RESOURCE AND EFFICIENCY, POLLUTION PREVENTION AND MANAGEMENT

This standard is currently considered Not Relevant. No activities are expected under this project that could consume natural resources or generate wastes or pollutants.

ESS 4 – COMMUNITY HEALTH AND SAFETY

Since most of the application, beneficiary enrolment, submitting applications for skills training and payments for income support are expected to come through the online platform (Job Center), the risks of exposure to COVID-19 contagion for the beneficiaries who use digital services is expected to be minimal. At the Island level, the staff of island councils, MoED and other agencies, including members of community organizations, would be interacting with communities to inform them about the programme and support them to prepare the applications and during skill-based training programs and apprenticeship programs will be conducted face to face. These interactions would increase the risk of exposure to the virus for these workers and also pose a similar risk for the communities, especially the vulnerable groups. The service providers (education institutions and SOEs) will ensure to the regulations of Health Protection Agency (HPA) to ensure applicants are fully vaccinated with both doses and furthermore maintaining social distancing. While there has not been any reports or evidence on risks of sexual abuse and exploitation linked to registration for social protection programs in the Maldives, these concerns have materialized in other emergency contexts. Risks of GBV, SEA and SH may also increase as a result of increased interactions between the workers and community members during home visits, especially in homes without any male presence, and also during on-site and residential trainings. Further, there are also risks of increased domestic violence due to financial strains on households and receipt of financial transfer, and risks associated with GBV, SEA and SH. All service providers will also adhere to Code of Conduct as part of their contractual obligations

The project will take measures to create awareness among Island councils, community workers, communities at large including among vulnerable on protocols to adhere to during community interactions such as practicing proper hygiene, masking and other safety precautions including social distancing measures. The project will also take precautions in anticipating and avoiding adverse impacts on the health and safety of communities, including keeping beneficiaries updated on specific protocols for cash-out and minimizing risks of in-person interactions planned during the project

implementation; engaging with community for project work in person only if any other alternatives are not available; ensuring that the project related work strictly adhere to the guidelines issued on COVID-19 by the Government and the WHO; and mandating hand hygiene and personal protective equipment (PPE) such as facemasks etc. thus ensuing OHS protections in accordance with General EHSGs even during community engagement to protect against contamination from COVID-19.

Going forward, under the restructuring additional measures will be taken to provide information on GBV and support services through the communication outlets (e.g. website, leaflets) to increase women's awareness of these services. All staff and faculty conducting the apprenticeship training will subscribe to a zero tolerance policy on sexual harassment, undergoing awareness training in SEA/SH prevention and reporting, signing a code of conduct, and making safe spaces available for beneficiaries to share any concerns around SEA/SH experiences. All training modules delivered will include topics relating to gender equality, GBV, sexual abuse and harassment. Information regarding these programs will also be disseminated across the country using the Women's Development Committees as a means of information dissemination.

ESS5 LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT

This standard is currently considered Not Relevant. The project is not expected to support construction or rehabilitation works of any nature. Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households' use of land and livelihoods, will not be considered under the project.

ESS 6 - BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES

This standard is currently considered Not Relevant since the project does not involve any civil or rehabilitation works that would affect biodiversity or natural resources.

ESS7 INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES

This ESS is Not Relevant for this project. There is no evidence suggesting the presence of Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities in the Maldives.

ESS 8 – CULTURAL HERITAGE

This standard is currently considered Not Relevant since the project does not involve any civil or rehabilitation works that would have an impact on cultural heritage.

ESS9 FINANCIAL INTERMEDIARIES

Given the nature of the project, this standard is Not Relevant as there will not be any financial intermediaries that will be involved.

ESS 10 – STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE

The project recognizes the need for an effective and inclusive engagement with all relevant stakeholders and the population at large. The project's communication and stakeholder engagement strategy has been highlighted as a best practice in the region. For example, communication campaigns and awareness raising have been done through social media, television, radio etc. and have carried out 100+ rounds of consultations with local government authorities and island councils, media, and civil society groups to disseminate information about the Income Support Assistance program

including the application process. Two satisfaction surveys were also completed by the project. The beneficiary satisfaction survey provided useful findings to understand areas to improve the project design. Accordingly, the project took measures to reduce the processing time for applications by simplifying processes and improving the time taken for depositing & communicating with the applicants etc. Island Councils also reached out to vulnerable groups to support in the application process and business associations reached out to encourage women in self-employment to apply for ISA. Given these additional measures taken, application approval rate increased from 66 percent in phase 1 to 93 percent in phase 2 and the percentage of female applicants also increased from 23 percent in phase 1 to 45 percent in phase 3.

In regard to stakeholders' consultations related to the restructuring, consultations have been conducted with education and training centers, employer representative associations, state legal entities to promote training and professions. Initiatives to improve the quality and availability of skills training services are already being supported by the World Bank under the Maldives Enhancing Employability and Resilience of Youth (MEERY) project. Recognizing this, the team has consulted closely with the MEERY project team and PMU, to ensure that the proposed activities under this project complement rather than duplicate the efforts under MEERY. The clear delineation reached is that the proposed activities under the restructuring will be limited to the ISA program acting as a buyer of skills training services, for which it will rely on the MEERY project PMU to advise on minimum standards, develop curricula, and expand the set of qualified training providers and course options in the Maldives. In terms of engaging citizens, a training needs assessment has already been conducted to identify core skills gaps and employment issues to be addressed under the project. The project will also continue to work with Island Councils, women's groups and business associations to effectively engage citizens, especially those in remote islands. The analysis from feedback surveys will help to better understand the extent to which beneficiaries are satisfied with the skill development trainings and employers are satisfied with graduates from the skills development programs. The analysis of feedback surveys will be disaggregated by gender to assess if there are emerging gender-related issues to ensure that timely actions are taken to address them. Accordingly, the learnings from the feedback will be used to improve the design and the delivery of the program

The project will continue to follow its robust citizen engagement approach that includes stakeholder feedback surveys, consultations, and a project-specific GRM. The GRM for the project has been functioning well with 45,728 grievances received so far of which 45,698 had been resolved. All of the cases had been addressed within a two-week period. In terms of the nature of grievances, 65 percent of the grievances were related to enquires requesting guidance on the application process and the status of the applications submitted, and the remainder were related to delays in payments or expressing dissatisfaction in the application process including the amounts received.

The SEP prepared for this project supports clear communication and meaningful consultation, considering the needs of various stakeholders while also adapting to the current social distancing requirements & travel restrictions put in place by the national government. In line with the provisions of the ESCP, the MoED will apply the SEP to engage stakeholders as needed and for public information disclosure purposes.

4.3 Environment and Social Mitigation Measures

Following provides a detailed Click here to enter text. list of risks and impacts from project interventions and measures that can mitigate both potential environmentally and socially adverse impacts that may arise as a result of cash transfers. For additional mitigation measures refer LMP, SEM, WB and WGO Occupational Health and Safety Guidelines.

Issues/ Elements	Risks/Impacts	Mitigating Measure
Stakeholder consultations & mechanisms to assure transparent and equitable provision of employment support.	<p>Inadequate consultations with relevant stakeholders during the preparation and finalization of the National Social Protection Framework, pension program, unemployment insurance program, targeting systems, skills training, apprenticeship and entrepreneurship programs.</p> <p>Eligibility criteria for selecting beneficiaries for income support and skills training excludes key marginalized and vulnerable groups.</p> <p>No mechanism for stakeholders to raise concerns & objections against selection process.</p>	<p>Consultations processes would be initiated with relevant stakeholders during the preparation and finalization of the National Social Protection Framework, pension program, unemployment insurance program, targeting systems, skills training, apprenticeship and entrepreneurship programs.</p> <p>Eligibility Criteria & beneficiary selection process would be formulated and finalized in a transparent manner in consultation with key stakeholders.</p> <p>The GRM will allow the public to raise any concerns regards beneficiary selection within a set time period before finalizing the beneficiaries.</p>
Access to Information	<p>Project related information, details regarding eligibility criteria and application procedures not reaching vulnerable the elderly, people with disabilities etc.</p> <p>Vulnerable groups (elderly, disabled, those in removed locations etc.) may not have access to internet nor know how to use internet or to operate electronic devices such as TV, radio, mobile phones to access information about the project.</p> <p>Information disseminated is not user-friendly format, hence vulnerable groups are not able to understand project details and procedures.</p>	<p>Project will take special measures to reach vulnerable groups (elderly, disabled etc.) who do who not have access to mainstream media or internet.</p> <p>Information will be communicated in a user-friendly format even elderly, people with disabilities etc. could easily understand.</p> <p>The project will work with existing community-groups, networks and skills training providers to disseminate project information and material – these will be hand delivered to homes of vulnerable groups (elderly, disabled etc) following appropriate social distancing protocols.</p> <p>A project information hotline and contacts of Island Councils focal points will be available for people to call and obtain clarifications in addition to the project website that will have all pertinent information.</p>
Facilities to submit application, to open bank accounts and receive payments	<p>Vulnerable groups may not have access to internet nor know how to use internet to submit their application.</p> <p>Further they may not have banks accounts and may lack the</p>	<p>Island council representatives and/or community volunteers will visit homes of vulnerable groups to support them to prepare and submit the applications manually.</p> <p>The project will also make available mobile banking facilities to vulnerable groups to open</p>

	<p>knowledge to open bank accounts.</p> <p>Further they may be challenged in terms traveling to banks to open bank accounts and to withdraw money due to their vulnerabilities which would also be compounded by the travel restrictions.</p>	<p>banks accounts and do transactions from their homes without having to travel to the banks or POSs. For example, once applications are filled and signed by the beneficiaries Island council representatives will facilitate opening of the bank accounts and also delivery of the money for the income support.</p>
Lack of documentation necessary to proof eligibility	<p>More than the average citizen, vulnerable groups (especially, elderly, disabled etc.) may lack the necessary evidence and the required documentation to prove their eligibility.</p> <p>These groups may be challenged in terms of contacting or traveling to meet relevant authorities to obtain missing documentations. Further, they will be challenged due to travel restrictions and closure of departments due to work from home regimes in place.</p>	<p>The project will establish mechanisms to support vulnerable groups to obtain missing documentation to process their applications. Island Councils representatives will take special initiatives to support vulnerable groups with their application documentation.</p> <p>In addition, the project design will include alternate options for vulnerable groups to prove their eligibility if they are not able to furnish the required documentation.</p> <p>The project will have measures for vulnerable groups to receive extensions for submission of their supporting documents with the approval of the Island Councils to accommodate valid delays in submission of documents.</p>
Occupational and community health and safety	<p>Health and safety risk for all workers of the project as associated with COVID-19 infection, especially if proper hygiene, safety precautions and social distancing measures are not adhered to. These include staff of PMU, NSPS, MED, ICT suppliers & Island councils.</p> <p>Increase in the risk of exposure to the virus among community groups and communities especially for the vulnerable groups during interactions with Island councils and Job Centres.</p>	<p>The project will train all workers on special occupational health and safety guidelines and practices to follow during the COVID-19 crisis – inline with WB & WHO guidelines .</p> <p>Island councils, training providers, community workers including communities, and vulnerable groups would also be made aware on protocols to adhere to during community interactions such as practicing proper hygiene, masking, other safety precautions and social distancing measures.</p> <p>The project will as far as possible work and even liaise with communities remotely minimizing any risks of exposure to the virus avoiding face to face contacts.</p> <p>The project will have two GRMs, one for project workers and other for project beneficiaries to report on issues that concerns them.</p>

Gender-based Violence (GBV)/Sexual Exploitation and Abuse (SEA)/Sexual Harassment (SH):	<p>Risks of GBV, SEA and SH may also increase as a result of increased interactions between the workers of Island Councils and community groups during home visits, especially for homes without any male presence.</p> <p>With the infusion of cash into homes, conflicts may arise regards spending decisions, which could lead to domestic violence.</p> <p>There are also risks of project workers being harassed by unhappy claimants while working at the Call Center or during the verification stages.</p>	<p>The project will train all project workers on GBV, SEA and SH prevention measures and protocols.</p> <p>In all Islands, awareness will be made on risk of GBV, SEA, SH and domestic violence and on prevention measures.</p> <p>All staff will be made aware of the GRM available for the staff and will also be able to lodge complaints to the Sexual Harassment Prevention Committee established under Prevention of Sexual Harassment Act (16/2014).</p> <p>All training providers and all trainees will comply with and adopt a SEA/SH Code of Conduct which will be incorporated into service agreements with training providers and into student applications.</p>
Labor and working conditions	<p>Terms and conditions of employments are not in accordance with the requirements of national law and ESS2.</p> <p>Risk of stress, fatigue or burnout of staff of PMU, NSPS, MED due to overworking to manage the excessive demand given the urgency to process a large number of applications.</p>	<p>The Social Specialist at PMU will review to ensure that terms and conditions of all workers are in accordance with the requirements of national law and ESS2.</p> <p>The project will utilise services of consultants during peak periods to manage the workloads.</p> <p>Specific protocols and work-life-balance measures will be in place to ensure that staff are not over worked.</p> <p>The workers associated with the project will be able to lodge their complaints, concerns, difficulties to the Workers' GRM.</p>
Social conflicts and tensions	<p>Social tensions could arise due to community groups or individuals being dissatisfied due not been selected or due to others being selected. Any lapses, bottlenecks or delays in the process or timely receipt of cash could lead to a social up rise if the issue impacts many.</p> <p>Risk of social tensions due to concerns about infection spread to the communities when visiting homes of vulnerable groups by Island Councils, training providers and Community groups. Further</p>	<p>The project will implement the SEP efficiently and effectively to obtain community feedback and ensure their concerns are addressed throughout the project.</p> <p>Communication messages will also address issues of stigmatization of project workers.</p> <p>Island councils, community workers including communities, skills training providers and vulnerable groups would also be made aware on protocols to adhere to during community interactions such as practicing proper hygiene, masking, other safety precautions and social distancing measures and including measure to prevent issues of GBV, SEA and SH.</p>

	any GBV, SEA and SH issues could also lead to a social up rise.	The project would build in principles of inclusion and transparency into every aspect of the project from start to end.
	Anger towards project workers and stigmatizing them as they may be viewed as vectors of COVID-19 for passing on infections to communities.	The GRM will allow the public to raise any concerns regards beneficiary selection within a set time period before finalizing the beneficiaries.
Socio-economic disparities	Improper targeting could create and/or exacerbate socio-economic disparities leading to greater income inequalities.	<p>The project has carried out survey and needs assessments to identify vulnerable groups and assess potential impacts from the project to inform project design to minimize creating socio-economic disparities.</p> <p>The project will also conduct an impact evaluation during midstream to assess impacts both positive and negative and incorporate design changes and policy recommendations to address socio-economic impacts exacerbated due to project interventions.</p>
Providing a hybrid model of Face to face and online training	<p>During face to face sessions, chances to increase the number of covid-19 cases.</p> <p>Vulnerable groups not able to bear costs of transport to attend training.</p>	<p>Consultations processes would be initiated with relevant stakeholders during the preparation and finalization to ensure all parties involved adhere to the guidelines enforced by HPA.</p> <p>A transport allowance will be paid to beneficiaries needing to travel to attend training.</p>
Technical issues to be resolved during online training sessions	During the online sessions, video conferencing may have technical difficulties due to limitation in hardware, software or weak internet connection.	Consultations processes would be initiated with relevant stakeholders including the island councils to ensure that the applicants are not marginalised due to the limited access to computer/laptop or internet connection.

4.4 Gender Inclusion

Under Component 1, the project introduced specific measures to ensure that women will be equally able to access the cash transfer benefits. The female labor force participation rate is only 46 percent, compared to 77 percent for men.³ In addition to their lower rates of labor force participation, one in four working women is self-employed or employed in an informal family enterprise, compared to only 13 percent of men.⁴ Often this is to allow them better flexibility to manage their prescribed domestic and childcare responsibilities. Accordingly, women make up 56 percent of the self-employed workers in Maldives. A recently published report anticipates that loss of employment due to COVID-19 may

³ National Bureau of Statistics. 2020. "Household Income and Expenditure Survey 2019: Employment Indicators." <http://statisticsmaldives.gov.mv/nbs/wp-content/uploads/2020/09/Employment-Indicators-Infographics-v3.pdf>.

⁴ National Bureau of Statistics. 2016. "Household Income and Expenditure Survey 2016 Data Tables." <http://statisticsmaldives.gov.mv/nbs/wp-content/uploads/2020/09/HIES2019-EA1-EA12-Tables.xlsx>.

push self-employed women out of the labor force permanently.⁵ As described earlier, the ISA can help women remain in the labor force through the crisis, but the absence of formal contracts, lack of documentation, and the informal nature of their work make it more difficult for informal female workers to prove income loss and apply for the ISA. To satisfy the **gender-tagging requirement**, an additional PDO indicator—“Beneficiaries of social safety net programs - self-employed female”—was added to the Results Framework. The activities measured by this indicator ensured that the MoED prioritizes making the ISA available to female self-employed workers to ensure they remain in the workforce. The data for this indicator will be obtained from the JobCenter portal.

Under the project, the PMU therefore encouraged and assisted women in self-employment to apply for the ISA in the following ways: a) targeting outreach and communications to women and self-employed workers, b) tailoring support services for female self-employed workers to help them apply, including training island council officials to support these workers with their applications and publicizing the ISA support hotline and c) providing flexibility in documentation requirements to be eligible for income support. Specifically, self-employed workers can provide documentation such as receipts and letters from customers or the council. Communications and outreach programs will publicize this. Given these additional measures taken, application approval rate increased from 66 percent in phase 1 to 93 percent in phase 2 and the percentage of female applicants also increased from 23 percent in phase 1 to 45 percent in phase 3.

The SAP 2019-2023 includes extensive sections on social protection and gender equality, including plans to strengthen the regulatory framework with respect to social protection, domestic violence, disability, gender equality and sexual harassment; introduce community-based approaches to empower vulnerable groups and promote social inclusion; empower local women’s committees; and promote female economic empowerment. Therefore, under Component 2, the project is providing technical assistance to support the review of the current social protection programs and systems. The technical assistance will provide guidance to the GoM on how to make social protection programs responsive to the vulnerabilities of women throughout the life cycle.

Recent evidence shows that women in the Maldives have been disproportionately affected both economically and socially by the COVID-19 pandemic. A rapid assessment of livelihoods carried out by the MoED together with UNDP based on data available through the JobCentre showed that women experienced higher rates of redundancy compared with men and were earning less income. Another assessment on socio-economic aspects of COVID-19 in the country carried out by the Maldives National University revealed that 17 percent of survey respondents were deeply concerned about occurrences of domestic violence, and 1 out of 6 reported knowing someone who experienced violence in the week of the survey. Therefore through the restructuring, the Project will ensure enhanced targeting and engagement of female workers who have been pre-identified as socially and economically vulnerable linking to the COVID-19 pandemic and incidents of Gender Based Violence (GBV) through three main strategies:

- (i) Increasing awareness: The project will ensure targeted messaging is delivered through the JobCenter Portal to females who have become redundant or have experienced a decline in earnings due to the pandemic. Moreover, the project will work closely with the Ministry of Gender, Family and Social Services, the Family Protection Authority, the National Social Protection Agency and the Ministry of Islamic Affairs to identify vulnerable women (for example, single mothers, and females living in poverty) who could benefit from the program, and to ensure that these groups are aware of the various trainings, apprenticeship and entrepreneurship programs conducted through the project.

⁵ Moosa, S., M. Suzana, F. Najeeb, R. Abdul Raheem, A. Ibrahim, F. Riyaza, and S. K. Usman. 2020. *Preliminary Report: Study on socio-economic aspects of Covid-19 in the Maldives (Round One-May 2020)*. Maldives National University.

Information on GBV and support services will be provided through the communication outlets (e.g. website, leaflets) to increase women's awareness of these services. All staff and faculty conducting the apprenticeship training will subscribe to a zero tolerance policy on sexual harassment, undergoing awareness training in SEA/SH prevention and reporting, signing a code of conduct, and making safe spaces available for beneficiaries to share any concerns around SEA/SH experiences. All training modules delivered will include topics relating to gender equality, GBV, sexual abuse and harassment. Information regarding these programs will also be disseminated across the country using the Women's Development Committees as a means of information dissemination.

- (ii) Ensuring eligibility: To ensure potential female candidates are not discriminated against in terms of meeting the eligibility criteria, the project will formulate special selection criteria for females which recognize the historical disadvantages faced by women as well as their socially ascribed roles in family and society. The project will also reserve 40 percent of the slots in the skill development program for women. The apprenticeship programs will be delivered through large State-Owned Enterprises (SOEs) with wider geographic reach across the country enabling easier access to candidates living in peripheral islands. Potential SOE partners include the Housing Development Corporation (HDC), Maldives Transport and Contracting Company (MTCC), Island Aviation Services (IAS), FENAKA and Regional Airports Company Limited (RACL).
- (iii) Improving access: Finally, to guarantee that women can practically access these programs, the project will work with the Business Centre Corporation (BCC) to design training programs in consideration of women's schedules and family related responsibilities. Training providers under the skills development program will be encouraged to offer courses at different times of the day. In addition to the above, a Code of Conducts will be developed and signed by all project personnel including all staff at the PMU and subcontractors.

5.0 PROCEDURES TO ADDRESS ENVIRONMENTAL AND SOCIAL ISSUES

5.1 Environmental and Social Processing Steps

The processes outlined below follows the relevant requirements of the World Bank's Environmental and Social Standards, especially ESS1, ESS2, ESS4 & ESS10 are relevant. It provides a mechanism for ensuring that potential adverse environmental and social impacts of sub-projects are identified, assessed and mitigated as appropriate, through an environmental and social screening and management process.

- **Step 1: Assess the environmental and social risks and impacts of proposed Project activities**, in accordance with the Environmental and Social Management Framework (ESMF) prepared for the Project, including to ensure that individuals or groups who, because of their particular circumstances, may be disadvantaged or vulnerable, have access to the development benefits resulting from the Project. A preliminary assessment/identification of project risks and impacts has already been conducted, as mentioned in::
 - Chapter 4: Assessment of Environmental and Social Risks and Impacts and Mitigation Measures.

- Risks and impacts described in Stakeholder Engagement Plan (SEP) and Labor Management Procedure (LMP).
- **Step 2: Adopt and implement any environmental and social management mitigation measures** required for Project activities based on the assessment process as well as the ESSs, ESMF, EHSs, and other relevant Good International Industry Practice (GIIP), including the WHO guidelines on COVID-19, prepared under the Project. These measures will be adopted in a manner acceptable to the GoM as well as the World Bank. The ESF principles, procedures and other guidelines include:
 - Procedures for management of Occupational Health and Safety - refer to LMP and WB guidelines (provided in Annex 2).
 - Procedures for management of Community Health and Safety - refer Section 5.3 of ESMF, SEP, LMP and WB & WHO guidelines (provided in Annex 2).
 - Procedures for Stakeholder Engagement - refer SEP & Section 6 of ESMF.
 - Procedures to ensure the prevention of GBV, SEA and SH – refer Section 5.2 of ESMF & WB guidelines (provided in Annex 2).
 - Procedures for management of Environment and Social Risks and Impacts during CERC Component Implementation – refer Section 5.4 and Annex 1 of ESMF.
- Incorporate relevant aspects of this ESCP, including, inter alia, any environmental and social management plans or other instruments, ESS2 requirements, and any other required ESHS measures, into the contracts for consultant firms and/or individuals.
- **Step 3: Implementation Monitoring and Reporting** - examples of type pf activities to be performed:
 - Determine whether the project is being carried out in conformity with environmental and social and legal agreements
 - Identify issues as they arise during implementation and recommend means to resolve in time.
 - Recommend changes to the proposed concept and the project design, as appropriate, as the project evolves, or circumstances change; and identify the key risks to project sustainability and recommend appropriate risk management strategies.
 - An appropriate environmental and social supervision plan will be developed aiming to ensure the successful implementation of an ESMF across the project and will be shared with the World Bank.
 - The environment and social team based in the PMU will be responsible for overall monitoring of the ESMF implementation up to the project closure and transfer for management to the designated authority.
 - Photographic documentation of non-compliance as well as best practices will be used as a means of recording implementation conditions efficiently, in addition to written evidence.
 - MED and NSPA will be responsible for overall monitoring of compliance. PMU to receive updates and share with WB.
 - Compliance monitoring reports will be submitted to the World Bank on a quarterly basis from the commencement of the contract.
 - Regular World Bank missions will include specialists to monitor the project's compliance with World Bank safeguard policies. The progress of environmental monitoring will be formally communicated to World Bank through regular progress reports and updates as per the compliance monitoring agreement made during project implementation.

Procedures for Managing E and S impacts via Technical Assistance to the project

All ToRs pertaining to any studies under Component 2, to be undertaken as technical assistance during the project period (e.g., strengthening NSPA's delivery and targeting Systems, developing a fiscally sustainable unemployment insurance program, reforming pension programs, and developing a National Social Protection Framework, will be reviewed in accordance with the ESSs of the World Bank's ESF in order to ensure key areas on Environmental and Social considerations are embedded into the studies. All ToRs will be subject to World Bank clearance.

5.2 Measures for addressing GBV, SEA/SH Risks and Impacts

GBV, SEA/SH risks and impacts under the Project are considered to be low; but given the increasing prevalence of such incidents in emergency situations, like COVID-19 in other contexts, and similar increases in domestic violence under household financial constraints and cash transfer projects, this Project will implement a number of activities to prevent GBV, SEA/SH risks. In particular, World Bank Group's 'Technical Note on SEA/H for HNP COVID Response Operations,' Inter-Agency Standing Committee's 'Interim Technical Note: Protection From Sexual Exploitation and Abuse (PSEA) during COVID-19 Response,' 'The COVID-19 Outbreak and Gender: Key Advocacy Points from Asia and the Pacific,' 'UN Women, 2020 and the COVID-19 resources to address gender-based violence risks', will be used as a guide towards the design and implementation of measures to prevent. These will involve:

- Communication campaign related to specific issues women face during the pandemic, including safeguarding and responding to SGBV and child abuse.
- Publicly post or otherwise disseminate messages clearly prohibiting GBV, SEA/SH and providing the contact information for the Project GRM, should there be any cases or suspicion of sexual exploitation and abuse.
- All staff and faculty conducting the apprenticeship training will subscribe to a zero tolerance policy on sexual harassment, undergoing awareness training in SEA/SH prevention and reporting, signing a code of conduct, and making safe spaces available for beneficiaries to share any concerns around SEA/SH experiences.
- All training modules delivered will include topics relating to gender equality, GBV, sexual abuse and harassment. Information regarding these programs will also be disseminated across the country using the Women's Development Committees as a means of information dissemination.
- Prepare and implement and train all workers in regard to GBV prevention and child protection protocols during community engagement activities. Identify and prepare a list of GBV psychosocial support services that are available to support victims/survivors.
- Ensure that the Project GRM will have a mechanism for confidential reporting with safe and ethical documenting of GBV issues.

5.3 Measures for management of Occupational Health and Safety

As detailed out in the Labor Management Procedure for the Project, measures should be put in place for protecting workers from exposure to the virus that causes Covid-19 depending on the type of work performed and exposure risk. Employers will adapt infection control strategies based on a thorough hazard assessment, using appropriate combinations of engineering and administrative controls, safe work practices, and personal protective equipment (PPE) to prevent worker exposures.

For all workers, regardless of specific exposure risks, it is always a good practice the following:

- I. Frequently wash your hands with soap and water for at least 20 seconds. When soap and running water are unavailable, use an alcohol-based hand rub with at least 60% alcohol. Always wash hands that are visibly soiled.
- II. Avoid touching your eyes, nose, or mouth with unwashed hands.
- III. Practice good respiratory etiquette, including covering coughs and sneezes
- IV. Avoid close contact with people who are sick.
- V. Stay home if sick.
- VI. Recognize personal risk factors. According to the WHO, certain people, including older adults and those with underlying conditions such as heart or lung disease or diabetes, are at higher risk for developing more serious complications from COVID-19.

In order to prioritize worker Health and Safety appropriate safety procedures and training in place before the start of each job and to create a workplace where anyone can raise a workplace safety issue or speak up if they have a safety concern.

The following steps should be practiced ensuring adequate safety at minimum.

- Ensure only fully trained and/or licensed personnel are involved in COVID-19 response activities.
- Ensure adequate supply of PPEs and other measures to ensure safe working conditions for all staff.
- For any high-risk activities (e.g. working on or near exposed live parts) use a Safe Work Method Statement that has been developed in consultation with the workers and is easily understood and followed and translated into Local Languages.

5.4 Management of E & S During CERC Component Implementation

Component 3 of the project is a Contingent Emergency Response Component (CERC). The project ESMF will be updated as soon as the scope of contingency component becomes better defined during project implementation. In addition, a CERC Operations Manual will be prepared during project implementation to govern the operation of the component, this document will be aligned with the ESMF at the time of preparation and include provisions to ensure environmental and social due diligence in line with the requirements of the ESF. A list of typical positive and negative activities associated with CERC implementation is presented in Annex 1 of this ESMF as per the World Bank's template for CERC Operational Manuals.

6.0 STAKEHOLDER ENGAGEMENT, GRIEVANCE REDRESS AND INFORMATION DISCLOSURE

6.1 Communication and Disclosure

The project has implemented an effective communication campaigns and awareness raising have been done through social media, television, radio etc. The project and internal communication campaigns have disclosed program processes and rules and also made aware of the grievance redress mechanism to address questions from beneficiaries. Over 100 rounds of consultations were held with local government authorities and island councils, media, and civil society groups to disseminate information about the ISA program including the application process. In addition, the project disseminated information about the Income Support Assistance program including the application process through the local government authorities and island councils, media, and civil society groups. Island Councils also reached out to vulnerable groups to support in the application process and business associations reached out to encourage women in self-employment to apply for ISA. A similar communication strategy will be adopted to create awareness on the skills training program which has been described in the SEP.

6.2 Stakeholder Engagement

Since commencement of the project, stakeholder consultations and technical discussions have been carried out with President's office, Ministry of Finance, NSPA, MPAO, Private sector, Island Councils and business associations. In regards to stakeholders' consultations related to the restructuring, consultations have been carried out with education providers, line ministries, SOEs and other key implementation parties. In addition, negotiations have been carried with worker representative associations. The team has also consulted closely with the Maldives Enhancing Employability and Resilience of Youth (MEERY) project team and PMU, to ensure that the proposed activities under this project complement rather than duplicate the efforts under MEERY. The project will also continue to work with Island Councils, women's groups and business associations to effectively engage citizens, especially those in remote islands.

The SEP outlines the characteristics and interests of the relevant stakeholder groups and timing and methods of engagement throughout the life of the project. The SEP prepared for this project supports clear communication and meaningful consultation, considering the needs of various stakeholders while also adapting to the current social distancing requirements & travel restrictions put in place by the national government. In line with the provisions of the ESCP, the MoED will apply the SEP to engage stakeholders as needed and for public information disclosure purposes. Application of ESS10 stakeholder engagement and disclosure of information will be closely monitored by the PMU.

6.3 Grievance Redress Mechanism

The project will have two grievance mechanisms. One for labor-related grievance and the other for GRM for beneficiaries.

- **Labor Grievances** – This GRM can be used by Staff to lodge their complaints relating to any difficulties they face such as working environment, or conditions or unreasonable overtime. The focal point for this GRM will be the Social and Environmental Specialist. The mechanism for workers' GRM is described in detail in the LMP.

- **Beneficiary GRM** - A GRM for beneficiaries has already been established for the project. The GRM for the project has been functioning well with 45,728 grievances received so far of which 45,698 had been resolved. All of the cases had been addressed within a two-week period. In terms of the nature of grievances, 65 percent of the grievances were related to enquires requesting guidance on the application process and the status of the applications submitted, and the remainder were related to delays in payments or expressing dissatisfaction in the application process including the amounts received.

6.4 Beneficiary feedback

Two satisfaction surveys were also completed by the project. The beneficiary satisfaction survey provided useful findings to understand areas to improve the project design. Accordingly, the project took measures to reduce the processing time for applications by simplifying processes and improving the time taken for depositing & communicating with the applicants etc. A needs assessment and a survey has already been conducted to understand learning needs and concerns of those whose employment and livelihoods have been affected due to the Covid. Feedback surveys will also be carried out to better understand the extent to which beneficiaries are satisfied with the skill development trainings and employers are satisfied with graduates from the skills development programs. “Percentage of grievances resolved within a month of their receipt” has been included as a Beneficiary Feedback Indicator in the project.

7.0 INSTITUTIONAL ARRANGEMENTS, RESPONSIBILITIES AND CAPACITY BUILDING

7.1 Institutional arrangements and responsibilities

The Project implementation will be carried out by a Project Management Unit (PMU) placed within the Ministry of Economic Development. The institutional responsibilities and arrangements for project implementation will be established as follows:

- **Project Management Unit** - The PMU's main role will be to ensure operational compliance as per the World Bank policies as defined in the Project Appraisal Document, Financing Agreement and Operations Manual and Government policies as applicable. The PMU will be led by a Project Director and will include a team of specialized staff responsible for project management, financial management, procurement, environmental and social safeguards. The PMU will recruit specialized consultants necessary for specific technical assistance for overall implementation activities.
- **Ministry of Economic Development (MoED).** The MoED has established a Project Management Unit (PMU) consisting of a Project Director, Deputy Project Director, Financial Management Specialist, Finance Manager, Finance Advisor, Procurement Specialist, Procurement Advisor, Social and Environmental (E&S) Specialist, E&S Manager, Communications Specialist and a Monitoring and Evaluation Specialist. All of these positions were filled with government consultants meeting the required qualifications during the implementation of the income grant activities. Some of these consultants are jointly supporting other projects, however formal assurances have been obtained by the MoED that they will have the time to provide the required support for this project. Under the restructuring, three Project Coordinators, six Project Officers and seven Business Analysts will additionally be hired to support the skills training activities.
- **Project Steering Committee (PSC)** – A PSC established to periodically review project progress, coordinate activities and make decisions on implementation. It will be chaired by the State Minister for Economic Development, with high-level representation from the Ministry of Finance, NSPA, President's Office and other stakeholders as will be specified in the Operations Manual. A technical committee will also be formed comprising members from the above ministries, to review bids for contract work under the project, and technical outputs stemming from that work.

Results Monitoring and Evaluation Arrangements: The PMU will include a M&E Specialist to collect and maintain data needed to report on the results framework and other indicators as needed, following an M&E plan developed for this project and detailed in the Project Operations Manual. The World Bank will support the M&E staff to define a coordination plan that documents timing and responsibility of participating institutions for reporting against indicators and milestones. The M&E process will involve progress reports, project monitoring meetings with participating ministries, and implementation support missions by the Bank team. The MoED will provide quarterly reports on progress toward achieving the results indicators. The progress reports will be reviewed at meetings of the PSC, to take place at least quarterly. The World Bank task team will also hold quarterly project monitoring meetings, and will conduct implementation support missions at least twice a year to review progress and help resolve implementation issues that may arise.

7.2 Institutional arrangement for implementation of the ESMF

- The MoED through the PMU established within it will be responsible for the full implementation of this ESMF and compliance thereof. The E&S team of the PMU will consist four staff: one E&S Specialist as the lead, two E&S Managers and one E&S Officer. The E&S team at PMU will take the lead responsibility in ensuring implementation of all steps presented in the Environmental and Social Management Framework (ESMF), the LMP and SEP.
- The E&S team will also be responsible for monitoring and reporting on compliance of due diligence mechanisms set forth in the ESMF and preparation of quarterly compliance summaries and formally communicating to the World Bank on environmental and social safeguard matters.
- In addition, all relevant personnel including PMU staff are expected to create awareness among all implementing partners on ESMF compliance, and any staff training necessary for its effective implementation.
- The safeguards budget for implementing the ESMF, SEP & LMP will be approximately \$100,000.

7.3 Roles and Responsibility of World Bank

- The World Bank project team, specifically the environmental and social safeguards specialists, will provide close supervision and technical support in the implementation of the ESMF, SEP & LMP.
- The specific tasks will include:
 - Ensure regular missions to review overall safeguard performance and provide further implementation support.
 - Share knowledge on technologies and best practices
 - Provide initial orientation training on ESF requirements for the project.
- The PMU will be trained by the Environmental Specialist and Social Specialist of the WB project team on the ESMF implementation, World Bank ESF and procedural requirements of the WB.

7.4 Capacity building requirements for Implementation of ESF

Training Program	Target Audience	Conducted by	No. of trainings
ESF E-Learning Program- Online Modules	PMU Staff	Self-paced WB Online Module	Completed within one month of recruitment
ESF, ESMF, SEP and LMP Implementation Training: to cover World Bank environmental and social management procedures, consultation and monitoring during project implementation and reporting-(including a refresher)	PMU Staff	World Bank E&S Specialists, E&S specialists/officers from other World Bank-supported projects	At least two programs
ESF, ESMF, SEP and LMP Implementation Training: to cover World Bank environmental and social management procedures, consultation and monitoring during project implementation and reporting- (including a refresher).	MoEd (job Center Staff), NSPA and other relevant Institutions	PMU and their E&S team.. E&S specialists/officers from other World Bank-supported projects	At least two programs
Occupational Health and Safety training	All project workers	PMU and their E&S team, Specialists/experts involved in the Maldives COVID-19 Emergency Response and Health Systems Preparedness Project (P173801).	At least one program
Handling inquiries, complaints and grievances related to the project.	MoEd (job Center Staff), NSPA and other relevant Institutions, Island council staff and social workers.	PMU and their E&S team, E&S specialists/officers from other World-Bank supported projects.	At least one program
Promoting awareness and detection of cases of gender-based violence.	Island council staff and social workers	PMU and their E&S team, Gender/GBV experts	At least one program

- **Annex 1 Standard Positive & Negative List of Goods, Services and Works and Prohibited Activities as per the World Bank CERC Operational Manual Template**

Table 4 of the CERC Operation Manuel Template
Positive list of goods, services and works *Needs to be discussed and agreed with the CERC implementing agency*

Item
Goods
<ul style="list-style-type: none"> ● Medical equipment and supplies ● Non-perishable foods, bottled water and containers ● Tents for advanced medical posts, temporary housing, and classroom/daycare substitution ● Equipment and supplies for temporary housing/living (gas stoves, utensils, tents, beds, sleeping bags, mattresses, blankets, hammocks, mosquito nets, kit of personal and family hygiene, etc.) and school ● Gasoline and diesel (for air, land and sea transport) and engine lubricants ● Spare parts, equipment and supplies for engines, transport, construction vehicles ● Lease of vehicles (Vans, trucks and SUVs) ● Equipment, tools, materials and supplies for search and rescue (including light motor boats and engines for transport and rescue) ● Tools and construction supplies (roofing, cement, iron, stone, blocks, etc.) ● Equipment and supplies for communications and broadcasting (radios, antennas, batteries) ● Water pumps and tanks for water storage ● Equipment, materials and supplies for disinfection of drinking water and repair/rehabilitate of black water collection systems ● Equipment, tools and supplies for agricultural, forestry, and fisheries ● Feed and veterinary inputs (vaccines, vitamin tablets, etc.) ● Construction materials, equipment and industrial machinery ● Water, air, and land transport equipment, including spare parts ● Temporary toilets ● Groundwater boreholes, cargos, equipment to allow access to affected site, storage units ● Any other item agreed on between the World Bank and the Recipient (as documented in an Aide-Memoire or other appropriate formal Project document)
Services
<ul style="list-style-type: none"> ● Consulting services related to emergency response including, but not limited to urgent studies and surveys necessary to determine the impact of the disaster and to serve as a baseline for the recovery and reconstruction process, and support to the implementation of emergency response activities ● Feasibility study and technical design; ● Works supervision ● Technical Assistance in developing TORs, preparing Technical Specifications and drafting tendering documents (Bidding Documents, ITQ, RFP). ● Non-consultant services including, but not limited to drilling, aerial photographs, satellite images, maps and other similar operations, information and awareness campaigns

<ul style="list-style-type: none"> ● Non-consultant services to deliver any of the activities described in the “Goods” section of this table (e.g., debris removal, dump trucks, drones survey)
Works
<ul style="list-style-type: none"> ● Repair of damaged infrastructure including, but not limited to water supply and sanitation systems, dams, reservoirs, canals, roads, bridges and transportation systems, energy and power supply, telecommunication, and other infrastructure damaged by the event ● Re-establish of the urban and rural solid waste system, water supply and sanitation (including urban drainage) ● Repair of damaged public buildings, including schools, hospitals and administrative buildings ● Repair, restoration, rehabilitation of schools, clinics, hospitals ● Removal and disposal of debris associated with any eligible activity.
Training
<ul style="list-style-type: none"> ● Conduct necessary training related to emergency response including, but not limited to the Implementation of EAP ● Training on rapid needs assessment and other related assessments
Emergency Operating Costs
<ul style="list-style-type: none"> ● Incremental expenses by the Government for a defined period related to early recovery efforts arising as a result of the impact of an eligible emergency. This includes, but is not limited to costs of staff attending emergency response, operational costs and rental of equipment

The following uses for goods and equipment financed by the CERC are prohibited, which also applies to use and storage for DRM-related activities including hazard monitoring, disaster preparedness, and future response to natural disasters *Needs to be discussed and agreed with the CERC implementing agency.*

- i. Activities of any type classifiable as Substantial and High Risk pursuant to the Association's Environmental and Social Framework.
- ii. Activities that would lead to conversion or degradation of critical forest areas, critical natural habitats, and clearing of forests or forest ecosystems
- iii. Activities affecting protected areas (or buffer zones thereof), other than to rehabilitate areas damaged by previous natural disasters.
- iv. Land reclamation (i.e., drainage of wetlands or filling of water bodies to create land)
- v. Land clearance and leveling in areas that are not affected by debris resulting from the eligible crisis or emergency
- vi. River training (i.e., realignment, contraction or deepening of an existing river channel, or excavation of a new river channel)
- vii. Activities that will result in the involuntary taking of land, relocation of households, loss of assets or access to assets that leads to loss of income sources or other means of livelihoods, and interference with households' use of land and livelihoods
- viii. Construction of new roads, realignment of roads, or expansion of roads, or rehabilitation of roads that are currently located on communal lands but will be registered as government assets after rehabilitation
- ix. Use of goods and equipment on lands abandoned due to social tension / conflict, or the ownership of the land is disputed or cannot be ascertained

- x. Use of goods and equipment to demolish or remove assets, unless the ownership of the assets can be ascertained, and the owners are consulted
- xi. Uses of goods and equipment involving forced labor, child labor, or other harmful or exploitative forms of labor
- xii. Uses of goods and equipment for activities that would affect indigenous peoples, unless due consultation and broad support has been documented and confirmed prior to the commencement of the activities
- xiii. Uses of goods and equipment for military or paramilitary purposes
- xiv. Uses of goods and equipment in response to conflict, in any area with active military or armed group operations
- xv. Activities related to returning refugees and internally displaced populations
- xvi. Activities which, when being carried out, would affect, or involve the use of, water of rivers or of other bodies of water (or their tributaries) which flow through or are bordered by countries other than the Borrower/Recipient, in such a manner as to in any way adversely change the quality or quantity of water flowing to or bordering said countries.

G – E and S Compliance

1. All activities financed through the CERC are subject to World Bank safeguards policies, keeping in mind that paragraph 12 of the IPF Policy applies once the CERC is triggered. The ESMF of the Project should include a section on the CERC, to align with the ERM, and to supplement the existing Project's environmental and social safeguards instruments, where needed⁶. This "CERC-ESMF" will outline a screening process built around the positive list for key environmental and social issues and risks. This will be linked to identifying institutional arrangements for oversight of any required additional Environmental and Social (E&S) due diligence and monitoring. In addition, the CERC-ESMF will include generic emergency civil works "sector" guidance identifying key E&S issues with practical Environmental and Social Management Plan (ESMP) type checklists. All activities financed through the CERC are subject to the WB's Environmental, Health and Safety (EHS) Guidelines⁷.
2. Content of the CERC section in the Project ESMF will include:
 1. Description of the potential emergencies and the types of activities likely to be financed;
 2. Potential risks and general mitigation measures associated with the potential activities;
 3. Identification of Vulnerable locations and/or groups;
 4. Environmental and Social Assessment (screening) and the environmental and social requirements (studies, plans, etc.) to comply with the Bank's requirements and the national law;
 5. An ECOP (Environmental Code(s) of Practice) for the positive list of goods;
 6. Assessment to guide emergency responses (e.g. what existing social conflicts could be exacerbated by an emergency); and
 7. Institutional arrangements for environmental and social due diligence and monitoring.

Activities financed under the CERC will be limited to provision of critical goods and services, as well as rehabilitation and reconstruction of damaged infrastructure outlined in a positive list in this ERM (Table 4). Land acquisition leading to involuntary resettlement and/or restrictions of access to

⁶ A sample CERC section to the Project's ESMF is in Annex 9 of this manual

⁷ https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/ehs-guidelines

resources and livelihoods is not anticipated. It is further not anticipated to support activities which might have adverse impacts on ethnic groups considered indigenous people under the World Bank's Operational Policy on indigenous people (OP 4.10). It is also unlikely that changes to the existing safeguards instruments of the project will be required. However, if necessary, the safeguards instruments will be updated if the EAP do not fall within the scope of the existing instruments. It is unlikely that emergency works will trigger new safeguards policies, however, if required, new instruments will be prepared, consulted upon and disclosed; per the requirements of the Bank's Investment Financing Policy, a restructuring would be prepared. CERC implementing agency through the environmental and social specialist, will identify based on the activities and works proposed in the EAP, the potential environmental and social negative impacts, and the studies or plans required for the environmental and social management. This will be done by completing the Environmental and Social Screening, annexed to the ESMF, from for each activity.

3. In the case of the procurement of works requirement the mobilization of civil works contractors, the bidding documents will include standard codes of conduct for workers and supervisors, specifying appropriate conduct and sanctions related to community relations, gender-based violence, child protection, human trafficking, and sexual exploitation and abuse.

● **Annex 2: Resource List**

Given the COVID-19 situation is rapidly evolving, a version of this resource list will be regularly updated and made available on the World Bank COVID-19 operations intranet page (<http://covidoperations/>).

WORLD BANK GROUP GUIDANCE

- Technical Note: Public Consultations and Stakeholder Engagement in WB-supported operations when there are constraints on conducting public meetings, issued on March 20, 2020
- Technical Note on SEA/H for HNP COVID Response Operations, issued in March 2020
- Interim Advice for IFC Clients on Preventing and Managing Health Risks of COVID-19 in the Workplace, issued on April 6, 2020
- Interim Advice for IFC Clients on Supporting Workers in the Context of COVID-19, issued on April 6, 2020
- IFC Tip Sheet for Company Leadership on Crisis Response: Facing the COVID-19 Pandemic, issued on April 6, 2020
- Environmental, Health, and Safety Guidelines

ILO GUIDANCE

- ILO Standards and COVID-19 FAQ, issued on March 23, 2020 (provides a compilation of answers to most frequently asked questions related to international labor standards and COVID-19)

MFI GUIDANCE

- KFW DEG COVID-19 Guidance for employers, issued on March 31, 2020
- CDC Group COVID-19 Guidance for Employers

WHO Guidance

Advice for the public

- WHO advice for the public, including on social distancing, respiratory hygiene, self-quarantine, and seeking medical advice, can be consulted on this WHO website:
<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public>

Technical guidance

- Infection prevention and control during health care when novel coronavirus (nCoV) infection is suspected, issued on March 19, 2020
- Recommendations to Member States to Improve Hygiene Practices, issued on April 1, 2020
- Key considerations for repatriation and quarantine of travelers in relation to the outbreak COVID-19, issued on February 11, 2020
- Preparedness, prevention and control of COVID-19 for refugees and migrants in non-camp settings, issued on April 17, 2020
- Coronavirus disease (COVID-19) outbreak: rights, roles and responsibilities of health workers, including key considerations for occupational safety and health, issued on March 18, 2020
- Risk Communication and Community Engagement (RCCE) Action Plan Guidance COVID-19 Preparedness and Response, issued on March 16, 2020
- Operational considerations for case management of COVID-19 in health facility and community, issued on March 19, 2020
- Rational use of personal protective equipment for coronavirus disease 2019 (COVID-19), issued on February 27, 2020

- Getting your workplace ready for COVID-19, issued on March 19, 2020
- Water, sanitation, hygiene and waste management for COVID-19, issued on March 19, 2020
- Advice on the use of masks in the community, during home care and in healthcare settings in the context of the novel coronavirus (COVID-19) outbreak, issued on March 19, 2020
- Disability Considerations during the COVID-19 outbreak, issued on March 26, 2020