SOMALIA CAPACITY ADVANCEMENT, LIVELIHOOD AND ENTREPRENEURSHIP, THROUGH DIGITAL UPLIFT PROGRAM (SCALED-UP)

ADDITIONAL FINANCING

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

SEPTEMBER 2021

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ABBREVIATIONS

AML/CFT	Anti-Money Laundering / Combating Financing of Terrorism
BESS	Battery Energy Storage Systems
CBS	Central Bank of Somalia
EA	Environmental Assessment/Environmental Audit
ECoP	Environmental Code of Practice
EHS	Environment Health and Safety
EMP	Environmental Management Plan
ESMF	Environmental and Social Management Framework
ESMF	Environmental and Social Management Framework
ESMS	Environment and Social Management System
FGS	Federal Government of Somalia
FI	Financial Intermediary
FRC	Financial Reporting Center
GDP	Gross Domestic Product
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
ID	Identification Document
IDA	International Development Association
IFC	International Finance Corporation
ISDS	Integrated Safety Data Sheet
KYC	Know Your Customer
LOC	Letter of Credit
MIS	Management Information System
ML/TF	Money Laundering / Terrorist Financing
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MPTT	Ministry for Posts, Telecoms and Technology

MSME	Micro and Small Medium Enterprise
NADRA	National Database and Registration Authority
NCA	National Construction Authority
NGO	Non-governmental Organization
OHS	Occupational Health and Safety
OP	Operational Policy
OSS	One Stop Shop
PDO	Project Development Objective
PFI	Potential Financial Intermediary
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PP	Procurement Plan
PPP	Public Private Partnerships
PSC	Project Steering Committee
PV	Photovoltaic
RE	Recipient Executed
SCALED_UP	Somalia Capacity Advancement, Livelihoods and Entrepreneurship, Through Digital Uplift Program
SCORE	Somali Core Economic Institutions and Opportunities
SHS	Solar Home System
TA	Technical Assistance
TOR	Terms of Reference
USD	United States Dollar
WBG	World Bank Group

EXECUTIVE SUMMARY

1. **INTRODUCTION:** Somalia remains a fragile country despite the substantial progress made in recent years to lay the foundations for stability and development. Since 2011, Somalia has had a sustained period of political, economic, and security-related progress as evidenced by the country reaching the Decision Point under the enhanced Highly Indebted Poor Countries (HIPC) Initiative in March 2020. Yet, substantial challenges remain, including economic isolation, reconciliation, security sector reform, widespread malnutrition, recurrent drought, and poverty. Limited fiscal space also constrains service delivery by the Federal Government of Somalia (FGS) leading to low trust in the state, and the COVID-19 pandemic has deepened the country's challenges at a time when the country is already shaken by an infestation of desert locusts and reoccurring climate change related shocks (floods and droughts).

2. The private sector, which has been a major driver of economic growth and employment generation in Somalia, is being adversely affected by the on-going COVID-19 pandemic in several ways. These include but not limited to; curfews and restrictions that disrupts commercial operations, increased business vulnerabilities, disruptions to key supply-chains, closed borders, decreased capital and venture inflows, and diminished access to finance. According to Round 1 of the Somalia COVID-19 Enterprise Survey, 75 percent of firms saw a decline in sales, and 71 percent experienced a decrease in the supply of needed inputs by mid-year in 2020. Round 2 of that survey evidenced that about 52 percent and 44 percent of firms remain in these respective situations by early 2021. Accordingly, about 37 percent of firms remain closed, 46 percent of firms are still decreasing their total number of permanent workers, and 54 percent of firms are still reducing the wages and salaries of their staff. The financial health of Somali firms is also impacted, with 49 percent of firms still facing liquidity and cash flow challenges, and 80 percent of firms having to delay payments to their service providers and tax authorities. Access to credit is thus one of the two most desired COVID-19 support options for private enterprises. However, a large proportion of firms are unable to acquire this financing, because financial intermediation in the Somali credit market is still modest,[1] leaving a large but unmet market demand for financing in the real economy.

3. ***The imperative for SCALEUP (AF).*** The COVID-19 pandemic has increased the urgency of resolution of financial integrity issues and de-risking, including the heightened need to introduce a foundational digital ID. The Central Bank of Somalia (CBS) needs to diversify transmittal channels for Official Development Assistance (ODA) and extend Use of Country Systems (UCS) to Federal Member States (FMS) to mitigate over-reliance on a few transmittal channels given disruptions associated with the pandemic. Furthermore, the pandemic and the need for social distancing has increased reliance on digital financial services (DFS), digital communications and service platforms, as a means of ensuring remote and uninterrupted access to information, financial assistance, and critical public and private services. While several digital systems have been introduced by the FGS, Government's digital services capabilities remain nascent and vulnerable in the absence of foundational shared digital infrastructure and platforms that can enable greater readiness for digital service delivery.

[1] According to data in the WB Somalia Economic Monitoring (March 2021) and in the WB World Development Indicators, the US$214 million in credit to the private sector reached by Somalia in November 2020 is a bit more than 4 percent of GDP, compared to an average of 45 percent of GDP in Sub-Saharan Africa. Also, lending remains heavily concentrated on short-term trade finance, whose weight in the total portfolio of financial institutions has increased in 2020 compared to 2019 (WBG - Somalia Economic Update. June 2020)

4. ***The SCLAE UP (AF) Project:*** The Somalia Capacity Advancement, Livelihoods, and Entrepreneurship, through Digital Uplift Project (SCALED-UP) (P168115) has made meaningful progress since effectiveness and is playing a central role in strengthening the capacity of the Federal Government of Somalia (FGS) to respond to the challenges brought by the COVID-19 pandemic. Overall, the parent project has been rated 'Satisfactory' in relation to achievement of the Project Development Objective (PDO) and 'Moderately Satisfactory' for Implementation Progress (IP). As of end-March 2021, total project expenditure stood at US$7.7 million, representing 25 percent of the total available resources or 36 percent after factoring in US$3.4 million of additional commitments. With 36 percent of total project expenditures and commitments at 18 months since effectiveness, all project components are broadly in line with the projections and on course to use 100 percent of the current budget allocations.

5. The AF is requested to scale up SCALED-UP's parent project activities to aid the FGS in supporting resilient recovery of households and businesses impacted by COVID-19 pandemic. Designed as a COVID-19 response and recovery operation, the SCALED-UP AF scales-up the parent project's existing activities by: (i) expanding access to finance for MSMEs; and (ii) accelerating critical reform and capacity building initiatives needed to underpin resilient recovery and safeguard sustainable livelihoods, particularly among women and women-owned businesses.The AF aims to leverage the parent project's platform on institution strengthening and enhancing service delivery to enable over 5,000 micro, small and medium enterprises (MSMEs) gain access to finance to build back better; a further 5,000 firms formalize through the business registry; support over 250,000 women access financial transaction accounts, and; support three million Somali residents obtain unique ID numbers, in two ways: first, the AF will leverage two financing windows of the MSME Financing Facility established under parent project, which have already proven to be effective in the expansion of access to finance MSMEs, to mitigate viable firms' liquidity shortages caused by the pandemic. Second, the AF will deepen the parent project's reforms to accelerate outcomes and the transformational results needed to sharpen the FGS' response to the COVID-19 pandemic and other structural challenges to support business continuity and a resilient recovery during the post-crisis period. The AF will also be used to undertake restructuring, which will feature the following: (a) updates to the Results Framework; (b) changes in disbursement arrangements to introduce performance-based conditions (PBCs) for activities that support the Central Bank of Somalia (CBS); (c) changes in disbursement projections; (d) changes to components and costs; and (e) an extension of the project closing date by 24 months to December 31, 2025. The project components and implementation arrangements needed to respond to this request are materially the same as those under the SCALED-UP parent project.The AF would build on the parent project activities to ensure continuity, timeliness, and effectiveness of the FGS response to COVID-19.

6. ***Development Objectives:*** The Project Development Objective of the original project is to support progress towards increased access to basic digital financial and government services targeting entrepreneurship and employment, particularly for women. And that objective remains unchanged and achievable. The AF also includes a Level-2 restructuring, featuring (i) updates to the Results Framework; (ii) changes in disbursement arrangements; (iii) changes in disbursement estimates; (iv) changes to components and cost, and; (v) an extension of the project closing date by 12 months to June 30, 2024. The project will be meaured against the following indicators:
   - Number of people who have received their unique ID number or ID card, of which (%) are female

- Number of people accessing financial services using their digital ID, of which (%) are female Number of firms that benefit from reformed business registration requirements, of which (%) are female owned
- Value of MSME loans outstanding from the MSME Financing Facility (USD), of which (%) are female owned
- Jobs created by firms that access the MSME Financing Facility, of which (%) are for females, and of which (%) sustainable jobs

The project will have four compoments as described below.

- ***Component 1 (Strengthening Institutions):*** scale up support to select project beneficiaries to deepen and accelerate reforms needed to sharpen and strengthen government's COVID-19 response and recovery.
- ***Under Component 2 (Enabling Financial and Digital Services):*** scale up activities focusing on supporting individuals' and businesses' recovery and resilience. Accordingly, the AF will support the development of sustainable and digitally enabled mechanisms for expanding access to financial and digital services to mitigate COVID-19 impacts on communities and businesses.
- ***Under Component 3 (Project Management and Coordination):*** The project's management and coordination arrangements will be scaled up to ensure appropriate implementation of the AF in the context of COVID-19 restrictions.

7. **Environmental and Social Management Framework (ESMF).** The objective of this document is to guide environmental and social screening and assessment of the potential impacts from the project investments and propose broad mitigation measures. This ESMF ensures that the project activities scheduled for implementation are compliant with the relevant requirements of national[2] and state-level[3] updated laws, policies, regulations and local legislations in addition to WB Environmental and Social Standards (ESSs) not active during the development of the parent Project.

8. This ESMF provides an environmental and social management framework for the design and management of the SCALE-UP AF and provides a practical processing tool during project formulation, design, planning, implementation, and monitoring to ensure that environment and social aspects are duly considered. SCALED-UP is categorized as B according to WB ESS1 and sub projects receiving a credit line under Component 2 will be no higher than given "Category B"1. This ESMF only applies to those activities that will be financed, either directly or indirectly, by SCALED UP, and which are associated or implemented as a result of project interventions and not to any other activities that a supported beneficiary may be otherwise involved in.

9. The ESMF also contains an overview of the baseline environmental and social conditions within the project environment and, identifies and characterizes potential environmental and social risks and impacts that might arise out of the implementation of the project and proposes mitigation and enhancement measures. This ESMF will, therefore, be the basis for the preparation of the Environment and Social Management Plans (ESMPs) during project implementation.

[2] Federal Republic of Somalia

[3] The respective policies of the federal states that are to be included for support in the project

10. ***Project Environmental and Social Baseline:*** The project will scale up two broad areas (i) strengthening selected institutions through the provision of goods, consultancy services, capacity building, training and workshops for carrying out implementation activities to support stakeholders, policymakers, regulators and supervisors, mainly to support the CBS and provide strengthened incentives for the achievement of critical financial sector reforms that safeguard financial stability and integrity (ii) financial and digital services through the provision of goods, capacity building, training, workshops and consultancy services to ensure sustainability of project interventions including accelerating the recovery of MSMEs from the impact of Somalia's multiple crises through the scale-up of Gargaara' s existing financing windows. Investments are likely to include:
    - I. develop and implement effective policies and strategies, legal and regulatory frameworks;
    - II. strengthen regulatory reporting, compliance and transaction monitoring; and
    - III. implement shared KYC/ID verification utility services, as well as fraud detection and control mechanisms. Areas covered are the following areas: financial institutions regulations and supervision by CBS, mobile network operator licensing by NCA, ML/TF financial reporting by FRC; and setting up of the digital ID administration body;
    - IV. establishment of a line of credit for MSMEs (or MSME fund);
    - V. expanding the MSME financing by improving liquidity and supporting de risking;
    - VI. increase additional digital ID enrolment and financial sector use case for transaction account;
    - VII. opening; operationalization of one-stop-shop (OSS) for e-business registration; and
    - VIII. construct interoperable payments systems and government digital services

11. ***Environmental Policy, Legal and Institutional Frameworks:*** The key legal instrument for managing the environmental affairs in Somalia is the Constitution, specifically Article 25 ("Environment"), Article 43 ("Land"), Article 44 ("Natural Resources") and Article 45 ("Environment"). In addition, the Cabinet of the FGS has recently approved the National Environment Policy of Somalia.[4]

12. Article 25 of the Constitution states that "[every Somali] has the right to an environment that is not harmful to their health and well-being, and to be protected from pollution and harmful materials." The article proceeds to declare that "[every Somali] has the right to have a share of the natural resources of the country, whilst being protected from excessive and damaging exploitation of these natural resources."

13. Article 45 (in Chapter 3 – Land, Property and Environment) exhorts "all people in … Somalia" to "…participate in the development, execution, management, conservation and protection of the natural resources and environment…" Article 43, on its part, provides guidelines on environmental and social safeguards that can be observed. However, there are no standing environmental and/or social safeguards in terms of legislated and/or drafted regulations.

14. Article 12 of the Somaliland Constitution focuses on public assets, natural resources and indigenous production. The Article states that the central state (government) is responsible for the natural

[4] See https://twitter.com/DECC_Somalia/status/1228003267059253248, a proclamation by the Directorate of the Environment and Climate Change (DOECC) in the Office of the Prime Minister, issued on February 13, 2020

resources of the country and shall take all possible steps to explore and exploit all these resources which are available in the nation's land or sea. The protection and the best means of the exploitation of these natural resources shall be determined by law. The government of Somaliland has also set up in place policies and subsidiary legislation to deal with environmental issues.

15. Puntland has made strides in these areas as well and shown more proactive approach more than the rest of the FMSs and established environmental policies and legislations.

16. ***Environmental Risks and Risk Rating:*** Overall SCALED-UP is likely to have positive impacts on the environment as well as positive socio- economic impact on the beneficiaries through improved livelihoods and the project is covered under category B. The activities envisaged under subprojects cumulatively may have negative impacts if not well mitigated. This ESMF considers that due mitigation process starting with subproject screening will be adopted and an environmental and social management plan (ESMP) for each subproject will be formulated. No project under category A will be financed under the SCALE-UP project. Category A are those transactions that are likely to have significant adverse environmental and social impacts that are sensitive, diverse or unprecedented, or transactions whose impacts affect an area broader than the sites or facilities subject to physical works. While category B are those transactions that may have environmental or social risks that are less adverse and more limited, their impacts are site-specific and largely reversible, which could be readily identified and reliably mitigated through recognized good practices including those described in World Bank Group Environmental, Health and Safety Guidelines (EHSGs). PFIs will verify that: (1) supported activities comply with applicable national environmental and social laws and regulations, and applicable World Bank Environmental and Social Standards; (2) appropriate approvals from PIU is obtained prior to lending; and (3) investments do not contravene the List of Ineligible Activities presented in Section 7.3 of this framework. Section 7.5.1 provides the characteristics of transactions that typically trigger Category B categorization. Some transactions will not be eligible under SCALED-UP for financing because of higher costs and time associated with preparation of impact assessment and development of mitigation measures and given the limited capacity of PFIs in managing such impacts in line and World Bank safeguard policies.

17. ***The envisaged environmental risk and impact include;*** solid waste from solar PV systems, direct discharge or run-off of inadequately treated wastewater may cause contamination and eutrophication decline of aquatic resources, proper siting of animal sheds/pens regarding drinking water supply, homestead heath issues related to animals, carrying capacity, resilience of the area, risk of livestock falling in a dug soil and water conservation structure. disposal or use of untreated wastewater for irrigation can affect soil quality and create water pollution. Potential health issues associated with common animal diseases like foot and mouth. General good housekeeping standards and EMS program, product contamination, proper emissions and discharge control, potential air, surface and groundwater contamination, processing and solid waste disposal, odours. The core issue in regard to increasing the uptake of solar home systems (SHS) is the long-term implication of the increased number of battery energy storage systems (BESS). This impact posse a challenge for battery disposal/recycling, in which SHS distributors play a role. The entire management process including manufacturing, collection, storage, recycling, transport, and disposal may present a challenge a significant environmental challenge.

18. ***Social Policy, Legal and Institutional Framework:*** Article 11 (3) of the Constitution states that: "The State must not discriminate against any person on the basis of age, race, colour, tribe, ethnicity, culture, dialect, gender, birth, disability, religion, political opinion, occupation, or wealth". The Constitution provides for the protection of women[5], including the outlawing of female circumcision (Article 15) and protection from sexual abuse Article 24(5). Article 14 stipulates that a person may not be subjected to slavery, servitude, trafficking, or forced labour for any purpose, while Article 24 prohibits sexual abuse in the workplace. The Puntland Sexual Offences Act 2016 prohibits sexual harassment. Article 24(5) stipulates that all workers, particularly women, have a special right of protection from sexual abuse, segregation and discrimination in the work-place. Every labour law and practice shall comply with gender equality in the work-place.

19. The Labour Code of 1972[6] stipulates that all contracts of employment must include a) the nature and duration of the contract; b) the hours and place of work; c) the remuneration payable to the worker; and c) the procedure for suspension or termination of contract. Furthermore, all contracts must be submitted to the competent labour inspector for pre-approval. In regards to occupational health and safety standards (OHS), the employer is obligated to provide adequate measures for health and safety, protecting staff against related risks, including the provisions of a safe and clean work environment and of well-equipped, constructed and managed workplaces that provide sanitary facilities, water and other basic tools and appliances ensuring workers' health and safety.

20. The Labour Code further forbids work for children below the age of 12, but allows employment of children between the age of 12-15 years, however the employment has to be compatible with proper protection, health and the morals of children. The Code also recognizes freedom of association. Employers are prohibited from engaging in any kind of discrimination or restriction of the right of freedom of association. Workers are allowed to join trade unions. The Labour Code stipulates the right to equal pay for the same work. Women are entitled to 14 weeks of maternity leave at half pay.

21. The Somali Penal Code of 1962 criminalizes rape and other forms of sexual violence as well as forced prostitution. Articles 398-9 provide that 'carnal intercourse' and 'acts of lust committed with violence' are punishable with 5-15 years and 1-5 years of imprisonment, respectively. Abduction for the purpose of lust or marriage is prohibited under Sec 401. The Family Code of 1975 sets the minimum age for marriage at 18 for males and females. Females between the age of 16 and 18 can marry with their guardian´s consent. Marriage is based on equal rights and duties.

22. Somalia National Gender Policy (2016) includes strategies to eradicate harmful traditional practices such as female genital mutilation/cutting (FGM/C) and child marriage and to improve services for the management of GBV/SEAH cases.

23. The envisaged social risks are multiple and diverse in nature and magnitude, these include: exclusion of the target population and particularly poor, vulnerable and minority groups from project benefits such as the ID system and credit access; selection bias where local community dynamics may lead to

[5] Art 11, LOGICA, Gender and Conflict Note Somalia, March 2013, p. 2, accessed at: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2014/03/31/000333037_20140331154002/Rendered/PDF/862980BRI0Box30gica0DissNoteSomalia.pdf

[6] The Code has recently been revised, but the revisions have not yet been passed and signed into law.

attempts to capture the benefits of the project for a particular group; Security and political fragility where the use of MSME's might lead to further marginalization of poor applicants from vulnerable groups, female-headed households, and IDPs who have no ability to access credits; gender dynamics that can be restrictive for women and children leading to exacerbation of GBV/SEA-H where registration for IDs or qualification for MSME credits is exchanged for sexual favors; remoteness and other security risks that restrict access to areas in Somalia for effective stakeholder engagement, community participation and grievance redress; and breach of data security related to the collection, use and storage of data for the ID component. There is a stakeholder engagement plan including details on information dissemination approaches that will reach vulnerable and minority communities.

24. ***Social Risks and Risk Rating:*** the social risk is rated ***substantial.*** The project is designed to have a positive social impact, purposely targeting poor and disadvantaged populations including women, IDPs, minority groups, rural and pastoralist/nomadic communities. A preliminary assessment of potential social risks and impacts establishes that there are direct risks from project activities related to digital ID registration, and qualification for MSME credit which could lead to sexual exploitation, exclusion, social stigma. In addition, there could be possible child and forced labour.

25. Given the crucial role of the Gargaar and the digital ID projects, and in the absence of appropriate institutional structures to manage and address the risks, there is probable reason to anticipate increased in the cases of the GBV. The risks of gender-based violence (GBV/SEAH), including sexual exploitation and abuse (SEA) and sexual harassment (SH), is currently assessed as **'High'** based on the existing high rates of GBV/SEAH in the country, extending from conflict and shocks such as droughts, floods and other climate-related challenges, and social norms that entrench gender inequalities in the country. In addition, because the project's scope and extends to rural sites, and the absence of appropriate institutional structures to manage risks and weak mitigation systems and lower absorption capacity, has raised the risk rating.

26. **Overall Risk Rating**. The overall risk rating for the project is rated **Moderate.**

27. **Applicable Environmental and Social Standards (ESSs).** Due to limited environmental and social laws and regulations at both national and state levels in Somalia, other than Environmental Assessment Operational Policy (OP/BP 4.01) which was initially triggered under the original SCLAE UP project, the AF project also triggers the World Bank Environment and Social Framework (ESF)[7] to ensure that the project remains consistent with the aim and the objective contemplated under the ESF. In this context, Five ESSs are considered relevant to the activities implemented under the project:
- ESS 1: "Assessment and Management of Environmental and Social Risks and Impacts"
- ESS 2: "Labour and Working Conditions"
- ESS 4: "Community Health and Safety"
- ESS9: "Financial Intermediaries"
- ESS 10: "Stakeholder Engagement and Information Disclosure"

[7] For better understanding of the World Bank's ESF, please visit https://projects.worldbank.org/en/projects-operations/environmental-and-social-framework/brief/environmental-and-social-standards

28. Where potential environmental and social risks and impacts are anticipated, the project in priority order: take measures to avoid, minimize, mitigate, manage or compensate adverse impacts. In addition, the project will enhance positive impacts in project selection, location, planning, design, implementation and management.

29. **Potential Environmental and Social Benefits of the Project: the anticipated social benefit of the project include:**
- expand access to finance for MSMEs especially women owned enterprises.
- Improve institutional capacity of the CBS and other related institutions.
- Improve the financial inclusion as a result of robust ID system and development of competitive and digital platforms.
- Improve the ease and flexibility of accessing business services through digital access channels**.**
- Improve general risk rating of the financial market and attract DFI; and
- Open the country to global financial institutions

30. ***Mitigation Measures and Monitoring.*** In order to address potential adverse environmental and social risks and impacts, an environmental and social screening process has been proposed under this ESMF. This will be applied in such a way as to ensure that potential negative risks and impacts of the project are prevented or mitigated appropriately, while enhancing positive impacts. This will be the responsibility of the FGS and where possible and applicable the FMS social and environmental specialists as well as implementing partners. Based on the environmental and social impacts, the ESMP should describe technical details of each mitigation measure, together with the design, description of equipment and operating procedures as appropriate.

31. Environmental and social monitoring should take place during the implementation and operational phases of the sub-projects in order to measure the effectiveness of the mitigation measures. The ESMP should include monitoring objectives that specify the type of monitoring activities that will be linked to the mitigation measures

32. To facilitate the mitigation of risks several key ESF instruments including this ESMF and accompanying ESMP will be prepared and activated in the life of the project, as summarized in Table below**.**

Table 1:

No	Document	Purpose
1	**Stakeholder Engagement Plan**	Sets out inclusive and effective mechanisms for engagement of stakeholders at all levels including feedback and complaints mechanism and transparency. The SEP include a project side Grievance Redress Mechanism (GRM), Inclusion Plan and an Information Disclosure Plan.
2	**Labour management Framework**	Guides how direct and indirect workers will be sourced and managed fairly and humanely and in a manner that reduces harm on other workers, and the community.
3	**GBV Action Plan**	Articulates the key risks and key mitigation measures for workers, and the community, as well as the identification of GBV/SEAH Service Providers and reporting and referral protocols in the event of cases. It outlines communication and training requirements for communities and all project related staff, including project workers, contractors and Response Framework will elaborate the adoption of mitigation measures, including awareness raising, training and use of code of conducts (CoC), and collaboration with local communities and GBV/SEAH-related service providers

33. ***Stakeholder engagement plan (SEP):*** Both the World Bank Safeguards Operational Policy /Bank Procedures OP/BP 4.01 Environmental Assessment and the ESS 10 Stakeholder Engagement Plan requires public consultation with both affected groups and persons of interest and other stakeholders about the project environmental/social impacts and take their view into account. Stakeholder engagement workshop was held on 11 and 12 July 2021 at Jazeera Hotel in Mogadishu. The workshop was attended by over 120 stakeholders including SCALED UP Steering Committee member, Gargara company, financial institutions, relevant government ministries, VMGs, CBOs, CSGs and NGOs. The Director General of Ministry of Finance and the Chairman of the Project Steering Committee attended the workshop and provided the opening remarks. Name list, their organizations, titles and gender are recorded in the project attendance list. Capacity and gender including the poor and most vulnerable groups issues were highlighted and suggestions provided for technical training and developmental assistance. Information provided and discussed included project objective, description, and components, potential impacts (positive and negative), and the draft ESMF Executive Summary were translated and distributed.

34. The overall results of the workshop suggested that most of the stakeholders fully support the project and consider that the proposed draft ESMF is appropriate. Key issues raised during consultations include coordination and supervision of environmental and safeguards implementation. Local communities expressed their willingness to participate in the dissemination of project information. Discussion with the representative of marginalized groups and women also confirmed their full support of the project. The ESMF report will be disclosed on the ministry website as well as the World Bank Info Shop.

35. The SEP will be developed and updated and refined during project implementation as needed. The SEP outlines information disclosure requirement, the project Grievance Redress Mechanism (GRM), and a plan for inclusion of disadvantaged groups.

36. ***Grievance Redress Mechanism.*** The PIU will establish and manage a Grievance Redress Mechanism (GRM) to enable beneficiaries to communicate their concerns regarding the Project. More specifically, the GRM will detail the procedures that communities and individuals, who believe they are adversely affected by the Project or a specific subproject, can use to submit their complaints. Further, it will also detail the procedures to be used by the PIU and their implementing partners, to systematically register, track, investigate and promptly resolve complaints. The mechanism will amongst other things: provide information about project implementation; provide a forum for resolving grievances and disputes at the lowest level; resolve disputes relatively quickly before they escalate to an unmanageable level; facilitate effective communication between the project and affected persons; and win the trust and confidence of project beneficiaries and stakeholders and create productive relationships between the parties.

37. The GRM will include an upstream communications and information campaign with back-office functions housed at ministry of finance to respond and handle complaints. The GRM will be operated by the PIU on behalf of Ministry of Finance. The MoF will set up a project specific GRM for people to report concerns or complaints, if they feel unfairly treated or are affected by any of the subprojects. The GRM will be implemented at the different levels of the project, including community, district, FMS and FGS. It will ensure that trusted and accessible mechanisms are available to all stakeholders including VMGs, and that all complaints and logged and followed up. More details of the GRM can be found in the SEP.

38. ***Project Implementation Arrangements.*** The Ministry of Finance (MOF) will be the executing agency of the proposed Project. A Steering Committee (SC) headed by the MoF with representatives from the Ministry of Commerce and Industry; Ministry of Posts, Telecommunications and Technology; Central Bank of Somalia; Financial Reporting Centre, and; National Communications Authority, will provide policy guidance and monitor the progress through its Secretariat, represented by the Director General in the Ministry of Finance. Government can make changes in the membership of the Steering Committee or its terms of reference with prior consultations with IDA. There shall be a PIU. The PIU will include procurement, financial management, impact evaluation, communication specialist, safeguards specialists and GBV focal person, who are familiar with the World Bank rules and procedures to ensure smooth implementation. The PIU will also include Project focal persons in agreed priority areas targeted by the Project with responsibilities to: (i) exchange information with other MDAs and stakeholders interested in the subject area; (ii) report periodically on matters of interest, activities and progress relevant to their priority area; (iii) monitor progress within their priority area of and to report to the SC and other interested stakeholders.

39. The identification of Participating Financial Institutions (PFI) will be done by an independent and autonomous entity assigned these responsibilities by the PIU. The environmental and social management consultant will sit in the identification exercises undertaken by this entity. Financial institution participation in the implementation of the MSME Fund will be based on criteria (that will require PFI to demonstrate E&S capacity) to ensure their capacity to implement as well as compliance with the World Bank Directive on Investment Policy Financing

40. SCALED-UP safeguards compliance activities, including safeguards monitoring and reporting would be managed by the environmental and social management specialist consultant at PIU. The consultant will be responsible for SME application screening, due diligence, and management including

safeguards screening. The consultant will ensure SME compliance with Somalia Environmental laws and WBG environmental and social guidelines and ESSs including the handling of complaints. The consultant to be hired will have a strong knowledge of private sector business responsibilities to comply with WBG guidelines and laws relevant to SMEs. The safeguard consultant will also have GBV specific skills to supervise issues related to GBV (e.g., supervise signing of Codes of Conduct (CoCs), verify working GRM for GBV is in place, refer cases where needed) and work with GBV Services Providers as entry points into service provision to raise awareness of the GRM. The consultant will also be responsible for ensuring that the SCALED-UPS's SME screening and credit approval process incorporates Frameworks commensurate with the World Bank Policies.

1. INTRODUCTION AND PROJECT CONTEXT

1.1 Project Context

41. Situated in the Horn of Africa, Somalia is bordered by Ethiopia to the west, Djibouti to the northwest, the Gulf of Aden to the north, the Guardafui Channel and Somali Sea to the east, and Kenya to the southwest. With a total land area of 637,657 km^2 and situated between 2°S and 12°N latitudes and 41° and 52°E longitudes, Somalia has the longest coastline on Africa's mainland. The country's terrain consists mainly of plateaus, plains, and highlands. Climatically, hot conditions prevail year-round, with periodic monsoon winds and irregular rainfall.

42. Somalia remains a fragile country despite the substantial progress made in recent years to lay the foundations for stability and development. Since 2011, Somalia has had a sustained period of political, economic, and security-related progress. Consequently, the country has a unique opportunity to escape from decades of conflict and fragility, and the Government is demonstrating a strong commitment to wide-ranging institutional and economic reforms. Yet, substantial challenges remain, including access barriers to services enabling economic opportunities, reconciliation, security sector reform, widespread malnutrition, recurrent drought, and poverty. Limited fiscal space constrains service delivery by the Federal Government of Somalia (FGS) leading to low trust in the state. The United Nations Population Fund's Population Estimate Survey in 2014 produced the first population estimates for Somalia in many years. Total population was estimated at 12.4 million—42 percent urban, 26 percent nomadic, 23 percent rural, and 9 percent displaced. In 2017, Somalia's population was about 14 million, and it is estimated that about 69 percent of the population is poor. A poverty gap of 29 percent suggests that the consumption levels of many of the poor are far from the poverty line and they face deprivations in both monetary and non-monetary dimensions.

43. Somalia's economic development challenges are equally daunting, and growth remains insufficient for reducing vulnerability for a large segment of the population. With an estimated per capita gross domestic product (GDP) of US$511 in 2017,3 Somalia remains one of the poorest countries in the world. Despite the perpetual civil conflict, the economy has grown at a moderate pace, averaging 2.5 percent, real GDP growth in 2013–17. Growth is mainly consumption driven, enabled by large remittance and aid inflows (US$1.4 billion4 and US$1.75 billion,5 respectively in 2017), while construction, telecommunications, and money transfer services have been the key growth sectors. The diaspora remittances enable household consumption at 132 percent of GDP and represent an important component of income for the bottom 40 percent of households.6 Low electrification rates, especially in rural areas, are one of the key constraints for economic growth in Somalia.

44. Unemployment is widespread within Somalia's young population. With 70 percent of the population below the age of 30, youth unemployment is at 74 percent and 61 percent for women and men, respectively. Similarly, for persons with disabilities, unemployment is widespread. In this setting, remittances and humanitarian aid alone are not sufficient to support the development of sustainable livelihoods that are necessary for poverty reduction and mitigation of political, social, and economic vulnerability.

45. Somalia has a vibrant private sector, a networked business community and a desire for international trade and investment. The agriculture sector, mainly livestock, remains the backbone of the Somali economy. Preliminary gross production estimates for the agriculture sector show that the sector accounts for the largest share of GDP since the pre-war period—62 percent in 1986–88 to an average estimate of about 70 percent in 2013–16 (World Bank and FAO

2018). Somalia's Doing Business ranking is the lowest at 190 out of 190 (Doing Business 2019). Somalia has one of the most expensive electricity rates, at almost US$1 per kilowatt, and correspondingly the lowest rates of electricity usage in the world. Moreover, informality dominates the private sector, making market-based financial intermediation challenging particularly in key sectors of the real economy such as energy and livestock. In addition, regulatory and institutional capacity gaps—in key enabling sectors such as financial and information and communication technology (ICT)—result in an uneven playing field undermining economic growth and potential. This, combined with barriers that restrict access to services—compounded by fears of money laundering and terrorist financing, as well as poor banking relationships between domestic and international banks—creates unpredictability of remittance channels and connectedness of the country to international capital sources, deterring large-scale private and public investment.

46. Women face steep challenges to access finance and that gravely affect their entrepreneurship. An analysis of gender gaps in Somalia, in relation to financial and digital access, suggests that women face discrimination and considerable socioeconomic barriers to accessing jobs and livelihood opportunities. Traditional gender roles still limit women's employment opportunities, often excluding them from work in formal sectors, generating gender gaps in labor market participation. Gender gaps in education and basic literacy translate into weak digital and financial skills among women, which in turn limits their financial and digital services access. Nevertheless, Somali women are largely responsible for growth in microenterprise activity and yet are not supported to grow and expand their businesses.

1.2 Somalia Capacity Advancement, Livelihood and Entrepreneurship through Digital Platform Program (SCALE UP)

47. This is a US$31 million Project that was approved on March 7, 2019 and became effective on August 8, 2019. The PDO is to support progress toward increased access to basic digital financial and government services targeting entrepreneurship and employment, particularly for women. While the Government's reform agenda supported by SCALED-UP and other IDA/MPF development projects have made considerable progress, the COVID-19 pandemic restrictions has deepened the challenges addressed by the project.

48. The SCALE UP Additional Financing (AF) has been necessitated by the pandemic and will provide financial assistance the tune of $50Million to help the country's resilience in the wake of the pandemic and ensure that the gains are not eroded. Due to the interconnectivity and the direct link of the SCALE UP project to the livelihood of the people, and their interconnected nature, almost all the project components need further support. The financial health has been affected with 49 percent of firms still facing liquidity and cash flow challenges and 80 percent of firms having to delay payments to their service providers and tax authorities. As a result, 55 percent of firms in the country anticipate falling in arrears on their outstanding liabilities in the absence of additional support.

49. The need for social distancing has increased reliance on DFS, digital communications, and service platforms, but the pandemic is expected to widen the access gap on the back of acute affordability barriers. Further, the pandemic has also increased the urgency of resolution of financial integrity issues and de-risking. Reliance on remittance flows and demand for social and humanitarian assistance has intensified due to the pandemic and is in urgent need of reliable means to

authenticate recipients or ensure their uniqueness within and across databases to improve on KYC to accommodate robust the AML/CTF.

50. The digital systems are robust, but its capabilities remain nascent and vulnerable, the remote working conditions in connection with COVID-19, has increased the risk of cybersecurity incidents and data breaches, highlighting the need for adequate safeguards, but the related frameworks that can accelerate readiness, delivery, security and resilience of basic digital government services are absent in Somalia.

51. Additionally, the need for CBS to diversify transmittal channels is increasingly becoming a necessity in the wake of the pandemic. The CBS legal foundations needed to underpin secure and stable transmittal channels are broadly in line with best practices, and the internal governance arrangements are developing. However, the CBS needs to urgently strengthen key central banking functions that are critical to boosting financial sector integrity by (a) developing and maintaining good working knowledge of the FIs being supervised and the sorts of risks they are assuming in selected areas, particularly corporate governance, corporate structure, and risk management and (b) building trust and public confidence in central bank supervisory policies through financial and nonfinancial disclosures of risk in supervised FIs, particularly ML and FT risks.

1.3 Project Development Objective and Components.

52. The Project's development objectives are, to expand access to financial and digital services and support entrepreneurship and livelihoods, particularly women. Under the AF the project will still have three major components as in the parent project with some variation to respond to COVID 19 pandemic circumstances.

53. The project component is described below in brief.

Component 1: Strengthening Institutions

The Project proposes to support FGS to enhance the environment for digital transactions and services. As such, the project would provide technical assistance to strengthen institutions that are key to ensuring healthy provision of targeted financial and government services i.e. CBS, FRC, MTPP/ NCA, and the new ID authority to be established with Project support. This component will be achieved by implementing activities in the following sub components:(1)1.1: *Support to CBS, through* provide technical and financial support to the CBS to strengthen critical systems for financial institutions regulations and supervision; and promoting efficient financial intermediation. (2) 1.2. *Subcomponent 1.2: Support to FRC through* providing technical and financial support to the FRC to strengthen its operational capability and core systems needed for effective analysis and investigation of suspected cases of money laundering or financing of terrorism (AML/CTF. (3) 1.3 *Subcomponent 1.3 Support to MPTT/NCA through* supporting activities that directly contribute to enhancing citizen's access to digital services and maximizing the development impact of ICT, including improving affordability and service quality, as well as enabling efficient, secure, and reliable transaction and innovation*. (4) 1.4 Subcomponent 1.4: Support to new ID administration body through* supporting the creation of a robust enabling environment and institutional framework for a digital ID system, which is expected to provide at least 1 million people with a biometrically supported unique ID number and will serve as a platform for financial access, digital payments, and delivery of Government, humanitarian, and private sector services.

Component 2: Enabling Financial and Digital Services.

This component focuses on scaling up access to services to individuals and businesses offering economic opportunities and restoring resilience. Under this component, the project proposes to support rollout of services and enhanced coverage by developing sustainable mechanisms for service delivery. This will be achieved through the following sub components (1) *Subcomponent 2.1 Financial intermediary financing for MSMEs by expanding the already existing* revolving line of credit ("the MSME Fund" or "the Fund") and an autonomous entity to manage the flow of finance to MSMEs using private sector management and governance principles, as well as AML/CFT controls in accordance with FATF standards. Eligible financial institutions will be those which are appraised by the MSME financing facility and meet World Bank ESSs as well as other risk considerations (including E&S safeguards and AML/CFT risks);(2) *Subcomponent 2.2: Digital ID Services* proposes to support elaborate development of a digital ID enrollment strategy and supporting digital ID services for financial access including mobile money, banks, and MTBs, including the participating of local NGOs and entrepreneurs to support outreach to the poorer and marginalized groups by registering of at least one million people to enable greater financial access and lay the groundwork for further scale-up of the system ;(3) *Subcomponent 2.3 Government and Retail Payment Services* this will facilitate construction of interoperable retail payments services, and integrated Government digital services thereby contributing to strengthened systems for revenue mobilization and expenditure management in an increasingly coherent federal government structure for service delivery; and (4)) *Subcomponent 2.4 e-Registration Services for SMEs ,* proposes additional financing to cover costs associated with supporting MOCI facilitate unique identification of legal entities through integrated online business registration services and e-business registration services for SMEs through operationalization of one-stop-shop (OSS) thereby enabling access to a centralized information service to identify and verify the identity of the beneficial owners of all legal entities operating in Somalia. It also enables customer due diligence (CDD) as a pillar of an effective AML/CFT program by financial service providers operating in Somalia as well as the MSME financing facility set up under the proposed project.

Component 3 (Project Management and Coordination).

The project's management and coordination arrangements will be scaled up to ensure appropriate implementation of the AF in the context of COVID-19 restrictions.

1.4 Project Beneficiary

54. Direct beneficiaries of the project will be the residents of Somalia, especially women and female owners of MSMEs, who will benefit from more formalization and growth in economic participation. Women and female owners of MSMEs will derive direct benefit from improved access to financial services through ownership of transaction accounts enabled by the digital ID system and the MSME Financing Facility. Other beneficiaries of this project will be the FGS institutions that are key to delivery of targeted financial and digital services. These include the Ministry of Finance (MoF), MoCI, MPTT, CBS, FRC, NCA, a new dedicated ID administration body, and a dedicated entity to manage the MSME Financing Facility. Banks participating in the MSME Financing Facility will also directly benefit from the strengthened capacity to provide MSME financing and conduct environmental and social assessments. The project would enable delivery of support across federal member states (FMS) depending on the readiness of the states.

55. The project is expected to impact on the lives of at least 5,000 business to access financial assistance, and 5,000 business to be officially registered and a total of 250,000 women to access help from the project. A total of 1M persons to be registered under the digital ID project. This support will be spread across the country and FMSs.

56. Government institution will benefit from increased support in technical and capacity development. The CBS capacity will be lifted and benefit from system advancement to improve monitoring of the AML/CTF activities and improve the banking system integration into the global economic system. Also, the government will have access to immense data to help in developing and formulating impactful policies to improve the livelihood of the people.

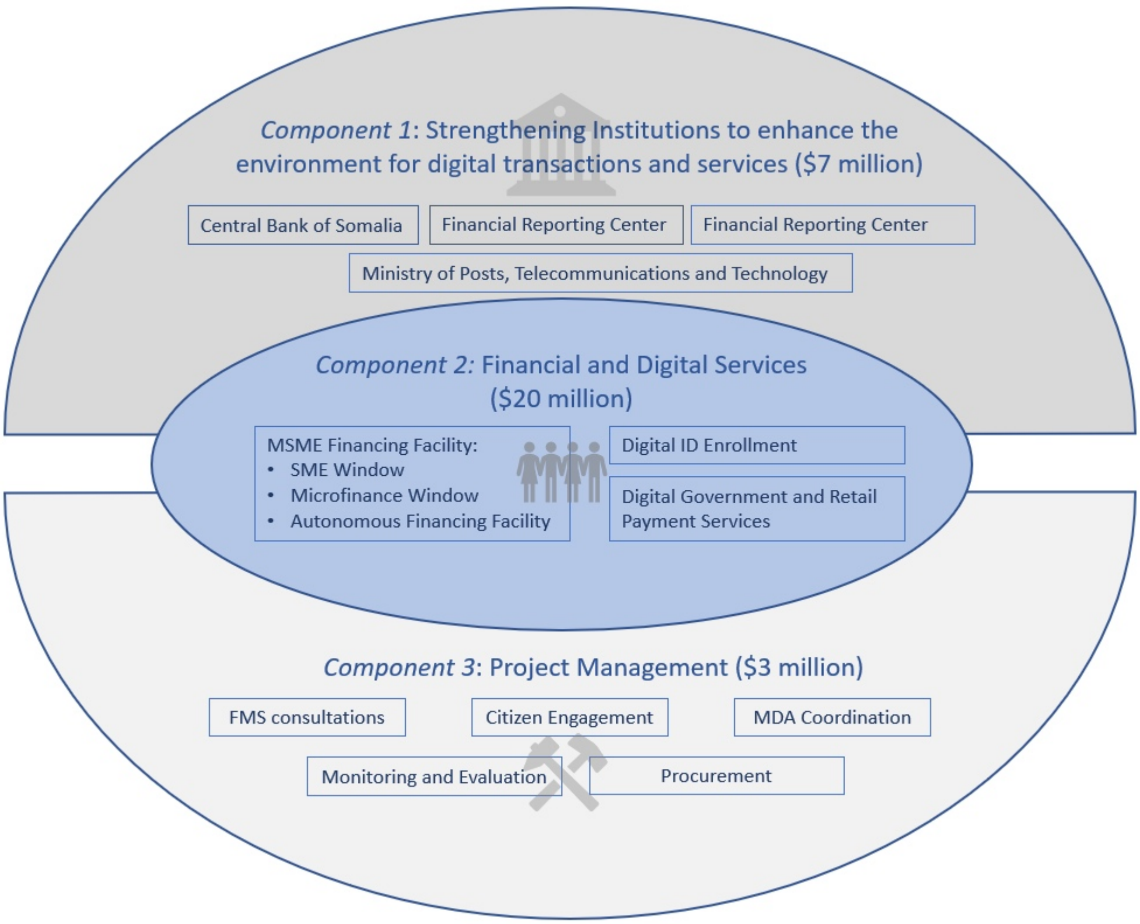

Figure 1: ***SCALE UP Project components***

2. SCOPE AND METHODOLOGY OF THE ESMF

2.1 Purpose and Scope of the ESMF

57. This document is an updated Environmental and Social Management Framework (ESMF) made to reflect additional financing (AF) for SOMALIA CAPACITY ADVANCEMENT, LIVELIHOOD AND ENTREPRENEURSHIP, THROUGH DIGITAL UPLIFT PROGRAM (SCALED-UP).

58. Environmental and Social Management Framework (ESMF) is an instrument that examines the issues and impacts associated when a project consists of a program and/or series of sub-projects, and the impacts cannot be determined until the program or sub-project details have been identified. Therefore, the purpose of the ESMF is to ensure that the sub-projects executed under the project address and identify measures to avoid and minimize negative environmental and social impacts, as much as possible. Where these cannot be avoided, the impacts are adequately identified, assessed and necessary mitigation measures designed and implemented following relevant, existing Somalia environmental and social legislation (where available) and the World Bank's ESS.

59. The ESMF covers the following: procedures for environmental and social screening of project activities and subprojects to be supported under the project; guidance for preparing site-specific ESMP or ESMP Checklist, which would include the monitoring plans; mitigation measures for possible impacts of different proposed activities and subprojects to be supported by the project; requirements for monitoring and supervision of implementing of ESMPs, implementation arrangements; and overview of the capacity of PIU under the Ministry of Finance (the project implementing agency) for E&S risk management and capacity building activities that would include other parties on mitigating potential environmental and social risks. The ESMF also specifies that the proposed institutional strengthening and capacity building activities.

60. The updated ESMF scope covers the existing activities of SCALED UP but also activities associated with additional funding of the Project. The ESMF include additional environmental and social risks not anticipated during the development of the parent Project as well updated local legislation and WB Environmental and Social Standards (ESSs).

2.2 ESMF Justification

61. The ESMF sets out the principles, rules, guidelines, and procedures to assess the environmental and social impacts. It contains measures and plans to reduce, mitigate and/or offset adverse impacts and enhance positive impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for addressing project impacts. It also ensures compliance with the relevant requirements of national policies, regulations and legislations as well as the World Bank ESSs. The ESMF clarifies appropriate ESS, processes, and mitigation principles, organizational arrangements and design criteria to be applied to subprojects (see Annex 1 on the list of ESS). These standards, principles, instruments and other documents are to be prepared during project implementation by the Project Implementation Unit (PIU), at the MoF.

62. The PIU will use and refer to this ESMF during project implementation. Where appropriate, project specific Environmental and Social Management Plans (ESMPs) will detail how inclusion and consultation requirements have been met will be prepared during project implementation following the guidelines provided in this ESMF (see Annex 3). It remains the responsibility of the

E&S safeguards officers within the PIUs to ensure that the necessary mitigation plans are developed and adhered to by the various implementing agencies.

63. Specific objectives of the ESMF are:

- To ensure that the implementation of the project, will be carried out in an environmentally and socially sustainable manner.
- To provide information about scope of adverse E&S risks and impacts expected during subproject planning, and operation; describe the approach to mitigation and monitoring actions to be taken;
- To clarify the roles and responsibilities of PIU, MSME Fund Managers and private sector companies and operators for components 1 and 2 and other stakeholders with regard to E&S due diligence, management of risks and impacts, and monitoring.
- To provide the project implementers with an E&S screening process and risk management procedures that will enable them to identify, assess and mitigate potential E&S impacts of subproject activities, including through the preparation of a site-specific Environmental and Social Impact Assessments (ESIA) and/ or Environmental and Social Management Plans (ESMP) where applicable.

2.3 Methods

64. The ESMF was prepared through literature review and stakeholder discussions. The MoF-based project preparation team in Mogadishu, with close coordination with the World Bank, undertook a review of relevant national legislation, policies, and guidelines, including the World Bank operational Policy, ESS related to this Project. Key informant interviews were carried out and stakeholder consultations workshops were conducted in 2018.

3. POLICY, LEGISLATIVE AND INSTITUTIONAL FRAMEWORKS

3.1 Overview

65. This section describes the existing policy, legislative and institutional framework that will be important for consideration in the design, implementation, monitoring and evaluation of the project. In all of Somalia policy and legislation with respect to the environment is evolving, in terms of assessing the potential impact of such policies on the environment, or how they could contribute to environmental conservation and sustainable livelihood improvement.

66. Laws governing environmental aspects in South West State, Galmadug, Hirshabele, Jubbaland and Puntland are either absent or at infancy stages and environmental impact assessment capacity is very nascent. The World Bank is planning to do a capacity assessment study in these states on the existing environmental and natural resource policy, institutional and legislative frameworks to see how best to build capacity. It was therefore difficult to include the respective policy, legislative and institutional frameworks for these states in this ESMF.

3.2 Somalia National Laws and Legislations

3.2.1 Provisional Constitution of the Federal Republic of Somalia

67. **Provisional Constitution of the Republic of Somalia.** The key legal instrument for management of environmental affairs in Somalia is the Constitution, especially Article 25 ("Environment"), Article 43 ("Land"), Article 44 ("Natural Resources") and Article 45 ("Environment"). Article 25 of the Constitution states that "[every Somali] has the right to an environment that is not harmful to their health and well-being, and to be protected from pollution and harmful materials." The article proceeds to declare that "[every Somali] has the right to have a share of the natural resources of the country, whilst being protected from excessive and damaging exploitation of these natural resources." Article 45 (in Chapter 3 – Land, Property and Environment) exhorts "all people in … Somalia" to "participate in the development, execution, management, conservation and protection of the natural resources and environment."

68. Article 43, on its part, provides guidelines on environmental and social safeguards that can be observed. However, there are no standing environmental and/or social safeguards in terms of legislated and or drafted regulations. The Article also affirms that the federal government shall give priority to the protection, conservation, and preservation of the environment against anything that may cause harm to natural biodiversity and the ecosystem.

69. With regards to management of the environment, the Constitution calls upon the FGS and the FMS's governments to "take necessary measures to reverse desertification, deforestation and environmental degradation, and to conserve the environment and prevent activities that damage the natural resources and the environment of the nation." To give effect to these broad principles, the FGS shall "in consultation with the Federal Member States … adopt general environmental policies for the Federal Republic of Somalia." The Federal Government has introduced changes in the institutional set-up dealing with environment and a directorate of Environment has been formed within the Office of the Prime Minister. The Directorate of Environment (DE) is mandated to draft the National Environmental Policies and legislations including establishing of the Environmental Quality Standards, Sectoral Environmental Assessments (SEAs), Environment Impact Assessments (EIAs) and environmental Audits among other items. However necessary laws

or legislations have not been formulated and no commissions or authorities have been established.

70. Article 12 of the Constitution addresses issues of application of fundamental rights. Further, the Provisional Constitution has made commitments on women's empowerment and gender mainstreaming. Article 15 (1,2,4) together with Article 24(5) of the Constitution provides for the protection of women[8] against all forms of violence and provides for protection from sexual abuse, segregation, and discrimination. Article 11 (1) together with sub article (3) respectively provides that all citizens have equal rights regardless of sex, religion, social or economic status, political opinion, clan, disability, occupation, birth, or dialect shall have equal rights and duties before the law, and that the State must not discriminate against any person based on age, race, colour, tribe, ethnicity, culture, dialect, gender, birth, disability, religion, political opinion, occupation, or wealth. Article 14 stipulates that a person may not be subjected to slavery, servitude, trafficking, or forced labour for any purpose, while Article 24 (5) prohibits sexual abuse in the workplace. The Puntland Sexual Offences Act 2016 prohibits sexual harassment.

71. On human trafficking, the Constitution states that a person may not be subjected to slavery, servitude, trafficking or forced labour offences. Every labour law shall comply with gender equality. Article 24(5) stipulates that all workers, particularly women, have a special right of protection from sexual abuse, segregation, and discrimination in the workplace. Every labour law and practice shall comply with gender equality in the workplace.

3.2.2 The Labour Code of 1972[9]

72. The Code stipulates that all employment contracts must include a) the nature and duration of the contract; b) the hours and place of work; c) the remuneration payable to the worker; and d) the procedure for suspension or termination of contract. Furthermore, all contracts must be submitted to the competent labour inspector for pre-approval.

73. The Code further stipulates that workers have the right to submit complaints and the employer must give the complaints due consideration. Remuneration must be adequate in view of the quality and quantity of the work delivered, and must be non-discriminatory in regard to age, gender and other aspects. Maximum number of working hours per week are 8 hours per day and 6 days per week. Some work is considered dangerous and unhealthy and forbidden for women and youth (defined as 15-18 years of age). This includes the carrying of heavy weight or work at night.

74. The Labour Code further forbids work for children below the age of 12 but allows employment of children between the ages of 12-15, but employment must be compatible with proper protection, health, and the moral of children. The Code also recognizes freedom of association. Employers are prohibited from engaging in any kind of discrimination or restriction of the right of freedom of association. Workers are allowed to join trade unions. Further, the Labour Code stipulates the right to equal pay for the same work and women are entitled to 14 weeks of maternity leave at half pay.

[8] LOGICA, Gender and Conflict Note Somalia, March 2013, p. 2, accessed at: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2014/03/31/000333037_20140331154002/Rendered/PDF/862980BRI0Box30gica0DissNoteSomalia.pdf

[9] The Code has recently been revised, but the revisions have not yet been passed and signed into law.

3.2.3 The Somali Penal Code of 1962

75. Code criminalizes rape and other forms of sexual violence as well as forced prostitution. Articles 398-9 provide that 'carnal intercourse' and 'acts of lust committed with violence' are punishable with 5-15 years and 1-5 years of imprisonment, respectively. Abduction for the purpose of lust or marriage is prohibited under Sec 401.

3.2.4 Somalia National Gender Policy (2016)

76. The Gender policy includes strategies to eradicate harmful traditional practices such as FGM/C and child marriage and to improve services for the management of GBV/SEAH cases.

3.2.5 Somalia National Environment Policy

77. The Somali Cabinet, on February 13, 2020, approved the National Environmental Policy. The stated goal of environmental policy is to improve the health and quality of life of the Somali people. The development of this policy was backstopped by the Global Environment Facility (GEF) and the United Nations Development Program (UNDP). This is the first time that an environmental policy has been developed and taken to Cabinet for approval since the collapse of the previous central administration in 1991.

3.2.6 The Office of the Ombudsman (Established in Article 111J)

78. It is stipulated that the office shall (however, it is unclear with the Office of the Ombudsman is functional at FGS or FMS level):
    - Investigate complaints regarding allegations or outright violations against basic rights and freedoms, abuse of power, unfair behaviour, mercilessness, lack of clemency, indiscipline or disrespect towards a person that lives in Somalia by an officer who works at the various levels of government, an apparently unfair behaviour, or act in a corrupt manner, or a behaviour by an officer deemed as illegal by a democratic society or regarded as mischief or injustice.
    - Investigate complaints in relation to the activities of the Public Service Commission of the government, administrative institutions of the government, and the defence and police forces whoever such complaints relate to, failure to equally align those services or fair recruitment among all people in those services or to administer those services fairly.
    - Take appropriate steps that the public calls for, to rectify or change items mentioned in earlier clauses through a fair, and appropriate process, which include, but are not limited to:
    - Consultations and sacrifices among the people concerned; and
    - Reporting on the complaints and matters presented to the Ombudsman, and submit to the head of the offender; and
    - To forward the matter to the Attorney General; and
    - To bring the matter before a court that forbids improper conduct by an officer.

3.3 Laws and Regulations in Somaliland and Federal Member States of Somalia

3.3.1 Somaliland

79. ***The Somaliland Constitution*.** The Somaliland constitution was promulgated in the year 2001 and represents the key legal framework for management of environmental affairs in the territory. Article 18 of the constitution focuses on the environment and the care of the natural resources and avers that the state shall give a special priority to the protection and safeguarding of the environment, which is deemed as being "essential for the well-being of the society". It therefore follows that development projects must comply with the constitutional provision that obliges developers to ensure a clean and healthy environment.

80. Article 12 of the Constitution focuses on public assets, natural resources, and indigenous production. The Article states that the central state (government) is responsible for the natural resources of the country and shall take all possible steps to explore and exploit all these resources which are available in the nation's land or sea. The protection and the best means of the exploitation of these natural resources shall be determined by law.

81. ***Somaliland National Environment Policy*.** The National Environment Policy (NEP) of Somaliland provides a framework for the sustainable management of the territory's environment and natural resources. The policy seeks to ensure that the territory's natural resource assets retain their integrity to support the needs of the current and future generations. This policy, developed in 2015 by the Ministry of Environment and Rural Development, addresses the nexus between poverty alleviation, food security and national development objectives. The policy emphasizes on the need to establish new prospects for the improvement to the standard of living, which enable people to become self -sufficient and realize their own potential without damaging the environment.

82. The policy seeks to catalyze the implementation of sustainable environmental, social and economic development initiatives for equitable benefits sharing. The policy advocates for community participation, information dissemination, environmental education and awareness raising and gender equality in order to fully harness the Somaliland's "latent capacity" in this regard.

83. The guiding principles of the NEP state that "EIAs [are] necessary to ensure that public and private sector development options are environmentally sound and sustainable and that any environmental consequences are recognized early and taken into account in project design, and implementation." Small scale project activates proposed in SCALED UP may not be expected to incorporate EIA as an essential tool in aid of development programs and projects

3.3.2 Puntland

84. **Puntland Constitution:** The legislative and policy environment in Puntland is still adjudged as weak, although there has been much greater progress here as compared to Somalia. envisages, in Article 96, the constitution elaborates the importance and protection of the environment. Among the key features include combating deforestation, soil erosion and pollution. The Constitution forbids exportation of charcoal trading in endangered plant and animal species. Prohibition has also been placed on creating of unsustainable urban-like sprawls in rural settings.

85. **The National Environmental Policy (2015):** provides the overall guiding policies relating to the management of the environment and natural resources. This policy allows rationalisation of administrative regulations and policies to eliminate deficiencies or inconsistencies with other previous policies. The policy promotes the use of appropriate environmental assessment instruments such as the EIA and Strategic Environmental Assessment.

86. The Ministry for Environment and Climate Change (MoECC) is the ministry in charge of environmental matters. This ministry collaborates with the Humanitarian Affairs and Disaster Management Agency (HADMA) in the development of climate change, early warning and drought resilience strategies.

87. The MoECC has responsibility for climate change mitigation and adaptation strategies, supported by a five–year plan (2017-2021). The existing laws and regulations include the following:
    - Environmental Policy (2014) approved by the Cabinet and Parliament
    - Environmental Management Act (2016) approved by the Cabinet,
    - Puntland Rangeland Management Policy 2nd Edition (2016-2025),
    - Puntland Waste Management Policy (2016),
    - EIA Act and Regulation (2016) approved by Cabinet and Parliament,
    - Puntland Climate Change Strategy (2016); and
    - Ministry of Environment and Climate Change Strategic Plan (2016-2020).

3.3.3 The Rest of the Federal Member States (FMSs)

88. Laws governing environmental aspects in South West State, Galmadug, Hirshabele and Jubbaland are either absent or at infancy stages and environmental impact assessment capacity is very nascent. The World Bank is planning to do a capacity assessment study in these states on the existing environmental and natural resource policy, institutional and legislative frameworks to see how best to build capacity.

89. The environmental licensing process in Somaliland and Puntland is relatively straightforward. Ministries control the licensing procedures, thus:
    - The Ministry of Environment and Climate Change (Puntland) has the powers to grant any of the licenses sought; and
    - Every license shall be subject to such conditions as may be specified therein during the issuance stage; and
    - The Minister (or any person authorized by him or her) may at any time cancel or suspend any license granted by or on behalf of the minister; and
    - Grounds for cancellation include suspicions of infringement of any of the conditions upon which said license has been granted; and
    - The minister may, at any time, also vary the conditions of any such license; and
    - Any person aggrieved by any order under this clause may appeal to the minister, whose decision shall be final.

3.4 Institutional Capacity for Environment Management

90. ***Federal Republic of Somalia.*** The Somali government has introduced changes in the institutional set-up dealing with environmental issues in the country. A Directorate of the Environment and Climate Change ("DoECC") has been formed within the Office of the Prime Minister. The Directorate is mandated to draft the national environmental policies, regulations and legislations

including establishing of the Environmental Quality Standards, Sectoral Environmental Assessments (SEAs), Environment Impact Assessments (EIAs) and Environmental Audits (EAs), among others. The legislative environment is very weak. While policies may have been developed and approved in Somaliland and Puntland, this has yet to be translated into legislation. There are a number of policies relating the environment including the Ministry of Pastoral Development and Environment' Strategic Plan of 2002-2004, Range Policy (undated), Environmental Policy (undated), Forest Policy and Legislation (undated) and an Environmental Conservation Act and Proclamation of May 1998. But only a few of these, for example the Forest Legislation and the Environmental Conservation Act, have laws in place. No commissions or authorities have been established yet.

91. The DoE, part of the Office of the Prime Minister (OPM), takes the lead in the formulation of environmental policies and laws, coordinates stakeholder consultation and partnerships with state agencies, local councils, civil society, and private sector entities (Somalia State of the Environment Report, 2019). The Directorate is also the operational focal point for multilateral environmental agreements and funds, such as the Global Environment Facility (GEF), Green Climate Fund (GCF) etc. It is also tasked with conducting Sectoral Environmental Assessments, EIAs and Environmental Audits (EAs).

92. In November 2020, an environmental impact assessment bill was approved by the Somali cabinet and sent to the parliament for ratification. Although at present there are no enabling legislation or regulations in place, other than the aforementioned impact assessment bill. The Bank is offering technical assistance to the Directorate on matters of environmental governance.

93. ***Jubaland and South-West State.*** Jubaland and South-West states have Ministries of Environment and Tourism (MoE&T), which manage environmental related issues within the respective states. The MoE&T has developed and passed environmental and social impact assessment (ESIA) regulations, which are meant to govern environmental matters, including licensing of public buildings, such as schools.

94. State ministries in charge of environment and tourism are the principal institutions to be consulted before, during and after the implementation of all interventions under the SCALE UP project if the project is to be implemented in the FMSs and in so far as they relate to possible environmental and social risks and impact. These ministries are mandated to supervise and co-ordinate all matters relating to the environment. They will likely want to review and approve the safeguards documents such as ESMPs.

95. ***Puntland***. The Ministry of Environment, Agriculture and Climate Change (MoEACC) deals with management of environment and natural resources in Puntland. The ministry collaborates with the Humanitarian Affairs and Disaster Management Agency (HADMA) in the development of climate change, early warning, and drought resilience strategies. It also collaborates in the identification and mapping of Puntland disaster prone zones. The MoEACC has responsibility for climate change mitigation and adaptation strategies, and has a five–year plan (2017-2021). Puntland's disaster management authority, HADMA, is not directly involved in environment-related activities, but has a key role in disaster preparedness, management, and mitigation.

96. The Ministry of Planning and International Cooperation (MoPIC) has a three-year development plan (2017-2019) covering livestock, agriculture, social services and the environment. The plan was approved in 2016 by the Puntland Cabinet and is being supported by the UNDP Somali Project Watch Brief.

97. ***Benadir Regional Administration (BRA)***. BRA is a local government entity, established in law and enshrined in clause 1(b) of article 48 of the Constitution of the Federal Republic of Somalia, which relates to the structure of the state. Benadir is one of the 18 administrative divisions of Somalia established at independence in 1960. Benadir itself is comprised of 17 administrative districts that make up the city of Mogadishu, which is also capital of the Federal Republic. The BRA bears the dual responsibility of managing the affairs of the region as well as the municipality of Mogadishu. Thus, its administrative head is also the governor of the region as well as mayor of the city. Law Number 6 relates to local government and its older version, Law 19, clearly defines the mandates to provide basic services to the city of Mogadishu, including education services.

3.5 International Conventions and Agreements Signed or Ratified by Somalia

98. Somalia has 19 International Labour Organisation conventions – These include the following:

i. Forced Labour Convention, 1930 (No. 29)
ii. Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
iii. Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
iv. Abolition of Forced Labour Convention, 1957 (No. 105)
v. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
vi. Worst Forms of Child Labour Convention, 1999 (No. 182)
vii. Medical Examination of Young Persons (Sea) Convention, 1921 (No. 16)
viii. Workmen's Compensation (Accidents) Convention, 1925 (No. 17)
ix. Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19)
x. Seamen's Articles of Agreement Convention, 1926 (No. 22)
xi. Repatriation of Seamen Convention, 1926 (No. 23)
xii. Underground Work (Women) Convention, 1935 (No. 45)
xiii. Right of Association (Non-Metropolitan Territories) Convention, 1947 (No. 84)
xiv. Labour Inspectorates (Non-Metropolitan Territories) Convention, 1947 (No. 85)
xv. Labour Clauses (Public Contracts) Convention, 1949 (No. 94)
xvi. Protection of Wages Convention, 1949 (No. 95)

3.6 World Bank ESS

99. **Relevant ESSs.** The World Bank's ESSs seek to avoid, minimize or mitigate the adverse effects of development projects it is financing through the Investment Project Financing (IPF) modality. The compliance with these Standards is required among others, to assure that the project is eligible for World Bank support. Due to the limitation of applicable national and FMS environmental and social laws and regulations. For the project implementation the E&S management will fully rely on the WBG's environmental and social standards, as laid out in the World Bank's safeguards policies and environment, health and safety guidelines.

100. Relative to World Bank Environmental Safeguards, under ESS1: Assessment and Management of Environmental and Social Risks and Impacts, the Bank undertakes environmental screening and proposed projects are classified into one of four categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts:

- Category A projects are likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works.

- Category B projects may have potential adverse environmental impacts on human populations or environmentally important areas but are less significant than those of Category A projects. These impacts are site specific; few if any of them are irreversible; and in most cases mitigation measures can be designed readily with standard methods.
- Category C projects are likely to have minimal or no adverse environmental impacts, and there are no further environmental requirements.
- Category FI projects involve investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts.

101. The World Bank Group has screened the proposed project components and has determined that this project is categorized as a FI – Financial Intermediary according ESS9. Each Potential financial intermediary will be required to undertake an Environmental and Social Screening process which allows SCALED-UP activities to be classified according to their potential impacts and appropriate mitigation/rehabilitation measures required, according to the Somalia Environmental Law and the World Bank's ESS1: Assessment and Management of Environmental and Social Risks and Impacts.

102. Under the Project, Five ESS will be relevant:
- ESS 1: "Assessment and Management of Environmental and Social Risks and Impacts"
- ESS 2: "Labour and Working Conditions"
- ESS 4: "Community Health and Safety"
- ESS 9: "Financial Intermediation"
- ESS 10: "Stakeholder Engagement and Information Disclosure"

103. More details of the WB Ess is as captured as hereunder in the table. Table:

Table 2:

Environmental and Social Standards (ESS)	**Description & Applicability**
ESS1: Assessment and Management of Environmental and Social Risks and Impacts	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 through Investment Project Financing (IPF), in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs).
ESS2: Labor and Working Conditions	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.
ESS4: Community Health and Safety	Addresses the health, safety, and security risks and impacts on project-affected communities and the corresponding responsibility of Borrowers to avoid or minimize such risks and impacts, with particular attention to people who, because of their circumstances, may be vulnerable.

ESS9: Financial Intermediaries (FI)	Recognizes that strong domestic capital and financial markets and access to finance are important for economic development, growth, and poverty reduction. FIs are required to monitor and manage the environmental and social risks and impacts of their portfolio and FI subprojects, and monitor portfolio risk, as appropriate to the nature of intermediated financing. The way in which the FI will manage its portfolio will take various forms, depending on a number of considerations, including the capacity of the FI and the nature and scope of the funding to be provided by the FI.
ESS10: Stakeholder Engagement and Information Disclosure	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.

3.7 World Bank Group EHS Guidelines

104. WBG has General Guidelines for Environment, Health and Safety (EHS) that serve as useful references for general issues as well as sector-specific activities. Projects financed by the World Bank Group are expected to comply with this guideline as required by the policies and the standards. The EHS guidelines are mainly on occupational health and safety, community health and safety as well as on construction and decommissioning. It contains guidelines cross cutting on environmental (waste management, ambient air quality, noise and water pollution), occupational health and safety issues among others, applicable to all the industry sectors.

3.8 Gap Analysis

105. Activities in the SCALED-UP project need to comply with both Somali laws and regulations and World Bank safeguards policies. This sub-section compares the national public sector environmental management rules, regulations and standards to World Bank Group environmental and social standards. The main objective of this assessment is to help implement this ESMF more effectively at the Federal and State levels in Somalia through an understanding of existing gaps.

106. The table below summarizes a comparison focusing on the World Bank policies relevant to the project and gaps identified in existing Somali laws and regulations.

Table 3:

Scope	World Bank Standards	Government of Somalia policies, regulations	Gap Identified	Gap Filling Measures.
ESS1 ("Assessment and Management of Environmental and Social Risks and Impacts")				
EIA Instruments	Range of instruments to satisfy the Bank include EIAs, regional or sectoral EAs, EMPs, etc.	Instruments for environmental assessment have not been not delineated at Federal level, and are absent in other federal member states	EIAs not incorporated into Federal laws, and are weakly captured at State level in only Puntland (and Somaliland) Missing in all the other FMS.	ESMF to be guided
Environmental impact screening	Screening procedures developed for projects involving sub-projects, as is likely to be the case.	There are no clear procedures for screening under the statutes of Somalia	Screening procedures are absent in all the FMS save for Puntland and to some extent Somaliland.	ESMF to be guided
Social impact screening	Screening procedures developed for projects involving sub-projects, as is likely to be the case.	There are no clear procedures for screening under the statutes of Somalia.	Screening procedures are absent in all the FMS.	ESMF to be guided
Public consultations	The Bank requires the Borrower to initiate consultations with project-affected persons and other interested parties including CSOs.	Procedures for public consultations not explicitly stated.	Procedures for public consultations not explicitly stated.	ESMF to be guided
Monitoring of environmental and social data	Bank requires regular monitoring of environmental and social safeguards data to evaluate the success of mitigation and to foster corrective measures at the earliest possible juncture.	There are no procedures provided in regulations in the country on the conduct of monitoring activities in the collection of environmental and social data.	There are no procedures provided in regulations in the country on the conduct of monitoring activities in the collection of environmental and social data.	ESMF to be guided.

Institutional arrangements	Requirement by the Bank for specific description of institutional arrangement and implementation schedule for monitoring and mitigation measures.	MoF as the project implementing partner. Directorate of the Environment and Climate Change in the Office of the Prime Minister, to be responsible for oversight of environmental matters	MoF has capacity for technical implementation of project interventions but will require Safeguards support. Directorate of the Environment in the Office of the Prime Minister may be responsible for coordinating institutional responses under this ESMF, but the institutional information is not available, and its remit is unknown, as is the technical capacities.	Respective PIUs to work with the respective ministries and agencies responsible for management of environmental and social matters as the focal points for administration of this ESMF.
ESS2 **Labour and Working Conditions**				
Management of different types of project workers	The Bank puts emphasis on the identification and characterization of different types of workers (project workers, direct workers, contracted workers, community workers, primary supply workers) to manage different types of labour risks.	Labour Code of Somalia (Law Number 65, adopted in 1972) is the specific labour law governing all aspects of labour and working conditions, which covers the contract of employment, terms and condition, remuneration, and OHS, trade unions and labour authorities. The provisions of the Labour Code apply to all employers and employees in all project municipalities. The Labour Code is applicable to all project workers of the project.	The Labour Code is broadly consistent with the ESS2, while there is a significant gap in the enforcement aspect of the legislation. More details are presented in the LMP.	ESMF and the Labour Management Procedures (LMP) to guide the borrower
Labour standards	Several provisions made under ESS2 to safeguard the workers, promote safety at work and ensure that they have a viable means of	• Article 24(5) stipulates that all workers, particularly women, have a special right of protection from sexual abuse, segregation and discrimination in the work place.	The new labour code, amending the code from 1972, has not been passed yet. The implementation of the existing articles in practice may not be very strong.	The Project will not allow any forced and child labour. It will hold all contractors liable to

	communicating grievances and receiving redress.	• The Puntland Sexual Offences Act 2016 prohibits sexual harassment. • Article 14 prohibits Human trafficking: A person may not be subjected to slavery, servitude, trafficking or force labour offences Every labour law shall comply with gender equality. • Provisional Constitution of the Federal Republic of Somalia Article 14 stipulates that a person may not be subjected to slavery, servitude, trafficking, or forced labour for any purpose. • The Labour Code of 1972 stipulates that all contracts of employment must include: (a) the nature and duration of the contract; (b) the hours and place of work; (c) the remuneration payable to the worker; and (d) the procedure for suspension or termination of contract. Furthermore, all contracts must be submitted to the competent labour inspector for pre-approval.		the implementation of the LMP. The PIU will have overall responsibility to monitor the
ESS4 Community Health and Safety				
Health of community members	The ESS anticipates that the project will put measures in place to anticipate and avoid adverse impacts on the health and safety of project-	• The Somali Penal Code of 1962. The Code criminalizes rape and other forms of sexual violence as well as forced prostitution.	The Somali Penal Code of 1962 fails to protect survivors and prosecute perpetrators for GBV/SEAH/SEA crimes.	The LMP, SEP and the GBV Action Plan developed for this project will guide the reduction of

	affected communities during the project life-cycle from both routine and non-routine circumstances. Further, it provides for the avoidance or minimization of community exposure to project-related traffic and road safety risks, diseases and hazardous materials.	• Articles 398-9 provide that 'carnal intercourse' and 'acts of lust omitted with violence' are punishable with 5-15 years and 1-5 years of imprisonment. Abduction for the purpose of lust or marriage is prohibited under Art 401. • Article 39(i) makes abuse of power in the commission of a crime an aggravating circumstance and Article 33 provides that when a superior officer orders the commission of an offence both the perpetrator and his superior will be liable.	The crimes under Articles 398-9 are too narrowly defined to satisfy international law standards of protection from sexual and GBV/SEAH. Furthermore, in practice however it has been documented that women complaining about a rape may find themselves trapped by the Article 426 prohibition against adultery that makes no exception for the case of rape. In practice provisions under Art 39(i) offer little more than theoretical protection.	harm to communities affected by the project
Security personnel	ESS4 states that when the Borrower retains security personnel to safeguard workers and property, it will assess the risks posed by these security arrangements to those within and outside the project sites. The Borrower will not sanction any use of force by direct or contracted workers in providing security except when used for preventive and defensive purposes in proportion to the nature and extent of the threat.	Police will likely provide security services in the implementation of the project. The civil servants in Somalia are governed by Provisional Constitutions and Civil Service Law (Law Number 11). However, there are no security protocols guiding their deployment, and there is possibility of violence meted out on civilians or workers or even the possibility of rent-seeking.	While the security protocols guiding the deployment and use of force are broadly unknown, the project will coordinate with the law enforcement authorities to manage associated risks.	The project to be guided by the ESMF and relevant provisions of ESS4 on the deployment of security personnel
ESS 9 Financial				

ESS9: Financial Intermediaries (FI)	The Bank expects the Borrower to put up an ESMS to set out how: - the FI will assess and manage environmental and social risks and impacts associated with the subprojects it finances. - promote good environmental and social management practices in the subprojects the FI finances. - promote good environmental and sound human resources management within the FI financing.	The ESMS has not be developed by FIs	The ESMS absent	The WB ESS9 shall be the guide.
ESS10 ("Stakeholder engagement and information disclosure")				
Meaningful engagement of stakeholders in the project activities from planning to implementation levels	The World Bank anticipates that the project will establish a systematic approach to stakeholder engagement that will help Borrowers identify stakeholders and build and maintain a constructive relationship with them, in particular project-affected parties. Further, the project will promote and provide means for effective and inclusive engagement with project-affected parties	Provisional Constitution of the Federal Republic of Somalia: Article 32 stipulated that every person has the right of access to information held by the State. The Federal Parliament shall enact a law to ensure the right of access to information.	The law on the right of access to information currently only exists as a draft	The Project will implement stakeholder consultations throughout the lifetime of the project, as per the SEP. The PIU will ensure that a grievance mechanism for the project is in place, in accordance

	throughout the project life-cycle on issues that could potentially affect them. The project affected persons should be provided with accessible and inclusive means to raise issues and grievances, and allow Borrowers to respond to and manage such grievances.			withESS10 as early as possible in project development to address concerns from project affected persons.

4. ENVIRONMENTAL AND SOCIAL- ECONOMIC SETTING

4.1 Introduction

107. This section focuses on the existing biophysical and socio-economic environments in Somalia. Physio-geographically, Somalia is a country of limited contrasts, but for the purposes of this project, this ESMF will where necessary indicate the differences in the sub-regions.

- Somaliland, Puntland and Galmudug (arid agroecology);
- Hirshabelle, Jubbaland and South-West State (semiarid agroecology); and
- Mogadishu (coastal marine agroecology).

4.2 Geography and Climate

108. Somalia is Africa's easternmost country, and is bordered by Kenya to the south, Ethiopia to the west, Djibouti to the north-west, the Gulf of Aden to the north, and the Indian Ocean to the east. It has a land area of 637,540 km2 , and a coastline of 3,300 km, the longest of any African country, 1,300 km of which is on the Gulf of Aden and the other 2,000 km on the Indian Ocean. The country stretches for almost 1,550 km from north to south between latitudes 12o00'N and 1o37'S, and 1,095 km from west to east between longitudes 41o00' and 51o21'E10. The map below shows location of Somalia in relation to the neighboring countries.

109. Somalia is a large, relatively flat country, with an arid or semi-arid climate and prone to severe droughts and floods. Its twelve million or so people mostly support themselves through nomadic pastoralism and agriculture. They are among the poorest in the world, and although too few data are available to allow the country to be ranked relative to others according to the Human Development Index (HDI), it is believed to score very poorly on all HDI indicators.

110. As alluded to earlier, Somalia has a warm desert climate in the north and a semi-arid climate in the south. The country is characterized by four seasons: between the two monsoons, there are irregular rain and hot and humid periods. From April to June, there is the main rainy season, Gu. This is followed by the dry Xagaa season before the Dayr provides further rainfalls from October to December, with approximately 500 mm rainfall annually in the northern highlands, 50-150mm along coast, and 300-500 mm in the southwest. The annual cycle is completed as the dry Jilaal season stretches from December to March. The climate in the Horn of Africa is affected by the Indian Ocean's variable sea-surface temperatures and the El Niño–Southern Oscillation (ENSO) cycle[11]. Different ENSO phases have diverse impacts during seasons and across different parts of the Horn[12].

4.2.1 Climate Change

111. Climate is the primary determinant for Somali life. Over half of the populations are pastoralists where the timing and amount of rainfall are crucial factors determining the adequacy of grazing and the prospects of prosperity. Unfortunately, Somalia has been highly susceptible to the effects of climate change and extreme weather conditions, such as periods of extended drought, flash floods, erratic rainfall, disruption to the monsoon seasons, strong winds, cyclones, sandstorms and dust storms13. Recognizing the impact of climate risks on the country's future, in December 2009, Somalia became a signatory to the UN Framework

[10] UNEP 2005.
[11] Williams and Funk 2011, pp. 2417–35.
[12] Anyah, and Semazzi, 2006, pp. 39–62.
[13] Ministry of National Resources 2013, p. 14.

Convention on Climate Change (UNFCCC). In 2013, it formulated its National Adaptation Programme of Action to Climate Change; in 2015, it became one of 165 countries that submitted its Intended Nationally Determined Contribution (INDC) action plan ahead of the Paris Summit, outlining proposed programs and interventions that would contribute to emissions reductions and the adaptation of its agricultural systems for improved climate resilience. Together, the National Adaptation Programme of Action to Climate Change and the INDC provide a road map to inform and guide technical and financial contributions from all stakeholders14

4.2.2 Disaster Vulnerability

112. Somalia has been ranked as one of the most vulnerable countries and least prepared to deal with the effects climate change. Rainfall totals during the first half of the April to June Gu season are some of the highest on the 1981-2017 record, equivalent to between 130 and over 200 percent of average (Figure 8).The heavy rainfall marks the end of prolonged drought across much of the country and is supporting crop development and the regeneration of pasture and water resources. However, the heavy rainfall and subsequent flooding has also led to fatalities, massive displacement, and damage to infrastructure and cropland. Needs are expected to increase in displacement sites and riverine areas in the near term.

113. Rainfall started in March, two to four weeks earlier than normal, in many areas of Somalia, and heavy rainfall had persisted through early May. In several central, southern, and northwestern regions, the total quantity of rainfall received during the first two months of the season was the highest on record. As a result of heavy rainfall in both Somalia and the neighboring Ethiopian highlands, river water levels increased sharply in mid-April and overflowed river banks. Flooding occurred in several riverine areas of Gedo, Hiraan, Lower and Middle Shabelle, and Lower and Middle Juba. Heavy rainfall also caused flash flooding in Bay and Togdheer.

114. In riverine areas of the Juba River, floods inundated an estimated 10,250 hectares (ha) of crops and an additional 18,000 ha of cultivatable land in Gedo, Lower Juba, and Middle Juba. Along the Shabelle River in Wanlawayne and Qoryole, floods destroyed an estimated 30,000 ha of cultivable land, 4,000 ha of which had been cropped. Of greatest concern is Hiraan, where flooding displaced approximately 180,000 people, including 22,500 households in Beletweyne town, and destroyed crops, stored commodities, and transportation infrastructure. It was estimated that over 70 percent of farms in riverine areas of Hiraan were inundated15.

4.3 Biological Environment

115. Somalia's natural resources fall into three broad categories: marine resources such as fish and salt; surface resources which include forests and forest products such as the aromatic extracts of frankincense (from Boswellia spp.) and myrrh (from Commiphora spp., both Burseraceae),as well as surface water; and sub-surface resources such as rocks and minerals, fossil fuels, and groundwater. Many of them have been directly or indirectly impacted by the extended civil conflict, but competition for access to some resources has also been, and continues to be, a source of conflict in itself.

[14]Somalia Country Economic Memorandum 2018.
[15] Famine Early Warning System Network (FEWS), Heavy Gu Rainfall leads to heavy flooding, May 11, 2018, accessed at: https://fews.net/east-africa/somalia/alert/may-2018

116. In the absence of a government, many traditional forms of natural resource management and control systems have been abandoned or are now ignored. In several instances, this has resulted in clearly unsustainable exploitation, a trend which may prove difficult to reverse.

117. Biodiversity and Protected Areas: Only 0.8% of the Somalis area is under some form of protection (2000). A National Conservation Strategy used to exist, but is now extremely low on the territories' agenda. Somalia is part of Conservation International's Horn of Africa Hotspot which has over 60endemic genera and over 2,750 endemic species. Somalia is a part of Somalia-Masai steppe geographic region of plant endemism (savannas and shrub lands) and has 24 important bird areas. Generally, fauna has been depleted due to hunting and culling to protect livestock. Invasive species (e.g. Prosopis spp. and the Indian House crow, Corvus splendens) have widespread effects on local fauna and flora and important to address, although Prosopis could be used to substitute endemic trees for charcoal production[Error! Bookmark not defined.].

118. **Forests and Woodlands:** The vegetation in Somalia is predominantly dry deciduous bushland and thicket dominated by species of Acacia and Commiphora, with semi-desert grasslands and deciduous shrub land in the north and along much of the coast. Forest growth in general is limited due to poor soils and low rainfall. Closed forest cover occupies only about 2.4 per cent of the country (IUCN, 1992) but, if the Juniperus forests and evergreen tracts in the mountains in the north are included, the total forest coverage would probably amount to around 14 per cent (90,000 km^2) of the land[Error! Bookmark not defined.].

119. **Land Degradation**: Over the past two decades, land degradation, deforestation and desertification have rapidly accelerated; the Lower Juba area was estimated to have lost 50 per cent of its forest cover during the years between 1993 and 2014[16]. Even with current temperatures, the flora in Somalia is strained to such an extent that it is often unable to rehabilitate itself[17].

4.3.1 Water Resources (Hydrology)

120. Somalia's two main rivers, the Juba and the Shabelle, generate fertile floodplains, sustain essential agriculture and crop production, and supply Mogadishu with water. Ethiopia, Kenya and Somalia share the Juba–Shabelle river basin, with Somalia being the lower riparian (see figure 1)[18]. Both rivers emerge in the Ethiopian highlands and are Somalia's only perennial rivers. Given the lack of rainfall in the downstream areas, these two rivers are highly dependent on precipitation in the Ethiopian highlands. The low rainfall downstream and also high evaporation and water withdrawal are reasons why both rivers lose runoff on their descent to the Indian Ocean (see figures 1 and 2). Increased dam-building activities in Ethiopia affect the river system further[19].

[16]Ogallo, L. A. et al., 'Land cover changes in Lower Jubba Somalia', *American Journal of Climate Change*, vol. 7, no. 3 Sep. 2018, pp. 367–87.
[17]Thulstrupa, A. W. et al., 'Uncovering the challenges of domestic energy access in the context of weather and climate extremes in Somalia', *Weather and Climate Extremes*, Sep. 2018.
[18]UN Environment Programme (UNEP), *Africa Water Atlas*, Nairobi, 2010.
[19]Somalia Water and Land Information Management (SWALIM) and Food and Agriculture Organization of the United Nations (FAO), 'The Juba and Shabelle rivers and their importance to Somalia', 2016.

4.4 Socio Economic Baseline

4.4.1 Economic Outlook and Micro-Economic Performance

121. On 5 March 2020, the FGS cleared its arrears to IDA, and with that fully re-established its access to new resources from IDA, as well as receive debt relief under the Heavily Indebted Poor Country (HIPC) and Multilateral Debt Relief Initiative (MDRI).[20]Somalia's economy is largely consumption-based and dominated by agriculture, while it is also supported by remittances and large aid flows. Remittances and aid flows are estimated at USD 1.4 billion a year, which represents 29 per cent of Somalia's GDP in 2018. Agriculture plays a key role by constituting 75 per cent of GDP, and 93 per cent of total exports. Other sectors driving growth are construction, telecommunications and money transfer services.[21]

122. Continued conflict and frequent natural disaster have contributed to significant poverty in Somalia. About 69 per cent of Somalis live below the poverty line. Poverty is thereby most acute among children, youth, and IDPs, as well as persons living in rural areas.[22]Approximately half of Somalia's population depends on pastoralist and agro-pastoralist activities. According to the recent Flood Impact Needs Assessment conducted by the FGS and the World Bank, this means that people remain highly vulnerable to natural disasters.[23] However, the findings from the assessment also show that while the recent flood has had devastating impacts on infrastructure, it has helped to increase agricultural outputs, due to above average rainfall.[24] In turn, the recent floods pose a significant threat of a desert locust outbreak, which poses risks to the macroeconomic outlook and a threat to livelihoods of the population.

4.4.2 Human Development

123. Somalia scores very low on UNDP's Human Development Index. Although it has not been ranked for a few years, different indicators reveal low scores. For example, life expectancy at birth lies at 57.1 years with a global average of 56 years[25] in low human development countries[26]; and the mortality rate under the age of 5 lies at 127 per 1000 life births[27], while the global average is 39[28].

124. **Education:** The school enrollment rates in Somalia are among the lowest in the world. In the education sector, only 16 per cent of the Somali population have completed primary school and only 7 per cent have finished secondary school.[29] 3 million children between the age of 6 and 18 do not attend any school. At the primary level, about 60% of children do not attend school. At the secondary level 92 per cent of children (in south central parts of the country) do not attend school.

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[20] See The World Bank, Somalia Clears Arrears to World Bank Group, Press Release March 5, 2020, accessed at: https://www.worldbank.org/en/news/press-release/2020/03/05/somalia-clears-arrears-to-world-bank-group
[21] Government of the Federal Republic of Somalia and The World Bank, Somalia. 2019 Flood Impact and Needs Assessment, February 2020, p. 18.
[22] Government of the Federal Republic of Somalia and The World Bank 2020, p. 18.
[23] Government of the Federal Republic of Somalia and The World Bank 2020, p. 18.
[24] Government of the Federal Republic of Somalia and The World Bank 2020, p.17.
[25] UNDP, Human Development Reports. Somalia, accessed at: http://hdr.undp.org/en/countries/profiles/SOM
[26] UNDP, Human Development Report 2019, p.38.
[27] UNDP, Human Development Reports. Somalia, accessed at: http://hdr.undp.org/en/countries/profiles/SOM
[28] WHO, Children. Reducing Mortality, factsheet, accessed at: https://www.who.int/news-room/fact-sheets/detail/children-reducing-mortality
[29] UNICEF and World Health Organization, Joint Monitoring Program, 2019, accessed at: . https://washdata.org/data#!/som>.

The recent flooding has caused additional challenges on the education of the vulnerable children, as it has displaced people, made access more difficult and has caused the exclusion of some.[30]

125. Literacy in Somalia is 40 per cent among the adult population, with male literacy being 8 per cent higher than female. There are significant differences in the literacy rate between social groupings. For example, urban populations have the highest literacy rate with 64 percent, while nomadic populations have the lowest literacy rate with 12 per cent. Among the FMS, Hirshabelle has the lowest literacy rate with 20 per cent; South West State has 26 per cent and Jubaland 29 per cent.[31]

126. South Central in particular, child recruitment, compulsory military training, segregation of boys and girls' classes and concerns over attacks on education institutions remain key challenges in the provision of education for all children. Furthermore, there are inadequate water and sanitation facilities, limited classrooms and supplies, as well as a shortage of teachers in overcrowded schools. Additional enrollments of IDP children makes the situation even more dire. Absence of school feeding programs in famine and drought zones disrupts school attendance as well and drops the nutrition status of children.[32]Access to education is particularly difficult for nomadic / pastoralist populations. Only 16 per cent of nomadic population age 6 and above are enrolled in education.[33]

127. **Health:** Availability and access to health facilities is similarly dire. A comprehensive review of the health sector in 2015 showed that health facilities are mainly located in the urban areas and difficult to access for the majority of the rural population. Health facilities are resourced poorly, and there is a critical lack of health workers. According to WHO, only one in three Somalis have access to safe water, and one in nine Somali children die before their first birthday, and 3.2 million Somalis are in need of emergency health services. Due to poor living conditions there are high risks of measles outbreaks, acute watery diarrhea and cholera. Those residing in IDP settlements are most affected.[34]Reproductive health indicators are poor. Maternal mortality is estimated at 734 for every 100,000 births. Under-five mortality rate was at 133 per 1,000 births before the recent drought.[35] Neonatal mortality rate per 1000 live births is 39.7.[36]

128. **WASH:** Access to safe water is low in Somalia, access to basic water supply lies at 83 per cent in the urban areas and 28 per cent in rural areas. 61 per cent of the population has access to basic sanitation facilities in urban areas and 20 per cent in rural areas. According to a UNICEF report, the key challenges are weak water supply management models, high operational management costs and technical limitations. There is further a lack of a harmonized legal and policy framework and policies in place and inconsistent with implementation.[37]

[30] Government of the Federal Republic of Somalia and The World Bank, Somalia. 2019 Flood Impact and Needs Assessment, February 2020, p. 58
[31] FGS, Ministry of Education, Culture and Higher Education, Education Sector Strategic Plan 2018-2020, p.29
[32] Ditto, p. 25-26
[33] Ditto, p. 30
[34] WHO, Humanitarian Response Plan 2015, accessed at: https://www.who.int/hac/donorinfo/somalia.pdf
[35] UNICEF and World Health Organization, Joint Monitoring Program, 2019, accessed at: . https://washdata.org/data#!/som>.
[36] WHO, Somalia, Country Cooperation Strategy at a Glance, 2018, p.1, accessed at: https://apps.who.int/iris/bitstream/handle/10665/136871/ccsbrief_som_en.pdf;jsessionid=01FEF030DB9DD0DE3F6C832FEF64EDCD?sequence=1
[37] UNICEF Somalia Country Office, Water, Sanitation & Hygiene (WASH) Profile, February 2020, p.2, accessed at: https://www.unicef.org/somalia/media/1251/file/Somalia-wash-profile-February-2020.pdf

129. Continued droughts have had negative impact on the water sector, and conflicts have weakened the water supply and sanitation services. WASH facilities have been destroyed as a result of conflict, and there is a lack of sufficient WASH facilities for the large number of IDPs. Furthermore, the population pressure causes over pumping of ground water, and the wearing out of equipment.[38]Various aid programs have supported the development of latrines. However, UNICEF remarks that there is little impact on increased use of latrines or improved sanitation and hygiene. There is further a lack of sustainability of latrines and little indication of behavioral changes among the population. Widespread displacement and recurrent emergencies contribute to this dire picture. Diseases like cholera are therefore widespread in Somalia, with a total of 164,000 cases reported between 2006 and 2015.[39]

4.4.3 Governance Structures

130. The Provisional Constitution of Somalia established the Federal Government of Somalia as well as the legal framework for the formation of Federal Member States (FMSs). The latter have a degree of autonomy over regional affairs and maintain their own police and security forces. Somalia is currently divided into five FMS excluding Somaliland, namely: Banadir, South West, Puntland, Jubaland, Hirshabelle and Galmudug. Article 48 of the Provisional Constitutions acknowledges the local governments in Somalia, although levels of administration, fiscal autonomy and other issues are still undetermined. At the local government level, States are divided into administrative regions, which in turn are divided into districts. The constitution allows two or more regions previously existing before the Civil war to form a state. In 2014 the Boundary and Federalization Commission was established among other things to guide on the boundaries of these states for this purpose. States are further divided into Districts and Zones.

4.4.4 Agriculture

131. Somalia has a total area of about 137,600sqkms. Land under cultivation is currently estimated at 3 per cent of the total geographical area. Another 7 per cent has potential for agricultural development. The rainfall, soil (fertility and depth), and topography are the main determinants of these estimates. The agricultural system in Somalia is predominantly subsistence in nature. The principal crops are sorghum and maize grown mostly for household consumption. Fruit and horticultural farming, which is relatively small, is mainly commercial. Here, farmers grow mainly tomatoes, lettuce, onions, peppers, cabbages, oranges, lemons, and papaya. Rain-fed farming accounts for 90 per cent of the total area cultivated, while the area under irrigation constitutes only 10 per cent.

132. The sector is dominated by smallholder farmers who tend small farms ranging from 2 to 30 hectares in area. The size of the average farm is approximately 4 hectares. Somaliland's agriculture was practically destroyed during the civil war from 1982 to 1991 – agricultural equipment and farmers' property were looted, and infrastructure was devastated. The majority of the farmers fled as refugees to neighboring countries and returned home only when the conflict ended. Although some recovery has been made in the past 20 years, a lot more remains to be done.

133. During the war, the institutional capacity of the Ministry of Agriculture (MoA) was eroded severely because of the brain drain resulting from the migration of professionals to other countries, looting of assets, and the destruction of Ministry's facilities. The reduced capacity of the agricultural sector to produce food for the nation is clearly demonstrated by the total

[38] Ditto, p. 2
[39] Ditto, p. 3.

cultivated area under Sorghum and maize, the two main crops, which in 2009 was less than 23,000 hectares, and average yields were only 0.5 tons per hectare.[40]

134. **Rainfed Farming and Irrigation**: Rain-fed farming is the main agricultural production system. The main crops grown are cereals. Sorghum is the principal crop, utilizing approximately 70 per cent of the rain-fed agricultural land. Another 25 per cent of the land is used for maize. Other crops such as cowpeas, millet, groundnuts, beans, and barley are also grown in scattered marginal lands. Irrigation farms are mainly situated along the banks of streams (togs) and other water sources close to the riverbanks. Channeling from the source to the farm is mainly done by diversion of perennial water (springs) to the farm through rudimentary earth canals or floods. The cultivable area of these farms is subject to floods and is, therefore, in danger of being washed away. Most of the irrigated farms have in them areas set aside for the cultivation of vegetables and fruits for commercial purposes.

135. **Livestock:** The economy of Somalia mainly depends on livestock production, which has historically and culturally been the mainstay of livelihood for the majority of the people. The livestock production system in Somaliland is predominantly pastoral and agro-pastoral, with the industry providing 40 per cent of GDP in Somaliland and employing 27 per cent and 20 per cent of the female and male workforce, respectively in Somaliland.

136. Livestock is the source of livelihood for pastoralists, contributes to the Government revenues, and provides employment to a wide range of professionals and other service providers. Somaliland has a long history of live animal export to the Arabian Gulf states through Berbera port on the Red Sea. There are several types of livestock production and management systems in Somalia, depending on a number of factors such as the area, availability of labor, and the sizes and types of livestock raised. However, in general, there are two main production systems: one based on nomadic pastoralism and the other on agro-pastoralism. Nomadic pastoralism is the system practiced by most of the rural population and revolves around the seasonal migration of herders in continual search of pasture and water.

137. The movement of these pastoralists is often organized and follows a regular pattern in which clan-based groupings have their traditional grazing areas and/or common watering points and temporary camps. In some parts of the country, pastoralists co-habit with farmers to access crop residues for their animals. In other places, the pastoralists take advantage of heavy rains and floods for agricultural purposes, planting crops in areas cleared for the production of forage or grain.

138. Related to the above, relatively high rainfall in the highlands around Hargeisa has raised the organic content in the sandy calcareous soils characteristic of the northern plains, allowing some dry farming to be practiced. South of Hargeisa begins the Haud, which red calcareous soils continue into the Ethiopian Ogaden. This soil supports vegetation ideal for camel grazing. To the east of the Haud is the Mudug plain, leading to the Indian Ocean coast; this region, too, supports a pastoral economy. The area between the Jubba and Shabelle rivers has soils varying from reddish to dark clays, with some alluvial deposits and fine black soil. This is the area of plantation agriculture and subsistence agro-pastoralism.[41]

[40] Somali Core Economic Institutions and Opportunities Program ESMF, 2017, p 18

[41] Somali Core Economic Institutions and Opportunities Program ESMF, 2017.

139. The livestock and crops sector are the main sources of economic activity, employment and export. 49 per cent of the population lives in rural areas, and 46 per cent of all employed people work in agriculture (crop cultivation, herding, fishing). However, while the livestock is an important sector, there are still minimal governmental animal health programs and institutions regulating and controlling it.[42]In addition, the poor state of waters and transport infrastructures has kept the agricultural sector from recovering and becoming resilient.[43]

140. Somalia is prone to suffer from flooding. Most of the flooding in 2019 occurred in Middle and Lower Juba, Bay, Lower and Middle Shabelle, and Hiraan. Weeks of flooding have destroyed physical, productive, and social service delivery infrastructure. Physical infrastructure, such as roads were turned into rivers, and agricultural land was fully destroyed, and livestock was lost. According to FAO, since 2016, Somalia has faced climate shocks for eight agricultural seasons. 2.1 million people currently live in severe acute food insecurity; and 1 million children are acutely malnourished.[44]

141. Livelihoods are threatened by natural disasters, epidemics, and issues such as injury, death or unemployment. For example, climate conditions and the drought of 2016/17 had significant impacts on livelihoods. Shocks at the household level are experienced through drought impacts, including through loss of crops and livestock and shortage of water for farming or cattle; or high food prices.[45]

4.4.5 Labour and Employment

142. In the labor sector, 47 per cent of the population in South Central Somalia is unemployed. Among youth the rate is even higher with 54 per cent.[46]The main employment is in the agricultural sector, where 72 per cent of employees worked in 2019; followed by 6 per cent in the industrial sector, and 21 per cent in the service industry.[47]

143. In addition, as ILO points out, the legal and judicial systems governing employment are still weak; and there are few private or public insurance institutions; nor are there labor inspection systems in place. It reminds that workers can be exposed to hazardous work without adequate protection, and child labor is a common practice in Somalia.[48]

4.4.6 Land Issues

144. Land conflicts in Somalia have risen to be one of the key issues of instability at the community and inter-community level. This is partly due to a complex situation of land tenure. While the Agricultural Land Law of 1975 abolished private ownership, the current situation is very unclear. Only few locals registered their land at the time, and the civil war further impacted the situation negatively. Customary land tenure has therefore taken the center stage in ordering land

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[42] Government of the Federal Republic of Somalia and The World Bank 2020, p.21.
[43] Government of the Federal Republic of Somalia and The World Bank 2020, p.22.
[44] UNFAO, Somalia Humanitarian Response Plan 2020, accessed at: http://www.fao.org/3/ca7825en/CA7825EN.pdf
[45] Government of the Federal Republic of Somalia and The World Bank 2020, p.19.
[46] Federal Government of Somalia, Ministry of Education, Culture and Higher Education, Education Sector Strategic Plan 2018-2020, p.13
[47] Statista, Somalia: Distribution of Employment in by economic sector from 2009 – 2019, accessed at: https://www.statista.com/statistics/863133/employment-by-economic-sector-in-somalia/
[48] ILO, Decent Work Programme, Somalia 2011-2015, p. 12.

ownership and usage. It is focused on clan relations and on pastoral land use rather than norms of individual ownership. The Provisional Constitution defines land as public property. The government has created means to transfer some land into private ownership by granting ownership for urban and agricultural land.[49] Formal legal frameworks now exist alongside customary land management.

145. Land disputes and grievances have been identified in the existing literature as a major issue of contestation. There are different categories of causes of land-related grievances. One, powerful groups and individuals take land illegally, often from the poor or minority groups, who cannot defend themselves. This is based on the fact that land prices in Mogadishu have skyrocketed in recent years, and land has become a popular commodity.[50] Two, Somalis returning from overseas to Mogadishu often claim back their land, which causes a variety of land grievances, as the land has often been occupied by others in their absence.[51] Three, there are multiple questions of land inheritance, especially given the large group of members in a family, as well as the return of Diaspora members who may have claims to inherit land.[52] Four, given Mogadishu's history of contestation, occupation and civil war, multiple title deeds have been issued over the years and continue to be manufactured. This is a key cause for land disputes when multiple owners put claims on a piece of land.[53] Five, of concern to the citizens of Mogadishu is the unregulated sale of public property, as well as the destruction of historic property. Sales often take place between government representatives and private interest groups, without any possibility for recourse by citizens. Six, land occupation in Mogadishu and BRA is ongoing, and has the potential to result in greater conflicts. This is underpinned by an overlapping and uncoordinated land administration system. A study on land in Mogadishu by the Rift Valley Institute (RVI) even estimated that 80% of cases filed at the Supreme Court are connected to land grievances.[54]

146. Furthermore, ongoing forced evictions are a key challenge for IDPs in Somalia. Due to insecure land tenure arrangements in IDP settlements, it is often difficult for IDPs to secure their rights. According to ReDSS, an annual average of 155,000 individuals have been evicted across Somalia, mainly in Mogadishu and Baidoa. Evictions take place from both, public and private infrastructure. Key protection challenges are that IDPs settle on public land or private lots with contested ownership. Women and girls are thereby most vulnerable, as they encounter GBV challenges in addition to loss of assets and livelihoods.[55]

4.4.7 Cultural Heritage

147. Somalia has rich cultural heritage due to its own cultural goods '*dhaqan',* including the fundaments of a segmentary society and the resulting social fabric. Traditions often originate in the proto-Somali cultural era or originate in the many interactions Somali populations had with

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[49] IGAD, Somalia. Land Governance Country Profile, Assessment of Land Governance Framework, Training & Research Land Governance Institutions, accessed at: https://land.igad.int/index.php/countries/39-countries/somalia/40-somalia-profile?showall=1

[50] Rift Valley Institute / Heritage Institute, Land Matters in Mogadishu. Settlement, Ownership and Displacement in a contested city, 2017, p. 53

[51] RVI 2017, p.54

[52] RVI 2017, 57

[53] RVI 2017, 58

[54] RVI 2017, p. 67

[55] ReDSS, Forced Evictions as an obstacle for durable solutions in Somalia, March 2018, accessed at: http://regionaldss.org/wp-content/uploads/2018/03/Forced-evictions-as-an-obstacle-to-durable-solutions-210318.pdf

other cultures, including those from the Arabian peninsula, India, and sub-Saharan Africa. The protracted conflicts and the civil war in Somalia, however, have had significant impact on the loss of tangible and intangible cultural heritage. Deliberate efforts have to be made to protect cultural heritage. Unfortunately, the country's legislation around these issues has not yet been developed and does not legally enforce the protection and preservation of cultural artefacts, cultural heritage and distinct sub-national identities. Infrastructure development project therefore need to support the protection of places of cultural and religious significance, including graveyards, religious buildings, and historical sites.

4.5 Security and Conflict Environment

148. Somalia ranks second on the Fragile State Index from 2019 with a total score of 112.3, only topped by Yemen with a score of 113.5.[56] Somalia's indicators on factionalized elites, and demographic pressures score the highest. Somalia has had a long history of civil war, which followed the Siad Barre regime that ended in 1991. Clan-based militias turned the country into chaos and prevented an effective central government for a long time. A Transitional Federal Government was formed in the early 2000s, which was succeeded by the internationally recognized Federal Government of Somalia, which was formed under Hassan Sheik as a President. In 2012, after the adoption of the Provisional Constitution, the first internationally recognized Federal Government of Somalia (FGS) came into power following more than two decades of civil war and transitional governance arrangements. With the new President, the federal state building process commenced[57] under the framework of the distinct peacebuilding and state building goals of the New Deal/Compact, which was signed in September 2013. However, the last years have been dominated by political infights and clan-related tensions, including in the establishment of the FMS. This has worsened the security situation in Somalia significantly.

149. There is significant conflict at different levels in Somalia. Some insecurity stems from clan competition, which goes back into history and historical movements and power distribution. Often it is combined with localized competition over resources, for example over land or water sources. Such insecurity and conflict can be due to continued local tension between different communities, competition over sources of power, such as governmental positions, as well as competition over aid resources brought down to the state or district level.

150. The social impacts and potential aggravation of resource-related conflicts is well documented in a range of pastoralist and agro-pastoralist assessments carried out in the Somali region.[58] Access to water and pasture is a fundamental source of both conflict and co-operation between clans and civil authorities throughout the Somali region. In terms of conflict, extensive trans-boundary movements of livestock and limited access to the combination of water and pasture is one of the primary drivers of conflict across the Horn of Africa and within Somalia. Long and well documented records of conflict and cooperation over access to water and pasture in pastoralism domain exists[59]. Following decades of low investment in Somaliland and Puntland, water points with adequate surrounding pasture are especially scarce, claimed by clans, fiercely guarded and intrinsically linked to resource conflict.

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[56] Fragile State Index 2019, accessed at: https://fragilestatesindex.org/data/

[57] Under the Federal Government of Somalia (FGS), the state level governments are Puntland State of Somalia, Jubaland State of Somalia, and two interim administrations, i.e. Galmudug State and the Interim South West Administration. Somaliland is a self-declared state. State formation is currently ongoing in the Hiraan and Middle Shabelle regions.

[58] Lewis 1961; Lewis 1998; DfID 2005; Gomes 2006 Access to water for pastoral resources management

[59] Ditto

151. The Islamist group Al-Shabaab still controls areas in South Central Somalia with pockets in Puntalnd, providing harsh treatment, forced recruitment vis-à-vis the local populations. It infiltrates other areas and conducts deadly attacks on citizens. Most importantly, Al Shabaab administers a tax system in its areas of control and beyond. It has also started to expand on other administrative functions, such as the provision of justice.[60] Given the weakness of the formal justice system, people have been flogging to Al Shabaab courts, where swift justice and the execution of judgments is guaranteed. Al Shabaab remains a key source of violence, attacking government facilities, personnel, security forces, and members of international organizations. In 2019, Somali-led offensives in Lower Shabelle have led to the ousting of Al Shabaab in the area. However, Al Shabaab has shifted to different areas and has maintained attacks on the newly recovered area.[61]

152. Different armed groups maintain checkpoints along key arteries of the country to extract fees from travelers. People are thereby associated with their clans, and have difficulties moving and working in areas in which their clans are not prominent. Even government checkpoints can be little efficient, as they are subject to corruption.[62]

153. Somalia therefore remains trapped in continued fragility, which is protracted by insecurity, endemic corruption, fledgling government capacity, predatory armed groups and spoiler networks. This poses significant security risks for the population, but also for project activities. These include terrorist attacks, hijackings, abductions, and killings. The state security apparatus is thereby very weak and is underpinned by clan dimensions as well. There are sometimes blurred lines between the state security apparatus, local militia or other armed faction

4.5.1 Vulnerability and Social Seclusion

154. **Internal Displacement:** In April 2020, OCHA report 2.6 million IDPs in Somalia[63], due to disaster and conflict among other issues. Conflict and violence triggered 578,000 new displacements; and disasters 547,000.[64] During the drought in 2017, people dependent on livestock and agriculture had to abandon their rural homes to find new opportunities, migrating predominantly to urban areas. Drought conditions are contributing to already pronounced rates of acute and protracted displacement. More than 278,000 people have been displaced in March alone within Somalia due to the drought, bringing the total number to approximately 585,630 since December 2016[65].

155. While data on the demographic profile of migrating populations is needed, it is likely these drought-related internal displacements may be from minority clans, who have lost assets including their homes, livestock, and livelihoods. Camps are heavily congested and have also proportionally received the largest number of new arrivals[66]. Displaced women and girls are among the most vulnerable populations and face multiple constraints including lack of access to

[60] Security Council, S/2019/858, p.3
[61] Security Council, S/2019/884, p. 3/17
[62] J. Sanya and I. Mwenda, Mogadishu. When Checkpoints don't work, Horn International Institute for Strategic Studies, accessed at: https://horninstitute.org/mogadishu-when-checkpoints-dont-work/
[63] OCHA, Somalia Situation Report, 5 April 2020.
[64] Internal Displacement Monitoring Center, The Ripple Effect. Economic Impacts of Internal Displacement. Case Studies in Eswatini, Ethiopia, Kenya and Somalia, Thematic Series, January 2020, p. 30.
[65] UNHCR, UN Habitat, IOM, JIRA and Local Ministries of Interior, IOM and The World Bank, 2017
[66] JRIA 2016

adequate shelter, livelihoods, and access to critical resources, including land. The attendant separation of many women and girls from community and familial support structures, as well as from traditional livelihoods activities, also contributes to an increased reliance particularly of women on marginal, inconsistent and hazardous livelihood strategies, which often increases exposure to violence.

156. IDPs commonly settle in informal urban settlements, where access to services and conditions are poor, and where they often become victims of forced eviction. Conditions of displacement often compound existing conditions of vulnerability and poverty. They are therefore part of the poorest strata in Somalia and are often in dire need of access to food, water, sanitation, health services, shelter, and education.[67]

157. Following a recent survey, a move to urban centers comes with some improvements in health and education for IDPs, but also with reduced access to work and lower income. 61 percent of male IDPs claim that they had work and an income before displacement, in comparison to 40 per cent after displacement. However, members of the host communities state the opposite since the arrival of the IDPs – they now claim to suffer from less employment.[68] The greatest loss affecting IDPs is the loss of secure housing. 77 per cent of IDPs claimed to have owned a house before they were displaced.[69] Some IDPs receive support from their families in the Diaspora. More than a third of IDPs report to receiving remittances from overseas of an average monthly value of 113 USD.[70] However, IDPs often have less remittances than other Somalis, extending in part from the separation from social networks that would otherwise provide support. Only 7 percent of IDPs rely on remittances.[71]

158. In view of education and health, IDPs generally report better access than before their displacement. IDPs generally appear to have better access to education. Access to schools was usually more challenging in their previous rural homes. Access to health care has slightly improved since IDPs left their rural homes. 25 per cent of IDPs state that they have better access to health care than previously, while 60 per cent state there is no change. However, there are also significant concerns about improper sanitation and the outbreak of diseases in IDP settlements.[72] However, while this mostly applies to urban IDP, generally, the socio-economic and human development indicators for IDPs are worse than those of non-IDPs. While 7 in 10 Somalis are poor, over three in four IDPs live under 1.90 $ per day.[73]

159. **Gender-Based Violence and Gender Dynamics.** Differentiated social roles and responsibilities between men and women across livelihood systems have implications on the available mechanisms to cope and respond to external shocks such as drought. In the face of crisis, such as insecurity, drought or famine, men and women adopt different coping strategies to increase household resilience. Family splitting, for example, constitutes an important survival mechanism

[67] Internal Displacement Monitoring Center 2020, p. 30.
[68] Ditto, p. 30.
[69] Ditto, p. 33.
[70] Ditto, p. 31.
[71] The World Bank, Somali Poverty and Vulnerability Assessment, Findings from the Wave 2 of the Somali High Frequency Survey, April 2019, p.73
[72] Internal Displacement Monitoring Center, p. 36
[73] The World Bank, Somali Poverty and Vulnerability Assessment, Findings from the Wave 2 of the Somali High Frequency Survey, April 2019, p.73

as families break up to spread economic risks and increase access to livelihood opportunities[74]. Men and older boys may take herds and migrate longer distances in search of water, resources, or possible alternative livelihoods, while women remain with small children, the elderly and weaker animals, or travel to IDP camps in search of access to resources and security[75]. Male household members may migrate to urban centers seeking economic opportunities. Alternatively, women sometimes travel to towns to engage in petty trade and engage in the informal economy.

160. Available economic opportunities, however, are still quite limited for both men and women and female-headed households remain among the most vulnerable populations. Unemployment rates remain particularly high for women, and especially female IDPs who often remain reliant on charity through social protection mechanisms and contributions from the diaspora in the form of remittances. Women who are engaged in income generating activities are often engaged in the informal sector and further bear the double domestic burden of earning an income and taking care of the home. The consequences of this burden often fall to girls in the family, who are expected to contribute to the maintenance of the home, often at the expense of girls' education and skills development[76].

161. Women representation in politics and governance bodies has remained scarce. Political power and authority are perceived as masculine spaces, and the few women who are included in politics mostly act through their husbands or other male family members. Analytical work on political economy in Somalia has shown that political power is deeply rooted in access to resources. Women's economic empowerment should therefore play a fundamental role in their rise in politics and decision-making spheres. However, to date no analysis has explored the links between economic empowerment initiatives and political empowerment, nor has rigorous political economy analysis been coupled with a gender analysis. At least 30 per cent of seats in the national Parliament are reserved for women; while women's representation in Parliament has improved in recent years, at 24 percent representation, this quota remains unmet.

162. While there is a lack of statistical data on the situation of women in Somalia, the available evidence shows that Somali women are still far from enjoying equal rights and treatment. The Social Institutions & Gender Index for 2014 places Somalia on the 6th lowest position in the world, with 'very high' discriminatory family codes, 'very high' levels of restricted physical integrity, and a 'very high' level of restricted resources and assets.[77] The continuation of practices, such as polygyny, early and forced marriages, FGM, and wife inheritance, continues to undermine development towards increased gender equality. Lack of access to services, such as education and health, or lack of access to agricultural production or other livelihoods and employment opportunities have kept most of the female population of Somalia disempowered.

163. The Provisional Constitution and the FGS have made commitments on women's empowerment and gender mainstreaming. The Constitution provides for the protection of

[74] Gardner, J, Changing Roles and Responsibilities in the Family." In *Somalia – The Untold Story: The War through the Eyes of Somali Women*, ed. Judith Gardner and Judy El Bushra, 99-106, 2004, London: CIIR and Pluto Press.

[75] Ibrahim, Rhoda M. 2004. "Women's Role in the Pastoral Economy." In *Somalia – The Untold Story: The War through the Eyes of Somali Women*, ed. Judith Gardner and Judy El Bushra, 24-50, 2004, London: CIIR and Pluto Press.

[76] Interagency Working Group on Disaster Preparedness for East and Central Africa.

[77] OECD Development Center, Social Institutions and Gender Index, 2014, accessed at: http://genderindex.org/ranking?order=field_sigi_value14_value&sort=asc

women[78], including the outlawing of female circumcision (Article 15) and protection from sexual abuse (Article 24(5).

164. Insecurity for women is still the number one issue that prevents gender equality and women's empowerment from being a feasible objective. Somalia has ranked prominently as one of 'the worst countries to be a woman'[79] and one of the 'worst countries to be a mother'[80]. Women continue to suffer disproportionally from clan-fights and extremist interventions. Formal security forces have proven to be weak in their willingness to protect women, and the justice apparatus has failed survivors of conflict-related GBV[81], as well as the many survivors of domestic violence and FGM. Protracted conflict and fragility have increased fundamentalist religious interpretations, including the acceptance of pharaonic-type FGM by a younger generation.[82]

165. The ongoing fragility and conflict in Somalia is responsible for an increasing number of Internally Displaced Persons (IDP) within Somalia, including a high proportion of women. They are often subject to poor security arrangements, which leave women and girls particularly vulnerable. In this context, as well as outside IDP camps, GBV (particularly rape) is widespread, including as a tool between social units in conflict.[83] The UN has consistently reported that between 75-85% of GBV incidents collected through the Gender-Based Violence Information Management System (GBVIMS) are perpetrated against IDPs.[84]

166. Available information indicates that sexual violence and GBV in the country are very high. In particular, sexual violence against women has been used as a tool of war, including leheyste-galmo, a form of sexual hostage-taking as well as child marriage, FGMC (98% of female population in Somalia), rape and intimate domestic violence (IPV) which already existed but were normalized after conflict.[85]Rape is increasing in prevalence, becoming more violent and taking on a more normalized form. There are reports of an increase of gang rape and "date rape" as a youth phenomenon driven by frustrations associated with lack of opportunity and access to marriage.[86] Rape cases reports indicate that it primarily affects younger women between the ages of 11–25 years as well as children, both girls and boys. In South-Central Somalia and IDP areas, perpetrators are often 'uniformed'.[87]

[78] LOGICA, Gender and Conflict Note Somalia, March 2013, p. 2, accessed at: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2014/03/31/000333037_20140331154002/Rendered/PDF/862980BRI0Box30gica0DissNoteSomalia.pdf
[79] See: http://www.theguardian.com/world/interactive/2011/jun/15/gender-afghanistan
[80] Save the Children, 'The Urban Disadvantage. State of the World's Mothers 2015', Fairfield 2015, p.9.
[81] Implementation of the Beijing Platform for Action. Beijing +20 Review. Somalia Country Report 2014, p. 14
[82] See, for example, NAFIS Network/MOLSA, Assessment of the Prevalence, Perception and Attitude of Female Genital Mutilation in Somaliland, 2014.
[83] See, for example, UNICEF 'Sexual Violence as a Weapon of War, accessed at: http://www.unicef.org/sowc96pk/sexviol.htm
[84] Somalia Humanitarian Country Team, 2019, Humanitarian Needs Overview, accessed at: https://reliefweb.int/sites/reliefweb.int/files/resources/Somalia_2019_HNO.PDF; UNFPA, September 2016, Somalia Gender Based Violence Sub-Cluster Bulletin, accessible at https://somalia.unfpa.org/en/publications/somalia-gender-based-violence-sub-cluster-bulletin; UNFPA, December 2016, Somalia: Gender Based Violence Sub-cluster Bulletin, accessed at https://somalia.unfpa.org/sites/default/files/pub-pdf/Dec_GBV%20Bulletin%20%283%29.pdf; UNFPA, August 2015, Somalia: Gender Based Violence Sub-cluster Bulletin, accessible at https://reliefweb.int/report/somalia/somalia-gbv-sub-cluster-bulletin-1-january-august-2015
[85] Expanding Access to Justice Program, Gender Assessment, 2019.
[86] Ditto.
[87] For example, security and law enforcement officials, AMISOM, gang-members and/or freelance militia

167. The UNHCR Protection Return Monitoring Network (PRMN) estimates that floods have displaced 20,308 people in Middle Shabelle; 7,643 in Bay; 3,227 in Middle Juba; 2,923 in Banadir; and, 678 in Bakool region. An initial assessment conducted by UNFPA and its implementing partners in the affected regions has identified damages and access challenges to the health facilities and GBV one-stop centers which support vulnerable women and girls including pregnant women, and survivors of gender based violence. Hence the need for SRH and GBV services to the affected populations. At least 20,340 women and girls are estimated to be at risk of gender-based violence as the displacement weakens traditional family and community protection mechanisms. Recurrent floods, drought, protracted conflict and armed attacks in Somalia have resulted in insecurity, major protection challenges, food insecurity and also extremely weakened basic socio-economic services[88].

168. There are significant barriers to access to justice. Fear of reprisals or punishment deters survivors of GBV from reporting incidents. Survivors are often reluctant to pursue cases against the perpetrator due to the social stigma associated with rape and other forms of GBV. In south and central Somalia, survivors, lawyers, witnesses, journalists, and family members have been threatened, harassed, and arrested for reporting GBV offences. Legal aid providers regularly receive death threats towards their staff. Fear of reprisals to staff, survivors, witnesses, and medical personnel is a particular problem if perpetrators are from the security forces.

169. Most domestic violence and sexual violence cases are dealt with through the customary and Sharia legal systems. Anecdotal evidence indicates that some customary practices result in a double victimization of women and girls, denial of justice for many survivors, and impunity for perpetrators. The customary justice system is focused on clans. Justice is delivered for the clan rather than for the survivor of the sexual violence. Traditional approaches to dealing with rape seek resolution or compensation through negotiation between clan members. Restitution is paid to the clan and not to the survivor. Once restitution is paid, the perpetrator of the sexual violence is free from further punishment and the case is considered finalized. In some cases, the woman or girl is forced to marry the perpetrator of the violence as a form of "restitution" ordered by customary courts. The customary system is widespread, and many families and clans choose it over other justice systems[89].

170. In view of inheritance and access to resources, women are exposed to housing, land and property violations, especially land-grabbing and denials of inheritance. The fact that, after marriage,[11] women will likely enter a different family limits woman´s inheritance. Investing in women is perceived as a misuse of scarce resources in times of poverty and conflict. Therefore, women rarely inherit valuable assets such as land and income-producing animals. Also, women are not considered principals; they are not *diya*-paying members and thus do not usually share in *diya* receipts, even if they relate to a violation against them. This creates important vulnerabilities for women, while a woman must be protected by her clan members by convention, as a non-*diya* paying member and one who cannot contribute to clan security in times of conflict, women will always be less valuable and more dispensable[90].

171. In view of masculinities, in Somalia attaining manhood requires a man to master skills, cultivate qualities and repeatedly prove himself throughout his lifetime. A man´s reputation, status and power depend on how well he is judged to fulfill his obligations within his family and

[88] UNFPA Flood reponse Situation Report, November 2019.
[89]UNDP 2018
[90]Expanding Access to Justice in Somalia Program 2019.

clan. In doing this he also contributes to his lineage group. Women are stakeholders and collaborators in the attainment of manhood. Since the war in 1991, the majority of men lack the resources to fulfill their gender specific expectation and responsibilities. Men have become vulnerable and are at risk of revenge killing a war-related phenomenon that affects male mobility and work opportunities which puts pressure on women to act as breadwinners. Men have been force to leave outside of their clan territory, which make them leave in constant fear without the protection of the clan[91]. Interventions for women and children should consider the well-being of the family as a whole. A positive engagement with the issues confronting Somali men should be part of any attempt to address the needs of women and children.

172. In view of child labor and trafficking, in Somali culture, girls and boys are expected to take part in household chores from around the age of five years, especially in rural areas. The distribution of such tasks is highly gendered, and the burden skewed towards girls. Boys are usually responsible for maintaining income-earning and food-producing animals such as cattle and goats, while girls attend more to cooking, cleaning and resource gathering responsibilities. In situations of extreme poverty, girls may work in domestic roles or engage in survival sex. Poverty-driven child labor is not generally considered to be a violation of children's rights and children are forcibly recruited within Somalia and used as labor in agriculture, livestock herding, construction, sexual servitude, domestic service and sexual exploitation.

173. The rate of female genital mutilation in Somalia is estimated at 98 percent. This harmful practice carries serious health consequences, and it increases the likelihood of dying during childbirth. Nearly 50 percent of the girls are forced to marry before they turn 18. Being married robs them of their childhoods and increases the likelihood of early pregnancy and school dropout. Existing protection services are inadequate, especially in remote and in warring communities: there is widespread failure to promote and protect the rights of children[92].

4.5.2 Youth as a Vulnerable Group

174. According to UNFPA, 38% of Somalia's population is at the age between 15-35 years. The majority of young people lives in the urban areas, 46% of all 15-29-year-old persons live in a city, followed by 25% that live as nomads. Only 49% of male youth is literate, compared to 41% of female youth. 69% of current youth are not enrolled in school. 3 in 10 youth are unemployed.[93] Irregular migration of youth populations in search of resources of livelihoods, particularly from rural to urban areas may compound existing challenges linked to youth vulnerability and unemployment.

175. A joint study by the World Bank and the United Nations on youth and attitudes to peace showed that for youth peace is not just about ending violence but includes strong and accountable institutions providing services and opportunities for all. For many respondents there was also a clear link between violence, including domestic violence, at the local level and national level conflict. Peacebuilding efforts, therefore, must start at home and at the community level.[94]There are variety of other vulnerable and marginalized groups in Somalia, depending on the location. These include non-pastoralist groups, such as the Bantu population. They are often discriminated

[91]J. Garder and J. El-Bushra, The impact of war on Somali men and its effects on the family, women and children.
[92]UNICEF, Child Protection, 2020, accessed at: https://www.unicef.org/somalia/child-protection
[93] UNFPA, The Somali Youth in Figures, August 2016, accessed at: https://somalia.unfpa.org/sites/default/files/pub-pdf/INFOGRAPHIC_YOUTH%20DAY%20%282%29.pdf
[94] The World Bank, UN Somalia, UN Habitat, Youth as Agents of Peace in Somalia, 2018, p. 10.

against and typically do not participate in large numbers in government or other institutions, and therefore have their voices less represented.

4.5.3 Gender

176. UNDP Somalia reports that Somalia has one of the highest gender inequalities in the world, at 0.776, which ranks fourth in the world. The country has an extremely high maternal mortality, rape, female genital mutilation and child marriage rates, and violence against women and girls is common. The participation and roles of women in politics and decision-making is minimal, which perpetuates limited female roles and inequality. While in Somaliland and Puntland women's rights are ostensibly protected in their respective constitutions, however implementation of these provisions is lagging behind.

177. Women make up 57 percent of the workforce in agriculture and pastoralism (both of which constitute nearly 70 percent of the local economy). The number of women working in government departments and agencies in Somalia is estimated at just 19 percent of the workforce. The situation is also dire in the education sector, where only 36 percent of pupils in the upper primary education are girls. Gender disparity is higher in upper grades due to economic constraints and early marriage.

178. In Somalia, the women are significantly involved in trading and commerce, from micro-enterprises to large-scale businesses. While the women butcher and sell small ruminants (goat and sheep), they however make up most of the fruits and vegetables vendors. The women are also engaged in the sale of local imported goods (e.g., rice, sugar, wheat, sorghum, etc.).

4.5.4 Covid

179. The COVID-19 pandemic was confirmed to have reached Somalia on 16 March 2020. On 12 May, Somalia reported 1,089 cases of the virus, and 52 deaths. The FGS formed a task force to respond to the pandemic, which has faced great difficulties in obtaining the relevant medical equipment. On 18 March the country suspended all international flights, except for humanitarian transports. Social distancing measures have proven difficult to implement in Somalia, and testing kits and facilities are scares, making testing difficult.

180. Two months later, on 18 May, OCHA reported that the number of cases have surged to 1421, with 56 deaths and 152 recoveries, presenting one of the highest numbers in East Africa.[95] The majority of cases were in the Benadir region. However, there is suspicion that cases are under-reported and the actual figure is significantly higher.

181. Somalia operates 7 Emergency Operations Centers across the country, 14 isolation centers across Somalia, 4 out of 21 border crossing are open, 7 out of 8 seaports are open, and 1 out of 12 airports is open. The FGS National Contingency Plan for Preparedness and Response to the Coronavirus defines as a general objective to support early detection, prevent and control of COVID-19 to contribute to reduction in morbidity and mortality associated with the virus. Specific objectives include enhancing coordination and leadership for preparedness and response, enhance national capacity to detect cases and institute responses, limit human transmission of COVID-19 through standards Infection Prevention and Control practices, and provide timely information and key messages to the public.

[95] OCHA Somalia: Somalia COVID-19 Impact Udpate No.6

182. The Plan further describes the necessity to build capacity among health workers in managing highly infectious diseases. It prescribes training to a national core team, and their subsequent deployment to manage infections by zone. In addition, frontline health workers in the communities are equipped to promptly detect COVID-19 cases. Also, the FGS is planning to establish 7 quarantine centers and 7 isolation centers across the country. Somalia currently has 4 laboratories operating with varying capacities. The National Public Health Laboratory in Mogadishu is the most advanced. Three laboratories are currently able to detect COVID-19: Mogadishu, Garowe and Hargeisa.[96] Through the polio surveillance networks, biological samples are collected and shipped to either of the laboratories.

183. Somalia has 23 ports of entry. Health workers have been deployed at the four main airports to screen travelers upon arrival. Three out of four airports have established isolation rooms, while in Mogadishu and Garowe, ambulances are on stand-by to transfer suspected cases to isolation facilities. While travelers at the airports are screened, they are not tested.

184. The Early Warning and Response Network (EWARN) had been set up in 535 sentinel facilities to report and alert in regard to epidemic prone diseases. Verification of alerts is implemented by a Rapid Response Team at the District level, supported by WHO and the Ministry of Health. However, reporting can be sporadic due to lack of means of communication and high staff turn-over.

185. WHO has supported deployment of 4,000 health care workers throughout Somalia. Each health care workers aims to visit 5,000 homes per month to actively identify cases and trace contacts. Information on potential cases is relayed to Rapid Response Teams. Testing capacities, however, are still low. The Galmudug State Ministry of Health, for example, has appealed for support to establish local testing facilities. Currently, samples are transported to Mogadishu for testing.

186. COVID-19 has significant economic impact. The FGS currently projects an 11% decline in the nominal GDP for 2020. Remittances received by nearly half of Somalis have dropped by approximately 50%.[97]Of further concern is recent flooding, which caused displacement of 412,000 people in 29 districts. Most of them have fled to higher grounds and have taken shelter in already crowded villages. WHO estimates that this can speed up the transmission of COVID-19, given the crowded living conditions.

[96] OCHA Somalia: Somalia COVID-19 Impact Udpate No.6
[97] Ditto

5. POTENTIAL ENVIRONMENTAL AND SOCIAL IMPACTS

5.1 Introduction

187. This ESMF considers that mitigation process starting with subproject screening will be adopted and an environmental and social management plan (ESMP) for each subproject will be formulated together with Environmental and Social management Systems (ESMS).

188. Overall SCALED-UP (AF) is likely to have positive impacts on the environment as well as positive socio- economic impact on the beneficiaries through improved livelihoods. However, implementation of SCALED-UP sub-projects will likely cause some negative impacts. The activities envisaged under subprojects cumulatively may have negative impacts if not well mitigated see table below.

189. The initial ESMF assessed electronic waste management (battery disposal) as high impact/risk aspect of the Project whereas local communities, existing utilities and employment as low impact/risk and labour influx, gender-based violence (GBV), occupational health and safety and community health, safety and security as low impact/risk aspects. The assessment of potential environmental and social impacts or risk was not very robust. Impacts or risks were highlighted with mitigation measures mentioned in brief.

190. As the Project activities are not expected to materially change from what was designed under the parent project, the mitigation measures put in place under the parent project will be utilized for the AF activities as well.

191. An Environmental and Social Commitment Plan (ESCP) has been prepared for the project. The ESCP requires compliance with all provisions of the following environmental and social instruments, which have been prepared and/or are under preparation for this project including this ESMF, which has been prepared in accordance with the procedures set in place by the World Bank.

192. The Stakeholder Engagement Plan (SEP) has been developed. The SEP includes stakeholder identification and analysis summary, plans for engagement (e.g., type, regularity, etc.), communication activities and grievance redress mechanisms. The SEP outlines both the initial and ongoing process by which stakeholders will be engaged to ensure the design of the project aligns with stakeholders current and ongoing needs. Consultations have been done on the SEP with a variety of actors in the education sector in Somalia, and a number of comments received and addressed.

193. The Labour Management Procedures (LMP) will be developed. The LMP will outline requirements for the FIs and the SMEs companies to prevent child and forced labour and reporting requirements.

194. GBV/SEAH Action Plan will be developed to address risks related to sexual exploitation abuse and harassment; and Community health and security issues will be addressed in the all aspects of the project and will form part and parcel of the ESMP and ESMS developed by the FIs and all implementing agents.

5.2 Potential Social Risks and Impacts Envisaged

195. The social risk rating is adjudged as **'substantial'**. While the scale and nature of the projects might be limited, some social risks and impacts may be significant. The project is designed to have positive social impacts by purposely targeting disadvantaged groups including women, rural, and pastoralist/nomadic communities. A preliminary assessment of potential social risks and impacts establishes that there are direct risks from project activities related access to financing and ID registration which might lead to level exclusion and reliance on the community for registration might lead to sexual exploitation.

196. The risks of GBV/SEAH/SEA and sexual harassment, are currently assessed as **"High"** based on the existing high rates of GBV/SEAH in the country, extending from conflict and shocks such as droughts, floods and other climate-related challenges, and social norms that entrench gender inequalities in Somalia. In addition, because the project's scope and focus will be on women working in medium and small enterprises.

197. The project will be implemented in a country of fragility due to endemic poverty, acute drought, floods and protracted conflict and insecurity which may make direct access to beneficiaries challenging and amplify risks related to lack of effective stakeholder engagement, community participation, grievance redress and application of other risk mitigation protocols. Other cumulative risks include systemic weaknesses related to MoF and other implementing agents' capacity and the capacity for preventing adverse social impacts on the project and mitigating and offsetting impacts of social harm whenever they occur.

198. In order to address the aforementioned potentially adverse environmental and social risks and impacts, an environmental and social screening process has been proposed under this ESMF. This will be applied in such a way as to ensure that potential negative risks and impacts of the project are identified, prevented and avoided, or mitigated appropriately while enhancing the positive impacts

199. To mitigate these risks during project implementation, key ESF instruments will be prepared and activated in the life of the project. These are as follows:

- The LMP will guide how project related labour will be sourced and managed in a manner that reduces harm on all categories of employees and workers; and
- The SEP will set out effective and transparent management of consultation and information disclosure processes. The SEP will include a Grievance Redress Mechanism (GRM) and Inclusion Plan as key components; and
- A GBV/SEAH Action Plan, which will articulate the key risks and mitigation measures to address GBV/SEAH/SEA risks, identification of GBV/SEAH Service Providers and reporting and referral protocol in the event cases emerge, and communication and training requirements and all project related staff. It will also elaborate the adoption of mitigation measures including an Accountability and Response Framework which will define the use of Code of Conduct (CoC) for project workers, collaboration with local communities and GBV/SEAH-related service providers; and
- An ESCP, which will summarize the Borrower's commitments and obligations to adopt and implement these measures during project implementation.

200. Social risks and impacts are likely to be **substantia**l during the implementation of SCALED UP (AF)in the COVID-19 pandemic context. Key possible social risks and impacts are identified as:

- Exclusion of the target population and particularly poor, vulnerable and minority groups from project benefits such as the ID system; and
- Selection bias where local community dynamics may lead to attempts to capture the benefits of the project for a particular group; and
- Security and political fragility where the use of MSME's might lead to further marginalization of poor applicants from vulnerable groups, female-headed households, and IDPs who have no ability to access credits; and
- Gender dynamics that can be restrictive for women and children leading to exacerbation of GBV/SEA-H where registration for IDs or qualification for MSME credits is exchanged for sexual favors; and
- Remoteness and other security risks that restrict access to areas in Somalia for effective stakeholder engagement, community participation and grievance redress; and
- Breach of data security related to the collection, use and storage of data for the ID component. There is a stakeholder engagement plan including details on information dissemination approaches that will reach vulnerable and minority communities.

5.3 Environmental Risks and Impacts Envisaged

201. There are environmental risks and impacts associated with the implementation of the project activities for the proposed initiative. The environmental risk rating is **"Moderate"** at this time due to the potential environmental risks from the financed project related to livestock keeping and energy sector. The rating may be amended as more details become available.

Key possible social risks and impacts are identified as: Key possible social risks and impacts are identified as:

- Direct discharge or run-off of inadequately treated wastewater may cause contamination and eutrophication decline of aquatic resources
- Proper siting of animal sheds/pens regarding drinking water supply, homestead heath issues related to animals
    - Carrying capacity
    - Resilience of the area
    - Risk of livestock falling in a dug soil and water conservation structure
    - Inequality issues on resource accessibility and use;
- Disposal or use of untreated wastewater for irrigation can affect soil quality and create water pollution;
- Potential health issues associated with common animal diseases like foot and mouth etc.
- Proper siting of animal sheds/pens regarding drinking water supply, homestead heath issues related to animals;
- Increasing the uptake of solar home systems (SHS) has the long-term implication of the increased number of battery energy storage systems (BESS).
- proper emissions and discharge control, potential air, surface and groundwater contamination, processing and solid waste disposal, odours;

Table 4:

	E&S Risk ANALYSIS AND MAGNITUDE	**MITIGATION MEASURES**	**RESPONSIBILITY**	**TIMELINE & COST**
ESS1: Assessment & Management of Environmental and Social Risks and Impacts				
Project Design				
ESS2: Labour & Working Conditions				
Sexual exploitation and abuse/sexual harassment (SEA/SH)	there is potential labour influx at the FI clients' respective projects area, there is also potential SEA/H incidents in ID registration process especially in the rural and IDP camps	• Comply with the provisions of the GBV/SEAH Action Plan • Sensitize the civil servants, FI staff, management administrative staff and workers on GBV/SEAH/SEA • Provide training to all Project workers, direct, contract, supplies and community on GBV/SEAH/SEA • Include GBV/SEAH/SEA provisions in the CoCs to be read, understood and signed by each project worker • Sensitize the communities on GBV/SEAH/SEA • Monitor and refine GBV/SEAH/SEA activities throughout the project implementation period		
ESS4: Community Health & Safety				
Insecurity	There is potential security challenge on the weak and vulnerable persons during ID registration and use of police who might use excessive force or attract attacks at registration centers, or attacks from local militias.	• Adhere to security protocol • Coordinate with Ministry for Internal Affairs, which is responsible for security		

		• Monitor the security of project workers and take actions based on the threats		
ESS10: Stakeholder Engagement & Information Disclosure				
Meaningful consultations and participation Inclusion Plan	Several disadvantaged groups have been identified including minority groups, IDPs, nomadic pastoralists, persons with disabilities, female headed households and orphans or children from single headed households that may not be actively engaged in the project activities and may not benefit equally from the interventions	• Implement the Inclusion Plan included in the SEP • Generate a comprehensive list of disadvantaged people and groups in the respective community, and ensure this list is regularly updated • Ensure a continued update disadvantaged groups • Monitor the implementation of the Inclusion Plan and make changes on need-basis • Educate the community and the general public on the presence and function of the GRM • Ensure that measures are put in place to identify and reach the disadvantaged groups and rural populations with project information in a timely manner • Use communication channels that are accessible including the use of community radios • Translate and disseminate information in local languages • Hold meetings with the beneficiary communities to update on the project and		

		respond to any communal concerns • Identify and equip local leaders with information on the project more generally and the GRM for further dissemination in their communities		
Grievance Mechanism	The reporting and sharing any concerns related to the project remains to a risk due to social and cultural limitations. secure, accessible avenue to report and address ant grievance by all the affected persons. The risk of it be	The GRM should be confidential and people to be trained on that To develop secure channels for reporting through different channels To have female focal person to receive GBV/SEH complains.		

5.4 Monitoring Roles and Responsibilities

202. In order to address the aforementioned potential adverse impacts, an environmental and social screening process has been proposed under this ESMF and will be applied in such a way as to ensure that potential negative impacts of the project are prevented and/or mitigated appropriately, and positive impacts are enhanced.

203. SCALED-UP Project Implementation Unit (PIU) will make sure that implementation of this ESMF becomes a standard investment review procedure within potential financial intermediary. It should form part of the Participation Agreement signed between the SCALED-UP and each potential financial intermediary.

204. For the activities under energy sector all products to be procured by the SMEs under the credit must adhere to the quality standards and testing methods developed by Lighting Africa/Global14.. The criteria and compliance to Lighting Africa/Global quality assurance frameworks will form of the E&S requirements to be established by the Environmental and social Management consultant who will be recruited under the project.

205. The Environmental and Social Consultant (under PIU) will ensure beneficiary SMEs companies sell and/or install SHS as per the credit agreement and will be required to have an E&S capacity of managing key risks (labour issues, battery/waste management, and OHS issues).

206. The project will also be monitored to ensure that it puts adequate safeguards in place to address governance issues. The project's Task Teams will be required to consider as best practice, putting in place transparent and accessible selection criteria that will ensure that companies owned by women, youth and people with disabilities, have equal chance for consideration for accessing credit under the project.

207. The ESMF incorporates aspects related to solid waste from solar PV systems and a project-specific environmental code of practice (ECoP) has been developed as a guidance on approach for the collection, transport, storage and disposal of spent batteries, with the aim of ensuring that risks to the environment and human health are prevented or mitigated. Apart from providing approaches to the management of spent PV batteries, the ECOP also seeks to inform discussion and build awareness of all stakeholders, including rural community members, vendors/suppliers of products and service providers, around safe management of used batteries

6. ENVIRONMENTAL AND SOCIAL SCREENING PROCESS OF TRANSACTIONS/SUBPROJECTS

6.1 The ESMF Process

208. *Environmental and Social Screening.* Screening is the process of identifying whether a closer, more comprehensive and formal assessment of environmental and social impacts is necessary or not. The procedure is used to determine whether a proposed sub-project activity within the larger project is likely to have significant effects on the environment and social systems. The subproject screening process will also exclude sensitive areas, including advancing financing to project that operate within the biodiversity hotspots and seasonal water streams, to ensure that ecological processes are not interfered with.

209. Step 2: *Development of E&S instruments.* Based on the findings of the environmental and social screening, the team will proceed to the next step of development of environmental and social instruments in the event that significant environmental and social impacts are anticipated. The team will therefore prepare the following environmental and social documents:
   a. Environmental and Social Management Plans (ESMPs).
   b. Environmental and Social management system (ESMS).

210. Step 3: *Review and approval.* The draft environmental and social instruments prepared will be submitted to the project TTLs, who will review and in turn forward these draft documents to the World Bank ESF team supporting this project. The Bank will internally review the submitted instruments carefully and will likely have suggestions for quality improvement, including enhancing the proposed. Environmental and social mitigation measures. After Bank clearance, the project team can go ahead and implement the sub-projects.

211. Step 4: *Implementation, monitoring and reporting.* In this instance, the implementing agencies will ensure that specific requirements on FI and SMEs to incorporate ESHS requirement into bidding documents and contracts.

6.2 Environmental and Social Screening

212. Screening is the first step in the ESMP preparation process. All proposed subprojects, that is, FIs and financing proposals brought to them will be subjected to the screening process to determine and assign them an environmental and social risk rating category and further identify potential environmental and social impacts. The process will also identify critical issues that might be triggered and/or exacerbated by the subprojects and would need further detailed investigations during environmental and social assessments. This process will also help in advising what safeguards tools (ESMPs,LMP etc.) will be required for the various subprojects. Most importantly, it will help in re-aligning, re-designing and where not possible dropping out subprojects/ proposals that have high risks and the potential to negatively impact on the environment, natural habitat and physical and cultural resources, forests, and the health and wellbeing of the communities.

213. A template form for environmental and social screening for sub-project activities will be presented in Annex 1. This will be reviewed and updated as needed during the implementation process. The project investments will be considered in light of the environmental and social assessments.

6.3 Loan Applications

214. The transaction must satisfy national, and World Bank environmental and social requirements as well as this ESMF. The MSME applicant for a loan will present to PFIs a brief description of the transaction and what the applicant considers are likely to be environmental or social risks and issues of concern with respect to the transaction. This information will be used by PFIs in the initial screening and categorization process.

215. The PFI will categorize the environmental and social risk of each proposed transaction (i.e., the activity which is the subject of the loan application) in accordance with the ESMF. The choice of categorization will have the following implications:

- *Category A transactions*: These are transactions that are likely to have significant adverse environmental and social impacts that are sensitive, diverse or unprecedented, or transactions whose impacts affect an area broader than the sites or facilities subject to physical works. Category A transactions will not be eligible under this project.
- *Category B transaction:* These transactions may have environmental or social risks that are less adverse and more limited, their impacts are site-specific and largely reversible, which could be readily identified and reliably mitigated through recognized good practices including those described in World Bank Group Environmental, Health and Safety Guidelines (EHSGs). PFIs will verify that: (1) supported activities comply with applicable national environmental and social laws and regulations, and applicable World Bank safeguard policies; (2) appropriate approvals from PIU is obtained prior to lending; and (3) investments do not contravene the List of Ineligible Activities presented in Section 7.3 of this framework. Section 6.5.1 provides the characteristics of transactions that typically trigger Category B categorization.

216. *Category C transactions:* These transactions are likely to have minimal, low-risk or no environmental or social risks associated with them. No further environmental and social assessment work is required after screening, but there is need to verify compliance with national regulations and relevant permit requirements as well as to monitor implementation of transactions; any environmental and/ or social impacts that may occur will be addressed as per this ESMF. Category C transactions are expected to be the bulk of SME activities given the limited size of the loans and eligibility criteria

6.4 Transactions not Eligible for Financing under the Project

217. Some transactions will not be eligible under SCALED-UP for financing because of higher costs and time associated with preparation of impact assessment and development of mitigation measures and given the limited capacity of PFIs in managing such impacts in line and relevant World Bank ESSs. The list of these transactions is provided and include those transactions typically prohibited by international environmental agreements or where the World Bank Group considers direct financing inappropriate because of the significance of associated environmental and social risks. It also includes:

- Transactions that fit the classification of category A;
- Transactions that will require the acquisition of private land or physical relocation of households;
- Activities based on or directly linked to land/ natural resource-based productions such as food productions and processing, and other transactions of which the scale of impact exceeds the cost and time to address them given the scale of project benefits and the capacity of project stakeholders.

- Activities involving child labour and activities involving forced labour;
- Industrial-scale activities involving significant conversion or degradation of natural and/or critical habitats and/ or any activities in legally protected or internationally recognized areas;
- Industrial-scale activities involving production, harvesting, or trade in wood or other forestry products from plantation and natural forests other than from legal and sustainable origin;
- Industrial-scale activities involving harvesting of wild fish populations or other aquatic species other than from legal and sustainable origin;
- Activities, including relocation, that have adverse impacts on the lands, natural resources, or critical cultural heritage subject to traditional ownership or under customary use by Indigenous Peoples; and
- Activities involving significant alteration, damage, or removal of any critical cultural heritage.

6.5 Environmental and Social Risk Rating

218. Screening is the first step in the environmental assessment process, which will assign the transaction in question to one of the three categories (A, B or C). This categorization will decide the nature of further environmental and social assessment and identify transactions to be excluded at an early stage to avoid or reduce significant adverse impacts and save costly and time-consuming procedures and analysis. The significance of impacts may be described in different ways. The simplest approach is the presence or absence of impacts and qualification of degree of impact as high, substandard, moderate, or low. In assessing degree of impact or risk, it is appropriate to take into consideration type, scale, location, timing, and sensitivity of the impact. A key factor to consider is whether the impact is reversible, and if so, the rate of recovery.

219. Assessment of risks for subprojects will be determined according to their environmental and social risk levels. The risk level is to be estimated based on the intrinsic environmental and social risks associated with:

- the value of financing; and
- the specific type of investment proposed

220. The main components of the project are, the financial intermediation and capacity building of the government institutions, therefore, the environmental impact is expected to be small-scale, localized and reversible. There are, therefore, no significant or irreversible adverse environmental issues anticipated from the activities to be financed under the project. And the main two categories are discussed as below.

6.5.1 Category B Transactions

221. Transactions that may have some environmental or social risks that are less adverse and more limited than category A level, site-specific and largely reversible, and readily addressed through mitigation measures are normally classified as Category B. The following characteristics indicate a likely categorization of Category B:

- Sub-project investments supported by the MSME Fund in the off-grid renewable energy and livestock sub-sectors (livestock production, animal husbandry or Slaughterhouses) to cover loans to MSMEs as well as consumer financing “microfinance” to cover loans targeting households and micro-enterprises.

- Labour and working conditions are unlikely to include harmful child labour, involuntary or compulsory labour, or significant occupational health and safety issues.

6.5.2 Category C Transactions

222. Transactions that do not have the characteristics described above as characteristics of Category A and B transactions and are perceived to have minimal or no adverse environmental or social impacts are classified as Category C, and no further environmental or social assessment work needs to be done after initial screening and categorization. PFIs are nonetheless required to verify compliance with national regulations/permit requirements, to monitor the implementation of such transactions and address any environmental and/ or social that arises as per this ESMF. Examples of Category C transactions include purchase and supply of goods and services and capacity building.

223. The overall environmental and social risk rating is "**High**" under World Bank's Environmental and Social Risk Classification system (ESRC).

7. INSTITUTIONAL FRAMEWORK

7.1 Introduction

224. The successful implementation of the ESMF for the project depends on the commitment of the different arms of government in Somalia, and the capacity within the institutions to apply or use the ESMF provisions effectively, and the appropriate and functional institutional arrangements, among others. This section describes the detailed roles and responsibilities of the key institutions involved in the implementation of the ESMF by project components.

225. The Ministry of Finance (MoF) will be the executing agency of the proposed Project. A Steering Committee (SC), headed by the Minister of Finance with representatives from the Ministry of Commerce and Industry (MoCI); Ministry of Posts, Telecommunications and Technology (MoPTT); Central Bank of Somalia (CBS); Financial Reporting Center (FRC), and; National Communications Authority (NCA), will provide policy guidance and monitor the progress through its Secretariat, represented by the Director General in the Ministry of Finance. Government can make changes in the membership of the Steering Committee or its terms of reference with prior consultations with IDA.

226. The PIU will include procurement, financial management impact evaluation, and safeguards specialists (environmental and social management specialist), who are familiar with the World Bank rules and procedures to ensure smooth implementation. The PIU will also include Project focal persons will be to act the focal point in agreed priority areas targeted by the Project with responsibilities to: (i) exchange information with other MDAs and stakeholders interested in the subject area; (ii) report periodically on matters of interest, activities and progress relevant to their priority area; (iii) monitor progress within their priority area of and to report to the PIU and other interested stakeholders.

227. The identification of Participating Financial Institutions (PFI) will be done by an independent and autonomous entity assigned these responsibilities. The environmental and social management consultant will sit in the identification exercises undertaken by this entity. Financial institution participation in the implementation of the MSME Fund will be based on criteria (that will require PFI to demonstrate E&S capacity) to ensure their capacity to implement as well as compliance with the World Bank Directive on Investment Policy Financing.

228. There will be an environmental and social management specialist consultant at the SACLE UP PIU to ensure safeguards compliance activities, including safeguards monitoring and reporting The consultant will be responsible for SME application screening, due diligence, and management including safeguards screening. The consultant will ensure SME compliance with Somalia Environmental laws and WBG environmental and social standards and guidelines including the handling of complaints. The consultant to be hired will have a strong knowledge of private sector business responsibilities to comply with WBG guidelines. The safeguard consultant will also have GBV specific skills to supervise issues related to GBV (e.g., supervise signing of Codes of Conduct (CoCs), verify working GRM for GBV is in place, refer cases where needed) and work with GBV Services Providers as entry points into service provision to raise awareness of the GRM. The consultant will be responsible for ensuring that the SCALED-UP's SME screening and credit approval process incorporates Frameworks commensurate with the World Bank Policies.

7.2 SCALE UP Roles and Responsibilities

229. The table below present the E&S roles and responsibilities related to SCALED UP.

Table 5: SCALE UP Roles and Responsibilities

Entity	Role & Responsibilities
Environmental and Social Management Consultant at PIU	The consultant will manage safeguard aspects of the project in accordance with this ESMF, relevant World Bank ESS's, the national policy, legal and regulatory frameworks. Consequently, he/she will be responsible for: (i) ensuring that all activities are in line with relevant laws, the World Bank Safeguard Policies and the ESMF. In case of procurement related activities, the consultant will ensure that other implementing agents develop TORs that adequately reflects the need for E&S risks management and these risks are appropriately managed through avoidance, minimization or properly mitigated during implementation of the consultancies; (ii) be the accountable personnel for implementing the ESMF supported by qualified E&S expertise in PFI throughout the duration of the project (ii) ensuring that contracts with PFIs include clear covenants on the E&S risks management. PFIs will be required to ensure they mainstream those requirements in their engagement and agreements with MSMEs. The consultant will provide support to PFIs (as needed) on the implementation of E&S issues as stipulated in the ESMF; (iii) in the case of refinancing, the consultant will assess to ensure that the refinanced portfolios meet E&S requirements prior to approving loans to PFIs; and (iv) monitor loan portfolios ex-poste to ensure that PFIs portfolios are in compliance with E&S requirements. The consultant will be responsible for monitoring to ensure that PFIs are implementing E&S issues effectively as stipulated in the ESMF. The consultant will conduct evaluation on the implementation of E&S issues after every two years.
Participating Financial Institutions (PFI)	PFIs will ensure that: (i) it has an Environmental and social management Systems (ESMS) in place; (ii) projects for requested loans have been properly screened for any potential environmental and social risks; (iii) Include in their financing documents conditions and/or undertakings that are meant to ensure that the borrower has set in place mechanism to mitigate any social risks anticipated in this ESMF the required environmental and documents have been obtained by the borrower prior to issuing a loan and the borrower where possible undertaken steps to mitigate any potential social riks; (iv) the borrow remains compliant after issuing the loan. The PFIs will be responsible for identifying and managing safeguards risks in line with the requirements of this ESMF. PFIs will also use WB E&S screening criteria, which will be included in the agreements between CBS and the PFIs. PFI's are required to appoint a designated staff member who is accountable for implementing the PFI E&S requirements (although responsibilities may be assigned to a qualified, external consultant).
Micro, Small & Medium Enterprises (MSMEs)	The borrowing MSMEs have the responsibility of making sure they comply with the environmental laws and in getting the right permits in advance of banks issuing the loans. They will also remain committed throughout the financing period in ensuring the social risks are addressed and mitigated as per the financing agreements or and undertakings.

World Bank	It will lay the benchmarks for all environmental and social safeguard issues concerned with the development and implementation of SCALED-UP. It will provide overall supervision, facilitation and co-ordination of SCALED-UP. It will also monitor funds and funds allocations; and project performance indicators. The World Bank will assess the implementation of the ESMF and recommend additional measures for strengthening the management framework and implementation performance, where need be. The reporting framework, screening procedures and preparation of management and mitigation plans shall be discussed and agreed by the Bank team and PIU during the early part of project investment identification stage before disbursement.

7.3 Updating this ESMF

230. This ESMF will be used for screening of sub-projects and as a guide for the preparation, review and approval of environmental assessment instruments (ESIA and ESMP). It will also be a reference in the implementation of the subprojects and their respective ESMPs. Since there may be new developments, guidelines or national legislations issued after its (ESMF) approval and posting on the World Bank website, the ESMF may need to undergo updating from time to time.

7.4 Disclosure of the Instruments

231. This ESMF has been prepared in consultation with the relevant stakeholders in Somalia. Copies of this ESMF and other safeguard instruments developed later (including GBV/SEAH Action Plan, RPF and ESMPs), prepared for the subprojects to be financed under the project, should be consulted upon disclosed in compliance with relevant country regulations and the World Bank ESSs. A summary of the safeguards instruments will be translated into Somali language and disclosed in all project sites. It will also be disclosed in two daily newspapers for 21 days, or as required by country laws, while the World Bank will post the approved document on its Info Shop.

8. GRIEVANCE REDRESS MECHANISM

232. Transparency and accountability will be core elements of the SCALE UP (AF). The goal of the GRM is to strengthen accountability to beneficiaries and to provide channels for project stakeholders to provide feedback and/or express grievances related to project supported activities. By increasing transparency and accountability, the GRM aims to reduce the risk of the project inadvertently affecting citizens/beneficiaries and serves as an important feedback and learning mechanism that can help improve the project impacts.

233. Under the new World Bank ESSs, Bank-supported projects are required to facilitate mechanisms that address concerns and grievances that arise in connection with a project.[98] One of the key objectives of ESS 10 (Stakeholder Engagement and Information Disclosure) is 'to provide project-affected parties with accessible and inclusive means to raise issues and grievances, and allow borrowers to respond and manage such grievances'.[99]

234. This chapter describes the Grievance Redress Mechanism (GRM) that the PIU and MSME Fund Managers will establish and manage to enable beneficiaries to communicate their concerns regarding the Project. More specifically, the GRM details the procedures that communities and individuals, who believe they are adversely affected by the Project or a specific subproject, can use to submit their complaints, as well as the procedures to systematically register, track, investigate and promptly resolve complaints.

235. The GRM is designed to ensure that grievances and perceived injustices are handled by the project, and that the project aides mitigating general conflict stresses by channeling grievances that occur between people, groups, communities, government actors, beneficiaries, project staff, NGOs, CSOs, contractors or primary suppliers. Aggrieved parties need to be able to refer to institutions, instruments, methods, and processes by which a resolution to a grievance is sought and provided.

236. The GRM will include an upstream communications and information campaign with back-office functions housed at ministry of finance to respond and handle complaints. The GRM will be operated by the PIU on behalf of Ministry of Finance. The PIU will have the overall responsibility to address Project activity-related complaints from Project affected communities or individuals regarding any environmental or social impacts due to subproject activities. PIU will recruit a dedicated focal point in its Office to handle Project activity-related complaints. Each of the Implementing Partners will designate a GRM focal point.

237. ***Types of grievances:*** Complaints may be raised by staff, partners, consultants, contractors, members of the community where the program is operating or members of the general public regarding any aspect of program implementation. Potential complaints include:

a. Fairness in employment;
b. Fraud or corruption issues;
c. Inclusion challenges;
d. Social and environmental impacts;
e. Payment related complaints;
f. Favouritism in funds allocation;

[98]Under ESS2 (Labour and Working Conditions), a grievance mechanism for all direct or contracted workers is prescribed, which will be laid out in a separate Labour Management Plans (LMPs).
[99] World Bank, Environmental and Social Framework, 2018, p. 131.

g. Workers' rights;
h. Gender-Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) and sexual harassment;
i. Forced labour, including human trafficking and use of prison labour;
j. Child labour; and
k. Threats to personal or communal safety.

238. As per World Bank standards, the GRM will be operated in addition to GBV/SEA and GBV Action Plan, which includes reporting and referral guidelines (there will be a stand-alone GBV Action Plan developed for this project). The GRM will also operate in addition to specific workers' GRMs, which are laid out in the LMP.

8.1 Procedure for Complain

8.1.1 Registering a Complain

239. Access points for GRM focal point for beneficiaries to voice their concerns will be provided at the project office. These access points will be advertised at subproject level, and include complaint box with mail, telephone, email and website. Grievances can be brought up by affected people in case of: (i) non-fulfillment of contracts or agreements; (ii) compensation entitlements; (iii) types and levels of compensation; (iv) disputes related to destruction of assets or livelihoods; (v) disturbances caused by construction activities financed under the SMEs, such as noise, vibration, dust or smell. Anonymous complaints will be admissible.

240. The Implementing Partners and the FI will also keep a log of issues brought directly to their attention verbally or in writing by project affected communities or individuals and relay these concerns in writing to PIU/MSME Fund Managers on a next day basis. PIU/MSME Fund Managers will determine if these concerns rise to the level of a complaint. PIU/MSME Fund Managers will register the complaint in a dedicated log, including a copy of the complaint and supporting documents. PIU/MSME Fund Managers will record and document complaints received in the subproject file and the subproject progress reports, including the number and type of complaints and the results of their resolution.

241. An acknowledgement of receipt will be sent to the complainant within 7 days of receipt of the complaint. The grievance focal point at the PIU will handle the issue and will develop a course of action. The GRM focal point will provide his report every month to review the functioning of the GRM and the Grievance log. All cases will be treated with utmost confidentiality.

242. Severe incidents, those that caused an incident *that caused significant adverse effect on the environment, the affected communities, the public or workers*, e.g. fatality, GBV, forced or child labor, will be reported by the to the SC and the WBG within 24 hours (details on this process are described in the Labour Management Procedures).

243. Where grievances are of sexual nature and can be categorized as GBV/SEA under the GBV Action Plan, the case will be handled as per the GBV reporting protocols and referral system, defined in the GBV/SEA and GBV Action Plan. Dedicated training on how to respond to and manage complaints related to GBV/SEA will be required for all GRM operators and relevant project staff.

8.1.2 Investigating and Resolving Complaints

244. The GRM log maintained by PIU/MSME Fund Manager will track the date the complaint was received, date responded to, the type of response, and if the complaint was resolved to the satisfaction of the plaintiff. The GRM Focal Point will coordinate with implementing partners, local field staff and local government officials to ensure prompt follow up action in response to each complaint. More specifically, the GRM focal point will for named complaints:

- inform the complainant if the complaint is accepted or rejected within one week of receiving the complaint; any technical input from Project executors; if necessary, the response will require input from Project executors.
- if the complaint is accepted, send the plaintiff an officially stamped review card indicating:
  - I. complainant name or legal representative
  - II. complainant address
  - III. complainant title
  - IV. review date
  - V. list of annexes submitted with the complaint
- work with, implementing partners to resolve the complaint within 28 days of its submission

245. PIU/MSME Fund Managers will include the log of complaints to the World Bank as part of PIU/MSME Fund Managers quarterly reporting to the World Bank.

8.1.3 Gender Sensitivity

147. PIU/MSME Fund Managers will make the GRM gender sensitive by recruiting female staff to:

- inform women about the Project and its possible benefits to women, in a culturally sensitive manner
- inform women of the Project's GRM and its procedures
- receive any project-related complaints from women especially GBV/SHE cases.

8.1.4 Activating the GRM Mechanism

246. PIU/MSME Fund Managers will conduct a kick-off workshop involving the implementing partners and beneficiary representatives to inform them on GRM procedures.

8.2 Grievance Redress Service

247. The World Bank's Grievance Redress Service (GRS) provides an additional, accessible way for individuals and communities to complain directly to the World Bank if they believe that a World Bank-financed project had or is likely to have adverse effects on them or their community. The GRS enhances the World Bank's responsiveness and accountability by ensuring that grievances are promptly reviewed and responded to, and problems and solutions are identified by working together. The GRS accepts complaints in English or the official language of the country of the person submitting the complaint. Submissions to the GRS may be sent by:

Email: grievances@worldbank.org
Fax: +1-202-614-7313
Letter: The World Bank
Grievance Redress Service (GRS)
MSN MC 10-1018
1818 H St NW

Washington, DC 20433, USA
http://pubdocs.worldbank.org/en/440501429013195875/GRS-2015-BrochureDec.pdf

8.3 World Bank Inspection Panel

248. The Inspection Panel is an independent complaints mechanism for people and communities who believe that they have been, or are likely to be, adversely affected by a World Bank-funded project. The Board of Executive Directors created the Inspection Panel in 1993 to ensure that people have access to an independent body to express their concerns and seek recourse. The Panel assesses allegations of harm to people or the environment and reviews whether the Bank followed its operational policies and procedures.

249. The Panel has authority to receive Requests for Inspection, which raise issues of harm as a result of a violation of the Bank's policies and procedures from:

- Any group of two or more people in the country where the Bank financed project is located who believe that, as a result of the Bank's violation of its policies and procedures, their rights or interests have been, or are likely to be adversely affected in a direct and material way. They may be an organization, association, society or other group of individuals;
- A duly appointed local representative acting on explicit instructions as the agent of adversely affected people;
- In exceptional cases, a foreign representative acting as the agent of adversely affected people;
- An Executive Director of the Bank in special cases of serious alleged violations of the Bank's policies and procedures.
- http://ewebapps.worldbank.org/apps/ip/Documents/Guidelines_How%20to%20File_for_web.pdf

250. The Panel may be contacted by:
email at ipanel@worldbank.org
phone at +1-202-458-5200
fax at +1 202-522-0916 (Washington, D.C.)
mail at: Inspection Panel, Mail Stop MC 10-1007, 1818 H Street,
N.W., Washington, D.C. 20433, U.S.A.

8.4 Grievance Mechanism for Workers

251. PFIs will put in place a Grievance Mechanism for their workers that is proportionate to their workforce, according to the following principles:

- *Provision of information.* All workers should be informed about the grievance mechanism at the time they are hired, and details about how it operates should be easily available, for example, included in worker documentation or on notice boards.
- *Transparency of the process*. Workers must know to whom they can turn in the event of a grievance and the support and sources of advice that are available to them. All line and senior managers must be familiar with their organization's grievance procedure.
- *Keeping it up to date*. The process should be regularly reviewed and kept up to date, for example, by referencing any new statutory guidelines, changes in contracts or representation.
- *Confidentiality.* The process should ensure that a complaint is dealt with confidentially. While procedures may specify that complaints should first be made to the workers' line manager, there should also be the option of raising a grievance first with an alternative manager, for example, a human resource (personnel) manager.

- *Non-retribution.* Procedures should guarantee that any worker raising a complaint will not be subject to any reprisal.
- *Reasonable timescales*. Procedures should allow for time to investigate grievances fully, but should aim for swift resolutions. The longer a grievance is allowed to continue, the harder it can be for both sides to get back to normal afterwards. Time limits should be set for each stage of the process, for example, a maximum time between a grievance being raised and the setting up of a meeting to investigate it.
- *Right of appeal*. A worker should have the right to appeal to PIU or national courts if he or she is not happy with the initial finding.
- *Right to be accompanied*. In any meetings or hearings, the worker should have the right to be accompanied by a colleague, friend or union representative.
- *Keeping records.* Written records should be kept at all stages. The initial complaint should be in writing if possible, along with the response, notes of any meetings and the findings and the reasons for the findings.
- *Relationship with collective agreements*. Grievance procedures should be consistent with any collective agreements.
- *Relationship with regulation*. Grievance processes should be compliant with the national employment code.

8.5 Current Status

252. A functional project-level Grievance Redress Mechanisms (GRM) has been established by the PIU to enable the project systematically and effectively uptake and resolve project related complaints and grievances. PAPs can submit their complains by phone, grievance box at the Ministry of Finance, PIU Help Desk and e-mail. Awareness has been raised through radio stations, social media, newspapers and notice boards. However, at the time of the ISR there was no evidence that the GRM is operational, receiving and processing complaints; engagement of TPM for Gargaara was still in progress. The project is undertaking the procurement process for the recruitment of firms that will design GRM for the Digital ID System and the MSME Financing Facility and social research/advisory services and Stakeholder/Citizen engagement strategy for both the MSME facility and the digital ID policy ID registration and with a functional/effective GRMs. The advisory service will include requirement for GRM GBV aspects on reporting on SEA/SH and other forms of GBV, as well as response, referral and information sharing. Stakeholder engagement and grievance redress mechanisms will be adapted to COVID-19 regulations for the safety of beneficiaries and project workers.

253. The GRM makes use of a toll-free call center which is effective given the good mobile phone penetration in Somalia. With COVID-19 restrictions where traditional access to beneficiaries for meaningful grievance redress is limited, adaptations to minimize close personal contact and follow the recommended hygiene procedures as outlined by the Government directives will be enhanced. Well publicized help desks situated in strategic locations will be set up for complainants that cannot access call centers, for instance due to inability to access mobile phones. In this case, complainants are to be served one by one to avoid overcrowding of help desks, use of masks will be required for both the complainants and the GRM workers, desks will be set up outdoors, and sanitizers will be provided. These measures will be implemented as a way of taking full precautions for staff and community safety. General communication on how to access the GRM, availability of an appeals mechanism, and numbers to call, will be communicated using local radios and speakers mounted on cars.

9. PUBLIC CONSULTATION AND DISCLOSURE

9.1 ESMF Preparation

254. The World Bank Environmental and Social Standards (ESS1: Assessment and Management of Environmental and Social Risks and Impacts) requires the Project to continuously engage relevant stakeholders (potential project beneficiaries, affected groups and local non-governmental organizations (NGOs) about the project environmental/social impacts and take their view into account. Below is the process followed in stakeholder engagement and disclosure plans

255. Stakeholder engagement is important because it will give the project stakeholders and the potentially impact people the opportunity to contribute input and feedback information, aimed at strengthening the development process and avoiding negative impacts or mitigating them where they cannot be avoided. Effective and close consultation with them is a pre-requisite for the successful running and execution of the SCALED-UP.

256. The PIU will establish a grievance redress mechanism (GRM) that will allow general public in the project area, affected communities or individuals to file complaints and to receive responses in a timely manner. The system will also record and consolidate complaints and their follow-up. This system will, be designed for handling complaints perceived to be generated by the project or its personnel. It may also include disagreements about compensation and other related matters. The Safeguard consultant housed at ministry of Finance will be responsible for overall follow up and monitoring of the project, including liaising with the PIU to resolve complaints.

257. Stakeholders' engagement and public consultation would be an on-going activity taking place throughout the entire project process. Public participation and consultation would take place through meetings, radio programs, requests for written proposals/comments, filling in of questionnaires, explanations of project to the locals, making public documents available at the federal, state and local levels.

258. During the project preparation process, discussions were held with project implementing agencies on the project activities and components. Public consultation and stakeholder engagement workshop was held on 21st November 2018 at the office of the Somali Federal Ministry of Finance. The workshop was attended by over 24 stakeholders including farming communities, financial institutions, relevant government ministries, VMGs, CBOs, CSGs and NGOs. The Directorate of Environment was represented and provided assurances of full support to the project. Capacity and gender including the poor and most vulnerable groups issues were highlighted and suggestions provided for technical training and developmental assistance. Information provided and discussed included Project objective, description, and components, potential impacts (positive and negative), and the draft ESMF Executive Summary were translated and distributed.

259. The overall results of the workshop suggested that most of the stakeholders fully support the Project and consider that the proposed draft ESMF is appropriate. Key issues raised during consultations include coordination and supervision of environmental and safeguards implementation. Local communities expressed their willingness to participate in the dissemination of project information. Discussion with the representative of marginalized groups and women also confirmed their full support of the project. Consultations with stakeholders will be held continuously with the beneficiaries throughout the course of project implementation.

9.2 ESMF Update

260. A Public Consultation and Stakeholder Workshop for the Additional Financing (AF) of the SCALED-UP Project was held on 11 and 12 July 20201 at Jazeera Hotel in Mogadishu. The Objectives for the Consultation and Stakeholder Engagement Workshop:

- Generate a good understanding of the project;
- Enhance ownership of the project by local leadership and the community;
- Understand people's and agency's expectations about the project;
- Understand and characterize potential environmental, social and economic impacts of the project;
- Advance the benefits that may accrue from the project; and
- Enable the public and stakeholders to provide views, hence participating in or refining project designs and implementations

261. The workshop was attended by 120 stakeholders consisting of SCALED-UP Project Steering Committee members, Women owners of MSMEs, NGOs, CBOs, Youth and VMGs, Solar Energy Associations and International Development Partners, Government Institutions that included: MoF, MoIFAR, MoCI, MPTT, CBS, FRC, NCA, a new dedicated DADSOM - ID Authority and FMS and Gargaara Company, Banks and Other Financial Institutions.

262. Key outcome from the workshop was awareness amongst stakeholder on the key components of AF SCALED UP, the financing mechanism of the Project, environmental and social risks and impacts associated with the Project activities, applicable standards (WB ESS) and key players in AF SCALED UP Project. The Project Stakeholder Engagement Report is available in Annex 6.

9.3 ESMF Disclosure

263. The updated ESMF will be disclosed on the Ministry of Finance and World Bank's external website, after the World Bank review, as final draft versions. In-country disclosure of the ESMF will utilize appropriate communication channels such as on the websites of the implementing agencies and/or as hard-copies in a location and format easily accessible to public, and other public places of project intervention areas) as well as on the World Bank external website.

10. CAPACITY BUILDING AND TRAINING

264. SCALED-UP safeguards compliance activities, including safeguards monitoring and reporting is managed by the environmental and social management specialist consultant at PIU. The specialist is responsible for:

- ensuring that all activities (including procurement related activities) that have the potential to have E&S risks are managed according to relevant laws, the World Bank Safeguard Policies and the ESMF;
- Ensuring PFIs and Gargaara activities adequately reflect the need for E&S risks management and these risks are appropriately managed;
- Ensuring that contracts with PFIs include clear covenants on the E&S risks management. PFIs will mainstream those requirements in their engagement and agreements with MSMEs;
- Provide support to PFIs (as needed) on the implementation of E&S issues as stipulated in the ESMF;
- In the case of refinancing, the specialist will assess to ensure that the refinanced portfolios meet E&S requirements prior to approving loans to PFIs;
- Monitor loan portfolios ex-post to ensure that PFIs portfolios are in compliance with E&S requirements;
- Conduct evaluation on the implementation of E&S issues.

265. The AF activities are expected to continue to enhance the borrower's capacity including safeguards, and the Bank task team will continue to provide capacity building training to the PIUs and other key stakeholders. The AF also has included a TA facility that will be used by PFIs to meet other KPIs agreed in the Institutional Development Plans (IDPs) (such as transparent reporting, environmental and social safeguards, etc.).

10.1 Training Conducted to Date

266. An E&S awareness workshop was conducted by an E&S specialist at the PIU with Gargaara and participating PFIs. The workshop focused on E&S due diligence for the participating PFIs. A follow up session is being planned for the selected PFIs, the PIU E&S specialist, Gargaara and respective PFI loan officers. Furthermore, the Bank team will undertake a separate training for the PIU and Gargaara on the application E&S risk screening tool for loan application that may require further E&S risk review, OHS, prevention of child labor, forced labor, GBV/SEA-H, and COVID-19 specific considerations.

10.2 ESMF Implementation Budget

Activity	Estimated Budget (USD)
Strengthening PIU Safeguard capacity	40,000
Building PFI safeguard capacity to develop ESMS	200,000
Gender actions implementation. Implementing gender strategy for the project by taking action for women to be seen and engaged as valuable partners along the entire value chain—in the design, marketing, sales, and after-sale services	100,000

Community engagement and sensitization campaigns	200,000
Environmental Management (Electronic waste management)	100,000
Total	**640,000**

The budget remains open for revision and improvement as and when needed.

ANNEXES

ANNEX 1: LIST OF ENVIRONMENTAL AND SOCIAL STANDARDS

Environmental and Social Standard (ESS)	Description
ESS1: Assessment and Management of Environmental and Social Risks and Impacts	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 through Investment Project Financing (IPF), in order to achieve environmental and social outcomes consistent with the Environmental and Social Standards (ESSs).
ESS2: Labor and Working Conditions	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
ESS3 Resource Efficiency and Pollution Prevention and Management	This ESS sets out the requirements to address resource efficiency and pollution prevention and management throughout the project life-cycle.
ESS4: Community Health and Safety	Addresses the health, safety, and security risks and impacts on project-affected communities and the corresponding responsibility of Borrowers to avoid or minimize such risks and impacts, with particular attention to people who, because of their particular circumstances, may be vulnerable.
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement -	Involuntary resettlement should be avoided. Where involuntary resettlement is unavoidable, it will be minimized and appropriate measures to mitigate adverse impacts on displaced persons (and on host communities receiving displaced persons) will be carefully planned and implemented.
ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources	Recognizes that protecting and conserving biodiversity and sustainably managing living natural resources are fundamental to sustainable development and it recognizes the importance of maintaining core ecological functions of habitats, including forests, and the biodiversity they support.

ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Ensures that the development process fosters full respect for the human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods of Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities
ESS8: Cultural Heritage	recognizes that cultural heritage provides continuity in tangible and intangible forms between the past, present and future. ESS8 sets out measures designed to protect cultural heritage throughout the project life-cycle.
ESS9: Financial Intermediaries (FIs)	Recognizes that strong domestic capital and financial markets and access to finance are important for economic development, growth and poverty reduction. FIs are required to monitor and manage the environmental and social risks and impacts of their portfolio and FI subprojects, and monitor portfolio risk, as appropriate to the nature of intermediated financing.
ESS10: Stakeholder Engagement and Information Disclosure	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.

ANNEX 2: ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

This ESMF will be the practical processing tool during project formulation, design, planning, implementation, and monitoring of the AF SCALED UP activities to ensure that environment and social aspects are duly considered. PFIs are encouraged as part of capacity building to develop their own internal Environmental and Social Management System (ESMS) to assist in managing environmental and social risks of PFIs operations.

The ESMS will outline:

- The policy commitment of PFI to meet the requirements and standards the PFI may wish to follow;
- Describe key features including;
    - social and environment policies and procedures;
    - organization structure and staffing for managing environmental and social risk;
    - skills and competencies in social and environmental areas;
    - training and awareness of the institution’s investment, legal, and credit officers on the organization’s ESMS;
    - reporting systems to managers; performance monitoring procedures and grievance mechanisms.
- Supporting tools such as checklists, templates and guidance notes to assist the loan/credit officers and other relevant staff to assess and manage environmental and social risks.

ANNEX 3: ENVIRONMENTAL AND SOCIAL MANAGEMENT PLAN (ESMP) OUTLINE

Executive summary

1. Introduction - provide brief but concise information on objective of the EMP and its connection with the ESMF of the Project and/or ESMS of the PFI.

2. Policy, regulations, and institutional frameworks
2.1 GOV's regulations - provide brief description of GOV regulations related to EMP if applicable and standards applied for the subproject
2.2 ESMF requirements

3. Project description – provide description of the subproject including location maps showing location in the project area as well as details at the subproject level. This is to provide reader who is not familiar with the area to understand the issue clearer.

4. Environmental background – provide key information on the environmental background of the subproject as well as its connection with the project area, including maps (if possible). Focus should be given to identify area/community that may be affected by the subproject.

5. Potential impacts and mitigation measures – provide results of the safeguard screening following the criteria in the ESMF, identify potential impacts (positive and negative) and mitigation measures; the impacts should be described for preconstruction, construction, and operation phases; using a matrix format could help understanding connection between the impacts and mitigation better.

6. Actions to be carried out under the subproject – explain the mitigation measures and agencies responsible for the implementation during preconstruction, construction, and operation stages of the subproject, including incorporating ECOP (annex B) into the subproject involving civil works.

7. Implementation arrangement – explain responsible agencies (including their capacity to carry out the activities identified in the EMP and the need for training), implementation schedule, cost estimate, and how the EMP will be integrated into the subproject, including state explicitly that the ECOP will be included in the bidding documents of contractors.

8. Consultation and information disclosure – provide summary on consultation activities and stakeholders on the EMP at subproject level and concerns raised and responses. Locations and dates of EMP to be disclosed should be provided.

9. Grievance redress mechanism- Describes effective processes for receiving and addressing stakeholder concerns and grievances regarding the project's social and environmental performance. Describe mechanisms to provide stakeholders and potential affected communities avenues to provide feedback or grievances, and receive responses, with regard to the implementation of specific activities, policies, or regulations.

ANNEX 4: SIMPLIFIED ENVIRONMENTAL CODE OF PRACTICE

SIMPLIFIED ENVIRONMENTAL CODE OF PRACTICE (ECOP)

The requirements in this annex will be incorporated into all contracts related to civil works. It comprises 2 parts: (1) good housekeeping involves proper storage, use, cleanup, and disposal of the various materials used during construction for human and environmental safety and (2) a standard clause for "chance find" procedures.

Part (1) Good housekeeping practices:
DO:

- Limited working hour during the day time, especially in residential areas, and control driving speed;
- Minimize earth excavation and appropriate disposal of spoil;
- Minimize opening of new borrow pits and ensure proper closure
- Minimize traffic congestion, dust and noise generation;
- Proper maintenance of construction equipment and vehicles;
- Provide appropriate safety sign (day and night) and closely inform local residents;
- Avoid spill of used oil and other toxic materials, including safe transportation and storage;
- Ensure access to clean water and latrines by workers and provide mosquito net;
- Avoid social/cultural conflict between workers and local population; and
- Apply good housekeeping in the construction and/or storage sites to ensure safety of workers and peoples (Gather up and remove debris to keep the work site orderly and safe; Plan and implement adequate disposal of scrap, waste and surplus materials; Keep the work area and all equipment tidy. Designate areas for waste materials and provide containers; Keep stairways, passageways and ladders free of material, supplies and obstructions; Secure loose or light material that is stores on roofs or open floors; Keep materials at least 2m (5ft) from openings, roof edges, excavations or trenches; Remove or bend over nails protruding from lumber; Keep hoses, power cords, welding leads, etc from laying in heavily traveled walkways or areas; Ensure structural openings are covered/protected adequately; Provide the appropriate fire extinguishers for the materials found on-site. Keep fire extinguisher stations clear and accessible; etc.)

DO NOT:

- Do not permit rubbish to fall freely from any locations of the project and/or access by animals (dogs, cats, pigs, etc.). Use appropriate containers.
- Do not throw tools or other materials.
- Do not raise or lower any tool or equipment by its own cable or supply hose.
- Use grounding straps equipped with clamps on containers to prevent static electricity buildup.
- Do not allow hunting of animals by workers in protected areas.

SPECIAL NOTE ON FLAMMABLE/EXPLOSIVE MATERIALS:

- Store flammable or explosive materials such as gasoline, oil and cleaning agents apart from other materials.
- Keep flammable and explosive materials in proper containers with contents clearly marked.
- Dispose of greasy, oily rags and other flammable materials in approved containers.
- Store full barrels in an upright position.
- Store empty barrels separately.

- Post signs prohibiting smoking, open flames and other ignition sources in areas where flammable and explosive materials are stored or used.
- Store and chain all compressed gas cylinders in an upright position.
- Mark empty cylinders and store them separately from full or partially full cylinders.
- Ventilate all storage areas properly.
- Ensure that all electric fixtures and switches are explosion proof where flammable materials are stored.

The "chance find" procedures:

If the Contractor discovers archeological sites, historical sites, remains and objects, including graveyards and/or individual graves during excavation or construction, the Contractor shall:

- Stop the construction activities in the area of the chance find;
- Delineate the discovered site or area;
- Secure the site to prevent any damage or loss of removable objects. In cases of removable antiquities or sensitive remains, a night guard shall be arranged until the responsible local authorities take over;
- Notify the supervisory Project Environmental Officer and Project Engineer who in turn will notify the responsible local authorities immediately (within 24 hours or less);
- Responsible local authorities would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures. This would require a preliminary evaluation of the findings to be performed by the archeologists. The significance and importance of the findings should be assessed according to the various criteria relevant to cultural heritage; those include the aesthetic, historic, scientific or research, social and economic values;
- Decisions on how to handle the finding shall be taken by the responsible authorities. This could include changes in the layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage;
- Implementation for the authority decision concerning the management of the finding shall be communicated in writing by relevant local authorities; and Construction work could resume only after permission is given from the responsible local authorities or concerning safeguard of the heritage.

ANNEX 5: TEMPLATE FOR SUB-PROJECT SCREENING

Sub-project Name	
Sub-project Location	
Implementing partner	
ESS1 applicable?	
Is the sub-project eligible (Yes/No)	
Field visit (Yes/No: include date)	
Observations/comments	
Signature of MSME Manager	

Applicability

Is the subproject likely to have direct or indirect environmental or social impacts?

Yes ***Continue to Step 2***

No ***Go to bottom of page and sign the screening form***

Eligibility (Negative List)

The subproject is ineligible if it has any of the following attributes. If this is the case, complete the form and sign it.

Category A attributes, such as	**Yes**	**No**
• Activities with significant adverse impacts that are sensitive, diverse, or unprecedented, or that affect an area broader than the sites or facilities subject to physical works		
• Major resettlement		
• Greenfield projects		
Solid Waste		
• New disposal site		
Income Generating Activities		
• Activities involving the use of fuelwood, including trees and bush.		
• Activities involving the production or use of hazardous substances or explosives		
Labour		
• Activities a high risk of significant adverse impacts related to labour influx, child or forced labour.		
ESS8: Cultural Heritage Damage to cultural property, including but not limited to activities that affect:		

• Archaeological and historical sites		
• Religious monuments, structures, and cemeteries		
ESS5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement		
• Activities requiring the involuntary taking of private land and relocation of PAPs		
• Activities that require the relocation of encroachers or squatters		

Environmental or social impacts

Is the subproject likely to cause any of the following environmental or social impacts?

Topic	Yes	No
A. Zoning and Land Use Planning		
1. Will the subproject affect land use zoning and planning or conflict with prevalent land use patterns?		
2. Will the subproject involve significant land disturbance or site clearance?		
3. Will the subproject land be subject to potential encroachment by urban or industrial use or located in an area intended for urban or industrial development?		
B. Utilities and Facilities		
4. Will the subproject require the setting up of ancillary production facilities?		
5. Will the subproject require significant levels of accommodation or service amenities to support the workforce during construction (e.g., contractor will need more than 20 workers)?		
C Water and Soil Contamination		
6. Will the subproject require large amounts of raw materials or construction materials?		
7. Will the subproject generate large amounts of residual wastes, construction material waste or cause soil erosion?		

8. Will the subproject result in potential soil or water contamination (e.g., from oil, grease and fuel from equipment yards)?		
9. Will the subproject lead to contamination of ground and surface waters by herbicides for vegetation control and chemicals (e.g., calcium chloride) for dust control?		
10. Will the subproject lead to an increase in suspended sediments in streams affected by road cut erosion, decline in water quality and increased sedimentation downstream?		
11. Will the subproject involve the use of chemicals or solvents?		
12. Will the subproject lead to the destruction of vegetation and soil in the right-of-way, borrow pits, waste dumps, and equipment yards?		
13. Will the subproject lead to the creation of stagnant water bodies in borrow pits, quarries, etc., encouraging for mosquito breeding and other disease vectors?		
D. Noise and Air Pollution Hazardous Substances		
14. Will the subproject increase the levels of harmful air emissions?		
15. Will the subproject increase ambient noise levels?		
16. Will the subproject involve the storage, handling or transport of hazardous substances?		
E. Destruction/Disruption of Land and Vegetation		
17. Will the subproject lead to unplanned use of the infrastructure being developed?		
18. Will the subproject lead to long-term or semi-permanent destruction of soils in cleared areas not suited for agriculture?		
19. Will the subproject lead to the interruption of subsoil and overland drainage patterns (in areas of cuts and fills)?		

20. Will the subproject lead to landslides, slumps, slips and other mass movements in road cuts?		
21. Will the subproject lead to erosion of lands below the roadbed receiving concentrated outflow carried by covered or open drains?		
22. Will the subproject lead to long-term or semi-permanent destruction of soils in cleared areas not suited for agriculture?		
23. Will the subproject lead to health hazards and interference of plant growth adjacent to roads by dust raised and blown by vehicles?		
F. Expropriation and Social Disturbance		
24. Will the subproject impact internally displaced persons (IDP) negatively?		
25. Will the subproject lead to induced settlements by workers and others causing social and economic disruption?		
26. Will the subproject lead to environmental and social disturbance by construction camps?		
27. Will the subproject cause economic displacement?		
28. Will the subproject temporarily displace squatters, economically or physically, or other informal groups?		
29. Will the subproject cause a loss in productive assets or income source?		
30. Will the subproject restrict access to resources?		
31. Will the subproject affect the livelihoods or vulnerable people, such as persons with disabilities, widows or the elderly?		
32. Will the subproject create social conflict over the distribution of benefits or resources?		

ANNEX 6: STAKEHOLDER ENGAGEMENT AND CONSULTATIONS

STAKEHOLDER ENGAGEMENT AND CONSULTATIONS

On July 11 to 12/2021 A Public Consultation and Stakeholder Workshop for the Additional Financing (AF) of the SCALED-UP Project was held at Jazeera Hotel in Mogadishu.

The objective of the Public Consultation Workshop was to introduce and explain to the stakeholders the purpose of the AF requirement for the parent SCALED-UP project.

The workshop was attended by 120 stakeholders. It was opened by the Director General of the Federal Ministry of Finance and followed by other senior heads of government, private and non-governmental organizations.

This Public Consultation and Stakeholder Engagement workshop report provides the key discussions, contributions and recommendations from the participants. The participants of the workshop included the following:

- SCALED-UP Project Steering Committee members
- Women owners of MSMEs, NGOs, CBOs, Youth and VMGs,
- Solar Energy Associations and International Development Partners
- Government Institutions that included: MoF, MoIFAR, MoCI, MPTT, CBS, FRC, NCA, a new dedicated DADSOM - ID Authority and FMS
- Gargaara Company, Banks and Other Financial Institutions

The Agenda of the Workshop

- Overview of the AF SCALED-UP project
- Overview of the E&S instruments and approval procedures
- Presentations
- Discussions
- Survey Collection of Key Areas of Engagement
- Q & A

The Objectives of the AF SCALED-UP Public and Stakeholder Consultation Workshop

The main objective of the AF SCALED-UP is to support progress towards increased access to basic digital financial and government services targeting entrepreneurship and employment, particularly for VMGs, Youth and Women as follows:

- The AF aims to leverage the parent project's platform on institution strengthening,
- Enhance service delivery to enable MSMEs gain access to finance,
- Support Women/VMGs access financial transaction accounts, and;

- Support many Somali residents obtain unique ID numbers.

The Objectives for the Consultation and Stakeholder Engagement Workshop

- Generate a good understanding of the project;
- Enhance ownership of the project by local leadership and the community;
- Understand people's and agency's expectations about the project;
- Understand and characterize potential environmental, social and economic impacts of the project;
- Advance the benefits that may accrue from the project; and
- Enable the public and stakeholders to provide views, hence participating in or refining project designs and implementations.

AF SCALED-UP PIU (MoF) Acknowledgement

The welcome statements from the MoF PIU acting coordinator have highlighted that the AF SCALED-UP workshop could not have been held without the funding support from the World Bank. He has acknowledged that the participants are grateful for their support in making this workshop successful.

Public Consultation and SE Workshop Overview

The Federal Government of Somalia has received AF assistance from the World Bank (WB) to implement and financially enhance the parent project for Somalia Capacity Advancement, Livelihoods and Entrepreneurship through Digital Uplift Program (SCALE-UP). This Stakeholder Engagement responds to World Bank requirements under ESS10 of engaging effectively with individuals, groups, communities and other stakeholders who might be directly or indirectly affected by activities to be taken up as part of the AF SCALED-UP Project throughout the project cycle. It also provides meaningful consultation, access to information and grievance redress through the life of project.

The AF is closely aligned with the parent project's structure and components with no new safeguards triggered. The project components, implementation arrangements, and target beneficiaries remain unchanged. The existing implementing institutions arrangement, environmental and safeguard, and financial reporting mechanisms in place will continue to ensure sound implementation. In addition, the AF has extended the closing date of the parent SCALED-UP implementation activities to December 31 2025

AF SCALED-UP Project Components

The AF project components and subcomponents remain unchanged from the parent SCALED-UP (P168115) project components. The AF project description, PDO, project components and sub-components, environmental and safeguards, fiduciary, and implementation arrangements will remain materially unchanged. This will be continuing to support progress toward increased access to basic digital financial and government services targeting entrepreneurship and employment, particularly for women and VMGs.

These project components are as follows:

Component 1: Strengthening Institutions

The project supports FGS to enhance the environment for digital transactions and services. As such, the project would provide technical assistance to strengthen institutions that are key to ensuring healthy provision of targeted financial and government services i.e. CBS, FRC, MTPP/ NCA, and the ID authority. With clear policies and specific strategies, plans and roadmaps, these policymakers and regulators will help increase contestability of markets, and support reconfiguration of the financial and digital communications sector to improve service delivery, while mitigating AML/CFT risks. These institutions represent the key public-sector agencies of the financial and digital services sectors in Somalia.

Component 2: Enabling Financial and Digital Services

The parent SCALED-UP project has established financial institutions (i.e Gargaara and Banks). Accordingly, the AF will support the development of sustainable and digitally enabled mechanisms for expanding access to financial and digital services to mitigate COVID-19 impacts on communities and businesses.

Component 3: Project Management and Coordination

The AF project will fund project coordination activities including provision of goods, consulting services, training, and operating costs of the Project Implementation Unit (PIU) to support project coordination, implementation and management. AS such, the AF will enable the PIU to recruit additional management staff for project support.

Project Beneficiaries

Direct beneficiaries of the project will be the residents of Somalia, especially female owners of MSMEs, who will benefit from more formalization and growth in economic participation. Other beneficiaries of this project will be FGS institutions that are key to delivery of targeted financial and digital services. These include the MoF, MoIFAR, MoCI, MoCT, CBS, FRC, NCA, a new dedicated

DADSOM - ID Authority, FMS and the newly created MSME Financing Facility (Gargaara). Banks and nonbank financial institutions participating Financing of the MSMEs.

STATEMENTS AND PRESENTATIONS

During the meeting, Mr. Abdimajid Omar, Acting PIU coordinator moderated the sessions and welcomed to stage the MoF Director General (DG) and Chairman of the Public Steering Committee (PSC) Mr. Saleiman S. Umar. He together with PIU E&S specialist welcomed the guests and had a separate meeting with FMS, senior Government Officials and the Business Communities.

The meeting was mainly discussions regarding the challenges and the benefits for the implementation of the AF SCALED-UP project.

Opening Remarks by Mr. Saleiman S. Umar, the Director General of Ministry of Finance and the Chairman of the Project Steering Committee:

Public consultation and stakeholder engagement workshop commenced with the welcome speech by Mr. Suleiman the Director General of the Ministry of Finance and the Chairman of the (PSC) for the AF SCALED-UP project. He told the participants that he sincerely hopes that they will enjoy the two days of the public consultation and stakeholder engagement workshop of the AF SCALED-UP project. He continued to say that he is very excited to see this large gathering from various government ministries, private and non-governmental organizations that are here to attend this event.

He reminded the participants that before the COVID-19 pandemic, Somalia's economy was on an upward trajectory, recovering from the devastating 2016/17 drought and subsequent hardship associated with the unceasing impact of flooding. However, since the year 2020 COVID-19 pandemic has triggered a deep economic and health crisis in Somalia that could have a long-lasting impact on the livelihood of the population. Due to wide spread of the pandemic, our economy, which is driven mainly by the private sector, is exposed to increased business vulnerabilities, interruption of supply chains, decreased capital and venture inflows, diminished access to financing and limited remittances from abroad. He emphasized that the pandemic is pushing the economy into contraction and consequently will deepen poverty in coming years.

The DG stated that due to a COVID-19 response and recovery operation, on May 2020 the FGS has requested the international donor communities through the WB an additional financing AF for the parent SCALED-UP project in order to financially enhance its existing activities. The requested AF has been expeditiously approved by the WB board of directors. He once again reiterated that the objective of the AF SCALED-UP is to leverage the parent project's platform on institution strengthening and enhancing service delivery to enable micro, small and medium enterprises (MSMEs), women, youth and VMGs gain access to finance, financial transaction accounts and obtain unique ID numbers.

He lauded that the approved AF will improve the parent project activities to ensure continuity and effectiveness of the response to Covid-19 pandemic. He requested the participants to take advantage of the business opportunity provided by the AF SCALED-UP project. Again, he underlined that AF SCALED-UP project will assist women and VMGs business owners to (a) expand access to finance for their small and medium enterprises and (b) accelerate critical reform and capacity-building initiatives needed to underpin resilient recovery and safeguard sustainable livelihoods, particularly among women, youth and VMGs owned businesses.

Finally, he encouraged women, the youth and VMGs to capitalize the AF and apply the MSMEs AF SCALED-UP loan to help tackle the negative impacts of the Covid-19 pandemic and strengthen their ability to improve the livelihood of their family. He also persuaded the participants to involve the consultation activities, discussions to raise their concerns and get their views and feedback on the potential economic, social and environmental risks of the project.

Statement by Mr Abdiaziz Ibrahim, Director General of Ministry of Commerce, deputy Chairman of project steering committee:

Mr. Abdiaziz, at the project stakeholders meeting emphasized the importance of cooperation of government institutions, FMS and SMEs for implementing the AF SCALED-UP project. In his statement, he stated that MoCI implemented one stop shop system (online business registration system) which enables business owners to easily get Business Licenses and Certificate of Incoorporation. He indicated that the system will reach out all federal member state and encourage business owner to use the newly registration system established by MoCI, FGS.

Statement by Muhumed Hussein, Social Safeguard Consultant, World Bank:

Muhumed, gave an overview of the Bank's programmatic investments in Somalia focusing on the importance of this project to the economic rebuilding of the country and the importance of the different components of the project. Also, focused on the Environmental and Social Framework (ESF) which supports the world bank and borrowers to manage the environment and social risks. He added that ESF were meant to support the project strengthen its delivery while reducing the risks of the project through planning and having for effective risk mitigation measures. He outlined the different ESSs and instruments while explaining the ESF broadly coverage in areas such as conducting public consultation, social inclusion, grievance redress, accountability and transparency, and the ultimate goal is to protect environment and social from any harm and risks. He thanks the PU for convening an inclusive team for the stakeholder engagement and urged the participants to actively participate in the discussions.

Presentation by Proff. Osman Ibrahim Abdullahi, environment and social safeguard expert, SCALED-UP PIU, Ministry of Finance:

Prof. Osman Ibrahim, E&S PIU consultant delivered a presentation for the "AF SCALED-UP ENVIRONMENTAL AND SOCIAL SAFEGUARD MANAGEMENT WORKSHOP". The E&S consultant has provided a broad range of World Bank Environmental and Social Framework (ESF) policies, their objectives and implementation requirements. He also emphasized the WB's commitment to sustainable development through a set of Environmental and Social Standards that are designed to support borrower's subprojects with the aim of ending extreme poverty, promoting shared prosperity and reducing the risks of social and business impacts of Covid-19 pandemic.

Apart from all WB ESS policies, the consultant has highlighted and stressed to the participants the relevant WB ESS policies to the AF SCALED-UP project. These relevant WB ESS policies are as follows:

- ✓ ESS 1: Assessment and Management of Environmental and Social Risks and Impacts
- ✓ ESS 2: Labour and Working Conditions
- ✓ ESS 4: Community Health and Safety
- ✓ ESS 9: Financial Intermediation
- ✓ ESS 10: Stakeholder Engagement and Information Disclosure

In addition, topics for E&S Public Consultation Workshop Presentation Included the Following:

- ✓ AF SCALED-UP Project Development Objectives
- ✓ Overview of the WB Environmental and Safeguard (E&S) Policies and Guidelines
- ✓ WB Environmental and Social Framework (ESF)
- ✓ WB OP “Safeguard (SG)” Policies/WB “E&S Standards (ESS)
- ✓ WB Environmental Health, and Safety Guidelines (EHS)/WB General EHS Guidelines/Occupational Health and Safety Guidelines (OHS)
- ✓ Environmental and Social Management Plan (ESMP)/E&S Monitoring and Mitigation Plan/E&S Screening, Categorization and Approvals of Subprojects Application Procedures
- ✓ Institutions Roles and Responsibilities/WB Requirements and Recommendations for FIs/Environmental and Social Management Systems (ESMS)
- ✓ Gender Consideration within the project/Grievance Redress Mechanism (GRM)/GBV

The entire E&S workshop documents presented is attached to this report and it will be published on the WB and MoF websites.

The E&S consultant further underlined the need for the FGS to expedite the development of a comprehensive and final environmental and social policies, regulations and guidelines for positive economic growth and social development needs.

Finally, the E&S consultant has assured the public consultation and stakeholder workshop participants that the PIU will endeavor to continue E&S capacity building training and awareness programs throughout the life cycle of the AF SCALED-UP project.

Statement by Mrs. Shamsa Abdi Yusuf, Financial institution analyst, Gargaara Company:

Mrs. Shamsa, provided an overview of Gargaara Company and its operations. The duties and responsibilities of Gargaara is to boost access of financial services. She continued to say that Gargaara will closely work with the financial institutions to facilitate the AF SACLED-UP loans for Micro Small and Medium Enterprises. She encouraged, the Entrepreneurs, Solar companies, farmers, fishers and especially women and female owners of MSMEs to take advantage of AF financing opportunities.

Statement by Ahmed Abdirahman Omar, Associate Director: Advocacy & External Engagement | World Vision International/ SomReP delivered the presentation on Women Business Access to Finances: A Case of Somaliland Experience By OXFAM Under SomRep in Somaliland:

Mr. Ahmed, shared a study conducted by OXFAM with SomRep. He mentioned that women business owners are facing challenges such us lack of male guarantor and lack of financial service and products designed for women. He appreciated the efforts of the government of Somalia, World bank for creating financial facility entity known as Gargaara company. He recommended the government to coordinate with banks, donors and NGOs to design and provide soft loan products or micro credit schemes tailored at women managed businesses (flexible terms for women, IDPs and poor).

https://reliefweb.int/report/somalia/women-business-access-finance-somaliland-research-report-enso

Statement by Mahdi Ubax, Vulnerable community, Mogadishu, Somalia

Mr. Mahdi, indicated the needs of vulnerable people, and the challenges facing the VGS in terms of accessing financial service. He mentioned that their personal circumstances are especially receptive to disadvantage, particularly when a bank, government offices and other communities are not acting with appropriate levels of care. He requested government, financial institutions, business community to be considerate and support the needs of vulnerable groups by providing exceptional services to them.

Finally, he thanks the PIU SCALED-UP for giving them this opportunity to share/contribute their view on social and environmental risks. He hopes the project will give especial care and business opportunities to vulnerable people.

Questions and Responses

To enable and develop an effective stakeholder consultation engagement, the project team requested key stakeholders to provide comments/responses with questions regarding to the implementation of the AF SCALED-UP project. The following are the questions asked by the participants and their responses.

Questions	**Responses**
1. What are the potential risks from implementing this project?	The expeditors of the project are exposed to great security risk due to lack of strong government presence in all regions of Somalia. The Gargaara financing mechanism poses serval threats. In terms of micro lending, the beneficiaries (MSME'S) may fail to repay on time as physical risk occur unpredictably and often such as floods affect and locusts consume and destroying. Furthermore vulnerable groups e.g. IDPs, marginalized people and women do not have access to financing because of the rigid requirements to access loans as well as the productive sectors being dominated by . There is also the fear of mismanagement in the process of lending which excludes some segments of society and is unjust in the distribution of loans A mitigation for this could be to set-up a monitoring committee that regularly supervise the tasks to be carried out by Gargaara, the banks, and the beneficiaries, to ensure that the financing is reaching the intended beneficiaries. Inability of the beneficiaries to adopt or implement environmental regulations of the project due to ignorance towards concepts such as preservatives. Furtheremore without a clear understanding of guidelines on environmental protection the likelihood of environmental hazards will increase. To mitigate

	against this is to formulate a risk identification and assessment that can be used to avoid the cause of risks.
2. What measures should be put in place to ensure that the identified risks are addressed and mitigated?	Availability of adequate SEP budget is another key factor if the project wants to be more sustainable. More engagement with stakeholders of the project and eventually the measuring the progress the project has made. The security risks can be mitigated by keeping the lending information of the beneficiary classified. Also, the project staff should be vigilant and be provided with security while visiting and monitoring sites.
3. What measures should be put in place to specifically address vulnerable, marginalized and minority groups (pastoralists, nomadic populations, persons with disabilities, etc.) and people in marginalized areas (remote, poor rural and urban areas)?	Ministry of Finance should have strictly administered the steps of preventing from any possible risks to the environment and arrange workshops for the beneficiaries ahead of time of the project in order to teach them and ensure to safeguard the environment. There is a challenging of social exclusion during the implementation of particular projects. Therefore, to identify a set of criteria to determine who is excluded and mechanisms to track progress, assess the impact of measures undertaken to promote inclusion and ultimately ensure that no one is left behind. Preliminary stakeholder consultative meeting especially vulnerable, marginalized and minority groups will be crucial for the smooth running and implementation of the project. Public consultation suggested to consider the following: ✓ To reduce the conditions of the banks for the vulnerable and marginalized people, and to deal with them in a special way, and MoF should regularly follow-up the circumstances concerning them.

	✓ To reduce the percentage of repayment in order to encourage. ✓ To establish special channels to send their concerns. ✓ To approach unions and inform the benefits of the project and how it is developing their livelihood. ✓ To adapt a survey of collecting the data to learn how the rural people can benefit from the project.
4. What should be done to ensure that Vulnerable Marginalized Groups (VMG) children are retained in school? What would be project linkage to the safety net project in the country?	Somalia's vulnerable population groups have high exposure to risk and lacks access to public and private sector safety nets. Improving the capacity that involved in the education sector to administer the project is highly recommended. This could be established via a steering committee to spearhead and ensure the all VGM children are retained in their designated school and consider sponsoring this child as part of its Corporate Social Responsibility (CSR). The meeting recommended: ✓ To build a free-of-charge schools for VMG children, where the children of poor can get proper education, and to ensure the quality of the education, and to give their teachers a training. ✓ To increase the number of schools run by the government. ✓ To build technical schools for the special needs children, where they can get useful skills for their future. ✓ MoF and World Bank work together on coordination with the existing schools to provide VMGs vocational training.
5. How should the disclosure of existing grievance redress mechanism (GRM)	The establishment of Grievance Resolution Committee (GRC) independent from Gargaara and

and feedback be made more effective in order to reach all stakeholders? What other structures/systems are operational in the country for seeking grievance redress?	the banks could be a valuable way to preserve the integrity of the project. The project stakeholders comprise of local community representative, including the competent authority representative, Local government representative at village and cell levels, beneficiary and supervisor representatives. If the mentioned bodies do not reach a mutual GRM, then the case will be referred to competent law enforcing agencies in the country. Proper supervision by the implementing agencies and concerned bodies are helpful for GRM. Other grievances are more sensitive especially when they are about land boundaries, or misunderstandings between affected households and the beneficiary regarding access arrangements, properties accidently damaged by construction activities, accidents on sites among others. All these grievances and claims must be resolved as soon as they are received and adopt grievances redress mechanism based on the policies of MoF. Most grievance do not reach upper management level, so creating hotline numbers, website, mobile application to make all grievances easier to everyone and available for the public. Also, using open door policy for the society is helpful and allow stakeholders to use any means easily accessible to their voice up and file their concerns and complaints a grievance form. After registration of the complaint, an investigation will be carried out by the committee members to verify its authenticity. Thereafter a resolution approach will be selected based on the findings. The decisions of the action to be taken will be communicated to all involved parties mainly in written form and awareness training sessions on the GRM.

6. What experiences and lessons have you learnt in the implementation of similar interventions (especially those funded by development partners)?	The lessons learnt from implementation of similar projects are: ✓ Public participation and popularizing the project through social media platform is key and ensuring that people are aware of the existence of the project. ✓ Slow project progress due to the mismatch of reality on the ground and ambitious project goals and expectations ✓ Failure of early clarifications of the roles and the responsibilities of all engaged bodies in the SEP. ✓ Inadequate implementation skills. ✓ The little limited of stakeholder engagement. ✓ Lack of accountability.
7. What other stakeholders do we need to consult?	The key stakeholders to be consulted and involved in the projects development are: ✓ The ministry of National Planning and other relevant line-ministries ✓ Local community ✓ Civil societies ✓ Local NGOs ✓ Employees ✓ Private owned companies ✓ Competitors ✓ Vulnerable groups and IDPs. ✓ Environmental experts.
8. What is the most effective way to hold consultations with project beneficiaries, share information and get feedback in the context of COVID-19?	Due to the COVID-19 ICT solutions have been widely adapted as a suitable alternative to physical meeting, this allows increase of participants. Prevention measures of social distance should be applied and use telecommunication, or live event via teleconference i.e. Zoom, Webex etc, or meeting with specific number of people and door to door discussion

	during the stakeholder consultation. Forming social media platform or set the national TV and radio programs for the project is also useful.
9. What other issues should be considered by the MoF in implementing this project?	Ministry of Finance should observe in order to implement this project: ✓ Project feasibility study considerations. ✓ Recruitment of skilled human resources. ✓ Setting the project structures and roles.

Additional Comments and Key Concerns Raised

- ✓ How do banks reach people who are unaware of the loans of Gargaara Company?
- ✓ Where the people can get information about Gargaara Company?
- ✓ Is there any debt forgiveness system for the project?
- ✓ Stakeholders suggested to make a time extension for borrowers if the beneficiary would not return the debt the agreed time due to the circumstance such as floods or locust infestation occurred in the farm.
- ✓ Strengthen solar supply groups that can be used for irrigation for which will be benefited beneficiaries.
- ✓ The workshop also proposed to arrange a consultative meeting with different stakeholders to have some further discussions to reduce the associated risks as much as much possible.
- ✓ Needs of a national ID for citizens and the participants suggested to it to be introduced soon.
- ✓ The participants welcomed the online business registration for MSMEs and FMS requested to expand the implementation to all FMSs.

Closing Statements

The program was wrapped up with closing remarks by Mr. Abimajid, PIU acting coordinator. He was thankful to all participants for their willingness and openness to contribute to the discussions, share their experiences, valued suggestions and ideas with AF SCALED-UP stakeholders. He finally reiterated that the relationship, solidarity and the space for networking created through this engagement will continue to exist and that we will all rally around ensuring that the objectives of the AF SCALED-UP are fulfilled.

Survey Collection of Key Areas of Engagement

BACKGROUND INFORMATION		
Name of the Ministry/Organization/Community	**Ministry of Commerce and Industry FGS**	
Department	**Administration**	
Position	**Director general**	
Name of the Respondent *(Optional)	**Abdiaziz Ibrahim Adan**	
Physical location	**State**	**Mogadishu**
	District	**Wardhigley**
	Location/Zone	**Mohamoud Harbi Road, Behind National Theatre**

KEY AREAS OF ENGAGEMENT	
1. Identify the Key stakeholders that we need to consult?	Ministry of youth, Ministry of Women, The MSME sector
2. What are the potential risks envisioned in implementing this project? And how can we resolve them?	Security threat on the implementers of the project
3. What measures should the project put in place to address vulnerable, marginalized and minority groups? Pastoralists, rural poor, IDPs, urban poor?	A specific percentage needs to be preserved for this groups in activities of the project in terms of project benefits i.e employment opportunities. They should also be invited to participate in the engagement forums
How should grievances related to this project be handled?	Grievance should be received and investigated and legal actions taken against individuals who will be found guilty
4. How should cases related to GBV/SEAH be addressed under this project?	A gender officer/office need to be set up to receive grievances and complaints related to GBV/SEAH An email where victims of GBS/SEAH will share their grievances will be greatly important in addressing such issues.
5. What is the most effective way to share information and get feedback on the planned project?	Setting up an email list of stakeholders where regular messages are shared with and feedback on the same would be most appropriate. However quarterly and bi annual stakeholder engagement forums will also work well, since people give feedback when on face to face as opposed to responding via emails.
6. Which other intervention is being implemented in the digital and financial sector in the country?	MoCI is currently undertaking a Somali Trade Information portal (STIP) where information relating to investment in the country can be accessed from the website.

7. How is the country managing the COVID-19 situation within the financial sector and government services?	Reducing the number of staff at offices to essential ones to reduce crowding at workplaces and those present to adhering to the Ministry of health guidelines
8. What experiences and lessons have you learnt in implementing similar interventions (especially those funded by the World Bank)?	Public participation and Corporate Social Responsibilities(CSR) plays key role in popularizing the project
9. What other insights/ideas would you like to share on the project and stakeholders to be considered?	N/A

BACKGROUND INFORMATION		
Name of the Ministry/Organization/Community	**BRCIS Consortium**	
Department		
Position	**Programme Manager**	
Name of the Respondent *(Optional)	**Alison Plouffe**	
Physical location	**State**	**All**
	District	
	Location/Zone	

KEY AREAS OF ENGAGEMENT	
1. Identify the Key stakeholders that we need to consult?	Somali Financial Institutions (mobile phone operators/micro-finance institutions, and banks) Media (sharing of information through radio/commercial/social media) Savings Groups (specifically female led) BRCiS supported Micro Enterprises
2. What are the potential risks envisioned in implementing this project? And how can we resolve them?	Defaulting on loans given the instability of certain FMSs COVID 19 Low risk appetite of financial institutions (need better relationship building between FIs and the community) KYC ‘Know Your Customer’ – major block to finance – need for ID cards for unbankable populations
3. What measures should the project put in place to address vulnerable, marginalized and	Access to civil documentation for vulnerable populations

minority groups? Pastoralists, rural poor, IDPs, urban poor?	Community engagement between populations and financial institutions (trust building) Access to information – many communities don't know about financial institutions and financial institutions often dismiss vulnerable populations as too risky to invest in
4. How should grievances related to this project be handled?	Unified complaints response feedback mechanism – hand out a single hotline number for direct beneficiaries Social Media accounts where people can air grievances
5. How should cases related to GBV/SEAH be addressed under this project?	Robust referral pathway should be drafted as this project does not specifically do case management Training financial service actors with regards to sensitization (do no harm) Trainings with PIU partners to ensure that there is a do no harm approach
6. What is the most effective way to share information and get feedback on the planned project?	Joint coordination meetings held on a monthly or quarterly basis Community and financial service can be informed through information campaigns via social media or radio Outreach to schools such as TVET or Universities
7. Which other intervention is being implemented in the digital and financial sector in the country?	Community savings groups – creation of demand for financial services Mobile money payments could be grown like in neighboring countries
8. How is the country managing the COVID-19 situation within the financial sector and government services?	Further need for information around vaccine hesitancy Further information around 3rd and 4th wave of potential Delta variant Impact on HH economies and need for government social safety nets in face of contingency such pandemics
9. What experiences and lessons have you learnt in implementing similar	Lack of information and linkages between financial institutions and the private sector and the vulnerable

interventions (especially those funded by the World Bank)?	populations that BRCiS support through the World Bank and the PIU.
10. What other insights/ideas would you like to share on the project and stakeholders to be considered?	After reviewing the pamphlet that was distributed, BRCIS believes it could play a role in facilitating important linkages between larger financial systems and digital platforms and the vulnerable communities that this project would like to target.

BACKGROUND INFORMATION		
Name of the Ministry/Organization/Community	**World Vision International – Somalia Office**	
Department	**Somali Resilience Program - SomRep**	
Position	**Regional Program Coordinator – Southern Somalia**	
Name of the Respondent *(Optional)	**Daniel Kanyerere**	
Physical location	**State**	**South West State**
	District	**Baidoa**
	Location/Zone	**Bay**

KEY AREAS OF ENGAGEMENT	
1. Identify the Key stakeholders that we need to consult?	International NGOs - BRICs, SomRep, CARE, Save the Children, OXFAM, DRC, Private Sector: Banks in Somalia (Dahabshilli, Premier, IBS), SomRep support Mindimo MFI – Baidoa and Dollow District Bank Local NGOs Chamber of Commerce - State Potential Clients – SMEs, VSLA members, Producer Associations
2. What are the potential risks envisioned in implementing this project? And how can we resolve them?	Default/embezzlement of funds, most vulnerable like women left out as they are considered not credit worth, lack of/limited regulatory policy framework to guide players in this, mentality govt loans are free and should be paid back, high/exploitative interest rates, Bank's refusal to give loans to vulnerable like women because they Lack of IDs and Guarantor Possible mitigations measure: For Vulnerable groups – govt to provide IDs and Policies and advocate to banks to accept women, Channel loans through groups like VSLAs where group trust and cohesion becomes a surety/guarantor to check any default Ensure low interest rate on the loan

	Put in place policies and regulatory framework to guide the administration of the loan and the lender and borrower relation Before loan disbursement – there heavy and intensive training on borrowers Look at Individual loans for bigger borrowers
3. What measures should the project put in place to address vulnerable, marginalized and minority groups? Pastoralists, rural poor, IDPs, urban poor?	Deliberate targeting of this category of beneficiaries Heavy and intensive training on business management Form groups – self selection after heavy sensitization and training provided as SomRep do in VSLAs – this help to bring mindset change from depended to having the confidence of "I can do this for my family livelihood) NGOs/consortium working with these groups of people can be coopted to provide the training/organizations depending on the targeted locations Provide loans with low interest rates Since most do not have IDs, NGOs or govt can provide the surety Vet and use LNGOs and INGOs who genuinely work to support the poor most of whom are under this category to support/facilitate organization and training of these people. (Screen out agencies who may want If Banks will lend to these people, they should create within their bank a training department to support these would be beneficiaries
4. How should grievances related to this project be handled?	Establish a hot line where clients can call to if they have any issues Have multilayered committee to handle the grievances depending on gravity…consider a) Committee at Beneficiary Group level c) Committee at State level and another at Project Level at Federal
5. How should cases related to GBV/SEAH be addressed under this project?	First there should sensitization about GBV/SEAH as an integral part of the project and clearly articulate possible forms this would manifest in course of program All this would be each one's responsibility, consider recruiting the GBV/SEAH Focal Point at the lowest level of the project to be incharge of this

	Form GBV/SEAH Committee at project level to be trained by the Focal Point. The Committee as part of society/clients groups can easily monitor how GBV/SEAH issues are playing among beneficiary community. They can see if to handle them or refer to right channels to address these Religious Leaders and Village Chiefs should be part of higher committee where these issues can be referred for resolution There is need for govt to put in place reinforce laws and penalties against culprits
6. What is the most effective way to share information and get feedback on the planned project?	Establish the Beneficiary Feedback response mechanism. like telephone line where clients/people can report. Use of Participatory Monitoring Evaluation Reflection and Learning (PMERL) where the project should at on set develop Annual or multi-year Activity plans with stakeholders/clients. Then quarterly implementation plans can be developed to guide implelemntation. At end of each qurter relevant cleints/stakeholders can be invited to meeting to review..what worked and whay, what did not work and why? Lessons learnt and next steps to be taken to overcome challenges The project can also consider holding annual learning event where different stakeholders are invited and success/challenges and project performance is presented. Media could be invited to cover such events.
7. Which other intervention is being implemented in the digital and financial sector in the country?	SomRep has promoted and supported co-financing of community project. SomRep conducts participatory community Assessment using some tools under Gender, Climate Vulnerability Capacity Analysis (GCVCA). Through this, community develop Community Action Adaptation Plans (CAAPs) which has priority projects for example Shallow well establishment. Using a digital platform developed by Shaqodoon (a local NGO), the project is uploaded to this for each community and then each community as individuals send money using mobile Phone electronic transfer (EVC) which goes straight to the platform, those in diaspora are also mobilized to send money direct to this platform. This platform can be accessed and monitored by all parties to see how is coming in. After a give threshold is raised then SomRep provides match funding to work on project. This was done in Xudur, Qansadhere under EU funded grant

8. How is the country managing the COVID-19 situation within the financial sector and government services?	Following the outbreak of Covid 19, SomRep put in place business continuity plans. This was to ensure activities continue while embracing Covid-19 awareness and prevention measure among beneficiaries and staff involved in economic development activities (VSLAs, Livestock marketing Associations, Producer groups. Some measure used included the following: -Spacing Out Contributions: Limited number of meeting, shifted the making monthly contributions physically to mobile money transfer - Venue management – use venue with wide space to avoid congestion - Handwashing: during meetings - Social distancing observed during gatherings - Face masks – used during meetings - Shortening Training period Another initiative SomRep through her sister project – Somali Resilience Innovation Lab (SomRIL) developed Covid 19 Public Health Messages translated in Somali to help raings awareness about the diseases. https://youtu.be/oBtNgB0MikE; https://responseinnovationlab.com/somalia-covid-19/
9. What experiences and lessons have you learnt in implementing similar interventions (especially those funded by the World Bank)?	Have not implemented World Bank initiatives. However, the following are some of the key lessons: - Making the project has strong mobilization and training component for beneficiaries - Ensure you have a well-articulated Monitoring plan - Regular and frequent follow up to clients to monitor performance in order to timely detect any threats that would undermine performance and lead to defaulting (Strong Loan servicing component) - When people know this is government loan, they have mentality they can default and go away without any penalty.
10. What other insights/ideas would you like to share on the project and stakeholders to be considered?	For this to be effective, make there is deliberate effort to ensure a balance between relevant design of policies and appropriate interventions. With the private sector as a driving force in economic development, how can their expertise be harnessed in this project to support the poor in doing business. Poor people should be brought up the ladder with support by private sector in a win-win situation than exploiting them (design pro-poor & Private sector engagement strategies reinforced and monitored by government to protect the poor.

	MSMEs will require hands on support. Need to develop and establish business incubation services that will nature MSMEs into established and successful enterprses. The need for proper road infrastructure to support SMSE Security improvement

Photos in Public Consultations

List of Meeting Attendees

Participant List			
No	Name	Gender	Institution
01	Saleiman Umar	M	MoF
02	Abdiaziz Ibrahim Adan	M	MoCI
03	Mohamed Abdi Mohamed	M	CBS
04	Omar Mohamed	M	FRC
05	Abdullahi Guled Ibrahim	M	MoCT
06	Zakaria Ali	M	SCALED-UP PIU MoF
07	Osman Abdullahi Ibrahim	M	SCALED-UP PIU MoF
08	Abdimajid Omar	M	SCALED-UP PIU MoF
09	Abdullahi Mohamed	M	NCA
10	Abdi Dahir	M	MoCI
11	Yasin Abdinasir	M	MoCI
12	Aidarus Ibrahim	M	FRC
13	Farah Abdi Mohamed	M	FRC
14	Naima Hassan Dimbil	F	NCA
15	Ahmed Muhudin Oon	M	MoF
16	Ahmed M. Omar	M	MoCI
17	Shamso Abdi	F	Gargaara
18	Aisha Ismail	F	Gargaara
19	Hussein Abukar	M	MoCI – Hirshabelle
20	Ibrahim Mohamed	M	NCA
21	Ibrahim Adan Ali	M	MoCI – Southwest
22	Mohamed Ahmed	M	MoCI – Hirshabelle
23	Noordin Ali Mohamed	M	MoCI
24	Mahdi Daud	M	CBS
25	Abukar Sayid Ali	M	SCALED-UP PIU MoF
26	Abdullahi Tahlil	M	AG Office
27	Abdullahi A. Mohamed	M	MoCI
28	Abdukadir Said Dahir	M	MoCI – Puntland
29	Abdullahi Mursal	M	MoCI – Puntland
30	Ali Sheikh Mohamed	M	AG Office
31	Ayanle Hussein	M	MoCI – Jubaland
32	Mubarak Farah	M	MoCI – Jubaland
33	Mohamed Abdullahi	M	CBS
34	Khalid Abdullahi	M	NCA
35	Mohamed Nor Abdi	M	MoCI
36	Mohamed Bile	M	MoT
37	Zakaria Sharif	M	MoT
38	Ismail Omar Alas	M	MoPIED
39	Ahmed Ali Hassan	M	MoCI
40	Mohamed Ahmed	M	CBS
41	Nabil Abdulkadir	M	BRA
42	Abdullahi Mohamed	M	BRA
43	Muhumed Hussein	M	WB
44	Warsame Shidley	M	Nomad Translations
45	Hassan Turyare	M	Tusmo Travel
46	Abukar Mohamed	M	Hilaal Agro
47	Mohamed Hussein	M	Fisher
48	Abukar Ahmed	M	SKY Logistics
49	Abdifatah Ali	M	Digital Shelter

50	Macow Mohamed	M	Danan Media
51	Jafar Mohamed Ali	M	Goobjoog TV Media
52	Najma Mohamed Geddi	F	Somali business Women association
53	Bashir Nur Abdulle	M	Dhaxalreeb Research
54	Mohamed Okash	M	SIMAD University
55	Abdimajid Adan	M	Daruro Air Travel
56	Bashir Mohamed	M	Dalsan Power
57	Ali Yare Mohamed	M	Dalsan Power
58	Khadija Abdi Hassan	F	IBS Bank
59	Abdirahman Shuib Adow	M	Vulnerable Group
60	Naima Ahmed Abdi	F	Somali business Women association
61	Fadumo Sheikh Ali	F	Gabyow Agriculture Company
62	Zahra Mohamed Adan	F	Zaar Fashion
63	Farhia Muhudin Mohamed	F	Business Owner
64	Ayan Ilyas Ahmed	F	Business Owner
65	Najmo Mohamed Muhudin	F	Somali business Women association
66	Nadar Xute Muhudin	F	MHGGY Female Union
67	Fardowso Abdirahman Ali	F	MHGGY Female Union
68	Abdinur Sufi	M	SOGEA (Solar Energy Association)
69	Suleqa Abdi Mohamed	F	Somnur Solar energy
70	Mohamed Ashraf	M	Astan TV Media
71	Ali Dhiblawe Alasow	M	Local Government
72	Isaq Hersi Malin	M	Goobjoog TV Media
73	Abdiwahab Isaq	M	SIMAD University
74	Abdifatah Abdullahi	M	Sahal Telecom (Internet Provider)
75	Ardo Abdulkadir Mohamed	F	MHGGY
76	Aisha Abdi	F	Vulnerable Group
77	Bakar Abdi	M	Student
78	Abdirahim Abukar	M	Amal Bank
79	Mohamed Haji	M	Somnur Solar Energy
80	Abdullahi Nor	M	Premier Bank
81	Mohamed Abdirahim	M	Premier Bank
82	Rahma Mohamed	F	City University
83	Ali Salah	M	SITE
84	Shamsa Abdullahi	F	IBS Bank
85	Abdullahi Barre	M	Dahardher Agriculture
86	Abdisalam Ahmed	M	Energy Sector
87	Alison Plouffe	F	NRC – BRCIS
88	Abdishakur Shidane	M	Bixi IT
89	Abdifatah Hassan	M	Digital Shelter
90	Ahmed Mohamed	M	Digital Shelter
91	Abdiwahab Elmi	M	IBS Bank
92	Mahdi Abshir Omar	M	Vulnerable Group
93	Abukar Ali Jama	M	Target Agro
94	Ali Farah	M	Eco-Hub
95	Ahmed Abdiwahab	M	SomReP Consortium
96	Abdalla Qudde	M	Somali Optical Network
97	Hassan Hussein	M	Save the Children
98	Dahir Gedi	M	Save the Children
99	Ismail Abdullahi Ali	M	IITA Institution
100	Abdifatah Abdullahi	M	Sahal Telecom (Internet Provider)
101	Mohamed Abdulkadir	M	PIU
102	Sadia Abdulkadir Adan	F	PIU

103	Osman Ibrahim	M	Isma Production
104	Abdiaziz Mohamed Nur	M	Amal Bank
105	Omar Abdullahi	M	RedSea Technology
106	M. Khaire	M	Media
107	Abdalla Maye	M	Solar Energy
108	Eng. Yusuf Nur Hayow	M	Elnur Electric Service
109	Nur Abdulkadir Hassan	M	Tamarso
110	Hafso Khalif Omar	F	Nation FM Media
111	Sharmarke Abdulkadir	M	Tamarso
112	Abdullahi T. Aden	M	Premier Certified Accounting
113	Said Ahmed Ikar	M	Infinite Networking Tech
114	Sahal Ali Mohamed	M	Infinite Networking Tech
115	Fardowso Abdirahman	F	Women Entrepreneurs Association