

**TAKAFUL AND KARAMA CASH TRANSFER EXPANSION AND SYSTEMS BUILDING
PROJECT (TKCTSBP)**

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK

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Table of Contents

Abbreviations and Acronyms

- 1 Executive Summary*
- 2 Background*
- 3 ESMF Objective*
- 4 Project Description*
- 5 Policy, Legal and Regulatory Framework*
- 6 Environmental and Social Baselines*
- 7 Potential Environmental and Social Risks and Mitigation*
- 8 Labor Management*
- 9 Public Consultation and Disclosure*
- 10 Annexes*

Abbreviations and Acronyms

Citizen Engagement	CE
Civil Society Organization	CSO
Code of Conduct	CoC
Community Development Association	CDA
Convention on the Elimination of All Forms of Discrimination Against Women	CEDAW
Egypt Health Issues Survey	EHIS
Egyptian Environmental Affairs Agency	EEAA
Egyptian Micro, Small and Medium Enterprises Development Agency	MSMEDA
Egyptian pounds	EGP
Egyptian Trade Union Federation	ETUF
Environmental and Social	E&S
Environmental and Social Framework	ESF
Environmental and Social Management Plan	ESMP
Environmental and Social Management System	ESMS
Environmental and Social Standards	ESSs
Environmental Impact Assessment	EIA
Environmental, Health and Safety Guidelines	EHSG
Environmental, Social, Health and Safety	ESHS
Environmental and Social Commitment Plan	ESCP
Female Genital Mutilation	FGM
Finance, Competitiveness and Innovation	FCI
Gender Based Violence	GBV
General Authority for Investment and Free Zones	GAFI
Good International Industry Practice	GIIP
Greenhouse Gases	GHG
Grievance Mechanism	GM
Grievance Redress Mechanism	GRM
Gross Domestic Product	GDP
Infection Prevention and Control	IPC
Integrated Management Information System	MIS
Investment Project Financing	IPF
Labor Management Procedure	LMP
Material Safety Data Sheets	MSDS
Ministry of International Cooperation	MOIC
Ministry of Education and Technical Education	MOETE
Ministry of Health and Population	MOHP
Ministry of Social Solidarity	MOSS
Non-Governmental Organization	NGO
Occupational Health and Safety	OHS
Performance Based Condition	PBC
Personal Protective Equipment	PPE
persons with disabilities	PWD
Project Implementation Unit	PIU
Project Steering Committee	PSC
Proxy Means Testing	PMT
Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH)	SEA/SH
Social Accountability Committee	SAC
Stakeholder Engagement Plan	SEP
Strengthening Social Safety Net Project	SSNP
Sustainable Development Strategy	SDS
Takaful and Karama Cash Transfer Expansion and Systems Building Project	TKCTSBP
Takaful and Karama Program	TKP
the Labor Management Plan	LMP

UN's Sustainable Development Goals	SDG
Universal Health Insurance System	UHS
Unified National Registry	UNR
Violence Against Women	VAW

1 Executive Summary

Under the ongoing US\$900 million Bank-financed Strengthening Social Safety Net Project (SSSNP) (P145699), the Takaful and Karama Program (TKP) has made significant improvements on operational and administrative aspects, including: (i) establishing a solid management information system (MIS) which hosts the TKP social registry and houses approximately 30.4 million individuals out of which 12.0 million individuals (approximately 3.6 million households) were found eligible and are now enrolled in the program; (ii) introducing digital payments making the transfer of benefits more efficient; (iii) establishing a grievance mechanism (GM) with multiple uptake channels as well as social accountability committees at the local level to promote transparency and citizen engagement (CE) in the program; and (iv) rolling out communication campaigns on program conditionality in addition to distributing SIM cards to beneficiaries to facilitate communication and outreach.

The proposed project will build on these achievements to further improve the efficiency and effectiveness of the program by addressing existing gaps and challenges. This includes: (i) improving data collection for enhanced monitoring of health and education conditionalities and ensuring the operational and financial sustainability of related administrative costs in the longer-term; (ii) further leveraging digital technologies and mobile solutions including for case management and GMs, in addition to optimizing the use of SIM cards to enhance communication, outreach, and monitoring; (iii) strengthening and deepening the quality of the grievance resolution including cultivating further coordination with the Ministry's Women's Administration to address for Gender Based Violence (GBV) related grievances in accordance with the accountability and response protocol; (iv) develop a program-level CE strategy to facilitate synergies and institutionalization of various CE approaches and rollout beneficiary or participatory monitoring to improve service delivery; (v) scaling-up and expanding communication activities regarding program recertification requirements as well as health and education conditionalities; (vi) enhancing the financial inclusion of TKP beneficiaries; (vii) enhancing the TKP MIS for improved data management and data exchange within Ministry of Social Solidarity (MOSS), and with partners and government entities; and (viii) scaling up the pilot program on economic inclusion (FORSA) drawing on lessons learned from the baseline evaluation.

In accordance with the World Bank Environmental and Social Framework (ESF), the Ministry of Social Solidarity has prepared the Environmental and Social Management Framework (ESMF) to assist the Project Management Unit (PIU) in managing the environmental and social risks and impacts of the project in accordance with the national legislations and the ESF. The ESMF is covering the project and sets out the principles, and guidelines to assess and mitigate the environmental and social risks and impacts. Due to the nature of component 3 an environmental and social management system (ESMS) will be established and operationalized before carrying out screening of any proposed Financial Intermediary (FI) subproject. A chapter on the Labor Management Procedures (LMP) is included in the ESMF. In addition to the ESMF, the MOSS has developed E&S management instruments including Stakeholder Engagement Plan (SEP) as per the ESF required.

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TKCTSBP was designed taking into consideration the associated environmental and social risks. TKCTSBP is expected to result in positive environmental and social impacts as it seeks to improve the economic situation and resilience of its beneficiaries, and the capacity of MOSS to effectively and efficiently manage data and assistance delivery nationwide. The project will also finance the development and operationalization of community awareness campaigns which will be implemented through number of local youth volunteers and community workers. In addition to the positive impacts, the project may result in significant adverse E&S impacts if the risks are not adequately managed. The table below includes the identified negative impacts for the relevant project components and their mitigation measures.

Table 1 E&S Risks and Mitigation Measures

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component 1: Provision of Conditional and Unconditional Cash Transfers ESS 1, 2 & 3	<ul style="list-style-type: none"> • Discrimination and inequitable targeting • Exclusion of the most vulnerable groups (groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering from social stigma, etc.) from the program. • Monitoring conditionality • and in turn the risk of including ineligible beneficiaries, or ones not meeting conditionality terms • Discrimination and disrespectful treatment and sexual exploitation and abuse and sexual harassment (SEA/SH) when receiving project benefits and • Lack of beneficiary awareness of eligibility criteria, application processes, TKP objectives, the grievance mechanism 	<ul style="list-style-type: none"> • Continue to use the Proxy Means Testing (PMT) for the targeting of beneficiaries and continuously update the formula, as needed, to avoid elite capture (part of project design) • Continuously updating registration, database cross-checking, enrollment, case management and beneficiary data (part of project design) • Timely, regular, and systematic recertification of beneficiaries, an adequate institutionalization of such approaches in MOSS, and clearly clear communication to beneficiaries on recertification (part of project design) • Cross-checking and data collection through the MIS and collaborations between MOSS and ministries of education and technical education (MOETE), and health (MOHP) for nursing schools, as well as Al-Azhar for Azhari schools; data collection procedures and protocols; and incentives paid to promote data collection at the level of school (part of project design) • Digitalized cash transfers systems; increase usage of the Meeza cards (part of project design) • SEA/SH action plan to be prepared which will include as minimum that 1) once referral mechanisms established and functional, staff to be trained on those mechanisms; 2) awareness raising of beneficiaries on the referral mechanisms; 3) signature of a code of conduct by all project workers • Expansion and strengthening of CE mechanisms, including and quality advancement of grievance resolution, which entails, for instance, enhancement of GBV related grievances management, systematic institutionalization of Social Accountability Committees (SACs), rollout of beneficiary or participatory monitoring, and integration of beneficiary satisfaction questionnaires and/or modules in the annual performance audits and/or impact evaluation (part of project design) • Development of a program-level citizen engagement strategy to enhance 	Progress Reports Preparation and implementation of SEA/SH action plan	PIU	Project Cost

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Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
	<p>details, etc.</p> <ul style="list-style-type: none"> • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism • Potential risk of domestic violence following the economic empowerment of women <p>Accessibility related issue in the social units</p>	<p>awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens.</p> <ul style="list-style-type: none"> • Grievance Mechanisms details to be shared widely and complaints to be resolved timely • Engagement of family members who influence the ability of women to participate in Forsa activities to build trust and facilitate women's participation; these include parents and/or husbands • Raising awareness about the GM, legal rights, and rights ensured by the program to enhance usage of the GM • Capitalizing on social workers, women rural leaders, and volunteers to conduct door-to-door visits and verbal awareness sessions to accommodate for beneficiaries with mobility restrictions, who are illiterate or who suffer from visual impairments 			

Project sub-component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component ۲: Enhancing Delivery systems and institutional	Efficiency of service delivery across all governorates and units	<ul style="list-style-type: none"> • Continuous investments in MOSS staff capacities with regards to use of the MIS; codes of conduct; policies and procedures, and E&S management (part of project design) • Further promoting the use of digital technologies in program 	Progress report	PIU	Project Cost

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Project sub-component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
capacities ESS ١ & ٤		<p>operations as well as support enhancements to the TKP MIS.</p> <ul style="list-style-type: none"> Continuation and expansion of awareness-raising on TKP overall objectives and conditions through assessing (i) the project's communication objectives, opportunities, and challenges (b) effectiveness of communication efforts carried out to date, and accordingly determining needed improvements and way forward. Reaching beneficiaries through personal communication (including increasing the magnitude of SMS text messaging as a means of communicating with beneficiaries and monitoring the social behavior of beneficiaries pertaining to the conditionalities), coupled with mass communication activities to raise TKP's visibility and prominence amongst target audiences Guiding communication efforts by key performance indicators which would guide any required modifications. Ensuring robust, reliable and efficient means of performing external data verification through establishing system interoperability across all relevant databases e.g., UHIS database; and establishing robust business intelligence and data mining capability for enhanced program monitoring, reporting and performing big data analytics (project design). 			
Component ٢: Enhancing Delivery systems and institutional capacities ESS ١ & ٣	Electronic waste generated at the end of the devices' life time as the project will procure a number of devices for the employees.	<ul style="list-style-type: none"> Distribute, with each device, a brochure, in local language, on the adequate disposal of electronic waste once they reach their end-of-life. dispose e-waste using the Egyptian Environmental Affairs Agency (EEAA) approved channels to collect and safely dispose electronic wastes. 	ESCP/progress report if applicable	PIU	Project Cost

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component 3: Economic Inclusion/Empowerment Services ESS 1, 2, 3 & 4	<ul style="list-style-type: none"> • Risk of biases in enrollment in the program that would lead to the exclusion of certain groups (e.g., females; people with disabilities, groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering from social stigma, etc.) • Lack of interest from the targeted groups out of fear of failure, disqualification from receiving the loan and/or social restrictions in the case of women • Capacity of targeted groups to effectively exit the program • Domestic violence following the economic empowerment of women • Lack of beneficiary awareness of eligibility criteria, application processes, Forsa objectives, the grievance mechanism details, etc. fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project 	An ESMS will be developed for this component, which will address: <ul style="list-style-type: none"> • Selection and management of implementing partners and their E&S profiles and risks • Develop clear selection criteria for non-TKP participants who benefit from the program • Continue to deliver behavior change sessions; integrate best practices from partners who have expanded the sessions • Consider expanding capacity building content with entrepreneurship and business essential modules which are currently being delivered in partnership with Sawiris Foundation • Build on the findings and recommendations of the recently concluded FORSA baseline 	Progress report Preparation and implementation of SEA/SH action plan	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
	<p>benefits in case of using the grievance mechanism</p> <ul style="list-style-type: none"> • Risk of inability to repay the loan. 	<p>evaluation which provides a clear understanding of target beneficiaries</p> <ul style="list-style-type: none"> • Development of a program-level citizen engagement strategy to enhance awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens. • Grievance Mechanisms details to be shared widely and complaints to be resolved timely • SEA/SH action plan to be prepared which will include as minimum that <ul style="list-style-type: none"> • once referral mechanisms established and functional, staff to be trained on those mechanisms; • awareness raising of beneficiaries on the referral mechanisms; • signature of a code of conduct by all project workers • Involve male family members of female beneficiaries of the FORSA component to gain their trust and minimize risks of conflict and violence 			

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
<p>Component 3: Economic Inclusion/Empowerment Services</p> <p>ESS 1, 2, 9 & 10</p>	<ul style="list-style-type: none"> Minor, and localized environmental and social impacts of subproject activities during implementation. The micro economic activities to be supported by the FIs to be selected might entail limited, and site-specific impacts including air emissions, noise, occupational health and safety (OHS) and generation of small quantities of wastes. Operation impacts will depend on the type of the project/asset to be operated. 	<p>An ESMS will be developed for this component, which will address:</p> <ul style="list-style-type: none"> Ensuring the use of E&S screening and approval methodology already in place for sub-projects. The exclusion list of the project will include high, substantial, and moderate E&S economic activities. The project will finance procurement or management of pesticides. Drafting, adopting, and implementing the environmental and social management plans or other instruments required for the sub-projects in accordance with the ESSs, the ESMF, Labor Management Procedure (LMP), the EHSGs, and other relevant Good International Industry Practice (GIIP). In the event any of the subprojects financed under Component 3 should require the engagement of contractors, bidders must be requested to include an adequate E&S instrument according to the screening criteria. Bidding documents will include the E&S requirements. Monitoring the implementation of the E&S screening and 	<p>Progress report, E&S instruments to be prepared</p>	<p>PIU/ Rural and Environmental Industries Support Fund /Selected financial intermediaries</p>	<p>Project Cost includes developing ESMS for the FIs + Cost of simple ESMP, if needed for the subproject (3,000 USD per instrument) Training will be provided by MoSS specialists</p>

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
		<p>management via monthly reports from partner NGOs</p> <ul style="list-style-type: none"> • Provide proportionate training sessions to the implementing partners on the E&S risk management as needed • Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including stakeholder engagement activities, and functioning of the grievance mechanism(s). 			

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
<p>For all the components</p> <p>ESS 1-4, 9 & 10</p>	<ul style="list-style-type: none"> • Labor related risks including Occupational health and safety risks, working conditions, etc. for all the project workers • Sexual Harassment, Exploitation and Abuse (SEA) for female workers. • Gender Based Violence (GBV) and Sexual Harassment, 	<ul style="list-style-type: none"> • Establish and operate a grievance mechanism for Project workers, as described in the sub-section on LMP and consistent with ESSY. • Implementation of the SEP which includes activities such as: <ul style="list-style-type: none"> ○ Capitalize on communication efforts and Waai to combat GBV ○ Capitalize on communication efforts and Waai to expand awareness of GRM 	<ul style="list-style-type: none"> - ToRs to be cleared by the Bank - Plan to be reviewed and approved by the Bank along with the actions for adoption of the plan. - Verify the Plan is developed as per 	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
	<p>Exploitation and Abuse (SEA) for female beneficiaries</p> <ul style="list-style-type: none"> • Risk of unresolved complaints from local communities • Risk of unresolved complaints from workers • Weak level of citizens and stakeholders' participation • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism 	<ul style="list-style-type: none"> ○ Expansion and strengthening of CE mechanisms, including and quality advancement of grievance resolution, which entails, for instance, enhancement of GBV related grievances management, systematic institutionalization of Social Accountability Committees (SACs), rollout of beneficiary or participatory monitoring, and integration of beneficiary satisfaction questionnaires and/or modules in the annual performance audits and/or impact evaluation ○ Development of a program-level citizen engagement strategy to enhance awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens. ○ Grievance Mechanisms details to be shared widely and complaints to be resolved timely • Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including stakeholder engagement activities, and functioning of the grievance mechanism(s). • SEA/SH action plan to be prepared • SEP plan that emphasizes TV coverage as well as door-to-door and community-based mobilization efforts via community workers, women rural leaders, and volunteers, and information sessions by NGO implementing partners within proximal locations to ensure greater reach 	the approved TORs		

This ESMF provides the procedures to be followed by the PIU during project implementation to ensure that E&S risks are addressed in compliance with the ESF and national legislations. The procedures constitute a framework methodology for screening, instruments identification and development to assess site specific E&S risks and impacts, the implementation of the identified mitigation measures, review, approval and monitoring of the E&S performance of the components of the project. The instruments to be prepared will be consulted with stakeholders, cleared by the Bank and disclosed. Following clearance of the instruments, the ESMPs will be implemented, supervised and monitored.

The Project Implementation Unit (PIU) which is currently managing the Strengthening Social Safety Net Project (SSSNP) will manage this project. The project will maintain the same structure of the SSSNP PIU that is tasked with ESHS management with qualified staff and resources to support management of ESHS risks and impacts of the Project and appoint or hire a gender specialist as part of the PIU. The current structure includes a senior social expert overseeing environmental and social activities in coordination with FORSA screening committee at the central level, social officers overseeing environmental and social activities at the local level, a communication officer who will work in coordination with the communication department and will also be responsible for the implementation of the stakeholder engagement plan, a grievance mechanism officer and appoint or hire a gender specialist as part of the PIU. In addition, an ESMS will be developed for the management of E&S risks under the Economic Inclusion/Empowerment Services component.

۲ Background

For almost a decade Egypt has adopted a reform focus. In ۲۰۱۴, the Government of Egypt (GoE) committed to undertaking significant structural, economic, and social reforms to reduce its large fiscal deficit and restore macroeconomic stability by moving away from universal subsidies, towards well-targeted transfer programs. This ambitious plan included an objective to eliminate energy subsidies through a series of annual electricity price reforms and fuel price increases, devaluing the local currency, and concurrently establishing well-targeted and effective national social safety nets to support the poorest people who are adversely impacted by these reforms. Further social reforms are needed in parallel with the continuing economic reforms to mitigate the impact on poor and vulnerable households given that poverty rates remain persistently high, with about ۲۹.۷ percent of the population below the poverty line according to the ۲۰۲۰ Household Income, Expenditure, and Consumption Survey (HIECS).

Notable progress has been made in recent years toward building a more integrated and inclusive social protection system in Egypt through a wide range of programs that are currently in place. A key cornerstone in the social protection system is the Takaful and Karama Cash Transfer (CT) program (TKP) which, as of June ۲۰۲۲, covers ۳.۶۹ million households (approximately ۱۲.۸۴ million individuals). Women represent ۷۴ percent of card holders/direct beneficiaries and ۶۷ percent of the cash going to Upper Egypt; furthermore, the program covers ۲۷.۷ percent of poor households in Egypt and has demonstrated strong targeting performance with ۹۳.۶ percent of beneficiaries being under the poverty line (۸۱.۱ percent of beneficiaries are poor, and ۱۲.۵ percent are near poor, with only ۶.۴ leakage).

Under the ongoing US\$۹۰۰ million Bank-financed Strengthening Social Safety Net Project (SSSNP) (P۱۴۵۶۹۹), the TKP has made significant improvements on operational and administrative aspects, including: (i) establishing a solid management information system (MIS) which has helped improve efficiency and effectiveness of the various processes, and which hosts the TKP social registry which to date houses approximately ۳۵.۴ million individuals (this figure reflects all applicants to the TKP program, out of which ۱۲.۵ million individuals (approximately ۳.۶ million households) were found eligible and are now enrolled in the program; (ii) introducing digital payments making the transfer of benefits more efficient; (iii) establishing a grievance mechanism (GM) with multiple uptake channels as well as social accountability committees at the local level to promote transparency and citizen engagement (CE) in the program; and (iv) rolling out communication campaigns on program conditionality in addition to distributing SIM cards to beneficiaries to facilitate communication and outreach.

The project at hand will build on these achievements to further improve the efficiency and effectiveness of the program by addressing existing gaps and challenges. This includes: (i) improving data collection for enhanced monitoring of health and education conditionalities and ensuring the operational and financial sustainability of related administrative costs in the longer-term; (ii) further leveraging digital technologies and mobile solutions including for case management and GMs, in addition to optimizing the use of SIM cards to enhance communication, outreach, and monitoring; (iii) strengthening and deepening the quality of the grievance resolution including cultivating further coordination with the Ministry's Women's Administration to address for Gender Based Violence (GBV) related grievances in accordance with the accountability and response protocol; (iv) develop a program-level CE strategy to facilitate synergies and institutionalization of various CE approaches and rollout beneficiary or participatory monitoring to improve service delivery; (v) scaling-up and expanding communication activities regarding program recertification requirements as well as health and education conditionalities; (vi) enhancing the financial inclusion of TKP beneficiaries; (vii)

enhancing the TKP MIS for improved data management and data exchange within MOSS, and with partners and government entities; and (viii) scaling up the pilot program on economic inclusion (FORSA) drawing on lessons learned from the baseline evaluation.

ሄ ESMF Objective

In accordance with the World Bank Environmental and Social Framework (ESF), the Ministry of Social Solidarity has prepared the Environmental and Social Management Framework (ESMF) to assist the Project Management Unit (PIU) in managing the environmental and social risks and impacts of the project in accordance with the national legislations and the ESF. The ESMF is covering the project and sets out the principles, and guidelines to assess and mitigate the environmental and social risks and impacts.. Due to the nature of component ሄ an environmental and social management system will be established and operationalized before carrying out screening of any proposed Financial Intermediary (FI) subproject. A chapter on the Labor Management Procedures (LMP) is included in the ESMF. In addition to the ESMF, the MOSS has developed E&S management instruments including Stakeholder Engagement Plan (SEP) as per the ESF required.

ወ Project Description

The proposed operation is aligned with the development objectives of the GoE which aim at increasing investment in people, by focusing on lagging regions and populations. To this end, the Project will help the GOE in establishing and strengthening an institutionalized framework to provide sustained and coordinated social protection interventions to help individuals and households manage risks and volatility while protecting and promoting their human capital accumulation. The project will support four components, financed through an Investment Project Financing (IPF) instrument as follows:

Component ፩: Provision of Conditional and Unconditional Cash Transfers (US\$፭፻፳፻ million).

Building on the WB existing engagement, this component will support the provision of conditional and unconditional CTs to beneficiaries under the TKP using a results-based approach, with eligible expenditures comprising CTs. As of June ፳፻፲፯, ፳.፲፱ million households (HHs) are benefitting from the TKP.

Takaful (Solidarity in Arabic) is a conditional cash transfer program providing income support to households with children under ፱ years of age (with a maximum of two children). Households receive a monthly transfer, provided that children between ፮ to ፱ years of age attend a minimum of ፻% of school days; and that mothers and their children under ፮ years of age attend a minimum of three annual health care clinic visits to monitor maternal and child health and wellbeing (child growth monitoring, nutrition awareness, regular immunization, anti-natal and post-natal care for women). The conditionality element works towards improving education and healthcare outcomes with the aim of promoting human capital accumulation and breaking cycles of intergenerational poverty. It also serves as a nudge to influence behavioral changes over the longer term. Karama (Dignity in Arabic) is an unconditional cash transfer program which targets the elderly poor (over ፷፻ years of age), orphans, widows and individuals living with permanent and severe disabilities, through the provision of monthly income support.

Benefit level: Takaful		Benefit level: Karama	
Mother with Children	Monthly Payment (in EGP)	No. of Persons who are elderly or living with disability	Monthly Payment (in EGP)
Base	325	Persons living with disability transfer value	450
0-6 years	60	Elderly transfer value	450
Primary School Child	80	Orphan transfer value	350
Preparatory (Middle) School Child	100	Other parameters: Capped at 3 Eligible Members per HH & paid to each individual separately.	
High School Child	140		
Other parameters: Capped at 2 Children (Highest Education Level) & paid to female head of the HH.			

TKP uses Proxy Means Testing (PMT) for the targeting of beneficiaries. The PMT formula is developed based on a series of statistical regressions using the Household Income, Expenditure and Consumption Survey (HIECS) and is updated frequently, considering the most recent available data. Through an automated process, the formula is run for applicants, who then receive PMT scores, and eligibility is determined through the PMT score (against a predetermined PMT threshold). Verification measures are undertaken including cross-checking through Egypt's Unified National Registry (UNR) using the ID numbers of applicants (information such as ownership of assets; enrollment in social insurance schemes; etc.). For Karama applicants who suffer from a disability, the PMT approach is coupled with the International Classification of Functioning (ICF) assessment whereby applicants undergo a functional disability assessment conducted by a trained cadre of medical commissions to determine the functional and social impact of the disability, and to certify their eligibility to be part of the program. TKP recertifies beneficiaries every three years. The process of recertification involves administering an updated application form to existing beneficiaries and applying the most updated PMT formula.

In October ٢٠٢١, MOSS concluded the development of a new PMT formula based on the ٢٠١٩/٢٠٢٠ HIECS. The formula attempts to capture the multi-dimensional nature of poverty covering aspects such as demographic and household characteristics, asset ownership, ownership of agricultural land (using different land size categories by region), housing conditions, education, employment, etc. To verify the performance of the new formula, it was found that the formula identifies other deprivations such as HHs whose heads work in informal jobs, HHs who declare that food consumption is barely sufficient or insufficient to meet their dietary needs, and HHs with insufficient caloric intake. In practice, MOSS has addressed the relationship between poverty, age, gender of the head, and marital status by setting different PMT cut-off scores by head age, marital status, and disability.

Component ١ will support the expansion of the TKP in all ٢٧ governorates, prioritizing areas with the highest poverty and vulnerability to climate change, across Egypt to reach ٤.٦ million beneficiary HHs by the end of the project to help reduce the exclusion of poor HHs. The component will co-finance the increase in coverage of CTs until government budget kicks in to fully absorb the expansion – this was the case with the previous expansion plans under the AF loan where government ended up absorbing and co-financing over ٨٨% of all CTs. The additional HHs will be from among the HHs already registered in the TKP database. The increase in coverage will include new applicants as well as the

remaining eligible HHs from the old social solidarity pension system (Daman) who will be recertified using the PMT (the remaining number of HH under Daman is only ٢٢٠,٠٠٠), as part of the process of dissolving Daman.^١ Beneficiaries will continue to undergo recertification every three years (current batch is ١.٥ million HH needing recertification - this work was delayed in light of COVID-١٩ and MOSS has a backlog of HH requiring recertification) in line with the original program design to ensure they remain eligible for CTs.

Implementation of Education and Health Conditionality

The program will also continue to observe health and education conditionalities under Takaful as follows: families with children aged ٦- ١٨ years will be supported by the program, provided that children attend a minimum ٨٠ percent of school days, and that mothers and children under ٦ years of age attend a minimum of three annual health care clinic visits to monitor maternal and child health and well-being. MOSS is also planning to introduce a new conditionality on: (a) combatting early marriage; and a soft conditionality or nudge around (b) illiteracy eradication of Takaful mothers, which are expected to have a positive impact on girls and women's education, reproductive health and overall well-being for women and girls

Under the education conditionality, this component will support expanding Takaful coverage to additional households/ students in primary, preparatory, and secondary education in general education, Azhar schools, and nursing schools for at least ٨٠ percent attendance as the condition for compliance. Given the lessons learned under the original project, the proposed PBC *“Education conditionality – school attendance compliance reaches ٨٠% - would be a scalable PBC (latest figure reported/baseline is ٦٩%)*. The Project would focus on basic education and would not address compliance for higher education Takaful beneficiaries, and would leverage progress made under the original project and the additional financing, including: (a) memorandums of understanding (MOUs) between MOSS and ministries of education and technical education (MOETE), and health (MOHP) for nursing schools, as well as Al-Azhar for Azhari schools; (b) data collection procedures and protocols; and (c) incentives paid to promote data collection at the level of school.

Under the health conditionality, the project would aim to build on and expand on the activities initiated under the ongoing SSSNP. The project would support, through a dedicated PBC, the compliance of beneficiaries to at least three yearly health facility visits and access to an integrated package of: (i) preventive health and immunizations; (ii) child health, nutrition and anthropometric monitoring; (iii) maternal health, family planning and reproductive services including combating FGM practices; (iv) clinical services with referral to appropriate higher levels of care; and (v) health promotion activities including education on healthy life style, early detection of disease and nutritional education classes. The project would aim to attain a ٤٠ percent compliance rate for the conditionality by beneficiaries (latest figure reported/baseline is ١٩ percent). The program would also closely integrate with the mandatory Universal Health Insurance System (UHS) during its gradual roll-out through different Governorates in areas like IT integration and data transfer, monitoring of eligibility/compliance for both programs, and refined targeting mechanisms (all TKP beneficiaries are

^١ The PMT score is calculated based on household characteristics, asset ownership, and housing conditions and since the start of TKP in ٢٠١٥, three PMT formula were developed based on the ٣ successive HIECS while also drawing lessons learnt from implementation of the original PMT.

automatically eligible for a fully state subsidized enrollment/empanelment under UHIS). Finally, the project will ensure that TKP beneficiaries have adequate access/enrollment in other national programs e.g.: (i) Family Development Program^٧, and also expanding on the ‘*Two is enough*’ initiative to support Egypt in achieving a demographic dividend; (ii) ‘*١٠٠ million healthy lives*’^٨; and (iii) using the TKP database to support mothers/children under the ‘*١٠٠٠ days*’ initiative to promote healthy nutrition and address stunting.

Component ٧: Enhancing Delivery systems and institutional capacities (US\$٧٧ million).

This component will support enhancing the system building blocks including the targeting, quality and institutionalization of the TKP operational systems to support government efforts to improve TKP effectiveness and efficiency. Withdrawals under this component will be made against eligible expenditures for specific activities set out in the Procurement Plan. The component will support technical assistance (TA) and investment in the design and implementation of TKP operational systems, which include the following: (i) update of registration, database cross- checking, enrollment, case management and beneficiary data; (ii) continuous relevant update of the PMT formula as needed; (iii) timely, regular, and systematic recertification of beneficiaries, an adequate institutionalization of such approaches in MOSS, and clearly clear communication to beneficiaries on recertification; (iv) systems and data collection improvement of conditionality monitoring and verification; (v) enhancement of payment delivery systems, including follow-up on distribution of Meeza cards to all beneficiaries and examine how they can be further leveraged to enhance the financial inclusion of beneficiaries; (vi) expansion and strengthening of CE mechanisms, including and quality advancement of grievance resolution, which entails, for instance, enhancement of GBV related grievances management, systematic institutionalization of Social Accountability Committees (SACs), rollout of beneficiary or participatory monitoring, and integration of beneficiary satisfaction questionnaires and/or modules in the annual performance audits and/or impact evaluation; (vii) development of a program-level citizen engagement strategy to harness synergies and support systematic institutionalization of various CE mechanisms; (viii) follow- up on the provision of SIM cards to facilitate communications with beneficiaries and optimize their use to support in M&E activities;; (ix) further leveraging of TKP social registry for cash-plus intervention including improving the flow of information across social programs and the management of social programs’ information leading to the implementation of more integrated and responsive cash plus initiatives; (x) promoting use of digital technologies in program operations as well as support enhancements to the TKP Management Information System (MIS) ; and (xi) building the capacity of MOSS Rural and Environmental Industries Support Fund to support microcredit under component ٧.

In addition, this component will focus on improving the administrative infrastructure and enhancing automation of MOSS offices; and strengthen institutional capacity through provision of training for staff. This component will also include communication activities targeting TKP beneficiaries to enhance awareness and knowledge of the program and the program requirements (eligibility criteria, recertification, conditionality, etc.). This component supports building a registry of persons with disabilities (PWDs) for the Karama program. The registry will document on the types and severity of disability by governorate, gender, and age to enable MOSS to further link PWDs to other support and integrated services. The project would also aim to address data collection challenges, particularly for

^٧ A ٥ pillared program of women economic empowerment, family planning, communication, legal and enhanced IT platforms.

^٨ A group of ١٧ recurrent public health campaigns targeting all age groups with specific screening and prevention activities (e.g., pre-marital screening and genetic consultations, non-Communicable diseases, school-age screenings, liver and kidney health, women’s health, combating anemia, breast cancer, mass immunizations, Hepatitis B & C screening and treatment, etc.

Al Azhar schools and MOHP's nursing schools to help improve quality of data collection and availability of data supporting compliance.

Project Communication

The project will develop a solid communication strategy focusing on the following aspects, which are in line with the recommendations of the recently concluded TKP endline evaluation which highlighted the need to improve communication regarding the program's exclusion restrictions, program duration, and recertification.

Ensuring continuation and expansion of awareness-raising on TKP overall objectives and conditions. This will be done through assessing (i) the project's communication objectives, opportunities, and challenges (b) effectiveness of communication efforts carried out to date, and accordingly determining needed improvements and way forward. The strategy will largely focus on effectively reaching beneficiaries through personal communication (including increasing the magnitude of SMS text messaging as a means of communicating with beneficiaries and monitoring the social behavior of beneficiaries pertaining to the conditionalities), coupled with mass communication activities to raise TKP's visibility and prominence amongst target audiences as well as to access vulnerable families through social protection packages provided by MOSS. Under the proposed project, TKP communication efforts will, to the extent possible, partner with the Waai' communications campaign to capitalize on the latter's wide reach. Communication efforts will be guided by key performance indicators which would guide any required modifications.

The project will also finalize all pending requirements of TKP depository which is an online platform developed by MOSS to: a) store electronically all institutional documents related to TKP (circulars, decrees, manuals etc.); b) create an online learning platform for MOSS staff in connection with TKP service delivery; and c) create a public platform/website with useful information on the program's design and eligibility. As such, the project will ensure that the platform is running effectively, is user friendly, and has the required key performance indicators to periodically assess its efficiency, given its importance for the institutionalization of the program. A thorough handover technical manual for the depository will also be delivered to MOSS to that effect.

Integrated Management Information System (MIS)

This activity will include: (i) enhancing system efficiency by strengthening business process automation with much integrated techniques for seamless data sharing (e.g. integration with FORSA MIS) and adapting user friendliness approaches to enable all program operational staffs to use front-end user interfaces (UI) of the platform for day-to-day program monitoring and administration; (ii) ensuring robust, reliable and efficient means of performing external data verification through establishing system interoperability across all relevant databases e.g. UHIS database; and (iii) establishing robust business intelligence and data mining capability for enhanced program monitoring, reporting and performing big data analytics. Under the new project, the MOSS team will continue to further upgrade and enhance other system features including the integration of additional measures pertaining to data privacy as needed, and building on the strong measures that MOSS already have in place, while also ensuring full alignment with the World Bank's data privacy regulations.

Payment Systems

Considerable progress has been made under the TKP payment systems of the SSSNP. As part of Government efforts to enhance financial inclusion, MOSS has been overseeing the gradual roll-out of Meeza cards to all TKP beneficiaries. Meeza cards are debit cards that replace TKP cards to allow program beneficiaries to withdraw their entitlements from ATM machines and cashing outlets, as opposed to post offices only (٢١,٠٠٠ outlets vs ٤,٠٠٠ offices nationwide), and to make electronic/digital payments. The transition is still at an early stage as the cards are still being rolled out (٢.٥ million out of ٢.٦٩ million cardholders have received their cards to date). The cards have already showed a positive impact as ٤٠ percent of beneficiaries with Meeza cards are cashing their entitlements through ATMs and other outlets helping to reduce overcrowding at post offices. This component also has a strong impact on closing the gender gap in financial inclusion since ٧٤ percent of TKP card holders are women. As the scale increases, the impact is expected to increase and can also help address mobility challenges for beneficiaries; it can also have a positive impact on the environment by contributing to limiting the use of transportation and can consequently help reduce carbon emissions. MOSS will continue to monitor the usage of Meeza cards to analyze the behavior of beneficiaries and how these cards are impacting them, and examine ways to further leverage Meeza cards to enhance the financial inclusion of TKP beneficiaries. This includes raising awareness on the functionalities of these cards while also considering additional efforts to enhance the digital and financial literacy of beneficiaries to improve/maximize the usage of Meeza cards. If and when beneficiaries have access to mobile wallets or bank accounts, MOSS may consider transferring benefits directly into those accounts rather than issuing a Meeza card. Owning a bank account would have an important impact on the financial inclusion of beneficiaries as it can enable them to access other financial services such as savings, credit, insurance, etc.

Grievance Mechanism (GM) and other Citizen Engagement and Social Accountability Mechanisms:

The TKP employs a well-established (GM). With multiple uptake channels at three levels (District, Governorate, and Ministry), the GM allows citizens to inquire about the program; program applicants to inquire and appeal the assessment outcomes; and program beneficiaries and the public to provide feedback about program implementation, such as inclusion and exclusion errors, payment- and payment card-related concerns, staff performance, and services. Since the launch of TKP, the program GM collected approximately ٧ million grievances and addressed ١.٩٤ million of them, with a resolution rate of ٩٦ percent^{١٧}. Beyond closing the feedback loop for each grievance collected by systematically addressing them and informing individual complainants on the resolution outcomes and relevant actions taken, MOSS has been able to utilize the GM data as the program's performance management tool to close the feedback loop at the program level. For example, MOSS was able to update the procedures of how functional disability assessment was applied to Karama applicants and provide further technical trainings to doctors by analyzing the GM data relating to Karama. This effort to utilize GM data as the Ministry's performance management tool will continue with support of enhanced TKP MIS. The project will support the enhancement of the program GM by paying closer attention to the resolution timeline and quality, stronger coordination with the MOSS Women's Administration on GBV complaints, and complainants' experience and satisfaction of the program GM, and public disclosure of the program-level GM data.

Under SSSNP, MOSS has activated over ٢,٢٠٠ SACs in ٢٤ Governorates. SACs play an important role to bring in beneficiary voices and collectively discuss service delivery challenges, opportunities, and potential solutions in health, education, and social protection sectors. As part of the efforts to strengthen of SACs, the project considers expanding its role to pilot beneficiary or participatory monitoring of the program activities and delivery of health and education services where Takaful's

conditionalities are linked to. As a multi-stakeholder engagement platform, SAC is well-positioned to serve as a government-beneficiary interface in facilitating beneficiary or participatory monitoring. MOSS' SAC implementation experience to date as well as the pilot of TKP beneficiary groups in Assiut and Giza will inform this potential expansion of the SAC roles. In addition, the project will support the establishment and implementation of the CE Strategy to advance synergies among different CE approaches taken under the program and further strengthen its effort to systematically institutionalize SACs and other CE mechanisms.

The project will support a systematic integration of beneficiary satisfaction questionnaires and/or a module through the program's annual performance audit and/or the impact evaluation. Under SSSNP, MOSS collects beneficiary awareness, usage, and perception data on GM. While the sample size is limited (representative sample of roughly 1,000 beneficiaries), it is informing the MOSS to improve the GM usability and effectiveness. Based on this experience and lessons learned of annual audits to date, the project will support the beneficiary satisfaction and perception data collection at the program level (beyond GM) in a systematic manner. Together with beneficiary voices collected with GM and through SACs, the beneficiary satisfaction data will serve as another data point for TKP to improve its program transparency, efficiency and effectiveness, and accountability. A brief non-technical and anonymized summary of the findings of the beneficiary satisfaction and how those findings are informing TKP will be made public.

Cash-Plus Interventions:

As part of efforts to adopt a more integrated and holistic approach to social protection, the project will continue to leverage the growing TKP registry, which currently hosts over 30.4 million individuals, to promote cash-plus interventions which address multi-dimensional aspects of poverty and complement cash transfers with other programs that help address gaps in human capital and enhance resilience of beneficiary households against shocks. These include: *The First 1000 Days* which provides additional support to help Takaful mothers to enhance children's health and nutrition this tackles the challenge of child stunting in Egypt which is currently stands at 13 percent and anemia below 6 years of age which stand at 43 percent.; *Decent Housing* which improves housing conditions for the poor (fixing roofs, access to potable water); *No Illiteracy with Takaful* to help eradicate illiteracy among Takaful mothers which reaches 60%; according to data collected by MOSS. *Two is Enough* to provide women with access to subsidized birth control and reproductive health services aligning with the National Family Empowerment program with the aim to decrease fertility which is currently 3.111 births per woman. This is in addition to scaling up the economic inclusion program FORSA through Component 3 to promote sustainable livelihoods and job creation for the poor including youth and women. Efforts will also continue to link beneficiaries with other social protection programs such as food subsidies card, free health insurance, as well as ensure TKP alignment with 'Haya Karima' to help efforts to expand coverage and maximize the impact of such programs.

Component 3: Economic Inclusion/Empowerment Services (US\$20 million). This component will further build on the pilot FORSA program being implemented under the ongoing SSSNP and will aim to continue to institutionalize it within MOSS to ensure its sustainability. FORSA is an economic inclusion program which is being piloted in eight governorates (Qalioubia, Sharkia, Fayoum, Beni Suef, Menia, Assiut, Sohag and Luxor), while gradually expanding to other areas beyond the scope of the project. The program's strategic goal is to promote economic inclusion by enabling TKP beneficiaries and other individuals with low income to better integrate into the economy and transition from poverty to prosperity through participation in economic activities and reducing long-term dependency on CTs to eventually help them graduate from the TKP.

The program is based on BRAC's Ultra poor graduation model which entails a set of integrated, time-bound, and sequenced interventions that help beneficiaries adopt sustainable livelihood opportunities and achieve economic resilience. FORSA adapted this model and introduced some innovations drawing from theories of behavioral economics, by kickstarting its activities with outreach to potential beneficiaries to participate in behavioral change sessions to introduce the program and disseminate information on its objectives, as well as encourage participants to engage in economic inclusion activities. Participants who choose to apply to FORSA then undergo profiling to collect information on their educational background, skills, job preferences, demographic characteristics, among others. This is followed by the counseling phase to help guide beneficiaries to select one of two tracks/modalities offered by FORSA, namely-the asset transfer/self-employment track; or the wage employment track. In this respect, FORSA expanded the graduation model to include wage-employment rather than only focusing on self-employment.

The asset transfer/self-employment modality includes the transfer of a significant productive asset for starting an income generating activity (IGA), in addition to business and technical training to help beneficiaries start this IGA. This track helps beneficiaries improve their entrepreneurial capacities through the offered non-financial services and works toward helping them create economically viable projects, while ensuring their linkages to value chains and markets. The wage employment modality aims to improve the participation of beneficiaries in the labor market through job placement/matching in the private sector, enhancing employability skills through training, and incentives to encourage employment in the private sector and promote skills development through on-the-job training (examples include temporary wage subsidies, transportation allowance, partial coverage of social security). Beneficiaries under both tracks would also receive continuous mentoring to regularly follow-up on their progress and ensure they are on the right track. The program also offers financial literacy trainings to enhance financial inclusion while also promoting savings to help beneficiaries better manage risks and build financial resilience against shocks.

This component will build on the Rapid Market Assessment conducted under the SSSNP and which examined the market and business ecosystem in the eight target governorates to assess business opportunities, with an emphasis on expanding existing value chains and organic clusters, as well as to assess labor market opportunities. This study was used to inform the design and finalization of both the wage and self-employment tracks which are currently being implemented. It also informed the program targeting analysis and helped MOSS finalize the selection of villages and districts within the eight target governorates. The Rapid Market Assessment was also complemented with a partnership strategy which maps the various stakeholders (NGOs, development partners, government, private sector, etc.) and which will continue to guide outreach and partnership building efforts.

In terms of implementation arrangements, the self-employment track will be carried out as a micro-credit using the MOSS Rural and Environmental Industries Support Fund. The operation will benefit from the comprehensive MIS module which will be developed for this component, under the ongoing SSSNP, to ensure the effective administration and monitoring of all program functions, including the monitoring of beneficiaries throughout the project lifecycle (registration, profiling, training, wage employment and self-employment packages, coaching and mentoring, etc.). The MIS will also facilitate reporting and data exchange.

Component 3 will finance economic inclusion interventions for around 30,000 beneficiary HHs using tier 3 micro-credit schemes (through licensed microfinancing institutions (MFIs)) capitalizing on MOSS's Rural and Environmental Industries Support Fund which currently runs micro-credit

schemes. Component 3 will target beneficiaries from the MOSS Social Registry with 60% from TKP and 40% from the rejected pool of applicants falling very close to the PMT cut-off point. The establishing law of the Rural and Environmental Industries Support Fund, its bylaws and financial regulations were reviewed by the Bank which confirmed its capacity to channel loan funds through it, while observing World Bank fiduciary requirements. Moreover, the project will further build the capacity of the Fund, based on the Financial Intermediary Financing (FIF) assessment to be carried out by the World Bank to ensure consistency with the related (i) paragraph 10 of the Bank Policy for Investment Project Financing (IPF); and (ii) the Bank Guidance on Financial Intermediary Financing, 2016. This will be done in consultation with the World Bank Finance, Competitiveness, and Innovation (FCI) Global Practice. In addition, in the contract with each FI to be selected, the Fund will incorporate the requirements of developing an ESMS in accordance with the environmental and social standard 9 (ESS9). The ESMSs will need to be reviewed and cleared by the Bank, prior to financing any subprojects. Disbursement based condition will be put in place against the component allocation of US\$10 million on a) The Bank carries out the FIF assessment and its recommendations are adopted by the MOSS Rural Fund for eligibility to run micro-credit; and b) MOSS/FI establishes and operationalizes the Environmental and Social Management System (ESMS) as stated in the Environmental and Social Commitment Plan (ESCP) for each FI to be selected. This assessment ensures that the project does not contradict the World Bank Group's ongoing financial sector policy dialogue and does not promote unsustainable practices.

Under component 3 MOSS will test different pathways of graduation using micro-credit compared to the asset transfer modality under the ongoing project. MOSS will carry out an impact evaluation to assess the impact and determine which approach was the most cost effective and sustainable for graduation. The evaluation would allow MOSS to make decisions on how to further scale the productive inclusion component of the national social safety net program.

The proposed operation will build on the findings and recommendations of the recently concluded FORSA baseline evaluation which provides a clear understanding of target beneficiaries, their education and skills levels which are fairly low, their aspirations, barriers they face, among other factors, which will allow the program to better tailor its interventions to the needs of beneficiaries. The study has shown that unemployment rates are very high in target communities especially among females. Only 14 percent of potential FORSA beneficiaries have previously worked (70 percent males and 20 percent females) while approximately 20 percent of adults in FORSA eligible HHs are employed, mostly in irregular wage employment; approximately 20 percent of males have made attempts to look for work compared to 10% of women. The evaluation also revealed low levels of literacy rates, especially among females, in addition to low level of access to financial services and bank accounts. Around 14 percent of potential FORSA participants suffer from chronic illnesses such as diabetes, asthma, cancer, heart disease, high blood pressure, and hepatitis which affects their work attendance. Furthermore, HHs primarily nominated females to participate in FORSA (76 percent); these females have fewer years of education compared to males in addition to more caretaking responsibilities. There is also strong tendency to select self-employment over wage employment. In light of these findings and emerging recommendations, the program will aim to intensify/maximize its mentoring/coaching component and further finetune and tailor training packages taking into consideration the limited skills level and work experience among FORSA beneficiaries. The program will also enhance its outreach and communication activities to raise awareness on program eligibility and benefits, and to encourage wider participation from other eligible household members (husbands, sons, and daughters), especially for the wage employment track. Enhancing communication on TKP recertification and eligibility timeline will also be instrumental to clarify any misconceptions among beneficiaries and incentivize participation in FORSA. There will also be an opportunity to further

refine the program following the FORSA endline evaluation planned in २०२३, which is part of the program's approach to active learning through monitoring and evaluation activities. The endline evaluation will provide will help determine the impact of the different economic inclusion modalities adopted by the program and which of them perform better, as well as any challenges and bottlenecks, to allow for course correction.

Mitigating climate induced food insecurity and unemployment through economic inclusion: The project will continue to scale up economic inclusion interventions which help diversify livelihood opportunities and protect vulnerable rural communities who are dependent on agriculture activities and help ensure food security for these populations. This entails various models of economic inclusion interventions, which will be implemented in cooperation with NGOs and in coordination with other partners including Food and Agriculture Organization (FAO), International Labor Organization (ILO) and World Food Programme (WFP), to avoid duplication, with a focus on enhancing local agricultural and livestock value chains. Collective productive units will also be established, mainly employing women and youth, to promote value added manufacturing based on the agricultural specificities of each target community, to help maximize the impact of interventions on local communities. This component will also seek to increase employability and technical skills for beneficiaries to help them pursue wage employment in the private sector; this opens up opportunities to build skills for green sectors.

Component ।: Project Management, Monitoring and Evaluation and Knowledge Management (US\$१ million).

This component will support project management including running cost of the PIU to ensure that the project is successfully and efficiently implemented consistent with the legal agreement. The component will finance: (i) salaries of PIU staff (non-civil servants); (ii) PIU equipment and operating costs, which are directly linked to the daily management of the project (office space, utilities and supplies, bank charges, communications, translation, transportation, maintenance and insurance, building and equipment maintenance costs, and travel and supervision costs); (iii) regular internal audits and annual external audits (audits of financial and procurement aspects according to the Bank's legal requirements); and (iv) cost of independent evaluations and research/case studies including modules to measure beneficiary satisfaction of the program.

◦ **Policy, Legal and Regulatory Framework**

◦.۱. **INTRODUCTION**

This section highlights the relevant National and World Bank requirements that are applicable to the project components. Furthermore, the Egyptian Government has signed and ratified a number of international conventions on the environment. These conventions are, therefore, considered an integral part of the environmental legislative framework of Egypt. Where relevant, the national requirements are compared against the WB Group Environmental, Health, and Safety Guidelines referred to as the EHS Guidelines. These are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP). They contain the performance levels and measures that are normally acceptable to the WB Group.

◦.۲. **WORLD BANK REQUIREMENTS**

◦.۲.۱ **Environmental and Social standards (ESSs)**

The currently relevant World Bank Environmental and Social Standards (ESSs) are briefly described below to the current project activities.

Environmental and Social Standard ۱: Assessment and Management of Environmental and Social Risks and Impacts

ESS۱ 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, in order to achieve environmental and social outcomes consistent with the ESSs. ESMF should identify the potentially adverse environmental and social impacts and risks; as well as provide input to the design of the project at an early stage. The ESMF process will continue after project appraisal and during the project implementation throughout the project life cycle. The ESMF will feed into changes of the project implementation arrangements to ensure the environmental and social risks and impacts are adequately managed and mitigated.

Environmental and Social Standard ۲: Labor and Working Conditions

ESS۲ recognizes the importance of employment creation and income generation in the pursuit of poverty reduction and inclusive economic growth. Borrowers can promote sound worker-management relationships and enhance the development benefits of a project by treating workers in the project fairly and providing safe and healthy working conditions. The project includes different types of workers including direct hiring of PIU staff; community workers who will assist in information sharing as well as implementation of component ۲; as well as a number of consultants that will support specific tasks. Accordingly, the Labor Management Plan (LMP) needs to be developed and implemented. The LMP sets out the way in which project workers will be managed, in accordance with the requirements of national law and this ESS. For this project, the LMP is a chapter of the ESMF.

Environmental and Social Standard ۳: Resource Efficiency and Pollution Prevention

ESS۳ recognizes that economic activity and urbanization often generate pollution to air, water, and land, and consume finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels. The current and projected atmospheric concentration of greenhouse gases (GHG) threatens the welfare of current and future generations. At the same time,

more efficient and effective resource use, pollution prevention and GHG emission avoidance, and mitigation technologies and practices have become more accessible and achievable.

Environmental and Social Standard 4: Community Health and Safety

ESS4 recognizes that project activities, equipment, and infrastructure can increase community exposure to risks and impacts. In addition, communities that are already subjected to impacts from climate change may also experience an acceleration or intensification of impacts due to project activities.

Environmental and Social Standard 5: Financial Intermediaries

Component 3 will finance economic inclusion for around 30,000 beneficiary households using micro-credit schemes capitalizing on MOSS's Rural and Environmental Industries Support Fund.

The selected financial intermediaries will develop and adopt an environmental and social management system (ESMS), in line with the project's environmental and social commitment plan (ESCP) following the Environmental and Social Standard 5 (ESS5). The ESMS will need to be reviewed and cleared by the Bank, prior to financing any subprojects. A PBC (for US\$50 million) related to the Fund becoming eligible to run micro-credit schemes is included contingent on MOSS conducting the assessment related in line with the Bank Policy for Investment Project Financing (IPF), specifically paragraph 10 of the Policy). This assessment ensures that the project does not contradict the World Bank Group's ongoing financial sector policy dialogue and does not promote unsustainable practices.

The main identified risks include: (i) limited, sites-specific impacts such as air emissions, odors, noise, occupational health and safety (OHS) and impacts due to improper disposal of effluents, and solid and hazardous wastes; (ii) lack of awareness of project beneficiaries on project and grievance mechanism details, etc., (iii) potential risk of domestic violence, (iv) child labor, SEA/SH, and (vii) fear of retaliation.

Environmental and Social Standard 6: Stakeholder Engagement and Information Disclosure

This ESS recognizes the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice. Effective stakeholder engagement can improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. The project involves a wide range of stakeholders that directly or indirectly impact project implementation and contribute to its success. Therefore, the preparation and the implementation of a comprehensive Stakeholder Engagement Plan (SEP) is one of the most crucial tasks that should, not only help in sharing information about the Program, but also support establishing a constructive relationship between the Program and the different stakeholders, to enhance trust and decrease potential resistance.

9.2.2 World Bank EHS Guidelines

The World Bank Group (WBG) EHS General Guidelines

WBG EHS GENERAL Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP). They contain the performance levels and measures that are normally acceptable to the WB Group. The EHS Guidelines contain the performance levels and measures that are generally considered to be achievable in new facilities by existing technology at reasonable costs. The EHS GENERAL guidelines are organized as follows:

Environmental

- Air Emissions and Ambient Air Quality
- Energy Conservation
- Wastewater and Ambient Water Quality
- Water Conservation
- Hazardous Materials Management
- Waste Management
- Noise
- Contaminated Land

Occupational Health and Safety

- General Facility Design and Operation
- Communication and Training
- Physical Hazards
- Chemical Hazards
- Biological Hazards
- Radiological Hazards
- Personal Protective Equipment (PPE)
- Special Hazard Environments
- Monitoring

Community Health & Safety

- Water Quality and Availability
- Structural Safety of Project Infrastructure
- Life and Fire Safety (L&FS)
- Traffic Safety
- Transport of Hazardous Materials
- Disease Prevention
- Emergency Preparedness and Response

Construction and Decommissioning

- Environment
- Occupational Health & Safety
- Community Health & Safety

9.3. COUNTRY SPECIFIC POLICY, LEGAL AND REGULATORY PROVISIONS

National legislation and guidelines sufficiently address the potential environmental and social issues associated with the proposed project. An analysis of relevant national legal framework and identification of possible gaps against the WB ESSs and the WB Group Environmental, Health, and Safety Guidelines (WBG EHS Guidelines) are discussed below. Whenever a discrepancy is found between the national and WB requirements, the more stringent limits/requirements shall be applied.

٥.٣.١ Environmental Laws and Regulations

Environmental assessment for projects is included in the environmental legislation in Government of Egypt: Law ٤/١٩٩٤ modified by Law ٩/٢٠٠٩ and by Law ١٠٥/٢٠١٥. The Ministry of State enforces the law for Environmental Affairs (MSEA) and the Egyptian Environmental Affairs Agency (EEAA), its executive agency. A number of decrees to the Law have been issued over the past ٢٠ years including the latest decrees in ٢٠١٦, concerning the placement of specific review fees based on the environmental category of the project. According to Law ٤/١٩٩٤ the Environmental Impact Assessment (EIA) is a licensing requirement for development projects that are likely to cause ES impacts.

The projects are categorized into four main categories (each supplemented by a pre-defined list of projects/activities). These are listed below in the order of impact significance:

- Class C; which includes high-impact projects requiring full-fledged EIA.
- Scoped EIA projects; requiring Form B EIA, intended for projects with impacts higher than typical Form B projects whilst lower than Class C projects
- Form B projects; requiring Form B EIA (less-detailed than Class C EIA).
- Form A projects; requiring Form A EIA (fewer requirements as compared with Form B projects).
- Special condition projects; do not require the EIA, but will be licensed given that the project developer will comply with certain standard requirements.
- Projects that are not subject to environmental licensing system.

The ٢٠١٠ Egyptian EIA Guidelines include EIA requirements, including social assessment and consultation, and is to some extent compatible with environmental assessment requirements of the WB. A few gaps have been identified, mainly in the procedural and compliance side:

- ESMPs are not usually implemented and if implemented, they are not sufficiently monitored and followed up, in particular during the construction phase.
- In the majority of the projects, contractors are not aware of their basic environmental and social roles and responsibilities (occupational health & safety, community safety, impacts due to temporary labor influx, etc.) and tender documents do not usually contain such clauses (i.e. ESMPs).
- Although the Law clearly indicates that social impacts should be assessed as part of the EIA process, the social impact assessment and social management plan are not thoroughly reviewed during the environmental approval process by EEAA.
- There is no requirement for stakeholder consultation, public participation and disclosure for Categories A & B projects according to national classification. Stakeholder engagement and public consultation are a requirement for category C projects (national classification) only.

٥.٣.٢. Hazardous substances and wastes

Law ٤/١٩٩٤ includes procedures for handling hazardous substances and wastes, which are to a great extent conforming to international standards and best practices. The identified gaps are mainly attributed with the implementation, and include:

- Law ٤/١٩٩٤ does not include requirements for an impervious secondary containment.
- The only licensed facility is located in Nasreya, Borg El Arab, Alexandria Governorate. This makes it more difficult for the industries to comply with the legislation.

٥.٣.٣. Ambient Air quality and Emissions to Air

The provisions of Articles ٣٤ to ٤٠, ٤٢, ٤٣ and ٤٧ in Law ٤/١٩٩٤, amended by Law ٩/٢٠٠٩, Article ٤٢ and Annex ٥ and ٦ of the Implementing Regulations set out maximum permissible limits for outdoor air pollutants.

The comparison between ambient air quality and emission standards of Law ٤/١٩٩٤ and interim targets of the WBG EHS General Guidelines (as per the WHO ambient air quality guidelines Global Update, ٢٠٠٥) is presented in Table ٢.below.

Table ٢ Ambient Air Quality Gap Analysis

Ambient air quality Limits (with the more stringent limits highlighted)						
	Egyptian Law ٤			WBG EHS General Guidelines ^٤		
Exposure Period	١ hr	٢٤ hr	١ year	١ hr	٢٤ hr	١ year
Carbon monoxide CO (μg/m ^٣)	٣٠ (urban and indus.)	N/A	N/A	N/A	N/A	N/A
Sulphur dioxide SO _٢ (μg/m ^٣)	٣٠٠ (urban) ٣٥٠ (indus.)	١٢٥ (urban) ١٥٠ (indus.)	٥٠ (urban) ٦٠ (indus.)	N/A	١٢٥ (IT-١) ٥٠ (IT-٢) ٢٠ (guideline)	N/A
Nitrogen Oxides NO _x (μg/m ^٣)	٣٠٠ (urban) ٣٠٠ (indus.)	١٥٠ (urban) ١٥٠ (indus.)	٦٠ (urban) ٨٠ (indus.)	٢٠٠ (guideline)	N/A	٤٠ (guideline)
Particulates PM _{١٠} (μg/m ^٣)	N/A	١٥٠ (urban) ١٥٠ (indus.)	٧٠ (urban) ٧٠ (indus.)	N/A	١٥٠ (IT-١) ١٠٠ (IT-٢) ٧٥ (IT-٣) ٥٠ (guideline)	٧٠ (IT-١) ٥٠ (IT-٢) ٣٠ (IT-٣) ٢٠ (guideline)
Particulates PM _{٢.٥} (μg/m ^٣)	N/A	٨٠ (urban) ٨٠ (indus.)	٥٠ (urban) ٥٠ (indus.)	N/A	٧٥ (IT-١) ٥٠ (IT-٢)	٣٥ (IT-١) ٢٥ (IT-٢)

^٤ World Health Organization (WHO). Air Quality Guidelines Global Update, ٢٠٠٥

^٥ IT refers to Interim target, until achieving the guideline value

Ambient air quality Limits (with the more stringent limits highlighted)						
	Egyptian Law ^٤			WBG EHS General Guidelines ^٥		
					٣٧.٥ (IT-٣) ٢٥ (guideline)	١٥ (IT-٣) ١٠ (guideline)
Total suspended particles TSP (μg/m ^٣)	N/A	٢٣٠ (urban) ٢٣٠ (indus.)	١٢٥ (urban) ١٢٥ (indus.)	N/A	N/A	N/A

٥.٣.٤. Indoor Air quality

Annex ٨ of Law ^٤ Executive Regulations lists the maximum allowable limits for air contaminants within the working environment. For total particulates that cause only discomfort and has no significant health effects, the threshold is ١٠ mg / m^٣ and for inhalable particles ٣ mg / m^٣ (inhalable soil ٢.٥ micron to ١٠ microns). Table ٣ provides the maximum (permissible) limits for air pollutants inside workplaces.

Table ٣ Indoor Air quality

Measurement parameter (unit)	SO _٢ (ppm)	H _٢ S (ppm)	NO _x (ppm)	CO (ppm)	CO _٢ (ppm)	Smoke (μg/m ^٣)
Max. Permissible Limit inside the working environment	٢	١٠	٣	٢٥	٥٠٠٠	-

٥.٣.٥. Water and Wastewater

Law ٤٨/١٩٨٢ regulates the quality of freshwater resources. It includes standards for ambient water quality as well as limits for discharging wastewaters in different water bodies. HCF facilities discharging to sewers are required to comply with Law ٩٣/١٩٦٢ and its modified executive regulations (Decree ٤٤/٢٠٠٠). The law prohibits the disposal of all types of wastewater, even if treated, in public drainage system without obtaining a prior approval. Table ٤ below shows the comparison between the National and WB requirements with regards to discharge of liquid effluent into the sewer system.

Table ٤ Limits for discharge of liquid effluent into sewer system

Parameter/Pollutant	Effluent threshold (ER ٤٤/٢٠٠٠ of law ٩٣/١٩٦٢)	Effluent threshold (WBG EHS General Guidelines)
pH	٦-٩.٥	٦-٩
BOD (mg/l)	٦٠٠	٣٠

COD (mg/l)	١١٠٠	١٢٥
Total nitrogen (mg/l)	١٠٠	١٠
Total Phosphorous (mg/l)	٢٥	٢
Oil and grease (mg/l)	١٠٠	١٠
Total suspended solids (mg/l)	٨٠٠	٥٠
Total Coliform Bacteria (Most Probable Number/١٠٠ ml)	N/A	٤٠٠

٥.٣.٦. Noise

Law ٤/١٩٩٤ includes standards for ambient and occupational noise with correspondent exposure periods. The main gaps identified are:

- The ambient noise standards generally conform to international standards, but do not place a limit on the potential increase in ambient noise caused by new activities (usually an increase less than ٣ dB is considered acceptable).

Ambient noise monitoring is not consistently conducted, and monitoring data is not available to the public. There is no tracking of compliance with occupational noise exposure during the majority of construction activities.

- Selected Noise limits are different from WBG limits. A brief comparison is presented in the table below.

Table ٥ Comparison of National and WBG Noise limits

Noise	EGYPTIAN LAW ٤ REQUIREMENTS			WB REQUIREMENTS		
	Type of Area	Permissible noise intensity decibel		Receptor	One hour L_{Aeq} (dBA)	
		Day	Night		Day	Night
		٧ a.m. to ١٠ p.m.	١٠ p.m. to ٧ a.m.		٧ a.m. to ١٠ p.m.	١٠ p.m. to ٧ a.m.
		٥٠	٤٠	Residential; Institutional; educational	٥٥	٤٥
	Residential with limited traffic	٥٥	٤٥	Industrial; commercial	٧٠	٧٠

Urban residential areas with commercial activities	၆၀	၈၀	
Residential adjacent to roads less than ၁၂m wide	၆၀	၈၀	
Residential adjacent to roads ၁၂m wide or more, or light industrial areas.	၇၀	၆၀	
Industrial areas (heavy industries)	၇၀	၇၀	

The maximum occupational noise allowed by Law ၁/၁၉၉၄ for establishments that have been licensed before ၂၀၁၁ is ၉၀ dBA for eight hours. The thresholds, although relatively high, would provide good protection to workers if complied with. However, the main gaps are in compliance with such requirements.

၈.၃.၇. Occupational Health and Safety

The Labor Law ၁၂/၂၀၀၃ is the main legislation for occupational health and safety issues. Other laws and decrees relevant to occupational health and safety provisions include:

- **Law ၁/၁၉၉၄:** Articles ၄၃ - ၄၇ of its modified Executive Regulations by Decrees No. ၁၀၉၀/၂၀၁၁ and ၇၁၀/၂၀၁၂ stipulate the provision of all necessary safety measures including protective equipment to work crew involved in construction activities. Annex ၈ of the Regulations of Law no. ၁/၁၉၉၄ lists the maximum allowable limits for air contaminants within the working environment. Annex ၇ of the Executive Regulations amended in ၂၀၁၂ of Law no. ၁/၁၉၉၄ stipulates the permissible limits for sound intensity and safe exposure times in workplaces. Article ၄၄ of Law ၁/၁၉၉၄ and Article ၄၆ of its amended regulation ၇၁၀/၂၀၁၂ stipulate conditions and requirements for temperature and humidity in the workplace. Annex ၉ to the Regulations sets out the major and minor limits for temperature and humidity, exposure periods and safety precautions.
- **Law ၁၃၇/၁၉၈၁:** Labor and Workforce Safety.
- **Decree No. ၁၃၆** of ၂၀၀၃ defines procedures and forms for the notification of work-related accidents, injuries, fatalities and diseases. It replaced Decree No. ၇၀ (၁၉၉၃). Sets forth that establishments must notify the authorities when accidents and diseases occur and provide statistics on workplace injuries, accidents and diseases. Its scope is unclear.
- **Decree No. ၃၁၁** of ၂၀၀၃ specified conditions and precautions essential for the provision of OSH measures at the workplace. It replaced Decree No. ၈၀ (၁၉၈၃). Its specific contents and scope are unclear.
- **Decree No. ၁၃၄** of ၂၀၀၃ defines the committees for vocational safety and health and related OSH training institutions. Its specific contents and scope are unclear, however, since it is an executive decree of the Labor Law it is likely to have the same scope.
- Minister of industry **Decree ၉၁/၁၉၈၀** for implementing Law ၃/၁၉၈၀.
- MoHP Guidelines for Infection prevention control in different Health care facilities, ၂၀၁၆
 - Waste sorting and segregation at source.
 - Waste collection
 - Waste transportation inside the hospital

- Intermediate storage where waste is retained until it is either ready for processing or sent outside the facility for treatment and final disposal.
- Waste transport outside the facility
- Treatment of waste either by shredding and sterilizing or by incineration.
- Final disposal of treated medical waste.

٥.٣.٨. Labor Conditions

The Unified Labor Law ١٢/٢٠٠٣ establishes comprehensive guidelines on labor relations, including hiring, working hours, and termination of employees, training, health, and safety. Under the law employees have qualified right to strike. Moreover, the law also provides rules and guidelines governing mediation, arbitration, and collective bargaining between employees and employers. The law includes non-discrimination clauses and complies with the International Labor Organization (ILO) conventions regulating the employment and training of women and eligible children (Egypt ratified ILO Convention ١٨٢ on combating the Worst Forms of Child Labor in April ٢٠٠٢). Under the law, a national committee to formulate general labor policies and the National Council of Wages, whose mandate is to discuss wage-related issues and national minimum-wage policy is established.

Under the Unified Labor Law, workers may join trade unions. A trade union or workers' committee may be formed if ٥٠ employees in an entity express a wish to organize. The Minister of Manpower and Migration (MOMM) issued a decree in ٢٠١١ recognizing complete freedom of association. In March ٢٠١٦, a directive was issued not to recognize documentation from any trade union without a stamp from the Egyptian Trade Union Federation (ETUF), the only official representative of trade unions recognized by the state.

The ٢٠١٤ Constitution stipulates in article ٧٦ that “establishing unions and federations is a right that is guaranteed by the law.” Only courts may dissolve unions. The constitution states that “one syndicate is allowed per profession.” The Egyptian constitutional legislation differentiates between white-collar syndicates (for professional workers e.g., doctors, lawyers, journalists) and blue-collar workers (e.g., transportation, food, mining workers).

Other national laws and decrees relevant to labor conditions provisions are listed below:

- **Law No. ٤٨ of ١٩٧٨:** it regulates employment in the civil sector
- **Law No. ١٨ of ٢٠١٥** concerning the Civil Service: It regulates public sector employment including working conditions for civil servants; setting the retirement age for the sector; and setting out the wage structure for civil servants. It is the most recent law on Egypt's civil service, and its scope is assumed to be similar to Law No. ٤٨ of ١٩٧٨.
- **Law No. ١٤٨ of ٢٠١٩** on social insurance pension system. The new unified program covers ٢٦ categories of workers, including public- and private-sector employees, civil servants, and self-employed persons
- **Child Law no. ١٢ of ١٩٩٦**, amended by Law no. ١٢٦ of ٢٠٠٨ and its executive regulation issued by decree no. ٢٠٧٥ of ٢٠١٠. The Child Law is a general law for the protection of the rights of the child, introduced a number of amendments increasing the minimum age for children employment.
- **Decree No. ١١٨ of ٢٠٠٣** concerning the employment of children in hazardous work. It sets forth list of jobs for which children under the age of ١٨ shall not be employed. It does not exclude specific sectors as a whole or specific type of employment.

- **Decree No. ١١٣ of ٢٠٠٣** regulates preparatory and complementary work which needs to be finished by workers before or after the end of work. Its scope is not specified in the law, however, since it is an executive decree of the Labor Law it is likely to have the same scope.
- **Decree ١١٥ of ٢٠٠٣** determines the works that are intermittent by their nature and in which the worker may stay at the place of work more than ١٠ hours a day but maximum ١٢ hours a day. It covers work that is deemed intermittent by nature, including certain types of farming, transport (including land, air and water), port work and shipping.
- **Law No. ٨٣ of ٢٠٠٢** on Economic Zones of a Special Nature regulates employment relations, organisation, and management in Economic Zones of a Special Nature. It sets out that in these zones, foreign nationals may only account for ٢٥% of a firm's workforce.
- The Law on the Rights of Persons with Disabilities of ٢٠١٨ regulates the social protection, training and the right to work of people with disabilities. Its specific scope is unclear.
- Social Security Law No. ٧٩/١٩٧٥, as amended, and its executive regulations;
- Law No. ٢٠٣ for the year ١٩٩١, addressing special requirements for employees working in the public commercial (business) sector of the State;
- Child Law No ١٢٦ of ٢٠٠٨.
- Labor Law and the Social Insurance and Pensions Law-Decree no. ١٦٨/٢٠٠٧ and its amendment no. ١٦٢/٢٠١٩, which originally referred to article No. ٢٦ of Labor Law ١٢ of the year ٢٠٠٣
- Laws relating to prohibition of GBV (SEA-SH): Presidential Decree No. ٥٠ of ٢٠١٤, its amendments in ٢٠١٧; and recent amendment to law ١٤١/٢٠٢١ carried out in August ٢٠٢١ amending some articles of the ٥٨/١٩٣٧ Penal Law, to increase the penalty for sexual harassment, including sexploitation.

The national requirements related to labor and working conditions are summarized below: **All the listed requirements are applicable to the Civil Servants as per the national law.**

- **Minimum Working Age**

The minimum age for hazardous work is ١٨ years old.

- **Minimum Wage**

As of ٢٠١٩ the minimum wage is ٢,٠٠٠ Egyptian pounds (EGP). The minimum obligatory annual increase is set at no less than ٧% of the basic salary, which is the basis for calculation of social insurance. The minimum premiums are set at ٣٥% of the normal pay for overtime work during daylight and ٧٠% for work at night-time; ١٠٠% for work performed on days off and holidays.

٥.٣.٨.١. Working Hours and rest periods

According to the Labor Law, the maximum working hours per day are ٨ hours, or ٤٨ hours per week in case of a six-day work week. Worker shall receive a weekly rest of not less than ٢٤ hours every six working days.

However, an employee, occasionally may be required to work additional hours upon need. The minimum premiums are set at ٣٥% of the normal pay for overtime work during daylight and ٧٠% for work at night-time; ١٠٠% for work performed on days off and holidays.

The working hours shall include a rest period of minimum one hour in total and one continuous working period shall not exceed five consecutive hours whilst the total work duration should not exceed ١٠ hours in total. In all cases, weekly rest shall be paid.

Night Shifts: Article (١) of the law defines the night as the period between sunset and sunrise, however the law does not distinguish between the working hours in morning and night shifts thus the above general provisions shall apply.

As for working women, the decree no. ٤٤ of ٢٠٢١ regulates the work of women at night. The decree's first article states that women, upon their request, can work during night shifts in any facility, however, they should be provided the necessary measures to protect their health, and avoid any problems associated with work.

٥.٣.٨.٢. Annual Leave

Article ٤٧ of the Labor Law stipulates that the duration of the employees' annual leave is ٢١ days per year provided they have worked one year for the employer. For employees who have worked for more than ١٠ years, serving one or more employers, annual leave is ٣٠ days. Employees aged more than ٥٠ years are also entitled to an annual leave of ٣٠ days. For employees employed less than a year and not less than ٦ months, annual leave is pro-rated to the period of service.

٥.٣.٨.٣. Sick Leave

As stipulated in Article ٥٤ of the Labor Law, in case of employee's sickness he/she is entitled to sick leave based on the report from concerned medical authority. According to Social Insurance Law, during the sick leave an employee is entitled to his/her salary. An employee with proven record of sickness is entitled to a paid sick leave at the rate of ٧٥% of his/her salary upon which social insurance payments are calculated; for a period of ٩٠ days, to be increased to ٨٥% for the following ٩٠ days. Sick leaves are payable up to ١٨٠ days. The right is reserved for the employee to benefit from his/her accumulated annual leaves as well as convert these into sick leaves if such a balance exists.

٥.٣.٨.٤. Maternity Leave

According to the ١٩٩٦ Child Law, female employees covered by social insurance are entitled to three months of paid maternity leave for each up to three times, provided they have been contributing to the social insurance for the past ١٠ months. Maternity benefits are paid at ٧٥% of the last wage. Moreover, women employed in establishments with more than ٥٠ employees are entitled to up to two years of unpaid childbearing leave per child as stipulated in the Child Law.

Women are also entitled to two half-hour nursing breaks per day, or alternatively one combined an hour-long break, for ٢٤ months after the date of birth of each child. A woman preserves all her rights and benefits upon return to workplace from maternity leave.

The labor law regulates women's maternity leave (Articles No. ٩١, ٩٢, ٩٣, ٩٤ and ٩٥) whereby pregnant women who have worked in an organization for ١٠ months have the right to take ٩٠ days of maternity leave, while receiving full financial compensation during their leave. Maternity leave is available twice during a term of employment with the same employer. The employer cannot fire a woman during her maternity leave. Moreover, women have the right to take unpaid childcare leave for a period not exceeding two years and can do this twice during their service. Up until ٢٤ months of the child's birth date, women have the right to a ٣٠-minute breastfeeding break twice a day, with an option of joining the two periods.

٥.٣.٨.٥. Work Permit Requirements for Foreign Employees

Foreign employees are not permitted to work in Egypt unless Residency and Work Permits are obtained.

٥.٣.٨.٦. Discrimination and Equal Opportunities

Egyptian labor law includes non-discrimination clauses and complies with the International Labor Organization (ILO) conventions regulating the employment and training of women and eligible children (Egypt ratified ILO Convention ١٨٢ on combating the Worst Forms of Child Labor in April ٢٠٠٢). There are legal provisions that are meant to protect women against sexual harassment in the workplace.

Labor Law No. ١٢/٢٠٠٣ prevents any discrimination against women and emphasizes the equal application of the labor law for both women and men. (Article ٨٨) and prohibits gender wage discrimination to ensure that women and men receive equal pay for similar work (Article ٣٥).

The law (Article ٩٠) prohibits women from working in specific jobs, which have been defined by the minister of Manpower Decree No ١٥٥/٢٠٠٣. The labor law restricts women from working overnight from ٧:٠٠ pm to ٧:٠٠ am, with the exception of certain businesses such as hotels, restaurants, theatres, hospitals, cinemas, airports, tourist and airline offices and senior occupations^٦.

MOMM sets worker health and safety standards. The Unified Labor Law prohibits employers from maintaining hazardous working conditions, and workers have the right to remove themselves from hazardous conditions without risking the loss of employment.

In the case of a dispute about work conditions, terms, or employment provisions arises a dispute resolution mechanism exists. Both the employer and the worker have the right to ask the competent administrative authorities to start informal negotiations to settle the dispute.

a) Property Rights

Women are legally entitled to administer and deal with property. Women are entitled to be the sole owner of their properties and have the rights to control them. Upon turning ٢١, a woman has the full right to deal with her properties on an equal basis as men without any sort of gender discrimination.

b) Business registration and licensing regulations and procedures

Regulations in Egypt enable women entrepreneurs to obtain business licenses for all types of businesses. No permission of their husband is required.

c) Laws and regulations protecting against Violence Against Women

The two main legislations protecting and supporting women are the Egyptian Constitution of ٢٠١٤ and the Criminal Code of ١٩٣٧ and its amendments. Articles ١١, ٥٢, ٦٠, ٦٧, ٧١, ٨٠ and ٨٩ of the ٢٠١٤ Constitution ensure the protection of women against violence, torture, mutilation and organ trade, incitement of violence against women or specific women-based groups, “infringement of individual honor”, sexual exploitation and assault, and human trafficking, respectively.

The Egyptian legal system is also bound by international law principles, including those pertaining to women’s rights. As outlined above Egypt has ratified the Convention on the Elimination of All Forms

^٦ ILO. “Decree of the Ministry of Manpower and Emigration determining works for which women may not be employed (No. ١٥٥ of ٢٠٠٣).” Retrieved from: <https://www.ilo.org/dyn/travail/docs/٤٧٤/Decree%٢٠١٥٥%٢٠of%٢٠٢٠٠٣%٢٠-%٢٠determining%٢٠the%٢٠works%٢٠for%٢٠which%٢٠women%٢٠may%٢٠not%٢٠be%٢٠employed.pdf>

of Discrimination Against Women (CEDAW) on September ١٨, ١٩٨١. Egypt also recognizes the UN Declaration on the Elimination of Violence Against Women of ١٩٩٣. Accordingly, the Egyptian Criminal Code criminalizes some of the forms of violence cited in article ٢ of the ١٩٩٣ Declaration, such as sexual assault, rape, FGM, sexual harassment, and the trafficking of women. Crimes against women in Egypt are classified either as misdemeanors or felonies. Misdemeanors, such as catcalling or sexual harassment, are regarded as less significant and are usually punished by fines and short-term jail time; the trails are also shortened. Felonies, like Female Genital Mutilation (FGM), rape, kidnapping of women, or sexual assault, are punished by longer jail time, and a permanent record is placed for those convicted. For a case to be classified as sexual assault it is sufficient for the offender to touch the victim with their hands, reproductive organs or device against the victim's will, and that it can be proven that the act was intentional and not accidental.

The first of its kind, the Violence Against Women (VAW) unit ٢٠١٥-٢٠٢٠ aims to help women who report violent crimes by offering them social and psychological support. Although a revolutionary establishment, the unit has not yet started functioning as regularly as it is supposed to. The strategy also aims to stop negative behavior against women at its roots by educating people and raising public awareness.

This is in addition to the most recent legal amendment to Presidential Decree No. ٥٠ of ٢٠١٤ in ٢٠١٧; and recent amendment to law ١٤١/٢٠٢١ carried out in August ٢٠٢١ amending some articles of the ٥٨/١٩٣٧ Penal Law, to increase the penalty for sexual harassment, including sexploitation.

٥.٣.١٦. Legal and regulatory system affecting the rights of people with disabilities

Article ٨١ of Egypt's ٢٠١٤ Constitution states that the State shall guarantee the health, economic, social, cultural, entertainment, sporting and educational rights of persons with disabilities and strives to provide them with job opportunities, allocate a percentage of job opportunities to them, and adapt public facilities and their surrounding environment to their special needs. The State shall also ensure their exercise of all political rights and integration with other citizens in compliance with the principles of equality, justice and equal opportunities. Seven other articles in the ٢٠١٤ constitution also directly and indirectly address persons with disabilities, protecting their rights to equal health care, employment, education, political participation, and social inclusion.

Law No ١٠ of ٢٠١٨ provides a wide range of legal rights and protections for people with disabilities. These include rights to non-discrimination in employment, health, political activity, rehabilitation and training, and legal protection. The law also includes provisions for the rights of persons with disabilities in education at all levels. The law also requires that educational institutions adopt policies to support people with disabilities, and that they provide equal opportunities in education. It prohibits institutions from rejecting applications from students on grounds of disability.

٥.٣.١٧. Natural habitats

Law ١٠٢/١٩٨٤ regulates natural protected areas (including more than ١٤٠ islands in the Nile). Usually, development of the protected areas is well monitored by EEAA. However, it has been noticed that for a number of islands, no effective law enforcement is in place, and many of them already host urban development activities.

٥.٣.١٧. Cultural Heritage

Law ١١٧/١٩٨٣ has been issued to protect antiquities and culturally valuable sites. The Law addresses structural protection of antiquities by placing certain procedures for chance finds. These procedures

adequately safeguard against potential negative impacts during the construction activities associated with the project. Registered sites are closely inspected by the Antiquity Authority.

٥.٤. OTHER RELEVANT INTERNATIONAL AND REGIONAL CONVENTIONS

According to Article ٩٣ of the Egyptian Constitution in terms of hierarchy, treaties are below the constitution and are equivalent to the laws issued/enacted by the parliament. Below is a list of Conventions Egypt has ratified relevant to the project:

- Convention on the Elimination of All Forms of Discrimination Against Women. The convention promotes gender equality by ensuring women's equal access to and equal opportunities in political and public life, including the right to vote and to stand for election as well as education, health, and employment;
- Stockholm Convention for Persistent Organic Pollutants, Basel Convention for hazardous wastes and disposal.
- Promotion of Equal Remuneration Convention, ١٩٥١ (No. ١٠٠) The Convention promotes and ensures equal remuneration for men and women workers;
- Discrimination (Employment and Occupation) Convention, ١٩٥٨ (No. ١١١) The convention promotes equality of opportunity and treatment between women and men in employment and occupation and focuses on the elimination of discrimination based on race, colour, sex, religion, political opinion, national extraction and social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation.

6 Environmental and Social Baselines

This section provides a high-level overview of key baseline components given the wide range of urban and rural areas eligible for sub-project implementation.

6.1 Baseline Overview

Geographically, Component 1 will be implemented nationwide in all 27 Egyptian governorates, covering more than 300 districts, 8000 villages, and a total of 30.4 million registered applicants on the TKP database. Component 3 (FORSA) will be implemented in the pilot governorates that were selected considering many factors (e.g., poverty rate, unemployment rate, the share of TKP beneficiaries at different age brackets), and include Fayoum, Beni Sueif, Assiut, Sohag, Luxor, Al-Minya, Menoufiya, and Qalyubia.

Egypt is a transcontinental country, that adjoins Asia's southwest and Africa's northeast regions, made possible by the land bridge known as the Sinai Peninsula. The majority of Egypt is located in North Africa and is strategically bordered by both land and sea. Egypt is one of Africa, and the Middle East's, most populous countries ranking 14th in the world according to an estimated population of 104 million in 2020^y, significantly higher from the 72.7 million in the 2006 census.

With a population density of 84 people per square kilometer (218/square mile), and Cairo bearing the heaviest density, Egypt ranks 126th in the world for population density. This can be attributed to most of the population residing in and creating activity alongside the Nile Valley and Delta.

The rapid population growth in the more concentrated strips, such as Egypt's capital city, has been a cause for concern as the number of people, with a majority youth age group of under 30, exceeds the demand for formal wage employment. As of 2019, Egypt's unemployment rate is 9.9% with 16.9% of that number consisting of youth unemployment. An estimated 63% of Egypt's labor is engaged is informally employed, as the informal economy accounts for 30-40% of the Egyptian economy[^].

The population of the country's capital, Cairo was estimated to be around 99,087,900 million as of 2019, representing almost the entirety of the total population of the Government of Egypt (GoE)..

^y The World Bank. (2021). "Population, total – Egypt, Arab Rep." Retrieved from: <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=EG>

[^] Mabrouk, M. (2022). "Egypt's sizeable informal economy complicates its pandemic response." Retrieved from: <https://www.mei.edu/blog/egypts-sizeable-informal-economy-complicates-its-pandemic-response>

Figure ١ Map of Egypt and its Governorates

As of ٢٠٢١, according to the statistics by the World Bank, Egypt had the following population age distribution

Table ٦ Egypt's Population Age Distribution

٣٤ ^٩	٦١ ^{١٠}	٥ ^{١١}
Percentage of population under ١٥	- percentage of population between ١٥ and ٦٤ years old	Percentage of population ٦٥+

٦.٢ Environmental Baseline

٦.٢.١. Climate

The main vulnerabilities to climate change in Egypt are related to rise of the Mediterranean Sea level leading to inundation of coastal areas in an around the Nile Delta, change of precipitation patterns leading to heavy rains causing urban flooding (along coastal areas) and flash floods (in Upper Egypt and Sinai), rise in average temperature and more frequent heat waves and dust storms. These risks are minimally related to the project as none of the activities significantly contribute to climate change.

٦.٢.٢. Topography

Topography in potential project areas is expected to be flat as the mountainous areas of Egypt exhibit extremely low population densities.

^٩ The World Bank. (٢٠٢١) "Population ages ٠-١٤ (% of total population) - Egypt, Arab Rep." Retrieved from: <https://data.worldbank.org/indicator/SP.POP.0014.TO.ZS?locations=EG>

^{١٠} The World Bank. (٢٠٢١) "Population ages ١٥-٦٤ (% of total population) - Egypt, Arab Rep." Retrieved from: <https://data.worldbank.org/indicator/SP.POP.1564.TO.ZS?locations=EG>

^{١١} The World Bank. (٢٠٢١) "Population ages ٦٥ and above, total - Egypt, Arab Rep." <https://data.worldbank.org/indicator/SP.POP.65UP.TO?locations=EG>

Geomorphology and Geology vary greatly across Egypt but are generally irrelevant to Forsa activities.

6.3.3. Soil and Water

- *Nile Valley and Nile Delta*

Rural project areas are expected to be predominantly agricultural. While urban areas typically exhibit minimal uncovered soil.

Surface water is quite likely to be encountered in the Nile Valley and Nile Delta in the form of the Nile and its branch system.

Groundwater in the Nile Valley and Delta is generally at relatively shallow depths and is connected to the Nile and its branch system.

- *Eastern & Western Deserts and the Sinai*

Rural and urban project areas may be expected to exhibit uncovered soil. Surface water is rarely encountered outside the Nile Valley and Nile Delta. Groundwater is generally deep in areas outside the Nile Valley and Nile Delta.

In South Sinai ٣٤٢,٠٠٠ feddans can be classified as “fair” land (roughly equivalent to SCS class II), and ٣٦٥,٠٠٠ feddans as “poor” land (roughly equivalent to SCS class IV). The majority of South Sinai, however, is classified as “unsuitable” for agricultural reclamation. There are several significant areas of “fair” agricultural land in South Sinai.

6.3.5. Energy

The National Electricity Network has generally covered all residential areas in Egypt.

6.3.6. Sanitation Utilities

There are ٤١٢ sanitary stations across the GoE as of ٢٠١٩. Agricultural lands, canals, and roads where project activities may take place will generally not have access to grid electricity sources. Diesel generators are typically the alternative source of power in such locations. Based on a ٢٠٢٢ CAPMAS Press Release, as of ٢٠٢١, ٩٨.٧% of the population has access to pure drinking water, ٦٦.٧% benefits from sanitation services, and ٨٦.٦% of wastewater is treated in the country^{١٢}.

Only a small proportion of households in rural areas in Egypt are connected to central sewage treatment collection networks. Rural areas generally rely on decentralized sanitation systems. Conversely, the majority of urban areas are connected to the sewage collection and treatment network. It is worth noting that Hayah Karima¹⁷, a nationwide presidential sustainable development initiative is working towards mainstreaming and enhancing access to sanitation across the country.

6.3.7. Waste Management

[illegible]

¹³ https://www.hayakarima.com/about_en.html

Waste collection, transport, treatment and disposal systems are generally underperforming across the country. Municipal waste management is typically the responsibility of local authorities. Door-to-door collection is rare and curbside collection is the dominant mode with average coverage of about 40%. Waste accumulations, open burning, and scavenging are common. Waste disposal sites are generally overloaded, and many are unmanaged.

Hazardous waste is relatively better managed with the Nasreya Waste Treatment & Disposal Facility being the only licensed Hazardous waste disposal site in Egypt and is located in Borg El Arab, North of Alexandria Governorate.

٦.٤. Social/Socio-economic Baseline

٦.٤.١. Overview

Egypt is making visible efforts to reach the UN's Sustainable Development Goals (SDGs) which specify targets for poverty reduction, environment protection and gender equity. Despite making significant strides, the GoE is still met with challenges to meet such goals as. For example, with ٠ representing equality between men and women and ١ being the opposite end of the spectrum, Egypt fairs poorly on the Gender Inequality Index with a score of ٠.٦٦.^{١٤}

To address major issues, in line with the ٢٠٣٠ Agenda, the Egyptian Government has launched a working plan called Egypt's Vision ٢٠٣٠, otherwise known as Sustainable Development Strategy (SDS), which covers the economic, social and environmental dimensions of development. SDS promotes economic flourishing based on justice, social integrity and participation. It is under the SDS that all development plans in Egypt are incorporated while at the same time being strongly guided by the SDGs.

٦.٤.٢. Economy

As of ٢٠١٤, the GoE started implementing a transformational reforms program, with the aims of stimulating the economy, enhancing the country's business environment and creating growth. The first stage of reforms package focused on rebalancing the macroeconomic aspects; such as the VAT Law, reducing energy subsidies, and the floatation of the Egyptian Pound. The second stage of reforms targeted improving governance and investment climate, which includes the Civil Service Reform Law (passed in October ٢٠١٦), as well as undergoing reforms to remove investment barriers and attract local and foreign investments.

These reforms have led to a gradual improvement of the economy with the annual rates of GDP growth reaching ٤.٣ percent in ٢٠١٥/٢٠١٦, up from an average of only ٢ percent during the period ٢٠١٠/١١-٢٠١٣/١٤, and grew at ٥.٢% in the first half of ٢٠١٨, compared to ٣.٧% a year earlier, mainly driven by investment, exports and consumption. Initially, the currency began strengthening with strong foreign investor demand for local debt instruments, however as of ٢٠٢٢ the economy is facing significant challenges with the instable currency and limited cash flows.

To alleviate the adverse effects of the economic reforms on the poor and vulnerable, the government has scaled up key social protection short-term mitigating measures, including through higher

^{١٤} UNDP HDR. (n.d.). "Gender Equality Index." Retrieved from: <https://hdr.undp.org/data-center/thematic-composite-indices/gender-inequality-index#/indicies/GII>

allocations of food smart cards and targeted cash transfer programs and shifting from generalized energy and food subsidies to more poverty targeted programs.

The ability of the private sector to create jobs, particularly for the youth and women, is critical to reap the benefits of the reforms and mitigate the impact on the non-poor but vulnerable and the middle class. Accordingly, the government has introduced a series of key legislative reforms to enhance the business environment.

٦.٤.٣. Poverty

Poverty is a key challenge facing Egypt, and poverty eradication has become a central theme for the Government of Egypt's (GoE) ongoing social and economic reform initiatives. Poverty in Egypt, as measured in monetary terms through the National Poverty Line, has been increasing over the past ١٥ years. As of ٢٠١٩/٢٠٢٠, however, the poverty rate declined from the year before by ٢.٨%, the first time in ٢٠ years according to the Central Agency for Public Mobilization and Statistics (CAPMAS), estimated to be ٢٩.٧%^{١٥}. Notably, throughout this period, the prevalence of poverty has been higher amongst children. Regional disparities are an enduring characteristic, where Upper Rural Egypt continues to lag behind other regions, with poverty rates reaching as high as ٦٠% in some governorates. According to CAPMAS (Figure ٢), Upper Egypt shows the highest prevalence rate (٣٠%) compared to all other regions. Nonetheless, the prevalence of poor living standards is generally higher in rural areas; where deprivation is as high as ٥١.٩% in rural Upper Egypt and ٢٧.٣ % in rural Lower Egypt. Governorates that demonstrate the highest income poverty rates are also those with the highest rates of extreme multi-dimensional poverty; mostly Assuit, Sohag, Luxor, Menia, and Qena to name a few.

Women constitute half of the population of Egypt, around ٤٨.٥٠% as of ٢٠١٩, yet face different challenges compared to their male counterparts in terms of furthering their economic development opportunities. According to a recent World Bank poverty assessment, women have lower poverty rates than national rate, yet girls (under ١٨ years old) show higher poverty rates than the national rate, at ٣١.٩ percent which is slightly lower than that for boys (٣٤.٣ percent). Households where only women work show lower poverty rates than those where either one or more men work. This could be partly explained by demographics: their households are relatively smaller and their dependency rates lower. From the economic side, however, it is notable that another part of the explanation is not due to better labor market outcomes for women. Households with one or more female breadwinners tend to have lower salaries, lower incomes from agricultural activities, and lower incomes from nonagricultural businesses than households with one or more male breadwinners. The higher consumption levels and total income are mainly explained by the large differences in monetary transfers. Households with female breadwinners earn an average of four times this type of income than households with male breadwinners.

^{١٥} CAMPAS. (٢٠٢١). "Poverty rates in Egypt decline to ٢٩.٧% within year." Retrieved from: <https://www.sis.gov.eg/Story/١٥٩٦١١/CAPMAS-Poverty-rates-in-Egypt-decline-to-٢٩.٧%-within-year?lang=en-us>

Figure ٢: Poverty by governorate by (%)

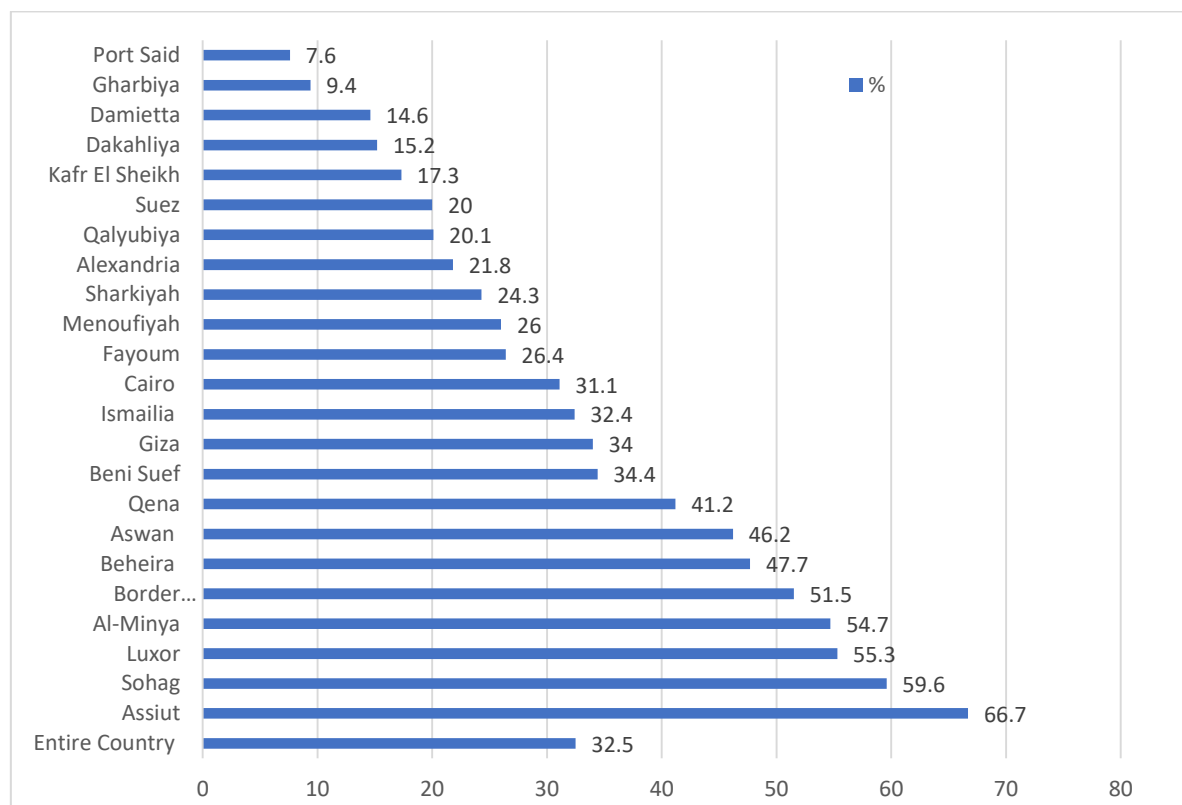
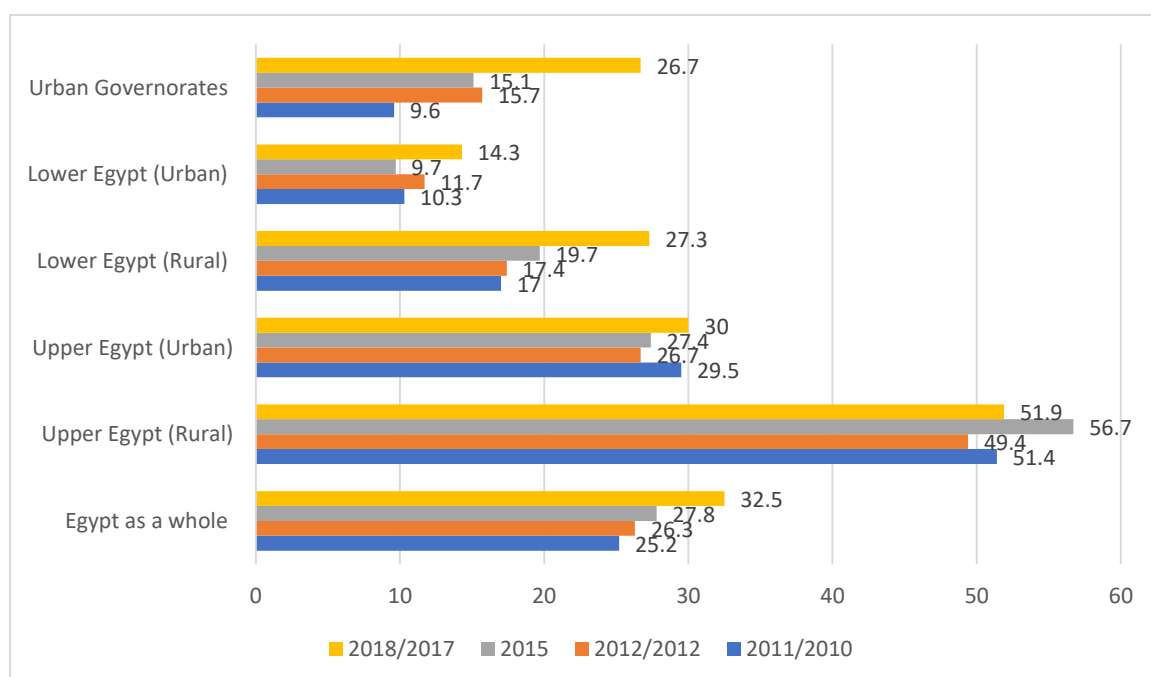


Figure ٣: Poverty – Geographical Regions Year ٢٠١١- ٢٠١٨



Multi-dimensional Poverty

Multi-dimensional poverty is often concerned with both intensity and the nature of the poverty, and allows for better targeting within cash transfer programs such as the one at hand. A multi-dimensional perspective on poverty It is keen to espouse the multiple deprivations in measures like the education, health and the standard of living and as such show the extent of these factors at an individual level. The common approach taken by the multi-dimension poverty is to use the micro data that are taken from household surveys, which would later on be aggregated at a macro level to attain the national measure of poverty. The national measure often encompasses the standard UNDP definition that is focused on establishing indicators of factors such as health, education and the living standards. For instance, these might include the nutrition, child mortality, and measures assets in a household, access to hard flooring, water, electricity, a toilet and cooking fuel)^{١٦}.

The increasing prevalence of income poverty in recent times is compounded by the prevalence of poor living conditions and inadequate access to education and health services resulting in extreme multidimensional poverty.^{١٧}

٦.٤.٥. Education

Egypt's educational system includes ٥٣,٠١٩ pre-university educational facilities, ٤٤,٧٢٥ of which are public^{١٨}. These schools serve more than ٢٢ million students, with a net primary enrollment rate of ٩٧٪^{١٩}, and net secondary enrollment rate of ٨٣٪^{٢٠}. The illiteracy rate for citizens aged ١٠ and above is ١٩.٧٪ for males, and ٢٨.٧٪ for females^{٢١}. Compared to the ٢٠١٧ population census, female illiteracy rates have improved, as it used to be ٣٠.٨٪, while men have worsened increasing from a previous ١٨.٥٪. The governorates where illiteracy rates are above the national average are Minya, Assiut, Beni Suef, Sohag, Fayoum, and Beheira.

The correlation between the level of education and the poverty status is positive; as the level of poverty decreases as one decreases his/her education in this case. Increasing education determines individual access to income through employment. The results that are given by Egypt by Information Description Report reports that ٣٠.١٪ of illiterate people are either now literate or have been successfully enrolled in illiteracy eradication classes across the country. The Red Sea, New Valley, and Beni Suef governorates show the most progress in this area with illiteracy eradication of ٥٣.٢٪, ٦٢.١٪ and ٥٧.٥٪ by ٢٠١٩.

The ٢٠١٨ ELMPS indicates that ٥٪ of young people aged ١٥ - ٢٤ have not attained any education, that ٥٢ percent are currently attending school, while ٥ percent never attended school. The survey indicates that marriage negatively impacts school attendance, with ٥ percent of youth who are married youth

^{١٦} Hussien, S. & Park, B. (٢٠١٩). "Measurement of Multidimensional Poverty in Egypt." *Journal of International and Area Studies*. Retrieved from: http://publication.gsis.snu.ac.kr/wp-content/uploads/٢٠٢٠/٠٣/Shaimaa-Hussien-and-Bokyeong-Park_-Measurement-of-Multidimensional-Poverty-in-Egypt.pdf

^{١٧} https://www.unescwa.org/sites/default/files/pubs/pdf/multidimensional_poverty_in_egypt-ry-٠٧٠١٢٠١٩_٠.pdf

^{١٨} IDSC. (٢٠٢١). Egypt in Numbers: ١٢TH Edition.

^{١٩} The World Bank. (٢٠١٨). "School enrollment, primary (% net) - Egypt, Arab Rep." Retrieved from: <https://data.worldbank.org/indicator/SE.PRM.NENR?locations=EG>

^{٢٠} The World Bank. (٢٠١٨). "School enrollment, secondary (% net) - Egypt, Arab Rep." Retrieved from: <https://data.worldbank.org/indicator/SE.SEC.NENR?locations=EG>

^{٢١} IDSC. (٢٠٢١). Egypt in Numbers: ١٢TH Edition.

attending school. There is also a clear correlation between socioeconomic status and education as ٤٠ percent of youth in the lowest wealth quintiles are attending school compared to ٦٧ percent of those in the highest wealth quintile.

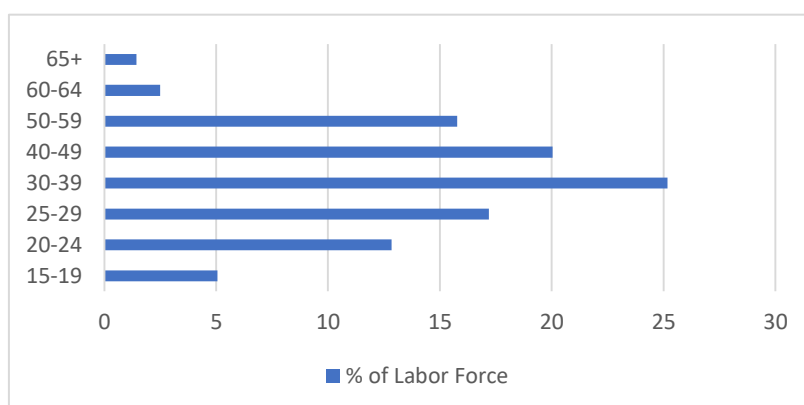
The reality is that families drop out school because of their inability to pay for their school fees. In case of the middle class, they prefer the technical high schools. Technical schools tend to be distributed over the four specialties: industrial, commercial, agricultural, and hotel related. There are over ٢,٤٧٢ technical schools across the GoE. The relative gender distribution amongst these technical schools are ٥٧.٨% male to ٤٢.٢% female.

٦.٤.٦. Unemployment

As of ٢٠١٩, Egypt's total unemployment rate, those ages ١٥-٦٤, is ٧.٩%, a ٤.٦% decrease from ٢٠١٦. The current rate of youth unemployment is ١٦.٩%, a significant increase from ٢٢.٥% in ٢٠١٦. However, this issue remains significant as the unemployment rate among the youth, under the age of ٣٠, is still higher than the overall one. The unemployment rate is highest for those with a university degree, who have a ١٦.٧% unemployment rate compared to those with below average qualifications who have a ٤.٣% unemployment rate. Moreover, an important aspect to take note of is the gender discrepancy in the amongst those unemployed. Women are underutilized in the Egyptian labor market contributing to only ١٨% of the labor force. This number has been significantly and consistently decreasing in previous years where female contribution was at ٢٤.٢% in ٢٠١٦ and ٢٠.٩% in ٢٠١٨. As of ٢٠١٩, women make up ٢١.٧% of the total unemployment rate and ٤٣.٣% of the youth unemployment rate.

According to the World Bank, Egypt's unemployment rate fell to ٧.٨% but increased to ٩.٣% in ٢٠٢١ due to instability caused by the currency fluctuations and COVID-١٩٢٢. Unemployment remains high amongst youth, ٢٤.٣%^{٢٢}, and women, ٢٤.٣%, as of ٢٠٢١.^{٢٤}

Figure ٤: % of Relative Distribution of Labor Force According to Age in ٢٠١٩



^{٢٢} The World Bank. (٢٠٢١). "Unemployment, total (% of total labor force) (modeled ILO estimate)." Retrieved from: <https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?locations=EG>

^{٢٣} The World Bank. (٢٠٢١). "Unemployment, youth total (% of total of labor force ages ١٥-٢٤) (modeled ILO estimate)." Retrieved from: <https://data.worldbank.org/indicator/SL.UEM.١٥٢٤.ZS?locations=EG>

^{٢٤} The World Bank. (٢٠٢١). "Unemployment, female (% of total of female labor force) (modeled ILO estimate)." Retrieved from: <https://data.worldbank.org/indicator/SL.UEM.TOTL.FE.ZS?locations=EG>

According to the World Bank's Women Economic Empowerment study in 2019²⁰, results showcased that there is a preference in hiring male employees over female ones in both the private and public sector. For the private sector, women only make up 18% of the workforce compared to 36% of the public sector and government institutions. The same study also revealed that women make around 3% less than their male counterparts. It is clear women lack the opportunity to gain knowledge, skills, experience and networks, which are all critical and essential pillars to those who later choose the self-employment option.

Women Labor Force Participation and Entrepreneurship in Egypt

While women's entrepreneurship has been consistently increasing on a global scale, the Middle East and North Africa (MENA) region lags considerably behind with figures showing women's participation being at least half of men in almost all countries. The same can be said for Egypt where there is an unmistakable gender gap in the entrepreneurship sector. According to the most updated figures from the 2020/2021 GEM Egypt National report, only 24.4% of new business owners are women, and only 14.6% of established business owners are women (compared to a global average of 30.6%)²¹.

These figures are indicative of a number of issues women face in opening and operating their business which include, but are not limited to: issue in financing, scaling up businesses, discriminatory treatment, and limited access to skills training to name a few.

According to Egypt's Description by Information report, 91.1% of funds from the Egyptian Micro, Small and Medium Enterprises Development Agency (MSMEDA) was relatively distributed to micro-enterprises and 48.8% to small enterprises in 2019. For micro-enterprises, data reveals that 48% of recipients were female business owners, while 91.9% were male. However, this percentage has been consistently decreasing from 2017 and 2018 which had 91.3% and 48.7% female beneficiaries respectively. In regards to lending given to small enterprises, only 23.1% of business owners were females while the remaining 76.9% were male. The percentage of female beneficiaries for small enterprises has dropped significantly from the 30.6% recorded in 2017.

²⁰ The World Bank. (2019). "Egypt: Women Economic Empowerment Study." Retrieved from: <https://www.worldbank.org/en/country/egypt/publication/egypt-women-economic-empowerment-study>

²¹ GEM. (2022). Egypt National Report: 2020/2021. Retrieved from: <https://gemconsortium.org/report/gem-egypt-report-2020-2021>

٦.٤.٧. Health

For health care, one of the key challenges is equitable access. Hospitals and medical services tend to be available in urban settings and are less available in rural areas. There are issues in maintaining access routes to these medical services, which is a huge priority.

The most recent statistics by CAPMAS, revealed an increase in female life expectancy from ٧٢.٦ years in ٢٠٢٠ to ٧٤.١ years in ٢٠٢٢. Nonetheless, there has been an increase in female mortality rates from ٠.٤ cases per thousands in ٢٠١٩ to ٦.٢ cases per thousands in ٢٠٢٠, but this is attributed to the COVID-١٩ pandemic. The same can be said for the maternal mortality rates which increased from ٤٢.٨ per ١٠٠,٠٠٠ live births in ٢٠١٩ to ٤٩ per ١٠٠,٠٠٠ per live births in ٢٠٢٠.^{٢٧} Egypt's fertility rate has slowly been relatively stable, with a rate of ٣.١ children per woman in ٢٠٠٥ to ٣.٢ in ٢٠٢٠.^{٢٨} Nonetheless, the rate is well above the global average of ٢.٥ rendering children to represent the growing majority among Egypt's poor.

As of ٢٠١٩, there were ٥٦,٨٨ million citizens benefitting from national health insurance services^{٢٩}; while infant mortality rates were at ٧.٥ per ١,٠٠٠. More than ٩٥% of infants had received their three polio shots in the same year. It is important to note that geographical disparities are prominent when it comes to child mortality rates between urban and rural areas, and among socio-economic classes^{٣٠}.

With regards to key health concerns, the ٢٠١٥ Egypt Health Issues Survey (EHIS) is the most recent conducted survey. For women, the study revealed obesity, where half of women between ١٥ and ٥٩ are obese and an additional ٢٦% are overweight, anemia amongst women between ١٥-٥٩, ٢٥% are mildly and ٢% are moderately anemic, and breast cancer, contributing to ٢٢% of all female deaths to be some of the top health issues. According to statistics by the World Bank, anemia (moderate and mild) amongst non-pregnant women between ages ١٥-٤٩ is ٢٨%.^{٣١} The President of Egypt has launched a nationwide campaign to promote women's health, through which women can access information about non-communicable diseases, as well as access to treatment^{٣٢}.

It is important to note that Female Genital Mutilation (FGM) or some form of cutting remains to be widespread despite being prohibited according to Child Law ١٢٦/٢٠٠٨. The Egypt Family Health Survey found that, by ٢٠٢١, around ٨٦% of married women between ages ١٥ to ٤٩ have undergone FGM with ٧٤% of them having undergone the procedure with a doctor.^{٣٣}

٦.٤.٨. Women's Status in Egypt

^{٢٧} CAPMAS. (٢٠٢٢). "Press Release." Retrieved from: https://www.capmas.gov.eg/Admin/News/PressRelease/٢٠٢٢٠٢١٤٢٤٥_٦٦٦/٢٠٢٢.e.pdf

^{٢٨} The World Bank. (٢٠٢١). "Fertility rate, total (births per woman) - Egypt, Arab Rep.." Retrieved from: <https://data.worldbank.org/indicator/SP.DYN.TFRT.IN?locations=EG>

^{٢٩} IDSC. (٢٠٢١). Egypt in Numbers: ١٢TH Edition.

^{٣٠} UNICEF. (n.d.). "Egypt: Health." Retrieved from: <https://www.unicef.org/egypt/health>

^{٣١} The World Bank. (٢٠١٩). "Prevalence of anemia among non-pregnant women (% of women ages ١٥-٤٩) - Egypt, Arab Rep.." Retrieved from: <https://data.worldbank.org/indicator/SH.ANM.NPRG.ZS?locations=EG>

^{٣٢} <http://www.١٠٠millionseha.eg/>

^{٣٣} UNFPA. (n.d.). "FGM in Egypt." Retrieved from: <https://egypt.unfpa.org/en/node/٢٢٥٤٤#:~:text=FGM%٢٠in%٢٠Egypt&text=According%٢٠to%٢٠the%٢٠Egyptian%٢٠Family,percent%٢٠of%٢٠whom%٢٠by%٢٠doctors.>

The majority of legislations regarding social and economic rights emphasizes the principles and values of social justice, as well as women's right to equality with men, to a fair access to resources and services and to participation in public affairs. Over the past year there have been positive trends aiming at improving the situation of Egyptian Women, in conjunction with relative improvement in opportunities for women's education, employment, participation in public affairs, and appointment to senior posts.

Still, women continue to endure multiple forms of social, cultural, economic and political exclusion. Egypt ranks low in gender equity compared to other countries worldwide. The Global Gender Gap Index, which measures disparities between men and women across countries with 1 being the most equal and 141 being the opposite, scores Egypt at 106.7 out of 141. Women have significantly lower participation in the labor force than men (15.3% vs 44.7%) and lower literacy rates (28.7% of female above 15 years old are illiterate compared to 19.7% of male⁷⁵). The Organization for Economic Cooperation and Development's Social Institutions and Gender Index 2014⁷⁶, which measures legislation, practices, and attitudes that restrict women's rights and opportunities, classifies Egypt to be among the countries 'very high' in gender discrimination together with others in Africa and the Middle East. Sexual harassment is extremely prevalent in Egypt, with 63% of the total population reporting being exposed to SH over the past 12 month period; higher percentages are reported for younger age groups in particular, with 90% of those aged 18-29 and 88% of those aged 30-39 reporting having been exposed to SH⁷⁷.

6.4.9. Disability in Egypt

Although the rights of persons with disabilities are guaranteed in the constitution, and Law No 10 of 2018 on persons with disability has been recently enacted, there is shame, stigma and prejudice around disability in Egypt, preventing the full inclusion of people with disabilities. Health and rehabilitation services for children and adults with disabilities are lacking, of poor quality, and do not meet all their needs. Children with disabilities struggle to access education, leading to high illiteracy rates (61% for males and 70% for females), and creating barriers to participation in higher education. Other barriers to education may include inaccessible environments, inaccessible course material, lack of assistive technologies, and attitudinal barriers.

According to Egypt's Description by Information Report, there are 1,078 schools with special education services that reach 46,620 special needs students. The average number of students per teacher is 4.2 as of 2019.

While there isn't any formal data recorded, it is estimated that the employment rate of people with disabilities is reported to be half that of the population without disabilities and they may face worse treatment at work. Barriers to employment include negative attitudes around disability; lack of relevant skills as a result of exclusion from education and/or professional training; and inaccessible working environments and transportation to work. While public buses are free to people with disabilities, they are not wheelchair accessible.

⁷⁵ Egypt's Information by Description Report, 2021

⁷⁶ 2019 data for this index has Egypt ranked as 'not applicable' due to data constraints

⁷⁷ Arab Barometer. (2022). "Egypt's Sexual Harassment Problem: Encouraging Reporting as a Possible Remedy." Retrieved from: <https://www.arabbarometer.org/2022/03/egypts-sexual-harassment-problem-encouraging-reporting-as-a-possible-remedy-2/>

Companies have partnered with civil society organizations to employ people with disabilities and have seen that the return on the investment of time and resources is an effective, productive, and committed workforce^{٢٧}. Rehabilitation offices are in place within the Ministry of Social Solidarity, and offer a variety of services, including training for employment and job search opportunities^{٢٨}. The Forsa component of the project at hand ensures that at least ٥% of beneficiaries are people with special needs. Forsa offers TKP beneficiaries and targeted populations with a comprehensive support package to enable them to transition out of poverty. Beneficiaries can engage in a wage employment track, or a self-employment track, and are provided with the appropriate training and capacity building efforts to do so. Support is delivered via a local network of non-governmental organizations, including those such as [Misr El Kheir](#), [Mehna. Mostkbl Foundation](#), [Tawasol](#), and the [Egyptian Association for Awareness and Community Development](#) among others. These NGOs are well-versed in their local communities and are able to complement MOSS' outreach with technically rich and thus empowering capacity development efforts.

^{٢٧} Institute of Development Studies, ٢٠١٨

^{٢٨} <https://www.moss.gov.eg/Sites/MOSA/ar-eg/Pages/sector-service-detail.aspx?sid=٥٣>

VI Potential Environmental and Social Risks and Mitigation

VI.1 Identified E&S impacts and risks

This section describes the project potential environmental and social risks and impacts associated with the project components. TKCTSBP is building on the ongoing SSSNP operation which is currently being implemented according to the World Bank Operational Policies. The project is taking into consideration the lesson learned and the associated environmental and social risks. Accordingly, a number of mechanisms were put in place to address some of the Environmental and social risks associated with the project. TKCTSBP is expected to result in positive environmental and social impacts as it seeks to improve planning, processes and on ground service delivery for conditional and unconditional cash transfers, as well as economic empowerment to shift towards independence and self-reliance.

Under the ongoing US\$900 million Bank-financed Strengthening Social Safety Net Project (SSSNP) (P145699), the TKP has made significant improvements on operational and administrative aspects, including: (i) establishing a solid management information system (MIS) which has helped improve efficiency and effectiveness of the various processes, and which hosts the TKP social registry which to date houses approximately 30.4 million individuals (this figure reflects all applicants to the TKP program, out of which 12.0 million individuals (approximately 3.6 million households) were found eligible and are now enrolled in the program; (ii) introducing digital payments making the transfer of benefits more efficient; (iii) establishing a grievance mechanism (GM) with multiple uptake channels as well as social accountability committees at the local level to promote transparency and citizen engagement (CE) in the program; and (iv) rolling out communication campaigns on program conditionality in addition to distributing SIM cards to beneficiaries to facilitate communication and outreach.

The proposed project will build on these achievements to further improve the efficiency and effectiveness of the program by addressing existing gaps and challenges. This includes: (i) improving data collection for enhanced monitoring of health and education conditionalities and ensuring the operational and financial sustainability of related administrative costs in the longer-term; (ii) further leveraging digital technologies and mobile solutions including for case management and GMs, in addition to optimizing the use of SIM cards to enhance communication, outreach, and monitoring; (iii) strengthening and deepening the quality of the grievance resolution including cultivating further coordination with the Ministry's Women's Administration to address for Gender Based Violence (GBV) related grievances in accordance with the accountability and response protocol; (iv) develop a program-level CE strategy to facilitate synergies and institutionalization of various CE approaches and rollout beneficiary or participatory monitoring to improve service delivery; (v) scaling-up and expanding communication activities regarding program recertification requirements as well as health and education conditionalities; (vi) enhancing the financial inclusion of TKP beneficiaries; (vii) enhancing the TKP MIS for improved data management and data exchange within MOSS, and with partners and government entities; and (viii) scaling up the pilot program on economic inclusion (FORSA) drawing on lessons learned from the baseline evaluation.

Impact evaluations were conducted by International Food Policy Research Institute (IFPRI) on the TKP in ٢٠١٨^{٢٩} (baseline) and in ٢٠٢٢^{٣٠} (end-line). Based on the evaluations conducted to date, TKP has already enabled households to:

- **Invest in assets, particularly productive assets. There are large and significantly positive effects on household asset holdings.** Beneficiary households own more assets in general, and importantly, they own more productive and livestock assets at the household level. Specifically, households invested in tractors, plows, and irrigation.
- **Better cope with shocks.** When faced with shocks in the past five years, the predominant method Takaful households used to cope was selling gold/jewelry. We also see a reduction in borrowing to cope with shocks. This is a positive result since it is coping strategy with less potential for long-term negative impacts than others such as child labor or having daughters marry early.
- **Reduce their debt burdens.** We see statistically significant differences between beneficiaries and non-beneficiaries with beneficiary households carrying substantially less debt. This is also a positive result as it frees households from being forced to pay down loans for specific items rather than using the money in more beneficial ways, and because it reduces the burden of interest.

With regards to the positive environmental and social impacts, the project is expected to:

- Further advance cash-plus interventions with the aim of working towards a more integrated social protection system which tackles multiple aspects of poverty and vulnerability and offer a comprehensive package of services to beneficiaries.
- Tackle multiple aspects of poverty and vulnerability including eradicating illiteracy, improving housing conditions, improving access to family planning and reproductive health services, all of which help enhance the resilience of households and their overall living conditions.
- Continue to enhance the TKP social registry to make it more agile and adaptive to allow for swift registration in case of emergencies/shocks.
- Improve the literacy levels for Takaful mothers, promote reproductive health and family planning, improve child nutrition, improve housing conditions, which have a positive impact on improving their overall living conditions while enhancing their resilience to shocks (economic, health, climate related, etc.).
- Expand TKP beneficiaries to livelihood opportunities (through component ٣ – Forsa), through wage or self-employment in addition to skills development and coaching, to reduce their dependence on CTs and help them ultimately graduate from the TKP.
- Diversifying livelihoods and increasing financial resilience of beneficiaries and has strong potential to promote access to green jobs and green businesses particularly through the self-employment track, which will also be considered under the proposed project.
- Continue contributing to an enhanced capacity to cope with shocks, reduce debts, and invest in assets.
- Improve working conditions and safety and health of all involved workers.

^{٢٩} El Enbaby, H., (٢٠١٨). Evaluation finds successes for Egypt's first conditional cash transfer program. *IFPRI*. Retrieved from: <https://www.ifpri.org/blog/evaluation-finds-successes-egypts-first-conditional-cash-transfer-program>

^{٣٠} El Enbaby, H. et al., (٢٠٢٢). Impact evaluation report: Egypt's Takaful Cash Transfer Program: Second round report. *IFPRI*. Retrieved from: <https://www.ifpri.org/publication/impact-evaluation-report-egypts-takaful-cash-transfer-program-second-round-report>

- Introduce positive opportunity for integrating the environmental and social management principles and good practices as well as citizen engagement and communication in the national social protection schemes.
- Develop and disclose analytical work related to the impact of cash transfers in a manner that would focus and draw attention to issues around vulnerability, social inclusion and gender.

On the other hand, some of project activities also present environmental, social, health and safety risks for the project workforce and communities if they are carried out inadequately.

Table A below includes the identified negative impacts for the relevant project components.

Project sub-component & main activities	Potential negative environmental, occupational health & safety, community health & safety and social risks and impacts
Component 1: Provision of Conditional and Unconditional Cash Transfers ESS 1, 2 & 10	<ul style="list-style-type: none"> • Discrimination and inequitable targeting (Moderate) • Exclusion of the most vulnerable groups (groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering from social stigma, etc.) from the program (Moderate) • Monitoring conditionality and in turn the risk of including ineligible beneficiaries, or ones not meeting conditionality terms (Moderate) • Discrimination and disrespectful treatment and sexual exploitation and abuse and sexual harassment (SEA/SH) when receiving project benefits (Substantial) • Lack of beneficiary awareness of eligibility criteria, application processes, TKP objectives, the grievance mechanism details, etc. (Substantial) • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism (Substantial) • Potential risk of domestic violence following the economic empowerment of women (Substantial) • Accessibility related issue in the social units (Substantial)
Component 2: Enhancing Delivery systems and institutional capacities ESS 1-4	<ul style="list-style-type: none"> • Efficiency of service delivery across all governorates and units (Substantial) • Electronic waste generated at the end of the devices' life time as the project will procure a number of devices for the employees. (Low, short-term)
Component 3: Economic Inclusion/Empowerment Services ESS 1-4-9	<ul style="list-style-type: none"> • Risk of biases in enrollment in the program that would lead to the exclusion of certain groups (e.g. females; people with disabilities, groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering from social stigma, etc.). (Moderate) • Lack of interest from the targeted groups out of fear of failure, disqualification from cash transfer and/or social restrictions on the case of women (Substantial) • Capacity of targeted groups to effectively exit the program (Substantial) • Domestic violence following the economic empowerment of women (Substantial) • Lack of beneficiary awareness of eligibility criteria, application processes, Forsa objectives, the grievance mechanism details, etc. fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism (Substantial) • Minor, and localized environmental and social impacts of subproject activities during implementation. The micro economic activities to be supported by the FIs to be selected might entail impacts which are expected to be limited, and site-specific including air emissions, noise, occupational health and safety (OHS) and generation of small quantities of construction wastes. Operation impacts will depend on the type of the project/asset to be operated. (low)

Project sub-component & main activities	Potential negative environmental, occupational health & safety, community health & safety and social risks and impacts
For all the components ESS 1-4, 9 & 10	<ul style="list-style-type: none"> • Labor related risks including Occupational health and safety risks, working conditions, etc. for all the project workers (Moderate) • Sexual Harassment, Exploitation and Abuse (SEA) for female workers (Moderate) • Gender Based Violence (GBV) and Sexual Harassment, Exploitation and Abuse (SEA) for female beneficiaries (Moderate) • Risk of unresolved complaints from local communities (Moderate) • Risk of unresolved complaints from workers (Moderate) • Weak level of citizens and stakeholders' participation (Moderate) • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism (Substantial)

4.2 Environmental and Social Impacts related to activities under Component 3 (Economic Inclusion)

Component 3 will finance economic inclusion for around 40,000 beneficiary households using micro credit schemes capitalizing on MOSS's Rural and Environmental Industries Support Fund . A PBC (for US\$10 million) related to the Fund becoming eligible to run micro-credit schemes is included contingent on MOSS conducting the assessment related to compliance to the Financial Intermediary Funding policy. Because the funding will be through licensed microfinancing institutions (MFIs), as mentioned above the selected financial intermediaries will develop and adopt an ESMS, as per the project's ESCP following ESS9, proportionate to the project risks and impacts. The ESMS will need to be reviewed and cleared by the Bank, prior to financing any subprojects. The ESMS will address the Environmental, Occupational Health and Safety, and Social Risks associated with the project. Specifically, the ESMS will include (a) Identification of the FI subprojects that may receive support from the Project; (b) An environmental and social policy endorsed by the Rural and Environmental Industries Support Fund senior management; (c) Clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of the FI subprojects, in accordance with ESS9, including, inter alia, stakeholder engagement and disclosure requirements applicable to FI subprojects; (d) Exclusion list with the FI subprojects that are not eligible for financing; (e) An organizational capacity and competency for implementing the ESMS with clearly defined roles and responsibilities; (f) Monitoring and reporting of environmental, social and performance of the FI subprojects and the effectiveness of the ESMS; (g) Incidents and accidents notification and subsequent reporting requirements; (h) an external communications mechanism, including measures to respond to public enquiries and concerns in a timely manner (further details are found under ESS10).

4.2.1 Environmental Impacts

Most of the sub-projects under Component 3 are not expected to result in major (if not any) environmental impacts. Those include activities relating to beneficiary profiling, career counseling, and wage employment support. The activities amount to technical and financial assistance and do not have any construction nor physical interventions.

Moreover, it is possible that some projects could have **positive environmental impacts** if the sub-project itself has an environmental objective, such as providing environmentally friendly products and services, including:

- Energy saving products
- Recycled products
- Waste management services

Component 3 involves selecting low-risk economic activities, which will be financed by FIs. The FI will give a maximum loan of 2000 USD to the beneficiary. Therefore, it is anticipated that micro economic activities might entail very **minor, and localized environmental impacts**. While the activities are not yet defined, they may include the raising of pottery or sheep in the household, sewing machines, etc. Typical key impacts for such activities are associated with:

- Improper disposal of solid waste and wastewater
- Noise and foul odors

4.2.2 **Occupational Health and Safety Impacts**

It is possible that beneficiaries **self-support services** may face several Occupational Health and Safety (OHS) challenges, including lack of: sufficient lighting and working space, appropriate ergonomic conditions, availability of proper safety equipment, access to safe drinking water and sanitation conditions, firefighting equipment. Without a provision of support, including infrastructure, for avoiding or improving these conditions, the project may result in a number of negative impacts associated with OHS. The significance of the OHS risks and impacts is moderate to substantial, considering the low skill level of the target beneficiaries and depending on the type of activity. On the other hand, supporting beneficiaries will lead to positive impacts with regards to health and safety awareness. Based on the expected subproject activities, associated OHS risks would include but are not limited to the following:

- Exposure to noise
- Fire hazards
- Slippage and falling
- Working at heights
- Electrocution

4.2.3 **Social Impacts**

The concept behind Component 3 is to create an effective and replicable platform that offers beneficiaries with a full package of support services to enable them to exit poverty. This includes marginalized groups, people with disabilities, women and families suffering from poverty have opportunities and are enabled to engage in income-generating activities and to access financial and technical services. Provided that sub-projects are planned in an inclusive manner, and designed to ensure a distribution of benefits to vulnerable groups, several **positive social and economic impacts** are expected as a result of Component 3:

- Improvement of labor participation and employability skills;
- Creation of employment opportunities for both skilled and unskilled labor;
- Creation of gender friendly and responsive learning environments;
- Narrow the gender gap in employment and work opportunities and contribute to women's economic empowerment;

- Help narrow geographic disparities by targeting nationwide poorest villages and districts;
- Improvement in the standard of living of those who were adversely affected by the economic deterioration and contribute to shared prosperity in Egypt and;
- Graduation from the TKP program, and ultimately financial independence of beneficiaries
- Enhance the productivity of the local economy.

Some negative social impacts and risks could present themselves under component 3 on economic inclusion implementation, whether at social units, within their own communities, or by implementing NGO partners:

- Discrimination based on gender, and especially in the case of young women, as well as divorced and widowed women
- Discrimination based on health condition in the case of beneficiaries with apparent disease and/or special abilities
- Risks pertaining to gender based violence, both direct and indirect, including sexual harassment, domestic and partner violence, emerging forms of violations, such as stalking and bullying whether during provision, or as a result of economic empowerment that results from participation in the program.
- Child Labor
- Beneficiary Dissatisfaction

4.3 Institutional Arrangements and responsibilities

Similar to the implementation arrangements under the ongoing Strengthening Social Safety Net Project, the proposed project will be implemented by the Ministry of Social Solidarity (MOSS). The current structure includes a senior social expert overseeing environmental and social activities in coordination with FORSA screening committee at the central level, social officers overseeing environmental and social activities at the local level, a communication officer who will work in coordination with the communication department and will also be responsible for the implementation of the stakeholder engagement plan, a grievance mechanism officer and appoint or hire a gender specialist as part of the PIU. .

The project will be implemented through MOSS's existing structure, supported by a PIU which includes permanent staff from MOSS, and which forms the Program Task Force. The Central Administration for Social Pension under the Social Protection Department is responsible for day-to-day project management, reporting to MOSS and supported by the PIU. At the regional level, the project is supported by regional directorates of MOSS, district offices, and MOSS' social units which exist in villages or groups of villages. These units are responsible for mobilization, outreach, and maintaining continuous contact with beneficiary households. MOSS has also signed Memoranda of Understandings with the ministries of health and education respectively, to support monitoring and reporting of conditionality.

At the policy level, the Government established a high-level ministerial committee for social justice in ၂၀၂၃. It is chaired by the Prime Minister and was established by decision Number ၂၃၃၀ for ၂၀၂၃. It includes various ministries including those of Social Solidarity, Health and Population, Finance, Education, Information Technology, Planning and Economic Development, Labor, Higher Education, and International Cooperation and Development. This committee will continue overseeing progress of the social protection reform and ensure sectoral coordination under the proposed project.

1.4 Environmental and Social Management Framework:

This section describes the measures that the project will implement including the need for additional instruments such as Environmental and Social Management Plans ESMPs, as needed, to comply with the ESF using the mitigation Hierarchy approach to avoid, minimize, mitigate and/or offset adverse risks and impacts. The following table defines responsibilities, requirements (measure and plans), frequency, and associated estimated costs.

Table 1. E&S Risks and Mitigation Measures

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component 1: Provision of Conditional and Unconditional Cash Transfers ESS 1, 2 & 10	<ul style="list-style-type: none"> • Discrimination and inequitable targeting • Exclusion of the most vulnerable groups (groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering from social stigma, etc.) from the program. • Monitoring conditionality and in turn the risk of including ineligible beneficiaries, or ones not meeting conditionality terms • Discrimination and disrespectful treatment and sexual exploitation and abuse and sexual harassment (SEA/SH) when receiving project benefits and • Lack of beneficiary awareness of eligibility criteria, application processes, TKP objectives, 	<ul style="list-style-type: none"> • Continue to use the Proxy Means Testing (PMT) for the targeting of beneficiaries and continuously update the formula, as needed, to avoid elite capture (part of project design) • Continuously updating registration, database cross-checking, enrollment, case management and beneficiary data (part of project design) • Timely, regular, and systematic recertification of beneficiaries, an adequate institutionalization of such approaches in MOSS, and clearly clear communication to beneficiaries on recertification (part of project design) • Cross-checking and data collection through the MIS and collaborations between MOSS and ministries of education and technical education (MOETE), and health (MOHP) for nursing schools, as well as Al-Azhar for Azhari schools; data collection procedures and protocols; and incentives paid to promote data collection at the level of school. (part of project design) • Digitalized cash transfers systems; increase usage of the Meeza cards (part of project design) • SEA/SH action plan to be prepared which will include as minimum that 1) once referral mechanisms established and functional, staff to be trained on those mechanisms; 2) awareness raising of beneficiaries on the referral mechanisms; 3) signature of a code of conduct by all project workers • Expansion and strengthening of CE mechanisms, including and quality advancement of grievance resolution, which entails, for instance, enhancement of GBV related grievances management, systematic institutionalization of Social Accountability Committees (SACs), rollout of beneficiary or participatory monitoring, and integration of beneficiary satisfaction questionnaires and/or modules in the annual performance audits and/or impact evaluation (part of project design) 	Progress Reports Preparation and implementation of SEA/SH action plan	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
	<p>the grievance mechanism details, etc.</p> <ul style="list-style-type: none"> • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism • Potential risk of domestic violence following the economic empowerment of women <p>Accessibility related issue in the social units</p>	<ul style="list-style-type: none"> • Development of a program-level citizen engagement strategy to enhance awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens. • Grievance Mechanisms details to be shared widely and complaints to be resolved timely • Engagement of family members who influence the ability of women to participate in Forsa activities to build trust and facilitate women's participation; these include parents and/or husbands • Raising awareness about the GM, legal rights, and rights ensured by the program to enhance usage of the GM • Capitalizing on social workers, women rural leaders, and volunteers to conduct door-to-door visits and verbal awareness sessions to accommodate for beneficiaries with mobility restrictions, who are illiterate or who suffer from visual impairments 			

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component 7: Enhancing Delivery systems and institutional capacities ESS 1 & 2	Efficiency of service delivery across all governorates and units	<ul style="list-style-type: none"> • Continuous investments in MOSS staff capacities with regards to use of the MIS; codes of conduct; policies and procedures, and E&S management (part of project design) • Further promoting the use of digital technologies in program operations as well as support enhancements to the TKP MIS. • Continuation and expansion of awareness-raising on TKP overall objectives and conditions through assessing (i) the project's communication objectives, opportunities, and challenges (b) effectiveness of communication efforts carried out to date, and accordingly determining needed improvements and way forward. • Reaching beneficiaries through personal communication (including increasing the magnitude of SMS text messaging as a means of communicating with beneficiaries and monitoring the social behavior of beneficiaries pertaining to the conditionalities), coupled with mass communication activities to raise TKP's visibility and prominence amongst target audiences • Guiding communication efforts by key performance indicators which would guide any required modifications. • Ensuring robust, reliable and efficient means of performing external data verification through establishing system interoperability across all relevant databases e.g., UHIS database; and establishing robust business intelligence and data mining capability for enhanced program monitoring, reporting and performing big data analytics (part of project design). 	Progress report	PIU	Project Cost
Component 7: Enhancing Delivery systems and institutional	Electronic waste generated at the end of the devices' life time as the project will procure a number of devices for the employees.	<ul style="list-style-type: none"> • Distribute, with each device, a brochure, in local language, on the adequate disposal of electronic waste once they reach their end-of-life. • dispose e-waste using the Egyptian Environmental Affairs Agency (EEAA) approved channels to collect and safely 	ESCP/progress report if applicable	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
capacities ESS 1 & 2		dispose electronic wastes.			

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
Component 3: Economic Inclusion/Empowerment Services ESS 1, 2, 9 & 10	<ul style="list-style-type: none"> Risk of biases in enrollment in the program that would lead to the exclusion of certain groups (e.g. females; people with disabilities, groups with limited mobility, women, especially those who are widowed or divorced, people with disabilities, those suffering 	<p>An ESMS will be developed for this component, which will address:</p> <ul style="list-style-type: none"> Selection and management of implementing partners and their E&S profiles and risks Develop clear selection criteria for non-TKP participants who benefit from the program Continue to deliver behavior change sessions; integrate best practices from partners who have expanded the sessions Consider expanding capacity building content with 	Progress report Preparation and implementation of SEA/SH action plan	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
	<p>from social stigma, etc.).</p> <ul style="list-style-type: none"> • Lack of interest from the targeted groups out of fear of failure, disqualification from receiving the loan and/or social restrictions on the case of women • Capacity of targeted groups to effectively exit the program • Domestic violence following the economic empowerment of women • Lack of beneficiary awareness of eligibility criteria, application processes, Forsa objectives, the grievance mechanism details, etc. fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism • Risk of inability to repay the loan 	<p>entrepreneurship and business essential modules which are currently being delivered in partnership with Sawiris Foundation</p> <ul style="list-style-type: none"> • Build on the findings and recommendations of the recently concluded FORSA baseline evaluation which provides a clear understanding of target beneficiaries • Development of a program-level citizen engagement strategy to enhance awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens. • Grievance Mechanisms details to be shared widely and complaints to be resolved timely • SEA/SH action plan to be prepared which will include as minimum that 1) once referral mechanisms established and functional, staff to be trained on those mechanisms; 2) awareness raising of beneficiaries on the referral mechanisms; 3) signature of a code of conduct by all project workers • Involve male family members of female beneficiaries of the FORSA component to gain their trust and minimize risks of conflict and violence 			
Component 3: Economic Inclusion/Empowerment Services	<ul style="list-style-type: none"> • Minor, and localized environmental and social implementation. The micro economic activities to be supported by the FIs to be 	<p>An ESMS will be developed for this component, which will address:</p> <ul style="list-style-type: none"> • Ensuring the use of E&S screening and approval methodology already in place for sub-projects. The exclusion list of the project will include high, 	Progress report, E&S instruments to be prepared	PIU/ Rural and Environmental Industries Support Fund /Selected	Project Cost includes developing ESMS for the FIs + Cost of

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
ESS 1, 2, 3 & 4	selected might entail limited, and site-specific impacts including air emissions, noise, occupational health and safety (OHS) and generation of small quantities of wastes. Operation impacts will depend on the type of the project/asset to be operated.	<p>substantial, and moderate E&S economic activities. The project will finance procurement or management of pesticides.</p> <ul style="list-style-type: none"> • Drafting, adopting, and implementing the environmental and social management plans or other instruments required for the sub-projects in accordance with the ESSs, the ESMF, Labor Management Procedure (LMP), the EHSs, and other relevant Good International Industry Practice (GIIP). • In the event any of the subprojects financed under Component 2 should require the engagement of contractors, bidders must be requested to include an adequate E&S instrument according to the screening criteria. Bidding documents will include the E&S requirements. • Monitoring the implementation of the E&S screening and management via monthly reports from partner NGOs • Provide proportionate training sessions to the implementing partners on the E&S risk management as needed • Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including stakeholder engagement activities, and functioning of the grievance mechanism(s). 		financial intermediaries	<p>simple ESMP for the subproject (₹,000 USD per instrument)</p> <p>Training will be provided by MoSS specialists</p>

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
For all the components ESS 1-4, 9 & 10	<ul style="list-style-type: none"> • Labor related risks including Occupational health and safety risks, working conditions, etc. for all the project workers • Sexual Harassment, Exploitation and Abuse (SEA) for female workers. • Gender Based Violence (GBV) and Sexual Harassment, Exploitation and Abuse (SEA) for female beneficiaries • Risk of unresolved complaints from local communities • Risk of unresolved complaints from workers • Weak level of citizens and stakeholders' participation • Fear of retaliation for employees and beneficiaries e.g., of being stopped from receiving project benefits in case of using the grievance mechanism 	<ul style="list-style-type: none"> • Establish and operate a grievance mechanism for Project workers, as described in the sub-section on LMP and consistent with ESSY. • Implementation of the SEP which includes activities such as: <ul style="list-style-type: none"> ○ Capitalize on communication efforts and Waai to combat GBV ○ Capitalize on communication efforts and Waai to expand awareness of GRM ○ Expansion and strengthening of CE mechanisms, including and quality advancement of grievance resolution, which entails, for instance, enhancement of GBV related grievances management, systematic institutionalization of Social Accountability Committees (SACs), rollout of beneficiary or participatory monitoring, and integration of beneficiary satisfaction questionnaires and/or modules in the annual performance audits and/or impact evaluation ○ Development of a program-level citizen engagement strategy to enhance awareness of rights, conditions and processes of enrollment, benefits, and expulsion; grievance mechanisms; relevant legal rights and frameworks, as per the SEP, and using diversification of the types of tools used for messages dissemination to be inclusive to citizens. ○ Grievance Mechanisms details to be shared widely and complaints to be resolved timely 	<ul style="list-style-type: none"> - ToRs to be cleared by the Bank - Plan to be reviewed and approved by the Bank along with the actions for adoption of the plan. - Verify the Plan is developed as per the approved TORs 	PIU	Project Cost

TKCTSBP ESMF

Project Component	Potential negative E&S risks and impacts	Mitigation measures/studies to be prepared or implemented	Monitoring		
			Requirements	Responsibility	Cost estimation
		<ul style="list-style-type: none"> • Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including stakeholder engagement activities, and functioning of the grievance mechanism(s). • SEA/SH action plan to be prepared • SEP plan that emphasizes TV coverage as well as door-to-door and community based mobilization efforts via community workers, women rural leaders, and volunteers, and information sessions by NGO implementing partners within proximal locations to ensure greater reach 			

TKCTSBP ESMF

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^ Labor Management

TKCTSBP is expected to include direct workers and contracted workers. Direct workers could be mainly civil servants, and consultant hired to supplement PIU capacity. Contracted workers will be primarily those working for partner NGOs who are involved in the implementation of the FORSA component. This is in addition to community workers, who will mostly be involved in all the awareness raising activities.

^.^ LMP Rationale, Aim, and Objectives

The Project is being prepared as per the requirements of the ESS ^ Labor and Working Conditions of the World Bank's Environment and Social Framework (ESF). The Labor Management Procedures (LMP) identifies the main Labor requirements and risks associated with the project and helps the Recipient to determine the resources necessary to address Labor issues. The LMP will enable different project-related parties, for example, staff of the project implementing unit, consultants, contractors, sub-contractors and project workers, to have a clear understanding of what is required on a specific labor issue. The LMP is a living document, which is initiated early in project preparation and is reviewed and updated throughout the development and implementation of the project.

^.^ OVERVIEW OF LABOR USE IN THE PROJECT

The project will be implemented by ^ types of workers classified as direct, contracted, and primary supply workers.

^.^.^ Number and Characteristics of Project Workers

The anticipated total number will be around २२,६२० divided into: २०,०१० Direct Workers; १०० contracted workers; and २२०० community workers.

Direct Workers: Direct workers could be mainly civil servants, and consultant hired to supplement PIU capacity.

The already established PIU will manage and supervise the project and will be maintained throughout the project's duration. The PIU will be strengthened with additional staff as needed during the project implementation. Other Direct Workers will include individual consultants and civil servants working in connection with the project who will be assigned throughout the Project implementation.

Total number of PIU employees, dedicated to this project, is estimated to be १० persons. The PIU will be responsible for managing the project and implementing the different procedures including this LMP. Consultants will be hired for different tasks including performing assessment of capacities and institutional arrangements to inform on institutional development needs of MOSS.

Government civil servants will be involved in the project coordination and supervision including. The government civil servants will remain subject to the terms and conditions of the existing public sector employment agreement under Law No. १^ of २०१० concerning the Civil Service. This LMP is applicable to government civil servants, but only regarding conditions of OHS, worker protections on child labor and

forced labor while the remaining terms and conditions are applied according to the national laws. The estimated number of civil servants performing project activities is at least 3,000.

Contracted Workers:

Contracted workers will be primarily those working for partner NGOs who are involved in the implementation of the FORSA component (3). This is in addition to community workers.

The majority of the work activities related to component 3 will consist of the provision of training and capacity building services. The contracted workforce will consist of skilled labors.

At the time of the submission of the report, 18 partners have been selected.

Contracted workers are predominantly both male and female. All workers will be over 18 years old.

The estimated numbers for the Project are summarized in the Table 11 below.

Type of Worker	Estimated number of workers	Comments
Direct Workers		
PIU	70	The number of the staff under PIU is the same number of consultants under TKP or PIU in addition to the Fund.
Civil Servants	3,000	
Total	3,070	
Contracted Workers		
Contracted workers	Estimated 100	Component 3 FI workers (30 per FI) for 3 FIs
Community Workers		
Women Rural Leaders ⁴¹	2,200	
TOTAL	32,470	All components

4.2.3. ASSESSMENT OF KEY POTENTIAL LABOR RISKS

⁴¹ Rural leaders are civil servants. They are engaged in door-to-door outreach and awareness raising activities, as well as the implementation of awareness raising and capacity building efforts related to Waai and later on Daem. Rural leaders are also engaged in SACs and can facilitate CE in grievances and overall performance management.

Project activities

Other non-physical works are also expected including but not limited to:

- Planning
- Stakeholder engagement
- Advisory and consultancy work
- Supervision and monitoring
- Project management

Key Labor Risks

- **Unfair and/or unclear contract terms and conditions** including wages, overtime, compensation, benefits and working hours, especially with regards to consultants hired for the project. For example, not providing written documents of assignments, wages not proportionate with tasks performed or industry standards, excess workload without provision of adequate rests and leisure, discrimination and non-equal opportunities acts including those towards women, particularly among the management, and labor with disabilities, unlawful termination and withholding of benefit etc.
- **Irregular payment of salaries:** the significance of this risk can also increase with the lack of an efficient grievance mechanism (GM).
- **Incidents of child labor or forced labor:** Though prohibited by the Law, occurrences of child labor (children under 18) may occur especially in activities conducted under component 3. Further, children are also likely to be unaware of their legal rights.
- **Discrimination and non-equal opportunities:** The project will involve several types of workers (Direct, contracted and community workers). The scale of work increase the probability of occurrence of discrimination and non-equal opportunities risks.
- **Sexual exploitation and abuse/Sexual harassment (SEA/SH):** As per the World Bank screening tool on SEA/SH risk, the project is rated as moderate. The project workers will include both men and women. There is potential risk of SEA/SH between workers as well as from workers towards community members and it should be mitigated through the appropriate mitigation measures mentioned in the ESCP, include preparation of a SEA/SH action plan, including introduction of Code of Conduct (CoC) to be signed by all project workers and embedded in the contracts of contractors.
- **Restrictions related to freedom of association and collective bargaining**
- **Occupational health and safety (OHS) risks:** the nature of the project, coupled with the weak safety culture in the country, might result in significant health and safety risks. The main causes of OHS risks include but are not limited to the following:
- **COVID-19 infection risks:** During the pandemic of COVID-19, there is a vital risk of getting infected during work, where the workforce is interacting. Particularly interactions in the office environment since it's a closed environment, may pose a certain level of health and safety risk associated with COVID-19 infection, especially if proper hygiene, safety precautions and social distancing measures are not adhered to.
- **Traffic safety risks** for workers moving from and to the sites

- **Risks associated with the lack of workers' awareness/knowledge** on the type and significance of OHS risks involved with their work.
- **Risk of labor unresolved complaints:** This risk could be a result of the lack of the absence of a properly designed GM. Workers usually raise their complaints informally to their direct managers/supervisors those will need to be formally documented and a proper system to catrue them will be established as described in this LMP.

٨.٥. Occupational Health & Safety (OHS)

Enhanced OHS measures shall be developed. These measures will be included in the procurement documents/new contracts. To achieve the OHS performance the PIU is committed to:

- Provide a clear assignment of OHS responsibilities.
- Comply with legislation which relate to OHS requirements, in addition to General World Bank Environmental, Health and Safety Guidelines (EHSGs) and, as appropriate the industry-specific EHSGs as well as other Good International Industry Practice (GIIP).
- Prevent OHS risks through promotion of appropriate skills, knowledge and attitudes toward hazards.
- Notify the bank promptly of any serious accident or injury of a worker or member of the public that is project related. Take immediate measures to address the incident or accident to prevent recurrence in accordance with national law and this LMP.
- In case of any incident, a root cause analysis and investigation must be carried out to determine the responsibilities and the needed penalty or compensation.
- Compensation is determined according to the Egyptian social security law, which applies for both MOSS staff and contractor workers.
- Ensure availability of first aid boxes; also identify and service agreement done with specialized hospitals for complicated accidental and health problems. Specific details will be included in the emergency management plan;
- Provide employees with access to toilets and potable drinking water;
- Make relevant policies available to all employees in their language (Arabic);
- Ensure that workers have access to and are aware about the Workers Grievance Mechanism.
- Workers should be covered with appropriate insurance schemes. In addition, all workers should have insurance coverage against losses incurred from accidental death or disability as well as insurance for third party;
- Ensure that workers are covered by social insurance and have legal documents in place (even daily workers), in addition to the health and safety risk on the workers should be covered with appropriate insurance schemes for all the types of workers. In addition, the Insurance should be covering work related accidents (injuries and fatalities) Contractors will ensure insurance coverage for all workers through Law-Decree no. ١٦٨/٢٠٠٧ and its amendment no. ١٦٢/٢٠١٩

٨.٦. COVID-١٩ Considerations

Implement national procedures so that adequate precautions are in place to prevent or minimize an outbreak of COVID-19, and it is clear what should be done if a worker gets sick. These measures include but are not limited to 9 and may be changed depending on the situation of the COVID-19 outbreak):

- Assessing the characteristics of the workforce, including those with underlying health issues or who may be otherwise at risk.
- Confirming workers are fit for work, to include temperature testing and refusing entry to sick workers.
- Considering ways to minimize entry/exit to the workplace and limiting contact between workers and the community/general public.
- Reduction, storage and disposal of medical waste.
- Organize for the treatment of sick workers. Treatment of workers who are or should be self-isolating and/or are displaying symptoms.
- Establishing a procedure to follow if a worker becomes sick (following WHO guidelines).

8.7. Terms and Conditions of employment

8.7.1. Wages and working hours

These provisions will apply for: Direct workers with the exception of civil servants who will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement.

All Direct Workers will be provided with clear and understandable terms and conditions of employment. For the Contracted workers, clauses will be included in all project procurement documents to ensure that terms and conditions of employment are being provided according to the requirements of ESS⁷ and/or national law. This includes providing them with signed contracts stating clearly the duration of the contract, leave entitlements, conditions of contract termination including receiving written notices of termination, disciplinary procedures that are applicable, housing and accommodation provisions and allowance where applicable, food and payment, their rights related to hours of work, fair wages, overtime, compensation, benefits as stated in the national law as well as those arising from the requirements of ESS⁷.

Monitoring systems will be put in place to ensure that all types of Project workers will be properly paid on a regular basis and compensated for longer working hours and certain shifts which may need to be paid at a higher hourly rate as per applicable legislation (e.g., night shifts). Workers will be presented with details of grievance procedures, including the person to whom grievances should be addressed. Details about the workers' grievance, and mechanisms which will be adopted are found in Section 10.

Night shifts: There are no added benefits for night work as it would fall under shift work for which the national labor law provides conditions. Complying with the law (e.g., limiting hours during night shift, prohibiting working concurrently day and night shifts etc.) would implement security measures.

8.7.2. Forced Labor

These provisions will apply for: All workers, including civil servants under this Project.

Forced labor, refers to any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty. These practices will be prohibited and will not be used in connection with the project. This prohibition covers any kind of involuntary or compulsory labor. If forced labor is discovered in the project's workforce, prompt action will be taken to address the practice that has coerced the worker and not recreate conditions of coercion. Any cases of forced labor discovered in the project's workforce are referred to relevant government authorities and support services, as appropriate, to be addressed in accordance with national law. These may include bonded labor (work in satisfaction of a debt of an amount that would be difficult or impossible to pay off), excessive limitations on freedom of movement, excessive notice periods, retaining the worker's identity and other government-issued documents (such as ID documents) or personal belongings, imposition of recruitment or employment fees payable by the worker at the commencement of employment, loss or delay of wages that impede the workers' right to end employment within their legal rights, substantial or inappropriate fines, physical punishment, use of security or other personnel to force or extract work from project workers, or other restrictions that compel a project worker to work on a non-voluntary basis.

٨.٧.٣. Freedom of Association and Collective Bargaining

These provisions will apply for: All workers, except civil servants under this Project who will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement.

The rights of workers and the role of unions will be respected and the right to enter free and voluntary collective bargaining arrangements with management is respected.

٨.٧.٤. Equal Opportunity and Non-Discrimination

These provisions will apply for: All workers, except civil servants under this Project who will remain subject to the terms and conditions of their existing public sector employment agreement or arrangement.

As specified in the Labor Code, employment of project workers will be based on the principles of non-discrimination, equal opportunity and fair treatment. There will be no discrimination with respect to any aspects of the employment relationship, including recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment. Where persons with disabilities are hired, accessibility will be ensured in terms of provision of wheelchair ramps or elevators, or alternative formats of communication.

The following measures will be monitored by the Human Resources department, to ensure equal opportunities and fair treatment of all employees:

- Recruitment procedures will be transparent, public and non-discriminatory, and open with respect to ethnicity, religion, sexuality, disability or gender;
- Clear job descriptions will be provided in advance of recruitment and will explain the skills required for each post;
- All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. All workers will sign the employment contract;
- Employees will be informed at least two months before their expected release date of the

- coming termination;
- Depending on the origin of the employer and employee, employment terms and conditions will be communicated in a language that is understandable to both parties;

In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulty understanding the documentation.

Men and women will be given equal opportunities relating to all recruitment opportunities under the project. This will apply to hiring of all project workers. The workforce grievance mechanism (GM) will be communicated to all workers as detailed in Section ١٠ and will be used for noncompliance monitoring. The project will also provide all measures necessary for protecting vulnerable groups of workers. As mentioned above, the code of conduct will be developed which should also include provisions on SEA/SH and safety. Induction trainings and refresher trainings will be provided for all workers as detailed later in this section.

٨.٧.٥. **Sexual Exploitation and abuse / Sexual Harassment (SEA/SH)**

These provisions will apply for: All workers, including civil servants under this Project.

The project will follow the national laws and regulations and adopt mitigation measures indicated in the ESMF as well as prepare an SEA/SH action plan. It will include prevention of SEA/SH at workplace, and local communities. In addition to that, the following will be thoroughly implemented:

- Apply the full requirements related to operating the project grievance mechanism including anonymous channels
- Codes of conduct to be developed, signed by all workers.

On the code of conduct (CoC): All workers under the project including contractors will need to maintain labor relations with local communities through a CoC. The CoC is to be signed by the PIU, consultants and all project workers at large. The CoC must include sanctions for non-compliance, including non-compliance with specific policies related to gender-based violence, sexual exploitation and sexual harassment (e.g., termination). The CoC should be written in plain Arabic language and signed by each worker to indicate that they have:

- Received a copy of the CoC as part of their contract;
- Had the CoC explained to them as part of the induction process;
- Acknowledged that adherence to this CoC is a mandatory condition of employment;
- Understood that violations of the CoC can result in serious consequences, up to and including dismissal, or referral to legal authorities.

A copy of the CoC shall be displayed in a location easily accessible to the community and project-affected people. It shall be provided in Arabic.

Contractors must address the risk of gender-based violence, through:

- Mandatory training and awareness-raising for the workforce about refraining from unacceptable conduct toward local community members. Training may be repeated;

- Informing workers about national laws that make sexual harassment and gender-based violence a punishable offence which is prosecuted;

Additional training sessions for different targeted workers will include the following:

- Awareness of the requirements of this LMP and associated plans/procedures;
- Code of conduct, SEA/SH;
- Grievance mechanism, including roles, responsibilities and accountabilities, and contact persons/communication channels.
- E&S instruments as relevant including the implementation of the ESMP and waste management plan.

Training shall be delivered by experienced trainers, based on the competency requirements. Records of the training will be kept including training evaluation.

٨.٨. TERMS AND CONDITIONS

The project will have both Direct as well as Contracted and Community Workers. The Terms and Conditions for each of them are described below.

٨.٨.١. Terms and Conditions Contracted Workers

- Specific wages, hours and other provisions that apply to the project The provisions of the labor law will be implemented as a minimum reference. Accordingly, minimum wage is ٧,٠٠٠ Egyptian pounds (EGP).
- **Maximum number of hours that can be worked on the project**
The project will commit to the provisions of the Labor Law and accordingly allow a maximum working hours per day that are ٨ hours, or ٤٨ hours per week. The minimum premiums are set at ٣٠% of the normal pay for overtime work during daylight and ٧٠% for work at night-time; ١٠٠% for work performed on days off and holidays.
- **Provisions on termination**
Project workers will receive written notice of termination of employment and details of severance payments in a timely manner. All wages that have been earned, social security benefits, pension contributions and any other entitlements will be paid on or before termination of the working relationship, either directly to the project workers or where appropriate, for the benefit of the project workers. Where payments are made for the benefit of project workers, project workers will be provided with evidence of such payments.
- **Annual leave**
The duration of the employees' annual leave will be ٣٠ days per year, provided they have worked one year for the employer. For employees who have worked for more than ١٠ years, serving one or more employers, annual leave will be ٣٠ days. Employees aged more than ٥٠ years are also entitled to an

annual leave of 30 days. For employees employed less than a year and not less than 6 months, annual leave is pro-rated to the period of service.

- **Maternity leave**

Female employees covered by social insurance are entitled to three months of paid maternity leave for each up to three times, provided they have been contributing to the social insurance for the past 10 months. Maternity benefits are paid at 100% of the last wage. Moreover, women employed in establishments with more than 50 employees will be entitled to up to two years of unpaid childbearing leave per child.

Women will be also entitled to two half-hour nursing breaks per day, or alternatively one combined an hour-long break, for 12 months after the date of birth of each child. Women will preserve their rights and benefits upon return to workplace from maternity leave.

- **Rest per week**

Workers shall receive a weekly rest of not less than 11 hours every six working days. The working hours shall include a rest period of minimum one hour in total and one continuous working period shall not exceed five consecutive hours whilst the total work duration should not exceed 10 hours in total. In all cases, weekly and daily rests are paid.

- **Sick leave, injuries and death**

The employee is entitled to a sick leave based on a report from concerned medical authority. During the sick leave an employee is entitled to his/her salary. An employee with proven record of sickness is entitled to a paid sick leave at the rate of 100% of his/her salary upon which social insurance payments are calculated; for a period of 90 days, to be increased to 150% for the following 90 days. Sick leaves are payable up to 180 days. The right is reserved for the employee to benefit from his/her accumulated annual leaves as well as convert these into sick leaves if such a balance exists.

Pregnant women will be re-assigned and allowed to work in non-hazardous, non-arduous work as per medical advice without pay severance or penalty.

All direct and contractors' workers shall be appropriately insured against injuries and death in accordance with National Law and contractual requirements. The compensation for a deceased's family is defined according to the national law.

The compensation corresponding to the social insurance according to the labor law depends on taxable salary of current month, the nontaxable annual leave balance, funeral expenses corresponding to two months' salary (set minimum to be paid is 200 EGP- nontaxable) and the equivalent of 2 months gross salary is to be disbursed to the family of the deceased- nontaxable). The compensation is disbursed by the local office of National Social Insurance Authority to the heirs of the deceased. The family of the deceased also receives monthly pension from the government. In addition to compensation to be provided according national laws, additional compensation may be provided by the contracting company depending on their policies.

8.8.2. Specific Terms and Conditions applicable to Contracted (and Subcontracted) Workers

- **Specific wages, hours and other provisions that apply to the project**

The provisions of the labor law will be implemented as a minimum reference. Accordingly, the minimum wage will be ٧,٠٠٠ Egyptian pounds (EGP).

٨.٣. RESPONSIBLE STAFF

The project has a fully dedicated Project Implementation Unit (PIU) with the necessary resources exclusively dedicated to the Project operation and arrangements.

The PIU will be responsible for the following:

- Implement this labor management procedure for all types of workers
- Monitoring contracted workers compliance with Labor and OHS by contractual requirements, labor management procedures, and in line with this ESS^٧ and national labor laws.
- Ensuring that lessons-learned from accident and incident investigations and resulting corrective actions are appropriately adopted by the project in all the different sites
- Ensure there is a system in for regular monitoring and reporting on Labor and occupational safety and health performance, including immediate reporting of serious incidents and accidents;
- Review ESHS monitoring reports and make any adjustments necessary to ESHS plans to ensure correct implementation as per the WB requirements and national legislations,
- Ensuring that the grievance mechanism for project workers is established and implemented and that workers are informed of its purpose and how to use it;
- Monitoring implementation of the Worker Code of Conduct.

The contracted workers will have to comply with the requirements of ESS^٧ which will be incorporated into contractual agreements. The following represent a non-exhaustive list of their responsibilities under these LMP, which are also applicable to the contractors who will work on the Project:

- Comply with national legislation and this Labor management procedure;
- Maintain records of recruitment and employment process of contracted workers;
- Communicate clearly job descriptions and employment conditions to contracted workers;
- Have a system for regular review and reporting on Labor, and occupational safety and health performance;
- Maintain records of accidents/incidents and/or of labor management records and reports conducted by the PIU and/or third parties;
- Facilitate and accept sharing and disclosure of information;
- Implement COVID-١٩ specific measures according to this LMP and contractual agreements;
- Ensure that all workers understand and sign the Code of Conduct prior to the commencement of works;
- Ensure that the GM for workers is established and well-functioning.

٨.٩. GRIEVANCE MECHANISM (GM)

The grievance mechanism will have two specific tracks to receive concerns and provide feedback: ١) a GM designated to the public which is described below in chapter ٩; and ٢) a GM designed to address staff's concerns and complaints which is described below. The latter will be described in detail under this section.

The current section provides an overview on the existing GM systems as well as the procedures put in place by MOSS to manage the complaints, concerns and queries of staff. Key principles to be ensured in the GM are the following:

- Privacy and confidentiality of the concerned individuals are preserved;
- Various modalities and channels for submitting complaints are made available;
- Complaints are regularly followed-up and monitored;
- Feedback on submitted complaints are received in a timely manner by the concerned individuals; and
- Complaints are analyzed to improve project activities and implementation.

A well-communicated and easily accessible GM will be provided for all Project Workers to raise workplace concerns related to recruitment process and/or workplace conditions. Such workers will be informed of the grievance mechanism at the time of recruitment and the measures put in place to protect them against reprisal for its use. In the meantime, civil servants will be using the country system mechanism to submit their complaints. In case they wish they can submit to the workers GM, which is described below.

The workplace grievance mechanism will be designed to be easily understandable, clear, and transparent and to provide timely feedback. The policy of confidentiality and non-retribution will be reinforced, along with ability to raise anonymous grievances.

The mechanism will include multiple communication channels dedicated for workplace complaints only, including but not limited to an email address (sssnp.office@moss.gov.eg) ; phone number (The Director's Office); and a physical address (TKP Director's Office at MOSS Headquarters) for handing the complaints and grievances in person to the Program Director. Workers will have the freedom to pick the one they are comfortable using. The exact design will be finalized and will be disseminated prior to the launch of any contracts signatures and all contractors will be aware that those are systems related to the project that they need to comply to.

The workplace grievance mechanism will not impede access to other judicial or administrative remedies that are available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

٨.٩.١. Procedures

Workers will be encouraged to discuss their grievance and complaint informally with their direct managers. In cases where the direct manager is related to the subject of the complaint, the employee would most probably choose to directly submit a formal grievance. For all cases where the employees decide to submit a formal grievance, the following provides details about the step-step procedure they will be using:

١- RECEIPT, ACKNOWLEDGMENT AND REGISTRATION

- The worker will submit the grievance through one of the dedicated channels indicated above.

- The workers use the template and content that they see fit when submitting a complaint.
- If the worker wishes to submit the grievance verbally via phone or in person, the project staff will lodge the complaint on their behalf, and it will be processed through the same channels.
- Under request of the plaintiff, grievances can be lodged anonymously, but they would need to send it to the physical address or via phone without any identifying information.
- In case of anonymity opt-out, it is also important that the worker chooses to provide contact details or any other suitable means for him/her to be updated on the status of their complaints/grievances.
- All received grievances shall be logged into the workplace grievance log and will be reported on a bi-annual basis.
- In all cases, the staff in charge should provide a timely communication back to the complainant(s) that their grievance has been received, will be logged and reviewed for eligibility and provide them with the acknowledgment receipt. Clear and announced standards for the time frame of the response should be established, announced and adhered to. The current timeframe of response is a maximum of 30 days from receiving the complaint.

3- GRIEVANCE VERIFICATION AND ASSESSMENT

- In order to verify the grievance, it should be discussed with the worker, investigated and evidence gathered to the extent possible. This should include field inspections if needed in order to conduct interviews and gather information about the incident or the case.
- The PIU Director and the implementing partner (under component 3) will need to make a decision with regards to the eligibility of the grievance or whether it should be directed to other mechanisms such as the project GM. The following represents the proposed eligibility criteria:
 - Is the complainant one of the project's workers: direct; contracted or community workers?
 - Is the complaint related to one of the following OHS and/or worker and labor conditions: 1- OHS; 2- Forced labor; 3- Child Labor; 4- Social insurance; 5- wages and working hours; 6- discrimination and unequal opportunities; 7- Freedom of association and collective bargaining; 8- SEA/SH ?
 - Is the complaint not related to any of the above categories but still related to labor and working conditions?

The petitioner can target his/her complaint to one or more tiers at the same time. Following are the proposed tiers of grievances:

- **Tier 1: TKP Director.**
- **Tier 2: Escalation to the Minister's Office.**

3- RESPONSE AND FEEDBACK

- As an initial response, the complainant will be informed that the complaint was well received and that it was registered in the Workers GM or as needed should be sent to the Project-level GM. If available, the steps being taken to address his concerns will be shared with the complainant. This initial response shall be provided via a formal letter; an email; or a phone call within 5 working days from the date of receipt of the grievance.

- For eligible and straightforward grievances that do not require further investigation, TKP Director, or the person assigned for corrective action, will provide a response within 10 days from the initial date of receipt of the grievance, where actions are proposed to resolve the complaint and agreement on the response is sought with the complainant.
- For eligible grievances that require further assessment, the TKP Director, or the person assigned for corrective action will further engage with the complainant via a phone call or a formal meeting in order to collect further information. Based on this, they will provide within 30 days from the initial date of receipt of the grievance, where actions are proposed to resolve the complaint and agreement on the response is sought with the complainant.
- Imminent and serious safety risks reported by the worker will be addressed immediately, within maximum 5 days, and will not follow the normal timeline.
- In all the above-mentioned scenarios, the response should include a clear explanation of the proposed response including any alternative options, while clarifying to the extent possible the rights of the complainant, and the choices he has including: 1- to agree to proceed; 2- request for a second round of assessment; 3- to consider any other organizational, judicial or non-judicial escalation possibilities.
- In case the grievance feedback is satisfactory to the complainant, the response should be implemented and recorded in the grievance log with the date of grievance resolution.
- In case the grievance feedback is not satisfactory to the complainant, he/she has the right to appeal within 5 working days. In such case, a second tier should be initiated where the TKP director will attempt to propose alternative options and carry out additional investigation in order to meet the concerns of the complainant, and other stakeholders. The complainant will be invited to attend an appeal meeting or to discuss the appeal over a pre-scheduled phone call, during the first three days following the appeal. It will be preferred that a more senior staff attend/discuss the appeal with the employee. Where needed, a grievance committee might be established representing different sectors as relevant to the complaint, in addition to worker representative(s) (upon the complainant consent) in order to help achieve a transparent process. The TKP Director should send his response within 10 days from the date of the appeal. The second-tier response should also include a clear explanation of the proposed response including all alternative options and the choices the complainant has as described above. Escalation procedures for grievance redress for workers still needs to be fully established and operational prior to engaging project workers and maintained throughout project implementation.

4- AGREEMENT AND IMPLEMENTATION OF THE RESPONSE

- If the grievance has been resolved, the TKP Director will document the actions taken, time it took to resolve the grievance and satisfactory resolution.
- If the grievance has not been resolved, the TKP Director should document additional information including actions taken, communication with the complainant, and the final decisions made by the complainant and the organization with regards to any other alternatives.
- In general, confidentiality should be maintained in GM documentation, if the complainant has requested so.
- In all cases, the total number of grievances should be recorded including time it took to resolve them, as well as the number of unresolved cases.

For informal grievances, an exception on registering the complaint may be made if the person who shared it informally does not want to report it officially.

Grievances will be monitored on a monthly basis, to allow for analyzing trends and patterns with regards to nature of complaints, geography of complaints, resolution times, and other key factors which would facilitate performance management and rights.

٨.٩.٢. World Bank Grievance Redress System

Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit:

<http://www.worldbank.org/en/projectsoperations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

٨.١٠. CONTRACTOR MANAGEMENT

The contractors that will be selected will follow the requirements of the national legislation and measures described in this document in relation to Labor management including OHS issues applicable to the project that will allow them to operate in accordance with the requirements of ESS٧.

Requirements of ESS٧ will be incorporated into contractual agreements with all implementing partners (NGOs) and procedures will be put in place to manage and monitor the performance of contractors.

The contractual agreements will include non-compliance remedies (i.e., sanction clause) for possible noncompliance with E&S provisions by the implementing partner. The ESS٧ requirements will include periodic audits, inspections, and/or spot checks of project locations or workplace and/or of labor management records and reports compiled by third parties. Third parties' labor management records and reports may include: (a) a representative sample of employment contracts or arrangements between third parties and contracted workers; (b) records relating to grievances received and their resolution; (c) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; (d) records relating to incidents of non-compliance with national law; and (e) records of training provided for contracted workers to explain labor and working conditions and OHS for the project.

8.11. COMMUNITY WORKERS

The role of the community workers are illustrated in more details under [Section 8.2.1](#). The community workers who will be involved under the project should (i) be engaged on a voluntary basis and needed confirmations to prove this should be obtained; and (ii) will pass an age verification process (above 18 years old) upon recruitment/engagement.

The project has established a network of young volunteers called Daem to streamline the engagement process of the community volunteers and NGOs with the MOSS to support the communities. These network considers provisions in relation to the age, gender, and specific vulnerability of the individual or group of community workers in relation to the nature of the project's risks and impacts, and the project activities to be conducted by those workers. The health and safety risks to which the community workers may be exposed will be assessed, as well as the ability to prevent or eliminate such risks or, if the risk cannot be prevented or eliminated, the ability to protect community workers from exposure.

In preparing the agreements with the community workers, the terms and conditions on which community labor will be engaged, including times of work will be clearly identified as well as the potential risks and impacts of the activities to be conducted by them and, at a minimum, the relevant requirements of the General EHSGs and industry-specific EHSGs will be applied.

The Community workers will have access and will use the workers grievance mechanism as detailed in Section 10. Communication with community workers, will be conducted in a language and form understandable to them, so that they know what to expect from the project, and understand their own responsibilities under the project. community workers will be trained on all relevant aspects as previously mentioned for the other type of workers

9 Public Consultation and Disclosure

This section describes the consultation process and how project-specific information will be disclosed in relation to this ESMF and each subproject (further details are found in the SEP). This project has conducted a series of evaluation studies, as well as consultation and stakeholder engagement activities that have informed the current ESMF.

The PIU has convened a group public consultation (virtual and in-person) with a wide range of stakeholders (see below and in Annex V). Conducted on October 7nd, 2022, at MoSS premises in Dokki, Cairo Governorate, the hybrid consultation⁴⁵ was attended by 33 participants (12 representatives of MOSS and 21 representatives of implementing partners, including Ministries of Communications and Information Technology, Manpower, Health and Education as well as NGO and private sector representatives). During the consultation, those in presence were provided with an overview of TKP and FORSA as well as the ESMF and SEP for the project at hand and asked to provide with their feedback and recommendations for enhancement. The hybrid public consultation faced few technical (e.g., connection, sound, etc.) difficulties, which may have limited the participation some attendees; however, an email for sharing additional comments was provided to participants and focus groups discussions (FGDs) were conducted as well as a visit to a social unit. Four FGDs were conducted with 22 persons in total as follows: 1) in-person FGDs with seven female Takaful beneficiaries, 2) in-person FGD with six Karama male participants, 3) in-person FGD with MOSS staff members (2 from a social unit and 1 from a directorate), and 4) online FGD with four Forsa NGO partners. PIU

Feedback received during the consultations is documented in the different instruments (the updated ESMF and the SEP). The PIU has taken into consideration the concerns and ideas that were raised and addressed several of them in the ESMF to manage and mitigate risks and in the SEP for engagement with stakeholders. Where technically viable and as the project scope would allow, additional concerns raised by stakeholders could also be taken into account by the project.

In the meantime, the MOSS acknowledges the fact that consultation and engagement with stakeholders are ongoing processes and that the SEP is a living document that should be updated in case any additional requirement related to engaging with stakeholders emerges.

9.1. Main Findings

Summary of the conducted consultations findings are summarized in the table 12 below:

Issue	MOSS Response
Engaged beneficiaries had concerns about the mechanisms by which beneficiaries are selected,	Extensive outreach and awareness campaigns exist about criteria, benefits, terms, and

⁴⁵ Attendance sheets are included in Annex 3.

Issue	MOSS Response
excluded or disqualified from the program, as well as the relationship between entering FORSA and exiting the program. Not all beneficiaries are aware of the program's duration.	grievance mechanisms. These include printed materials and door to door visits, as well as campaigns such as WAAI. These efforts will be expanded and enhanced with greater dissemination via TV channels and a KPI-backed communications plan for Takaful, Karama and Forsa.
Not all beneficiaries are aware of the TKP hotline which can act as a major uptake channel for grievances. Beneficiaries and stakeholders who are aware of the hotline are concerned about the waiting times that users have to endure to be able to use the hotline.	Awareness raising efforts about the GRM and the hotline will be expanded; the capacity of the hotline will be expanded with more operators to avoid long waiting times.
Beneficiaries are concerned that selection criteria are not always consistent; they are under the impression that the program was less selective at onset. Another concern is the variation in waiting / processing times between application and selection.	Communication plans will include selection mechanisms and the PMT formula, terms and conditions, to combat any misconceptions about unfair selection. Extensive enhancements to delivery systems and digitalization are being adopted in the current phase to streamline selection times as well as addressing grievances.
NGOs are concerned about the lack of beneficiary awareness of the timeline of receiving benefits, that Takaful is perceived as a pension scheme, and beneficiary readiness to enter the economic empowerment track.	Upcoming awareness raising and communication plans will emphasize terms and conditions and the duration of support, as well as expand on behavior change sessions and methodologies to address this issue.
Multiple stakeholder groups are concerned about the readiness or relevance of formal grievance mechanisms, given the nature of the target group, and the need for more community-based mechanisms, as well as the introduction of an anonymous complaints / grievance monitoring mechanism.	The current phase will expand on SACs and other engagement mechanism to ensure accountability. The introduction of anonymous complains shall also be considered.

Issue	MOSS Response
Beneficiaries are concerned about the amount of support they receive, the potential for discontinuation, and criteria for disqualification; including receiving negligible support from NGOs.	Awareness efforts will be intensified to clarify qualification and disqualification criteria; as well as shift mindsets towards economic independence; to mitigate such frustrations.
NGO partners are concerned about the fact that budgets were presented prior to the current local and global inflation rates, which will impact the magnitude of work that can be completed with the same budgets.	This issue shall be discussed with the World Bank to develop proper mitigation measures.
Multiple stakeholder groups would like to have more clarity and more frequent updates about the program and especially through TV channels. The engagement of religious leaders around eligibility criteria, and the morality of benefitting from the program while being underserving was recommended.	The upcoming communication plans will include more TV coverage to ensure greater reach to different stakeholder groups, and especially those with little access to digital media, or with minimal literacy skills. The engagement of religious leaders will be considered.
Female FORSA beneficiaries and NGO partners believe it is essential to engage men and other family members who may influence females' ability to engage in the program. Such a practice is being informally adopted but can be streamlined in the upcoming phase.	The upcoming phase will consider mainstreaming the engagement of men and trust-building activities to facilitate women's participation in the FORSA program.
Beneficiaries of Takaful and Karama would like their benefits to be expanded to include health coverage or some health benefits, beyond visits and coverage to mothers of children aged 0 or less.	Efforts will be exerted to activate the Karama health benefits card, and to consider linkages between health care coverage and TKP benefits at large.
Multiple stakeholder groups expressed concerns about the fact that MOSS staff members, and especially those at the unit level are overworked and underpaid, which may impact their ability to empathize with beneficiaries, or ensure them quality services at all times.	Creating mitigation measures to ensure greater mechanisms for support and coping and to ensure that this reality does not compromise the quality of the programs, or the well-being of both beneficiaries and staff members.

9.2. Information dissemination

The MOSS [website](#) and other social media platforms including Facebook Page will be used to disclose project documents including the SEP both in English and in Arabic. All future project- related documents will be disclosed on this webpage. Project updates and information will be posted on the website. Details about the project Grievance Mechanism (GM) for workers and beneficiaries are posted on the website, and included in posters, pamphlets and other educational materials that will be distributed to the public and made available at the social units and facilities that beneficiaries engage with the program through. Stakeholders are kept informed through the above mentioned channels as the project develops, including reporting on project environmental and social performance and implementation of the Stakeholder Engagement Plan and the grievance mechanism. In the meantime, other important channels and means for information dissemination that MOSS usually use (e.g. Media campaigns, posters, door to door visits) will remain to be used particularly to serve the population with limited internet access. The upcoming phase will expand the use of TV channels to raise awareness about eligibility criteria, benefits, and rights, as suggested by engaged beneficiaries and stakeholders.

٩.٣. Grievance Mechanism for beneficiaries and the public at large

A GM is in place for TKP. The goal is to increase transparency and accountability and to reduce the risk of the project inadvertently affecting citizens by allowing beneficiaries to file grievances. The GM serves as an important feedback mechanism and learning mechanism that can help improve project impact. It provides channels for project stakeholders to provide feedback on project activities via a mechanism that allows for the identification and resolution of issues affecting the project, promptly and effectively. The GM includes various uptake channels including website^{٤٣}, social media and in-person uptakes. Complaints cases are closed within ٣٠ days and in the event that there is an appeal- an additional ٣٠ days are added. Dissemination of GM is through widespread channels including social media. Complaints are filed and managed using the GM/complaints module of the MIS.

The GM allows citizens and potential program applicants to inquire about the program; program applicants to inquire and appeal the assessment outcomes; and program beneficiaries and the public to provide feedback about program implementation, such as inclusion and exclusion errors, payment- and payment card-related concerns, staff performance, and services.

The TKP's grievance redress mechanism is in the process of developing an integrated grievance-related information-sharing mechanism with MoSS's Women's Administration, implementation of this mechanism. The Women's Administration is in place, and has been publicized by the Minister to ensure awareness and coverage. The Unit is mandated with receiving and resolving any complaints from women regarding any issues that they face, including those related to SEA/SH. Through the unit, women can also access support and guidance related to psychosocial support, sheltering, among other key resources and services.

^{٤٣} Furthermore, MOSS updated its website (<https://tk.MOSS.gov.eg/>) in April ٢٠٢٠ to receive and address TKP grievances. The GRM task force members at MOSS, Mudirreya, and Idarrah offices have access to the website for grievance resolution.

Engaged stakeholders expressed concerns about the cultural relevance of the GM, and the fact that vulnerable groups may be hesitant to proactively submit complaints. Another issue is lack of awareness about the GM itself as well as the escalation procedures, and especially among Karama participants. Finally, the capacity of the GM's hotline to avoid long waiting times was also raised by stakeholders. The mitigation measures being considered for these include enhancing the staffing capacity of the hotline, as well as continuing to raise awareness about the existence of the GM, and the fact that beneficiaries can raise complaints related to staff performance or mistreatment through the GM. The introduction of a non-retaliation policy that would be attached to the GM and disseminated to staff and beneficiaries is also a possibility. Finally, MOSS is also currently considering introducing periodic satisfaction surveys with beneficiaries, which address overall feedback, as well as satisfaction with staff performance and treatment. This will ensure better monitoring and identification of any mistreatments or staff non-compliance. These surveys can also be complemented with regular and periodic Focus Group Discussions with a sample of beneficiaries to gather deeper insights about common issues, and to identify mechanisms and strategies for their mitigation. Additional information are found in the SEP.

9.3.1. Grievance Mechanism for Sexual Exploitation and Abuse Sexual Harassment (SEA/SH)

MOSS has an [Women's Administration](#), which has been publicized by the Minister to ensure awareness and coverage. The Unit is mandated with receiving and resolving any complaints from women regarding any issues that they face, including complaints related to SEA/SH. Through the unit, women can also access support and guidance related to psychosocial support, sheltering, among other key resources and services. The unit has received 4,000 complaints within the past year and receives complaints from other units including the National Council for Women, the National Council for Human Rights, the MOSS hotline, and directly at MOSS premises. At the moment, anonymous complaints are not possible; however, it does not seem to be an issue until now as most women reach out to the Administration to request for sheltering. In the meantime, as part of the project a Performance-Based Condition (PBC) was included in the project design to ensure that the Grievance Mechanism integrates a survivor-centered accountability and response protocol to address SEA/SH. It is vital that the TKP captures GBV-related complaints by TKP beneficiaries as awareness around the issue grows through the Waai program. The protocol will ensure that complaints are handled in a survivor-centered approach as detailed in the World Bank Good Practice Note Addressing Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) in Human Development Operations⁴⁴: "Survivor-centered Approach recognizes that an appropriate response to a survivor's complaint must respect the survivor's choices. This means that the survivor's rights, needs, and wishes are prioritized in every decision related to the incident. The response should minimize further harm to the survivor and promote their well-being and should take appropriate steps to address the perpetrator's actions. The survivor of SEA/SH who has the courage to come forward must always be treated with dignity and respect. Every effort should be made to protect the safety, confidentiality, and well-being of the survivor and any action should

⁴⁴ <https://thedocs.worldbank.org/en/doc/e9ff01be0f0c8d4d73bc0e0e9ddfa94f-0290032022/original/ESF-Good-Practice-Note-on-Addressing-SEA-SH-in-HD-Operations-First-Edition-September-16-2022.pdf>

always be taken with the survivor's consent. In relation to incidents of SEA/SH involving children, the child's wishes and opinions on their situation should be considered in determining the best interests of the child. These steps serve to minimize the potential for re-traumatization and further violence against the survivor, their family, and anyone reporting SEA/SH."

١٠ Annexes

Annex ١: Consultation Summary Note

Purpose of Stakeholder Consultation:

- **Inform:** Promote stakeholder understanding of issues, problems, alternatives, opportunities and solutions through balanced and objective information sharing;
- **Consult:** To obtain feedback and acknowledge concerns and aspirations of stakeholders on analysis, alternatives, and decisions with regard to Takaful, Karama and Forsa;
- **Engage:** Work directly with stakeholders to ensure that their concerns and aspirations are understood and considered and to assure them that their concerns / aspirations would be directly reflected in the developed alternatives; and that feedback will be provided on how their input influenced the final decision.
- **Empower:** Make stakeholders partners in each aspect of the decision, including development of alternatives and identification of preferred solution so as to ensure ownership of subprojects at grassroots level.

Table ١٢ Stakeholders Engaged

Topic of Consultation	Format	Locations/ dates	Target stakeholders
ESMF & Initial SEP	Public consultation announced via personalized invitations and public announcement on the MOSS website	MOSS premises & Virtual on October ٢, ٢٠٢٢ from ١٢ PM - ٣: PM	Staff of MOSS and the ministries of Health and Education, NGOs and CDAs, Volunteers, and beneficiaries



جلسة مشاور عامة حول التأثيرات الاجتماعية و السنية لبرنامج تكافل و كرامة و فرصة الاقتصادية لتمكين الممولين من البنك الدولي



كشف حضور

جلسة مشاور عامة حول التأثيرات الاجتماعية والبيئية لبرنامج تكافل وكرامة و فرصة الاقتصادى للتمكين الممولين من البنك الدولى

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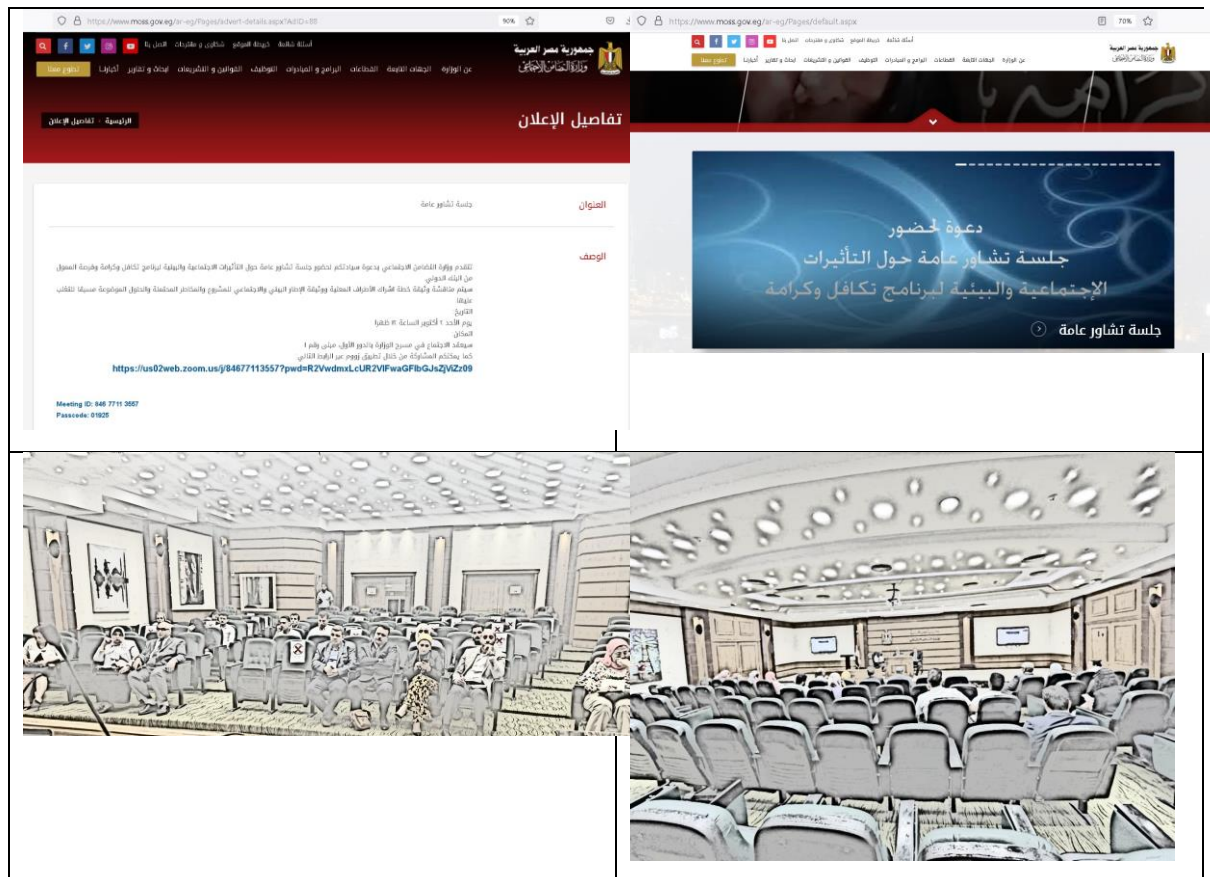
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Invite



Appendix ٢: Public Invitation and Pictures



Names & pictures were blocked for privacy concerns